
**NATIONAL DEFENSE STOCKPILE AND NAVAL
PETROLEUM RESERVE**

[As amended through Public Law 110-5, February 15, 2006]

[Checking P.L. 110-246, Effective October 1, 2008]

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July 1, 2010

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1. Strategic and Critical Materials Stock Piling Act
[As amended through Public Law 110-246, Effective May 22, 2008]

SHORT TITLE

SECTION 1. [50 U.S.C. 98] This Act may be cited as the “Strategic and Critical Materials Stock Piling Act”.

FINDINGS AND PURPOSE

SEC. 2. [50 U.S.C. 98a] (a) The Congress finds that the natural resources of the United States in certain strategic and critical materials are deficient or insufficiently developed to supply the military, industrial, and essential civilian needs of the United States for national defense.

(b) It is the purpose of this Act to provide for the acquisition and retention of stocks of certain strategic and critical materials and to encourage the conservation and development of sources of such materials within the United States and thereby to decrease and to preclude, when possible, a dangerous and costly dependence by the United States upon foreign sources for supplies of such materials in times of national emergency.

(c) The purpose of the National Defense Stockpile is to serve the interest of national defense only. The National Defense Stockpile is not to be used for economic or budgetary purposes.

MATERIALS TO BE ACQUIRED: PRESIDENTIAL AUTHORITY AND GUIDELINES

SEC. 3. [50 U.S.C. 98b] (a) Subject to subsection (c), the President shall determine from time to time (1) which materials are strategic and critical materials for the purposes of this Act, and (2) the quality and quantity of each such material to be acquired for the purposes of this Act and the form in which each such material shall be acquired and stored. Such materials when acquired, together with the other materials described in section 4 of this Act, shall constitute and be collectively known as the National Defense Stockpile (hereinafter in this Act referred to as the “stockpile”).

(b) The President shall make the determinations required to be made under subsection (a) on the basis of the principles stated in section 2(c).

(c)(1) The quantity of any material to be stockpiled under this Act, as in effect on September 30, 1987, may be changed only as provided in this subsection or as otherwise provided by law enacted after December 4, 1987.

(2) The President shall notify Congress in writing of any change proposed to be made in the quantity of any material to be stockpiled. The President may make the change after the end of

the 45-day period beginning on the date of the notification. The President shall include a full explanation and justification for the proposed change with the notification.

MATERIALS CONSTITUTING THE NATIONAL DEFENSE STOCKPILE

SEC. 4. [50 U.S.C. 98c] (a) The stockpile consists of the following materials:

(1) Materials acquired under this Act and contained in the national stockpile on July 29, 1979.

(2) Materials acquired under this Act after July 29, 1979.

(3) Materials in the supplemental stockpile established by section 104(b) of the Food for Peace Act (as in effect from September 21, 1959, through December 31, 1966) on July 29, 1979.

(4) Materials acquired by the United States under the provisions of section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) and transferred to the stockpile by the President pursuant to subsection (f) of such section.

(5) Materials transferred to the United States under section 663 of the Foreign Assistance Act of 1961 (22 U.S.C. 2423) that have been determined to be strategic and critical materials for the purposes of this Act and that are allocated by the President under subsection (b) of such section for stockpiling in the stockpile.

(6) Materials acquired by the Commodity Credit Corporation and transferred to the stockpile under section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h)).

(7) Materials acquired by the Commodity Credit Corporation under paragraph (2) of section 103(a) of the Act entitled "An Act to provide for greater stability in agriculture; to augment the marketing and disposal of agricultural products; and for other purposes", approved August 28, 1954 (7 U.S.C. 1743(a)), and transferred to the stockpile under the third sentence of such section.

(8) Materials transferred to the stockpile by the President under paragraph (4) of section 103(a) of such Act of August 28, 1954.

(9) Materials transferred to the stockpile under subsection (b).

(10) Materials transferred to the stockpile under subsection (c).

(b) Notwithstanding any other provision of law, any material that (1) is under the control of any department or agency of the United States, (2) is determined by the head of such department or agency to be excess to its needs and responsibilities, and (3) is required for the stockpile shall be transferred to the stockpile. Any such transfer shall be made without reimbursement to such department or agency, but all costs required to effect such transfer shall be paid or reimbursed from funds appropriated to carry out this Act.

(c)(1) The Secretary of Energy, in consultation with the Secretary of Defense, shall transfer to the stockpile for disposal in accordance with this Act uncontaminated materials that are in the Department of Energy inventory of materials for the production of

defense-related items, are excess to the requirements of the Department for that purpose, and are suitable for transfer to the stockpile and disposal through the stockpile.

(2) The Secretary of Defense shall determine whether materials are suitable for transfer to the stockpile under this subsection, are suitable for disposal through the stockpile, and are uncontaminated.

AUTHORITY FOR STOCKPILE OPERATIONS

SEC. 5. [50 U.S.C. 98d] (a)(1) Except for acquisitions made under the authority of paragraph (3) or (4) of section 6(a), no funds may be obligated or appropriated for acquisition of any material under this Act unless funds for such acquisition have been authorized by law. Funds appropriated for such acquisition (and for transportation and other incidental expenses related to such acquisition) shall remain available until expended, unless otherwise provided in appropriation Acts.

(2) If for any fiscal year the President proposes certain stockpile transactions in the annual materials plan submitted to Congress for that year under section 11(b) and after that plan is submitted the President proposes (or Congress requires) a significant change in any such transaction, or a significant transaction not included in such plan, no amount may be obligated or expended for such transaction during such year until the President has submitted a full statement of the proposed transaction to the appropriate committees of Congress and a period of 45 days has passed from the date of the receipt of such statement by such committees.

(b) Except for disposals made under the authority of paragraph (3), (4), or (5) of section 6(a) or under section 7(a), no disposal may be made from the stockpile unless such disposal, including the quantity of the material to be disposed of, has been specifically authorized by law.

(c) There is authorized to be appropriated such sums as may be necessary to provide for the transportation, processing, refining, storage, security, maintenance, rotation, and disposal of materials contained in or acquired for the stockpile. Funds appropriated for such purposes shall remain available to carry out the purposes for which appropriated for a period of two fiscal years, if so provided in appropriation Acts.

STOCKPILE MANAGEMENT

SEC. 6. [50 U.S.C. 98e] (a) The President shall—

(1) acquire the materials determined under section 3(a) to be strategic and critical materials;

(2) provide for the proper storage, security, and maintenance of materials in the stockpile;

(3) provide for the upgrading, refining, or processing of any material in the stockpile (notwithstanding any intermediate stockpile quantity established for such material) when necessary to convert such material into a form more suitable for storage, subsequent disposition, and immediate use in a national emergency;

(4) provide for the rotation of any material in the stockpile when necessary to prevent deterioration or technological obsolescence of such material by replacement of such material with an equivalent quantity of substantially the same material or better material;

(5) subject to the notification required by subsection (d)(2), provide for the timely disposal of materials in the stockpile that (A) are excess to stockpile requirements, and (B) may cause a loss to the Government if allowed to deteriorate; and

(6) subject to the provisions of section 5(b), dispose of materials in the stockpile the disposal of which is specifically authorized by law.

(b) Except as provided in subsections (c) and (d), acquisition of strategic and critical materials under this Act shall be made in accordance with established Federal procurement practices, and, except as provided in subsections (c) and (d) and in section 7(a), disposal of strategic and critical materials from the stockpile shall be made in accordance with the next sentence. To the maximum extent feasible—

(1) competitive procedures shall be used in the acquisition and disposal of such materials; and

(2) efforts shall be made in the acquisition and disposal of such materials to avoid undue disruption of the usual markets of producers, processors, and consumers of such materials and to protect the United States against avoidable loss.

(c)(1) The President shall encourage the use of barter in the acquisition under subsection (a)(1) of strategic and critical materials for, and the disposal under subsection (a)(5) or (a)(6) of materials from, the stockpile when acquisition or disposal by barter is authorized by law and is practical and in the best interest of the United States.

(2) Materials in the stockpile (the disposition of which is authorized by paragraph (3) to finance the upgrading, refining, or processing of a material in the stockpile, or is otherwise authorized by law) shall be available for transfer at fair market value as payment for expenses (including transportation and other incidental expenses) of acquisition of materials, or of upgrading, refining, processing, or rotating materials, under this Act.

(3) Notwithstanding section 3(c) or any other provision of law, whenever the President provides under subsection (a)(3) for the upgrading, refining, or processing of a material in the stockpile to convert that material into a form more suitable for storage, subsequent disposition, and immediate use in a national emergency, the President may barter a portion of the same material (or any other material in the stockpile that is authorized for disposal) to finance that upgrading, refining, or processing.

(4) To the extent otherwise authorized by law, property owned by the United States may be bartered for materials needed for the stockpile.

(d)(1) The President may waive the applicability of any provision of the first sentence of subsection (b) to any acquisition of material for, or disposal of material from, the stockpile. Whenever the President waives any such provision with respect to any such acquisition or disposal, or whenever the President determines that

the application of paragraph (1) or (2) of such subsection to a particular acquisition or disposal is not feasible, the President shall notify the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives in writing of the proposed acquisition or disposal at least 45 days before any obligation of the United States is incurred in connection with such acquisition or disposal and shall include in such notification the reasons for not complying with any provision of such subsection.

(2) Materials in the stockpile may be disposed of under subsection (a)(5) only if such congressional committees are notified in writing of the proposed disposal at least 45 days before any obligation of the United States is incurred in connection with such disposal.

(e) The President may acquire leasehold interests in property, for periods not in excess of twenty years, for storage, security, and maintenance of materials in the stockpile.

SPECIAL DISPOSAL AUTHORITY OF THE PRESIDENT

SEC. 7. [50 U.S.C. 98f] (a) Materials in the stockpile may be released for use, sale, or other disposition—

(1) on the order of the President, at any time the President determines the release of such materials is required for purposes of the national defense; and

(2) in time of war declared by the Congress or during a national emergency, on the order of any officer or employee of the United States designated by the President to have authority to issue disposal orders under this subsection, if such officer or employee determines that the release of such materials is required for purposes of the national defense.

(b) Any order issued under subsection (a) shall be promptly reported by the President, or by the officer or employee issuing such order, in writing, to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

MATERIALS DEVELOPMENT AND RESEARCH

SEC. 8. [50 U.S.C. 98g] (a)(1) The President shall make scientific, technologic, and economic investigations concerning the development, mining, preparation, treatment, and utilization of ores and other mineral substances that (A) are found in the United States, or in its territories or possessions, (B) are essential to the national defense, industrial, and essential civilian needs of the United States, and (C) are found in known domestic sources in inadequate quantities or grades.

(2) Such investigations shall be carried out in order to—

(A) determine and develop new domestic sources of supply of such ores and mineral substances;

(B) devise new methods for the treatment and utilization of lower grade reserves of such ores and mineral substances; and

(C) develop substitutes for such essential ores and mineral products.

(3) Investigations under paragraph (1) may be carried out on public lands and, with the consent of the owner, on privately owned lands for the purpose of exploring and determining the extent and quality of deposits of such minerals, the most suitable methods of mining and beneficiating such minerals, and the cost at which the minerals or metals may be produced.

(b) The President shall make scientific, technologic, and economic investigations of the feasibility of developing domestic sources of supplies of any agricultural material or for using agricultural commodities for the manufacture of any material determined pursuant to section 3(a) of this Act to be a strategic and critical material or substitutes therefor.

(c) The President shall make scientific, technologic, and economic investigations concerning the feasibility of—

(1) developing domestic sources of supply of materials (other than materials referred to in subsections (a) and (b)) determined pursuant to section 3(a) to be strategic and critical materials; and

(2) developing or using alternative methods for the refining or processing of a material in the stockpile so as to convert such material into a form more suitable for use during an emergency or for storage.

(d) The President shall encourage the conservation of domestic sources of any material determined pursuant to section 3(a) to be a strategic and critical material by making grants or awarding contracts for research regarding the development of—

(1) substitutes for such material; or

(2) more efficient methods of production or use of such material.

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

SEC. 9. [50 U.S.C. 98h] (a) There is established in the Treasury of the United States a separate fund to be known as the National Defense Stockpile Transaction Fund (hereinafter in this section referred to as the “fund”).

(b)(1) All moneys received from the sale of materials in the stockpile under paragraphs (5) and (6) of section 6(a) shall be covered into the fund.

(2) Subject to section 5(a)(1), moneys covered into the fund under paragraph (1) are hereby made available (subject to such limitations as may be provided in appropriation Acts) for the following purposes:

(A) The acquisition, maintenance, and disposal of strategic and critical materials under section 6(a).

(B) Transportation, storage, and other incidental expenses related to such acquisition, maintenance, and disposal.

(C) Development of current specifications of stockpile materials and the upgrading of existing stockpile materials to meet current specifications (including transportation, when economical, related to such upgrading).

(D) Testing and quality studies of stockpile materials.

(E) Studying future material and mobilization requirements for the stockpile.

(F) Activities authorized under section 15.

(G) Contracting under competitive procedures for materials development and research to—

- (i) improve the quality and availability of materials stockpiled from time to time in the stockpile; and
- (ii) develop new materials for the stockpile.

(H) Improvement or rehabilitation of facilities, structures, and infrastructure needed to maintain the integrity of stockpile materials.

(I) Disposal of hazardous materials that are stored in the stockpile and authorized for disposal by law.

(J) Performance of environmental remediation, restoration, waste management, or compliance activities at locations of the stockpile that are required under a Federal law or are undertaken by the Government under an administrative decision or negotiated agreement.

(K) Pay of employees of the National Defense Stockpile program.

(L) Other expenses of the National Defense Stockpile program.

(3) Moneys in the fund shall remain available until expended.

(c) All moneys received from the sale of materials being rotated under the provisions of section 6(a)(4) or disposed of under section 7(a) shall be covered into the fund and shall be available only for the acquisition of replacement materials.

(d) If, during a fiscal year, the National Defense Stockpile Manager barter materials in the stockpile for the purpose of acquiring, upgrading, refining, or processing other materials (or for services directly related to that purpose), the contract value of the materials so bartered shall—

(1) be applied toward the total value of materials that are authorized to be disposed of from the stockpile during that fiscal year;

(2) be treated as an acquisition for purposes of satisfying any requirement imposed on the National Defense Stockpile Manager to enter into obligations during that fiscal year under subsection (b)(2); and

(3) not increase or decrease the balance in the fund.

ADVISORY COMMITTEES

SEC. 10. [50 U.S.C. 98h-1] (a) The President may appoint advisory committees composed of individuals with expertise relating to materials in the stockpile or with expertise in stockpile management to advise the President with respect to the acquisition, transportation, processing, refining, storage, security, maintenance, rotation, and disposal of such materials under this Act.

(b) Each member of an advisory committee established under subsection (a) while serving on the business of the advisory committee away from such member's home or regular place of business shall be allowed travel expenses, including per diem in lieu of substance, as authorized by section 5703 of title 5, United States Code, for persons intermittently employed in the Government service.

(c)(1) The President shall appoint a Market Impact Committee composed of representatives from the Department of Agriculture, the Department of Commerce, the Department of Defense, the De-

partment of Energy, the Department of the Interior, the Department of State, the Department of the Treasury, and the Federal Emergency Management Agency, and such other persons as the President considers appropriate. The representatives from the Department of Commerce and the Department of State shall be Co-chairmen of the Committee.

(2) The Committee shall advise the National Defense Stockpile Manager on the projected domestic and foreign economic effects of all acquisitions and disposals of materials from the stockpile that are proposed to be included in the annual materials plan submitted to Congress under section 11(b), or in any revision of such plan, and shall submit to the manager the Committee's recommendations regarding those acquisitions and disposals.

(3) The annual materials plan or the revision of such plan, as the case may be, shall contain—

(A) the views of the Committee on the projected domestic and foreign economic effects of all acquisitions and disposals of materials from the stockpile;

(B) the recommendations submitted by the Committee under paragraph (2); and

(C) for each acquisition or disposal provided for in the plan or revision that is inconsistent with a recommendation of the Committee, a justification for the acquisition or disposal.

(4) In developing recommendations for the National Defense Stockpile Manager under paragraph (2), the Committee shall consult from time to time with representatives of producers, processors, and consumers of the types of materials stored in the stockpile.

REPORTS TO CONGRESS

SEC. 11. [50 U.S.C. 98h-2] (a) Not later than January 15 of each year, the President shall submit to the Congress an annual written report detailing operations under this Act. Each such report shall include—

(1) information with respect to foreign and domestic purchases of materials during the preceding fiscal year;

(2) information with respect to the acquisition and disposal of materials under this Act by barter, as provided for in section 6(c) of this Act, during such fiscal year;

(3) information with respect to the activities by the Stockpile Manager to encourage the conservation, substitution, and development of strategic materials within the United States;

(4) information with respect to the research and development activities conducted under sections 2 and 8;

(5) a statement and explanation of the financial status of the National Defense Stockpile Transaction Fund and the anticipated appropriations to be made to the fund, and obligations to be made from the fund, during the current fiscal year; and

(6) such other pertinent information on the administration of this Act as will enable the Congress to evaluate the effectiveness of the program provided for under this Act and to determine the need for additional legislation.

(b)(1) Not later than February 15 of each year, the President shall submit to the appropriate committees of the Congress a report containing an annual materials plan for the operation of the stockpile during the next fiscal year and the succeeding four fiscal years.

(2) Each such report shall include details of all planned expenditures from the National Defense Stockpile Transaction Fund during such period (including expenditures to be made from appropriations from the general fund of the Treasury) and of anticipated receipts from proposed disposal of stockpile materials during such period. Each such report shall also contain details regarding the materials development and research projects to be conducted under section 9(b)(2)(G) during the fiscal years covered by the report. With respect to each development and research project, the report shall specify the amount planned to be expended from the fund, the material intended to be developed, the potential military or defense industrial applications for that material, and the development and research methodologies to be used.

(3) Any proposed expenditure or disposal detailed in the annual materials plan for any such fiscal year, and any expenditure or disposal proposed in connection with any transaction submitted for such fiscal year to the appropriate committees of Congress pursuant to section 5(a)(2), that is not obligated or executed in that fiscal year may not be obligated or executed until such proposed expenditure or disposal is resubmitted in a subsequent annual materials plan or is resubmitted to the appropriate committees of Congress in accordance with section 5(a)(2), as appropriate.

DEFINITIONS

SEC. 12. [50 U.S.C. 98h-3] For the purposes of this Act:

(1) The term “strategic and critical materials” means materials that (A) would be needed to supply the military, industrial, and essential civilian needs of the United States during a national emergency, and (B) are not found or produced in the United States in sufficient quantities to meet such need.

(2) The term “national emergency” means a general declaration of emergency with respect to the national defense made by the President or by the Congress.

IMPORTATION OF STRATEGIC AND CRITICAL MATERIALS

SEC. 13. [50 U.S.C. 98h-4] The President may not prohibit or regulate the importation into the United States of any material determined to be strategic and critical pursuant to the provisions of this Act, if such material is the product of any foreign country or area not listed in general note 3(b) of the Harmonized Tariff Schedule of the United States (19 U.S.C. 1202), for so long as the importation into the United States of material of that kind which is the product of a country or area listed in such general note is not prohibited by any provision of law.

BIENNIAL REPORT ON STOCKPILE REQUIREMENTS

SEC. 14. [50 U.S.C. 98h-5] (a) Not later than January 15 of every other year, the Secretary of Defense shall submit to Congress

a report on stockpile requirements. Each such report shall include—

(1) the Secretary's recommendations with respect to stockpile requirements; and

(2) the matters required under subsection (b).

(b) Each report under this section shall set forth the national emergency planning assumptions used by the Secretary in making the Secretary's recommendations under subsection (a)(1) with respect to stockpile requirements. The Secretary shall base the national emergency planning assumptions on a military conflict scenario consistent with the scenario used by the Secretary in budgeting and defense planning purposes. The assumptions to be set forth include assumptions relating to each of the following:

(1) The length and intensity of the assumed military conflict.

(2) The military force structure to be mobilized.

(3) The losses anticipated from enemy action.

(4) The military, industrial, and essential civilian requirements to support the national emergency.

(5) The availability of supplies of strategic and critical materials from foreign sources during the mobilization period, the military conflict, and the subsequent period of replenishment, taking into consideration possible shipping losses.

(6) The domestic production of strategic and critical materials during the mobilization period, the military conflict, and the subsequent period of replenishment, taking into consideration possible shipping losses.

(7) Civilian austerity measures required during the mobilization period and military conflict.

(c) The stockpile requirements shall be based on those strategic and critical materials necessary for the United States to replenish or replace, within three years of the end of the military conflict scenario required under subsection (b), all munitions, combat support items, and weapons systems that would be required after such a military conflict.

(d) The Secretary shall also include in each report under this section an examination of the effect that alternative mobilization periods under the military conflict scenario required under subsection (b), as well as a range of other military conflict scenarios addressing potentially more serious threats to national security, would have on the Secretary's recommendations under subsection (a)(1) with respect to stockpile requirements.

(e) The President shall submit with each report under this section a statement of the plans of the President for meeting the recommendations of the Secretary set forth in the report.

DEVELOPMENT OF DOMESTIC SOURCES

SEC. 15. [50 U.S.C. 98h-6] (a) Subject to subsection (c) and to the extent the President determines such action is required for the national defense, the President shall encourage the development of domestic sources for materials determined pursuant to section 3(a) to be strategic and critical materials—

(1) by purchasing, or making a commitment to purchase, strategic and critical materials of domestic origin when such materials are needed for the stockpile; and

(2) by contracting with domestic facilities, or making a commitment to contract with domestic facilities, for the processing or refining of strategic and critical materials in the stockpile when processing or refining is necessary to convert such materials into a form more suitable for storage and subsequent disposition.

(b) A contract or commitment made under subsection (a) may not exceed five years from the date of the contract or commitment. Such purchases and commitments to purchase may be made for such quantities and on such terms and conditions, including advance payments, as the President considers to be necessary.

(c)(1) Descriptions of proposed transactions under subsection (a) shall be included in the appropriate annual materials plan submitted to Congress under section 11(b). Changes to any such transaction, or the addition of a transaction not included in such plan, shall be made in the manner provided by section 5(a)(2).

(2) The authority of the President to enter into obligations under this section is effective for any fiscal year only to the extent that funds in the National Defense Stockpile Transaction Fund are adequate to meet such obligations. Payments required to be as a result of obligations incurred under this section shall be made from amounts in the fund.

(d) The authority of the President under subsection (a) includes the authority to pay—

(1) the expenses of transporting materials; and

(2) other incidental expenses related to carrying out such subsection.

(e) The President shall include in the reports required under section 11(a) information with respect to activities conducted under this section.

NATIONAL DEFENSE STOCKPILE MANAGER

SEC. 16. [50 U.S.C. 98h-7] (a) The President shall designate a single Federal office to have responsibility for performing the functions of the President under this Act, other than under sections 7 and 13. The office designated shall be one to which appointment is made by the President, by and with the advice and consent of the Senate.

(b) The individual holding the office designated by the President under subsection (a) shall be known for purposes of functions under this Act as the “National Defense Stockpile Manager”.

(c) The President may delegate functions of the President under this Act (other than under sections 7 and 13) only to the National Defense Stockpile Manager. Any such delegation made by the President shall remain in effect until specifically revoked by law or Executive order. The President may not delegate functions of the President under sections 7 and 13.

2. Executive Order 12626—National Defense Stockpile Manager

(53 Fed. Reg. 6114)

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 *et seq.*), as amended, section 3203 of the National Defense Authorization Act for Fiscal Year 1988 (Public Law 100–180), and section 301 of Title 3 of the United States Code, it is hereby ordered as follows:

Section 1. The Secretary of Defense is designated National Defense Stockpile Manager. The functions vested in the President by the Strategic and Critical Materials Stock Piling Act, except the functions vested in the President by sections 7, 8, and 13 of the Act, are delegated to the Secretary of Defense. The functions vested in the President by section 8(a) of the Act are delegated to the Secretary of the Interior. The functions vested in the President by section 8(b) of the Act are delegated to the Secretary of Agriculture.

Sec. 2. The functions vested in the President by section 4(h) of the Commodity Credit Corporation Charter Act, as amended (15 U.S.C. 714b(h)), are delegated to the Secretary of Defense.

Sec. 3. The functions vested in the President by section 204(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 485(f)), are delegated to the Secretary of Defense.

Sec. 4. In executing the functions delegated to him by this Order, the Secretary of Defense may delegate such functions as he may deem appropriate, subject to his direction. The Secretary shall consult with the heads of affected agencies in performing the functions delegated to him by this Order.

RONALD REAGAN.

The WHITE HOUSE, *February 25, 1988.*

3. Annual Defense Authorization and Appropriations Acts

John Warner National Defense Authorization Act for Fiscal Year 2007

(Public Law 109–364, approved Oct. 17, 2006)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE STOCKPILE FUNDS.

(a) **OBLIGATION OF STOCKPILE FUNDS.**—During fiscal year 2007, the National Defense Stockpile Manager may obligate up to \$52,132,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section, including the disposal of hazardous materials that are environmentally sensitive.

(b) **ADDITIONAL OBLIGATIONS.**—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) **LIMITATIONS.**—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

National Defense Authorization Act for Fiscal Year 2006

(Public Law 109–163, approved Jan. 6, 2006)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE STOCKPILE FUNDS.

(a) **OBLIGATION OF STOCKPILE FUNDS.**—During fiscal year 2006, the National Defense Stockpile Manager may obligate up to \$52,132,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section, including the disposal of hazardous materials that are environmentally sensitive.

(b) **ADDITIONAL OBLIGATIONS.**—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) **LIMITATIONS.**—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3302. REVISIONS TO REQUIRED RECEIPT OBJECTIVES FOR PREVIOUSLY AUTHORIZED DISPOSALS FROM NATIONAL DEFENSE STOCKPILE.

[Omitted-Amendment]

SEC. 3303. [50 U.S.C. 98d note] AUTHORIZATION FOR DISPOSAL OF TUNGSTEN ORES AND CONCENTRATES.

(a) **DISPOSAL AUTHORIZED.**—The President may dispose of up to 8,000,000 pounds of contained tungsten in the form of tungsten ores and concentrates from the National Defense Stockpile in fiscal year 2006.

(b) **CERTAIN SALES AUTHORIZED.**—The tungsten ores and concentrates disposed under subsection (a) may be sold to entities with ore conversion or tungsten carbide manufacturing or processing capabilities in the United States.

SEC. 3304. [50 U.S.C. 98d note] DISPOSAL OF FERROMANGANESE.

(a) **DISPOSAL AUTHORIZED.**—The Secretary of Defense may dispose of up to 75,000 tons of ferromanganese from the National Defense Stockpile during fiscal year 2006.

(b) **CONTINGENT AUTHORITY FOR ADDITIONAL DISPOSAL.**—If the Secretary of Defense completes the disposal of the total quantity of ferromanganese authorized for disposal by subsection (a) before September 30, 2006, the Secretary of Defense may dispose of up to an additional 25,000 tons of ferromanganese from the National Defense Stockpile before that date.

(c) **CERTIFICATION.**—The Secretary of Defense may dispose of ferromanganese under the authority of subsection (b) only if the Secretary submits written certification to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, not later than 30 days before the commencement of disposal, that—

(1) the disposal of the additional ferromanganese from the National Defense Stockpile is in the interest of national defense;

(2) the disposal of the additional ferromanganese will not cause undue disruption to the usual markets of producers and processors of ferromanganese in the United States; and

(3) the disposal of the additional ferromanganese is consistent with the requirements and purpose of the National Defense Stockpile.

(d) **DELEGATION OF RESPONSIBILITY.**—The Secretary of Defense may delegate the responsibility of the Secretary under subsection (c) to an appropriate official within the Department of Defense.

(e) NATIONAL DEFENSE STOCKPILE DEFINED.—In this section, the term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

**Ronald W. Reagan National Defense Authorization Act for
Fiscal Year 2005**

(Public Law 108–375, approved Oct. 28, 2004)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2005, the National Defense Stockpile Manager may obligate up to \$59,700,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section, including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3302. REVISION OF EARLIER AUTHORITY TO DISPOSE OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

[Omitted-Amendment]

SEC. 3303. [50 U.S.C. 98d note] DISPOSAL OF FERROMANGANESE.

(a) DISPOSAL AUTHORIZED.—The Secretary of Defense may dispose of up to 50,000 tons of ferromanganese from the National Defense Stockpile during fiscal year 2005.

(b) CONTINGENT AUTHORITY FOR ADDITIONAL DISPOSAL.—(1) If the Secretary of Defense completes the disposal of the total quantity of ferromanganese authorized for disposal by subsection (a) before September 30, 2005, the Secretary of Defense may dispose of up to an additional 25,000 tons of ferromanganese from the National Defense Stockpile before that date.

(2) If the Secretary completes the disposal of the total quantity of additional ferromanganese authorized for disposal by paragraph (1) before September 30, 2005, the Secretary may dispose of up to an additional 25,000 tons of ferromanganese from the National Defense Stockpile before that date.

(c) CERTIFICATION.—The Secretary of Defense may dispose of ferromanganese under the authority of paragraph (1) or (2) of subsection (b) only if the Secretary submits written certification to the

Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, not later than 30 days before the commencement of disposal under the applicable paragraph, that—

(1) the disposal of the additional ferromanganese from the National Defense Stockpile is in the interest of national defense;

(2) the disposal of the additional ferromanganese will not cause undue disruption to the usual markets of producers and processors of ferromanganese in the United States; and

(3) the disposal of the additional ferromanganese is consistent with the requirements and purpose of the National Defense Stockpile.

(d) DELEGATION OF RESPONSIBILITY.—The Secretary of Defense may delegate the responsibility of the Secretary under subsection (c) to an appropriate official within the Department of Defense.

(e) NATIONAL DEFENSE STOCKPILE DEFINED.—In this section, the term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

SEC. 3304. PROHIBITION ON STORAGE OF MERCURY AT CERTAIN FACILITIES.

(a) PROHIBITION.—During fiscal year 2005, the Secretary of Defense may not store mercury from the National Defense Stockpile at any facility that is not owned or leased by the United States.

(b) NATIONAL DEFENSE STOCKPILE DEFINED.—In this section, the term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

National Defense Authorization Act for Fiscal Year 2004

(Public Law 108–136, approved Nov. 24, 2003)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2004, the National Defense Stockpile Manager may obligate up to \$69,701,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section, including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

National Defense Authorization Act for Fiscal Year 2002

(Public Law 107–107, approved Dec. 28, 2001)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. [50 U.S.C. 98d note] DEFINITIONS.

In this title:

(1) The term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term “National Defense Stockpile Transaction Fund” means the fund established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

(3) The term “Market Impact Committee” means the Market Impact Committee appointed under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c)).

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SEC. 3303. [50 U.S.C. 98d note] AUTHORITY TO DISPOSE OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL AUTHORIZED.—Subject to the conditions specified in subsection (b), the President may dispose of obsolete and excess materials contained in the National Defense Stockpile. The materials subject to disposal under this subsection and the quantity of each material authorized to be disposed of by the President are set forth in the following table:

Authorized Stockpile Disposals	
Material for disposal	Quantity
Bauxite	40,000 short tons
Chromium Metal	3,512 short tons
Iridium	25,140 troy ounces
Jewel Bearings	30,273,221 pieces
Manganese Ferro HC	209,074 short tons
Palladium	11 troy ounces
Quartz Crystal	216,648 pounds
Tantalum Metal Ingot	120,228 pounds contained
Tantalum Metal Powder	36,020 pounds contained
Thorium Nitrate	600,000 pounds.

(b) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

- (1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or
- (2) avoidable loss to the United States.

(c) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

SEC. 3304. REVISION OF LIMITATIONS ON REQUIRED DISPOSALS OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

[Omitted-Amendments]

SEC. 3305. ACCELERATION OF REQUIRED DISPOSAL OF COBALT IN NATIONAL DEFENSE STOCKPILE.

[Omitted-Amendments]

SEC. 3306. [50 U.S.C. 98d note] RESTRICTION ON DISPOSAL OF MANGANESE FERRO.

(a) TEMPORARY QUANTITY RESTRICTIONS.—During fiscal years 2002 through 2005, the disposal of manganese ferro in the National Defense Stockpile may not exceed the following quantities:

(1) During fiscal year 2002, 25,000 short tons of all grades of manganese ferro.

(2) During fiscal year 2003, 25,000 short tons of high carbon manganese ferro of the highest grade.

(3) During each of the fiscal years 2004 and 2005, 50,000 short tons of high carbon manganese ferro of the highest grade.

(b) CONFORMING AMENDMENT.—Section 3304 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 629) is repealed.

**Floyd D. Spence National Defense Authorization Act for
Fiscal Year 2001**

(as enacted into law by section 1 of Public Law 106–398, approved Oct. 30, 2000)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

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SEC. 3303. [50 U.S.C. 98d note] DISPOSAL OF TITANIUM.

(a) DISPOSAL REQUIRED.—Notwithstanding any other provision of law, the President shall, by September 30, 2010, dispose of 30,000 short tons of titanium contained in the National Defense Stockpile.

(b) TREATMENT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), of the funds received as a result of the disposal of titanium under subsection (a), \$6,000,000 shall be transferred to the American Battle Monuments Commission for deposit in the fund established under section 2113 of title 36, United States Code, for the World War II memorial authorized by section 1 of Public Law 103–32 (107 Stat. 90), and the remainder shall be deposited into the Treasury as miscellaneous receipts.

(c) WORLD WAR II MEMORIAL.—(1) The amount transferred to the American Battle Monuments Commission under subsection (b) shall be used to complete all necessary requirements for the design of, ground breaking for, construction of, maintenance of, and dedi-

cation of the World War II memorial. The Commission shall determine how the amount shall be apportioned among such purposes.

(2) Any funds not necessary for the purposes set forth in paragraph (1) shall be transferred to and deposited in the general fund of the Treasury.

(d) **RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.**—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding materials in the National Defense Stockpile.

National Defense Authorization Act for Fiscal Year 2000

(Public Law 106–65, approved Oct. 5, 1999)

[As Amended Through P.L. 110–181, Enacted January 28, 2008]

TITLE XXXIV—NATIONAL DEFENSE STOCKPILE

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SEC. 3402. [50 U.S.C. 98d note] DISPOSAL OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) **DISPOSAL REQUIRED.**—Subject to subsection (c), the President shall make disposals from the National Defense Stockpile of materials in quantities as follows:

- (1) Beryllium metal, 250 short tons.
- (2) Chromium ferro alloy, 496,204 short tons.
- (3) Chromium metal, 5,000 short tons.
- (4) Palladium, 497,271 troy ounces.

(b) **MANAGEMENT OF DISPOSAL TO ACHIEVE OBJECTIVES FOR RECEIPTS.**—The President shall manage the disposal of materials under subsection (a) so as to result in receipts to the United States in amounts equal to—

- (1) \$10,000,000 during fiscal year 2000;
- (2) \$100,000,000 during the 5-fiscal year period ending September 30, 2004;
- (3) \$340,000,000 before the end of fiscal year 2005;
- (4) \$500,000,000 before the end of fiscal year 2010; and
- (5) \$710,000,000 by the end of fiscal year 2013.

(c) **MINIMIZATION OF DISRUPTION AND LOSS.**—The President may not dispose of the material under subsection (a) to the extent that the disposal will result in—

- (1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or
- (2) avoidable loss to the United States.

(d) **DISPOSITION OF RECEIPTS.**—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials under subsection (a) shall be deposited into the general fund of the Treasury.

(e) **RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.**—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal au-

thority provided by law regarding the materials specified in such subsection. The disposal of materials under this section to achieve the receipt levels specified in subsection (b), within the time periods specified in subsection, shall be in addition to any routine and on-going disposals used to fund operations of the National Defense Stockpile.

(f) INCREASED RECEIPTS UNDER PRIOR DISPOSAL AUTHORITY.— [Omitted-Amendment]

(g) ELIMINATION OF DISPOSAL RESTRICTIONS ON EARLIER DISPOSAL AUTHORITY.—

[Omitted-Amendment]

Strom Thurmond National Defense Authorization Act for Fiscal Year 1999

(Public Law 105–261, approved Oct. 17, 1998)

[As Amended Through P.L. 110–417, Enacted October 14, 2008]

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. [50 U.S.C. 98d note] DEFINITIONS.

In this title:

(1) The term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term “National Defense Stockpile Transaction Fund” means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

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SEC. 3303. [50 U.S.C. 98d note] AUTHORITY TO DISPOSE OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in total amounts not less than—

- (1) \$105,000,000 by the end of fiscal year 1999;
- (2) \$460,000,000 by the end of fiscal year 2002;
- (3) \$555,000,000 by the end of fiscal year 2003;
- (4) \$785,000,000 by the end of fiscal year 2005;
- (5) \$900,000,000 by the end of fiscal year 2010;
- (6) \$1,000,000,000 by the end of fiscal year 2013; and
- (7) \$1,386,000,000 by the end of fiscal year 2016.

(b) LIMITATIONS ON DISPOSAL AUTHORITY.—(1) The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Bauxite Refractory	29,000 long calcined ton

Authorized Stockpile Disposals

Material for disposal	Quantity
Beryllium Metal	100 short tons
Chromite Chemical	34,000 short dry tons
Chromite Refractory	159,000 short dry tons
Chromium Ferroalloy	125,000 short tons
Columbium Carbide Powder	21,372 pounds of contained Columbium
Columbium Concentrates	1,733,454 pounds of contained Columbium
Columbium Ferro	249,396 pounds of contained Columbium
Columbium Metal—Ingots	161,123 pounds of contained Columbium
Diamond, Stones	3,000,000 carats
Germanium Metal	28,198 kilograms
Graphite Natural Ceylon Lump	5,492 short tons
Indium	14,248 troy ounces
Mica Muscovite Block	301,000 pounds
Mica Phlogopite Block	130,745 pounds
Platinum	439,887 troy ounces
Platinum—Iridium	4,450 troy ounces
Platinum—Palladium	750,000 troy ounces
Tantalum Carbide Powder	22,688 pounds of contained Tantalum
Tantalum Metal Ingots	125,000 pounds of contained Tantalum
Tantalum Metal Powder	125,000 pounds of contained Tantalum
Tantalum Minerals	1,751,364 pounds of contained Tantalum
Tantalum Oxide	122,730 pounds of contained Tantalum
Tungsten Carbide Powder	2,032,896 pounds of contained Tungsten
Tungsten Ferro	2,024,143 pounds of contained Tungsten
Tungsten Metal Powder	1,898,009 pounds of contained Tungsten
Tungsten Ores & Concentrates	76,358,235 pounds of contained Tungsten

(2) The President may not dispose of materials under this section in excess of the disposals necessary to result in receipts in the total amount specified in subsection (a)(5).

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) TREATMENT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials authorized for disposal under subsection (a) shall be treated as follows:

(1) The following amounts shall be transferred to the Secretary of Health and Human Services, to be credited in the manner determined by the Secretary to the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund:

- (A) \$3,000,000 during fiscal year 1999.
- (B) \$22,000,000 during fiscal year 2000.
- (C) \$28,000,000 during fiscal year 2001.
- (D) \$31,000,000 during fiscal year 2002.
- (E) \$8,000,000 during fiscal year 2003.

(2) The balance of the funds received shall be deposited into the general fund of the Treasury.

(e) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

(f) AUTHORIZATION OF SALE.—The authority provided by this section to dispose of materials contained in the National Defense Stockpile so as to result in receipts of \$100,000,000 of the amount specified for fiscal year 1999 in subsection (a) by the end of that fiscal year shall be effective only to the extent provided in advance in appropriation Acts.

Department of Defense Appropriations Act, 1999

(Public Law 104–262, approved Oct. 17, 1998)

TITLE VIII

GENERAL PROVISIONS

* * * * *

SEC. 8109. [50 U.S.C. 98d note] (a) DISPOSAL OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in the amount of \$100,000,000 by the end of fiscal year 1999.

(b) DISPOSAL QUANTITIES.—The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Beryllium Metal	20 short tons
Chromium Ferroalloy	25,000 short tons
Columbium Carbide Powder	21,372 pounds of contained Columbium
Diamond, Stones	600,000 carats
Platinum	100,000 troy ounces
Platinum—Palladium	150,000 troy ounces
Tantalum Carbide Powder	22,688 pounds of contained Tantalum

Authorized Stockpile Disposals

Material for disposal	Quantity
Tantalum Metal Ingots	25,000 pounds of contained Tantalum
Tantalum Metal Powder	25,000 pounds of contained Tantalum

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) TREATMENT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials authorized for disposal under subsection (a) shall be deposited into the general fund of the Treasury.

(e) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—(1) The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

(2) The disposal authority provided in subsection (a) is referred to in section 3303 of the National Defense Authorization Act for Fiscal Year 1999, and the quantities of the materials specified in the table in subsection (b) are included in the quantities specified in the table in subsection (b) of such section 3303.

(f) DEFINITION.—In this section, the term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

National Defense Authorization Act for Fiscal Year 1998

(Public Law 105–85, approved Nov. 18, 1997)

[As Amended through P.L. 111–84, Enacted October 28, 2009]

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. [50 U.S.C. 98d note] DEFINITIONS.

In this title:

(1) The term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term “National Defense Stockpile Transaction Fund” means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

(3) The term “Market Impact Committee” means the Market Impact Committee established under section 10(c) of the

Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-1(c)).

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SEC. 3303. [50 U.S.C. 98d note] DISPOSAL OF BERYLLIUM COPPER MASTER ALLOY IN NATIONAL DEFENSE STOCKPILE.

(a) **DISPOSAL AUTHORIZATION.**—Pursuant to section 5(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98d(b)), the National Defense Stockpile Manager may dispose of all beryllium copper master alloy from the National Defense Stockpile as part of continued efforts to modernize the stockpile.

(b) **PRECONDITION FOR DISPOSAL.**—Before beginning the disposal of beryllium copper master alloy under subsection (a), the National Defense Stockpile Manager shall certify to Congress that the disposal of beryllium copper master alloy will not adversely affect the capability of the National Defense Stockpile to supply the strategic and critical material needs of the United States.

(c) **CONSULTATION WITH MARKET IMPACT COMMITTEE.**—In disposing of beryllium copper master alloy under subsection (a), the National Defense Stockpile Manager shall consult with the Market Impact Committee to ensure that the disposal of beryllium copper master alloy does not disrupt the domestic beryllium industry.

(d) **EXTENDED SALES CONTRACTS.**—The National Defense Stockpile Manager shall provide for the use of long-term sales contracts for the disposal of beryllium copper master alloy under subsection (a) so that the domestic beryllium industry can re-absorb this material into the market in a gradual and nondisruptive manner. However, no such contract shall provide for the disposal of beryllium copper master alloy over a period longer than eight years, beginning on the date of the commencement of the first contract under this section.

(e) **RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.**—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding materials in the National Defense Stockpile.

(f) **BERYLLIUM COPPER MASTER ALLOY DEFINED.**—For purposes of this section, the term “beryllium copper master alloy” means an alloy of nominally four percent beryllium in copper.

SEC. 3304. [50 U.S.C. 98d note] DISPOSAL OF TITANIUM SPONGE IN NATIONAL DEFENSE STOCKPILE.

(a) **DISPOSAL REQUIRED.**—Subject to subsection (b), the National Defense Stockpile Manager shall dispose of 34,800 short tons of titanium sponge contained in the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) and excess to stockpile requirements.

(b) **CONSULTATION WITH MARKET IMPACT COMMITTEE.**—In disposing of titanium sponge under subsection (a), the National Defense Stockpile Manager shall consult with the Market Impact Committee to ensure that the disposal of titanium sponge does not disrupt the domestic titanium industry.

(c) **RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.**—The disposal authority provided in subsection (a) is new disposal authority

and is in addition to, and shall not affect, any other disposal authority provided by law regarding materials in the National Defense Stockpile.

SEC. 3305. [50 U.S.C. 98d note] DISPOSAL OF COBALT IN NATIONAL DEFENSE STOCKPILE.

(a) **DISPOSAL REQUIRED.**—Subject to subsections (b) and (c), the President shall dispose of cobalt contained in the National Defense Stockpile so as to result in receipts to the United States in total amounts not less than—

- (1) \$20,000,000 during fiscal year 2002;
- (2) \$50,000,000 during fiscal year 2003;
- (3) \$64,000,000 during fiscal year 2004;
- (4) \$67,000,000 during fiscal year 2005; and
- (5) \$34,000,000 by the end of fiscal year 2011.

(b) **LIMITATIONS ON DISPOSAL AUTHORITY.**—(1) The total quantity of cobalt authorized for disposal by the President under subsection (a) may not exceed 14,058,014 pounds.

(2) The President may not dispose of cobalt under this section in fiscal year 2006 in excess of the disposals necessary to result in receipts during that fiscal year in the total amount specified in subsection (a)(5).

(c) **MINIMIZATION OF DISRUPTION AND LOSS.**—The President may not dispose of cobalt under subsection (a) to the extent that the disposal will result in—

- (1) undue disruption of the usual markets of producers, processors, and consumers of cobalt; or
- (2) avoidable loss to the United States.

(d) **TREATMENT OF RECEIPTS.**—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of cobalt under subsection (a) shall be deposited into the general fund of the Treasury.

(e) **RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.**—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding materials in the National Defense Stockpile.

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SEC. 3307. RETURN OF SURPLUS PLATINUM FROM THE DEPARTMENT OF THE TREASURY.

(a) **RETURN OF PLATINUM TO STOCKPILE.**—Subject to subsection (b), the Secretary of the Treasury, upon the request of the Secretary of Defense, shall return to the Secretary of Defense for sale or other disposition platinum of the National Defense Stockpile that has been loaned to the Department of the Treasury by the Secretary of Defense, acting as the stockpile manager. The quantity requested and required to be returned shall be any quantity that the Secretary of Defense determines appropriate for sale or other disposition.

(b) **ALTERNATIVE TRANSFER OF FUNDS.**—The Secretary of the Treasury, with the concurrence of the Secretary of Defense, may transfer to the Secretary of Defense funds in a total amount that is equal to the fair market value of any platinum requested under subsection (a) and not returned. A transfer of funds under this sub-

section shall be a substitute for a return of platinum under subsection (a). Upon a transfer of funds as a substitute for a return of platinum, the platinum shall cease to be part of the National Defense Stockpile. A transfer of funds under this subsection shall be charged to any appropriation for the Department of the Treasury and shall be credited to the National Defense Stockpile Transaction Fund.

(c) RESPONSIBILITY FOR COSTS.—The return of platinum under subsection (a) by the Secretary of the Treasury shall be made without the expenditure of any funds available to the Department of Defense. The Secretary of the Treasury shall be responsible for all costs incurred in connection with the return, such as transportation, storage, testing, refining, or casting costs.

National Defense Authorization Act for Fiscal Year 1997

(Public Law 104–201, approved Sept. 23, 1996)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Subtitle A—Authorization of Disposals and Use of Funds

SEC. 3301. [50 U.S.C. 98d note] DEFINITIONS.

In this title:

(1) The term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term “National Defense Stockpile Transaction Fund” means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

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SEC. 3303. [50 U.S.C. 98d note] DISPOSAL OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in total amounts not less than—

- (1) \$81,000,000 during fiscal year 1997; and
- (2) \$720,000,000 during the 12-fiscal year period ending September 30, 2008.

(b) LIMITATIONS ON DISPOSAL AUTHORITY.—(1) The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

Authorized Stockpile Disposals	
Material for disposal	Quantity
Aluminum	62,881 short tons
Cobalt	26,000,000 pounds contained

Authorized Stockpile Disposals—Continued

Material for disposal	Quantity
Columbium Ferro	930,911 pounds contained
Germanium Metal	40,000 kilograms
Indium	35,000 troy ounces
Palladium	15,000 troy ounces
Platinum	10,000 troy ounces
Rubber, Natural	125,138 long tons
Tantalum, Carbide Powder	6,000 pounds contained
Tantalum, Minerals	750,000 pounds contained
Tantalum, Oxide	40,000 pounds contained

(2) The President may not dispose of materials under this section during the period referred to in subsection (a)(2) in excess of the disposals necessary to result in receipts during that period in the total amount specified in such subsection.

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) TREATMENT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials under subsection (a) shall be—

(1) deposited into the general fund of the Treasury; and

(2) to the extent necessary, used to offset the revenues that will be lost as a result of execution of the amendments made by section 4303(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 658).

(e) QUALIFYING OFFSETTING LEGISLATION.—This section is specifically enacted as qualifying offsetting legislation for the purpose of offsetting fully the estimated revenues lost as a result of the amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 658), and as such is deemed to satisfy the conditions in subsection (b) of such section.

(f) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

National Defense Authorization Act for Fiscal Year 1995

(Public Law 103-337, approved Oct. 5, 1994)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

* * * * *

SEC. 3305. LIMITATIONS ON DISPOSAL OF CHROMITE AND MANGANESE ORES.

(a) PREFERENCE FOR DOMESTIC UPGRADING.—In offering to enter into agreements pursuant to any provision of law for the disposal of chromite and manganese ores of metallurgical grade from the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c), the President shall give a right of first refusal on all such offers to domestic ferroalloy upgraders.

(b) DOMESTIC FERROALLOY UPGRADER DEFINED.—For purposes of this section, the term “domestic ferroalloy upgrader” means a company or other business entity that, as determined by the President—

(1) is engaged in operations to upgrade chromite or manganese ores of metallurgical grade or is capable of engaging in such operations; and

(2) conducts a significant level of its research, development, engineering, and upgrading operations in the United States.

(c) APPLICATION OF SECTION.—The requirements specified in subsection (a) shall apply during fiscal year 1995.

National Defense Authorization Act for Fiscal Year 1994

(Public Law 103-160, approved Nov. 30, 1993)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE**Subtitle A—Authorizations of Disposals and Use of Funds****SEC. 3301. [50 U.S.C. 98d note] DISPOSAL OF OBSOLETE AND EXCESS MATERIALS CONTAINED IN THE NATIONAL DEFENSE STOCKPILE.**

(a) DISPOSAL AUTHORIZED.—Subject to the conditions specified in subsection (b), the President may dispose of obsolete and excess materials currently contained in the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) in order to modernize the stockpile. The materials subject to disposal under this subsection and the quantity of each material authorized to be disposed of by the President are set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Analgesics	53,525 pounds of anhydrous morphine alkaloid
Antimony	32,140 short tons
Diamond Dies, Small	25,473 pieces
Manganese, Electrolytic	14,172 short tons
Mica, Muscovite Block, Stained and Better	1,866,166 pounds
Mica, Muscovite Film, 1st & 2d quality	158,440 pounds
Mica, Muscovite Splittings	12,540,382 pounds
Quinidine	2,471,287 avoirdupois ounces
Quinidine, Non-Stockpile Grade	1,691 avoirdupois ounces
Quinine	2,770,091 avoirdupois ounces
Quinine, Non-Stockpile Grade	475,950 avoirdupois ounces
Rare Earths	504 short dry tons
Vanadium Pentoxide	718 short tons of contained vanadium

(b) CONDITIONS ON DISPOSAL.—The authority of the President under subsection (a) to dispose of materials stored in the National Defense Stockpile may not be used unless and until the Secretary of Defense certifies to Congress that the disposal of such materials will not adversely affect the capability of the stockpile to supply the strategic and critical materials necessary to meet the needs of the United States during a period of national emergency that requires a significant level of mobilization of the economy of the United States, including any reconstitution of the military and industrial capabilities necessary to meet the planning assumptions used by the Secretary of Defense under section 14(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-5(b)).

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SEC. 3304. CONVERSION OF CHROMIUM ORE TO HIGH PURITY CHROMIUM METAL.

(a) UPGRADE PROGRAM AUTHORIZED.—Subject to subsection (b), the National Defense Stockpile Manager may carry out a program to upgrade to high purity chromium metal any stocks of chromium ore held in the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) if the National Defense Stockpile Manager determines that additional quantities of high purity chromium metal are needed in the stockpile.

(b) INCLUSION IN ANNUAL MATERIALS PLAN.—Before entering into any contract in connection with the upgrade program authorized under subsection (a), the National Defense Stockpile Manager shall include a description of the upgrade program in the report

containing the annual materials plan for the operation of the National Defense Stockpile required to be submitted to Congress under section 11(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-2(b)) or in a revision of the report made in the manner provided by section 5(a)(2) of such Act (50 U.S.C. 98d(a)(2)).

National Defense Authorization Act for Fiscal Year 1993

(Public Law 102-484, approved Oct. 23, 1992)

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Subtitle A—Modernization Program

SEC. 3301. DEFINITIONS.

For purposes of this subtitle:

(1) The terms “National Defense Stockpile” and “stockpile” mean the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term “National Defense Stockpile Transaction Fund” means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

SEC. 3302. DISPOSAL OF OBSOLETE AND EXCESS MATERIALS CONTAINED IN THE NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL AUTHORIZED.—Subject to the conditions specified in subsection (b), the President may dispose of obsolete and excess materials currently contained in the National Defense Stockpile in order to modernize the stockpile. The materials subject to disposal under this subsection and the quantity of each material authorized to be disposed of by the President are set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Aluminum Oxide, Abrasive Grain	51,022 short tons
Aluminum Oxide, Fused Crude	249,867 short tons
Antimony	2,007 short tons
Asbestos, Chrysotile	3,004 short tons
Bauxite, Metal Grade, Jamaican	12,457,740 long tons
Bauxite, Metal Grade, Surinam	5,299,597 long tons
Bauxite, Refractory	207,067 long tons
Beryl Ore	17,729 short tons
Bismuth	1,825,955 pounds
Cadmium	6,328,570 pounds
Chromite, Chemical Grade Ore	208,414 short dry tons
Chromite, Metallurgical Grade Ore	1,511,356 short dry tons
Chromite, Refractory Grade Ore	232,414 short dry tons
Chromium, Ferro	576,526 short tons
Cobalt	13,000,000 pounds of contained cobalt

Authorized Stockpile Disposals—Continued

Material for disposal	Quantity
Copper	29,641 short tons
Diamond, Bort	4,001,334 carats
Diamond Stones	2,422,075 carats
Fluorspar, Acid Grade	892,856 short dry tons
Fluorspar, Metallurgical Grade	410,822 short dry tons
Germanium	713 kilograms
Graphite, Natural, Malagasy, Crystalline	10,573 short tons
Graphite, Natural, Other than Ceylon & Malagasy.	2,803 short tons
Iodine	5,835,022 pounds
Jewel bearings	51,778,337 pieces
Lead	610,053 short tons
Manganese, Ferro	938,285 short tons
Manganese Ore, Metallurgical Grade	1,627,425 short dry tons
Manganese, Battery Grade, Natural Ore	68,226 short dry tons
Manganese, Battery Grade, Synthetic Dioxide	3,011 short dry tons
Mercury	128,026 flasks (76-pounds)
Mica, Phlogopite Splittings	963,251 pounds
Nickel	37,214 short tons
Quartz Crystals, Natural	800,000 pounds
Rutile	39,200 short tons
Sapphire & Ruby	16,305,502 carats
Sebacic Acid	5,009,697 pounds
Silicon Carbide	28,774 short tons
Silver	83,951,492 troy ounces
Tin	141,278 metric tons
Vegetable Tannin, Chestnut	4,976 long tons
Vegetable Tannin, Quebracho	28,832 long tons
Vegetable Tannin, Wattle	15,000 long tons
Zinc	378,768 short tons

(b) CONDITIONS ON DISPOSAL.—The authority of the President under subsection (a) to dispose of materials stored in the stockpile may not be used unless and until the President submits to Congress a revised annual materials plan under section 11(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–2(b)) that—

(1) complies with the requirements of section 10(c) of such Act (50 U.S.C. 98h–1), as added by section 3314; and

(2) contains the certification of the Secretary of Defense that the disposal of such materials will not adversely affect the capability of the National Defense Stockpile to supply the strategic and critical materials necessary to meet the needs of the United States during a period of national emergency that requires a significant level of mobilization of the economy of the United States, including any reconstitution of the military and industrial capabilities necessary to meet the planning assump-

tions used by the Secretary of Defense under section 14(b) of such Act (50 U.S.C. 98h-5(b)).

(c) **REQUIRED USE OF PREVIOUS DISPOSAL AUTHORITIES.**—(1) The President shall complete the disposal of all quantities of materials in the National Defense Stockpile that—

(A) have been previously authorized for disposal by law; and

(B) have not been disposed of before the date of the enactment of this Act.

(2) The disposal of materials required by this subsection shall be completed before the end of the five-year period beginning on October 1, 1992, unless the President notifies Congress that the Market Impact Committee established under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-1(c)), as added by section 3314, determines that completion of the disposal of such materials during such period would result in the undue disruption of the usual markets of such materials. The notification shall also indicate the date on which the disposal of such materials will be completed.

(d) **SPECIAL LIMITATION REGARDING SILVER.**—(1) The disposal of silver under this section may only occur in the form of coins or, subject to paragraph (2), as material furnished by the Federal Government to a contractor for the use of the contractor in the performance of a Federal Government contract.

(2) A contractor receiving silver as Government furnished material shall pay the Federal Government the amount equal to the fair market value of the silver, as determined by the National Defense Stockpile Manager. The amount paid by the contractor for the silver shall be deposited in the National Defense Stockpile Transaction Fund.

(e) **SPECIAL LIMITATION REGARDING CHROMITE AND MANGANESE ORES.**—During fiscal year 1993, the disposal of chromite and manganese ores of metallurgical grade under subsection (a) may be made only for processing within the United States and the territories and possessions of the United States.

(f) **SPECIAL LIMITATION REGARDING CHROMIUM AND MANGANESE FERRO.**—The disposal of chromium ferro and manganese ferro under subsection (a) may not commence before October 1, 1995.

(g) **RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.**—The disposal authority provided in subsection (a) is in addition to any other disposal authority provided by law.

SEC. 3303. USE OF BARTER ARRANGEMENTS IN MODERNIZATION PROGRAM.

The President may enter into barter arrangements to dispose of materials under section 3302 in order to acquire strategic and critical materials for, or upgrade strategic and critical materials in, the National Defense Stockpile.

SEC. 3304. DEPOSIT OF PROCEEDS FROM DISPOSALS IN THE NATIONAL DEFENSE STOCKPILE FUND.

All moneys received from the sale of materials under section 3302 shall be deposited in the National Defense Stockpile Transaction Fund.

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SEC. 3306. [50 U.S.C. 98h-1 note] ADVISORY COMMITTEE REGARDING OPERATION AND MODERNIZATION OF THE STOCKPILE.

(a) APPOINTMENT.—Not later than March 15, 1993, the President shall appoint an advisory committee under section 10(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-1(a)) to make recommendations to the President concerning the operation and modernization of the National Defense Stockpile.

(b) MEMBERSHIP.—The committee shall consist of members who have expertise regarding strategic and critical materials, including—

(1) employees of Federal agencies (including the Department of Defense, the Department of State, the Department of Commerce, the Department of Energy, the Department of the Treasury, the Department of the Interior, and the Federal Emergency Management Agency);

(2) representatives of mining, processing, and fabricating industries and consumers that would be affected by the acquisition of materials for the stockpile or the disposal of materials from the stockpile; and

(3) other interested persons or representatives of interested organizations.

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Subtitle B—Programmatic Changes

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SEC. 3315. CLARIFICATION OF THE STOCKPILE STATUS OF CERTAIN MATERIALS.

All materials purchased under section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) and held in the Defense Production Act inventory as of June 30, 1992, are hereby transferred to the National Defense Stockpile and shall be managed, controlled, and subject to disposal by the National Defense Stockpile Manager as provided in the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98a et seq.).

4. Sale of Naval Petroleum Reserve Numbered 1

National Defense Authorization Act for Fiscal Year 1996

(Public Law 104–106, approved Feb. 10, 1996)

TITLE XXXIV—NAVAL PETROLEUM RESERVES

* * * * *

Subtitle B—Sale of Naval Petroleum Reserve

SEC. 3411. [10 U.S.C. 7420 note] DEFINITIONS.

For purposes of this subtitle:

(1) The terms “Naval Petroleum Reserve Numbered 1” and “reserve” mean Naval Petroleum Reserve Numbered 1, commonly referred to as the Elk Hills Unit, located in Kern County, California, and established by Executive order of the President, dated September 2, 1912.

(2) The term “naval petroleum reserves” has the meaning given that term in section 7420(2) of title 10, United States Code, except that the term does not include Naval Petroleum Reserve Numbered 1.

(3) The term “unit plan contract” means the unit plan contract between equity owners of the lands within the boundaries of Naval Petroleum Reserve Numbered 1 entered into on June 19, 1944.

(4) The term “effective date” means the date of the enactment of this Act.

(5) The term “Secretary” means the Secretary of Energy.

(6) The term “appropriate congressional committees” means the Committee on Armed Services of the Senate and the Committee on Armed Services and the Committee on Commerce of the House of Representatives.

SEC. 3412. [10 U.S.C. 7420 note] SALE OF NAVAL PETROLEUM RESERVE NUMBERED 1.

(a) SALE OF RESERVE REQUIRED.—Subject to section 3414, not later than two years after the effective date, the Secretary of Energy shall enter into one or more contracts for the sale of all right, title, and interest of the United States in and to all lands owned or controlled by the United States inside Naval Petroleum Reserve Numbered 1. Chapter 641 of title 10, United States Code, shall not apply to the sale of the reserve.

(b) EQUITY FINALIZATION.—(1) Not later than eight months after the effective date, the Secretary shall finalize equity interests of the known oil and gas zones in Naval Petroleum Reserve Numbered 1 in the manner provided by this subsection.

(2) The Secretary shall retain the services of an independent petroleum engineer, mutually acceptable to the equity owners, who shall prepare a recommendation on final equity figures. The Secretary may accept the recommendation of the independent petroleum engineer for final equity in each known oil and gas zone and establish final equity interest in Naval Petroleum Reserve Numbered 1 in accordance with the recommendation, or the Secretary may use such other method to establish final equity interest in the reserve as the Secretary considers appropriate.

(3) If, on the effective date, there is an ongoing equity redetermination dispute between the equity owners under section 9(b) of the unit plan contract, the dispute shall be resolved in the manner provided in the unit plan contract within eight months after the effective date. The resolution shall be considered final for all purposes under this section.

(c) NOTICE OF SALE.—Not later than two months after the effective date, the Secretary shall publish a notice of intent to sell Naval Petroleum Reserve Numbered 1. The Secretary shall make all technical, geological, and financial information relevant to the sale of the reserve available to all interested and qualified buyers upon request. The Secretary, in consultation with the Administrator of General Services, shall ensure that the sale process is fair and open to all interested and qualified parties.

(d) ESTABLISHMENT OF MINIMUM SALE PRICE.—(1) Not later than seven months after the effective date, the Secretary shall retain the services of five independent experts in the valuation of oil and gas fields to conduct separate assessments, in a manner consistent with commercial practices, of the value of the interest of the United States in Naval Petroleum Reserve Numbered 1. The independent experts shall complete their assessments within 11 months after the effective date. In making their assessments, the independent experts shall consider (among other factors)—

(A) all equipment and facilities to be included in the sale;

(B) the estimated quantity of petroleum and natural gas in the reserve; and

(C) the net present value of the anticipated revenue stream that the Secretary and the Director of the Office of Management and Budget jointly determine the Treasury would receive from the reserve if the reserve were not sold, adjusted for any anticipated increases in tax revenues that would result if the reserve were sold.

(2) The independent experts retained under paragraph (1) shall also determine and submit to the Secretary the estimated total amount of the cost of any environmental restoration and remediation necessary at the reserve. The Secretary shall report the estimate to the Director of the Office of Management and Budget, the Secretary of the Treasury, and Congress.

(3) The Secretary, in consultation with the Director of the Office of Management and Budget, shall set the minimum acceptable price for the reserve. The Secretary may not set the minimum acceptable price below the higher of—

(A) the average of the five assessments prepared under paragraph (1); and

(B) the average of three assessments after excluding the high and low assessments.

(e) ADMINISTRATION OF SALE; DRAFT CONTRACT.—(1) Not later than two months after the effective date, the Secretary shall retain the services of an investment banker or an appropriate equivalent financial adviser to independently administer, in a manner consistent with commercial practices and in a manner that maximizes sale proceeds to the Government, the sale of Naval Petroleum Reserve Numbered 1 under this section. Costs and fees of retaining the investment banker or financial adviser may be paid out of the proceeds of the sale of the reserve.

(2) Not later than 11 months after the effective date, the investment banker or financial adviser retained under paragraph (1) shall complete a draft contract or contracts for the sale of Naval Petroleum Reserve Numbered 1, which shall accompany the solicitation of offers and describe the terms and provisions of the sale of the interest of the United States in the reserve.

(3) The draft contract or contracts shall identify—

(A) all equipment and facilities to be included in the sale; and

(B) any potential claim or liability (including liability for environmental restoration and remediation), and the extent of any such claim or liability, for which the United States is responsible under subsection (g).

(4) The draft contract or contracts, including the terms and provisions of the sale of the interest of the United States in the reserve, shall be subject to review and approval by the Secretary, the Secretary of the Treasury, and the Director of the Office of Management and Budget. Each of those officials shall complete the review of, and approve or disapprove, the draft contract or contracts not later than 12 months after the effective date.

(f) SOLICITATION OF OFFERS.—(1) Not later than 13 months after the effective date, the Secretary shall publish the solicitation of offers for Naval Petroleum Reserve Numbered 1.

(2) Not later than 18 months after the effective date, the Secretary shall identify the highest responsible offer or offers for purchase of the interest of the United States in Naval Petroleum Reserve Numbered 1 that, in total, meet or exceed the minimum acceptable price determined under subsection (d)(3).

(3) The Secretary shall take such action immediately after the effective date as is necessary to obtain from an independent petroleum engineer within 10 months after that date a reserve report prepared in a manner consistent with commercial practices. The Secretary shall use the reserve report in support of the preparation of the solicitation of offers for the reserve.

(g) FUTURE LIABILITIES.—To effectuate the sale of the interest of the United States in Naval Petroleum Reserve Numbered 1, the Secretary may extend such indemnities and warranties as the Secretary considers reasonable and necessary to protect the purchaser from claims arising from the ownership in the reserve by the United States.

(h) MAINTAINING PRODUCTION.—Until the sale of Naval Petroleum Reserve Numbered 1 is completed under this section, the Secretary shall continue to produce the reserve at the maximum daily

oil or gas rate from a reservoir, which will permit maximum economic development of the reservoir consistent with sound oil field engineering practices in accordance with section 3 of the unit plan contract.

(i) **NONCOMPLIANCE WITH DEADLINES.**—At any time during the two-year period beginning on the effective date, if the Secretary determines that the actions necessary to complete the sale of the reserve within that period are not being taken or timely completed, the Secretary shall transmit to the appropriate congressional committees a written notification of that determination together with a plan setting forth the actions that will be taken to ensure that the sale of the reserve will be completed within that period. The Secretary shall consult with the Director of the Office of Management and Budget in preparing the plan for submission to the committees.

(j) **OVERSIGHT.**—The Comptroller General shall monitor the actions of the Secretary relating to the sale of the reserve and report to the appropriate congressional committees any findings on such actions that the Comptroller General considers appropriate to report to the committees.

(k) **ACQUISITION OF SERVICES.**—The Secretary may enter into contracts for the acquisition of services required under this section under the authority of paragraph (7) of section 303(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)), except that the notification required under subparagraph (B) of such paragraph for each contract shall be submitted to Congress not less than 7 days before the award of the contract.

SEC. 3413. [10 U.S.C. 7420 note] EFFECT OF SALE OF RESERVE.

(a) **EFFECT ON EXISTING CONTRACTS.**—(1) In the case of any contract, in effect on the effective date, for the purchase of production from any part of the United States' share of Naval Petroleum Reserve Numbered 1, the sale of the interest of the United States in the reserve shall be subject to the contract for a period of three months after the closing date of the sale or until termination of the contract, whichever occurs first. The term of any contract entered into after the effective date for the purchase of the production shall not exceed the anticipated closing date for the sale of the reserve.

(2) The Secretary shall exercise the termination procedures provided in the contract between the United States and Bechtel Petroleum Operation, Inc., Contract Number DE-ACO1-85FE60520 so that the contract terminates not later than the date of closing of the sale of Naval Petroleum Reserve Numbered 1 under section 3412.

(3) The Secretary shall exercise the termination procedures provided in the unit plan contract so that the unit plan contract terminates not later than the date of closing of the sale of reserve.

(b) **EFFECT ON ANTITRUST LAWS.**—Nothing in this subtitle shall be construed to alter the application of the antitrust laws of the United States to the purchaser or purchasers (as the case may be) of Naval Petroleum Reserve Numbered 1 or to the lands in the reserve subject to sale under section 3412 upon the completion of the sale.

(c) **PRESERVATION OF PRIVATE RIGHT, TITLE, AND INTEREST.**—Nothing in this subtitle shall be construed to adversely affect the ownership interest of any other entity having any right, title, and interest in and to lands within the boundaries of Naval Petroleum Reserve Numbered 1 and which are subject to the unit plan contract.

(d) **TRANSFER OF OTHERWISE NONTRANSFERABLE PERMIT.**—The Secretary may transfer to the purchaser or purchasers (as the case may be) of Naval Petroleum Reserve Numbered 1 the incidental take permit regarding the reserve issued to the Secretary by the United States Fish and Wildlife Service and in effect on the effective date if the Secretary determines that transfer of the permit is necessary to expedite the sale of the reserve in a manner that maximizes the value of the sale to the United States. The transferred permit shall cover the identical activities, and shall be subject to the same terms and conditions, as apply to the permit at the time of the transfer.

SEC. 3414. [10 U.S.C. 7420 note] CONDITIONS ON SALE PROCESS.

(a) **NOTICE REGARDING SALE CONDITIONS.**—The Secretary may not enter into any contract for the sale of Naval Petroleum Reserve Numbered 1 under section 3412 until the end of the 31-day period beginning on the date on which the Secretary submits to the appropriate congressional committees a written notification—

(1) describing the conditions of the proposed sale; and

(2) containing an assessment by the Secretary of whether it is in the best interests of the United States to sell the reserve under such conditions.

(b) **AUTHORITY TO SUSPEND SALE.**—(1) The Secretary may suspend the sale of Naval Petroleum Reserve Numbered 1 under section 3412 if the Secretary and the Director of the Office of Management and Budget jointly determine that—

(A) the sale is proceeding in a manner inconsistent with achievement of a sale price that reflects the full value of the reserve; or

(B) a course of action other than the immediate sale of the reserve is in the best interests of the United States.

(2) Immediately after making a determination under paragraph (1) to suspend the sale of Naval Petroleum Reserve Numbered 1, the Secretary shall submit to the appropriate congressional committees a written notification describing the basis for the determination and requesting a reconsideration of the merits of the sale of the reserve.

(c) **EFFECT OF RECONSIDERATION NOTICE.**—After the Secretary submits a notification under subsection (b), the Secretary may not complete the sale of Naval Petroleum Reserve Numbered 1 under section 3412 or any other provision of law unless the sale of the reserve is authorized in an Act of Congress enacted after the date of the submission of the notification.

SEC. 3415. [10 U.S.C. 7420 note] TREATMENT OF STATE OF CALIFORNIA CLAIM REGARDING RESERVE.

(a) **RESERVATION OF FUNDS.**—After the costs incurred in the conduct of the sale of Naval Petroleum Reserve Numbered 1 under section 3412 are deducted, nine percent of the remaining proceeds

from the sale of the reserve shall be reserved in a contingent fund in the Treasury for payment to the State of California for the Teachers' Retirement Fund of the State in the event that, and to the extent that, the claims of the State against the United States regarding production and proceeds of sale from Naval Petroleum Reserve Numbered 1 are—

(1) settled by agreement with the United States under subsection (c); or

(2) finally resolved in favor of the State by a court of competent jurisdiction, if a settlement agreement is not reached.

(b) DISPOSITION OF FUNDS.—In such amounts as may be provided in appropriation Acts, amounts in the contingent fund shall be available for paying a claim described in subsection (a). After final disposition of the claims, any unobligated balance in the contingent fund shall be credited to the general fund of the Treasury. If no payment is made from the contingent fund within 10 years after the effective date, amounts in the contingent fund shall be credited to the general fund of the Treasury.

(c) SETTLEMENT OFFER.—Not later than 30 days after the date of the sale of Naval Petroleum Reserve Numbered 1 under section 3412, the Secretary shall offer to settle all claims of the State of California against the United States with respect to lands in the reserve located in sections 16 and 36 of township 30 south, range 23 east, Mount Diablo Principal Meridian, California, and production or proceeds of sale from the reserve, in order to provide proper compensation for the State's claims. The Secretary shall base the amount of the offered settlement payment from the contingent fund on the fair value for the State's claims, including the mineral estate, not to exceed the amount reserved in the contingent fund.

(d) RELEASE OF CLAIMS.—Acceptance of the settlement offer made under subsection (c) shall be subject to the condition that all claims against the United States by the State of California for the Teachers' Retirement Fund of the State be released with respect to lands in Naval Petroleum Reserve Numbered 1, including sections 16 and 36 of township 30 south, range 23 east, Mount Diablo Principal Meridian, California, or production or proceeds of sale from the reserve.

SEC. 3416. [10 U.S.C. 7420 note] STUDY OF FUTURE OF OTHER NAVAL PETROLEUM RESERVES.

(a) STUDY REQUIRED.—The Secretary of Energy shall conduct a study to determine which of the following options, or combinations of options, regarding the naval petroleum reserves (other than Naval Petroleum Reserve Numbered 1) would maximize the value of the reserves to the United States:

(1) Retention and operation of the naval petroleum reserves by the Secretary under chapter 641 of title 10, United States Code.

(2) Transfer of all or a part of the naval petroleum reserves to the jurisdiction of another Federal agency for administration under chapter 641 of title 10, United States Code.

(3) Transfer of all or a part of the naval petroleum reserves to the Department of the Interior for leasing in accordance with the Mineral Leasing Act (30 U.S.C. 181 et seq.) and

surface management in accordance with the Federal Land Policy and Management Act (43 U.S.C. 1701 et seq.).

(4) Sale of the interest of the United States in the naval petroleum reserves.

(b) CONDUCT OF STUDY.—The Secretary shall retain an independent petroleum consultant to conduct the study.

(c) CONSIDERATIONS UNDER STUDY.—An examination of the value to be derived by the United States from the transfer or sale of the naval petroleum reserves shall include an assessment and estimate of the fair market value of the interest of the United States in the naval petroleum reserves. The assessment and estimate shall be made in a manner consistent with customary property valuation practices in the oil and gas industry.

(d) REPORT AND RECOMMENDATIONS REGARDING STUDY.—Not later than June 1, 1996, the Secretary shall submit to Congress a report describing the results of the study and containing such recommendations (including proposed legislation) as the Secretary considers necessary to implement the option, or combination of options, identified in the study that would maximize the value of the naval petroleum reserves to the United States.

5. Disposal of Other Naval Petroleum Reserves

Strom Thurmond National Defense Authorization Act for Fiscal Year 1999

(Public Law 105–261, approved Oct. 17, 1998)

[As Amended Through P.L. 110–181, Enacted January 28, 2008]

TITLE XXXIV—NAVAL PETROLEUM RESERVES

SEC. 3401. [10 U.S.C. 7420 note] DEFINITIONS.

In this title:

(1) The term “naval petroleum reserves” has the meaning given the term in section 7420(2) of title 10, United States Code.

(2) The term “Naval Petroleum Reserve Numbered 2” means the naval petroleum reserve, commonly referred to as the Buena Vista unit, that is located in Kern County, California, and was established by Executive order of the President, dated December 13, 1912.

(3) The term “Naval Petroleum Reserve Numbered 3” means the naval petroleum reserve, commonly referred to as the Teapot Dome unit, that is located in the State of Wyoming and was established by Executive order of the President, dated April 30, 1915.

(4) The term “Oil Shale Reserve Numbered 2” means the naval petroleum reserve that is located in the State of Utah and was established by Executive order of the President, dated December 6, 1916.

(5) The term “antitrust laws” has the meaning given the term in section 1(a) of the Clayton Act (15 U.S.C. 12(a)), except that the term also includes—

(A) the Act of June 19, 1936 (15 U.S.C. 13 et seq.; commonly known as the Robinson-Patman Act); and

(B) section 5 of the Federal Trade Commission Act (15 U.S.C. 45), to the extent that such section applies to unfair methods of competition.

(6) The term “petroleum” has the meaning given the term in section 7420(3) of title 10, United States Code.

SEC. 3402. [10 U.S.C. 7420 note] AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNT.—There are hereby authorized to be appropriated to the Secretary of Energy \$22,500,000 for fiscal year 1999 for the purpose of carrying out—

(1) activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves;

(2) closeout activities at Naval Petroleum Reserve Numbered 1 upon the sale of that reserve under subtitle B of title XXXIV of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 10 U.S.C. 7420 note); and

(3) activities under this title relating to the disposition of Naval Petroleum Reserve Numbered 2, Naval Petroleum Reserve Numbered 3, and Oil Shale Reserve Numbered 2.

(b) PERIOD OF AVAILABILITY.—Funds appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available until expended.

SEC. 3403. [10 U.S.C. 7420 note] DISPOSAL OF NAVAL PETROLEUM RESERVE NUMBERED 2.

(a) DISPOSAL OF FORD CITY LOTS AUTHORIZED.—(1) Subject to section 3406, the Secretary of Energy may dispose of the portion of Naval Petroleum Reserve Numbered 2 that is located within the town lots in Ford City, California, which are identified as “Drill Sites Numbered 3A, 4, 6, 9A, 20, 22, 24, and 26” and described in the document entitled “Ford City Drill Site Locations—NPR-2,” and accompanying maps on file in the office of the Deputy Assistant Secretary for Naval Petroleum and Oil Shale Reserves of the Department of Energy.

(2) The Secretary of Energy shall carry out the disposal authorized by paragraph (1) by competitive sale or lease consistent with commercial practices, by transfer to another Federal agency or a public or private entity, or by such other means as the Secretary considers appropriate. Any competitive sale or lease under this subsection shall provide for the disposal of all right, title, and interest of the United States in the property to be conveyed. The Secretary of Energy may use the authority provided by the Act of June 14, 1926 (43 U.S.C. 869 et seq.; commonly known as the Recreation and Public Purposes Act), in the same manner and to the same extent as the Secretary of the Interior, to dispose of the portion of Naval Petroleum Reserve Numbered 2 described in paragraph (1).

(3) Section 2696(a) of title 10, United States Code, regarding the screening of real property for further Federal use before disposal, shall apply to the disposal authorized by paragraph (1).

(b) [Repealed by section 331(d) of the Energy Policy Act of 2005 (Public Law 109-58; 119 Stat. 695)]

(c) RELATIONSHIP TO ANTITRUST LAWS.—This section does not modify, impair, or supersede the operation of the antitrust laws.

SEC. 3404. [10 U.S.C. 7420 note] DISPOSAL OF NAVAL PETROLEUM RESERVE NUMBERED 3.

(a) ADMINISTRATION PENDING TERMINATION OF OPERATIONS.—The Secretary of Energy shall continue to administer Naval Petroleum Reserve Numbered 3 in accordance with chapter 641 of title 10, United States Code, until such time as the Secretary makes a determination to abandon oil and gas operations in Naval Petroleum Reserve Numbered 3 in accordance with commercial operating practices.

(b) DISPOSAL AUTHORIZED.—After oil and gas operations are abandoned in Naval Petroleum Reserve Numbered 3, the Secretary of Energy may dispose of the reserve as provided in this subsection.

Subject to section 3406, the Secretary shall carry out any such disposal of the reserve by sale or lease or by transfer to another Federal agency. Any sale or lease shall provide for the disposal of all right, title, and interest of the United States in the property to be conveyed and shall be conducted in accordance with competitive procedures consistent with commercial practices, as established by the Secretary.

(c) RELATIONSHIP TO ANTITRUST LAWS.—This section does not modify, impair, or supersede the operation of the antitrust laws.

SEC. 3405. [10 U.S.C. 7420 note] DISPOSAL OF OIL SHALE RESERVE NUMBERED 2.

(a) DEFINITIONS.—In this section:

(1) NOSR-2.—The term “NOSR-2” means Oil Shale Reserve Numbered 2, as identified on a map on file in the Office of the Secretary of the Interior.

(2) MOAB SITE.—The term “Moab site” means the Moab uranium milling site located approximately three miles northwest of Moab, Utah, and identified in the Final Environmental Impact Statement issued by the Nuclear Regulatory Commission in March 1996 in conjunction with Source Materials License No. SUA-917.

(3) MAP.—The term “map” means the map depicting the boundaries of NOSR-2, to be kept on file and available for public inspection in the offices of the Department of the Interior.

(4) TRIBE.—The term “Tribe” means the Ute Indian Tribe of the Uintah and Ouray Indian Reservation.

(5) TRUSTEE.—The term “Trustee” means the Trustee of the Moab Mill Reclamation Trust.

(b) CONVEYANCE.—(1) Except as provided in paragraph (2) and subsection (e), all right, title, and interest of the United States in and to all Federal lands within the exterior boundaries of NOSR-2 (including surface and mineral rights) are hereby conveyed to the Tribe in fee simple. The Secretary of Energy shall execute and file in the appropriate office a deed or other instrument effectuating the conveyance made by this section.

(2) The conveyance under paragraph (1) does not include the following:

(A) The portion of the bed of Green River contained entirely within NOSR-2, as depicted on the map.

(B) The land (including surface and mineral rights) to the west of the Green River within NOSR-2, as depicted on the map.

(C) A $\frac{1}{4}$ mile scenic easement on the east side of the Green River within NOSR-2.

(c) CONDITIONS ON CONVEYANCE.—(1) The conveyance under subsection (b) is subject to valid existing rights in effect on the day before the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

(2) On completion of the conveyance under subsection (b), the United States relinquishes all management authority over the conveyed land, including tribal activities conducted on the land.

(3)¹ With respect to the land conveyed to the Tribe under subsection (b)—

(A) the land shall not be subject to any Federal restriction on alienation; and

(B) notwithstanding any provision to the contrary in the constitution, bylaws, or charter of the Tribe, the Act of May 11, 1938 (commonly known as the “Indian Mineral Leasing Act of 1938”) (25 U.S.C. 396a et seq.), the Indian Mineral Development Act of 1982 (25 U.S.C. 2101 et seq.), section 2103 of the Revised Statutes (25 U.S.C. 81), or section 2116 of the Revised Statutes (25 U.S.C. 177), or any other law, no purchase, grant, lease, or other conveyance of the land (or any interest in the land), and no exploration, development, or other agreement relating to the land that is authorized by resolution by the governing body of the Tribe, shall require approval by the Secretary of the Interior or any other Federal official.

(4) The reservation of the easement under subsection (b)(2)(C) shall not affect the right of the Tribe to use and maintain access to the Green River through the use of the road within the easement, as depicted on the map.

(5) Each withdrawal that applies to NOSR–2 and that is in effect on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 is revoked to the extent that the withdrawal applies to NOSR–2.

(6) Notwithstanding that the land conveyed to the Tribe under subsection (b) shall not be part of the reservation of the Tribe, such land shall be deemed to be part of the reservation of the Tribe for the purposes of criminal and civil jurisdiction.

(d) ADMINISTRATION OF UNCONVEYED LAND AND INTERESTS IN LAND.—(1) The land and interests in land excluded by subparagraphs (A) and (B) of subsection (b)(2) from conveyance under subsection (b) shall be administered by the Secretary of the Interior in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(2) Not later than three years after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, the Secretary of the Interior shall submit to Congress a land use plan for the management of the land and interests in land referred to in paragraph (1).

(3) There are authorized to be appropriated to the Secretary of the Interior such sums as are necessary to carry out this subsection.

(e) ROYALTY.—(1) Notwithstanding the conveyance under subsection (b), the United States retains a nine percent royalty interest in the value of any oil, gas, other hydrocarbons, and all other minerals that are produced, saved, and sold from the conveyed land during the period beginning on the date of the conveyance and ending on the date the Secretary of Energy releases the royalty interest under subsection (i).

(2) The royalty payments shall be made by the Tribe or its designee to the Secretary of Energy during the period that the oil, gas,

¹ Margin so in law.

hydrocarbons, or minerals are being produced, saved, sold, or extracted. The Secretary of Energy shall retain and use the payments in the manner provided in subsection (i)(3).

(3) The royalty interest retained by the United States under this subsection does not include any development, production, marketing, and operating expenses.

(4) The Tribe shall submit to the Secretary of Energy and to Congress an annual report on resource development and other activities of the Tribe concerning the conveyance under subsection (b).

(5) Not later than five years after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, and every five years thereafter, the Tribe shall obtain an audit of all resource development activities of the Tribe concerning the conveyance under subsection (b), as provided under chapter 75 of title 31, United States Code. The results of each audit under this paragraph shall be included in the next annual report submitted under paragraph (4).

(f) RIVER MANAGEMENT.—(1) The Tribe shall manage, under Tribal jurisdiction and in accordance with ordinances adopted by the Tribe, land of the Tribe that is adjacent to, and within $\frac{1}{4}$ mile of, the Green River in a manner that—

(A) maintains the protected status of the land; and

(B) is consistent with the government-to-government agreement and in the memorandum of understanding dated February 11, 2000, as agreed to by the Tribe and the Secretary of the Interior.

(2) An ordinance referred to in paragraph (1) shall not impair, limit, or otherwise restrict the management and use of any land that is not owned, controlled, or subject to the jurisdiction of the Tribe.

(3) An ordinance adopted by the Tribe and referenced in the government-to-government agreement may not be repealed or amended without the written approval of both the Tribe and the Secretary of the Interior.

(g) PLANT SPECIES.—(1) In accordance with a government-to-government agreement between the Tribe and the Secretary of the Interior, in a manner consistent with levels of legal protection in effect on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, the Tribe shall protect, under ordinances adopted by the Tribe, any plant species that is—

(A) listed as an endangered species or threatened species under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); and

(B) located or found on the NOSR-2 land conveyed to the Tribe.

(2) The protection described in paragraph (1) shall be performed solely under tribal jurisdiction.

(h) HORSES.—(1) The Tribe shall manage, protect, and assert control over any horse not owned by the Tribe or tribal members that is located or found on the NOSR-2 land conveyed to the Tribe in a manner that is consistent with Federal law governing the management, protection, and control of horses in effect on the date

of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

(2) The management, control, and protection of horses described in paragraph (1) shall be performed solely—

(A) under tribal jurisdiction; and

(B) in accordance with a government-to-government agreement between the Tribe and the Secretary of the Interior.

(i) REMEDIAL ACTION AT MOAB SITE.—(1)(A) The Secretary of Energy shall prepare a plan for remediation, including ground water restoration, of the Moab site in accordance with title I of the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7911 et seq.). The Secretary of Energy shall enter into arrangements with the National Academy of Sciences to obtain the technical advice, assistance, and recommendations of the National Academy of Sciences in objectively evaluating the costs, benefits, and risks associated with various remediation alternatives, including removal or treatment of radioactive or other hazardous materials at the site, ground water restoration, and long-term management of residual contaminants. If the Secretary prepares a remediation plan that is not consistent with the recommendations of the National Academy of Sciences, the Secretary shall submit to Congress a report explaining the reasons for deviation from the National Academy of Sciences' recommendations.

(B) The remediation plan required by subparagraph (A) shall be completed not later than one year after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, and the Secretary of Energy shall commence remedial action at the Moab site as soon as practicable after the completion of the plan.

(C) The license for the materials at the Moab site issued by the Nuclear Regulatory Commission shall terminate one year after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, unless the Secretary of Energy determines that the license may be terminated earlier. Until the license is terminated, the Trustee, subject to the availability of funds appropriated specifically for a purpose described in clauses (i) through (iii) or made available by the Trustee from the Moab Mill Reclamation Trust, may carry out—

(i) interim measures to reduce or eliminate localized high ammonia concentrations in the Colorado River, identified by the United States Geological Survey in a report dated March 27, 2000;

(ii) activities to dewater the mill tailings at the Moab site; and

(iii) other activities related to the Moab site, subject to the authority of the Nuclear Regulatory Commission and in consultation with the Secretary of Energy.

(D) As part of the remediation plan for the Moab site required by subparagraph (A), the Secretary of Energy shall develop, in consultation with the Trustee, the Nuclear Regulatory Commission, and the State of Utah, an efficient and legal means for transferring all responsibilities and title to the Moab site and all the materials therein from the Trustee to the Department of Energy.

(2) The Secretary of Energy shall limit the amounts expended in carrying out the remedial action under paragraph (1) to—

(A) amounts specifically appropriated for the remedial action in an appropriation Act; and

(B) other amounts made available for the remedial action under this subsection.

(3)(A) The royalty payments received by the Secretary of Energy under subsection (e) shall be available to the Secretary, without further appropriation, to carry out the remedial action under paragraph (1) until such time as the Secretary determines that all costs incurred by the United States to carry out the remedial action (other than costs associated with long-term monitoring) have been paid.

(B) Upon making the determination referred to in subparagraph (A), the Secretary of Energy shall transfer all remaining royalty amounts to the general fund of the Treasury and release to the Tribe the royalty interest retained by the United States under subsection (e).

(4)(A) Funds made available to the Department of Energy for national security activities shall not be used to carry out the remedial action under paragraph (1), except that the Secretary of Energy may use such funds for program direction directly related to the remedial action.

(B) There are authorized to be appropriated to the Secretary of Energy to carry out the remedial action under paragraph (1) such sums as are necessary.

(5) If the Moab site is sold after the date on which the Secretary of Energy completes the remedial action under paragraph (1), the seller shall pay to the Secretary of Energy, for deposit in the general fund of the Treasury, the portion of the sale price that the Secretary determines resulted from the enhancement of the value of the Moab site as a result of the remedial action. The enhanced value of the Moab site shall be equal to the difference between—

(A) the fair market value of the Moab site on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, based on information available on that date; and

(B) the fair market value of the Moab site, as appraised on completion of the remedial action.

(6)(A) Not later than October 1, 2019, the Secretary of Energy shall complete remediation at the Moab site and removal of the tailings to the Crescent Junction site in Utah.

(B) In the event the Secretary of Energy is unable to complete remediation at the Moab Site by October 1, 2019, the Secretary shall submit to Congress a plan setting forth the projected completion date and the estimated funding to meet the revised date. The Secretary shall submit the plan, if required, to Congress not later than October 2, 2019.

SEC. 3406. [10 U.S.C. 7420 note] ADMINISTRATION.

(a) PROTECTION OF EXISTING RIGHTS.—At the discretion of the Secretary of Energy, the disposal of property under this title shall be subject to any contract related to the United States ownership

interest in the property in effect at the time of disposal, including any lease agreement pertaining to the United States interest in Naval Petroleum Reserve Numbered 2.

(b) DEPOSIT OF RECEIPTS.—Notwithstanding any other law, all monies received by the United States from the disposal of property under this title, including any monies received from a lease entered into under this title, shall be deposited in the general fund of the Treasury.

(c) TREATMENT OF ROYALTIES.—Any petroleum accruing to the United States as royalty from any lease of lands transferred under this title shall be delivered to the United States, or shall be paid for in money, as the Secretary of the Interior may elect.

(d) ELEMENTS OF LEASE.—A lease under this title may provide for the exploration for, and development and production of, petroleum, other than petroleum in the form of oil shale.

(e) WAIVER OF REQUIREMENTS REGARDING CONSULTATION AND APPROVAL.—Section 7431 of title 10, United States Code, shall not apply to the disposal of property under this title.

(f) OIL SHALE RESERVE NUMBERED 2.—This section does not apply to the transfer of Oil Shale Reserve Numbered 2 under section 3405.

6. Transfer of Administrative Jurisdiction and Environmental Remediation, Naval Petroleum Reserve Numbered 2

Subtitle D of title III of the Energy Policy Act of 2003

(Public Law 109–58, approved Aug. 8, 2005)

TITLE III—OIL AND GAS

* * * * *

Subtitle D—Naval Petroleum Reserves

SEC. 331. [10 U.S.C. 7420 note] TRANSFER OF ADMINISTRATIVE JURISDICTION AND ENVIRONMENTAL REMEDIATION, NAVAL PETROLEUM RESERVE NUMBERED 2, KERN COUNTY, CALIFORNIA.

(a) ADMINISTRATION JURISDICTION TRANSFER TO SECRETARY OF THE INTERIOR.—Effective on the date of the enactment of this Act, administrative jurisdiction and control over all public domain lands included within Naval Petroleum Reserve Numbered 2 located in Kern County, California (other than the lands specified in subsection (b)), are transferred from the Secretary to the Secretary of the Interior for management, subject to subsection (c), in accordance with the laws governing management of the public lands, and the regulations promulgated under such laws, including the Mineral Leasing Act (30 U.S.C. 181 et seq.) and the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(b) EXCLUSION OF CERTAIN RESERVE LANDS.—The transfer of administrative jurisdiction made by subsection (a) does not include the following lands:

(1) That portion of Naval Petroleum Reserve Numbered 2 authorized for disposal under section 3403(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 10 U.S.C. 7420 note).

(2) That portion of the surface estate of Naval Petroleum Reserve Numbered 2 conveyed to the City of Taft, California, by section 333.

(c) PURPOSE OF TRANSFER.—

(1) PRODUCTION OF HYDROCARBON RESOURCES.—Notwithstanding any other provision of law, the principal purpose of the lands subject to transfer under subsection (a) is the production of hydrocarbon resources, and the Secretary of the Interior shall manage the lands in a fashion consistent with this purpose. In managing the lands, the Secretary of the Interior shall regulate operations to prevent unnecessary degradation and to provide for ultimate economic recovery of the resources.

(2) DISPOSAL AUTHORITY AND SURFACE USE.—The Secretary of the Interior may make disposals of lands subject to transfer under subsection (a), or allow commercial or non-profit surface use of such lands, not to exceed 10 acres each, so long as the disposals or surface uses do not materially interfere with the ultimate economic recovery of the hydrocarbon resources of such lands. All revenues received from the disposal of lands under this paragraph or from allowing the surface use of such lands shall be deposited in the Naval Petroleum Reserve Numbered 2 Lease Revenue Account established by section 332.

(d) [Omitted--Amendment]

SEC. 332. [10 U.S.C. 7420 note] NAVAL PETROLEUM RESERVE NUMBERED 2 LEASE REVENUE ACCOUNT.

(a) ESTABLISHMENT.—There is established in the Treasury a special deposit account to be known as the “Naval Petroleum Reserve Numbered 2 Lease Revenue Account” (in this section referred to as the “lease revenue account”). The lease revenue account is a revolving account, and amounts in the lease revenue account shall be available to the Secretary of the Interior, without further appropriation, for the purposes specified in subsection (b).

(b) PURPOSES OF ACCOUNT.—

(1) ENVIRONMENTAL-RELATED COSTS.—The lease revenue account shall be the sole and exclusive source of funds to pay for any and all costs and expenses incurred by the United States for—

(A) environmental investigations (other than any environmental investigations that were conducted by the Secretary before the transfer of the Naval Petroleum Reserve Numbered 2 lands under section 331), remediation, compliance actions, response, waste management, impediments, fines or penalties, or any other costs or expenses of any kind arising from, or relating to, conditions existing on or below the Naval Petroleum Reserve Numbered 2 lands, or activities occurring or having occurred on such lands, on or before the date of the transfer of such lands; and

(B) any future remediation necessitated as a result of pre-transfer and leasing activities on such lands.

(2) TRANSITION COSTS.—The lease revenue account shall also be available for use by the Secretary of the Interior to pay for transition costs incurred by the Department of the Interior associated with the transfer and leasing of the Naval Petroleum Reserve Numbered 2 lands.

(c) FUNDING.—The lease revenue account shall consist of the following:

(1) Notwithstanding any other provision of law, for a period of three years after the date of the transfer of the Naval Petroleum Reserve Numbered 2 lands under section 331, the sum of \$500,000 per year of revenue from leases entered into before that date, including bonuses, rents, royalties, and interest charges collected pursuant to the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et. seq.), derived from the Naval Petroleum Reserve Numbered 2 lands, shall be deposited into the lease revenue account.

(2) Subject to subsection (d), all revenues derived from leases on Naval Petroleum Reserve Numbered 2 lands issued on or after the date of the transfer of such lands, including bonuses, rents, royalties, and interest charges collected pursuant to the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.), shall be deposited into the lease revenue account.

(d) LIMITATION.—Funds in the lease revenue account shall not exceed \$3,000,000 at any one time. Whenever funds in the lease revenue account are obligated or expended so that the balance in the account falls below that amount, lease revenues referred to in subsection (c)(2) shall be deposited in the account to maintain a balance of \$3,000,000.

(e) TERMINATION OF ACCOUNT.—At such time as the Secretary of the Interior certifies that remediation of all environmental contamination of Naval Petroleum Reserve Numbered 2 lands in existence as of the date of the transfer of such lands under section 331 has been successfully completed, that all costs and expenses of investigation, remediation, compliance actions, response, waste management, impediments, fines, or penalties associated with environmental contamination of such lands in existence as of the date of the transfer have been paid in full, and that the transition costs of the Department of the Interior referred to in subsection (b)(2) have been paid in full, the lease revenue account shall be terminated and any remaining funds shall be distributed in accordance with subsection (f).

(f) DISTRIBUTION OF REMAINING FUNDS.—Section 35 of the Mineral Leasing Act (30 U.S.C. 191) shall apply to the payment and distribution of all funds remaining in the lease revenue account upon its termination under subsection (e).

SEC. 333. [10 U.S.C. 7420 note] LAND CONVEYANCE, PORTION OF NAVAL PETROLEUM RESERVE NUMBERED 2, TO CITY OF TAFT, CALIFORNIA.

(a) CONVEYANCE.—Effective on the date of the enactment of this Act, there is conveyed to the City of Taft, California (in this section referred to as the “City”), all surface right, title, and interest of the United States in and to a parcel of real property consisting of approximately 220 acres located in the NE¹/₄, the NE¹/₄ of the NW¹/₄, and the N¹/₂ of the SE¹/₄ of the NW¹/₄ of section 18, township 32 south, range 24 east, Mount Diablo meridian, Kern County, California.

(b) CONSIDERATION.—The conveyance under subsection (a) is made without the payment of consideration by the City.

(c) TREATMENT OF EXISTING RIGHTS.—The conveyance under subsection (a) is subject to valid existing rights, including Federal oil and gas lease SAC-019577.

(d) TREATMENT OF MINERALS.—All coal, oil, gas, and other minerals within the lands conveyed under subsection (a) are reserved to the United States, except that the United States and its lessees, licensees, permittees, or assignees shall have no right of surface use or occupancy of the lands. Nothing in this subsection shall be construed to require the United States or its lessees, licensees, permittees, or assignees to support the surface of the conveyed lands.

(e) INDEMNIFY AND HOLD HARMLESS.—The City shall indemnify, defend, and hold harmless the United States for, from, and against, and the City shall assume all responsibility for, any and all liability of any kind or nature, including all loss, cost, expense, or damage, arising from the City's use or occupancy of, or operations on, the land conveyed under subsection (a), whether such use or occupancy of, or operations on, occurred before or occur after the date of the enactment of this Act.

(f) INSTRUMENT OF CONVEYANCE.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall execute, file, and cause to be recorded in the appropriate office a deed or other appropriate instrument documenting the conveyance made by this section.

SEC. 334. [10 U.S.C. 7420 note] REVOCATION OF LAND WITHDRAWAL.

Effective on the date of the enactment of this Act, the Executive Order of December 13, 1912, which created Naval Petroleum Reserve Numbered 2, is revoked in its entirety.
