

1           (2) *An analysis of the manner in which the*  
2 *Army plans to address M113 vehicle survivability*  
3 *and maneuverability concerns.*

4           (3) *An analysis of the historical costs associated*  
5 *with upgrading M113 vehicles, and a validation of*  
6 *current cost estimates for upgrading such vehicles.*

7           (4) *A comparison of total procurement and life*  
8 *cycle costs of adding an echelon above brigade (EAB)*  
9 *requirement to the Army Multi-Purpose Vehicle*  
10 *(AMPV) with total procurement and life cycle costs of*  
11 *upgrading legacy M113 vehicles.*

12           (5) *An analysis of the possibility of further accel-*  
13 *erating Army Multi-Purpose Vehicle production or*  
14 *modifying the current fielding strategy for the Army*  
15 *Multi-Purpose Vehicle to meet near-term echelon*  
16 *above brigade requirements.*

17 **TITLE LII—RESEARCH, DEVELOP-**  
18 **MENT, TEST, AND EVALUA-**  
19 **TION**

20 **SEC. 5201. REAUTHORIZATION OF DEPARTMENT OF DE-**  
21 **FENSE ESTABLISHED PROGRAM TO STIMU-**  
22 **LATE COMPETITIVE RESEARCH.**

23           (a) *MODIFICATION OF PROGRAM OBJECTIVES.*—Sub-  
24 *section (b) of section 257 of the National Defense Authoriza-*

1 *tion Act for Fiscal Year 1995 (Public Law 103–337; 10*  
2 *U.S.C. 2358 note) is amended—*

3 *(1) by redesignating paragraphs (1) and (2) as*  
4 *paragraphs (2) and (3), respectively;*

5 *(2) by inserting before paragraph (2), as redesign-*  
6 *ated by paragraph (1), the following new paragraph*  
7 *(1):*

8 *“(1) To increase the number of university re-*  
9 *searchers in eligible States capable of performing*  
10 *science and engineering research responsive to the*  
11 *needs of the Department of Defense.”; and*

12 *(3) in paragraph (2), as redesignated by para-*  
13 *graph (1), by inserting “relevant to the mission of the*  
14 *Department of Defense and” after “that is”.*

15 *(b) MODIFICATION OF PROGRAM ACTIVITIES.—Sub-*  
16 *section (c) of such section is amended—*

17 *(1) by redesignating paragraph (3) as para-*  
18 *graph (4); and*

19 *(2) by inserting after paragraph (2) the fol-*  
20 *lowing new paragraph (3):*

21 *“(3) To provide assistance to science and engi-*  
22 *neering researchers at institutions of higher education*  
23 *in eligible States through collaboration between De-*  
24 *partment of Defense laboratories and such research-*  
25 *ers.”.*

1       (c) *MODIFICATION OF ELIGIBILITY CRITERIA FOR*  
 2 *STATE PARTICIPATION.*—Subsection (d) of such section is  
 3 amended—

4           (1) in paragraph (2)(B), by inserting “in areas  
 5 relevant to the mission of the Department of Defense”  
 6 after “programs”; and

7           (2) by adding at the end the following new para-  
 8 graph:

9       “(3) The Under Secretary shall not remove a designa-  
 10 tion of a State under paragraph (2) because the State ex-  
 11 ceeds the funding levels specified under subparagraph (A)  
 12 of such paragraph unless the State has exceeded such fund-  
 13 ing levels for at least two consecutive years.”.

14       (d) *MODIFICATION OF NAME.*—

15           (1) *IN GENERAL.*—Such section is amended—

16           (A) in subsections (a) and (e) by striking  
 17 “Experimental” each place it appears and in-  
 18 serting “Established”; and

19           (B) in the section heading, by striking “**EX-**  
 20 **PERIMENTAL**” and inserting “**ESTAB-**  
 21 **LISHED**”.

22           (2) *CLERICAL AMENDMENT.*—Such Act is  
 23 amended, in the table of contents in section 2(b), by  
 24 striking the item relating to section 257 and inserting  
 25 the following new item:

“Sec. 257. Defense established program to stimulate competitive research.”.

1           (3) *CONFORMING AMENDMENT.*—Section 307 of  
2     *the 1997 Emergency Supplemental Appropriations*  
3     *Act for Recovery from Natural Disasters, and for*  
4     *Overseas Peacekeeping Efforts, Including Those in*  
5     *Bosnia (Public Law 105–18) is amended by striking*  
6     *“Experimental” and inserting “Established”.*

7     **SEC. 5202. PILOT PROGRAM TO IMPROVE INCENTIVES FOR**  
8                           **TECHNOLOGY TRANSFER FROM DEPARTMENT**  
9                           **OF DEFENSE LABORATORIES.**

10           (a) *IN GENERAL.*—The Secretary of Defense shall es-  
11     *tablish a pilot program to assess the feasibility and advis-*  
12     *ability of distributing royalties and other payments as de-*  
13     *scribed in this section. Under the pilot program, except as*  
14     *provided in subsections (b) and (d), any royalties or other*  
15     *payments received by a Federal agency from the licensing*  
16     *and assignment of inventions under agreements entered into*  
17     *by Department of Defense laboratories, and from the licens-*  
18     *ing of inventions of Department of Defense laboratories,*  
19     *shall be retained by the laboratory which produced the in-*  
20     *vention and shall be disposed of as follows:*

21           (1)(A) *The laboratory director shall pay each*  
22     *year the first \$2,000, and thereafter at least 20 per-*  
23     *cent, of the royalties or other payments, other than*  
24     *payments of patent costs as delineated by a license or*  
25     *assignment agreement, to the inventor or coinventors,*

1 *if the inventor's or coinventor's rights are directly as-*  
2 *signed to the United States.*

3 *(B) A laboratory director may provide appro-*  
4 *prate incentives, from royalties or other payments, to*  
5 *laboratory employees who are not an inventor of such*  
6 *inventions but who substantially increased the tech-*  
7 *nicol value of the inventions.*

8 *(C) The laboratory shall retain the royalties and*  
9 *other payments received from an invention until the*  
10 *laboratory makes payments to employees of a labora-*  
11 *tory under subparagraph (A) or (B).*

12 *(2) The balance of the royalties or other pay-*  
13 *ments shall be transferred by the agency to its labora-*  
14 *tories, with the majority share of the royalties or*  
15 *other payments from any invention going to the lab-*  
16 *oratory where the invention occurred. The royalties or*  
17 *other payments so transferred to any laboratory may*  
18 *be used or obligated by that laboratory during the fis-*  
19 *cal year in which they are received or during the 2*  
20 *succeeding fiscal years—*

21 *(A) to reward scientific, engineering, and*  
22 *technical employees of the laboratory, including*  
23 *developers of sensitive or classified technology, re-*  
24 *gardless of whether the technology has commer-*  
25 *cial applications;*

1           (B) to further scientific exchange among the  
2           laboratories of the agency;

3           (C) for education and training of employees  
4           consistent with the research and development  
5           missions and objectives of the agency or labora-  
6           tory, and for other activities that increase the  
7           potential for transfer of the technology of the lab-  
8           oratories of the agency;

9           (D) for payment of expenses incidental to  
10          the administration and licensing of intellectual  
11          property by the agency or laboratory with re-  
12          spect to inventions made at that laboratory, in-  
13          cluding the fees or other costs for the services of  
14          other agencies, persons, or organizations for in-  
15          tellectual property management and licensing  
16          services; or

17          (E) for scientific research and development  
18          consistent with the research and development  
19          missions and objectives of the laboratory.

20          (3) All royalties or other payments retained by  
21          the laboratory after payments have been made pursu-  
22          ant to paragraphs (1) and (2) that are unobligated  
23          and unexpended at the end of the second fiscal year  
24          succeeding the fiscal year in which the royalties and

1 *other payments were received shall be paid into the*  
2 *Treasury of the United States.*

3 *(b) TREATMENT OF PAYMENTS TO EMPLOYEES.—*

4 *(1) IN GENERAL.—Any payment made to an em-*  
5 *ployee under the pilot program shall be in addition*  
6 *to the regular pay of the employee and to any other*  
7 *awards made to the employee, and shall not affect the*  
8 *entitlement of the employee to any regular pay, annu-*  
9 *ity, or award to which the employee is otherwise enti-*  
10 *tled or for which the employee is otherwise eligible or*  
11 *limit the amount thereof. Any payment made to an*  
12 *inventor as such shall continue after the inventor*  
13 *leaves the laboratory.*

14 *(2) CUMULATIVE PAYMENTS.—(A) Cumulative*  
15 *payments made under the pilot program while the in-*  
16 *ventor is still employed at the laboratory shall not ex-*  
17 *ceed \$500,000 per year to any one person, unless the*  
18 *Secretary concerned (as defined in section 101(a) of*  
19 *title 10, United States Code) approves a larger*  
20 *award.*

21 *(B) Cumulative payments made under the pilot*  
22 *program after the inventor leaves the laboratory shall*  
23 *not exceed \$150,000 per year to any one person, un-*  
24 *less the head of the agency approves a larger award*  
25 *(with the excess over \$150,000 being treated as an*

1        *agency award to a former employee under section*  
2        *4505 of title 5, United States Code).*

3        *(c) INVENTION MANAGEMENT SERVICES.—Under the*  
4        *pilot program, a laboratory receiving royalties or other*  
5        *payments as a result of invention management services per-*  
6        *formed for another Federal agency or laboratory under sec-*  
7        *tion 207 of title 35, United States Code, may retain such*  
8        *royalties or payments to the extent required to offset pay-*  
9        *ments to inventors under subparagraph (A) of subsection*  
10       *(a)(1), costs and expenses incurred under subparagraph (D)*  
11       *of subsection (a)(2), and the cost of foreign patenting and*  
12       *maintenance for any invention of the other agency. All roy-*  
13       *alties and other payments remaining after offsetting the*  
14       *payments to inventors, costs, and expenses described in the*  
15       *preceding sentence shall be transferred to the agency for*  
16       *which the services were performed, for distribution in ac-*  
17       *cordance with subsection (a)(2).*

18       *(d) CERTAIN ASSIGNMENTS.—Under the pilot pro-*  
19       *gram, if the invention involved was one assigned to the lab-*  
20       *oratory—*

21                *(1) by a contractor, grantee, or participant, or*  
22        *an employee of a contractor, grantee, or participant,*  
23        *in an agreement or other arrangement with the agen-*  
24        *cy; or*



1           (2) *by an employee of the agency who was not*  
2           *working in the laboratory at the time the invention*  
3           *was made,*

4 *the agency unit that was involved in such assignment shall*  
5 *be considered to be a laboratory for purposes of this section.*

6           (e) *SUNSET.*—*The pilot program under this section*  
7 *shall terminate 5 years after the date of the enactment of*  
8 *this Act.*

9           **TITLE LIII—OPERATION AND**  
10           **MAINTENANCE**

11 **SEC. 5301. COMPTROLLER GENERAL REPORT ON DEPART-**  
12           **MENT OF DEFENSE INSTALLATION ACCESS**  
13           **CONTROL INITIATIVES.**

14           (a) *IN GENERAL.*—*Not later than 180 days after the*  
15 *date of the enactment of this Act, the Comptroller General*  
16 *of the United States shall submit to the congressional de-*  
17 *fense committees a report evaluating Department of Defense*  
18 *installation access control initiatives.*

19           (b) *ELEMENTS.*—*The report required under subsection*  
20 *(a) shall include the following elements:*

21           (1) *An assessment of Department of Defense re-*  
22 *quirements for managing access to military installa-*  
23 *tions and the extent to which the Department has*  
24 *taken an enterprise-wide approach to developing those*  
25 *requirements and identifying capability gaps.*



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