107TH CONGRESS
2nd Session

HOUSE OF REPRESENTATIVES

REPORT
107–436

BOB STUMP NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003

R E P O R T

OF THE

COMMITTEE ON ARMED SERVICES HOUSE OF REPRESENTATIVES

ON

H.R. 4546

together with

ADDITIONAL AND DISSENTING VIEWS

[Including cost estimate of the Congressional Budget Office]

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107TH CONGRESS
2d Session
HOUSE OF REPRESENTATIVES
REPORT
107–436

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003

MAY 3, 2002.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. STUMP, from the Committee on Armed Services, submitted the following

R E P O R T

together with

ADDITIONAL AND DISSENTING VIEWS

[To accompany H.R. 4546]

[Including cost estimate of the Congressional Budget Office]

The Committee on Armed Services, to whom was referred the bill (H.R. 4546) to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, and for military construction, to prescribe military personnel strengths for fiscal year 2003, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

The amendment strikes all after the enacting clause off the bill and inserts a new text which appears in italic type in the reported bill.

The title of the bill is amended to reflect the amendment to the text of the bill.

EXPLANATION OF THE COMMITTEE AMENDMENTS

The committee adopted an amendment in the nature of a substitute during the consideration of H.R. 4546. The title of the bill is amended to reflect the amendment to the text of the bill. The remainder of the report discusses the bill, as amended.

PURPOSE

The bill would—(1) Authorize appropriations for fiscal year 2003 for procurement and for research, development, test and evaluation (RDT&E); (2) Authorize appropriations for fiscal year 2003 for operation and maintenance (O&M) and for working capital funds; (3) Authorize for fiscal year 2003: (a) the personnel strength for each active duty component of the military departments; (b) the personnel strength for the Selected Reserve for each reserve component of the armed forces; (c) the military training student loads for each of the active and reserve components of the military departments; (4) Modify various elements of compensation for military personnel and impose certain requirements and limitations on personnel actions in the defense establishment; (5) Authorize appropriations for fiscal year 2003 for military construction and family housing; (6) Authorize appropriations for fiscal year 2003 for the Department of Energy national security programs; (7) Modify provisions related to the National Defense Stockpile; and (8) Authorize appropriations for fiscal year 2003 for the Maritime Administration.

RELATIONSHIP OF AUTHORIZATION TO APPROPRIATIONS

The bill does not generally provide budget authority. The bill authorizes appropriations. Subsequent appropriation acts provide budget authority. The bill addresses the following categories in the Department of Defense budget: procurement; research, development, test and evaluation; operation and maintenance; working capital funds, military personnel; and military construction and family housing. The bill also addresses Department of Energy National Security Programs and the Maritime Administration.

Active duty and reserve personnel strengths authorized in this bill and legislation affecting compensation for military personnel determine the remaining appropriation requirements of the Department of Defense. However, this bill does not provide authorization of specific dollar amounts for personnel.

SUMMARY OF AUTHORIZATION IN THE BILL

The President requested budget authority of $396.8 billion for the national defense budget function for fiscal year 2003. Of this amount, the President requested $378.3 billion for the Department of Defense, including $9.0 billion for military construction and family housing. Of this amount requested for the Department of Defense, $10.0 billion has been designated as a reserve fund and will receive separate treatment pending submission of a detailed budget request. The defense budget request for fiscal year 2003 also included $16.4 billion for Department of Energy national security programs and the Defense Nuclear Facilities Safety Board.

The committee recommends an overall level of $382.8 billion in budget authority. This amount represents an increase of approximately $39.5 billion from the amount authorized for appropriation by the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107).

SUMMARY TABLE OF AUTHORIZATIONS

The following table provides a summary of the amounts requested and that would be authorized for appropriation in the bill (in the column labeled "Budget Authority Implication of Committee Recommendation") and the committee's estimate of how the committee's recommendations relate to the budget totals for the national defense function. For purposes of estimating the budget authority implications of committee action, the table reflects the numbers contained in the President's budget for proposals not in the committee's legislative jurisdiction.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 2003
(Dollars in Thousands)

Account Title	FY 2003 Authorization Request	FY 2003 Budget Authority Request	Committee Change From Request	FY 2003 Committee Recommendation	BA Implication of Committee Recommendation
PROCUREMENT					
Aircraft Procurement, Army	2,061,027	2,061,027	239,300	2,300,327	2,300,327
Missile Procurement, Army	1,642,296	1,642,296	51,600	1,693,896	1,693,896
Procurement of Weapons and Tracked Combat Vehicles, Army	2,248,558	2,248,558	124,400	2,372,958	2,372,958
Procurement of Ammunition, Army	1,159,426	1,159,426	160,600	1,320,026	1,320,026
Other Procurement, Army	5,168,453	5,168,453	950,994	6,119,447	6,119,447
Chemical Agents and Munitions Destruction, Army					
Operation & Maintenance	974,238	974,238	(974,238)	0	0
Procurement	213,278	213,278	(213,278)	0	0
Research, Development, Test & Evaluation	302,683	302,683	(302,683)	0	0
Aircraft Procurement, Navy	8,203,955	8,203,955	767,600	8,971,555	8,971,555
Weapons Procurement, Navy	1,832,617	1,832,617	84,000	1,916,617	1,916,617
Procurement of Ammunition, Navy and Marine Corps	1,015,153	1,015,153	89,300	1,104,453	1,104,453
Shipbuilding and Conversion, Navy	8,191,194	8,191,194	1,088,300	9,279,494	9,279,494
Other Procurement, Navy	4,347,024	4,347,024	180,739	4,527,763	4,527,763
Procurement, Marine Corps	1,288,383	1,288,383	63,600	1,351,983	1,351,983
Aircraft Procurement, Air Force	12,067,405	12,067,405	455,350	12,522,755	12,522,755
Missile Procurement, Air Force	3,575,162	3,575,162	(92,523)	3,482,639	3,482,639
Procurement of Ammunition, Air Force	1,133,864	1,133,864	43,000	1,176,864	1,176,864
Other Procurement, Air Force	10,523,946	10,523,946	383,784	10,907,730	10,907,730
Procurement, Defense-wide	2,688,515	2,688,515	(67,506)	2,621,009	2,621,009
Procurement, National Guard & Reserve Equipment	0	0	0	0	0
Chemical Agents and Munitions Destruction, Defense					
Operation & Maintenance	0	0	974,238	974,238	974,238
Procurement	0	0	213,278	213,278	213,278
Research, Development, Test & Evaluation	0	0	302,683	302,683	302,683
Procurement, Defense Health Program	278,742	0	0	278,742	0
Procurement, Office of the Inspector General	2,000	0	0	2,000	0
Defense Production Act Purchases	0	73,057	0	0	73,057
Total Procurement	**68,917,919**	**68,710,234**	**4,522,538**	**73,440,457**	**73,232,772**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 2003
(Dollars in Thousands)

Account Title	FY 2003 Authorization Request	FY 2003 Budget Authority Request	Committee Change From Request	FY 2003 Committee Recommendation	BA Implication of Committee Recommendation
RESEARCH, DEVELOPMENT, TEST & EVALUATION					
Research, Development, Test & Evaluation, Army	6,918,494	6,918,494	14,825	6,933,319	6,933,319
Research, Development, Test & Evaluation, Navy	12,501,630	12,501,630	772,910	13,274,540	13,274,540
Research, Development, Test & Evaluation, Air Force	17,601,233	17,601,233	1,201,951	18,803,184	18,803,184
Research, Development, Test & Evaluation, Defense-wide	16,613,551	16,613,551	577,686	17,191,237	17,191,237
Research, Development, Test & Evaluation, Defense Health Program	67,214	0	0	67,214	0
Operational Test & Evaluation, Defense	222,054	222,054	0	222,054	222,054
Total Research, Development, Test & Evaluation	**53,924,176**	**53,856,962**	**2,567,372**	**56,491,548**	**56,424,334**
OPERATION AND MAINTENANCE & WORKING CAPITAL FUNDS					
Operation and Maintenance					
Operation and Maintenance, Army	24,581,055	24,581,055	(421,322)	24,159,733	24,159,733
Operation and Maintenance, Navy	29,028,813	29,028,813	400,063	29,428,876	29,428,876
Operation and Maintenance, Marine Corps	3,357,952	3,357,952	230,560	3,588,512	3,588,512
Operation and Maintenance, Air Force	27,304,623	27,304,623	(5,219)	27,299,404	27,299,404
Operation and Maintenance, Defense-wide	14,515,304	14,515,304	(145,267)	14,370,037	14,370,037
Office of the Inspector General	163,440	165,440	(8,275)	155,165	157,165
Operation and Maintenance, Army Reserve	1,923,330	1,923,330	(5,220)	1,918,110	1,918,110
Operation and Maintenance, Navy Reserve	1,165,961	1,165,961	67,798	1,233,759	1,233,759
Operation and Maintenance, Marine Corps Reserve	185,532	185,532	0	185,532	185,532
Operation and Maintenance, Air Force Reserve	2,190,917	2,190,917	3,802	2,194,719	2,194,719
Operation and Maintenance, Army National Guard	4,136,822	4,136,822	163,945	4,300,767	4,300,767
Operation and Maintenance, Air National Guard	4,150,961	4,150,961	(73,116)	4,077,845	4,077,845
United States Court of Appeals for the Armed Forces	9,925	9,925	(311)	9,614	9,614
Environmental Restoration, Army	395,900	395,900	0	395,900	395,900
Environmental Restoration, Navy	256,948	256,948	0	256,948	256,948
Environmental Restoration, Air Force	389,773	389,773	0	389,773	389,773
Environmental Restoration, Defense-Wide	23,498	23,498	0	23,498	23,498
Environmental Restoration, Formerly Used Defense Sites	212,102	212,102	0	212,102	212,102
Drug Interdiction and Counter-drug Activities, Defense	848,907	848,907	0	848,907	848,907
Defense Health Program	14,360,271	14,706,227	(117,730)	14,242,541	14,588,497
Cooperative Threat Reduction	416,700	416,700	0	416,700	416,700
Support for International Sporting Competitions, Defense	19,000	19,000	0	19,000	19,000

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 2003
(Dollars in Thousands)

Account Title	FY 2003 Authorization Request	FY 2003 Budget Authority Request	Committee Change From Request	FY 2003 Committee Recommendation	BA Implication of Committee Recommendation
Overseas Military Investment Recovery		0	0		0
Disposal of DoD Real Property		16,000	0		16,000
Lease of DoD Real Property		14,000	0		14,000
Payment to Kaho' Olawe Island Fund	25,000	25,000	0	25,000	25,000
Overseas Humanitarian, Disaster, & Civic Aid	58,400	58,400	0	58,400	58,400
National Science Center, Army		30	0		30
Burdensharing		454,000	0		454,000
Rocky Mountain Arsenal		6,000	0		6,000
Overseas Contingency Operations Transfer Fund	50,000	53,000	(50,000)	0	0
Defense Emergency Response Fund	20,055,000	20,055,000	(20,055,000)	0	0
Defense Cooperation		5,000	0	0	5,000
Subtotal Operation and Maintenance	**149,826,134**	**150,672,120**	**(20,015,292)**	**129,810,842**	**130,653,828**
Revolving and Management Funds					
Defense Working Capital Funds	2,338,759	2,338,759	(833,803)	1,504,956	1,504,956
National Defense Sealift Fund	934,129	934,129	0	934,129	934,129
National Defense Stockpile Transaction Fund		(331,000)	0		(332,000)
Armed Forces Retirement Home			0		0
Other			0		0
Subtotal Revolving and Management Funds	**3,272,888**	**2,941,888**	**(833,803)**	**2,439,085**	**2,107,085**
Total Operation and Maintenance & Working Capital Funds	**153,099,022**	**153,614,008**	**(20,849,095)**	**132,249,927**	**132,760,913**
MILITARY PERSONNEL					
Military Personnel	94,295,658	94,295,658	(570,630)	93,725,028	93,725,028
Total Military Personnel	**94,295,658**	**94,295,658**	**(570,630)**	**93,725,028**	**93,725,028**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 2003
(Dollars in Thousands)

Account Title	FY 2003 Authorization Request	FY 2003 Budget Authority Request	Committee Change From Request	FY 2003 Committee Recommendation	BA Implication of Committee Recommendation
MILITARY CONSTRUCTION					
Military Construction, Army	1,476,521	1,476,521	44,912	1,521,433	1,521,433
Military Construction, Navy	895,131	895,131	350,454	1,245,585	1,245,585
Military Construction, Air Force	644,090	644,090	285,631	929,721	929,721
Military Construction, Defense-wide	687,535	740,535	92,361	779,896	832,896
Military Construction, Army National Guard	101,595	101,595	69,198	170,793	170,793
Military Construction, Air National Guard	53,473	53,473	65,793	119,266	119,266
Military Construction, Army Reserve	58,779	58,779	28,010	86,789	86,789
Military Construction, Naval Reserve	51,554	51,554	15,417	66,971	66,971
Military Construction, Air Force Reserve	31,900	31,900	36,676	68,576	68,576
Base Realignment and Closure IV	545,138	545,138	0	545,138	545,138
NATO Security Investment Program	168,200	168,200	0	168,200	168,200
Total Military Construction	**4,713,916**	**4,766,916**	**988,452**	**5,702,368**	**5,755,368**
FAMILY HOUSING					
Family Housing Construction, Army	283,346	283,346	(4,920)	278,426	278,426
Family Housing Support, Army	1,122,274	1,122,274	0	1,122,274	1,122,274
Family Housing Construction, Navy and Marine Corps	375,700	375,700	1,916	377,616	377,616
Family Housing Support, Navy and Marine Corps	867,788	867,788	0	867,788	867,788
Family Housing Construction, Air Force	676,694	676,694	4,348	681,042	681,042
Family Housing Support, Air Force	844,419	844,419	29,631	874,050	874,050
Family Housing Construction, Defense-wide	5,480	5,480	0	5,480	5,480
Family Housing Support, Defense-wide	42,432	42,432	0	42,432	42,432
Homeowners Assistance Fund	0	0	0		0
DoD Family Housing Improvement Fund	2,000	2,000	0	2,000	2,000
Total Family Housing	**4,220,133**	**4,220,133**	**30,975**	**4,251,108**	**4,251,108**
TOTAL MILITARY CONSTRUCTION AND FAMILY HOUSING	**8,934,049**	**8,987,049**	**1,019,427**	**9,953,476**	**10,006,476**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 2003
(Dollars in Thousands)

Account Title	FY 2003 Authorization Request	FY 2003 Budget Authority Request	Committee Change From Request	FY 2003 Committee Recommendation	BA Implication of Committee Recommendation
OTHER DoD MILITARY					
Spending of Card Refunds		10,000	0	0	0
General Transfer Authority [non-additive]		[2,000,000]			
National Security Education Trust Fund		8,000	0		8,000
Other Trust Funds		36,000	0		36,000
Interfund Transfers		0	0		0
Surcharge Collections		35,000	0		35,000
Foreign Employee Separation Pay		22,000	0		22,000
Voluntary Separation Incentive Trust Fund		159,000	0		159,000
Host Nation Support - Relocation		9,000	0		9,000
Offsetting Receipts and Other		(1,497,000)	0		(1,497,000)
Total Other DoD Military	**0**	**(1,218,000)**	**0**	**0**	**(1,228,000)**
TOTAL DEPARTMENT OF DEFENSE MILITARY (051)	**379,170,824**	**378,245,911**	**(13,310,388)**	**365,860,436**	**364,921,523**
ATOMIC ENERGY DEFENSE ACTIVITIES (053)					
Weapons Activities	5,869,379	5,869,379	67,621	5,937,000	5,937,000
Defense Environmental Restoration and Waste Management	4,558,360	4,558,360	(14,227)	4,544,133	4,544,133
Defense Environmental Management Privatization	158,399	158,399	0	158,399	158,399
Defense Nuclear Waste Disposal	315,000	315,000	0	315,000	315,000
Environmental Management Cleanup Reform	800,000	800,000	0	800,000	800,000
Other Defense Actitivities	472,156	472,156	(14,492)	457,664	457,664
Defense Facilities Closure Projects	1,091,314	1,091,314	0	1,091,314	1,091,314
NNSA Defense Nuclear Nonproliferation	1,113,630	1,113,630	(39,000)	1,074,630	1,074,630
Naval Reactors	708,020	708,020	(1,230)	706,790	706,790
Energy Employees Compensation Initiative - Admin Expenses		107,000	0		105,000
Energy Employees Compensation Initiative		662,000	0		662,000
RECA Portion of Energy Workers Comp					
Formerly Utilized Sites Remedial Action Program		141,000	0		141,000
Office of the Administrator	347,705	347,705	(31,776)	315,929	315,929
Defense Nuclear Counterintelligence					
Defense Nuclear Facilities Safety Board	19,494	19,494	(494)	19,000	19,000
TOTAL ATOMIC ENERGY DEFENSE ACTIVITIES (053)	**15,453,457**	**16,363,457**	**(33,598)**	**15,419,859**	**16,327,859**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 2003
(Dollars in Thousands)

Account Title	FY 2003 Authorization Request	FY 2003 Budget Authority Request	Committee Change From Request	FY 2003 Committee Recommendation	BA Implication of Committee Recommendation
DEFENSE RELATED ACTIVITIES (054)					
Department of Justice - Radiation Exposure Compensation Trust Fund					
Payments to Individuals			0		0
Administrative Expenses		2,000	0		2,000
Salaries and Expenses					
Department of Justice - Radiation Exposure Compensation Trust Fund		143,000	0		143,000
Department of Justice - Federal Bureau of Investigation Special Program			0		0
Department of Justice - FBI Salaries and Expenses		490,000	0		473,000
Department of Justice - National Drug Intelligence Center		34,000	0		34,000
Department of Transportation - Coast Guard Operations		340,000	0		340,000
Department of Transportation - MARAD Maritime Security Program		99,000	0		99,000
Department of Commerce - Export Administration			0		0
Federal Emergency Management Agency			0		0
Salaries and Expenses	32,000	32,000	(32,000)	0	31,000
Planning and Assistance	19,000	19,000	(19,000)	0	19,000
CIA Retirement and Disability System		351,000	0		223,000
National Science Foundation - Antarctic research activities		68,000	0		68,000
Selective Service System - Salaries and Expenses		26,000	0		26,000
Intelligence Community Management Account		117,000	0		114,000
TOTAL DEFENSE-RELATED ACTIVITIES (054)	**51,000**	**1,721,000**	**(51,000)**	**0**	**1,572,000**
TOTAL NATIONAL DEFENSE FUNCTION (050)	**394,675,281**	**396,330,368**	**(13,394,986)**	**381,280,295**	**382,821,382**

RATIONALE FOR THE COMMITTEE BILL

The National Defense Authorization Act for Fiscal Year 2003 (H.R. 4546) demonstrates the committee's continuing responsibility and commitment to the national security of the United States in the wake of September 11th—a date that now marks the most lethal single attack on the United States in our nation's history.

H.R. 4546 is the first defense authorization bill in decades that was drafted with our country at war. Accordingly, this bill sends an important signal of unwavering support for the American soldiers, sailors, airmen, and Marines who are fighting the global war against terrorism. This commitment is evident by the fact that H.R. 4546 would authorize—

- The largest relative increase in defense spending since 1966;
- The largest defense budget (in inflation-adjusted terms) since fiscal year 1990;
- The fifth straight year of real increases in defense spending, after 13 consecutive years of real cuts to defense budgets; and
- The largest increase in military manpower since 1986.

The committee is convinced that the U.S. military is finally on the road to recovery, as the coming fiscal year will set a modern day high-water mark for the U.S. defense program. This bill would ensure that the Armed Forces are fully capable and ready to execute their assigned missions while transforming themselves to meet future threats; enhance the nation's ability to deter and defend against strategic threats, and to counter the proliferation of weapons of mass destruction; advance efforts to protect our homeland from a variety of threats; and support the President's campaign to defeat international terrorism.

The unconventional nature of the military campaign against terrorism required that Congress accordingly adjust its traditional budget process to allow for greater flexibility in financing the significant costs of these operations. In keeping with this approach, the committee divided the annual defense authorization bill into two separate components.

H.R. 4546 would authorize $383.4 billion for defense activities during fiscal year 2003. This bill provides for the base defense budget for the upcoming fiscal year, and largely covers the costs associated with the normal rate of investment and operations of the Department of Defense. The second bill, H.R. 4547, the Cost of War on Terrorism Authorization Act for Fiscal Year 2003, will supplement H.R. 4546 by covering the known costs of continuing Operations NOBLE EAGLE and ENDURING FREEDOM, as well as miscellaneous DOD incremental costs directly associated with the war on terrorism. In addition, H.R. 4547 would serve as the legislative vehicle for further authorization action once the Administration submits a detailed budget proposal for the $10 billion contingency fund identified in the budget request.

The committee believes this approach—dividing the annual defense bill into two discrete components—represents the most workable implementation of the flexible budgeting proposal contained in both the President's budget request and the House-passed Concurrent Resolution on the Budget. Equally important, this approach

would facilitate appropriate Congressional oversight of this remaining portion of the proposed defense budget by ensuring regular-order consideration and action.

In keeping with this approach, the committee carefully scrutinized the base defense budget and identified a discrete category of items that, due to their direct relationship to the conduct of the war against terrorism, are more appropriately funded through this second bill, H.R. 4547. These items, which total $3.4 billion of the $10 billion expected to be authorized by H.R. 4547, would cover the following war-related costs: replacement weapons and equipment used or lost in the war; one-time upgrades or special operational costs; and personnel costs.

When combined, the core defense authorization bill, H.R. 4546, which is funded at $383.4 billion, and the second defense authorization bill, H.R. 4547, which is expected to be funded at $10 billion, would fully support the President's budget request of $393.4 billion for the national defense function. The committee is pleased with the Administration's overall request for defense, but believes that even greater spending will be required to ensure that the military is properly manned, trained, equipped, and organized to deal not only with today's threats, but with emerging, unforeseen, and asymmetric ones as well.

Strategic Defense, Deterrence, and Forces

H.R. 4546 would promote U.S. national security and strategic readiness by moving forward with research and development of multi-tiered missile defense systems, and implementing several of the findings and conclusions of the Nuclear Posture Review (NPR).

Recent reports by the Intelligence Community state that the ballistic missile threat to the United States continues to grow. A December, 2001, National Intelligence Estimate (NIE) concluded that "The probability that a missile with a weapon of mass destruction will be used against U.S. forces or interests is higher today than most of the Cold War, and it will continue to grow as the capabilities of potential adversaries mature." The NIE added that short and medium range ballistic missiles already pose a significant threat overseas to U.S. interests, military forces, and allies.

North Korean missiles under development are capable of striking the United States, and Iran could attempt to launch an Intercontinental Ballistic Missile (ICBM) by 2005. Both countries also have active nuclear weapons programs designed to develop nuclear warheads for their missiles. And were it not for international sanctions and prohibitions, Iraq would have similar capabilities—which have only been delayed by a few years because of Iraq's continuing, covert efforts.

Russia maintains the most robust ballistic missile force capable of reaching the United States, but resource problems, force structure decisions, and expected agreements with the United States will force a significant reduction in Russia's strategic forces over the next several years. Conversely, China continues its multi-year effort to modernize and expand its strategic forces, including the development of new road-mobile missiles and submarine-launched missiles.

As a result of these disturbing threat reports, and the urgent need to eliminate the United States vulnerability to ballistic mis-

siles, the committee endorses the President's ballistic missile defense program, and supports the proposed layered defense system and realistic testing program. Therefore, the bill fully supports and marginally increases the President's $7.8 billion budget request for missile defenses.

Beyond the constitutional and moral obligation to defend the nation, the committee believes that missile defenses are critical to deterring enemies from attacking the United States or its interests. Missile defenses also prevent adversaries from attempting to intimidate or blackmail the United States from acting in its interests by removing the enemy's missile trump card and changing their strategic calculus. Finally, missile defenses promote stability by dissuading other nations from building ballistic missiles in the first place, given that such endeavors become too costly and too risky if their missiles can be defeated.

The other component to effective strategic defenses and deterrence is robust, flexible, and capable nuclear forces. The Bush Administration's Nuclear Posture Review (NPR) of January 2002 provided a comprehensive road map to achieving the capabilities necessary for today's strategic environment, and to deal with future, unforeseen threats. The NPR calls for a new triad of offensive forces, defensive capabilities, and a reinvigorated nuclear industry/infrastructure. The committee held hearings and received briefings from senior government officials, and other experts, on the need to revitalize the United States nuclear weapons industry, and to enhance our nuclear weapons infrastructure. As a result, the bill would, among other things, endorse the President's Nuclear Posture Review and task the Administration to develop a plan for enhanced nuclear test readiness.

Combating Terrorism

Recently, the Director of Central Intelligence (DCI) appeared before Congress and stated that the al Qaeda terrorist network is the most immediate and serious threat that the country faces, that it will continue to attack the United States and our interests abroad, and that its pursuit of weapons of mass destruction is particularly alarming. The DCI added that American military facilities around the world are at particular risk. This is not surprising given the attack on the USS *Cole* in Yemen two years ago, the 1996 attack on the Khobar Towers in Saudi Arabia, and the fact that the U.S. military is the most visible symbol of American strength and values.

Given these threats, both here in the United States and abroad, the committee bill endorses the President's efforts to combat terrorism by supporting the Department of Defense's request of $7.3 billion for combating terrorism activities. This request includes $6.0 billion for antiterrorism, $676.0 million for counterterrorism, $360.0 million for terrorism consequence management, and $223.0 million for counterintelligence efforts.

The antiterrorism measures proposed by the Department include increased security and vigilance for key personnel, installations, and equipment. These activities will complement the actions of other federal agencies and friendly nations.

The committee supports the Department's plans for terrorism consequence management, which are focused on two major areas:

the preparedness of installation emergency responders to mitigate the effects of an attack involving chemical, biological, radiological, nuclear, or high-yield explosives; and the support provided to a lead federal agency when foreign, state, and local governments request assistance.

The Department defines counterterrorism as "offensive measures taken to prevent, deter, and respond to terrorism." The committee endorses this definition, recognizes the Department's exceptional history with regard to counterterrorism operations; applauds the military's current efforts in Afghanistan, the Philippines, and elsewhere; and supports the Department's efforts to ensure U.S. Special Operations Forces are the best manned, trained, armed, equipped, and supported in the world.

Good intelligence is the first line of defense against terrorism. As such, the committee supports the Department's efforts to improve intelligence collection, analysis, and dissemination to commanders in a timely manner.

Putting People First

The committee believes that the key to capable and flexible armed forces is the people—military and civilian alike, and the families that stand with them—who have dedicated themselves to the defense of the country. As such, the committee believes that the Department of Defense must take special care to ensure that their readiness, morale and quality of life are enhanced.

The National Defense Authorization Act for Fiscal Year 2003 would not only ensure that our military personnel are well trained and equipped, but also reflects the committee's concern about the impact that the war on terrorism is having on service members and their families. Despite years of overuse and budgetary neglect, the Armed Forces have performed magnificently in the wake of the September 11th attacks on the nation. Notwithstanding their exceptional successes in Afghanistan, and their deployments to the Philippines, Georgia, and Central Asia, the committee believes that wartime operations have exacerbated the same debilitating stresses of high operations and personnel tempos that existed before the global war on terrorism.

The Committee fully supports the Secretary's efforts to reduce operational and mission requirements, and to free up force structure to reduce the "tooth to tail" ratio. Accordingly, the committee bill would increase active duty end strength by 12,600 from the requested levels, and provide an additional $550.0 million to support this increase.

Because "people" are the key to a great military force, this bill gives the Department the resources it needs to recruit and retain quality people at all levels, improve the quality of life for service members and their families, and to take better care of military retirees and veterans. As in the past, the committee bill would provide a pay raise that combines both across-the-board and targeted increases for mid-grade noncommissioned officers and officers. The bill would also reduce out-of-pocket housing expenses for military personnel, authorize concurrent receipt of military retired pay and disability payments for the most severely disabled military retirees, and implement several changes to improve health care for military personnel.

Finally, taking care of our military personnel also means providing them with the best equipment, weapons, resources, and technology available to do their jobs and accomplish their missions. But given the billions of dollars of unfunded requirements, coupled with the need to fight a war abroad and protect the homeland from terrorism, adequate military readiness will be difficult to sustain over the long term. Many of the military's weapons systems and platforms are long past their initial design lifespan, so maintenance problems and costs will continue to degrade mission capability. That said, the committee enhanced the President's budget request by providing the additional investments in the technology and weapons that will give our soldiers, sailors, airmen and Marines the advantages on the modern battlefield that will help guarantee success. The committee remains committed to making even larger investments in the future to ensure that our service members remain the best armed, equipped, and capable in the world.

Conclusion

In H.R. 4546, the committee has focused its efforts on improving military readiness, taking care of DOD personnel and their families, strengthening our strategic defenses and forces, combating terrorism, stemming the proliferation of weapons of mass destruction, and preparing for an extended war against terrorism. As a result, the committee believes its message is clear—that the House Armed Services Committee is completely committed to defending the United States, the American people, and our interests by restoring the strength and improving the capabilities of our nation's Armed Forces.

HEARINGS

Committee consideration of the National Defense Authorization Act for Fiscal Year 2003 results from hearings that began on February 6, 2002 and that were completed on April 11, 2002. The full committee conducted 8 sessions. In addition, a total of 22 sessions were conducted by five different subcommittees and two panels of the committee on various titles of the bill.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATION

TITLE I—PROCUREMENT

OVERVIEW

The fiscal year 2003 Department of Defense (DOD) procurement request subject to authorization was $68,637.2 million, $6,430.3 million higher than the fiscal year 2002 authorization.

The budget request also included $3,382.4 million in procurement-related equipment and items, as part of the Defense Emergency Response Fund request, resulting in a $9,812.7 million budget request increase over the fiscal year 2002 authorized level.

The committee increased the authorization for procurement by $2,933.3 million and transferred $1,793.2 million from procurement

to H.R. 4547, for a net increase to the budget request of $4,522.5 million, and a total procurement authorization of $73,440.5 million.

TITLE I - PROCUREMENT
(Dollars in Thousands)

	FY2003 AUTHORIZATION REQUEST	COMMITTEE CHANGE FROM REQUEST	FY 2003 COMMITTEE RECOMMENDATION
AIRCRAFT PROCUREMENT, ARMY	2,061,027	239,300	2,300,327
MISSILE PROCUREMENT, ARMY	1,642,296	51,600	1,693,896
PROCUREMENT OF W&TCV, ARMY	2,248,558	124,400	2,372,958
PROCUREMENT OF AMMUNITION, ARMY	1,159,426	160,600	1,320,026
OTHER PROCUREMENT, ARMY	5,168,453	950,994	6,119,447
CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY	1,490,199	(1,490,199)	-
TOTAL ARMY	**13,769,959**	**36,695**	**13,806,654**
AIRCRAFT PROCUREMENT, NAVY	8,203,955	767,600	8,971,555
WEAPONS PROCUREMENT, NAVY	1,832,617	84,000	1,916,617
PROCUREMENT OF AMMUNITION, NAVY & MARINE CORPS	1,015,153	89,300	1,104,453
SHIPBUILDING & CONVERSION, NAVY	8,191,194	1,088,300	9,279,494
OTHER PROCUREMENT, NAVY	4,347,024	180,739	4,527,763
PROCUREMENT, MARINE CORPS	1,288,383	63,600	1,351,983
TOTAL NAVY	**24,878,326**	**2,273,539**	**27,151,865**
AIRCRAFT PROCUREMENT, AIR FORCE	12,067,405	455,350	12,522,755
PROCUREMENT OF AMMUNITION, AIR FORCE	1,133,864	43,000	1,176,864
MISSILE PROCUREMENT, AIR FORCE	3,575,162	(92,523)	3,482,639
OTHER PROCUREMENT, AIR FORCE	10,523,946	383,784	10,907,730
TOTAL AIR FORCE	**27,300,377**	**789,611**	**28,089,988**
PROCUREMENT, DEFENSE-WIDE	2,688,515	(67,506)	2,621,009
CHEM AGENTS & MUNITIONS DESTRUCTION, DEF	-	1,490,199	1,490,199
TOTAL DEFENSE-WIDE	**2,688,515**	**1,422,693**	**4,111,208**
PROCUREMENT, DEFENSE HEALTH PROGRAM	278,742		278,742
PROCUREMENT, OFFICE OF THE INSPECTOR GENERAL	2,000		2,000
GRAND TOTAL DEPARTMENT OF DEFENSE	**68,917,919**	**4,522,538**	**73,440,457**

AIRCRAFT PROCUREMENT, ARMY

Overview

The budget request contained $2,061.0 million for Aircraft Procurement, Army in fiscal year 2003. The committee recommends authorization of $2,300.3 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	AIRCRAFT PROCUREMENT, ARMY						
	AIRCRAFT						
	FIXED WING						
1	UTILITY F/W (MR) AIRCRAFT	-	-			-	-
	ROTARY						
2	UH-60 BLACKHAWK (MYP)	12	176,408	8	115,300	20	291,708
	UH-60L ARNG			[+5]	[+52,600]	[+5]	[+52,600]
	HH-60L ARNG			[+3]	[+47,700]	[+3]	[+47,700]
	UH-60L simulator				[+15,000]		[+15,000]
2	UH-60 BLACKHAWK (MYP)	-	(23,047)			-	(23,047)
3	UH-60 BLACKHAWK (MYP)	-	-			-	-
3	UH-60 BLACKHAWK (MYP)	-	-			-	-
3	UH-60 BLACKHAWK (MYP)	-	-			-	-
3	UH-60 BLACKHAWK (MYP)	-	-			-	-
3	UH-60 BLACKHAWK (MYP)	-	-			-	-
3	UH-60 BLACKHAWK (MYP)	-	21,134			-	21,134
3	UH-60 BLACKHAWK (MYP)	-	2,507			-	2,507
3	UH-60 BLACKHAWK (MYP)	-	3,218			-	3,218
4	HELICOPTER NEW TRAINING	-	-	6	9,600	6	9,600
	TH-67			[+6]	[+9,600]	[+6]	[+9,600]
	TOTAL AIRCRAFT		**180,220**		**124,900**		**305,120**
	MODIFICATION OF AIRCRAFT						
5	GUARDRAIL MODS (TIARA)	-	9,229		5,000	-	14,229
	DERF				[+5,000]		[+5,000]
6	ARL MODS (TIARA)	-	20,873			-	20,873
7	AH1F MODS	-	-			-	-
8	AH-64 MODS	-	93,622		39,000	-	132,622
	DSC / HUMS				[+8,000]		[+8,000]
	ODDS				[+5,000]		[+5,000]
	Combination Magazine / Crashworthy Fuel Tanks				[+18,000]		[+18,000]
	TESS ARNG				[+8,000]		[+8,000]
9	CH-47 CARGO HELICOPTER MODS	-	399,783		13,500	-	413,283
	Crashworthy Crew Seats				[+13,500]		[+13,500]
9	CH-47 CARGO HELICOPTER MODS	-	(17,722)			-	(17,722)
10	CH-47 CARGO HELICOPTER MODS	-	-			-	-
10	CH-47 CARGO HELICOPTER MODS	-	-			-	-

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
10	CH-47 CARGO HELICOPTER MODS	-	21,185			-	21,185
11	CH-47 ICH	-	-			-	-
12	UTILITY/CARGO AIRPLANE MODS	-	16,954			-	16,954
13	OH-58 MODS	-	460			-	460
14	AIRCRAFT LONG RANGE MODS	-	744			-	744
15	LONGBOW	-	892,007			-	892,007
15	LONGBOW	-	(26,226)			-	(26,226)
16	LONGBOW	-	-			-	-
16	LONGBOW	-	-			-	-
16	LONGBOW	-	29,713			-	29,713
17	UH-1 MODS	-	-			-	-
18	UH-60 MODS	-	41,863		8,000	-	49,863
	Crashworthy fuel tanks Active / ARNG				[+6,000]		[+6,000]
	Deicing System Upgrade				[+2,000]		[+2,000]
19	KIOWA WARRIOR	-	42,406			-	42,406
20	AIRBORNE AVIONICS	-	97,003			-	97,003
21	ASE MODS (SIRFC)	-	-			-	-
22	GATM	-	-			-	-
23	GATM ROLLUP	-	70,414			-	70,414
	TOTAL MODIFICATION OF AIRCRAFT		**1,692,308**		**65,500**		**1,757,808**
	SPARES AND REPAIR PARTS						
24	SPARE PARTS (AIR)	-	7,697			-	7,697
	TOTAL SPARES AND REPAIR PARTS		**7,697**		**-**		**7,697**
	SUPPORT EQUIPMENT AND FACILITIES						
	GROUND SUPPORT AVIONICS						
25	AIRCRAFT SURVIVABILITY EQUIPMENT	-	-		5,000	-	5,000
	AN / AVR-2A Laser Detecting Sets				[+5,000]		[+5,000]
26	ASE INFRARED CM	-	-			-	-
	OTHER SUPPORT						
27	AIRBORNE COMMAND & CONTROL	-	27,738			-	27,738
28	AVIONICS SUPPORT EQUIPMENT	-	7,494		8,000	-	15,494
	ANVIS Goggles				[+8,000]		[+8,000]
29	COMMON GROUND EQUIPMENT	-	18,091			-	18,091
30	AIRCREW INTEGRATED SYSTEMS	-	15,215		27,400	-	42,615
	CABS				[+26,100]		[+26,100]

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	HGU-56-P IHADSS ARNG				[+1,300]		[+1,300]
31	AIR TRAFFIC CONTROL	-	64,410			-	64,410
32	INDUSTRIAL FACILITIES	-	704			-	704
33	LAUNCHER, 2.75 ROCKET	-	2,677			-	2,677
34	AIRBORNE COMMUNICATIONS	-	44,473		8,500	-	52,973
	ARC 220 HF Radio				[+8,500]		[+8,500]
35	CLOSED ACCOUNT ADJUSTMENT	-	-			-	-
	TOTAL SUPPORT EQUIPMENT AND FACILITIES		**180,802**		**48,900**		**229,702**
	TOTAL AIRCRAFT PROCUREMENT, ARMY		**2,061,027**		**239,300**		**2,300,327**

Items of Special Interest

AH–64 modifications

The budget request contained $93.6 million for AH–64 modifications, but included no funds to procure the digital source collector (DSC) health usage monitoring system (HUMS); nor the oil debris detection system (ODDS); nor combination ammunition storage magazine and crashworthy ballistically, self-sealing, internal auxiliary fuel tanks; nor a tactical engagement simulation system (TESS) for the Army National Guard (ARNG).

The DSC-HUMS, a pre-planned product improvement for the vibration management enhancement program, is an on-board, crash-survivable memory unit that records voice, flight data, and electronic diagnostic data from the 1533 multiplex data bus. The system aids post mishap investigations and troubleshooting field maintenance failures.

The ODDS is an on-board detection system that alerts aircrews to the presence of metal chips in engines and propeller gear boxes, which allows flights to be terminated prior to catastrophic failure of critical components. The system also permits the clearing of smaller particles that routinely accumulate in engine oil and cause false impending engine failure alarms resulting in unnecessary termination of aircraft missions and costly engine diagnostics.

The committee notes that requirements for additional combination ammunition storage magazine and crashworthy ballistically, self-sealing, internal auxiliary fuel tanks exist for both AH–64A Apache and AH–64D Apache Longbow aircraft. These tanks replace externally-mounted, non-crashworthy, non self-sealing fuel tanks and are currently installed in 101st Airborne Division (Air Assualt) Apaches operating in Operation Enduring Freedom and provide a 26 percent increase in additional fuel capacity while preserving the capability to carry 300 rounds of 30 millimeter ammunition.

The TESS is an advanced imbedded training system to enhance combat training and readiness for Apache aircrews and provides communications, decentralized engagement tracking and prosecution, and real time casualty assessment, which enables aircrews to conduct collective training at their home stations. The committee believes that the TESS would allow ARNG pilots to train more proficiently and help maintain similar proficiency levels of active component AH–64 aircrews.

The committee recommends $132.6 million for AH–64 modifications, an increase of $8.0 million to procure DSC-HUMS; an increase of $8.0 million in PE 64746A for continued development of DSC-HUMS for the Apache Longbow; an increase of $5.0 million to procure ODDS; an increase of $18.0 million to procure combination ammunition storage magazine and crashworthy ballistically, self-sealing, internal auxiliary fuel tanks; and $8.0 million for one TESS for the ARNG, for a total increase of $39.0 million for procurement upgrades for the AH–64 Apache fleet.

Airborne communications

The budget request contained $44.5 million for the procurement of 10 AN/ARC–220 aviation non-line-of-sight (NLOS) high frequency (HF) radios, 262 AN/VRC–100 NLOS HF ground radios and

associated A-kits for installation of AN/ARC–220 radios into AH–64 Apache attack helicopters.

The AN/ARC–220 aviation NLOS HF radio provides secure voice and data communications between Army helicopters flying nap-of-the-earth missions and beyond-line-of-sight tactical operations centers. The committee notes that the Task Force Hawk after action report identified the lack of such capability in AH–64 Apache attack helicopters as a major deficiency for conducting long-range strike missions. Further, the committee understands that the Army has recently increased its basis of issue of the AN/ARC–220 radio to one per AH–64 Apache versus the earlier basis of issue of one per every two aircraft.

Based on the Task Force Hawk shortfalls, the increased requirement, and the committee's belief that this communications requirement is essential to effectively employ Apache aircraft for deep strike missions and ground offensives, the committee recommends $53.0 million, an increase of $8.5 million, to procure an additional 375 AN/ARC–220 aviation NLOS HF radios.

Aircraft survivability equipment (ASE)

The budget request contained no funds to procure ASE.

The AN/AVR–2A laser detecting set (LDS) is the only device in the Army capable of providing warning to helicopter crews when they have been illuminated by a laser-targeted weapon. It detects, identifies, and characterizes threats 360-degrees-around and plus-or-minus 45 degrees above-and-below an aircraft.

The committee continues to be concerned with the growing laser threat to helicopter aircrews and notes the limited fielding of this system to force package one aircraft only. The committee understands that the Army plans to budget for LDS beginning in fiscal year 2004 to complete LDS kit installation on the AH–64D Apache Longbow and UH–60M Blackhawk helicopters. Based on a growing laser threat to Army helicopters and consistent with prior year actions, the committee recommends an increase of $5.0 million to accelerate procurement and fielding of AN/AVR–2A LDS kits.

Aircrew integrated systems

The budget request contained $15.2 million for the procurement of aircrew integrated systems, but included no funds to either procure cockpit airbag systems (CABS) or HGU–56P, AH–64 Apache helicopter integrated helmet and display sight subsystems (IHADSS) for the Army National Guard (ARNG).

The CABS is a crash-activated, inflatable protection system, which provides head and body supplemental restraint for helicopter aviators, reducing death and injury caused by the body and head impacting against cockpit structures in the event of a crash or hard landing. The committee is highly supportive of technological advances that contribute to improved aircraft crashworthiness and aircrew safety, and, also notes that the Army Chief of Staff has identified $26.1 million for the procurement of CABS as a top fiscal year 2003 unfunded priority. The IHADSS is comprised of an AH–64A Apache helicopter flight helmet, which provides crash protection and noise attenuation and a small monocular display which provides line-of-sight as well as flight critical video and symbology information to the pilot. The committee believes these helmets pro-

vide aviators with better situational awareness and safety of flight information and note that not all ARNG Apache units have these helmets.

The committee recommends $42.6 million for aircrew integrated systems, an increase of $26.1 million to procure CABS and $1.3 million for the procurement of 64 IHADSS for the ARNG.

Avionics support equipment

The budget request contained $7.5 million to procure AN/AVS–6(V)3 aviator's night vision imaging systems (ANVIS) and AN/AVS–7 heads-up displays.

The AN/AVS–6(V)3 ANVIS is a helmet-mounted, twin-tube, image-intensified (I2), generation IV, night vision system that significantly enhances night flight operations in conditions that vary from overcast starlight to strong urban lighting. Currently fielded systems comprise older generation II or generation III night vision technology. AN/AVS–6(V)3 ANVIS generation IV technology provides a 200 percent improvement in visual acuity and range performance in high light levels and a 65 percent improvement in visual acuity and range performance in low light levels over current technology, fielded from fiscal years 1985 through 1993.

The committee believes that improved safety of flight operations would result from this enhanced generation IV technology and recommends $15.5 million, an increase of $8.0 million, to accelerate the procurement of AN/AVS–6(V)3 ANVIS.

CH–47 cargo helicopter modifications

The budget request contained $382.1 million for MH–47/CH–47F special operations and cargo helicopter modifications, but included no funds for crashworthy crew seats.

While existing pilot and co-pilot seats offer some protection in the event of a hard impact landing or a crash, crew chiefs and load master personnel do not have crashworthy crew seats to provide increased protection from the acceleration forces created by such a landing or crash, thereby avoiding serious injuries or, in extreme cases, fatalities to soldiers. The committee notes that the Army Chief of Staff has identified a fiscal year 2003 unfunded requirement to accelerate procurement of crashworthy crew seats into the CH–47 Chinook helicopter.

The committee recommends $395.6 million, an increase of $13.5 million, to procure crashworthy crew seats for CH–47 cargo helicopters.

Helicopter new training

The budget request contained no funds to procure TH–67 Creek training helicopters.

The committee notes the continued shortfall in visual flight, instrument flight, and basic combat skills training helicopters which will occur with the anticipated retirement of Vietnam-era UH–1 and OH–58 A/C aircraft as outlined in the fiscal year 2000 Army Aviation Modernization Plan. The committee understands that the Army does not intend to replace these retiring aircraft due to affordability.

Based on the need to replace the aging Huey and OH–58 A/C training fleet as soon as possible and the need to provide quality

training for Army aviators, the committee recommends an increase of $9.6 million for six TH–67 helicopters.

UH–60 Blackhawk

The budget request contained $153.4 million for the procurement of 12 UH–60L Blackhawk utility helicopters for the Army National Guard (ARNG), but included no funds for HH–60L enhanced medical evacuation (MEDEVAC) helicopters for the ARNG or for a UH–60L full motion simulator.

The Blackhawk is the Army's primary utility helicopter for air assault, general support and aero medical evacuation missions. The HH–60L MEDEVAC helicopter provides enhanced medical evacuation and treatment of six litter or seven ambulatory patients in a state-of-the-art medical treatment cabin interior.

The committee is aware that the national command authority's rapid reaction force 18th Airborne Corps has a requirement for one additional UH–60L Blackhawk full motion simulator and that this simulator is not planned to be budgeted for until fiscal year 2005. However, aviation units from this corps are currently deployed in combat operations in Operation Enduring Freedom and must maintain the highest levels of readiness and training as a rotational alert force.

The committee recommends $268.7 million, an increase of $52.6 million to procure five additional UH–60L Blackhawks for the ARNG and $47.7 million to procure three HH–60L MEDEVAC variants for the ARNG, and an increase of $15.0 million for one UH–60L Blackhawk full motion simulator for the 18th Airborne Corps, for a total increase of $115.3 million.

UH–60 modifications

The budget request contained $41.9 million for UH–60 modifications, of which $10.3 million was for crashworthy external fuel systems, but no funds were included for this system for Army National Guard (ARNG) UH–60 combat search and rescue aircraft or for UH–60 deicing system upgrades.

UH–60 crashworthy external fuel systems are self-sealing, ballistically-tolerant tanks that replace existing 230 gallon non-crashworthy external fuel tanks originally intended only for ferry flights. However, expanding Army aviation missions have increasingly required these non-crashworthy tanks to be used to extend UH–60 tactical mission ranges, which create safety risks to flight crews, passengers, and aircraft that require individual mission waivers by individual commands.

The committee understands that the original UH–60 series aircraft were built with a marginally capable deicing system and that an upgrade is underway to improve its performance.

As a result of potential safety risks created by existing systems, the committee recommends $49.9 million for UH–60 modifications, an increase of $6.0 million, for crashworthy external fuel systems for both ARNG combat search and rescue aircraft and active Army UH–60s, and an increase of $2.0 million for UH–60 series aircraft deicing system upgrades, for a total increase of $8.0 million.

MISSILE PROCUREMENT, ARMY

Overview

The budget request contained $1,642.3 million for Missile Procurement, Army in fiscal year 2003. The committee recommends authorization of $1,693.9 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	MISSILE PROCUREMENT, ARMY						
	OTHER MISSILES						
	SURFACE-TO-AIR MISSILE SYSTEM						
1	PATRIOT SYSTEM SUMMARY	72	471,670			72	471,670
2	STINGER SYSTEM SUMMARY	160	30,893			160	30,893
3	AVENGER SYSTEM SUMMARY	-	-			-	-
	AIR-TO-SURFACE MISSILE SYSTEM						
4	HELLFIRE SYS SUMMARY	1,797	193,875		40,000	1,797	233,875
	Laser Hellfire II Missiles				[+40,000]		[+40,000]
4	HELLFIRE SYS SUMMARY	-	(9,479)			-	(9,479)
	ANTI-TANK/ASSAULT MISSILE SYSTEM						
5	JAVELIN (AAWS-M) SYSTEM SUMMARY	1,725	259,456			1,725	259,456
5	JAVELIN (AAWS-M) SYSTEM SUMMARY	-	(8,950)			-	(8,950)
6	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM	144	27,298			144	27,298
6	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM	-	(9,361)			-	(9,361)
7	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM	-	-			-	-
8	MLRS ROCKET	-	-			-	-
9	GUIDED MLRS ROCKET (GMLRS)	108	29,698			108	29,698
10	MLRS REDUCED RANGE PRACTICE ROCKETS (RRPR)	5,646	15,924			5,646	15,924
11	MLRS LAUNCHER SYSTEMS	35	141,131			35	141,131
12	HIMARS LAUNCHER	34	128,402			34	128,402
13	ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM	-	9,050		38,000	-	47,050
	QRP Missiles				[+38,000]		[+38,000]
14	ATACMS BLKII SYSTEM SUMMARY	-	49,687		(26,400)	-	23,287
	Engineering Services / Production Engineering Support				[-26,400]		[-26,400]
	TOTAL OTHER MISSILES		**1,329,294**		**51,600**		**1,380,894**
	MODIFICATION OF MISSILES						
	MODIFICATIONS						
15	PATRIOT MODS	-	151,307			-	151,307
16	STINGER MODS	-	1,492			-	1,492
17	AVENGER MODS	-	-			-	-
18	ITAS/TOW MODS	-	59,962			-	59,962
19	MLRS MODS	-	31,734			-	31,734
	TOTAL MODIFICATIONS OF MISSILES		**244,495**		**-**		**244,495**
	SPARES AND REPAIR PARTS						

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	SPARES AND REPAIR PARTS						
20	SPARES AND REPAIR PARTS	-	55,924			-	55,924
	TOTAL SPARES AND REPAIR PARTS		**55,924**		-		**55,924**
	SUPPORT EQUIPMENT AND FACILITIES						
	SUPPORT EQUIPMENT AND FACILITIES						
21	AIR DEFENSE TARGETS	-	3,408			-	3,408
22	ITEMS LESS THAN $5.0M (MISSILES)	-	907			-	907
23	MISSILE DEMILITARIZATION	-	4,895			-	4,895
24	PRODUCTION BASE SUPPORT	-	3,373			-	3,373
	TOTAL SUPPORT EQUIPMENT AND FACILITIES		**12,583**		-		**12,583**
	TOTAL MISSILE PROCUREMENT, ARMY		**1,642,296**		**51,600**		**1,693,896**

Items of Special Interest

Army tactical missile system (ATACMS) summary/ATACMS block II system summary

The budget request contained $9.1 million for the fielding of prior year procured missiles, but included no funds to procure ATACMS quick reaction program (QRP) unitary warhead missiles. The budget request also included $49.7 million for engineering services, production engineering support and related activities for ATACMS block II missiles, however, no block II missiles are planned to be produced in fiscal year 2003.

The ATACMS is a surface-to-surface, global positioning system-guided missile for deep-strike attacks against tactical surface-to-surface and surface-to-air missile sites; logistics elements; and command, control, communications complexes.

The committee is aware of the ATACMS QRP upgrade that will incorporate Standoff Land Attack Missile-Expanded Response warheads into ATACMS Block IA missiles. This warhead upgrade is designed to limit collateral damage when used against targets in urban environments and is a direct outgrowth of the Army's inability to conduct deep strike missions against such targets with its existing ATACMS missile inventory during Operation Allied Force. The committee also notes that the Army received $38.0 million in fiscal year 2002 Defense Emergency Response Fund supplemental funding to accelerate this conversion initiative.

The committee notes that $5.0 million and $6.1 million was appropriated for engineering services and production engineering support, respectively, in fiscal year 2002 for the production of 6 ATACMS block II missiles and 83 brilliant antitank submunitions (BAT). However, $25.3 million and $12.0 million is requested for engineering services and production engineering support, respectively, in fiscal year 2003, yet no missile or submunition production is planned. The committee is concerned about the fiscal year 2003 request including a five-fold increase for engineering services and just under twice the amount for production engineering support over the amounts appropriated for these fiscal year 2002 production requirements. The committee also notes that the Army is currently reviewing and restructuring the ATACMS block II and BAT program and considering arming unmanned aerial vehicles (UAV) with BAT pre-planned product improved (P3I) submunitions instead of expending BAT P3I submunitions from missiles.

The committee believes that the Army should have the capability to provide joint force commanders with a surface-to-surface deep strike option, which creates limited collateral damage in urban environments. Also, the committee is supportive of expanding UAV capability with weapons, which have been effectively demonstrated in Operation Enduring Freedom.

The committee recommends $47.1 for ATACMS missile system summary, an increase of $38.0 million, to upgrade ATACMS Block IA missiles to the QRP configuration. Also, the committee recommends $23.3 million for ATACMS block II system summary, a decrease of $20.3 million and $6.1 million from engineering services and production engineering support, respectively, for a total decrease of $26.4 million, since no production is planned in fiscal year 2003 for ATACMS block II missiles or BAT P3I submunitions.

Hellfire system summary

The budget request contained $184.4 million for the procurement of Longbow Hellfire missiles, but included no funds to procure laser Hellfire II missiles.

The committee notes that the Army Chief of Staff has identified a fiscal year 2003, $80.2 million unfunded requirement for laser Hellfire II missiles.

The committee recommends $224.4 million for Hellfire system summary, a $40.0 million increase, for laser Hellfire II missiles.

WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Overview

The budget request contained $2,248.6 million for procurement of Weapons and Tracked Combat Vehicles, Army for fiscal year 2003. The committee recommends authorization of $2,373.0 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF W&TCV, ARMY						
	TRACKED COMBAT VEHICLES						
	TRACKED COMBAT VEHICLES						
1	ABRAMS TRNG DEV MOD	-	5,504			-	5,504
2	BRADLEY BASE SUSTAINMENT	-	407,237	45	60,000	45	467,237
	Bradley "A0" to "A20DS" ARNG			[+45]	[+60,000]	[+45]	[+60,000]
2	BRADLEY BASE SUSTAINMENT	-	(10,184)			-	(10,184)
3	BRADLEY BASE SUSTAINMENT	-	-			-	-
3	BRADLEY BASE SUSTAINMENT	-	-			-	-
3	BRADLEY BASE SUSTAINMENT	-	-			-	-
4	BRADLEY FVS TRAINING DEVICES	-	-			-	-
5	HAB TRAINING DEVICES	-	-			-	-
6	BRADLEY FVS TRAINING DEVICES (MOD)	-	8,532			-	8,532
7	ABRAMS TANK TRAINING DEVICES	-	12,061			-	12,061
8	INTERIM ARMORED VEHICLE (IAV) FAMILY	332	811,831			332	811,831
9	COMMAND & CONTROL VEHICLE	-	-			-	-
9	COMMAND & CONTROL VEHICLE	-	-			-	-
	MODIFICATION OF TRACKED COMBAT VEHICLES						
10	CARRIER, MOD	-	60,305			-	60,305
11	FIST VEHICLE (MOD)	-	6,966			-	6,966
12	MOD OF IN-SVC EQUIP, FIST VEHICLE	-	692			-	692
13	BFVS SERIES (MOD)	-	35,033			-	35,033
14	HOWITZER, MED SP FT 155MM M109A6 (MOD)	-	17,361			-	17,361
15	FAASV PIP TO FLEET	-	2,944			-	2,944
16	IMPROVED RECOVERY VEHICLE (M88 MOD)	16	50,311	15	45,800	31	96,111
	ARNG			[+15]	[+45,800]	[+15]	[+45,800]
17	HEAVY ASSAULT BRIDGE (HAB) SYS (MOD)	-	-			-	-
18	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)	-	10,021			-	10,021
19	M1 ABRAMS TANK (MOD)	-	191,413			-	191,413
20	M1A1D RETROFIT	-	-			-	-
21	SYSTEM ENHANCEMENT PGM: SEP M1A2	31	123,697			31	123,697
22	ABRAMS UPGRADE PROGRAM	-	586,859			-	586,859
22	ABRAMS UPGRADE PROGRAM	-	(210,591)			-	(210,591)
23	ABRAMS UPGRADE PROGRAM	-	-			-	-
23	ABRAMS UPGRADE PROGRAM	-	-			-	-
23	ABRAMS UPGRADE PROGRAM	-	-			-	-
	SUPPORT EQUIPMENT AND FACILITIES						
24	ITEMS LESS THAN $5.0M (TCV-WTCV)	-	146			-	146
25	PRODUCTION BASE SUPPORT (TCV-WTCV)	-	9,900			-	9,900

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL TRACKED COMBAT VEHICLES		**2,120,038**		**105,800**		**2,225,838**
	WEAPONS AND OTHER COMBAT VEHICLES						
	WEAPONS AND OTHER COMBAT VEHICLES						
26	ARMOR MACHINE GUN, 7.62MM M240 SERIES	2,217	21,334			2,217	21,334
27	MACHINE GUN, 5.56MM (SAW)	-	-		18,600	-	18,600
	M249 SAW				[+18,600]		[+18,600]
28	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	669	16,663			669	16,663
29	81MM MORTAR (ROLL)	138	9,821			138	9,821
30	M16 RIFLE	5,631	3,104			5,631	3,104
31	XM107, CAL. 50, SNIPER RIFLE	600	8,913			600	8,913
32	5.56 CARBINE M4	12,505	9,155			12,505	9,155
33	HOWITZER LT WT 155MM (T)	-	-			-	-
	MOD OF WEAPONS AND OTHER COMBAT VEH						
34	MARK-19 MODIFICATIONS	-	2,743			-	2,743
35	M4 CARBINE MODS	-	9,267			-	9,267
36	SQUAD AUTOMATIC WEAPON (MOD)	-	4,119			-	4,119
37	MEDIUM MACHINE GUNS (MODS)	-	-			-	-
38	HOWITZER, TOWED, 155MM, M198 (MODS)	-	-			-	-
39	M119 MODIFICATIONS	-	4,852			-	4,852
40	M16 RIFLE MODS	-	-			-	-
41	MODIFICATIONS LESS THAN $5.0M (WOCV-WTCV)	-	817			-	817
	SUPPORT EQUIPMENT AND FACILITIES						
42	ITEMS LESS THAN $5.0M (WOCV-WTCV)	-	1,265			-	1,265
43	PRODUCTION BASE SUPPORT (WOCV-WTCV)	-	5,832			-	5,832
44	INDUSTRIAL PREPAREDNESS	-	3,246			-	3,246
45	SMALL ARMS (SOLDIER ENH PROG)	-	1,954			-	1,954
46	CLOSED ACCOUNT ADJUSTMENTS	-	-			-	-
	TOTAL WEAPONS AND OTHER COMBAT VEHICLES		**103,085**		**18,600**		**121,685**
	SPARE AND REPAIR PARTS						
	SPARES						
47	SPARES AND REPAIR PARTS (WTCV)	-	25,435			-	25,435
	TOTAL SPARE AND REPAIR PARTS		**25,435**		-		**25,435**
	TOTAL PROCUREMENT OF W&TCV, ARMY		**2,248,558**		**124,400**		**2,372,958**

Items of Special Interest

Bradley base sustainment

The budget request contained $397.1 million for the procurement of Bradley A3 fighting vehicle upgrades, including $3.5 million for fielding Army National Guard (ARNG) A2 Operation Desert Storm (ODS) variants.

The Bradley A2ODS is an upgraded first-generation Bradley A0, which enhances its lethality, survivability, and mobility, as well as the situational awareness of its crew. Modifications include installation of a laser range finder, Global Positioning System navigation capability, a combat identification system, a driver's thermal viewer and a missile countermeasure device.

When the Army completes all of its planned upgrades to the Bradley, the active fleet will include a mix of the most advanced A3 variant, along with A2 and A2ODS versions. The committee understands that beginning in fiscal year 2003, approximately 400 ARNG Bradley A0s will remain unmodified since this upgrade program was initiated. Because of major survivability deficiencies, Bradley A0s were not mobilized during the Persian Gulf War. However, as part of the new ARNG enhanced brigades, the committee notes that some of these A0 vehicles will be required to deploy with active Army forces.

Because ARNG enhanced brigades will comprise an increasing percentage of the Army's warfighting capability in the future, the committee recommends $457.1 million for Bradley base sustainment, an increase of $60.0 million, to upgrade an additional 45 Bradley A0 vehicles to the A2ODS variant for the ARNG.

Improved recovery vehicle (IRV)

The budget request contained $50.3 million for the procurement of 16 M88A2 IRVs, but included no funds for the procurement of these vehicles for the Army National Guard (ARNG).

The 56-ton M88A1 is capable of towing only vehicles weighing less than 60 tons. Consequently, two M88A1s are required to safely tow an Abrams tank if it becomes immobile due to combat damage or mechanical failure. The M88A2 IRV upgrade is a jointly procured system for both the Army and Marine Corps and includes increased engine horsepower, as well as braking, steering, winch, lift, and suspension capabilities required to safely recover Abrams tanks and other heavy combat systems. The committee understands that the Army will terminate this program in fiscal year 2006 as one of its 18 programs it identified for termination through the future years defense program to reprioritize funds for transformation, however, these upgrades will be procured to fulfill heavy counter attack corps requirements. The committee also notes that the ARNG has a shortfall of IRVs in its enhanced separate brigade force structure.

The committee recommends $96.1 million, an increase of $45.8 million, for 15 additional M88A2 IRV upgrades for the ARNG.

M113 carrier modifications

The budget request contained $60.3 million for M113 carrier modifications, of which $14.9 million was for M113 "A3" upgrades,

and $45.4 million was for new T–150 track for the United States-based Counter Attack Corps.

The M113A3 upgrade program, forecast to add an additional 20 years of service life to the vehicle, includes installation of a new engine, transmission, external armored fuel tanks, driver controls, and internal Kevlar spall liners. The committee notes, however, that the M113A3 upgrade program is one of 11 programs to be terminated by the Army in fiscal year 2003 in order to afford higher transformation priorities.

While the committee is supportive of transformation and understands the need to reallocate resources to accelerate improved transformational technologies, in this instance it believes that the Army's decision to not upgrade the remaining forward deployed 112, 2nd Infantry Division M113A2s in the Republic of Korea, and the 185, 1st Armored Division and 167, 1st Infantry Division M113A2s in Europe, will at a minimum, leave the soldiers in these front line units vulnerable and lacking increased maneuver capability in the potentially unstable and high threat environments they are required to operate in. Unless the Secretary of the Army can present the committee with a valid plan as to why the Army would not complete these particular unit vehicle upgrades prior to terminating the "A3" upgrade program after fiscal year 2003, the committee recommends that the entire $60.3 million requested for fiscal year 2003 be only for M113A3 upgrades for these units.

M249 squad automatic weapon (SAW)

The budget request contained no funds for the procurement of the M249 SAW. The M249 SAW is a lightweight machine gun capable of delivering a sustained volume of automatic, accurate, and highly lethal fire up to ranges of 800 meters. It is being widely fielded throughout the Army to airborne, artillery, light and mechanized infantry, and aviation units. The committee notes that this has been one of the infantry's critical weapon systems in the Army's deployment to Afghanistan for Operation Enduring Freedom. As a result of a review and increased requirements, the committee understands that the Army Chief of Staff has identified an $18.6 million fiscal year 2003 unfunded requirement for an additional 9,580 guns, which will fulfill the service's total procurement objective of 89,428 guns.

The committee recommends an increase of $18.6 million for this purpose to complete the procurement objective of M249 SAWs.

AMMUNITION PROCUREMENT, ARMY

Overview

The budget request contained $1,159.4 million for Ammunition Procurement, Army in fiscal year 2003. The committee recommends authorization of $1,320.0 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF AMMUNITION, ARMY						
	AMMUNITION						
	SMALL/MEDIUM CAL AMMUNITION						
1	CTG, 5.56MM, ALL TYPES	-	89,870		14,305	-	104,175
	DERF				[+9,305]		[+9,305]
	Lake City Production Line upgrade				[+5,000]		[+5,000]
2	CTG, 7.62MM, ALL TYPES	-	15,975		2,199	-	18,174
	DERF				[+2,199]		[+2,199]
3	CTG, 9MM, ALL TYPES	-	13,508			-	13,508
4	CTG, .50 CAL, ALL TYPES	-	50,575		4,021	-	54,596
	DERF				[+4,021]		[+4,021]
5	CTG, 20MM, ALL TYPES	-	-			-	-
6	CTG, 25MM, ALL TYPES	-	33,087		23,000	-	56,087
	APFSDS-T M919				[+23,000]		[+23,000]
7	CTG, 30MM, ALL TYPES	-	9,795			-	9,795
8	CTG, 40MM, ALL TYPES	-	71,703		5,369	-	77,072
	DERF				[+5,369]		[+5,369]
	MORTAR AMMUNITION						
9	60MM MORTAR, ALL TYPES	-	31,696			-	31,696
10	81MM MORTAR, ALL TYPES	-	3,582		2,800	-	6,382
	M816				[+2,800]		[+2,800]
11	CTG, MORTAR, 120MM, ALL TYPES	-	50,425		13,800	-	64,225
	M934A1				[+7,800]		[+7,800]
	IR Illum M983				[+3,000]		[+3,000]
	Pine Bluff Arsenal Production Line Upgrade				[+3,000]		[+3,000]
	TANK AMMUNITION						
12	CTG TANK 105MM: ALL TYPES	-	14,100			-	14,100
13	120MM TANK TRAINING, ALL TYPES	-	154,963			-	154,963
14	CTG, TANK, 120MM TACTICAL, ALL TYPES	-	43,254			-	43,254
	ARTILLERY AMMUNITION						
15	CTG ARTY 75MM BLANK M337A1	101	4,201			101	4,201
16	CTG ARTY 105MM DPICM M915	-	-			-	-
17	CTG ARTY 105MM M927	-	-			-	-
18	CTG ARTY 105MM ILLUM M314 SERIES	6	5,208			6	5,208
19	PROJ ARTY 155MM SMOKE WP M825	-	-			-	-
20	CTG ARTY 105MM HE M1 W/O FUZE	-	25,200		1,637	-	26,837
	DERF				[+1,637]		[+1,637]
21	PROJECTILE 155 MILLIMETER DP BASEBLED M864 P7	-	22,300			-	22,300
22	PROJ ARTY 155MM HE M795	-	-		24,000	-	24,000

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
23	REMOTE AREA DENIAL ARTILLERY MUNITION (RADAM)	-	-			-	-
24	PROJ ARTY 155MM HE M107	155	30,200			155	30,200
24A	PROJ ARTY 155MM ILLUM M110	-	-		10,000	-	10,000
25	MODULAR ARTILLERY CHARGE SYSTEM (MACS), ALL T	-	122,411		20,000	-	142,411
	ARTILLERY FUZES						
26	ARTILLERY FUZES, ALL TYPES	-	69,180			-	69,180
	MINES						
27	MINE, TRAINING, ALL TYPES	-	12,661			-	12,661
28	MINE AT VOLCANO,: ALL TYPES	-	-			-	-
29	WIDE AREA MUNITIONS	-	12,466			-	12,466
	ROCKETS						
30	BUNKER DEFEATING MUNITION (BDM)	-	7,795		10,000	-	17,795
31	ROCKET, HYDRA 70, ALL TYPES	-	22,400			-	22,400
	OTHER AMMUNITION						
32	DEMOLITION MUNITIONS, ALL TYPES	-	28,001		5,000	-	33,001
	Modernization Demolition Initiators				[+5,000]		[+5,000]
33	GRENADES, ALL TYPES	-	37,552		3,221	-	40,773
	DERF				[+3,221]		[+3,221]
34	SIGNALS, ALL TYPES	-	11,935		946	-	12,881
	DERF				[+946]		[+946]
35	SIMULATORS, ALL TYPES	-	3,942			-	3,942
	MISCELLANEOUS						
36	AMMO COMPONENTS, ALL TYPES	-	7,953			-	7,953
37	NON-LETHAL AMMUNITION, ALL TYPES	-	5,890			-	5,890
38	CAD/PAD ALL TYPES	-	4,800			-	4,800
39	ITEMS LESS THAN $5 MILLION	-	8,739		302	-	9,041
	DERF				[+302]		[+302]
40	AMMUNITION PECULIAR EQUIPMENT	-	4,792			-	4,792
41	FIRST DESTINATION TRANSPORTATION (AMMO)	-	5,836			-	5,836
42	CLOSEOUT LIABILITIES	-	10,017			-	10,017
	TOTAL AMMUNITION		**1,046,012**		**140,600**		**1,186,612**
	AMMUNITION PRODUCTION BASE SUPPORT						
	PRODUCTION BASE SUPPORT						
43	PROVISION OF INDUSTRIAL FACILITIES	-	42,655			-	42,655
44	LAYAWAY OF INDUSTRIAL FACILITIES	-	6,990			-	6,990
45	MAINTENANCE OF INACTIVE FACILITIES	-	9,082			-	9,082
46	CONVENTIONAL AMMO DEMILITARIZATION	-	50,030			-	50,030

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
47	ARMS INITIATIVE	-	4,657		20,000	-	24,657
	TOTAL AMMUNITION PRODUCTION BASE SUPPORT		**113,414**		**20,000**		**133,414**
	TOTAL PROCUREMENT OF AMMUNITION, ARMY		**1,159,426**		**160,600**		**1,320,026**

Items of Special Interest

Army ammunition procurement

The budget request contained $1,159.4 million for procurement of ammunition and production base support. The committee recommends an additional $133.6 million, for the following types of ammunition programs, of which ammunition production is among the top unfunded requirements identified by the Army Chief of Staff in fiscal year 2003:

[In millions of dollars]

Small/Medium Caliber Ammunition:	
CTG 5.56mm, all types (production line upgrade)	5.0
CTG 25mm, APFSDS–T M919	23.0
Mortar Ammunition:	
81mm M816	2.8
CTG 120mm M934A1	7.8
CTG 120mm IR Illum M983	3.0
Pine Bluff Arsenal production line upgrade	3.0
Artillery Ammunition:	
Projectile, Artillery 155mm Illum M110	10.0
Projectile, Artillery 155mm HE M795	24.0
Modular Artillery Charge System	20.0
Rockets: Bunker Defeating Munition	10.0
Demolition Munitions, All Types: Modernization Demolition Initiators	5.0
Production Base Support: ARMS Initiative	20.0

Army ammunition production and load, assemble, and pack (LAP) capacity

The committee understands that the Department of the Army has issued a request for information with regard to consolidation of its four government owned, contractor operated, ammunition LAP facilities beginning in fiscal year 2003. However, it also understands that the necessary funds to execute a contract related to consolidation are not included in the future years defense program. The committee notes that the Army has identified a $544.0 million fiscal year 2003 unfunded requirement for conventional ammunition, its largest annual unfunded requirement over the past five fiscal years, as a result of growing shortfalls in war reserve ammunition and increased marksmanship training requirements identified by the Army Chief of Staff to fight the war on terrorism. While the committee is a proponent of streamlining and eliminating excess capacity within the ammunition industrial base, it is aware that unique job skills exist in these production facilities and that the correct industrial production and LAP capacity and related skills must be maintained to meet surge production requirements.

The committee directs the Secretary of the Army to provide a report to the congressional defense committees by January 15, 2003, which outlines the conventional ammunition industrial base requirements, including LAP capacity, to fulfill the ammunition requirements for the Department's new capabilities-based strategy and Army Chief of Staff unfunded requirements.

OTHER PROCUREMENT, ARMY

Overview

The budget request contained $5,168.5 million for Other Procurement, Army in fiscal year 2003. The committee recommends authorization of $6,119.4 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	OTHER PROCUREMENT, ARMY						
	TACTICAL AND SUPPORT VEHICLES						
	TACTICAL VEHICLES						
1	TACTICAL TRAILERS/DOLLY SETS	-	8,690			-	8,690
2	SEMITRAILERS, FLATBED:	-	39,095			-	39,095
3	SEMITRAILERS, TANKERS	-	7,862			-	7,862
4	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M129A2C	-	-			-	-
5	HI MOB MULTI-PURP WHLD VEH (HMMWV)	-	196,783	180	31,100	180	227,883
	M1114 Up-Armor			[+180]	[+31,100]	[+180]	[+31,100]
6	TRUCK, DUMP, 20T (CCE)	70	17,079			70	17,079
7	FAMILY OF MEDIUM TACTICAL VEH (FMTV)	-	681,373			-	681,373
8	FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIPMEN	-	21,047			-	21,047
9	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)	-	242,768		9,000	-	251,768
	Movement Tracking System, Army Reserve				[+9,000]		[+9,000]
10	ARMORED SECURITY VEHICLES (ASV)	20	14,438			20	14,438
11	TRUCK, TRACTOR, LINE HAUL, M915/M916	-	50,829			-	50,829
12	TOWING DEVICE, 5TH WHEEL	40	2,005			40	2,005
13	TRUCK, TRACTOR, YARD TYPE, M878 (C/S)	50	4,884			50	4,884
14	HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV P	652	119,854			652	119,854
15	LINE HAUL ESP	-	-			-	-
16	MODIFICATION OF IN SVC EQUIP	-	73,320			-	73,320
17	ITEMS LESS THAN $5.0M (TAC VEH)	-	4,979			-	4,979
	NON-TACTICAL VEHICLES						
18	HEAVY ARMORED SEDAN	6	581	100	10,700	106	11,281
	DERF- Armored SUV / Transfer to H.R. 4547			(100)	(10,700)	(100)	(10,700)
19	PASSENGER CARRYING VEHICLES	-	295			-	295
20	NONTACTICAL VEHICLES, OTHER	27	1,753			27	1,753
	TOTAL TACTICAL AND SUPPORT VEHICLES		**1,487,635**		**40,100**		**1,527,735**
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT						
	COMM - JOINT COMMUNICATIONS						
21	COMBAT IDENTIFICATION PROGRAM	-	-			-	-
22	JCSE EQUIPMENT (USREDCOM)	-	6,120			-	6,120
	COMM - SATELLITE COMMUNICATIONS						
23	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPAC	-	89,806			-	89,806
24	SHF TERM	-	33,166			-	33,166
25	SAT TERM, EMUT (SPACE)	-	2,641			-	2,641
26	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE)	-	27,510			-	27,510

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
27	SMART-T (SPACE)	-	24,467			-	24,467
28	SCAMP (SPACE)	-	1,559			-	1,559
29	GLOBAL BRDCST SVC - GBS	-	11,402			-	11,402
30	MOD OF IN-SVC EQUIP (TAC SAT)	-	11,002			-	11,002
	COMM - C3 SYSTEM						
31	ARMY GLOBAL CMD & CONTROL SYS (AGCCS)	-	21,149			-	21,149
	COMM - COMBAT COMMUNICATIONS						
32	ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO)	-	74,835			-	74,835
33	SINCGARS FAMILY	-	30,141		83,200	-	113,341
	DERF- Civil Support Teams, ARNG				[+22,100]		[+22,100]
	Improved HFR, Army Reserve				[+61,100]		[+61,100]
34	TRACTOR CAGE	-	4,112			-	4,112
35	JOINT TACTICAL AREA COMMAND SYSTEMS	-	869		6,000	-	6,869
	AN / ARS-6 (V) COTS Insertion Upgrades				[+6,000]		[+6,000]
36	ACUS MOD PROGRAM	-	75,905			-	75,905
37	COMMS-ELEC EQUIP FIELDING	-	12,924			-	12,924
38	SOLDIER ENHANCEMENT PROGRAM COMM/ELECTRONICS	-	6,114			-	6,114
39	COMBAT SURVIVOR EVADER LOCATOR (CSEL)	1,186	16,879			1,186	16,879
40	MEDICAL COMM FOR CBT CASUALTY CARE (MC4)	-	4,975			-	4,975
	COMM - INTELLIGENCE COMM						
41	CI AUTOMATION ARCHITECTURE	-	1,755			-	1,755
	INFORMATION SECURITY						
42	TSEC - ARMY KEY MGT SYS (AKMS)	-	10,150			-	10,150
43	INFORMATION SYSTEM SECURITY PROGRAM-ISSP	-	39,055		40,700	-	79,755
	DERF- Secure Terminal Equipment				[+15,700]		[+15,700]
	DERF- Secure Wireless Devices				[+3,000]		[+3,000]
	Secure Terminal Equipment				[+14,000]		[+14,000]
	COMM - LONG HAUL COMMUNICATIONS						
44	TERRESTRIAL TRANSMISSION	-	2,040			-	2,040
45	BASE SUPPORT COMMUNICATIONS	-	36,725			-	36,725
46	ARMY DISN ROUTER	-	6,039			-	6,039
47	ELECTROMAG COMP PROG (EMCP)	-	461			-	461
48	WW TECH CON IMP PROG (WWTCIP)	-	2,991			-	2,991
	COMM - BASE COMMUNICATIONS						
49	INFORMATION SYSTEMS	-	279,592		215,000	-	494,592
	DERF- Relocation Sites				[+215,000]		[+215,000]
50	DEFENSE MESSAGE SYSTEM (DMS)	-	26,829			-	26,829
51	LOCAL AREA NETWORK (LAN)	-	127,244			-	127,244
52	PENTAGON INFORMATION MGT AND TELECOM	-	14,501			-	14,501

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	ELECT EQUIP - NAT FOR INT PROG (NFIP)						
53	FOREIGN COUNTERINTELLIGENCE PROG (FCI)	-	1,624			-	1,624
54	GENERAL DEFENSE INTELL PROG (GDIP)	-	20,258		5,994	-	26,252
	DERF- Classified				[+5,994]		[+5,994]
	ELECT EQUIP - TACT INT REL ACT (TIARA)						
55	ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)	-	57,886			-	57,886
56	JTT/CIBS-M (TIARA)	13	4,824			13	4,824
57	PROPHET GROUND (TIARA)	46	20,226		15,000	46	35,226
	DERF				[+15,000]		[+15,000]
58	TUAV	12	84,290		11,000	12	95,290
	DERF				[+11,000]		[+11,000]
59	ARMY COMMON GROUND STATION (CGS)	-	8,620			-	8,620
60	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIARA)	-	14,089			-	14,089
61	DRUG INTERDICTION PROGRAM (DIP) (TIARA)	-	-			-	-
62	TACT EXPLOITATION OF NATL CAPABILITIES (TIARA	-	-			-	-
63	TACTICAL EXPLOITATION SYSTEM (TIARA)	-	17,576			-	17,576
64	DISTRIBUTED COMMON GRND SYSTEM (DCGS) (JMIP)	-	2,617		9,000	-	11,617
	DERF				[+9,000]		[+9,000]
65	TROJAN (TIARA)	-	4,873			-	4,873
66	MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)	-	1,655			-	1,655
67	CI HUMINT INFO MANAGEMENT SYSTEM (CHIMS)	-	9,735			-	9,735
68	ITEMS LESS THAN $5.0M (TIARA)	-	3,675		4,500	-	8,175
	DERF- TIARA				[+2,000]		[+2,000]
	DERF- JMEG				[+2,500]		[+2,500]
	ELECT EQUIP - ELECTRONIC WARFARE (EW)						
69	SHORTSTOP	-	-			-	-
70	COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES	-	2,310			-	2,310
	ELECT EQUIP - TACTICAL SURV. (TAC SURV)						
71	FAAD GBS	-	31			-	31
72	SENTINEL MODS	-	26,519			-	26,519
73	NIGHT VISION DEVICES	-	60,475			-	60,475
74	LONG RANGE ADVANCED SCOUT SURVEILLANCE SYSTEM	105	49,927			105	49,927
75	LTWT VIDEO RECON SYSTEM (LWVRS)	476	14,318			476	14,318
76	NIGHT VISION, THERMAL WPN SIGHT	2,970	52,071			2,970	52,071
77	COMBAT IDENTIFICATION / AIMING LIGHT	-	-			-	-
78	ARTILLERY ACCURACY EQUIP	-	5,402			-	5,402
79	MOD OF IN-SVC EQUIP (MMS)	-	346			-	346
80	MOD OF IN-SVC EQUIP (MVS)	-	272			-	272
81	PROFILER	2	4,875			2	4,875

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
82	MOD OF IN-SVC EQUIP (TAC SURV)	-	33,283			-	33,283
83	FORCE XXI BATTLE CMD BRIGADE & BELOW (FBCB2)	1,783	65,294			1,783	65,294
84	LIGHTWEIGHT LASER DESIGNATOR/RANGEFINDER (LLD	35	8,962			35	8,962
85	COMPUTER BALLISTICS: MORTAR M-30	-	-			-	-
86	MORTAR FIRE CONTROL SYSTEM	113	29,794			113	29,794
87	INTEGRATED MET SYS SENSORS (IMETS) - TIARA	27	7,230			27	7,230
	ELECT EQUIP - TACTICAL C2 SYSTEMS						
88	TACTICAL OPERATIONS CENTERS	-	42,332			-	42,332
89	ADV FA TAC DATA SYS / EFF CTRL SYS (AFATDS/EC	-	74,723			-	74,723
90	MOD OF IN-SVC EQUIP, AFATDS	-	2,976			-	2,976
91	LIGHT WEIGHT TECHNICAL FIRE DIRECTION SYS (LWT	-	12,413			-	12,413
92	CMBT SVC SUPT CONTROL SYS (CSSCS)	139	24,989			139	24,989
93	FAAD C2	2	24,779			2	24,779
94	AIR & MSL DEFENSE PLANNING & CONTROL SYS (AMD	-	9,750			-	9,750
95	FORWARD ENTRY DEVICE / LIGHTWEIGHT FED (FED/L	-	15,125			-	15,125
96	STRIKER FAMILY	54	28,543	6	4,500	60	33,043
	ARNG			[+6]	[+4,500]	[+6]	[+4,500]
97	LIFE CYCLE SOFTWARE SUPPORT (LCSS)	-	924			-	924
98	LOGTECH	-	7,701			-	7,701
99	TC AIMS II	-	11,496			-	11,496
100	GUN LAYING AND POS SYS (GLPS)	-	159			-	159
101	ISYSCON EQUIPMENT	-	31,366			-	31,366
102	JOINT NETWORK MANAGEMENT SYSTEM (JNMS)	-	6,868			-	6,868
103	TACTICAL INTERNET MANAGER	-	11,842			-	11,842
104	MANEUVER CONTROL SYSTEM (MCS)	-	7,584			-	7,584
105	STAMIS TACTICAL COMPUTERS (STACOMP)	-	61,304		(10,000)	-	51,304
	GCSS, Army				[-10,000]		[-10,000]
106	STANDARD INTEGRATED CMD POST SYSTEM	-	29,535			-	29,535
	ELECT EQUIP - AUTOMATION						
107	ARMY TRAINING MODERNIZATION	-	19,233			-	19,233
108	AUTOMATED DATA PROCESSING EQUIP	-	156,546		17,500	-	174,046
	AIT / RFID Maintenance				[+12,300]		[+12,300]
	AIT / RFID Preposition				[+5,200]		[+5,200]
109	RESERVE COMPONENT AUTOMATION SYS (RCAS)	-	68,273			-	68,273
	ELECT EQUIP - AUDIO VISUAL SYS (A/V)						
110	SPECIAL INFORMATION OPERATIONS (SIO) (TIARA)	-	-			-	-
111	AFRTS	-	2,523			-	2,523
112	ITEMS LESS THAN $5.0M (A/V)	-	5,756			-	5,756
113	ITEMS LESS THAN $5M (SURVEYING EQUIPMENT)	-	1,002			-	1,002

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	ELECT EQUIP - SUPPORT						
114	PRODUCTION BASE SUPPORT (C-E)	-	417			-	417
	TOTAL COMMUNICATIONS AND ELECTRONICS EQUIPMENT		**2,274,174**		**402,394**		**2,676,568**
	OTHER SUPPORT EQUIPMENT						
	CHEMICAL DEFENSIVE EQUIPMENT						
115	SMOKE & OBSCURANT FAMILY: SOF (NON AAO ITEM)	-	25,953			-	25,953
	BRIDGING EQUIPMENT						
116	TACTICAL BRIDGING	-	57,604			-	57,604
117	TACTICAL BRIDGE, FLOAT-RIBBON	-	51,237			-	51,237
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT						
118	DISPENSER, MINE M139	-	1,822			-	1,822
119	GRND STANDOFF MINE DETECTION SYSTEM (GSTAMIDS	-	17,425			-	17,425
120	WIDE AREA MUNITIONS (REMOTE CONTROL UNIT)	278	3,223			278	3,223
121	EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPMT)	-	10,965			-	10,965
122	ITEMS LESS THAN $5M, COUNTERMINE EQUIP	-	686			-	686
123	BN COUNTERMINE SIP	-	-			-	-
	COMBAT SERVICE SUPPORT EQUIPMENT						
124	HEATERS AND ECU'S	-	14,824			-	14,824
125	LAUNDRIES, SHOWERS AND LATRINES	-	32,399			-	32,399
126	FLOODLIGHT SET, ELEC, TRL MTD, 3 LIGHTS	-	498			-	498
127	SOLDIER ENHANCEMENT	-	2,488			-	2,488
128	LIGHTWEIGHT MAINTENANCE ENCLOSURE (LME)	587	7,730		10,000	587	17,730
	Active Army				[+5,000]		[+5,000]
	ARNG				[+5,000]		[+5,000]
129	FORCE PROVIDER	-	-			-	-
130	AUTHORIZED STOCKAGE LIST MOBILITY SYSTEM (ASL	-	2,838			-	2,838
131	FIELD FEEDING EQUIPMENT	-	21,177			-	21,177
132	AIRDROP PROGRAM	-	-			-	-
133	CAMOUFLAGE: ULCANS	-	-			-	-
134	ITEMS LESS THAN $5.0M (ENG SPT EQ)	-	7,918			-	7,918
135	ITEMS LESS THAN $5.0M (CSS EQ)	-	-			-	-
	PETROLEUM EQUIPMENT						
136	FAMILY OF TANK ASSEMBLIES, FABRIC, COLLAPSIBL	-	-			-	-
137	QUALITY SURVEILLANCE EQUIPMENT	-	7,522			-	7,522
138	DISTRIBUTION SYSTEMS, PETROLEUM & WATER	-	35,280			-	35,280
139	INLAND PETROLEUM DISTRIBUTION SYSTEM	-	12,364			-	12,364
	WATER EQUIPMENT						

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
140	WATER PURIFICATION SYSTEMS	-	18,204			-	18,204
	MEDICAL EQUIPMENT						
141	COMBAT SUPPORT MEDICAL	-	21,003		17,000	-	38,003
	Rapid IV Infusion Pumps				[+5,000]		[+5,000]
	LSTAT				[+10,000]		[+10,000]
	Telemedicine Instrumentation Pack				[+2,000]		[+2,000]
	MAINTENANCE EQUIPMENT						
142	SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)	180	12,870			180	12,870
143	WELDING SHOP, TRAILER MTD	119	5,082			119	5,082
144	ITEMS LESS THAN $5.0M (MAINT EQ)	-	1,075			-	1,075
	CONSTRUCTION EQUIPMENT						
145	GRADER, ROAD MTZD, HVY, 6X4 (CCE)	-	3,854			-	3,854
146	SCRAPERS, EARTHMOVING	-	7,989			-	7,989
147	DISTR, WATER, SP MIN 2500G SEC/NON-SEC	-	-			-	-
148	MISSION MODULES - ENGINEERING	-	19,236			-	19,236
149	COMPACTOR	-	299			-	299
150	LOADERS	-	25,365			-	25,365
151	HYDRAULIC EXCAVATOR	-	300			-	300
152	DEPLOYABLE UNIVERSAL COMBAT EARTH MOVERS	-	299			-	299
153	TRACTOR, FULL TRACKED	-	14,950			-	14,950
154	CRANES	-	16,333			-	16,333
155	CRUSHING/SCREENING PLANT, 150 TPH	2	4,495			2	4,495
156	PLANT, ASPHALT MIXING	1	2,006			1	2,006
157	ARMORED COMBAT EARTHMOVER, M9 ACE	-	-			-	-
158	HIGH MOBILITY ENGINEER EXCAVATOR (HMEE)	16	5,014			16	5,014
159	CONST EQUIP ESP	-	9,567			-	9,567
160	ITEMS LESS THAN $5.0M (CONST EQUIP)	-	12,880		4,000	-	16,880
	Water Distributors-Army Reserve				[+4,000]		[+4,000]
	RAIL FLOAT CONTAINERIZATION EQUIPMENT						
161	SMALL TUG	-	-	2	7,000	2	7,000
162	FLOATING CRANE, 100-250 TON	-	-			-	-
163	LOGISTIC SUPPORT VESSEL (LSV)	-	-			-	-
164	LOGISTICS SUPPORT VESSEL (ESP)	-	-			-	-
165	CAUSEWAY SYSTEMS	-	29,673			-	29,673
166	ITEMS LESS THAN $5.0M (FLOAT/RAIL)	-	3,563			-	3,563
	GENERATORS						
167	GENERATORS AND ASSOCIATED EQUIP	-	79,180			-	79,180
	MATERIAL HANDLING EQUIPMENT						
168	ROUGH TERRAIN CONTAINER HANDLER (RTCH)	96	49,065			96	49,065

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
169	ALL TERRAIN LIFTING ARMY SYSTEM	148	21,963			148	21,963
170	MHE EXTENDED SERVICE PROGRAM (ESP)	12	2,304			12	2,304
171	ROUGH TERRAIN CONTAINER CRANE	-	-			-	-
172	ITEMS LESS THAN $5.0M (MHE)	-	495			-	495
	TRAINING EQUIPMENT						
173	COMBAT TRAINING CENTERS (CTC) SUPPORT	-	54,493			-	54,493
174	TRAINING DEVICES, NONSYSTEM	-	111,682			-	111,682
175	CLOSE COMBAT TACTICAL TRAINER	-	52,472			-	52,472
176	AVIATION COMBINED ARMS TACTICAL TRAINER (AVCA	-	35,915			-	35,915
177	FIRE SUPPORT COMBINED ARMS TACTICAL TRAINER	-	-			-	-
	TEST MEASURE AND DIG EQUIPMENT (TMD)						
178	CALIBRATION SETS EQUIPMENT	-	16,366			-	16,366
179	INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)	-	59,596			-	59,596
180	TEST EQUIPMENT MODERNIZATION (TEMOD)	-	16,782			-	16,782
181	ARMY DIAGNOSTICS IMPROVEMENT PGM (ADIP)	-	7,982			-	7,982
	OTHER SUPPORT EQUIPMENT						
182	RECONFIGURABLE SIMULATORS	-	-			-	-
183	PHYSICAL SECURITY SYSTEMS (OPA3)	-	227,402		431,400	-	658,802
	DERF				[+4,500]		[+4,500]
	DERF- Transfer from OMA				[+76,900]		[+76,900]
	DERF- Transfer from OMA				[+350,000]		[+350,000]
184	BASE LEVEL COM'L EQUIPMENT	-	12,297			-	12,297
185	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)	-	49,181			-	49,181
186	PRODUCTION BASE SUPPORT (OTH)	-	2,522			-	2,522
187	SPECIAL EQUIPMENT FOR USER TESTING	-	14,311			-	14,311
188	MA8975	-	4,256		39,100	-	43,356
	DERF- Classified				[+39,100]		[+39,100]
189	CLOSED ACCOUNT ADJUSTMENTS	-	-			-	-
	TOTAL OTHER SUPPORT EQUIPMENT		**1,346,274**		**508,500**		**1,854,774**
	SPARE AND REPAIR PARTS						
	OPA2						
190	INITIAL SPARES - C&E	-	59,694			-	59,694
	OPA3						
191	INITIAL SPARES - OTHER SUPPORT EQUIP	-	676			-	676
	TOTAL SPARE AND REPAIR PARTS		**60,370**		**-**		**60,370**

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL OTHER PROCUREMENT, ARMY		5,168,453		950,994		6,119,447

Items of Special Interest

Automated data processing equipment (ADPE)

The budget request contained $156.5 million for procurement of ADPE, of which $13.5 million was included for automatic identification technology (AIT)/radio frequency-identification (RFID) devices.

AIT/RFID devices, which consist of various radio frequency, bar code scanning, and data carrier devices, are components of automated logistics systems that expedite receiving, storage, distribution, and inventory management of new and repairable items as well as afloat and ashore pre-positioned stockpile items and equipment. These devices are also used to automate manufacturing process controls for repair parts and to track other types of ground support equipment at various military depots. The committee believes that substantial savings and efficiencies can continue to be achieved from further implementation of these devices in automated inventory and repair processes. The committee urges the Secretary of the Army to review the opportunities to reduce manpower requirements in Army industrial facilities as a result of increased efficiencies that may be achieved from the continued installation of this technology.

The committee recommends $174.0 million, an increase of $12.3 million for maintenance AIT/RFID implementation in Army industrial facilities, and an increase of $5.2 million for AIT/RFID implementation in pre-positioned stocks, for a total increase of $17.5 million.

Combat support medical

The budget request contained $21.0 million to procure deployable medical systems and field medical equipment, but included no funds for rapid intravenous (IV) infusion pumps, or Life Support for Trauma and Transport (LSTAT) units, or the Army Medical Support Group Telemedicine Instrumentation Pack (TIP). The budget request also contained $12.6 million in PE 64807A, but included no funds for LSTAT spiral development.

The Rapid IV infusion pump is a Food and Drug Administration approved miniature, portable, lightweight pump specifically designed for life-saving intravenous fluid resuscitation by a medic in the field to restore blood pressure and prevent shock and death of victims with severe blood loss or dehydration. The committee understands that it is estimated that up to 15 percent of the soldiers that died in Vietnam who were not immediate battlefield casualties would have survived their wounds if rapid infusion of fluids had been a possibility during that conflict.

The LSTAT integrates a set of commercially available, FDA-approved medical devices in a self-contained mini-intensive care, medical evacuation platform, which provides advanced life-support, on-board ventilation, suction, environmental control, oxygen generation, and patient monitoring to stabilize wounded soldiers near the battlefront as they are evacuated. LSTAT is configured on a NATO-standard litter, is broadly interoperable with other medical systems and compatible with most evacuation platforms including UH–60s, UH–1s, C–130s, and High Mobility Multi-purpose Wheeled Vehicles.

The TIP is a portable electronic patient record and diagnostic device, which allows medical personnel to acquire and update a patient's health information and treatment history from statistics gathered by numerous patient health monitoring and diagnostic instruments. A patient's medical treatment history and statistics are automatically recorded into the electronic patient chart for later review during a patient's treatment or can be transmitted online for other medical expert's assistance.

The committee is supportive of the potential life saving capability that these devices offer, and, therefore, recommends $38.0 million, an increase of $5.0 million to procure rapid IV infusion pumps; an increase of $10.0 million to continue procurement of LSTAT units, and an increase of $2.0 million to procure TIPs. The committee also recommends $17.6 million in PE 64807A, and increase of $5.0 million, for spiral development of expanded LSTAT capabilities.

Family of heavy tactical vehicles

The budget request contained $242.8 million to procure palletized load systems, heavy equipment transporter systems, heavy expanded mobility tactical trucks and other related equipment of which $34.3 million was included to procure 2,324 movement tracking systems (MTS). However, no MTS were requested for the Army Reserve.

The MTS is a satellite-based tracking, communication system providing both active and reserve component combat service support units with global positioning system vehicle location and tracking and two-way text messaging between stationary base locations and vehicles.

The committee understands the MTS significantly enhances the Army's ability to strategically position, monitor, and track re-supply items, while providing near real-time command and control of in-theater logistical requirements. As Army Reserve unit deployments increase, the committee believes there is an increasing need for better communications interoperability between active and mobilized reserve combat service support units.

The committee also notes the Chief of the Army Reserve has identified a fiscal year 2003 unfunded requirement for MTS and, recommends an increase of $9.0 million to accelerate procurement of MTS for the Army Reserve.

High mobility multi-purpose wheeled vehicles (HMMWVs)

The budget request contained $196.8 million for 2,064 HMMWVs, of which $54.0 million was included to procure 360 of the M1114 Up-Armor variant.

The Up-Armor HMMWV is a multi-service, four wheel drive utility vehicle that provides proven ballistic protection for soldiers from anti-personnel and anti-tank mines and armored piercing munitions. The committee notes the Army Chief of Staff has identified a $31.1 million fiscal year 2003 unfunded requirement for an additional 180 Up-Armored HMMWVs. The committee understands these additional vehicles will be fielded to deployed active and reserve units to enhance combat support missions.

Recognizing the ongoing importance of force protection and in light of lessons learned from previous urban and combat operations, the committee recommends $227.9 million, an increase of

$31.1 million, to fulfill the unfunded requirement for an additional 180 M1114 Up-Armor HMMWVs.

Information system security program (ISSP)

The budget request contained $39.1 million and $13.4 million to procure secure voice and data equipment for the Army and Air Force respectively.

The committee strongly supports upgrading critical secure telecommunications by replacing older secure voice and data systems with modern secure digital communications equipment. These upgrades will help reduce the exploitation of classified and sensitive information due to growing information security threats. The committee also notes that this is a top fiscal year 2003 unfunded priority of the Air Force Chief of Staff.

To accelerate the replacement of older secure voice and data terminals, the committee recommends an increase of $14.0 million for Army ISSP and $10.0 million for Air Force Command, Control, and Communications Countermeasures to procure additional secure terminal equipment.

Items less than $5.0 million (construction equipment)

The budget request contained $12.9 million to procure construction equipment support items, of which $784 thousand was for two water distributors for airborne units, but no funds were requested for the Army Reserve.

These water distributors provide water distribution for rapid construction requirements in the deployed locations. The committee notes that the Chief of the Army Reserve has identified a $4.0 million fiscal year 2003 unfunded requirement for 12 water distributors.

The committee recommends an increase of $16.9 million for construction equipment items less than $5.0 million, an increase of $4.0 million, to accelerate procurement and fielding of 12 water distributors to the Army Reserve.

Joint tactical area command systems

The budget request contained $900 thousand for management of joint tactical area command systems, but included no funds to upgrade AN/ARS–6 (V) personnel locator communications systems.

The AN/ARS–6 (V) personnel locator communications system is an airborne electronic locator, which can precisely locate survivors on the ground equipped with AN/PRC–112 survival radios. The committee understands that this commercial-off-the-shelf (COTS) upgrade will include a global positioning system waveform for currently fielded systems and believes that this capability may aid in the rescue and recovery of personnel and survivors in extremis situations.

The committee recommends $6.9 million for joint tactical area command systems, an increase of $6.0 million, for AN/ARS–6 (V) COTS insertion upgrades.

Lightweight maintenance enclosure (LME)

The budget request contained $7.7 million to procure LMEs, of which $1.9 million was for the Army National Guard (ARNG).

The LME is a lightweight, frame-supported tent designed to provide forward deployed maintenance units a quick setup-and-take-down enclosed shelter in which to perform field maintenance operations across the battlefield in all climatic conditions.

The committee notes that mobility will be the hallmark of the Army's future medium brigades as well as ARNG units and that they must therefore be capable of rapidly repairing and maintaining equipment while deployed.

The committee recommends $17.7 million, an increase of $10.0 million, for the procurement of additional LMEs: $5.0 million for the Army and $5.0 million for the ARNG.

Single channel ground and airborne radio systems (SINCGARS) family

The budget request contained $30.1 million to procure SINCGARS for high priority Army National Guard (ARNG) units and interim brigade combat teams. The budget request also included $22.1 million to procure improved high frequency radios (IHFR) for ARNG weapons of mass destruction civil support teams, but included no funds for IHFRs for the Army Reserve.

The IHFR is the primary means of communications for maneuver battalions, combat support and combat service support units, the latter of which are comprised primarily of Army Reserve forces. The IHFR provides a versatile capability for short- and long-range communications, particularly important for highly mobile and geographically dispersed units not supported by active component communications units. The IHFR is also the only tactical radio that possesses a long-range communications capability independent of terrestrial or satellite relays and exceeds the range of the line-of-sight SINCGARS. To date, limited fielding has occurred to the Army Reserve due to budget constraints; however, as a result of newly expanded missions in support of the war on terrorism, the Chief of the Army Reserve has identified a $61.1 million fiscal year 2003 unfunded requirement for 1,750 IHFRs.

The committee recommends an increase of $61.1 million to procure IHFRs for the Army Reserve.

Small tug

The budget request contained no funds to procure small tugs.

The small tug is a 60-foot, steel hull, twin propeller vessel designed to tow general cargo barges in harbors, inland waterways, and along coastlines. It is also capable of assisting larger tugs in mooring ships of all sizes at piers and in restricted navigation waterways, moving floating cranes and machine shops, and performing line-handling duties.

The committee is aware that the Army has procured 12 of these tugs, has two under contract, and has recently increased its requirement to 16 vessels. The small tug replaces the Army's obsolete 40-year-old small tugs that were used in Operations Desert Shield and Desert Storm.

Consistent with prior years, and to complete the requirement for two additional tugs, the committee recommends an increase of $7.0 million to accelerate procurement of 2 additional vessels towards completion of the requirement for 16 small tugs.

Stamis tactical computers (STACOMP)

The budget request contained $61.3 million for STACOMP, of which $47.2 million was for global combat support system (GCSS)-Army hardware and fielding.

The GCSS-Army will be the business and tactical information system for Army combat service support to manage supply property, maintenance, ammunition, and supply support. In fiscal year 1997, the Army began development of GCSS–A to transform the Army's information technology support systems, which included replacing 16 legacy systems with 5 modules. However, the Army is still attempting to implement the first, and admittedly easiest, module to more than support supply property requirements. Despite spending $320 million on GCSS-Army over 5 years, nothing has been fielded to date and no legacy information systems have been replaced. The Army intends to initially field the first module in fiscal year 2002. The committee is concerned about the amount of funds that have been expended, the lack of success, and amount of time required for initial fielding of the first and easiest module.

The committee has learned that the Army has now changed its acquisition strategy for the second module, which will cover maintenance logistics requirements and intends to use a commercial based enterprise resourcing plan versus continuing development of the second module. This is a significant change in strategy, which will affect the acquisition approach, funding requirements, and testing and implementation schedule.

Because of the Army's adoption of a commercial system acquisition strategy, the committee believes the system will require less funds to field the additional modules and recommends $51.3 million for STACOMP, a decrease of $10.0 million for GCSS–A.

Striker family

The budget request contained $28.5 million for the procurement of 54 Striker command and control vehicles, but included no funds for Strikers for the Army National Guard (ARNG).

The Striker vehicle is a high mobility multi-purpose wheeled vehicle mounted system, which incorporates a Bradley fire support vehicle mission equipment package of a laser rangefinder/designator, thermal sight, handheld computer, and both inertial navigation and global positioning systems. The Striker is operated by combat observation lasing teams (COLTs) as an integral part of heavy and light division and ARNG enhanced separate brigade reconnaissance teams to locate and designate targets for laser-guided ordnance.

The committee understands that funds appropriated in fiscal year 2001 for the ARNG Strikers enabled the fielding of only 50 percent of the required systems for an ARNG separate enhanced brigade and the full requirement is not expected to be budgeted for until fiscal year 2006.

The committee recommends $33.0 million, an increase of $4.5 million for six Striker systems to accelerate and complete fielding to an ARNG separate enhanced brigade.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, ARMY

Overview

The budget request contained $1,490.2 million for Chemical Agents and Munitions Destruction, Army, for fiscal year 2003. The committee recommends no funds for fiscal year 2003.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY						
	CHEM AGENTS & MUNITIONS DESTRUCT-RDT&E						
	RESEARCH AND DEVELOPMENT						
1	CHEM DEMILITARIZATION - RDTE	-	974,238		(974,238)	-	-
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCT - RDT&E		**974,238**		**(974,238)**		**-**
	PROCUREMENT						
2	CHEM DEMILITARIZATION - PROC	-	302,683		(302,683)	-	-
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCT - PROC		**302,683**		**(302,683)**		**-**
	OPERATION AND MAINTENANCE						
3	CHEM DEMILITARIZATION - O&M	-	213,278		(213,278)	-	-
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCT - O&M		**213,278**		**(213,278)**		**-**
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY		**1,490,199**		**(1,490,199)**		**-**

Items of Special Interest

Chemical agents and munitions destruction

The budget requests contained $1,490.2 million for Chemical Agents and Munitions Destruction, Army.

The committee notes that section 1412 of the National Defense Authorization Act for fiscal year 1986 (Public Law 99–145), as amended, requires that funds for the destruction of the U.S. stockpile of lethal chemical agents and munitions, including funds for military construction projects necessary to carry out the demilitarization program, shall only be authorized and appropriated in the budget of the Department of Defense (DOD) as a separate program and shall not be included in the budget accounts for any of the military departments. The committee notes that for the fourth year in a row, the Department's budget request contains authorization and appropriation of funds for the chemical demilitarization program in a budget account of the Department of the Army in contravention of direction provided by the law.

The committee believes that the original 1986 legislation, which mandated that funds for the chemical demilitarization program be authorized and appropriated in a defense-wide budget account in order to emphasize that destruction of the chemical weapons stockpile was a national issue affecting all of the Department and not just a single military service, was appropriate. In 1986, the estimated cost of the chemical stockpile demilitarization program was approximately $1,500.0 million. Today, the potential estimated cost of the program has grown to $24,000.0 million and reinforces the committee's earlier position.

The committee recommends no funds for Chemical Agents and Munitions Destruction, Army, a decrease of $1,490.2 million. The committee recommends an increase of $1,490.2 million for Chemical Agents and Munitions Destruction, Defense, as described elsewhere in this report. The committee also recommends a provision, section 143, that would require the Under Secretary of Defense (Comptroller) to certify in subsequent annual budget requests that the request is in accordance with the law.

AIRCRAFT PROCUREMENT, NAVY

Overview

The budget request contained $8,203.9 million for Aircraft Procurement, Navy in fiscal year 2003. The committee recommends authorization of $8,971.6 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	AIRCRAFT PROCUREMENT, NAVY						
	COMBAT AIRCRAFT						
1	AV-8B (V/STOL)HARRIER (MYP)	-	5,953			-	5,953
1	AV-8B (V/STOL)HARRIER (MYP)	-	-			-	-
2	F/A-18E/F (FIGHTER) HORNET (MYP)	44	3,184,279			44	3,184,279
2	F/A-18E/F (FIGHTER) HORNET (MYP)	-	(111,046)			-	(111,046)
3	F/A-18E/F (FIGHTER) HORNET (MYP)	-	-			-	-
3	F/A-18E/F (FIGHTER) HORNET (MYP)	-	-			-	-
3	F/A-18E/F (FIGHTER) HORNET (MYP)	-	-			-	-
3	F/A-18E/F (FIGHTER) HORNET (MYP)	-	-			-	-
3	F/A-18E/F (FIGHTER) HORNET (MYP)	-	86,259			-	86,259
4	V-22 (MEDIUM LIFT)	11	1,082,088			11	1,082,088
4	V-22 (MEDIUM LIFT)	-	(36,428)			-	(36,428)
5	V-22 (MEDIUM LIFT)	-	-			-	-
5	V-22 (MEDIUM LIFT)	-	-			-	-
5	V-22 (MEDIUM LIFT)	-	60,298			-	60,298
6	AH-1W (HELICOPTER) SEA COBRA	-	-			-	-
7	UH-1Y/AH-1Z	-	-			-	-
8	MH-60S (MYP)	15	348,367	4	88,000	19	436,367
8	MH-60S (MYP)	-	(64,212)			-	(64,212)
9	MH-60S (MYP)	-	-			-	-
9	MH-60S (MYP)	-	88,000			-	88,000
10	MH-60R	-	86,871			-	86,871
11	MH-60R	-	29,341			-	29,341
12	E-2C (EARLY WARNING) HAWKEYE (MYP)	5	435,242			5	435,242
12	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	(167,391)			-	(167,391)
13	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	-			-	-
13	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	-			-	-
13	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	-			-	-
13	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	27,600			-	27,600
	TOTAL COMBAT AIRCRAFT		**5,055,221**		**88,000**		**5,143,221**
	AIRLIFT AIRCRAFT						
	AIRLIFT AIRCRAFT						
14	MH-60S (MYP)	-	-			-	-
14	MH-60S (MYP)	-	-			-	-
15	MH-60S (MYP)	-	-			-	-
16	UC-35	-	-	1	8,300	1	8,300

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
17	C-40A	-	-			-	-
18	C-37	-	-			-	-
	TOTAL AIRLIFT AIRCRAFT		**-**		**8,300**		**8,300**
	TRAINER AIRCRAFT						
	TRAINER AIRCRAFT						
19	T-45TS (TRAINER) GOSHAWK	8	221,381			8	221,381
19	T-45TS (TRAINER) GOSHAWK	-	-			-	-
20	T-45TS (TRAINER) GOSHAWK	-	-		10,000	-	10,000
21	JPATS	-	-	10	60,000	10	60,000
	TOTAL TRAINER AIRCRAFT		**221,381**		**70,000**		**291,381**
	OTHER AIRCRAFT						
	OTHER AIRCRAFT						
22	KC-130J	-	-	4	334,000	4	334,000
	DERF- KC-130 / Transfer to H.R. 4547			(1)	(83,500)	(1)	(83,500)
	TOTAL OTHER AIRCRAFT		**-**		**250,500**		**250,500**
	MODIFICATION OF AIRCRAFT						
	MODIFICATION OF AIRCRAFT						
23	EA-6 SERIES	-	223,527		104,000	-	327,527
	USQ-113				[+35,000]		[+35,000]
	Wing Center Section				[+40,000]		[+40,000]
	Band 9 / 10 Transmitters				[+29,000]		[+29,000]
24	AV-8 SERIES	-	32,232		60,800	-	93,032
	Engine life management plan				[+5,800]		[+5,800]
	Litening AT pods				[+55,000]		[+55,000]
25	F-14 SERIES	-	3,712			-	3,712
26	ADVERSARY	-	10,475			-	10,475
27	F-18 SERIES	-	421,704			-	421,704
28	H-46 SERIES	-	67,193			-	67,193
29	AH-1W SERIES	-	10,211			-	10,211
30	H-53 SERIES	-	22,517			-	22,517
31	SH-60 SERIES	-	15,419		55,000	-	70,419
	Link 16				[+55,000]		[+55,000]
32	H-1 SERIES	-	1,825		15,000	-	16,825

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	AAQ-22				[+15,000]		[+15,000]
33	H-3 SERIES	-	-			-	-
34	EP-3 SERIES	-	26,061		22,500	-	48,561
	DERF- SIGINT Enhancements / Transfer to H.R. 4547				(22,500)	-	(22,500)
35	P-3 SERIES	-	102,698		42,000	-	144,698
	AIP				[+27,000]		[+27,000]
	AMOSS				[+9,000]		[+9,000]
	CNS / ATM				[+6,000]		[+6,000]
36	S-3 SERIES	-	45,130			-	45,130
37	E-2 SERIES	-	17,195		64,000	-	81,195
	HE 2000 Upgrades				[+64,000]		[+64,000]
38	TRAINER A/C SERIES	-	2,844			-	2,844
39	C-2A	-	29,819			-	29,819
40	C-130 SERIES	-	6,263			-	6,263
41	FEWSG	-	606			-	606
42	CARGO/TRANSPORT A/C SERIES	-	3,819			-	3,819
43	E-6 SERIES	-	57,099			-	57,099
44	EXECUTIVE HELICOPTERS SERIES	-	10,157		6,000	-	16,157
	DERF- VHF FM				[+6,000]		[+6,000]
45	SPECIAL PROJECT AIRCRAFT	-	-		4,000	-	4,000
	DERF- APEX GOLD				[+4,000]		[+4,000]
46	T-45 SERIES	-	28,246			-	28,246
47	POWER PLANT CHANGES	-	13,673			-	13,673
48	COMMON ECM EQUIPMENT	-	28,006			-	28,006
49	COMMON AVIONICS CHANGES	-	63,228			-	63,228
50	V-22 (TILT/ROTOR ACFT) OSPREY	-	4,961			-	4,961
	TOTAL MODIFICATION OF AIRCRAFT		**1,248,620**		**350,800**		**1,599,420**
	AIRCRAFT SPARES AND REPAIR PARTS						
	AIRCRAFT SPARES AND REPAIR PARTS						
51	SPARES AND REPAIR PARTS	-	1,116,535			-	1,116,535
	TOTAL AIRCRAFT SPARES AND REPAIR PARTS		**1,116,535**		**-**		**1,116,535**
	AIRCRAFT SUPPORT EQUIPMENT & FACILITIES						
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES						
52	COMMON GROUND EQUIPMENT	-	442,330			-	442,330
53	AIRCRAFT INDUSTRIAL FACILITIES	-	18,112			-	18,112

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
54	WAR CONSUMABLES	-	12,079			-	12,079
55	INDUSTRIAL FACILITIES	-	25,309			-	25,309
56	SPECIAL SUPPORT EQUIPMENT	-	62,725			-	62,725
57	FIRST DESTINATION TRANSPORTATION	-	1,643			-	1,643
58	CANCELLED ACCOUNT ADJUSTMENTS	-	-			-	-
	TOTAL AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES		**562,198**		**-**		**562,198**
	TOTAL AIRCRAFT PROCUREMENT, NAVY		**8,203,955**		**767,600**		**8,971,555**

Items of Special Interest

AV–8B series modifications

The budget request contained $32.2 million for AV–8B series modifications, but included no funds for the AV–8B engine life management program (ELMP) or for Litening advanced airborne targeting and navigation (AT) pods.

The ELMP was developed by the Marine Corps to address the safety and reliability of the AV–8B's engine. The committee understands that increased ELMP funds for fiscal year 2003 would provide more efficient foreign object damage repair capability, improved oil analysis systems, and fuel metering unit revitalization, and recommends an increase of $5.8 million for the AV–8B ELMP.

The Litening AT pod is the next generation Litening pod system that will incorporate an advanced forward-looking infra-red radar and other enhancements to the existing multi-sensor and precision strike capability. The committee understands that the Marine Corps has a requirement for 98 Litening targeting pods but has thus far only procured 66, for a shortfall of 32, and, recommends an increase of $55.0 million for 32 Litening AT pods.

The committee recommends $93.0 million for AV–8B series modifications, an increase of $60.8 million, and notes that both of the recommended AV–8B series modification increases are included among the Commandant of the Marine Corps' unfunded priorities for fiscal year 2003.

E–2 modifications

The budget request contained $17.2 million for E–2 modifications, but included no funds to upgrade E–2C aircraft to the Hawkeye 2000 configuration.

The Hawkeye 2000 configuration is an upgrade to older-model E–2C aircraft that integrates satellite communications, a commercial-off-the-shelf, high-capacity mission computer and associated workstations, and cooperative engagement capability equipment. The committee understands that the Navy's E–2C aircraft inventory includes at least two older-model E–2C aircraft, which are not configured to meet current operational fleet requirements, and can be economically upgraded to the Hawkeye 2000 configuration.

The committee recommends $81.2 million for E–2 modifications, an increase of $64.0 million, to the upgrade two older-model E–2C aircraft to the Hawkeye 2000 configuration.

EA–6B modifications

The budget request contained $223.5 million for EA–6B modifications, of which $45.8 million was included for 15 EA–6B wing center sections (WCSs), but included no funds for the outer wing panel (OWP), the USQ–113 communications jammer, or for band 9/10 transmitters. The Department of the Navy's fleet of 122 EA–6B aircraft are the Department of Defense's only aircraft configured to provide the electronic-jamming capability to deny and degrade the acquisition of friendly forces by enemy air defense systems.

The committee understands that recent EA–6B fatigue life inspections have revealed that both existing WCSs and OWPs are aging more rapidly than expected due to fatigue cracking, and that this situation has prompted the Navy to ground eight of its EA–

6Bs and restrict EA–6B flight operations in 51 aircraft to less than three times the force of gravity, or "g's," rather than its full operating envelope of 5.5 g's. To restore these aircraft to their full operating envelope, WCSs and OWPs must be replaced and the committee recommends an increase of $40.0 million to procure and install an additional four WCSs and five OWPs.

The USQ–113 communications jammer provides upgraded very-high and ultra-high frequency jamming capability. The committee understands that procurement of this system not only improves equipment maintainability and operational capability, but also improves the availability of this system for deployed aircraft. The committee recommends an increase of $35.0 million for the USQ–113 communications jammer.

The band 9/10 transmitter provides the EA–6B with expanded jamming capability against target tracking and fire control radars of modern integrated air defense systems. Since the committee understands that 214 of the Department of the Navy's 263–inventory objective for band 9/10 transmitters have been procured thus far, it recommends an increase of $29.0 million to procure 43 additional band 9/10 transmitters.

The committee recommends $327.5 million for EA–6B modifications, an increase of $104.0 million, and notes that each of the EA–6B modification increases recommended are included among both the Chief of Naval Operation's and Commandant of the Marine Corps' top unfunded priorities for fiscal year 2003.

H–1 series modifications

The budget request contained $1.8 million for H–1 series modifications, of which $1.0 million was included for three AN/AAQ–22 night thermal imaging system (NTIS) product improvement program (PIP) upgrades.

The AN/AAQ–22 NTIS provides the Marine Corps' UH–1N helicopter fleet with a capability to operate in both day and night conditions, as well as in a smoke, dust or haze environment, and the PIP upgrade improves the AN/AAQ–22 NTIS by increasing resolution by greater than 20 percent, improving system stability and control, upgrading target detection and obstacle avoidance capability, and adding a laser designator to guide precision munitions. The committee understands that the UH–1Ns equipped with the AN/AAQ–22 NTIS PIP upgrade have performed superbly in Operation Enduring Freedom in their mission to identify targets of opportunity and to provide rapid alerting of threats to Allied forces.

To enhance the UH–1N's mission effectiveness and to improve its flight safety, the committee recommends $16.8 million, an increase of $15.0 million to accelerate procurement of the AN/AAQ–22 NTIS PIP upgrade.

H–60 series modifications

The budget request contained $15.4 million for H–60 series modifications, but included no funds for the H–60 link 16 upgrade.

The committee understands that the link 16 upgrade is required in the Navy's H–60 series helicopters to provide situational awareness to the aircraft and the warfare commander of crucial and time critical information for strike operations and defense within an area of responsibility, and notes that the Chief of Naval Operations

has included the H–60 link 16 upgrade among his unfunded priorities for fiscal year 2003.

Consequently, the committee recommends $70.4 million for H–60 series modifications, an increase of $55.0 million, for the H–60 link 16 upgrade.

Joint primary air training system (JPATS)

The budget request contained no funds for the Navy JPATS.

The JPATS, consisting of both the T–6A aircraft and a ground-based training system, will be used by the Navy and Air Force for primary pilot training. The T–6A will replace both the Navy's T–34 and Air Force's T–37B fleets, providing safer, more economical and more effective training for future student pilots.

Despite the fact that the Department of the Navy does not plan to continue JPATS procurement until fiscal year 2007, the committee continues to believe that its procurement for the Navy would not only reduce procurement costs for both the Navy and the Air Force but would also reduce operations and maintenance costs, and notes that the Chief of Naval Operations has included JPATS procurement among his top unfunded priorities for fiscal year 2003.

The committee recommends an increase of $60.0 million and expects that this amount will procure ten T–6A aircraft and associated ground-based training systems.

MH–60S

The budget request contained $284.2 million for 15 MH–60S helicopters and $88.0 million for advance procurement of 13 MH–60S helicopters in fiscal year 2004. The MH–60S helicopter's primary mission will be organic airborne mine countermeasures; however, it will also replace the H–46D for the Navy's helicopter combat support missions including vertical replenishment, cargo and personnel transfer, and search and rescue.

The committee understands that the aging H–46D helicopter is increasingly expensive to operate, and that, because of its diminished availability, the Navy's inventory of combat support helicopters is 24 less than required to sustain its battle group combat support needs. The committee also notes that the Chief of Naval Operations has identified additional MH–60S helicopters among his top four unfunded priorities for fiscal year 2003.

The committee believes that the aging H–46D fleet should be retired as soon as practical, and recommends $372.2 million, an increase of $88.0 million for four additional MH–60S helicopters and for advance procurement of long-lead components for five additional helicopters in fiscal year 2004.

P–3 series modifications

The budget request contained $102.7 million for P–3 series modifications, of which $84.0 million was included for four anti-surface warfare improvement program (AIP) kits, but included no funds for procurement of the advance multiband optical surveillance system (AMOSS) or for communications, navigation, and surveillance global air traffic management (CNS/ATM) modifications for VP- and UP–3A aircraft.

The AIP improves the P–3's communications, survivability, and over-the-horizon targeting capabilities through the installation of

commercial-off-the-shelf components. The committee understands that the Commanders-In-Chief (CINCs) require 146 AIP-configured aircraft, but notes that the Department of the Navy has budgeted for a total of only 83 in its future years defense program. The committee also notes that the Chief of Naval Operations (CNO) has included additional AIP kits among his unfunded priorities for fiscal year 2003.

The committee recommends an increase of $27.0 million to procure two additional AIP kits. Additionally, the committee understands that some AIP-configured P–3 aircraft have also been equipped with the tactical common data link (TCDL), which provides real-time imagery downlink to commanders, weapons delivery platforms and other end-users, and that these aircraft have been primary surveillance and intelligence contributors during Operation Enduring Freedom. Since the committee believes that future conflicts are likely to require the increased capabilities that the TCDL provides, it urges the Department of the Navy to include the TCDL in all its AIP-configured P–3 aircraft.

The AMOSS is an electro-optical, multi-spectral surveillance camera system designed for use in the Navy's six special project P–3 aircraft to detect the presence of substances used in the development and production of weapons from standoff ranges in both day and nighttime conditions. The AMOSS would replace the special project P–3's existing electro-optical surveillance camera system, which is limited to day-only operations and cannot be used from standoff ranges. The committee understands that funds appropriated for fiscal year 2002 are being used to deliver a prototype AMOSS and that production of the first three AMOSSs can begin in fiscal year 2003 so that all six special project P–3 aircraft could be equipped with this capability by fiscal year 2005. To provide improved weapons development and production reconnaissance capabilities to the special project P–3 aircraft, the committee recommends an increase of $9.0 million to procure three AMOSSs.

VP– and UP–3A aircraft are configured to support the travel requirements of senior naval commanders and theater CINCs. The committee understands that the majority of these aircraft are not configured with the CNS/ATM requirements for preferred air traffic routing, nor are they configured with the appropriate communications systems required for senior naval commander and CINC connectivity. To address these deficiencies in the Navy's VP– and UP–3A fleets, the committee recommends an increase of $6.0 million for the CNS/ATM modification, and notes that the CNO has also included this upgrade among his unfunded priorities for fiscal year 2003.

The committee recommends $144.7 million for P–3 series modifications, an increase of $42.0 million.

T–45 training system (TS)

The budget request contained no funds for the advance procurement of T–45C aircraft. The T–45TS is an integrated training system that combines the T–45 aircraft, simulators, and computer-based training for the Navy's intermediate-level undergraduate pilot training.

The committee notes that, while the Navy requires 234 T–45 aircraft, its inventory will be only 181 aircraft after eight T–45C's are

produced in fiscal year 2003, and that T–45 production is not planned for years beyond fiscal year 2003.

Since the committee believes that T–45 production should continue in order to meet the requirement for 234 T–45 aircraft, it recommends an increase of $10.0 million for advance procurement of T–45C aircraft in fiscal year 2004.

UC–35

The budget request contained no funds for procurement of UC–35 aircraft.

The UC–35 is a medium-range, medium-lift operational support aircraft. The committee understands that the Marine Corps conducts the operational support airlift mission with the short-range C–12 aircraft, which is increasingly expensive to operate, and does not meet payload, range, or avionics requirements. The committee notes the Commandant of the Marine Corps has included the procurement of UC–35s among his unfunded priorities for fiscal year 2003.

The committee recommends an increase of $8.3 million for one UC–35 aircraft for the Marine Corps.

WEAPONS PROCUREMENT, NAVY

Overview

The budget request contained $1,832.6 million for Weapons Procurement, Navy in fiscal year 2003. The committee recommends authorization of $1,916.6 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	WEAPONS PROCUREMENT, NAVY						
	BALLISTIC MISSILES						
	BALLISTIC MISSILES						
1	TRIDENT II	12	652,855			12	652,855
1	TRIDENT II	-	(66,939)			-	(66,939)
2	TRIDENT II	-	-			-	-
2	TRIDENT II	-	-			-	-
2	TRIDENT II	-	-			-	-
2	TRIDENT II	-	-			-	-
2	TRIDENT II	-	-			-	-
	SUPPORT EQUIPMENT AND FACILITIES						
3	MISSILE INDUSTRIAL FACILITIES	-	1,318			-	1,318
	TOTAL BALLISTIC MISSILES		**587,234**		-		**587,234**
	OTHER MISSILES						
	STRATEGIC MISSILES						
4	TOMAHAWK	106	145,820		620,000	106	765,820
	DERF- Transfer to H.R. 4547				(598,000)	-	(598,000)
	Tomahawk Tooling				[+22,000]		[+22,000]
5	ESSM	146	129,550			146	129,550
	TACTICAL MISSILES						
6	AMRAAM	100	50,937			100	50,937
7	SIDEWINDER	295	53,250			295	53,250
8	JSOW	363	139,537			363	139,537
9	SLAM-ER	120	83,781			120	83,781
10	STANDARD MISSILE	93	156,423			93	156,423
11	RAM	90	58,379			90	58,379
12	HELLFIRE	-	-		40,000	-	40,000
	Hellfire II				[+40,000]		[+40,000]
13	AERIAL TARGETS	-	70,332			-	70,332
14	DRONES AND DECOYS	-	-			-	-
15	OTHER MISSILE SUPPORT	-	12,039			-	12,039
	MODIFICATION OF MISSILES						
16	SIDEWINDER MODS	-	595			-	595
17	HARM MODS	-	4,959			-	4,959
18	STANDARD MISSILES MODS	90	56,163			90	56,163
	SUPPORT EQUIPMENT AND FACILITIES						
19	WEAPONS INDUSTRIAL FACILITIES	-	17,662			-	17,662

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
20	FLEET SATELLITE COMM (MYP) (SPACE)	-	-			-	-
21	FLEET SATELLITE COMM FOLLOW-ON	-	-			-	-
	ORDNANCE SUPPORT EQUIPMENT						
22	ORDNANCE SUPPORT EQUIPMENT	-	5,422			-	5,422
22A	USMC SHADOW UPGRADES	-	-		15,000	-	15,000
	DERF				[+15,000]		[+15,000]
	TOTAL OTHER MISSILES		**984,849**		**77,000**		**1,061,849**
	TORPEDOES AND RELATED EQUIPMENT						
	TORPEDOES AND RELATED EQUIP.						
23	ASW TARGETS	-	14,330			-	14,330
	MOD OF TORPEDOES AND RELATED EQUIP						
24	MK-46 TORPEDO MODS	-	38,783			-	38,783
25	MK-48 TORPEDO ADCAP MODS	-	62,124			-	62,124
26	QUICKSTRIKE MINE	-	2,025			-	2,025
	SUPPORT EQUIPMENT						
27	TORPEDO SUPPORT EQUIPMENT	-	25,132			-	25,132
28	ASW RANGE SUPPORT	-	14,477			-	14,477
	DESTINATION TRANSPORTATION						
29	FIRST DESTINATION TRANSPORTATION	-	2,751			-	2,751
	TOTAL TORPEDOES AND RELATED EQUIPMENT		**159,622**		**-**		**159,622**
	OTHER WEAPONS						
	GUNS AND GUN MOUNTS						
30	SMALL ARMS AND WEAPONS	-	2,856		7,000	-	9,856
	DERF- Coast Guard				[+3,000]		[+3,000]
31	AIRBORNE MINE NEUTRALIZATION SYSTEMS	-	1,539			-	1,539
	MODIFICATION OF GUNS AND GUN MOUNTS						
32	CIWS MODS	-	32,226			-	32,226
33	GUN MOUNT MODS	-	8,351			-	8,351
	OTHER						
34	CANCELLED ACCOUNT ADJUSTMENTS	-	-			-	-
35	CANCELLED ACCOUNT ADJUSTMENTS	-	-			-	-
36	CANCELLED ACCOUNT ADJ (89)	-	-			-	-
37	JUDGEMENT FUND	-	-			-	-
	TOTAL OTHER WEAPONS		**44,972**		**7,000**		**51,972**

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	SPARES AND REPAIR PARTS						
	SPARES AND REPAIR PARTS						
38	SPARES AND REPAIR PARTS	-	55,940			-	55,940
	TOTAL SPARES AND REPAIR PARTS		**55,940**		**-**		**55,940**
	TOTAL WEAPONS PROCUREMENT, NAVY		**1,832,617**		**84,000**		**1,916,617**

Items of Special Interest

AIM–9X missile

The budget request for the Department of the Navy contained $53.3 million for 295 AIM–9X missiles and the budget request for the Department of the Air Force contained $57.0 million for 286 AIM–9X missiles. The AIM–9X missile is a fifth generation, launch-and-leave, infrared-guided air-to-air missile.

The committee notes that the AIM–9X missile is superior to all fielded short-range air-to-air missiles, is pleased that both the Departments of the Navy and the Air Force have included its procurement in the fiscal year 2003 budget request and restored its procurement in their future years defense programs, and understands that cost improvement initiatives have been, and continue to be, underway to achieve lower future unit costs.

The committee strongly encourages the Departments of the Navy and the Air Force to take the necessary actions to leverage cost improvement initiatives and to maximize economies of scale in order to procure the most AIM–9X missiles possible in the future years defense programs within the programmed budget.

Hellfire II missile

The budget request contained no funds for Hellfire II missiles.

The Hellfire II missile is a laser-guided, anti-armor and anti-ship weapon used by the Marine Corps on the AH–1W helicopter and by the Navy on the SH–60B helicopter as their primary precision-guided munition. The committee notes that, despite increased funding provided by Congress in fiscal years 1998, 2000 and 2001, the Navy is currently at only 54 percent of its inventory requirement for these missiles. The committee further notes that, as a result of this situation, both the Chief of Naval Operations and the Commandant of the Marine Corps have identified procurement of Hellfire II missiles among their unfunded requirements in fiscal year 2003.

Consistent with its prior actions, the committee recommends an increase of $40.0 million to procure additional Hellfire II missiles.

Tomahawk missile

The budget request contained $145.8 million for 106 block IV low-rate initial production tactical tomahawk (TACTOM) missiles but included no funds for special tooling and test equipment to increase the production rate of the block IV TACTOM missile from 450 to 600 missiles per year.

The Tomahawk missile is a long-range, precision strike cruise missile launched from surface ships or submarines, and the block IV TACTOM missile will provide improved performance at a lower unit cost than previous missile versions. The committee understands that existing special tooling and test equipment will provide a capacity to produce 450 TACTOM missiles per year, but believes that the ability to produce 600 TACTOM missiles per year would be critical in a time of national emergency.

The committee recommends $167.8 million for the Tomahawk missile, an increase of $22.0 million, to procure the special tooling and test equipment necessary to increase the production of block IV TACTOMs from 450 to 600 per year.

AMMUNITION PROCUREMENT, NAVY/MARINE CORPS

Overview

The budget request contained $1,015.2 million for Ammunition Procurement, Navy/Marine Corps in fiscal year 2003. The committee recommends authorization of $1,104.5 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF AMMO, NAVY & MARINE CORPS						
	PROC AMMO, NAVY						
	NAVY AMMUNITION						
1	GENERAL PURPOSE BOMBS	-	243,395		61,300	-	304,695
	DERF- Laser Guided Bombs / Transfer to H.R. 4547				(61,300)	-	(61,300)
2	JDAM	9,880	225,992	2,400	54,000	12,280	279,992
	DERF- JDAM / Transfer to H.R. 4547				(34,300)	-	(34,300)
3	AIRBORNE ROCKETS, ALL TYPES	-	28,979		23,300	-	52,279
	DERF				[+23,300]		[+23,300]
4	MACHINE GUN AMMUNITION	-	26,375		4,500	-	30,875
	DERF				[+4,500]		[+4,500]
5	PRACTICE BOMBS	-	65,623			-	65,623
6	CARTRIDGES & CART ACTUATED DEVICES	-	26,355			-	26,355
7	AIRCRAFT ESCAPE ROCKETS	-	10,767			-	10,767
8	AIR EXPENDABLE COUNTERMEASURES	-	38,856			-	38,856
9	JATOS	-	4,536			-	4,536
10	5 INCH/54 GUN AMMUNITION	-	12,252			-	12,252
11	EXTENDED RANGE GUIDED MUNITIONS (ERGM)	-	4,022			-	4,022
12	76MM GUN AMMUNITION	-	8,342			-	8,342
13	OTHER SHIP GUN AMMUNITION	-	10,045			-	10,045
14	SMALL ARMS & LANDING PARTY AMMO	-	19,004		1,000	-	20,004
	DERF- Coast Guard				[+1,000]		[+1,000]
15	PYROTECHNIC AND DEMOLITION	-	10,338			-	10,338
16	MINE NEUTRALIZATION DEVICES	-	2,725			-	2,725
17	AMMUNITION LESS THAN $5 MILLION	-	1,212			-	1,212
18	CAWCF CLOSURE COSTS	-	-			-	-
	TOTAL PROC AMMO, NAVY		**738,818**		**48,500**		**787,318**
	PROC AMMO, MC						
	MARINE CORPS AMMUNITION						
19	5.56 MM, ALL TYPES	-	31,600			-	31,600
20	7.62 MM, ALL TYPES	-	7,078		1,300	-	8,378
21	LINEAR CHARGES, ALL TYPES	-	40,623			-	40,623
22	.50 CALIBER	-	10,514		2,300	-	12,814
23	40 MM, ALL TYPES	-	11,909			-	11,909
24	60MM, ALL TYPES	-	2,199			-	2,199
25	81MM, ALL TYPES	-	31,412			-	31,412
26	120MM, ALL TYPES	-	35,117		10,000	-	45,117

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	HEAT-MP-T				[+10,000]		[+10,000]
27	CTG 25MM, ALL TYPES	-	6,641			-	6,641
28	9 MM ALL TYPES	-	1,983			-	1,983
29	GRENADES, ALL TYPES	-	11,357			-	11,357
30	STINGER SLEP	-	1,577			-	1,577
31	ROCKETS, ALL TYPES	-	18,854		10,000	-	28,854
	84mm AT-4 M136, Cartridges				[+10,000]		[+10,000]
32	ARTILLERY, ALL TYPES	-	46,750		9,000	-	55,750
	155mm HE M795				[+9,000]		[+9,000]
33	DEMOLITION MUNITIONS, ALL TYPES	-	4,089			-	4,089
34	FUZE, ALL TYPES	-	620			-	620
35	NON LETHALS	-	5,406		6,300	-	11,706
36	AMMO MODERNIZATION	-	6,990			-	6,990
37	ITEMS LESS THAN $5 MILLION	-	1,616		1,900	-	3,516
	DERF				[+1,900]		[+1,900]
38	CAWCF CLOSURE COSTS	-	-			-	-
	TOTAL PROC. AMMO, MC		**276,335**		**40,800**		**317,135**
	TOTAL PROCUREMENT OF AMMUNITION, NAVY & MARINE CORPS		**1,015,153**		**89,300**		**1,104,453**

Items of Special Interest

Marine corps ammunition procurement

The budget request contained $276.3 million for procurement of ammunition. The committee recommends an increase of $38.9 million for the following types of ammunition, which are among the top unfunded requirements identified by the Commandant of the Marine Corps in fiscal year 2003:

[In millions of dollars]

Cartridge, 7.62mm, linked	1.3
Cartridge, .50 caliber, linked	2.3
Cartridge, 120mm HEAT–MP–T	10.0
Cartridge & Lnchr., 84mm AT–4 M136	10.0
Projectile, 155mm HE M795	9.0
Non-lethal Ammunition	6.3

SHIPBUILDING AND CONVERSION, NAVY

Overview

The budget request contained $8,191.2 million for Shipbuilding and Conversion, Navy in fiscal year 2003. The committee recommends authorization of $9,279.5 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	SHIPBUILDING & CONVERSION, NAVY						
	OTHER WARSHIPS						
	OTHER WARSHIPS						
1	CARRIER REPLACEMENT PROGRAM	-	-			-	-
1	CARRIER REPLACEMENT PROGRAM	-	-			-	-
2	CARRIER REPLACEMENT PROGRAM	-	-			-	-
2	CARRIER REPLACEMENT PROGRAM	-	-			-	-
2	CARRIER REPLACEMENT PROGRAM	-	243,703		229,000	-	472,703
3	VIRGINIA CLASS SUBMARINE	1	2,191,514			1	2,191,514
3	VIRGINIA CLASS SUBMARINE	-	(678,862)			-	(678,862)
4	VIRGINIA CLASS SUBMARINE	-	-			-	-
4	VIRGINIA CLASS SUBMARINE	-	-			-	-
4	VIRGINIA CLASS SUBMARINE	-	-			-	-
4	VIRGINIA CLASS SUBMARINE	-	-			-	-
4	VIRGINIA CLASS SUBMARINE	-	271,248			-	271,248
4	VIRGINIA CLASS SUBMARINE	-	435,061			-	435,061
5	SSGN CONVERSION	2	584,305			2	584,305
5	SSGN CONVERSION	-	(180,000)			-	(180,000)
6	SSGN CONVERSION	-	-			-	-
6	SSGN CONVERSION	-	-			-	-
6	SSGN CONVERSION	-	-			-	-
6	SSGN CONVERSION	-	333,000			-	333,000
6	SSGN CONVERSION	-	55,000			-	55,000
6	SSGN CONVERSION	-	33,000			-	33,000
7	CRUISER CONVERSION	-	-			-	-
8	CVN REFUELING OVERHAULS	-	-		24,000	-	24,000
8	CVN REFUELING OVERHAULS	-	-			-	-
9	CVN REFUELING OVERHAULS	-	-			-	-
9	CVN REFUELING OVERHAULS	-	-			-	-
9	CVN REFUELING OVERHAULS	-	296,781			-	296,781
10	SUBMARINE REFUELING OVERHAULS	1	351,661			1	351,661
10	SUBMARINE REFUELING OVERHAULS	-	(80,369)			-	(80,369)
11	SUBMARINE REFUELING OVERHAULS	-	-			-	-
11	SUBMARINE REFUELING OVERHAULS	-	-			-	-
11	SUBMARINE REFUELING OVERHAULS	-	-			-	-
11	SUBMARINE REFUELING OVERHAULS	-	-			-	-
11	SUBMARINE REFUELING OVERHAULS	-	-			-	-
11	SUBMARINE REFUELING OVERHAULS	-	-			-	-
11	SUBMARINE REFUELING OVERHAULS	-	30,000			-	30,000

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
11	SUBMARINE REFUELING OVERHAULS	-	32,257			-	32,257
11	SUBMARINE REFUELING OVERHAULS	-	26,000			-	26,000
12	DDG-51	2	2,418,942			2	2,418,942
12	DDG-51	-	(123,440)			-	(123,440)
13	DDG-51	-	-			-	-
13	DDG-51	-	-			-	-
13	DDG-51	-	-			-	-
13	DDG-51	-	-			-	-
13	DDG-51	-	74,000			-	74,000
13A	SHIPBUILDING INITIATIVE				810,000	-	810,000
	TOTAL OTHER WARSHIPS		**6,313,801**		**1,063,000**		**7,376,801**
	AMPHIBIOUS SHIPS						
	AMPHIBIOUS SHIPS						
14	LHD-1 AMPHIBIOUS ASSAULT SHIP	-	243,000			-	243,000
15	LHD-1 AMPHIBIOUS ASSAULT SHIP	-	-			-	-
15	LHD-1 AMPHIBIOUS ASSAULT SHIP	-	10,000			-	10,000
16	LPD-17	1	1,039,163			1	1,039,163
16	LPD-17	-	(442,671)			-	(442,671)
17	LPD-17	-	-			-	-
17	LPD-17	-	-			-	-
17	LPD-17	-	-			-	-
17	LPD-17	-	-			-	-
17	LPD-17	-	-			-	-
17	LPD-17	-	-			-	-
17	LPD-17	-	-			-	-
17	LPD-17	-	-			-	-
17	LPD-17	-	4,000			-	4,000
17	LPD-17	-	4,000			-	4,000
	TOTAL AMPHIBIOUS SHIPS		**857,492**		-		**857,492**
	AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAM						
	AUXILIARIES, CRAFT AND PRIOR YR PROGRAM COS						
18	TAGOS SURTASS SHIPS	-	-			-	-
19	T-AKE-1	-	-			-	-
20	LCU(X)	-	6,756	2	6,000	2	12,756
	Yard Oilers			[+2]	[+6,000]	[+2]	[+6,000]

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
21	OUTFITTING	-	300,608			-	300,608
22	LCAC SLEP	3	67,638		11,000	3	78,638
	LCAC Bouyancy Box				[+11,000]		[+11,000]
23	MINE HUNTER SWATH	-	-	2	8,300	2	8,300
24	COMPLETION OF PY SHIPBUILDING PROGRAMS	-	644,899			-	644,899
	TOTAL AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAMS		**1,019,901**		**25,300**		**1,045,201**
	TOTAL SHIPBUILDING & CONVERSION, NAVY		**8,191,194**		**1,088,300**		**9,279,494**

Items of Special Interest

Carrier replacement program advance procurement

The budget request contained $243.7 million for advance procurement of plans, nuclear components, materials and equipment for CVN(X)–1. The CVN(X)–1, the first of a new class of Navy aircraft carriers, is currently scheduled for contract award in fiscal year 2007 with delivery to the fleet in fiscal year 2014.

The committee notes that fiscal year 2003 CVN(X)–1 program of record delays its contract award and delivery schedule by one year compared to the plan provided to the Congress for fiscal year 2002, and believes that this delay will increase long-term construction costs due to disruption in the supplier base and higher labor costs.

The committee recommends $472.7 million, an increase of $229.0 million, for carrier replacement program advance procurement and encourages the Navy to budget its future years defense program so that the CVN(X)–1 contract award will occur in fiscal year 2006 and be delivered in fiscal year 2013.

CVN–69 refueling complex overhaul (RCOH)

The budget request contained no funds for the CVN–69 RCOH. The CVN–69, one of 12 Navy aircraft carriers and also known as the U.S.S. Eisenhower, is undergoing a prior-year funded mid-life RCOH that refuels its reactors, upgrades its main propulsion components, modernizes its warfighting combat systems, and repairs the ship's infrastructure to meet continued service life requirements.

The committee understands that procurement of deferred and high priority habitability work could most efficiently be accomplished while the CVN–69 is undergoing its mid-life RCOH, and notes that the Chief of Naval Operations has included the CVN–69 RCOH among his unfunded priorities for fiscal year 2003.

The committee recommends an increase of $24.0 million for the CVN–69 RCOH.

Landing craft air cushion (LCAC) service life extension program (SLEP)

The budget request contained $67.6 million for three LCAC SLEPs, but included no funds for an additional buoyancy box.

The LCAC is the only surface platform that can provide high-speed, heavy lift for Marine Corps amphibious operations from over-the-horizon. The SLEP would extend the LCAC's service life from twenty years to thirty years, and the buoyancy box, part of the LCAC SLEP, is the hull section component enabling the LCAC to be properly buoyant in the water. The committee understands that, while only three buoyancy boxes are planned for production in fiscal year 2003, four is the minimum rate of production necessary to preclude a termination of the buoyancy box production line.

The committee believes that uninterrupted buoyancy box production is critical to continuation of the LCAC SLEP, and recommends $78.6 million, an increase of $11.0 million for the procurement of one additional buoyancy box for the LCAC SLEP.

Minehunter small waterplane area twin hull (SWATH) boats

The budget request contained no funds for procurement of Minehunter SWATH boats or for their associated mine countermeasures equipment suites.

The Minehunter SWATH boat is a 40-foot, twin hull vessel that can operate in very shallow water with increased stability in rough seas compared to a similar size mono hull ship. The Navy's minehunting fleet includes one Minehunter SWATH boat, which is its only surface mine warfare vessel capable of operating in very shallow water or capable of transport by C–5 aircraft for operational deployment within 24 hours. The committee understands that the Minehunter SWATH boat has completed highly successful testing and notes that senior naval officers support increased procurement to meet shallow water minehunting requirements.

The committee recommends an increase of $8.3 million for the procurement of two Minehunter SWATH boats and their associated mine countermeasures equipment suites.

OTHER PROCUREMENT, NAVY

Overview

The budget request contained $4,347.0 million for Other Procurement, Navy in fiscal year 2003. The committee recommends authorization of $4,527.8 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	OTHER PROCUREMENT, NAVY						
	SHIPS SUPPORT EQUIPMENT						
	SHIP PROPULSION EQUIPMENT						
1	LM-2500 GAS TURBINE	-	9,402			-	9,402
2	ALLISON 501K GAS TURBINE	-	13,710			-	13,710
	PROPELLERS						
3	SUBMARINE PROPELLERS	-	10,641			-	10,641
	NAVIGATION EQUIPMENT						
4	OTHER NAVIGATION EQUIPMENT	-	25,828			-	25,828
	UNDERWAY REPLENISHMENT EQUIPMENT						
5	UNDERWAY REPLENISHMENT EQUIPMENT	-	1,460			-	1,460
	PERISCOPES						
6	SUB PERISCOPES & IMAGING EQUIP	-	31,401			-	31,401
	OTHER SHIPBOARD EQUIPMENT						
7	FIREFIGHTING EQUIPMENT	-	21,534			-	21,534
8	COMMAND AND CONTROL SWITCHBOARD	-	7,377			-	7,377
9	POLLUTION CONTROL EQUIPMENT	-	67,502			-	67,502
10	SUBMARINE SUPPORT EQUIPMENT	-	18,195			-	18,195
11	SUBMARINE BATTERIES	-	13,996			-	13,996
12	STRATEGIC PLATFORM SUPPORT EQUIP	-	26,692			-	26,692
13	DSSP EQUIPMENT	-	21,215			-	21,215
14	LCAC	-	5,105			-	5,105
15	MINESWEEPING EQUIPMENT	-	3,865			-	3,865
16	ITEMS LESS THAN $5 MILLION	-	123,449			-	123,449
17	SURFACE IMA	-	-			-	-
18	SUBMARINE LIFE SUPPORT SYSTEM	-	3,675			-	3,675
	REACTOR PLANT EQUIPMENT						
19	REACTOR POWER UNITS	-	336,500			-	336,500
20	REACTOR COMPONENTS	-	211,020			-	211,020
	OCEAN ENGINEERING						
21	DIVING AND SALVAGE EQUIPMENT	-	7,726			-	7,726
	SMALL BOATS						
22	STANDARD BOATS	-	33,832			-	33,832
	TRAINING EQUIPMENT						
23	OTHER SHIPS TRAINING EQUIPMENT	-	1,799			-	1,799
	PRODUCTION FACILITIES EQUIPMENT						
24	OPERATING FORCES IPE	-	17,134		5,000	-	22,134
	Expedition Maintenance Facility				[+5,000]		[+5,000]
	OTHER SHIP SUPPORT						

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
25	NUCLEAR ALTERATIONS	-	128,543			-	128,543
	DRUG INTERDICTION SUPPORT						
26	DRUG INTERDICTION SUPPORT	-	-			-	-
	TOTAL SHIPS SUPPORT EQUIPMENT		**1,141,601**		**5,000**		**1,146,601**
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT						
	SHIP RADARS						
27	RADAR SUPPORT	-	-			-	-
	SHIP SONARS						
28	AN/SQQ-89 SURF ASW COMBAT SYSTEM	-	24,247			-	24,247
29	SSN ACOUSTICS	-	251,909			-	251,909
30	UNDERSEA WARFARE SUPPORT EQUIPMENT	-	3,775			-	3,775
31	SURFACE SONAR WINDOWS AND DOME	-	-			-	-
32	SONAR SWITCHES AND TRANSDUCERS	-	16,348			-	16,348
	ASW ELECTRONIC EQUIPMENT						
33	SUBMARINE ACOUSTIC WARFARE SYSTEM	-	21,686			-	21,686
34	FIXED SURVEILLANCE SYSTEM	-	62,090			-	62,090
35	SURTASS	-	20,639			-	20,639
36	ASW OPERATIONS CENTER	-	5,109			-	5,109
	ELECTRONIC WARFARE EQUIPMENT						
37	AN/SLQ-32	-	1,856			-	1,856
38	AIEWS	-	15,808		(15,808)	-	-
	Program Termination				[-15,808]		[-15,808]
39	INFORMATION WARFARE SYSTEMS	-	5,158		2,000	-	7,158
	DERF- TARBS				[+2,000]		[+2,000]
	RECONNAISSANCE EQUIPMENT						
40	SHIPBOARD IW EXPLOIT	-	77,066		10,000	-	87,066
	DERF- Communications Data Link				[+10,000]		[+10,000]
	SUBMARINE SURVEILLANCE EQUIPMENT						
41	SUBMARINE SUPPORT EQUIPMENT PROG	-	89,508			-	89,508
	OTHER SHIP ELECTRONIC EQUIPMENT						
42	NAVY TACTICAL DATA SYSTEM	-	-			-	-
43	COOPERATIVE ENGAGEMENT CAPABILITY	-	66,736			-	66,736
44	GCCS-M EQUIPMENT	-	55,188			-	55,188
45	NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)	-	46,818			-	46,818
46	ATDLS	-	7,608			-	7,608
47	MINESWEEPING SYSTEM REPLACEMENT	-	1,974			-	1,974
48	SHALLOW WATER MCM	-	-			-	-

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
49	NAVSTAR GPS RECEIVERS (SPACE)	-	11,402			-	11,402
50	ARMED FORCES RADIO AND TV	-	4,186			-	4,186
51	STRATEGIC PLATFORM SUPPORT EQUIP	-	21,353			-	21,353
	TRAINING EQUIPMENT						
52	OTHER SPAWAR TRAINING EQUIPMENT	-	1,001			-	1,001
53	OTHER TRAINING EQUIPMENT	-	15,430		6,000	-	21,430
	Battlefield Force Tactical Training				[+6,000]		[+6,000]
	AVIATION ELECTRONIC EQUIPMENT						
54	MATCALS	-	14,318			-	14,318
55	SHIPBOARD AIR TRAFFIC CONTROL	-	7,815			-	7,815
56	AUTOMATIC CARRIER LANDING SYSTEM	-	17,447			-	17,447
57	NATIONAL AIR SPACE SYSTEM	-	20,000			-	20,000
58	AIR STATION SUPPORT EQUIPMENT	-	7,012			-	7,012
59	MICROWAVE LANDING SYSTEM	-	-			-	-
60	FACSFAC	-	4,356			-	4,356
61	ID SYSTEMS	-	32,633			-	32,633
62	SURFACE IDENTIFICATION SYSTEMS	-	-			-	-
63	TAC A/C MISSION PLANNING SYS(TAMPS)	-	6,597			-	6,597
	OTHER SHORE ELECTRONIC EQUIPMENT						
64	TADIX-B	-	-			-	-
65	NAVAL SPACE SURVEILLANCE SYSTEM	-	2,062			-	2,062
66	DIMHRS	-	4,675			-	4,675
67	COMMON IMAGERY GROUND SURFACE SYSTEMS	-	52,432			-	52,432
68	RADIAC	-	8,015			-	8,015
69	GPETE	-	6,700			-	6,700
70	INTEG COMBAT SYSTEM TEST FACILITY	-	4,498			-	4,498
71	EMI CONTROL INSTRUMENTATION	-	5,409			-	5,409
72	ITEMS LESS THAN $5 MILLION	-	9,037			-	9,037
	SHIPBOARD COMMUNICATIONS						
73	SHIP COMMUNICATIONS AUTOMATION	-	161,235			-	161,235
74	COMMUNICATIONS ITEMS UNDER $5M	-	16,307			-	16,307
	SUBMARINE COMMUNICATIONS						
75	SHORE LF/VLF COMMUNICATIONS	-	5,427			-	5,427
76	SUBMARINE COMMUNICATION EQUIPMENT	-	132,874			-	132,874
	SATELLITE COMMUNICATIONS						
77	SATELLITE COMMUNICATIONS SYSTEMS	-	149,636			-	149,636
	SHORE COMMUNICATIONS						
78	JCS COMMUNICATIONS EQUIPMENT	-	4,256			-	4,256
79	ELECTRICAL POWER SYSTEMS	-	1,270			-	1,270

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
80	NSIPS	-	12,281			-	12,281
81	JEDMICS	-	-			-	-
82	NAVAL SHORE COMMUNICATIONS	-	96,592			-	96,592
	CRYPTOGRAPHIC EQUIPMENT						
83	INFO SYSTEMS SECURITY PROGRAM (ISSP)	-	78,473		11,400	-	89,873
	DERF- Computer Net Def				[+4,600]		[+4,600]
	DERF- ENCLAVE Boundaries				[+2,000]		[+2,000]
	DERF- Intrusion Detection Systems				[+1,800]		[+1,800]
	CRYPTOLOGIC EQUIPMENT						
84	SPECIAL DCP	-	-			-	-
85	CRYPTOLOGIC COMMUNICATIONS EQUIP	-	18,659		1,500	-	20,159
	DERF				[+1,500]		[+1,500]
	OTHER ELECTRONIC SUPPORT						
86	COAST GUARD EQUIPMENT	-	39,789		4,000	-	43,789
	DERF				[+4,000]		[+4,000]
	DRUG INTERDICTION SUPPORT						
87	OTHER DRUG INTERDICTION SUPPORT	-	-			-	-
	TOTAL COMMUNICATIONS AND ELECTRONICS EQUIPMENT		**1,746,700**		**19,092**		**1,765,792**
	AVIATION SUPPORT EQUIPMENT						
	SONOBUOYS						
88	SONOBUOYS - ALL TYPES	-	63,277			-	63,277
	AIRCRAFT SUPPORT EQUIPMENT						
89	WEAPONS RANGE SUPPORT EQUIPMENT	-	7,733			-	7,733
90	EXPEDITIONARY AIRFIELDS	-	7,540			-	7,540
91	AIRCRAFT REARMING EQUIPMENT	-	11,894			-	11,894
92	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT	-	19,355			-	19,355
93	METEOROLOGICAL EQUIPMENT	-	27,085			-	27,085
94	OTHER PHOTOGRAPHIC EQUIPMENT	-	1,572			-	1,572
95	AVIATION LIFE SUPPORT	-	25,676			-	25,676
96	AIRBORNE MINE COUNTERMEASURES	-	19,499			-	19,499
97	LAMPS MK III SHIPBOARD EQUIPMENT	-	5,488			-	5,488
98	OTHER AVIATION SUPPORT EQUIPMENT	-	12,440		3,000	-	15,440
	Resource Allocation Management Plan				[+3,000]		[+3,000]
	TOTAL AVIATION SUPPORT EQUIPMENT		**201,559**		**3,000**		**204,559**
	ORDNANCE SUPPORT EQUIPMENT						

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	SHIP GUN SYSTEM EQUIPMENT						
99	GUN FIRE CONTROL EQUIPMENT	-	27,108		19,700	-	46,808
	AN / SPQ-9B				[+19,700]		[+19,700]
100	NAVAL FIRES CONTROL SYSTEM	-	5,690			-	5,690
	SHIP MISSILE SYSTEMS EQUIPMENT						
101	NATO SEASPARROW	-	41,408			-	41,408
102	RAM GMLS	-	23,893			-	23,893
103	SHIP SELF DEFENSE SYSTEM	-	47,226			-	47,226
104	AEGIS SUPPORT EQUIPMENT	-	155,654			-	155,654
105	SURFACE TOMAHAWK SUPPORT EQUIPMENT	-	53,614			-	53,614
106	SUBMARINE TOMAHAWK SUPPORT EQUIP	-	5,262			-	5,262
107	VERTICAL LAUNCH SYSTEMS	-	6,483			-	6,483
	FBM SUPPORT EQUIPMENT						
108	STRATEGIC PLATFORM SUPPORT EQUIP	-	-			-	-
109	STRATEGIC MISSILE SYSTEMS EQUIP	-	75,006			-	75,006
	ASW SUPPORT EQUIPMENT						
110	SSN COMBAT CONTROL SYSTEMS	-	46,319			-	46,319
111	SUBMARINE ASW SUPPORT EQUIPMENT	-	7,538			-	7,538
112	SURFACE ASW SUPPORT EQUIPMENT	-	3,460			-	3,460
113	ASW RANGE SUPPORT EQUIPMENT	-	7,350			-	7,350
	OTHER ORDNANCE SUPPORT EQUIPMENT						
114	EXPLOSIVE ORDNANCE DISPOSAL EQUIP	-	7,806			-	7,806
115	ITEMS LESS THAN $5 MILLION	-	3,770			-	3,770
	OTHER EXPENDABLE ORDNANCE						
116	ANTI-SHIP MISSILE DECOY SYSTEM	-	27,976			-	27,976
117	SURFACE TRAINING DEVICE MODS	-	6,557			-	6,557
118	SUBMARINE TRAINING DEVICE MODS	-	17,264			-	17,264
	TOTAL ORDNANCE SUPPORT EQUIPMENT		**569,384**		**19,700**		**589,084**
	CIVIL ENGINEERING SUPPORT EQUIPMENT						
	CIVIL ENGINEERING SUPPORT EQUIPMENT						
119	ARMORED SEDANS	-	481			-	481
120	PASSENGER CARRYING VEHICLES	-	2,538			-	2,538
121	GENERAL PURPOSE TRUCKS	-	1,972			-	1,972
122	CONSTRUCTION & MAINTENANCE EQUIP	-	9,113			-	9,113
123	FIRE FIGHTING EQUIPMENT	-	6,284			-	6,284
124	TACTICAL VEHICLES	-	42,238			-	42,238
125	AMPHIBIOUS EQUIPMENT	-	47,193			-	47,193

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
126	DRUG INTERDICTION (BA 5)	-	-			-	-
127	POLLUTION CONTROL EQUIPMENT	-	20,734			-	20,734
128	ITEMS UNDER $5 MILLION	-	14,963			-	14,963
	TOTAL CIVIL ENGINEERING SUPPORT EQUIPMENT		**145,516**		**-**		**145,516**
	SUPPLY SUPPORT EQUIPMENT						
	SUPPLY SUPPORT EQUIPMENT						
129	MATERIALS HANDLING EQUIPMENT	-	9,504			-	9,504
130	OTHER SUPPLY SUPPORT EQUIPMENT	-	10,959		8,000	-	18,959
	Serial Number Tracking System				[+8,000]		[+8,000]
131	FIRST DESTINATION TRANSPORTATION	-	5,053			-	5,053
132	SPECIAL PURPOSE SUPPLY SYSTEMS	-	141,431		13,964	-	155,395
	DERF- Classified				[+13,964]		[+13,964]
	TOTAL SUPPLY SUPPORT EQUIPMENT		**166,947**		**21,964**		**188,911**
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT						
	TRAINING DEVICES						
133	TRAINING SUPPORT EQUIPMENT	-	707			-	707
	COMMAND SUPPORT EQUIPMENT						
134	COMMAND SUPPORT EQUIPMENT	-	34,770			-	34,770
135	EDUCATION SUPPORT EQUIPMENT	-	7,095			-	7,095
136	MEDICAL SUPPORT EQUIPMENT	-	9,145			-	9,145
137	INTELLIGENCE SUPPORT EQUIPMENT	-	26,564		10,000	-	36,564
	DERF- Classified				[+6,000]		[+6,000]
	DERF- NCIS				[+4,000]		[+4,000]
138	OPERATING FORCES SUPPORT EQUIPMENT	-	16,505			-	16,505
139	MOBILE SENSOR PLATFORM	-	5,946			-	5,946
140	ENVIRONMENTAL SUPPORT EQUIPMENT	-	19,978		7,500	-	27,478
	Side Scanning Sonars				[+7,500]		[+7,500]
141	PHYSICAL SECURITY EQUIPMENT	-	81,721		94,483	-	176,204
	DERF- Mobile Security Force				[+14,000]		[+14,000]
	DERF- Strat Sub. Base Sec.				[+4,000]		[+4,000]
	DERF- Coast Guard				[+4,000]		[+4,000]
	PRODUCTIVITY PROGRAMS						
142	JUDGEMENT FUND REIMBURSEMENT	-	-			-	-
	OTHER						
143	CANCELLED ACCOUNT ADJUSTMENTS	-	-			-	-

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
144	CANCELLED ACCOUNT ADJUSTMENT (87)	-	-			-	-
145	CANCELLED ACCOUNT ADJUSTMENT (88)	-	-			-	-
	TOTAL PERSONNEL AND COMMAND SUPPORT EQUIPMENT		**202,431**		**111,983**		**314,414**
	SPARES AND REPAIR PARTS						
	SPARES AND REPAIR PARTS						
146	SPARES AND REPAIR PARTS	-	172,886			-	172,886
	TOTAL SPARES AND REPAIR PARTS		**172,886**		**-**		**172,886**
	TOTAL OTHER PROCUREMENT, NAVY		**4,347,024**		**180,739**		**4,527,763**

Items of Special Interest

Advanced integrated electronic warfare system (AIEWS)

The budget request contained $15.8 million to procure the AIEWS.

Subsequent to the submission of the fiscal year 2003 budget request, the Department of the Navy notified the committee that it had terminated the AIEWS program due to cost overruns and continued schedule delays, which has adversely impacted the Navy's ability to field urgently needed surface electronic warfare improvements. Therefore, the committee recommends denial of funds for this program.

Environmental support equipment

The budget request contained $20.0 million for the procurement of environmental support equipment, but no funds were included for the procurement of high resolution, side scanning, bottom mapping sonars.

High resolution, side scanning, bottom mapping sonars, temporarily on loan to the Naval Oceanographic Office from the Naval Mine Countermeasures Command (MCM), are currently being used by T–AGS class ships to map underwater features and terrain of ports in support of homeland security requirements. Only three of these sonars are currently available to perform this mission. The shortfall of available sonars for this mission will greatly delay the data collection required for port security and may degrade MCM mission fulfillment.

Understanding the critical need for dedicated, permanent mapping equipment for homeland security requirements and continued MCM operations, the committee recommends $27.5 million for environmental support equipment, an increase of $7.5 million, to procure high resolution, side scanning, bottom mapping sonars for T–AGS class ships.

Gun fire control equipment

The budget request contained $27.1 million to procure gun fire control equipment, of which $17.6 million was for the procurement of three AN/SPQ–9B radars.

The AN/SPQ–9B radar provides early and reliable detection and tracking of very low radar cross-section, sea skimming missiles in natural and man-made clutter increasing the time for ship self defense systems to potentially counter them. The committee notes that by increasing fiscal year 2003 funds, this system can be accelerated from its planned fiscal year 2005 initial procurement for DDG–51 class destroyers.

Because the committee is keenly aware of the increasing proliferation of sea skimming cruise missiles, it recommends $46.8 million, an increase of $19.7 million, to accelerate procurement of three additional AN/SPQ–9B radars for DDG–51 class destroyers.

Operating forces industrial plant equipment

The budget request contained $17.1 million for operating forces industrial plant equipment, but included no funds for expeditionary maintenance facilities (EMF).

The committee is aware that the Navy is continuing to decommission its repair tenders, thereby limiting its ability to rapidly deploy a ship and equipment repair capability to support forward deployed forces. However, the committee is also aware that EMF, which are surface and air transportable, self-contained facilities, can be operational within 72 hours of deployment, and can meet the service's needs for a rapidly deployable repair and maintenance capability.

The committee believes the EMF concept may enhance forward deployed repair requirements, and recommends $22.1 million for operating forces industrial plant equipment, an increase of $5.0 million, for procurement of one EMF.

Other aviation support equipment

The budget request contained $12.4 million to procure aviation support equipment, but included no funds to expand the resource allocation management plan (RAMP) data base for naval aviation requirements.

The RAMP is a resource planning software-based system fielded to fixed wing Naval Aviation Depots (NADEP) that provides planning, scheduling, and financial assessments for aircraft maintenance requirements. The committee understands that this system is not incorporated into Department of the Navy rotary wing NADEPs and may enhance the efficiency of those facilities.

Therefore the committee recommends $15.4 million for other aviation support equipment, an increase of $3.0 million, for the expansion of the RAMP into rotary wing NADEPs.

Other supply support equipment

The budget request contained $11.0 million for the procurement of other supply support equipment, but no funds were included for automatic identification technology (AIT) in support of the serial number tracking system (SNTS).

The SNTS uses commercial AIT to provide web-based, cradle-to-grave, total asset visibility of individual components throughout the supply, maintenance, and transportation transfer process within Naval and Marine Corps aviation depots and will enhance the maintenance, remanufacture, and rebuild process of Navy and Marine Corps aircraft. The committee believes that streamlined business processes, such as SNTS, can be accelerated by implementing AIT and has recommended increases for this technology for this purpose in the Navy in fiscal year 2002, and for maintenance and ammunition tracking systems for other services in prior fiscal years.

The committee recommends $19.0 million for other supply support equipment, an increase of $8.0 million, for the SNTS.

Other training equipment

The budget request contained $15.4 million for other training equipment, of which $32.5 million was for the procurement to support the battle force tactical training (BFTT) program.

The BFTT system allows surface combatants and aircraft carriers to conduct realistic coordinated training scenarios using ownship equipment instead of shore-based training simulators. The committee notes that Congress has provided funds in fiscal years

2000, 2001, and 2002 to upgrade the BFTT system in order to provide an air traffic control (ATC) training capability for aircraft carrier battle groups and amphibious readiness groups. However, the committee understands that AEGIS combat training systems on both CG–47 Ticonderoga class cruisers and DDG–51 Arleigh Burke class destroyers require BFTT upgrades to enable SPY–1 radar operators to also receive advanced radar on-board training within carrier battle groups via BFTT. Because of the enhanced benefits to ships' crews from integrated battle group training, the committee recommends $21.4 million for other training equipment, an increase of $6.0 million, to procure BFTT advanced radar on-board training systems for AEGIS class ships.

PROCUREMENT, MARINE CORPS

Overview

The budget request contained $1,288.4 million for Procurement, Marine Corps in fiscal year 2003. The committee recommends authorization of $1,352.0 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT, MARINE CORPS						
	WEAPONS AND COMBAT VEHICLES						
	TRACKED COMBAT VEHICLES						
1	AAV7A1 PIP	85	62,991			85	62,991
2	AAAV	1	14,718			1	14,718
3	LAV PIP	-	53,166			-	53,166
4	IMPROVED RECOVERY VEHICLE (IRV)	-	4,179			-	4,179
5	MODIFICATION KITS (TRKD VEH)	-	3,297			-	3,297
	ARTILLERY AND OTHER WEAPONS						
6	HIMARS	2	7,869			2	7,869
7	155MM LIGHTWEIGHT TOWED HOWITZER	34	62,643			34	62,643
8	MOD KITS (ARTILLERY)	-	4,890			-	4,890
9	MARINE ENHANCEMENT PROGRAM	-	8,145			-	8,145
10	WEAPONS AND COMBAT VEHICLES UNDER $5 MILLION	-	312			-	312
	WEAPONS						
11	MODULAR WEAPON SYSTEM	-	24,352			-	24,352
	OTHER SUPPORT						
12	OPERATIONS OTHER THAN WAR	-	1,531			-	1,531
	TOTAL WEAPONS AND COMBAT VEHICLES		**248,093**		**-**		**248,093**
	GUIDED MISSILES AND EQUIPMENT						
	GUIDED MISSILES						
13	EADS MOD	-	184			-	184
14	JAVELIN	-	1,049			-	1,049
15	PEDESTAL MOUNTED STINGER (PMS) (MYP)	-	1,565			-	1,565
16	ITEMS UNDER $5 MILLION	-	-			-	-
17	PREDATOR (SRAW)	445	36,484			445	36,484
	OTHER SUPPORT						
18	MODIFICATION KITS	-	7,967			-	7,967
	TOTAL GUIDED MISSILES AND EQUIPMENT		**47,249**		**-**		**47,249**
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT						
	REPAIR AND TEST EQUIPMENT						
19	AUTO TEST EQUIP SYS	-	894			-	894
20	GENERAL PURPOSE ELECTRONIC TEST EQUIP.	-	8,324			-	8,324
	INTELL/COMM EQUIPMENT (NON-TEL)						
21	INTELLIGENCE SUPPORT EQUIPMENT	-	18,526		19,600	-	38,126

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	DERF- Digital Terrain Analysis Mapping				[+3,300]		[+3,300]
	DERF- Cameras				[+1,600]		[+1,600]
	DERF- OEF C4I Support / Transfer to H.R. 4547				(14,700)	-	(14,700)
22	MOD KITS (INTEL)	-	2,570		8,800	-	11,370
	DERF- OEF C4I Support / Transfer to H.R. 4547				(8,800)	-	(8,800)
23	ITEMS UNDER $5 MILLION (INTELL)	-	1,843			-	1,843
	REPAIR AND TEST EQUIPMENT (NON-TEL)						
24	GENERAL PURPOSE MECHANICAL TMDE	-	4,565			-	4,565
	OTHER COMM/ELEC EQUIPMENT (NON-TEL)						
25	NIGHT VISION EQUIPMENT	-	23,204		12,800	-	36,004
	AN / PVS-17				[+12,800]		[+12,800]
	OTHER SUPPORT (NON-TEL)						
26	ITEMS UNDER $5 MILLION (COMM & ELEC)	-	16,097		4,900	-	20,997
	DERF- Secure Wireless				[+800]		[+800]
	DERF- Additional A/C & GCS				[+2,400]		[+2,400]
	DERF- OEF C4I Support / Transfer to H.R. 4547				(1,700)	-	(1,700)
27	COMMON COMPUTER RESOURCES	-	38,974			-	38,974
28	COMMAND POST SYSTEMS	-	33,512			-	33,512
29	RADIO SYSTEMS	-	25,528		25,000	-	50,528
	Tactical Handheld Radio Systems				[+5,000]		[+5,000]
	Lightweight Multi-band Satellite Terminal				[+20,000]		[+20,000]
30	COMM SWITCHING & CONTROL SYSTEMS	-	3,974			-	3,974
31	COMM & ELEC INFRASTRUCTURE SUPPORT	-	16,426		4,600	-	21,026
	DERF- Computer Net Def				[+1,900]		[+1,900]
	DERF- Sec Interdict Devices				[+700]		[+700]
	DERF- JWICS Redundancy				[+2,000]		[+2,000]
32	MOD KITS MAGTF C41	-	31,470		3,000	-	34,470
	DERF				[+3,000]		[+3,000]
33	AIR OPERATIONS C2 SYSTEMS	-	6,525			-	6,525
34	INTELLIGENCE C2 SYSTEMS	-	22,362			-	22,362
35	FIRE SUPPORT SYSTEM	-	34,855			-	34,855
	TOTAL COMMUNICATIONS AND ELECTRONICS EQUIPMENT		**289,649**		**53,500**		**343,149**
	SUPPORT VEHICLES						
	ADMINISTRATIVE VEHICLES						
36	COMMERCIAL PASSENGER VEHICLES	28	861			28	861
37	COMMERCIAL CARGO VEHICLES	-	13,123			-	13,123
	TACTICAL VEHICLES						

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
38	5/4T TRUCK HMMWV (MYP)	1,667	118,414			1,667	118,414
39	MEDIUM TACTICAL VEHICLE REPLACEMENT	1,405	347,578			1,405	347,578
	OTHER SUPPORT						
40	ITEMS LESS THAN $5 MILLION	-	3,534			-	3,534
	TOTAL SUPPORT VEHICLES		**483,510**		**-**		**483,510**
	ENGINEER AND OTHER EQUIPMENT						
	ENGINEER AND OTHER EQUIPMENT						
41	ENVIRONMENTAL CONTROL EQUIP ASSORT	-	2,709			-	2,709
42	BULK LIQUID EQUIPMENT	-	10,261			-	10,261
43	TACTICAL FUEL SYSTEMS	-	2,048			-	2,048
44	DEMOLITION SUPPORT SYSTEMS	-	-			-	-
45	POWER EQUIPMENT ASSORTED	-	8,898			-	8,898
	MATERIALS HANDLING EQUIPMENT						
46	COMMAND SUPPORT EQUIPMENT	-	-			-	-
47	AMPHIBIOUS RAID EQUIPMENT	-	22,295			-	22,295
48	PHYSICAL SECURITY EQUIPMENT	-	8,804		3,600	-	12,404
	DERF- Intrusion Detection Systems				[+3,600]		[+3,600]
49	GARRISON MOBILE ENGR EQUIP	-	2,608			-	2,608
50	MATERIAL HANDLING EQUIP	-	52,503			-	52,503
51	FIRST DESTINATION TRANSPORTATION	-	8,221			-	8,221
	GENERAL PROPERTY						
52	FIELD MEDICAL EQUIPMENT	-	10,452			-	10,452
53	TRAINING DEVICES	-	18,651			-	18,651
54	CONTAINER FAMILY	-	7,120			-	7,120
55	FAMILY OF CONSTRUCTION EQUIPMENT	-	14,709		6,500	-	21,209
	Construction Equipment SLEP				[+6,500]		[+6,500]
56	RAPID DEPLOYABLE KITCHEN	-	21,505			-	21,505
	OTHER SUPPORT						
57	MODIFICATION KITS	-	-			-	-
58	ITEMS LESS THAN $5 MILLION	-	5,772			-	5,772
	TOTAL ENGINEER AND OTHER EQUIPMENT		**196,556**		**10,100**		**206,656**
	SPARES AND REPAIR PARTS						
	SPARES AND REPAIR PARTS						
59	SPARES AND REPAIR PARTS	-	23,326			-	23,326

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL SPARES AND REPAIR PARTS		23,326		-		23,326
	TOTAL PROCUREMENT, MARINE CORPS		1,288,383		63,600		1,351,983

Items of Special Interest

Family of construction equipment

The budget request contained $14.7 million to remanufacture or product improve D–7G dozers, 621B scrapers, and 130G graders. The dozer/scraper/grader fleet is used by Marine Corps combat engineer and support units for airfield construction, as well as combat clearing and debris excavation.

The committee notes that the service's dozer, scraper and grader fleet is over 15 years old and that the Commandant of the Marine Corps has identified a fiscal year 2003 unfunded requirement to accelerate remanufacture of this equipment. The committee also notes that the remanufacturing/product improvement program will extend the life of this equipment for an additional 10 years.

Consistent with its actions in prior years, the committee recommends $21.2 million for the family of construction equipment, an increase of $6.5 million, to remanufacture/product improve D–7G dozers, scrapers, and graders.

Night vision equipment

The budget request contained $23.2 million to procure night vision equipment, but included no funds to procure AN/PVS–17 night vision sights.

The AN/PVS–17 is a lightweight, rifle-mounted, generation III image intensification night vision sight that replaces obsolete, post-Vietnam era AN/PVS–4 sights. The committee notes that the Commandant of the Marine Corps has identified a $12.7 million fiscal year 2003 unfunded requirement to procure additional AN/PVS–17 night vision sights, which would complete this system's acquisition objective. Consistent with prior year actions, the committee continues to recognize the increased benefits of generation III technology, and recommends $36.0 million for night vision equipment, an increase of $12.8 million, for AN/PVS–17 night vision sights.

Radio systems

The budget request contained $25.5 million to procure radio systems, but no funds were included to procure Tactical Hand Held Radios (THHR), and $1.0 million was included for the Lightweight Multiband Satellite Terminal (LMST).

The THHR is a military-ready, multi-band, secure voice and data radio that will provide Marine reconnaissance teams, and squad-/platoon-size units with a lightweight, standardized, maintainable communications capability that is interoperable with numerous Department of Defense legacy communications radios.

The LMST is a joint mobile military tri-band satellite communications terminal deployed in transit cases, which allow rapid set up and tear down required in rugged, tactical and expeditionary operations. The LMST provides enhanced long-haul communications for forward deployed forces.

The committee notes that the Commandant of the Marine Corps has identified a $5.0 million unfunded requirement for THHRs and a $20.0 million unfunded requirement for LMSTs in fiscal year 2003. Because the committee believes that the services must have interoperable communications to successfully operate in joint military deployments and supports the need for greater communica-

tions capability within small units, the committee recommends $50.5 million for radio systems, an increase $5.0 million to complete the acquisition objective for THHRs, and an increase of $20.0 million to begin procurement of LMSTs.

AIRCRAFT PROCUREMENT, AIR FORCE

Overview

The budget request contained $12,067.4 million for Aircraft Procurement, Air Force in fiscal year 2003. The committee recommends authorization of $12,522.8 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	AIRCRAFT PROCUREMENT, AIR FORCE						
	COMBAT AIRCRAFT						
	TACTICAL FORCES						
1	F-22 RAPTOR	23	4,362,177			23	4,362,177
1	F-22 RAPTOR	-	(271,743)			-	(271,743)
2	F-22 RAPTOR	-	-			-	-
2	F-22 RAPTOR	-	-			-	-
2	F-22 RAPTOR	-	530,634			-	530,634
3	F-15A	-	-			-	-
3	F-15A	-	-			-	-
4	F-16A (MYP)	-	-			-	-
4	F-16A (MYP)	-	-			-	-
	TOTAL COMBAT AIRCRAFT		**4,621,068**		-		**4,621,068**
	AIRLIFT AIRCRAFT						
	TACTICAL AIRLIFT						
5	C-17A (MYP)	12	3,065,140			12	3,065,140
5	C-17A (MYP)	-	(371,000)			-	(371,000)
6	C-17A (MYP)	-	-			-	-
6	C-17A (MYP)	-	-			-	-
6	C-17A (MYP)	-	204,790			-	204,790
6	C-17A (MYP)	-	60,500			-	60,500
6	C-17A (MYP)	-	88,300			-	88,300
6	C-17A (MYP)	-	25,100			-	25,100
6	C-17A (MYP)	-	13,200			-	13,200
7	C-17 ICS	-	612,452			-	612,452
	OTHER AIRLIFT						
8	EC-130J	-	-			-	-
9	C-130H	-	18,672		5,000	-	23,672
	H2 Simulator / Air Force Reserve				[+5,000]		[+5,000]
10	C-130J	-	175,923			-	175,923
	TOTAL AIRLIFT AIRCRAFT		**3,893,077**		**5,000**		**3,898,077**
	TRAINER AIRCRAFT						
	OPERATIONAL TRAINERS						
11	JPATS	35	211,848			35	211,848

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL TRAINER AIRCRAFT		**211,848**		**-**		**211,848**
	OTHER AIRCRAFT						
	HELICOPTERS						
12	V-22 OSPREY	-	90,904			-	90,904
12	V-22 OSPREY	-	-			-	-
13	V-22 OSPREY	-	-			-	-
13	V-22 OSPREY	-	10,100			-	10,100
	MISSION SUPPORT AIRCRAFT						
14	C-32B FEST/DEST AIRCRAFT	-	-			-	-
15	CIVIL AIR PATROL A/C	27	2,616			27	2,616
16	OPERATIONAL SUPPORT AIRCRAFT	-	-			-	-
	OTHER AIRCRAFT						
17	TARGET DRONES	-	30,586			-	30,586
18	C-40 ANG	-	-			-	-
19	E-8C	1	327,301			1	327,301
19	E-8C	-	(48,033)			-	(48,033)
20	E-8C	-	-			-	-
20	E-8C	-	-			-	-
21	HAEUAV	2	97,361	1	65,000	3	162,361
	DERF- Global Hawk / Transfer to H.R. 4547			(1)	(65,000)	(1)	(65,000)
21	HAEUAV	-	(33,500)			-	(33,500)
22	HAEUAV	-	-			-	-
22	HAEUAV	-	-			-	-
22	HAEUAV	-	41,000			-	41,000
23	PREDATOR UAV	7	23,068		108,000	7	131,068
	DERF- Predator / Transfer to H.R. 4547				(60,550)	-	(60,550)
	Predator B				[+26,000]		[+26,000]
	TOTAL OTHER AIRCRAFT		**541,403**		**47,450**		**588,853**
	MODIFICATION OF INSERVICE AIRCRAFT						
	STRATEGIC AIRCRAFT						
24	B-2A	-	72,123		32,000	-	104,123
	SATCOM				[+25,200]		[+25,200]
	LO Maintenance				[+6,800]		[+6,800]
25	B-1B	-	98,026			-	98,026
26	B-52	-	-			-	-
27	F-117	-	21,079			-	21,079

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	TACTICAL AIRCRAFT						
28	A-10	-	21,775			-	21,775
29	F-15	-	232,500		59,000	-	291,500
	F100 Engines ANG				[+34,000]		[+34,000]
	ALQ-135 Kits				[+25,000]		[+25,000]
30	F-16	-	265,007		83,000	-	348,007
	AFR Litening AT pods Air Force Reserve				[+14,400]		[+14,400]
	TARS ANG				[+6,600]		[+6,600]
	229 Engine Upgrade ANG				[+62,000]		[+62,000]
31	F22 RAPTOR	-	11,200			-	11,200
32	T/AT-37	-	81			-	81
	AIRLIFT AIRCRAFT						
33	C-5	-	86,008			-	86,008
34	C-9	-	1,346			-	1,346
35	C-17A	-	128,178			-	128,178
36	C-21	-	2,562			-	2,562
37	C-32A	-	26,684			-	26,684
38	C-37A	-	373			-	373
39	C-141	-	796			-	796
	TRAINER AIRCRAFT						
40	T-38	-	168,112			-	168,112
41	T-41 AIRCRAFT	-	90			-	90
42	T-43	-	2,183			-	2,183
	OTHER AIRCRAFT						
43	KC-10A (ATCA)	-	14,176			-	14,176
44	C-12	-	400			-	400
45	C-18	-	800			-	800
46	C-20 MODS	-	828			-	828
47	VC-25A MOD	-	12,171		68,000	-	80,171
	DERF				[+68,000]		[+68,000]
48	C-130	-	138,533		42,600	-	181,133
	TAWS				[+31,000]		[+31,000]
	MC-130P Air refueling mod				[+11,600]		[+11,600]
49	C-135	-	108,670	3	89,000	3	197,670
	DERF- Reengining			[+3]	[+89,000]	[+3]	[+89,000]
	DERF- Transfer to H.R. 4547			(3)	(89,000)	(3)	(89,000)
50	DARP	-	150,123		6,000	-	156,123
	DERF- RJ SIGINT sustainment				[+1,000]		[+1,000]
	DERF- U-2 EMI Upgrades				[+5,000]		[+5,000]

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
51	E-3	-	29,478			-	29,478
52	E-4	-	39,139			-	39,139
53	E-8	-	19,307			-	19,307
54	H-1	-	473			-	473
55	H-60	-	40,640		29,500	-	70,140
	Pave Hawk Upgrades				[+29,500]		[+29,500]
56	OTHER AIRCRAFT	-	54,653		4,800	-	59,453
	Fixed Aircrew Standardized Seats				[+4,800]		[+4,800]
57	PREDATOR MODS	-	10,532			-	10,532
	OTHER MODIFICATIONS						
58	CLASSIFIED PROJECTS	-	18,546			-	18,546
	TOTAL MODIFICATION OF INSERVICE AIRCRAFT		**1,776,592**		**324,900**		**2,101,492**
	AIRCRAFT SPARES AND REPAIR PARTS						
	AIRCRAFT SPARES + REPAIR PARTS						
59	INDUSTRIAL FACILITIES	-	275,982		8,000	-	283,982
	DERF- Predator Spares				[+8,000]		[+8,000]
	TOTAL AIRCRAFT SPARES AND REPAIR PARTS		**275,982**		**8,000**		**283,982**
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES						
	COMMON SUPPORT EQUIPMENT						
60	COMMON SUPPORT EQUIPMENT	-	180,943			-	180,943
	POST PRODUCTION SUPPORT						
61	A-10	-	-			-	-
62	B-1	-	1,969			-	1,969
63	B-2A	-	3,279			-	3,279
64	B-2A	-	33,484			-	33,484
65	C-130	-	10,922			-	10,922
66	E-4	-	-			-	-
67	F-15 POST PRODUCTION SUPPORT	-	7,512			-	7,512
68	F-16 POST PRODUCTION SUPPORT	-	14,200			-	14,200
	INDUSTRIAL PREPAREDNESS						
69	INDUSTRIAL PREPAREDNESS	-	22,248			-	22,248
	WAR CONSUMABLES						
70	WAR CONSUMABLES	-	38,429			-	38,429
	OTHER PRODUCTION CHARGES						
71	MISC PRODUCTION CHARGES	-	349,516		60,000	-	409,516

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	DERF- Classified				[+12,000]		[+12,000]
	DERF- P4RC				[+30,000]		[+30,000]
	COMET IRCM				[+18,000]		[+18,000]
	COMMON ECM EQUIPMENT						
72	COMMON ECM EQUIPMENT	-	1,182			-	1,182
	OTHER PRODUCTION CHARGES - SOF						
73	CANCELLED ACCOUNT PY ADJUSTMENTS	-	-			-	-
	DARP						
74	DARP	-	83,751		10,000	-	93,751
	DERF- U-2 DEF SYS	-	-		[+10,000]		[+10,000]
	TOTAL AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES		**747,435**		**70,000**		**817,435**
	TOTAL AIRCRAFT PROCUREMENT, AIR FORCE		**12,067,405**		**455,350**		**12,522,755**

Items of Special Interest

B–2 modifications

The procurement budget request contained $72.1 million for various B–2 modifications, of which $9.9 million was included to upgrade two B–2 aircraft with satellite communications (SATCOM), but included no funds for the B–2's windshield tape alternative (WTA) modification. Additionally, the research, development test and evaluation (RDTE) budget request contained $225.3 million in PE 64240F for B–2 system development, but included no funds for low observability (LO) maintenance improvements. The B–2 is the Department of Defense's most advanced long-range strike aircraft, capable of global force projection in a highly defended target environment.

The B–2 SATCOM provides beyond-line-of-sight secure voice and data communications that will ensure global command and control of this aircraft. The committee notes that only nine B–2s are budgeted to receive SATCOM, and believes that the entire fleet of 21 B–2 aircraft should be upgraded with this critical modification. Consequently, the committee recommends an increase of $25.2 million to configure the remaining B–2s with SATCOM.

The WTA modification would replace the current tape around the exterior of the B–2's windshield which is rapidly deteriorating due to vibration and cabin pressurization cycles. The committee understands that this modification would improve the B–2 mission capable rate by 1.75 percent, reduce operations and support costs by $24.5 million, save 25,000 maintenance man-hours per year, and reduce the aircraft's signature to enemy radar. The committee recommends an increase of $6.8 million to modify 16 B–2 aircraft with the WTA and encourages the Air Force to budget funds to complete the WTA modification for the remaining aircraft in fiscal year 2004.

The committee understands that B–2 LO maintenance improvement development is required in three parts of the aircraft: door seals, engine exhaust area coatings, and tailpipe coatings. The B–2's current door seals, which are prone to damage causing decreased signature performance, could be repaired by the development of alternate door edge treatment (ADET) that would simplify maintenance procedures and reduce radar signature degradation. Secondly, the B–2's engine exhaust environment, which causes existing hot trailing edge coatings to degrade and delaminate resulting in costly repairs, could be improved with the development of the advanced hot trailing edge (AHTE) which would retrofit new high-temperature composite coatings in the engine exhaust area, improving the B–2's availability. Thirdly, the B–2's current tailpipe coating, which requires time-consuming repairs resulting from ablation during routine engine operating conditions, could be improved by the development of new materials and processes that would decrease the expenditure of maintenance man-hours and improve the B–2's mission capable rate. The committee recommends an increase of $17.0 million in PE 64270F for the ADET, AHTE, and new tailpipe coating development.

The committee recommends $104.1 million for B–2 procurement modifications, an increase of $32.0 million, and $242.3 million in RDTE PE 64240F, an increase of $17.0 million.

C–130H

The budget request contained $18.7 million for C–130H procurement, but included no funds for the conversion of an Air Force Reserve Command (AFRC) C–130H3 unit level trainer (ULT) to the C–130H2 configuration.

The committee understands that the AFRC's C–130H2 formal training unit (FTU) currently possesses a C–130H3 ULT that requires conversion to the C–130H2 configuration to property train C–130H2 FTU students, and believes that, without the conversion of the ULT, projected student throughput will not be achievable.

The committee recommends $23.7 million for C–130H procurement, an increase of $5.0 million for the conversion of the AFRC's C–130H3 ULT to the C–130H2 configuration.

C–130J

The Department of the Air Force budget request contained $175.9 million for program management, logistics, and training support for the fleet of 37 Air Force C–130J aircraft. Additionally, The Department of the Navy Defense Emergency Response Fund (DERF) budget request contained $334.0 million for four KC–130J aircraft. The committee notes that the Air Force budget request includes a proposal to begin a five-year, 40–aircraft C–130J multiyear procurement, and understands that funds that would be provided to the Department of the Navy for the Marine Corps' KC–130J program in the DERF for fiscal years 2003 through 2008 would add 24 KC–130J aircraft throughout the five-year period and be included in the Air Force C–130J multiyear procurement for a total of 64 aircraft to be procured under the Air Force C–130J multiyear proposal.

In past years, the committee has strongly supported both the Air Force's C–130J and the Marine Corps' KC–130J aircraft variants to modernize these fleets. While the committee continues to support procurement of both variants, it is concerned that the Air Force C–130J is experiencing difficulty in meeting established operational effectiveness and suitability parameters. However, the committee believes that continued senior management attention to the achievement of its operational effectiveness and suitability goals will result in a successful initial operational test and evaluation, and that the multiyear procurement contract should proceed subsequent to the Secretary of Defense's certification to the congressional defense committees that satisfactory progress is being made towards a successful operational test and evaluation. The committee views satisfactory progress to include, but not be limited to, the aircraft's ability to conduct worldwide airland operations, assault operations, and the completion of both software block 5.3 installation and its associated hardware components.

Additionally, despite the fact that over two months have elapsed since the committee received the budget request and its associated budget justification documents, the Department of the Air Force has still not provided the committee the necessary findings outlined in section 2306b(a) of title 10, United States Code, for the committee to fully understand and evaluate the savings that would be achieved by the proposed C–130J multiyear procurement contract. The committee recommends a provision (Section 121) that would authorize the Secretary of Defense to enter into a multiyear

procurement contract for Air Force C–130J and Marine Corps KC–130J aircraft beginning with the fiscal year 2003 program year, subject to a certification to the congressional defense committees that satisfactory progress is being made towards a successful operational test and evaluation, and that each of the conditions specified in section 2306b(a) of title 10, United States Code, have been satisfied with respect to that contract.

C–130 modifications

The budget request contained $138.5 million for C–130 modifications, but included no funds for the fourth-generation terrain awareness and warning system (TAWS) or for the MC–130P universal aerial refueling receptacle slipway (UARRSI) modification.

The fourth-generation TAWS, the most advanced TAWS version, projects an aircraft's position relative to the ground and improves pilot situational awareness by warning of potential ground impact, thus preventing controlled flight into terrain. The committee understands that the Air Force has directed that all passenger and troop carrying aircraft be equipped with a fourth-generation TAWS by fiscal year 2005, but also understands that the C–130 avionics modernization program, which provides avionics upgrades for the C–130 fleet, does not schedule the installation of a fourth-generation TAWS until fiscal years 2006 to 2014. Therefore, the committee recommends an increase of $31.0 million to procure and install the fourth-generation TAWS on the Air Force fleet of C–130 aircraft.

The MC–130P UARRSI modification, which allows the MC–130P to be refueled in flight, has been installed on all but two of the Air Force's operational MC–130P fleet, but the committee understands that it has not been installed on the four aircraft used to train new MC–130P pilots. Since the committee believes that in-flight air refueling training is critical for new MC–130P pilots, it recommends an increase of $11.6 million to procure and install the MC–130P UARRSI modification on the four aircraft used to train new MC–130P pilots.

The committee recommends $181.1 million, an increase of $42.6 million for C–130 modifications.

F–15 modifications

The budget request contained $232.5 million for F–15 modifications, of which $33.0 million was included for six ALQ–135 band 1.5 countermeasures system modifications, but included no funds to convert the Air National Guard's (ANG) F100 engines in their F–15 aircraft to the F100–220E configuration.

The ALQ–135 band 1.5 countermeasures system modification provides a self-protection jamming capability against modern surface-to-air enemy missiles and is integrated with the F–15E's existing internal countermeasure set and its ALR–56C radar warning receiver to provide full threat coverage. The committee believes that improved self-protection capability such as the ALQ–135 band 1.5 countermeasures system modification addresses critical deficiencies identified subsequent to Operation Allied Force in 1999, and that the ALQ–135 band 1.5 countermeasures system should be produced at the most efficient rates and installed in F–15E aircraft as rapidly as possible.

The committee recommends an increase of $25.0 million to procure 20 additional ALQ–135 band 1.5 countermeasures systems, and strongly encourages the Air Force to establish a consistent funding approach for the ALQ–135 band 1.5 countermeasures system that will complete production and installation of this modification on all F–15E aircraft by fiscal year 2005.

Conversion kits for the F–15's F100 engine, also known as "E-kits," provide increased thrust, greater reliability, better fuel efficiency, and reduced operations and maintenance costs. The committee notes that the ANG's F–15 aircraft make a critical contribution to the Air Force's Air Expeditionary Forces, and believes that engine conversion kits for the ANG's F–15 aircraft should be accelerated. Therefore, the committee recommends an increase of $34.0 million for engine conversion kits for the ANG's F–15 aircraft.

The committee recommends $291.5 million for F–15 modifications, an increase of $59.0 million.

F–16 modifications

The budget request contained $265.0 million for various F–16 modifications, but included no funds for Litening advanced airborne targeting and navigation (AT) pods for the Air Force Reserve Command (AFRC), for the Air National Guard's (ANG) Theater Airborne Reconnaissance System (TARS) pods, or for F100–229 reengine kits for the ANG's block 42 F–16 aircraft. Additionally, the research, development test and evaluation (RDTE) budget request contained $66.8 million in PE 35206F for airborne reconnaissance systems, but also included no funds for the TARS.

The Litening AT pod is the next generation Litening pod system that will incorporate an advanced forward-looking infra-red radar and other enhancements to the existing multi-sensor and precision strike capability. Since the committee understands that Litening AT pods are among the Air Force Reserve Commander's top unfunded modernization priorities, it recommends an increase of $14.4 million for eight Litening AT pods for the AFRC.

The two ANG F–16 units equipped with TARS pods provide a responsive under-the-weather reconnaissance capability to support the intelligence and targeting requirements of military users. The committee understands that current TARS pods require a data link system upgrade to connect with the joint force air component commander's command and control (JFACC C2) structure and a synthetic aperture radar (SAR) to enable night and all-weather reconnaissance capability. Since the committee believes that night and all-weather reconnaissance operations and the ability to data link to the JFACC C2 structure are essential to identify and engage time-critical targets, it recommends an increase of $11.1 million in PE 35206F to complete the development of the data link and SAR integration into the TARS, and a procurement increase of $6.6 million for upgraded TARS pods.

The committee notes that the ANG's F–16 block 42 aircraft are underpowered compared to F–16 block 40, block 50, and block 52 aircraft, and believes that this limitation does not provide sufficient power to adequately defend against opposition air defense systems in likely theaters of operation. To provide increased thrust for the ANG's F–16 block 42 aircraft, the committee recommends an in-

crease of $62.0 million to re-engine ten F–16 block 42 aircraft with the F100–229 re-engine kit.

In total, the committee recommends $348.0 million for F–16 procurement modifications, an increase of $83.0 million, and $77.9 million in RDTE PE 35206F, an increase of $11.1 million.

Fixed aircrew standardized seats

The budget request contained $54.7 million for other modifications, but included no funds for fixed aircrew standardized seats (FASS).

FASS would provide crewmembers and passengers on C–130, C–135, C–141, C–5, E–3, KC–10, C–17, and E–8 aircraft protection against aircraft crash loads up to 16 times the force of gravity. In prior years, the committee has supported the development of the FASS, understands that it is now ready for production, and continues to believe that its implementation will not only increase safety but also reduce supply and maintenance costs through the commonality and interchangeability of its parts.

The committee recommends $59.5 million for other modifications, an increase of $4.8 million, for procurement of FASS.

HH–60G pave hawk upgrades

The budget request contained $40.6 million for H–60 modifications, but included no funds to upgrade the 13 student training HH–60G Pave Hawk helicopters.

The committee understands that the HH–60G Pave Hawk helicopters used for student training are not configured with 701C engines, forward looking infra-red (FLIR) systems or helicopter infrared suppression systems (HIRSS), which are configurations used in the combat air force (CAF) HH–60G Pave Hawk fleet. The committee further understands that, as a result of these deficiencies, pilots who complete training in those HH–60G Pave Hawk helicopters not configured with the 701C engine, FLIR systems or the HIRSS are not proficient in the use of these systems when they arrive at their operational units.

Since the committee believes that student training in operational HH–60G Pave Hawk CAF configurations is critical to mission readiness, it recommends an increase of $29.5 million to procure and install 701C engines, FLIR systems, and the HIRSS on the 13 HH–60G Pave Hawk helicopters used for student training.

Miscellaneous production charges

The budget request contained $349.5 million for miscellaneous production charges, of which $14.2 million was included for the P4 refurbishment contract (P4RC), but included no funds for the P4RC for the Air National Guard (ANG) or for the comet infra-red (IR) countermeasures pod.

The P4 is an airborne instrumentation subsystem pod used by fighter and attack aircraft which provides the capability to conduct air-to-air, air-to-surface, and electronic warfare combat training while providing real-time aircraft monitoring and recording events for post-mission debrief and analysis. While the P4 pods can only be used at ranges equipped with ground-station instrumentation, the P4RC upgrades the P4 pods with global positioning receivers, data recorders, and on-board weapons simulations so that training

can occur at locations without ground-station instrumentation. Since ANG units and aircraft have experienced increased operations tempo and may not have the opportunity to conduct training at ranges equipped with ground-station instrumentation, the committee believes that ANG units should also be included in the P4RC. The committee recommends an increase of $30.0 million to upgrade 150 ANG P4 pods to the P4RC configuration.

The comet IR countermeasures pod is designed for use on military fighter and transport aircraft to provide preemptive and extended duration protection from man-portable surface-to-air missiles (SAMs) by dispensing a continuous stream of pyrophoric material that oxidizes on contact with the atmosphere producing a decoy IR signature. The committee notes that both instances of battle damage to an A–10 aircraft during Operation Allied Force occurred due to IR SAMs that were not seen by the pilot, or other aircraft in the formation, because of the SAM's small size, high speed, and short engagement range, and understands that the comet IR countermeasures pod could provide the long-duration self-protection necessary for an A–10 aircraft to accomplish its mission while operating in the target area. Due to its importance in protecting both combat and mobility aircraft, the committee also notes that the Air Force Chief of Staff has included the comet IR countermeasures pod among his top unfunded priorities for fiscal year 2003. In addition to the research and development increase described elsewhere in this report, the committee recommends an increase of $18.0 million to procure 48 comet IR countermeasures pods and 576 decoy cartridges for use in A–10 aircraft.

The committee recommends $379.5 million for miscellaneous production charges, an increase of $48.0 million for miscellaneous production charges.

Predator B unmanned aerial vehicle (UAV)

The budget request contained $23.1 million for procurement of seven Predator UAV systems but included no funds for the turbo prop-powered Predator B, a larger, faster variant with increased payload capacity.

The Predator UAV system provides long-dwell, real-time intelligence information to Joint Task Force Commanders. The committee notes that following the accomplishments of the Predator UAV system in its reconnaissance role in Operation Enduring Freedom, the system has also successfully demonstrated its capability to be weaponized to deliver Hellfire missiles. As missions for the Predator UAV system expand, the committee believes that the improved speed and payload capacity of the turbo prop-powered Predator B UAV is critical to future combat operations.

The committee recommends an increase of $26.0 million for six turbo prop-powered Predator B UAV systems and associated spare parts.

AMMUNITION PROCUREMENT, AIR FORCE

OVERVIEW

The budget request contained $1,133.9 million for Ammunition Procurement, Air Force in fiscal year 2003. The committee recommends authorization of $1,176.9 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF AMMUNITION, AIR FORCE						
	PROCUREMENT OF AMMO, AIR FORCE						
	ROCKETS						
1	ROCKETS	-	40,909			-	40,909
	CARTRIDGES						
2	CARTRIDGES	-	154,620			-	154,620
	BOMBS						
3	PRACTICE BOMBS	-	71,935		3,000	-	74,935
	Cast Ductile Iron Practice Bombs				[+3,000]		[+3,000]
4	GENERAL PURPOSE BOMBS	-	108,589		28,000	-	136,589
	DERF- Laser Guided Bombs / Transfer to H.R. 4547				(11,900)	-	(11,900)
	Cast Ductile Iron Bombs				[+3,000]		[+3,000]
5	CAWCF CLOSURE COSTS	-	-			-	-
6	SENSOR FUZED WEAPON	298	105,985		20,000	298	125,985
7	JOINT DIRECT ATTACK MUNITION	17,917	378,863		106,000	17,917	484,863
	DERF- JDAM / Transfer to H.R. 4547				(106,000)	-	(106,000)
8	WIND CORRECTED MUNITIONS DISP	4,959	71,165			4,959	71,165
	FLARE, IR MJU-7B						
9	CAD/PAD	-	19,816			-	19,816
10	EXPLOSIVE ORDINANCE DISPOSAL	-	2,727			-	2,727
11	SPARES AND REPAIR PARTS	-	3,008			-	3,008
12	MODIFICATIONS LESS THAN $5M	-	202			-	202
13	ITEMS LESS THAN $5,000,000	-	2,013			-	2,013
	FUZES						
14	FLARES	-	131,967		3,900	-	135,867
	MJU-52 Training Flares				[+2,000]		[+2,000]
	MJU-52 WRM				[+1,900]		[+1,900]
15	FUZES	-	37,705			-	37,705
	TOTAL PROCUREMENT OF AMMO, AIR FORCE		**1,129,504**		**43,000**		**1,172,504**
	WEAPONS						
	SMALL ARMS						
16	SMALL ARMS	-	4,360			-	4,360
	TOTAL WEAPONS		**4,360**		**-**		**4,360**
	TOTAL PROCUREMENT OF AMMUNITION, AIR FORCE		**1,133,864**		**43,000**		**1,176,864**

Items of Special Interest

Air Force Ammunition Procurement

The budget request contained $1,129.5 million for procurement of ammunition. The committee recommends an increase of $29.9 million, for the following types of ammunition programs:

[In millions of dollars]

Practice Bombs: Cast Ductile Iron (BDU–56)	3.0
General Purpose Bombs: Cast Ductile Iron (MK–84)	3.0
Sensor Fuzed Weapon	20.0
Flares:	
MJU–52 Training Flares	2.0
MJU–52 War Reserve Flares	1.9

MISSILE PROCUREMENT, AIR FORCE

Overview

The budget request contained $3,575.2 million for Missile Procurement, Air Force in fiscal year 2003. The committee recommends authorization of $3,482.6 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	MISSILE PROCUREMENT, AIR FORCE						
	BALLISTIC MISSILES						
	MISSILE REPLACEMENT EQUIPMENT - BALLISTIC						
1	MISSILE REPLACEMENT EQ-BALLIS	-	48,685			-	48,685
	TOTAL BALLISTIC MISSILES		**48,685**		**-**		**48,685**
	OTHER MISSILES						
	STRATEGIC						
2	ADVANCED CRUISE MISSILE	-	-			-	-
	TACTICAL						
3	JASSM	100	54,240			100	54,240
4	JOINT STANDOFF WEAPON	113	55,740		(36,200)	113	19,540
	JSOW-B Termination				[-36,200]		[-36,200]
5	SIDEWINDER (AIM-9X)	286	56,964			286	56,964
6	AGM-130 POWERED GBU-15	-	-			-	-
7	AMRAAM	161	89,593			161	89,593
7A	HELLFIRE	-	-		10,000	-	10,000
	DERF				[+10,000]		[+10,000]
	INDUSTRIAL FACILITIES						
8	INDUSTRIAL FACILITIES	-	2,105			-	2,105
	MISSILE REPLACEMENT EQUIPMENT - OTHER						
9	MISSILE REPLACEMENT EQ-OTHER	-	-			-	-
	TOTAL OTHER MISSILES		**258,642**		**(26,200)**		**232,442**
	MODIFICATION OF INSERVICE MISSILES						
	CLASS IV						
10	ADVANCED CRUISE MISSILE	-	3,376			-	3,376
11	SIDEWINDER (AIM-9X)	-	-			-	-
12	MM III MODIFICATIONS	-	580,701		23,200	-	603,901
13	AGM-65D MAVERICK	-	333		5,000	-	5,333
	H / K Upgrades Air Force Reserve / Guard				[+5,000]		[+5,000]
14	AIR LAUNCH CRUISE MISSILE	-	1,998			-	1,998
15	PEACEKEEPER (M-X)	-	-			-	-
16	MODIFICATIONS UNDER $5.0M	-	-			-	-
	TOTAL MODIFICATION OF INSERVICE MISSILES		**586,408**		**28,200**		**614,608**

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	SPARES AND REPAIR PARTS						
	MISSILE SPARES + REPAIR PARTS						
17	MISSILE SPARES & REPAIR PARTS	-	48,412			-	48,412
	TOTAL SPARES AND REPAIR PARTS		**48,412**		**-**		**48,412**
	OTHER SUPPORT						
	SPACE PROGRAMS						
18	ADVANCED EHF	-	94,523		(94,523)	-	-
19	WIDEBAND GAPFILLER SATELLITES	1	206,913			1	206,913
19	WIDEBAND GAPFILLER SATELLITES	-	(17,247)			-	(17,247)
20	WIDEBAND GAPFILLER SATELLITES	-	-			-	-
20	WIDEBAND GAPFILLER SATELLITES	-	-			-	-
20	WIDEBAND GAPFILLER SATELLITES	-	-			-	-
21	SPACEBORNE EQUIP (COMSEC)	-	9,368			-	9,368
22	GLOBAL POSITIONING (SPACE)	-	206,470			-	206,470
22	GLOBAL POSITIONING (SPACE)	-	-			-	-
23	GLOBAL POSITIONING (SPACE)	-	-			-	-
23	GLOBAL POSITIONING (SPACE)	-	3,000			-	3,000
24	NUDET DETECTION SYSTEM	-	-			-	-
25	DEF METEOROLOGICAL SAT PROG(S	-	60,051			-	60,051
26	DEFENSE SUPPORT PROGRAM(SPACE	-	114,382			-	114,382
27	DEFENSE SATELLITE COMM SYSTEM	-	20,669			-	20,669
28	TITAN SPACE BOOSTERS(SPACE)	-	335,303			-	335,303
29	EVOLVED EXPENDABLE LAUNCH VEH	1	158,867			1	158,867
30	MEDIUM LAUNCH VEHICLE(SPACE)	-	48,208			-	48,208
	SPECIAL PROGRAMS						
31	DEFENSE SPACE RECONN PROGRAM	-	384,000			-	384,000
32	SPECIAL PROGRAMS	-	879,516			-	879,516
33	SPECIAL UPDATE PROGRAMS	-	128,992			-	128,992
	TOTAL OTHER SUPPORT		**2,633,015**		**(94,523)**		**2,538,492**
	TOTAL MISSILE PROCUREMENT, AIR FORCE		**3,575,162**		**(92,523)**		**3,482,639**

Items of Special Interest

Advanced extremely high frequency satellite

The budget request contained $94.5 million in missile procurement Air Force, budget activity 05, Item 19, for advanced extremely high frequency (AEHF) satellite advanced procurement.

The committee is aware that the AEHF satellite program has been restructured, and therefore cannot execute the $94.5 million funds requested for advanced procurement.

The committee recommends no funds in missile procurement Air Force for AEHF satellite advanced procurement, a decrease of $94.5million.

AGM–65 modifications

The budget request contained $300 thousand for AGM–65 modifications, but included no funds for conversion of AGM–65 missiles to an upgraded configuration.

Two configurations of the AGM–65, a precision guided tactical missile employed on the F–16, F–15E and A–10 aircraft, are currently undergoing conversion to be upgraded for improved capability. The "G" configuration, with an infrared target seeker is being upgraded to the "K" configuration, which uses an updated electro-optical (EO) seeker. The "B" configuration, with an obsolete EO target seeker, is being upgraded to the "H" configuration, which also uses an updated EO seeker. The committee understands that planned production of AGM–65H and AGM–65K missiles in fiscal year 2003 will not occur at economic rates, and also will not provide sufficient training missiles for Air Force Reserve Command (AFRC) or Air National Guard (ANG) pilot proficiency training.

The committee recommends $5.3 million, an increase of $5.0 million to upgrade an additional 160 AGM–65 missiles to the "H" or "K" configuration, of which 100 missiles are for pilot proficiency training in the AFRC and ANG.

Minuteman III modifications

The budget request contained $580.7 million for Minuteman III (MM III) modifications, of which $237.5 million was for the guidance replacement program (GRP) and $290.3 million was for the propulsion replacement program (PRP). The MM III is a strategic ballistic missile capable of delivering special weapons against enemy targets at very long range.

The GRP replaces the MM III's guidance system with updated and more reliable components and the PRP refurbishes the MM III's booster to provide extended service life. The committee notes that the Air Force Chief of Staff has included MM III modifications contract cost growth and renewal among his unfunded priorities for fiscal year 2003 due to contract rate increases and higher than planned consumption of government furnished equipment in both the GRP and PRP. The committee also notes that the Air Force Chief of Staff has included the procurement of additional warhead shipping containers in this unfunded priority because the Nuclear Posture Review-directed warhead download options were revealed only after the fiscal year 2003 budget request had been submitted.

The committee recommends $603.9 million for MM III modifications, an increase of $23.2 million to address GRP and PRP deficiencies and to procure warhead shipping containers.

OTHER PROCUREMENT, AIR FORCE

Overview

The budget request contained $10,523.9 million for Other Procurement, Air Force in fiscal year 2003. The committee recommends authorization of $10,907.7 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	OTHER PROCUREMENT, AIR FORCE						
	VEHICULAR EQUIPMENT						
	PASSENGER CARRYING VEHICLES						
1	SEDAN, 4 DR 4X2	35	552			35	552
2	STATION WAGON, 4X2	28	476			28	476
3	BUSES	120	7,982			120	7,982
4	AMBULANCES	10	755			10	755
5	LAW ENFORCEMENT VEHICLE	70	1,910			70	1,910
6	ARMORED VEHICLE	2	465			2	465
	CARGO + UTILITY VEHICLES						
7	TRUCK, CARGO-UTILITY, 3/4T, 4X4	-	9,681			-	9,681
8	TRUCK, CARGO-UTILITY, 3/4T, 4X2	-	5,162			-	5,162
9	TRUCK MAINT/UTILITY/DELIVERY	-	10,475			-	10,475
10	FAMILY MEDIUM TACTICAL VEHICL	-	-			-	-
11	HIGH MOBILITY VEHICLE (MYP)	-	11,881			-	11,881
12	CAP VEHICLES	-	792			-	792
13	ITEMS LESS THAN $5,000,000	-	39,616			-	39,616
	SPECIAL PURPOSE VEHICLES						
14	HMMWV, ARMORED	-	1,019			-	1,019
15	HMWWV, UP-ARMORED	-	3,629			-	3,629
16	TRACTOR, A/C TOW, MB-2	-	2,726			-	2,726
17	TRACTOR, A/C TOW, MB-4	-	6,143			-	6,143
18	TRACTOR, TOW, FLIGHTLINE	-	7,928			-	7,928
19	TRUCK HYDRANT FUEL	-	7,941			-	7,941
20	ITEMS LESS THAN $5,000,000	-	24,755			-	24,755
	FIRE FIGHTING EQUIPMENT						
21	TRUCK CRASH P-19	-	-			-	-
22	ITEMS LESS THAN $5,000,000	-	10,023			-	10,023
	MATERIALS HANDLING EQUIPMENT						
23	TRUCK, F/L 10,000 LB	-	14,572			-	14,572
24	TUNNER LOADER	38	84,329			38	84,329
25	HALVERSEN LOADER	86	49,554			86	49,554
26	ITEMS LESS THAN $5,000,000	-	10,922			-	10,922
	BASE MAINTENANCE SUPPORT						
27	TRUCK, DUMP	-	-			-	-
28	RUNWAY SNOW REMOV AND CLEANIN	-	15,466			-	15,466
29	MODIFICATIONS	-	5,000			-	5,000
30	ITEMS LESS THAN $5,000,000	-	24,369			-	24,369
	CANCELLED ACCOUNT ADJUSTM						

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
31	CANCELLED ACCOUNT ADJUSTMENTS	-	-			-	-
	TOTAL VEHICULAR EQUIPMENT		**358,123**		-		**358,123**
	ELECTRONICS AND TELECOMMUNICATIONS EQUIP						
	COMM SECURITY EQUIPMENT(COMSEC)						
32	COMSEC EQUIPMENT	-	26,331		11,400	-	37,731
	DERF- Wireless Communications				[+3,000]		[+3,000]
	DERF- Computer Network Def				[+8,400]		[+8,400]
33	MODIFICATIONS (COMSEC)	-	460			-	460
	INTELLIGENCE PROGRAMS						
34	INTELLIGENCE TRAINING EQUIPME	-	1,310			-	1,310
35	INTELLIGENCE COMM EQUIP	-	9,043		8,300	-	17,343
	DERF- Develop JT TACT Terminals				[+3,300]		[+3,300]
	Eagle Vision				[+5,000]		[+5,000]
	ELECTRONICS PROGRAMS						
36	AIR TRAFFIC CTRL/LAND SYS (AT	-	52,038			-	52,038
37	NATIONAL AIRSPACE SYSTEM	-	55,561			-	55,561
38	THEATER AIR CONTROL SYS IMPRO	-	16,713			-	16,713
39	WEATHER OBSERVE/FORECAST	-	29,071			-	29,071
40	STRATEGIC COMMAND AND CONTROL	-	23,889			-	23,889
41	CHEYENNE MOUNTAIN COMPLEX	-	17,588			-	17,588
42	TAC SIGINT SUPPORT	-	406		10,000	-	10,406
	DERF				[+10,000]		[+10,000]
43	DRUG INTERDICTION PROGRAM	-	-			-	-
	SPECIAL COMM-ELECTRONICS PROJECTS						
44	GENERAL INFORMATION TECH	-	55,789		205,884	-	261,673
	DERF- Classified				[+176,584]		[+176,584]
	DERF- OEF Integrated Broadcast Service / Transfer to H.R. 4547				(10,800)	-	(10,800)
	PARIS				[+9,000]		[+9,000]
	SELDI				[+9,500]		[+9,500]
45	AF GLOBAL COMMAND & CONTROL S	-	28,182			-	28,182
46	MOBILITY COMMAND AND CONTROL	-	9,735			-	9,735
47	AIR FORCE PHYSICAL SECURITY S	-	41,835		46,800	-	88,635
	DERF				[+46,800]		[+46,800]
48	COMBAT TRAINING RANGES	-	17,242		36,000	-	53,242
49	MINIMUM ESSENTIAL EMERGENCY C	-	1,072			-	1,072
50	C3 COUNTERMEASURES	-	13,409		14,000	-	27,409
	DERF- IW TNG				[+2,000]		[+2,000]

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	DERF- Computer Network Defense				[+2,000]		[+2,000]
	Secure Terminal Equipment				[+10,000]		[+10,000]
51	BASE LEVEL DATA AUTO PROGRAM	-	12,793			-	12,793
52	THEATER BATTLE MGT C2 SYS	-	56,202			-	56,202
	AIR FORCE COMMUNICATIONS						
53	BASE INFORMATION INFRASTRUCTU	-	214,727			-	214,727
54	USCENTCOM	-	9,839			-	9,839
55	DEFENSE MESSAGE SYSTEM (DMS)	-	18,967			-	18,967
	DISA PROGRAMS						
56	NAVSTAR GPS SPACE	-	13,110			-	13,110
57	NUDET DETECTION SYS (NDS) SPA	-	7,937			-	7,937
58	AF SATELLITE CONTROL NETWORK	-	45,063			-	45,063
59	SPACELIFT RANGE SYSTEM SPACE	-	108,281			-	108,281
60	MILSATCOM SPACE	-	45,698			-	45,698
61	SPACE MODS SPACE	-	10,938			-	10,938
	ORGANIZATION AND BASE						
62	TACTICAL C-E EQUIPMENT	-	134,427			-	134,427
63	COMBAT SURVIVOR EVADER LOCATE	-	11,049			-	11,049
64	RADIO EQUIPMENT	-	8,801			-	8,801
65	TV EQUIPMENT (AFRTV)	-	2,620			-	2,620
66	CCTV/AUDIOVISUAL EQUIPMENT	-	3,259			-	3,259
67	BASE COMM INFRASTRUCTURE	-	202,900		15,000	-	217,900
	GeoBase GIS				[+15,000]		[+15,000]
68	CAP COM & ELECT	-	-			-	-
69	ITEMS LESS THAN $5,000,000	-	9,278			-	9,278
	MODIFICATIONS						
70	COMM ELECT MODS	-	68,894			-	68,894
	TOTAL ELECTRONICS AND TELECOMMUNICATIONS EQUIPMENT		**1,384,457**		**336,584**		**1,721,041**
	OTHER BASE MAINTENANCE AND SUPPORT EQUIP						
	TEST EQUIPMENT						
71	BASE/ALC CALIBRATION PACKAGE	-	13,809			-	13,809
72	PRIMARY STANDARDS LABORATORY	-	1,107			-	1,107
73	ITEMS LESS THAN $5,000,000	-	8,059			-	8,059
	PERSONAL SAFETY AND RESCUE EQUIP						
74	NIGHT VISION GOGGLES	-	3,814			-	3,814
75	ITEMS LESS THAN $5,000,000	-	9,312		4,000	-	13,312
	Thinpack Parachutes				[+4,000]		[+4,000]

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	DEPOT PLANT + MATERIALS HANDLING EQ						
76	MECHANIZED MATERIAL HANDLING	-	25,612		8,000	-	33,612
	Point of Maintenance Initiative				[+8,000]		[+8,000]
77	ITEMS LESS THAN $5,000,000	-	12,256			-	12,256
	ELECTRICAL EQUIPMENT						
78	FLOODLIGHTS	-	11,023			-	11,023
79	ITEMS LESS THAN $5,000,000	-	6,201			-	6,201
	BASE SUPPORT EQUIPMENT						
80	BASE PROCURED EQUIPMENT	-	11,321		14,000	-	25,321
	Combat Arms Training System ANG				[+14,000]		[+14,000]
81	MEDICAL/DENTAL EQUIPMENT	-	13,992			-	13,992
82	ENVIRONMENTAL PROJECTS	-	817			-	817
83	AIR BASE OPERABILITY	-	5,700			-	5,700
84	PHOTOGRAPHIC EQUIPMENT	-	5,893			-	5,893
85	PRODUCTIVITY ENHANCING CAPITA	-	7,806			-	7,806
86	MOBILITY EQUIPMENT	-	102,990			-	102,990
87	AIR CONDITIONERS	-	9,593			-	9,593
88	ITEMS LESS THAN $5,000,000	-	16,131			-	16,131
	SPECIAL SUPPORT PROJECTS						
89	INTELLIGENCE PRODUCTION ACT	-	47,160			-	47,160
90	TECH SURV COUNTERMEASURES EQ	-	4,057			-	4,057
91	DARP RC135	-	13,123			-	13,123
92	DARP, MRIGS	-	115,777			-	115,777
93	SELECTED ACTIVITIES	-	8,098,917			-	8,098,917
94	SPECIAL UPDATE PROGRAM	-	178,876			-	178,876
95	DEFENSE SPACE RECONNAISSANCE	-	6,694		18,600	-	25,294
	DERF- Classified				[+18,600]		[+18,600]
96	INDUSTRIAL PREPAREDNESS	-	-			-	-
97	MODIFICATIONS	-	201			-	201
98	FIRST DESTINATION TRANSPORT	-	9,767			-	9,767
98A	SUPPORT PROGRAMS	-	-		2,600	-	2,600
	DERF				[+2,600]		[+2,600]
	TOTAL OTHER BASE MAINTENANCE AND SUPPORT EQUIP		**8,740,008**		**47,200**		**8,787,208**
	SPARE AND REPAIR PARTS						
	SPARES AND REPAIR PARTS						
99	SPARES AND REPAIR PARTS	-	41,358			-	41,358

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL SPARE AND REPAIR PARTS		41,358		-		41,358
	TOTAL OTHER PROCUREMENT, AIR FORCE		10,523,946		383,784		10,907,730

Items of Special Interest

Combat arms training system (CATS)

The budget request contained $11.3 million for base procured equipment, but included no funds for CATS. CATS is a computer-based simulation system that provides marksmanship training for security force personnel as well as training to manage less-than-lethal judgmental scenarios.

The committee understands that since September 11, 2001, Air National Guard (ANG) bases, which are each equipped with one CATS, are used daily to train security force personnel, and that, as a result of this daily use, a second CATS is required at each ANG base leaving a shortfall off 117 systems. With limited access to firing ranges and training munitions, the committee believes that the CATS is proving to be an essential asset to meet the marksmanship and weapons certification training, and situational scenario readiness requirements, of ANG personnel.

The committee recommends $25.3 million for base procured equipment, an increase of $14.0 million, for the CATS.

Combat training ranges

The budget request contained $17.2 million for combat training ranges, but included no funds for the unmanned threat emitter (UMTE) program.

The committee understands that both the Nellis and Eielson air combat training ranges are not configured with training systems which emulate the most advanced adversary surface-to-air missile and anti-aircraft artillery systems, and believes that the UMTE program will address this requirement.

Consequently, the committee recommends $53.2 million for combat training ranges, an increase of $36.0 million for the UMTE program.

Eagle vision

The budget request contained $9.0 million for intelligence communication equipment, but included no funds for procurement of the eagle vision system.

Eagle vision is a mobile off-the-shelf downlink and processing system that utilizes commercial satellites for imagery. The committee understands that the eagle vision system will incorporate the ability to overlay high-resolution national imagery over unclassified commercial data, and will also provide a capability to transmit this data to warfighters in the field within minutes. The committee notes its past support for the eagle vision system and believes that it should be continued to provide the warfighter with imagery support capability that is not available by other means.

The committee recommends an increase of $5.0 million for procurement of the eagle vision system.

General information technology

The budget request contained $55.8 million for general information technologies, but included no funds for procurement of the parts and repair item support (PARIS) program or for the science and engineering lab data integration (SELDI) program.

The PARIS program is a computer-based system that facilitates the management of technical data related to source qualification and outsourced repairs for use by the Air Force's Air Logistics Centers. The committee understands that the PARIS program has demonstrated the ability to accurately and rapidly identify both defective parts and their vendors, so that the those parts, identified as defective, could be quickly removed from service and the applicable vendors could be removed as the approved supplier of those parts. Additionally, the committee understands that use of the PARIS program has already saved an estimated $15.0 million in fiscal year 2001, and believes that its increased use will result in future parts, repair and labor cost savings. The committee recommends an increase of $9.0 million for the PARIS program.

The Air Force Material Command's science and engineering lab captures, analyzes and disseminates lab test data to the Air Force's engineering and system overhaul operations, and the committee understands that the SELDI program would facilitate this mission by providing more rapid lab data access affecting overhaul operations, providing accident investigators with immediate access to lab results of failed components, enabling component failure trend analysis, and implementing new acoustic signature sensors to ensure the proper chemical composition of materials and equipment. Since the committee further understands that the SELDI would improve operational aircraft readiness, increase flight safety and reduce support costs, it recommends an increase of $9.5 million, for procurement of the SELDI program.

The committee recommends a total increase of $18.5 million for general information technologies.

GeoBase centralized geographic information system (GIS)

The budget request contained $202.9 million for base communications infrastructure, but included no funds for procurement of the GeoBase centralized GIS.

The GeoBase centralized GIS would link all aspects of a base's infrastructure information to a computer-generated map display so relationships between people and processes can be displayed in a geographical context. The committee understands that the Air Force's major and minor installations currently use disparate and outdated systems and processes that do not facilitate the visibility of assets, requirements, and processes in a geographic context to allow enhanced management efficiency, and believes that the GeoBase centralized GIS would standardize base management functions in a more accessible, easily-understood, and effective manner.

The committee recommends $217.9 million for base communications infrastructure, an increase of $15.0 million for procurement of the GeoBase centralized GIS.

Point of maintenance initiative

The budget request contained $25.6 million for mechanized material handling equipment, but included no funds for procurement of the point of maintenance initiative (POMX).

The POMX is a maintenance data collection program that was designed and developed by the Logistics Systems Office of the Air Force Materiel Command. The committee notes that the POMX ob-

jective is to increase the timeliness and accuracy of maintenance data collection while reducing the administrative burden on maintenance technicians, and understands that its use has already been validated at one Air Force base.

To ensure the efficiency and accuracy of maintenance-related data, the committee recommends $33.6 million for mechanized material handling equipment, an increase of $8.0 million, for the POMX.

Thinpack parachutes

The budget request contained $9.3 million for personal and safety items of less than a $5.0 million value, but included no funds for procurement of thinpack parachutes.

Due to its longer repack cycle and extended service life, the committee believes that replacement of existing parachutes with the thinpack parachute would result in substantial life cycle cost savings as it has in the Navy's P–3 and E–2C aircraft programs. For this reason, the committee has strongly supported thinpack parachutes, previously known as the lightweight environmentally sealed parachute assembly, and understands that both the Air Force Special Operations Command and Air Mobility Command are developing the thinpack parachute in fiscal year 2002 so that production can commence in early 2003.

Consistent with its previous actions, the committee recommends $4.0 million to procure thinpack parachutes for use in Air Force aircraft.

PROCUREMENT, DEFENSE-WIDE

Overview

The budget request contained $2,688.5 million for Procurement, Defense-Wide in fiscal year 2003. The committee recommends authorization of $2,621.0 million for fiscal year 2003.

The committee recommends approval of the request except for those programs adjusted in the following table. Unless otherwise specified, adjustments are without prejudice and based on affordability considerations.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT, DEFENSE-WIDE						
	MAJOR EQUIPMENT						
	MAJOR EQUIPMENT, OSD/WHS						
1	MOTOR VEHICLES, WHS	-	-			-	-
2	MAJOR EQUIPMENT, OSD	-	84,964		32,750	-	117,714
	DERF- National Fire Training Center				[+9,000]		[+9,000]
	DERF- HDBT				[+3,750]		[+3,750]
	DERF- Horizontal Fusion				[+8,000]		[+8,000]
	DERF- Coalition Info Sharing				[+12,000]		[+12,000]
3	MAJOR EQUIPMENT, WHS	-	18,452		304,358	-	322,810
	DERF- Classified				[+304,358]		[+304,358]
	MAJOR EQUIPMENT, NSA						
4	CONSOLIDATED CRYPTOLOGIC PROGRAM	-	-		500	-	500
	DERF				[+500]		[+500]
5	INFORMATION SYSTEMS SECURITY PROGRAM					-	-
6	DEFENSE AIRBORNE RECONNAISSANCE PRGM					-	-
7	DEFENSE COUNTERDRUG INTELLIGENCE PROGRAM	-	-			-	-
	MAJOR EQUIPMENT, DISA						
8	INFORMATION SYSTEMS SECURITY	-	37,544		11,000	-	48,544
	DERF- Computer Network Defense				[+5,500]		[+5,500]
	DERF- Secure Mobile Wireless				[+500]		[+500]
	DERF- Collaboration Tool Suite				[+5,000]		[+5,000]
9	CONTINUITY OF OPERATIONS	-	3,325		7,400	-	10,725
	DERF- OEF Bandwidth / Transfer to H.R. 4547				(7,400)	-	(7,400)
10	DEFENSE MESSAGE SYSTEM	-	19,425			-	19,425
11	GLOBAL COMMAND AND CONTROL SYS	-	3,453			-	3,453
12	GLOBAL COMBAT SUPPORT SYSTEM	-	2,442			-	2,442
13	STANDARD TACTICAL ENTRY POINT	-	-			-	-
14	TELEPORTS	-	53,542			-	53,542
15	GLOBAL INFORMATION GRID	-	517,000		(517,000)	-	-
	DERF- Transfer to H.R. 4547				[-517,000]		[-517,000]
16	ITEMS LESS THAN $5M	-	25,474		6,900	-	32,374
	DERF- Teleconferencing System				[+1,000]		[+1,000]
	DERF- Transportable Systems				[+1,400]		[+1,400]
	DERF- NIPRNET Systems				[+3,600]		[+3,600]
	DERF- Coalition Systems				[+900]		[+900]
	MAJOR EQUIPMENT, DIA						
17	INTELLIGENCE AND COMMUNICATIONS	-	-		10,000	-	10,000
	DERF- Classified				[+10,000]		[+10,000]

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
18	INTELLIGENCE PLANNING AND REVIEW ACTIVITIES					-	-
19	HEADQUARTERS MANAGEMENT DIA					-	-
	MAJOR EQUIPMENT, DLA						
20	MAJOR EQUIPMENT	-	9,304			-	9,304
	MAJOR EQUIPMENT, DCAA						
21	MAJOR EQUIPMENT ITEMS LESS THAN $5.0M	-	1,500			-	1,500
	MAJOR EQUIPMENT, TJS						
22	MAJOR EQUIPMENT, TJS	-	31,836		25,000	-	56,836
	DERF				[+25,000]		[+25,000]
	BALLISTIC MISSILE DEFENSE ORGANIZATION						
23	PATRIOT PAC-3	-	-			-	-
24	C4I	-	-			-	-
	MAJOR EQUIPMENT, DHRA						
25	PERSONNEL ADMINISTRATION	-	7,404			-	7,404
	NATIONAL IMAGERY AND MAPPING AGENCY						
26	MAJOR EQUIPMENT, NIMA	-	-		12,600	-	12,600
	DERF- Integration of airborne data				[+1,000]		[+1,000]
	DERF- IEC Work Stations				[+2,000]		[+2,000]
	DERF- Libraries Communications				[+2,000]		[+2,000]
	DERF- Libraries Storage				[+7,600]		[+7,600]
	DEFENSE THREAT REDUCTION AGENCY						
27	VEHICLES	-	80			-	80
28	OTHER MAJOR EQUIPMENT	-	36,896			-	36,896
	DEFENSE SECURITY COOPERATION AGENCY						
29	OTHER MAJOR EQUIPMENT	-	-			-	-
	MAJOR EQUIPMENT, AFIS						
30	MAJOR EQUIPMENT, AFIS	-	7,762			-	7,762
	MAJOR EQUIPMENT, DODDE						
31	AUTOMATION/EDUCATIONAL SUPPORT AND LOGISTICS	-	2,404			-	2,404
	MAJOR EQUIPMENT, DCMA						
32	MAJOR EQUIPMENT	-	13,677			-	13,677
	TOTAL MAJOR EQUIPMENT		**876,484**		**(113,892)**		**762,592**
	SPECIAL OPERATIONS COMMAND						
	AVIATION PROGRAMS						
33	SOF ROTARY WING UPGRADES	-	289,792		19,200	-	308,992
	ARSOA Avionics Enhanced Awareness				[+19,200]		[+19,200]
34	SOF TRAINING SYSTEMS	-	14,000			-	14,000

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
35	MC-130H COMBAT TALON II	-	8,148			-	8,148
36	CV-22 SOF MODIFICATION	-	58,540			-	58,540
37	AC-130U GUNSHIP ACQUISITION	-	65,502		60,000	-	125,502
	DERF				[+60,000]		[+60,000]
38	C-130 MODIFICATIONS	-	77,889			-	77,889
39	AIRCRAFT SUPPORT	-	101			-	101
	SHIPBUILDING						
40	ADVANCED SEAL DELIVERY SYS	-	35,501			-	35,501
40	ADVANCED SEAL DELIVERY SYS	-	(13,697)			-	(13,697)
41	ADVANCED SEAL DELIVERY SYS	-	-			-	-
41	ADVANCED SEAL DELIVERY SYS	-	34,730			-	34,730
42	MK VIII MOD 1 - SEAL DELIVERY VEH	-	8,484			-	8,484
43	SUBMARINE CONVERSION	-	-			-	-
	AMMUNITION PROGRAMS						
44	SOF ORDNANCE REPLENISHMENT	-	28,628			-	28,628
45	CONVENTIONAL AMMO WORKING CAPITAL FUND	-	-			-	-
46	SOF ORDNANCE ACQUISITION	-	7,078			-	7,078
	OTHER PROCUREMENT PROGRAMS						
47	COMM EQUIPMENT & ELECTRONICS	-	28,827			-	28,827
48	SOF INTELLIGENCE SYSTEMS	-	8,166		6,000	-	14,166
	PICRC				[+6,000]		[+6,000]
49	SOF SMALL ARMS & WEAPONS	-	4,768		14,900	-	19,668
	Adv. Lightweight Grenade Launcher				[+4,400]		[+4,400]
	AT4-CS				[+10,500]		[+10,500]
50	MARITIME EQUIPMENT MODS	-	650			-	650
51	SOF COMBATANT CRAFT SYSTEMS	-	6,285			-	6,285
52	SPARES AND REPAIR PARTS	-	5,327			-	5,327
53	SOF MARITIME EQUIPMENT	-	3,155			-	3,155
54	DRUG INTERDICTION	-	-			-	-
55	MISCELLANEOUS EQUIPMENT	-	5,745			-	5,745
56	SOF PLANNING AND REHEARSAL SYSTEM	-	300			-	300
57	SOF OPERATIONAL ENHANCEMENTS	-	93,233			-	93,233
58	PSYOP EQUIPMENT	-	5,642			-	5,642
	TOTAL SPECIAL OPERATIONS COMMAND		**776,794**		**100,100**		**876,894**
	CHEMICAL/BIOLOGICAL DEFENSE						
	CBDP						
59	INDIVIDUAL PROTECTION	-	125,276			-	125,276

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
60	DECONTAMINATION	-	15,561			-	15,561
61	JOINT BIOLOGICAL DEFENSE PROGRAM	-	143,233		(30,000)	-	113,233
	DERF- Homeland Security Production / Transfer to H.R. 4547				[-30,000]		[-30,000]
62	COLLECTIVE PROTECTION	-	34,749		14,900	-	49,649
	Collective Protection Shelters				[+14,900]		[+14,900]
63	CONTAMINATION AVOIDANCE	-	116,912		(38,614)	-	78,298
	DERF- First Response Equipment / Transfer to H.R. 4547				[-8,100]		[-8,100]
	DERF- Installation Protection / Transfer to H.R. 4547				[-32,914]		[-32,914]
	DERF- WMD-CST Equipment / Transfer to H.R. 4547				[-19,000]		[-19,000]
	Automatic Chemical Agent Alarms				[+8,000]		[+8,000]
	Biological Integrated Detection Systems				[+13,400]		[+13,400]
	TOTAL CHEMICAL/BIOLOGICAL DEFENSE		**435,731**		**(53,714)**		**382,017**
999	CLASSIFIED PROGRAMS	-	599,506			-	599,506
	TOTAL PROCUREMENT, DEFENSE-WIDE		**2,688,515**		**(67,506)**		**2,621,009**

Items of Special Interest

Army special operations aviation (ARSOA) avionics re-capitalization and enhanced situational awareness

The budget request contained $289.8 million for special operations forces (SOF) rotary wing upgrades, but included no funds for the ARSOA avionics re-capitalization and enhanced situational awareness program.

The committee understands that the ARSOA avionics re-capitalization and enhanced situational awareness program would replace obsolete avionics with mission processors, multifunction displays and intelligence broadcast receivers for 13 helicopters in the Army's 160th Special Operations Aviation Regiment, and would preclude time-sensitive parts obsolescence problems beginning in fiscal year 2004.

Since the committee notes that the Commander-in-Chief of the Special Operations Command has included the ARSOA avionics re-capitalization and enhanced situational awareness program as his highest unfunded priority for fiscal year 2003, it recommends $309.0 million for SOF rotary wing upgrades, an increase of $19.2 million, for the ARSOA avionics re-capitalization and enhanced situational awareness program.

Chemical/biological defense procurement program

The budget request contained a total of $435.7 million for chemical/biological defense (CBD) procurement, including $125.3 million for procurement of individual protection equipment, $15.6 million for decontamination equipment, $143.2 million for the joint biological defense program, $34.7 million for collective protection equipment, and $116.9 million for contamination avoidance equipment.

The committee recommends an increase of $8.0 million for procurement of automatic chemical agent alarms (ACADA) for the Army National Guard and Army Reserve, an increase of $13.4 million for procurement of the biological integrated detection system for newly organized Army Reserve biological detection units, and a total of $49.6 million for collective protection equipment, including an increase of $14.9 million for procurement of chemical-biological protective shelters for Army medical companies and Marine Corps forward surgical teams.

Computer assisted medical diagnostics

The committee is aware that off-the-shelf medical diagnostic technology is available that could significantly improve the ability of health care professionals to more quickly and accurately diagnose diseases, using a digital clinical library and decision support software. This technology could enable clinicians to rapidly sort and review thousands of medical photographs, match them to the patient's symptoms and other relevant factors, and quickly develop a priority list of potential diagnoses. The committee understands that the surgeons general of the Army and the Air Force are evaluating such technology, and urges the Secretary of Defense to closely evaluate this technology for procurement by all the services.

Portable intelligence collection and relay capability (PICRC)

The budget request contained $8.2 million for special operations forces (SOF) intelligence systems but included no funds for PICRC systems.

The PICRC system integrates commercial-off-the-shelf, full-dimensional mapping and display software; desktop computers; hand-held computing devices; and wireless communications to provide SOF operators with high-resolution imagery for precision navigation, annotation of real-time visual observations, and a capability to relay information to command elements. The committee understands that this system would significantly enhance SOF capabilities to accurately collect, quickly report, and promptly act upon real-time intelligence data.

The committee recommends $14.2 million for SOF intelligence systems, an increase of $6.0 million, for procurement of PICRC systems.

Special operations forces (SOF) small arms and weapons

The budget request contained $4.8 million to procure SOF small arms and weapons, of which $3.7 million was to procure the advanced lightweight grenade launcher (ALGL), but included no funds to procure the AT4-confined space (CS) anti-armor and bunker defeat and breeching weapon.

The committee notes the Commander-in-Chief of the Special Operations Command has identified fiscal year 2003 unfunded requirements of $4.4 million for accelerated procurement of ALGLs, and $10.5 million to accelerate and field the first production lot of 4,000 AT4–CS special operations insensitive munition weapons.

The committee recommends $19.7 million for SOF small arms and weapons, an increase of $4.4 million for additional ALGLs, and an increase of $10.5 million for additional AT4–CS weapons, for a total increase of $14.9 million.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

Overview

As described elsewhere in this report, the committee recommends transferring the budget request of $1,490.2 million for Chemical Agents and Munitions Destruction, Army (CAMD, A) to Chemical Agents and Munitions Destruction, Defense (CAMD, D), and recommends a total of $1,490.2 million for Chemical Agents and Munitions Destruction, Defense, including $974.2 million for research, development, test, and evaluation, $302.7 million for procurement, and $213.2 million for operations and maintenance. Unless otherwise specified, adjustments are without prejudice and based on affordability consideration.

TITLE I - PROCUREMENT

(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2003 AUTHORIZATION REQUEST		COMMITTEE CHANGE FROM REQUEST		FY 2003 COMMITTEE RECOMMENDATION	
		QTY.	COST	QTY.	COST	QTY.	COST
	CHEM AGENTS & MUNITIONS DESTRUCTION, DEFENSE						
	CHEM AGENTS & MUNITIONS DESTRUCT-RDT&E						
	RESEARCH AND DEVELOPMENT						
1	CHEM DEMILITARIZATION - RDTE	-	-		974,238	-	974,238
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCT - RDT&E		-		**974,238**		**974,238**
	PROCUREMENT						
2	CHEM DEMILITARIZATION - PROC	-	-		302,683	-	302,683
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCT - PROC		-		**302,683**		**302,683**
	OPERATION AND MAINTENANCE						
3	CHEM DEMILITARIZATION - O&M	-	-		213,278	-	213,278
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCT - O&M		-		**213,278**		**213,278**
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCTION, DEFENSE		-		**1,490,199**		**1,490,199**

Items of Special Interest

Chemical agents and munitions destruction

The committee notes that chemical demilitarization for 90 percent of the stockpile at eight stockpile storage sites in the continental United States is under contract. To date, more than 8,000 tons of chemical agent, over 25 percent of the total U.S. stockpile, have been safely destroyed in operational demilitarization facilities at Johnston Atoll and Tooele, Utah, using the baseline incineration process. Stockpile demilitarization operations at the Johnston Atoll facility have been completed and shutdown of that facility begun. Construction of demilitarization facilities at Anniston, Alabama, and Umatilla, Oregon, has been completed and systematization operations are in progress at those locations, while construction of the Pine Bluff, Arkansas, facility is over 75 percent complete. Mustard agent in bulk storage at Aberdeen, Maryland, and VX nerve agent in bulk storage at Newport, Indiana, will be destroyed using neutralization, rather than the baseline incineration process. In September 2001, the Defense Acquisition Executive completed a comprehensive review of the chemical demilitarization program that resulted in new schedule milestones (completion of stockpile destruction in 2011 vice 2007 as required under the Chemical Weapons Convention Treaty) and a new life cycle cost estimate: $24,000.0 million, an increase of $9,000.0 million over the previous estimate. The review provided the basis for the selection of neutralization as the technology to be used for destruction of mustard-filled munitions and bulk agent at Pueblo, Colorado, and the yet-to-be-designated technology to be used for destruction of assembled chemical weapons at Blue Grass, Kentucky. The committee understands that the Defense Acquisition Executive directed the Army to propose alternatives for accelerating the destruction of the stockpile and reducing the overall life cycle costs.

The committee is aware of actions being taken in the aftermath of the September 11th terrorist attacks in New York and against the Pentagon, to increase the safety and security of the stockpile against potential terrorist attack. A decision has been made to accelerate the destruction of bulk mustard at Aberdeen and acceleration of the destruction of bulk VX at Newport is under consideration. The committee notes that funding for accelerated destruction of bulk agent was not included in the fiscal year 2003 budget request or in the fiscal year 2002 supplemental request. Should additional funds for the accelerated destruction of bulk agent not be included in the fiscal year 2002 supplemental appropriation, the committee strongly recommends that they be included in the President's subsequent budget request for authorization and appropriation of the Defense Emergency Fund.

The committee notes the shift in program management oversight responsibility within the Army Secretariat from the Assistant Secretary of the Army (Acquisition, Technology, and Logistics) to the Assistant Secretary of the Army (Installations and Environment). The committee believes that the cost, complexity, and importance of the program require that it continue to be managed as a major defense acquisition program, and elsewhere in this report has recommended a provision (section 143) to that effect.

The committee notes on-going efforts in the chemical stockpile emergency preparedness program (CSEPP) to insure the readiness of the military installations on which the chemical demilitarization facilities are located and of the surrounding local civilian jurisdictions to respond to a chemical accident or incident involving the stockpile. The committee believes that close working relationships between the Department of the Army and the Federal Emergency Management Agency (FEMA) and its regional activities, state and local emergency management activities, and local government and the Army installations are absolutely essential to ensuring that the Army's chemical stockpile storage and destruction mission are capable of being carried out so as to ensure the maximum protection for the environment, the general public, and the personnel who are involved in the storage and destruction of the stockpile. The committee expects both the Secretary of the Army and the Director, FEMA to carry out their respective responsibilities with regard to the CSEPP program in accordance with the memorandum of agreement between the two agencies.

In the report that accompanied H.R. 2586 (H. Rept. 107–194), the committee directed the Secretary of Defense to update the assessment required by Section 141(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) by March 1, 2002, in order to identify those actions taken or planned by the Secretary to significantly reduce the cost of the program and ensure its completion in accordance with the obligation of the United States under the Chemical Weapons Convention. The committee has not yet received this report, but plans to hold hearings on the chemical stockpile destruction program later this year to address these and other program issues.

Finally, the committee directs the Comptroller General to review and assess the status and management of the chemical stockpile destruction program and to report the results of that assessment to the congressional defense committees not later than March 1, 2003.

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sections 101–107—Authorization of Appropriations

These sections would authorize the recommended fiscal year 2003 funding levels for all procurement accounts.

SUBTITLE B—NAVY PROGRAMS

Section 111—Shipbuilding Initiative

This section would authorize $810.0 million for one additional Arleigh Burke Class destroyer, or DDG–51, in fiscal year 2003 if the Secretary of the Navy certifies to the congressional defense committees on, or before the date of the enactment of this Act, that the prime contractor for the Virginia Class submarine program has committed to expend from its own funds an amount not less than $385.0 million for economic order quantity procurement of nuclear and non-nuclear components for Virginia Class submarines beginning in fiscal year 2003. If this certification is not provided, then

$810.0 million shall be allocated as follows: $415.0 million for Virginia Class submarine advance procurement, $210.0 million for cruiser conversion advance procurement, and $185.0 million for nuclear attack submarine engineered refueling overhaul.

Additionally, if the terms of the agreement between the prime contractor for the Virginia Class submarine program and the United States include a requirement for the Secretary of the Navy to seek to acquire Virginia Class submarines through a multiyear procurement contract, the Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract for the procurement of Virginia Class submarines beginning in the fiscal year 2003 program year, subsequent to his certification that the conditions in subsection (a) of that section have been satisfied with respect to that contract and a period of thirty days has elapsed after the date of transmission of such certification to the congressional defense committees.

SUBTITLE C—AIR FORCE PROGRAMS

Section 121—Multiyear Procurement Authority for C–130J Aircraft Program

This section would authorize the Secretary of Defense to enter into a multiyear procurement contract for Air Force CC–130J and Marine Corps KC–130J aircraft beginning with the fiscal year 2003 program year, subject to a certification to the congressional defense committees that satisfactory progress is being made towards a successful operational test and evaluation, and that each of the conditions specified in section 2306b(a) of title 10, United States Code, have been satisfied with respect to that contract.

SUBTITLE D—OTHER PROGRAMS

Section 141—Revisions to Multiyear Contracting Authority Relating to Structuring of Contracts

This section would change section 2306b(i) of title 10, United States Code to require the Department of Defense to structure multiyear procurement contracts so that complete end items are procured through yearly appropriated amounts, and would restrict advance procurement to those long-lead items necessary in order to meet the planned delivery schedule for complete major end items programmed under the contract to be acquired with funds appropriated in a subsequent fiscal year.

Section 142—Transfer of Technology Items and Equipment in Support of Homeland Security

This provision would authorize the Secretary of Defense to enter into an agreement with an independent, non-profit, technology-oriented entity, which has demonstrated a proven ability to facilitate technology transfer of promising defense technologies developed by both the private and public sectors that will aid federal, state and local law enforcement, fire fighting, and emergency medical "first responders". The entity would develop and deploy items and equipment through coordination between government agencies and private sector, commercial developers and suppliers of technology that

would enhance public safety and emergency response. The entity would also work in coordination with the InterAgency Board (IAB) for Equipment Standardization and Interoperability to develop items and equipment that meet the standardization requirements established by the IAB. The entity would evaluate the equipment items that have been identified through the standards development process accomplished to date by the IAB and other state-of-the-art items and equipment that may benefit first responders. An increase of $1.0 million is included in PE 65384BP to facilitate this agreement and establish an InterAgency Consequence Management Equipment Transfer program.

Section 143—Destruction of Existing Stockpile of Lethal Chemical Agents and Munitions

This section would require that the Secretary of Defense ensure that the program for destruction of the United States stockpile of lethal chemical agents and munitions is managed as a major defense acquisition program in accordance with the essential elements of such programs as may be determined by the Secretary. The provision would also require the Under Secretary of Defense (Comptroller) to certify annually to the congressional defense committees that the budget request for the chemical agents and munitions destruction program has been submitted in accordance with the requirements of applicable federal laws. As noted elsewhere in this report, the committee cites section 1412 of the National Defense Authorization Act for Fiscal Year 1986 (Public Law 99–145), as amended.

Section 144—Report on Department of Defense Unmanned Aerial Vehicle Systems

This section would require the Secretary of Defense to submit a report to the Congress no later than January 1, 2003 for each unmanned aerial vehicle system to include: (1) a description of the system infrastructure, (2) the system Operational Requirements Document, (3) a description of the system training and basing infrastructure, (4) a description of the how the department acquires unmanned aerial vehicle systems, (5) the system acquisition plan and (6) recommended changes in law that would facilitate unmanned vehicle acquisition.

Section 145—Report on Impact of Army Aviation Modernization Plan on the Army National Guard

This section would require the Chief of the National Guard Bureau to submit a report to both the Senate Committee on Armed Services and the House Committee on Armed Services no later than February 1, 2003, regarding the impact of the Army Aviation Modernization Plan on the Army National Guard to conduct its aviation missions, the plan and timeline outlined within the Army Aviation Modernization Plan to transfer aircraft from the active Army to the Army reserve components, and the suitability of existing, commercial off-the-shelf, light-twin engine helicopters to perform Army National Guard aviation missions. The provision would also allow for the Chief of Staff of the Army to submit views on the report.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Overview

The budget request contained $53,924.2 million for research, development, test, and evaluation (RDT&E), including $67.2 million for the Defense Health Program. The committee recommends $56,491.5 million, an increase of $2,567.4 million to the budget request.

The committee strongly supports this much needed increase and notes that the Department of Defense and the military services have all initiated major efforts to transform military warfighting capabilities to better prepare for future threats and challenges. The committee notes that the largest portion of the total RDT&E request is contained in the fielded system development category, the area primarily dedicated to upgrades of existing systems. The committee remains concerned that the Department will not be able to budget for sufficient funds to sustain all of the planned system upgrades and also adequately fund priority transformation efforts.

The committee urges the Secretary of Defense to outline clearly the overall Department priorities for RDT&E investment strategies for both transformation efforts and existing system upgrades and sustainment.

TITLE II - RESEARCH DEVELOPMENT, TEST & EVALUATION
(Dollars in Thousands)

ACCOUNT TITLE	FY 2003 AUTHORIZATION REQUEST	COMMITTEE CHANGE FROM REQUEST	FY 2003 COMMITTEE RECOMMENDATION
TOTAL, RESEARCH DEVELOPMENT TEST & EVALUATION, ARMY	**6,918,494**	**14,825**	**6,933,319**
RESEARCH AND DEVELOPMENT	4,116,932	46,244	4,163,176
ENGINEERING AND MANUFACTURING DEVELOPMENT	2,801,562	(31,419)	2,770,143
TOTAL, RESEARCH DEVELOPMENT TEST & EVALUATION, NAVY	**12,501,630**	**772,910**	**13,274,540**
RESEARCH AND DEVELOPMENT	7,408,612	628,010	8,036,622
ENGINEERING AND MANUFACTURING DEVELOPMENT	5,093,018	144,900	5,237,918
TOTAL, RESEARCH DEVELOPMENT TEST & EVALUATION, AIR FORCE	**17,601,233**	**1,201,951**	**18,803,184**
RESEARCH AND DEVELOPMENT	13,281,659	1,065,651	14,347,310
ENGINEERING AND MANUFACTURING DEVELOPMENT	4,319,574	136,300	4,455,874
TOTAL, RESEARCH DEVELOPMENT TEST & EVALUATION, DEFENSEWIDE	**16,613,551**	**577,686**	**17,191,237**
RESEARCH AND DEVELOPMENT	15,277,287	427,867	15,705,154
ENGINEERING AND MANUFACTURING DEVELOPMENT	1,336,264	149,819	1,486,083
TOTAL, OPERATIONAL TEST & EVAL, DEFENSE	**222,054**	**0**	**222,054**
RESEARCH AND DEVELOPMENT	222,054	0	222,054
ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
TOTAL, DEFENSE HEALTH PROGRAM	**67,214**		**67,214**
TOTAL, RESEARCH DEVELOPMENT TEST & EVALUATION	**53,924,176**	**2,567,372**	**56,491,548**
RESEARCH AND DEVELOPMENT	**40,306,544**	**2,167,772**	**42,474,316**
ENGINEERING AND MANUFACTURING DEVELOPMENT	**13,550,418**	**399,600**	**13,950,018**

ARMY RDT&E

OVERVIEW

The budget request contained $6,918.5 million for Army RDT&E. The committee recommends authorization of $6,933.3 million, an increase of $283.4 million and a transfer of $268.6 million for missile defense programs from Army RDT&E to Defense-wide RDT&E.

The committee recommendations for the fiscal year 2003 Army RDT&E program are identified in the table below. Major changes to the Army request are discussed following the table.

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, ARMY			
		BASIC RESEARCH			
0601101A	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	22,998		22,998
0601102A	2	DEFENSE RESEARCH SCIENCES	139,633		139,633
0601104A	3	UNIVERSITY AND INDUSTRY RESEARCH CENTERS	74,855		74,855
		TOTAL, BASIC RESEARCH	**237,486**	**0**	**237,486**
		RESEARCH AND DEVELOPMENT	237,486	0	237,486
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		APPLIED RESEARCH			
0602105A	4	MATERIALS TECHNOLOGY	18,659		18,659
0602120A	5	SENSORS AND ELECTRONIC SURVIVABILITY	24,305		24,305
0602122A	6	TRACTOR HIP	6,839		6,839
0602211A	7	AVIATION TECHNOLOGY	43,692		43,692
0602270A	8	EW TECHNOLOGY	19,584		19,584
0602303A	9	MISSILE TECHNOLOGY	31,884	16,400	48,284
		Micro electro-mechanical systems inertial measurement unit/global positioning system			(+10,000)
		Digital glue technology			(+3,400)
		Enhanced area air defense system short range air defense integrated kinetic energy system			(+3,000)
0602307A	10	ADVANCED WEAPONS TECHNOLOGY	11,208		11,208
0602308A	11	ADVANCED CONCEPTS AND SIMULATION	20,634		20,634
0602601A	12	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	55,763		55,763
0602618A	13	BALLISTICS TECHNOLOGY	74,094		74,094
0602622A	14	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	3,675	3,000	6,675
		Metallic particles in defense applications obscurant smokes			(+3,000)
0602623A	15	JOINT SERVICE SMALL ARMS PROGRAM	5,812		5,812
0602624A	16	WEAPONS AND MUNITIONS TECHNOLOGY	38,090	9,000	47,090
		M795 extended range, high explosive baseburner projectile			(+6,000)
		Explosively formed penetrators			(+3,000)
0602705A	17	ELECTRONICS AND ELECTRONIC DEVICES	27,448	5,000	32,448
		Advanced fuel cell technology			(+5,000)
0602709A	18	NIGHT VISION TECHNOLOGY	22,333	3,000	25,333
		Eye-safe laser			(+3,000)
0602712A	19	COUNTERMINE SYSTEMS	13,186		13,186
0602716A	20	HUMAN FACTORS ENGINEERING TECHNOLOGY	17,415	3,000	20,415
		Human factors engineering technology			(+3,000)
0602720A	21	ENVIRONMENTAL QUALITY TECHNOLOGY	23,018		23,018
0602782A	22	COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	21,821		21,821
0602783A	23	COMPUTER AND SOFTWARE TECHNOLOGY	4,354		4,354
0602784A	24	MILITARY ENGINEERING TECHNOLOGY	51,124		51,124

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0602785A	25	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	14,335	1,500	15,835
		Distance learning			(+1,500)
0602786A	26	WARFIGHTER TECHNOLOGY	25,502	2,000	27,502
		Clothing and equipment technology			(+2,000)
0602787A	27	MEDICAL TECHNOLOGY	67,476	13,000	80,476
		Metabolically engineered tissues for trauma care			(+2,000)
		Hemoglobin based oxygen carrier			(+7,000)
		Eliminating arthropod-borne infectious disease			(+4,000)
0602789A	28	ARMY ARTIFICIAL INTELLIGENCE TECHNOLOGY	0		0
0602805A	29	DUAL USE SCIENCE AND TECHNOLOGY	0		0
		TOTAL, APPLIED RESEARCH	**642,251**	**55,900**	**698,151**
		RESEARCH AND DEVELOPMENT	642,251	55,900	698,151
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		ADVANCED TECHNOLOGY DEVELOPMENT			
0603001A	30	WARFIGHTER ADVANCED TECHNOLOGY	50,262	1,500	51,762
		Metrology			(+1,500)
0603002A	31	MEDICAL ADVANCED TECHNOLOGY	16,590	5,500	22,090
		Stable hemostat			(+3,500)
		Textile electronic garments for combat casualty care			(+2,000)
0603003A	32	AVIATION ADVANCED TECHNOLOGY	45,404		45,404
0603004A	33	WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	66,514	1,000	67,514
		Mobile fire support system (see Navy)			(+1,000)
0603005A	34	COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	229,778	10,750	240,528
		Advanced Army composite bridge			(+3,000)
		Fuel catalyst research and evaluation			(+2,000)
		Rotary multi-fuel auxiliary power unit			(+5,000)
		Automated document conversion			(+750)
0603006A	35	COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	4,826	2,400	7,226
		Unmanned aerial vehicle/unmanned ground vehicle demonstration program			(+2,400)
0603007A	36	MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY	3,527	2,100	5,627
		Aircrew coordination training			(+2,100)
0603008A	37	ELECTRONIC WARFARE ADVANCED TECHNOLOGY (H)	28,254		28,254
0603009A	38	TRACTOR HIKE	18,069		18,069
0603017A	39	TRACTOR RED	0		0
0603020A	40	TRACTOR ROSE	4,895		4,895
0603105A	41	MILITARY HIV RESEARCH	0		0
0603122A	42	TRACTOR HIP	0		0
0603125A	XX	DERF - COMBATTING TERRORISM, TECHNOLOGY DEVELOPMENT		48,900	48,900
		DERF - Language Translation			(+7,300)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		DERF - Blue Force Awareness Suite			(+10,000)
		DERF - Remove Observation & Confirming Sensors			(+600)
		DERF - Multi-Function Remote Unattended Ground Sensor			(+1,500)
		DERF - Laser Induced Breakdown Spectroscopy			(+1,500)
		DERF - Universal Soldier Sensor			(+20,000)
		DERF - CT Echelon Surveillance & Reconnaissance			(+8,000)
0603238A	43	GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECHNOLOGY DEMONSTRATION	31,291		31,291
0603270A	44	EW TECHNOLOGY	11,600		11,600
0603313A	45	MISSILE AND ROCKET ADVANCED TECHNOLOGY	87,890	11,500	99,390
		Volumetrically controlled manufacturing			(+11,500)
0603322A	46	TRACTOR CAGE	3,083		3,083
0603606A	47	LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	24,104		24,104
0603607A	48	JOINT SERVICE SMALL ARMS PROGRAM	6,013	9,800	15,813
		Anti-material sniper rifle			(+9,800)
0603654A	49	LINE-OF-SIGHT TECHNOLOGY DEMONSTRATION	28,283		28,283
0603710A	50	NIGHT VISION ADVANCED TECHNOLOGY	36,494	15,800	52,294
		Wire detection and obstacle avoidance system for helicopters			(+4,000)
		Night vision fusion			(+9,000)
		Helmet mounted thermal imaging system			(+2,800)
0603728A	51	ENVIRONMENTAL QUALITY TECHNOLOGY DEMONSTRATIONS	8,980		8,980
0603734A	52	MILITARY ENGINEERING ADVANCED TECHNOLOGY	2,921	3,000	5,921
		Energy and sustainability research			(+3,000)
0603772A	53	ADVANCED TACTICAL COMPUTER SCIENCE AND SENSOR TECHNOLOGY	21,674		21,674
		TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	**730,452**	**112,250**	**842,702**
		RESEARCH AND DEVELOPMENT	730,452	112,250	842,702
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		DEMONSTRATION AND VALIDATION			
0603305A	54	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION	27,887		27,887
0603308A	55	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	7,417	47,000	54,417
		Family of systems simulator			(+6,000)
		Thermionic technology			(+5,000)
		Mobile tactical high energy laser			(+25,000)
		P3 micro-power devices for missile defense applications			(+3,000)
		Advanced battery technology demonstration and validation program			(+8,000)
0603619A	56	LANDMINE WARFARE AND BARRIER - ADV DEV	20,286		20,286
0603627A	57	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ADV DEV	2,432		2,432
0603639A	58	TANK AND MEDIUM CALIBER AMMUNITION	11,354		11,354
0603653A	59	ADVANCED TANK ARMAMENT SYSTEM (ATAS)	124,108		124,108
0603713A	60	ARMY DATA DISTRIBUTION SYSTEM	0		0

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0603747A	61	SOLDIER SUPPORT AND SURVIVABILITY	20,788		20,788
0603766A	62	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM - ADV DEV	16,392		16,392
0603774A	63	NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT	11,694		11,694
0603779A	64	ENVRONMENTAL QUALITY TECHNOLOGY DEM/VAL	9,331	2,000	11,331
		Asbestos pilot project			(+2,000)
0603782A	65	WARFIGHTER INFORMATION NETWORK-TACTICAL - DEM/VAL	60,809		60,809
0603790A	66	NATO RESEARCH AND DEVELOPMENT	8,773		8,773
0603801A	67	AVIATION - ADV DEV	8,643		8,643
0603802A	68	WEAPONS AND MUNITIONS - ADV DEV	27,761		27,761
0603804A	69	LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV	11,419	5,000	16,419
		Nuclear, biological, and chemical agent removal			(+5,000)
0603805A	70	COMBAT SERVICE SUPPORT CONTROL SYSTEM EVALUATION AND ANALYSIS	8,971		8,971
0603807A	71	MEDICAL SYSTEMS - ADV DEV	10,398		10,398
0603850A	72	INTEGRATED BROADCAST SERVICE (JMIP/DISTP)	1,962		1,962
0603851A	73	TRACTOR CAGE (DEM/VAL)	0		0
0603854A	74	ARTILLERY SYSTEMS - DEM/VAL	251,665		251,665
0603856A	75	SCAMP BLOCK II DEM/VAL	21,006		21,006
0603869A	76	MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS) CONCEPTS - DEM/VAL	117,745	(117,745)	0
		Transfer to MDA (63881C)			(-117,745)
		TOTAL, DEMONSTRATION AND VALIDATION	**780,841**	**(63,745)**	**717,096**
		RESEARCH AND DEVELOPMENT	780,841	(63,745)	717,096
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		ENGINEERING AND MANUFACTURING DEVELOPMENT			
0604201A	77	AIRCRAFT AVIONICS	40,308		40,308
0604220A	78	ARMED, DEPLOYABLE OH-58D	1,873		1,873
0604223A	79	COMANCHE	914,932		914,932
0604270A	80	EW DEVELOPMENT	22,819	22,900	45,719
		DERF - Prophet Block II, III, IV program acceleration by 2 years			(+15,900)
		Advanced threat infrared countermeasures/common missile warning system			(+7,000)
0604280A	81	JOINT TACTICAL RADIO	65,818		65,818
0604321A	82	ALL SOURCE ANALYSIS SYSTEM	42,322	16,300	58,622
		DERF - FALCON language Translator			(+8,000)
		DERF - Analysis and Control Element (ACE)			(+4,300)
		Non-traditional intelligence analysis toolset			(+4,000)
0604328A	83	TRACTOR CAGE	9,800		9,800
0604329A	84	COMMON MISSILE	29,919		29,919
0604601A	85	INFANTRY SUPPORT WEAPONS	0		0
0604604A	86	MEDIUM TACTICAL VEHICLES	1,953		1,953
0604609A	87	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ENG DEV	8,153		8,153

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0604611A	88	JAVELIN	489	13,100	13,589
		Javelin			(+13,100)
0604619A	89	LANDMINE WARFARE	11,913		11,913
0604622A	90	FAMILY OF HEAVY TACTICAL VEHICLES	3,990		3,990
0604633A	91	AIR TRAFFIC CONTROL	2,339		2,339
0604641A	92	TACTICAL UNMANNED GROUND VEHICLE (TUGV)	0		0
0604642A	93	LIGHT TACTICAL WHEELED VEHICLES	7,877		7,877
0604645A	94	ARMORED SYSTEMS MODERNIZATION (ASM)-ENG. DEV.	59,860		59,860
0604649A	95	ENGINEER MOBILITY EQUIPMENT DEVELOPMENT	8,146		8,146
0604710A	96	NIGHT VISION SYSTEMS - ENG DEV	32,328		32,328
0604713A	97	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	94,474		94,474
0604715A	98	NON-SYSTEM TRAINING DEVICES - ENG DEV	43,650		43,650
0604716A	99	TERRAIN INFORMATION - ENG DEV	8,232		8,232
0604726A	100	INTEGRATED METEOROLOGICAL SUPPORT SYSTEM	3,417		3,417
0604738A	101	JSIMS CORE PROGRAM	24,230		24,230
0604739A	102	INTEGRATED BROADCAST SERVICE	0		0
0604741A	103	AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE - ENG DEV	26,978		26,978
0604742A	104	CONSTRUCTIVE SIMULATION SYSTEMS DEVELOPMENT	53,294		53,294
0604746A	105	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	11,839	8,000	19,839
		Digital source collector-health usage monitoring system for Apache Longbow			(+8,000)
0604760A	106	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ENGINEERING DEVELOPMENT	21,487		21,487
0604766A	107	TACTICAL SURVEILLANCE SYSTEMS - ENG DEV	56,662		56,662
0604768A	108	BRILLIANT ANTI-ARMOR SUBMUNITION (BAT)	190,293	55,000	245,293
		DERF - standoff ballistic-missile-delivered penetrator weapon			(+55,000)
0604770A	109	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM	4,740		4,740
0604778A	110	POSITIONING SYSTEMS DEVELOPMENT (SPACE)	0		0
0604780A	111	COMBINED ARMS TACTICAL TRAINER (CATT) CORE	7,579		7,579
0604783A	112	JOINT NETWORK MANAGEMENT SYSTEM	8,028		8,028
0604801A	113	AVIATION - ENG DEV	3,150		3,150
0604802A	114	WEAPONS AND MUNITIONS - ENG DEV	41,758	9,400	51,158
		Shoulder-launched multipurpose assault weapon-disposable (confined space)			(+6,000)
		Common remotely operated weapon system			(+3,400)
0604804A	115	LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV	65,857		65,857
0604805A	116	COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV	82,238	17,000	99,238
		Applied communications and information networking (ACIN) program			(+17,000)
0604807A	117	MEDICAL MATERIAL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT - ENG DEV	12,625	5,000	17,625
		Life support for trauma and transport spiral development			(+5,000)
0604808A	118	LANDMINE WARFARE/BARRIER - ENG DEV	128,992	(27,300)	101,692
		Landmine warfare/barrier engineering development			(-27,300)
0604814A	119	ARTILLERY MUNITIONS - EMD	70,888		70,888

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0604817A	120	COMBAT IDENTIFICATION	1,995		1,995
0604818A	121	ARMY TACTICAL COMMAND & CONTROL HARDWARE & SOFTWARE	80,672		80,672
0604819A	122	LOSAT	14,463		14,463
0604820A	123	RADAR DEVELOPMENT	0		0
0604823A	124	FIREFINDER	26,122		26,122
0604854A	125	ARTILLERY SYSTEMS - EMD	251,376		251,376
0604865A	126	PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION - EMD	150,819	(150,819)	0
		Transfer to MDA (64865C)			(-150,819)
0605013A	127	INFORMATION TECHNOLOGY DEVELOPMENT	50,865		50,865
		TOTAL, ENGINEERING AND MANUFACTURING DEVELOPMENT	**2,801,562**	**(31,419)**	**2,770,143**
		RESEARCH AND DEVELOPMENT	0	0	0
		ENGINEERING AND MANUFACTURING DEVELOPMENT	479,182	(150,819)	328,363
		RDT&E MANAGEMENT SUPPORT			
0604256A	128	THREAT SIMULATOR DEVELOPMENT	15,251		15,251
0604258A	129	TARGET SYSTEMS DEVELOPMENT	10,772		10,772
0604759A	130	MAJOR T&E INVESTMENT	53,797		53,797
0605103A	131	RAND ARROYO CENTER	22,148		22,148
0605301A	132	ARMY KWAJALEIN ATOLL	132,831		132,831
0605326A	133	CONCEPTS EXPERIMENTATION PROGRAM	22,627		22,627
0605502A	134	SMALL BUSINESS INNOVATIVE RESEARCH	0		0
0605601A	135	ARMY TEST RANGES AND FACILITIES	144,183		144,183
0605602A	136	ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS	43,222		43,222
0605604A	137	SURVIVABILITY/LETHALITY ANALYSIS	39,200		39,200
0605605A	138	DOD HIGH ENERGY LASER TEST FACILITY	14,410		14,410
0605606A	139	AIRCRAFT CERTIFICATION	4,062		4,062
0605702A	140	METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES	7,310		7,310
0605706A	141	MATERIEL SYSTEMS ANALYSIS	10,189		10,189
0605709A	142	EXPLOITATION OF FOREIGN ITEMS	3,490		3,490
0605712A	143	SUPPORT OF OPERATIONAL TESTING	99,375		99,375
0605716A	144	ARMY EVALUATION CENTER	41,250		41,250
0605801A	145	PROGRAMWIDE ACTIVITIES	78,452		78,452
0605803A	146	TECHNICAL INFORMATION ACTIVITIES	34,040		34,040
0605805A	147	MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	16,014		16,014
0605856A	148	ENVIRONMENTAL COMPLIANCE	0		0
0605857A	149	ENVIRONMENTAL QUALITY TECHNOLOGY MGMT SUPPORT	1,902		1,902
0605898A	150	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	11,533		11,533
0909999A	151	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	0		0
		TOTAL, RDT&E MANAGEMENT SUPPORT	**806,058**	**0**	**806,058**
		RESEARCH AND DEVELOPMENT	806,058	0	806,058

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		OPERATIONAL SYSTEMS DEVELOPMENT			
0603778A	152	MLRS PRODUCT IMPROVEMENT PROGRAM	57,825		57,825
0102419A	153	AEROSTAT JOINT PROJECT OFFICE	29,081	2,000	31,081
		Lightweight x-band radar			(+2,000)
0203610A	154	DOMESTIC PREPAREDNESS AGAINST WEAPONS OF MASS DESTRUCTION	0		0
0203726A	155	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	38,161		38,161
0203735A	156	COMBAT VEHICLE IMPROVEMENT PROGRAMS	54,465		54,465
0203740A	157	MANEUVER CONTROL SYSTEM	44,444		44,444
0203744A	158	AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS	196,794		196,794
0203752A	159	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	3,689		3,689
0203758A	160	DIGITIZATION	28,968	4,000	32,968
		Dismounted situation awareness system			(+4,000)
0203759A	161	FORCE XXI BATTLE COMMAND, BRIGADE AND BELOW (FBCB2)	64,915		64,915
0203761A	162	FORCE XXI, WARFIGHTING RAPID ACQUISITION PROGRAM	0		0
0203801A	163	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	43,738		43,738
0203802A	164	OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS	13,018		13,018
0203808A	165	TRACTOR CARD	8,891		8,891
0208010A	166	JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC)	14,121		14,121
0208053A	167	JOINT TACTICAL GROUND SYSTEM	2,860		2,860
0301359A	168	SPECIAL ARMY PROGRAM	7,031		7,031
0303028A	169	SECURITY AND INTELLIGENCE ACTIVITIES	5,438	5,000	10,438
		Intelligence command global information portal			(+5,000)
0303140A	170	INFORMATION SYSTEMS SECURITY PROGRAM	14,844		14,844
0303141A	171	GLOBAL COMBAT SUPPORT SYSTEM	71,864	(20,000)	51,864
		Global combat support system			(-20,000)
0303142A	172	SATCOM GROUND ENVIRONMENT (SPACE)	72,244		72,244
0303150A	173	WWMCCS/GLOBAL COMMAND AND CONTROL SYSTEM	17,895		17,895
0305114A	174	TRAFFIC CONTROL, APPROACH AND LANDING SYSTEM-FY 1987 AND PRIOR	977		977
0305204A	175	TACTICAL UNMANNED AERIAL VEHICLES	46,479	17,100	63,579
		DERF - Hunter Ground Control Station			(+12,100)
		Mini-backpack unmanned aerial vehicle			(+5,000)
0305206A	176	AIRBORNE RECONNAISSANCE SYSTEMS	4,882	8,200	13,082
		DERF - Unattended MASINT Sensors			(+3,000)
		Hyperspectral long-wave imager for the tactical environment			(+5,200)
0305208A	177	DISTRIBUTED COMMON GROUND SYSTEMS	15,683	21,700	37,383
		DERF - DCGS-A ISR network			(+2,000)
		DERF - MASINT			(+5,000)
		DERF - DCGS-A at Echelons above Corps			(+8,000)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		DERF - ISR datalinks			(+2,000)
		DERF - Moving Target Indicator/Multi-Platform Radar Technology Insertion Program (MTI/MPRTIP)			(+4,700)
0708045A	178	END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	61,025	2,000	63,025
		Bipolar wafer cell nickel-metal hydride battery			(+2,000)
1001018A	179	NATO JOINT STARS	512		512
		TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	**919,844**	**40,000**	**959,844**
		RESEARCH AND DEVELOPMENT	919,844	40,000	959,844
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		Accrual Accounting for Civil Service Retirement and Health Programs		(98,161)	(98,161)
		TOTAL, RESEARCH, DEVELOPMENT, TEST & EVALUATION, ARMY	**6,918,494**	**14,825**	**6,933,319**
		RESEARCH AND DEVELOPMENT	4,116,932	46,244	4,163,176
		ENGINEERING AND MANUFACTURING DEVELOPMENT	2,801,562	(31,419)	2,770,143

Items of Special Interest

155mm extended-range guided projectile

The budget request contained $70.9 million in PE 64814A for artillery munitions.

The committee notes that the Army is merging the trajectory correctable munitions (TCM) program and the Excalibur (XM–982) guided munition program into a single extended-range guided munition program. The committee is aware that combining these programs has the potential to reduce cost, improve performance and accelerate fielding of a 155mm extended-range guided projectile for our ground forces.

The committee strongly supports merging TCM and Excalibur and recommends the budget request in PE 64814A.

Advanced Army composite bridge

The budget request contained $229.8 million in PE 63005A for combat vehicle and automotive advanced technology, but included no funds for the development of the Advanced Army Composite Bridge.

The committee is aware that the Army has evaluated a composite bridge technology demonstrating a capacity to carry military loads in excess of 110 tons. The committee understands the potential benefits composite materials offer, especially in terms of weight savings, corrosion resistance, and battle damage tolerance. As a result, the committee urges further development of this initiative to facilitate a full-scale demonstration and complete design and fabrication.

The committee recommends an increase of $3.0 million in PE 63005A to mature the full-scale demonstration of the Advanced Composite Bridge.

Advanced battery technology demonstration and validation program

The budget request contained $7.4 million in PE 63308A for Army missile defense systems integration, but included no funds for the advanced battery technology demonstration and validation program.

The committee is aware that the advanced battery technology demonstration and validation program has produced notable successes such as a new thermal battery for the Patriot PAC–3 missile and a prototype battery for the compact kinetic energy missile. He committee supports continuation of the program to: (1) continue development of a thermal battery simulation and modeling tool, (2) develop advanced electrochemical batteries to support the missile technology sector, and (3) provide the government with a second source for critical-use thermal batteries.

The committee recommends an increase of $8.0 million in PE 63308A for the advanced battery technology demonstration and validation program.

Advanced fuel cell technology

The budget request contained $27.5 million in PE 62705A for electronics and electronic devices, but included no funding for advanced fuel cell technology.

The committee notes that the military is becoming increasingly dependent on electrical power for its personal warfighting systems, and supports development of advanced fuel cell technology to meet those requirements.

The committee recommends $32.5 million for PE 62705A, an increase of $5.0 million for advanced fuel cell technology.

Advanced threat infrared countermeasures/common missile warning system

The budget request contained $22.8 million in PE 64270A for the development of EW equipment, but included no funds to complete an Advanced Threat Infrared Countermeasures/Common Missile Warning System (ATIRCM/CMWS) installed test facility upgrade.

The ATIRCM system integrates defensive infrared (IR) countermeasures into currently fielded aircraft for more effective protection against a greater number of IR-guided missiles than is provided by currently fielded technology. The CMWS provides warning of a threat IR-guided missile on a variety of tactical aircraft and helicopters. While the committee notes the transfer of this system to the United States Special Operations Command for continued development and initial fielding, the committee is aware of a critical requirement to upgrade Army test facilities in order to perform effective tests on helicopter self-protection systems installed and integrated on aircraft against multi-mode missile seekers.

To complete this test facility system upgrade, the committee recommends an increase of $7.0 million in PE 64270A, for this purpose.

Aircrew coordination training

The budget request contained $3.5 million in PE 63007A for manpower, personnel, and training technology but included no funds for aircrew coordination training (ACT).

The committee notes that ACT has almost completed development. The committee is aware that ACT has demonstrated the ability to improve aircrew safety and efficiency, which is especially critical in combat operations.

The committee recommends $5.6 million in PE 63007A, an increase of $2.1 million for aircrew coordination training.

Applied communications and information networking (ACIN) program

The budget request contained no funds in PE 64805A for the ACIN program.

The committee understands that the ACIN program includes projects intended to integrate commercial off-the-shelf components and adapt commercial technologies to fulfill military communications applications for 21st century warfare. The committee notes that the Army has implemented the ACIN program and recommends that the Secretary of the Army coordinate with the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) to expand applicable aspects of the ACIN program within the Department of Defense. Consistent with its prior year actions to promote increased partnering with commercial industry, the committee recommends an increase of $17.0 million in PE 64805A for ACIN.

Anti-material sniper rifle

The budget request contained $6.0 million in PE 63607A for the joint service small arm program, but included no funding for the anti-material sniper rifle.

The committee is aware that the Army unfunded requirements list contains a requirement for improvements to the long-range sniper rifle. The anti-material sniper rifle offers the potential to reduce weight and improve reliability of the existing sniper rifle.

The committee recommends $15.8 million in PE 63607A, an increase of $9.8 million for the anti-material sniper rifle.

Asbestos pilot project

The budget request contained $9.3 million in PE 63779A for environmental quality technology, but included no funds for an asbestos pilot project.

The committee is aware that asbestos is an environmental hazard and supports research and development to improve hazardous waste reduction, and reduce the cost of disposal.

The committee recommends $11.3 million in PE 63779A, an increase of $2.0 million for an asbestos pilot project.

Automated document conversion

The budget request contained $229.8 million in PE 63005A for combat vehicle and automotive advanced technology, but included no funds for advanced data conversion.

The committee notes that only a small portion of the Tank and Automotive Command's legacy product data is in computer aided design formats. The committee is aware that CAD-based technical data is recognized as an enabler for cost effective recapitalization.

The committee recommends an increase of $750 thousand in PE 63005A for development and evaluation of existing and emerging technologies for conversion of paper/raster to 2-dimensional and 3-dimensional CAD along with advanced formats.

Bipolar wafer cell nickel-metal hydride battery

The budget request contained $61.0 million in PE 78045A for end item industrial preparedness, but included no funds for the bi-polar wafer cell nickel-metal hydride battery.

The committee is aware that the future military will be increasingly dependent on portable electric power, and notes that bi-polar wafer cell nickel-metal hydride battery technology has the potential to meet some of these needs.

The committee recommends $63.0 million in PE 78045A, an increase of $2.0 million for bi-polar wafer cell nickel-metal hydride battery.

Clothing and equipment technology

The budget included $25.5 million in PE 62786A for clothing and equipment technology, but included no funding to improve the affordability and reliability of inflatable textile-based structures for deployable shelters.

The committee is supportive of the Army's Transformational Campaign Plan, and particularly of development of technologies to improve soldier survivability and performance. The committee notes that the Army's logistics development plan appears to be in-

consistent with all Objective Force requirements, particularly with regard to achieving rapid rates of deployment into areas with likely chemical or biological weapons threats. The committee is aware that advanced shelter development incorporating innovative weaving technologies may simultaneously facilitate deployments and improve soldier survivability and urges the Army to pursue further development of this initiative.

The committee recommends $27.5 million in PE 62786A, an increase of $2.0 million, for advanced development in deployable shelters.

Crusader

The committee is aware that the Crusader advanced field artillery system is the Army's next generation self-propelled howitzer that has increased lethality, mobility, and survivability. The committee notes that the requirement for Crusader directly addresses the shortfalls in mobility and range of U.S. artillery systems that were evident during the Gulf War. Crusader capitalizes on mature, state-of-the-art technologies to improve range and volume of fire, responsiveness, re-supply, command and control and sustainability. The committee notes that the Army proposes to transition Crusader from program definition and risk reduction (PDRR) to systems development and demonstration (SDD) in fiscal year 2003. A milestone B decision is scheduled in the 3rd quarter of fiscal year 2003 to support this transition.

The committee notes Crusader's continuing progress in development and is aware that Crusader has already met all of its milestone B firing performance requirements in government testing at Yuma Proving Ground. The government-industry team contract performance continues to be on schedule and budget. The Assistant Secretary of the Army (Acquisition, Logistics, and Technology) and the Director of the Army's Objective Force Task Force have testified before this committee regarding the need for Crusader and the capabilities it brings to the battlefield.

The committee is concerned that the transformational war-fighting potential of Crusader has not been fully recognized by the Department of Defense and cannot be properly assessed until the Army completes its comprehensive Analysis of Alternatives (AOA) for the Crusader Milestone B decision. The committee believes that alternatives to Crusader's capabilities suggested by the Department of Defense should be included in the AOA and assessed on an equal basis.

Therefore, the Committee directs that there be no change to the Crusader development schedule, funding or procurement requirements, to include termination, until the completion of the Army's Milestone B Analysis of Alternatives. The Secretary of the Army shall present a report of the completed analysis to the congressional defense committees by March 1, 2003. The committees will respond to that analysis within 30 days so that the scheduled Milestone B review can be completed in April 2003.

Digital glue technology

The budget request contained $31.9 million in PE 62303A for missile technology, but included no funds for digital glue technology.

The committee is informed that digital glue technology can reduce the number of lines required to integrate systems by as much as a factor of 10.

The committee recommends an increase of $3.4 million in PE 62303A for digital glue technology.

Dismounted situation awareness system

The budget request contained $28.9 million in PE 23758A for digitization, but included no funds for the dismounted situation awareness system (DISM).

The committee endorses the use of commercial-of-the-shelf (COTS) technology to meet warfighting requirements while reducing costs and schedules. The committee notes that the dismounted situation awareness system (DISM) map has successfully demonstrated its ability to significantly improve combat unit situational awareness during a night live fire exercise with paratroops. The committee is also aware that this system was developed using small business innovative research program funding.

The committee recommends $32.9 million in PE 23758A, an increase of $4.0 million for DISM.

Distance learning

The budget request contained $14.3 million in PE 62785A for manpower/personnel/training technology, but included no funds for distance learning.

The committee notes that education is essential both for career advancement and to support a well-educated work force, and further notes that distance learning is a new and innovative means to provide such required education.

The committee recommends $15.8 million in PE 62785A, an increase of $1.5 million for distance learning.

Eliminating arthropod-borne infectious disease

The budget request contained $67.5 million in PE 62787A for medical technology, but included no funds for eliminating arthropod-borne infectious disease.

The committee is aware that arthropod-borne infectious disease represents a significant health problem over a growing portion of the United States, with potential to infect members of our military.

The committee recommends an increase of $4.0 million in PE 62787A for eliminating arthropod-borne infectious disease

Energy and sustainability research

The budget request included $2.9 million in PE 63734A for military engineering and advanced technology, but included no funding for energy and sustainability research.

The committee supports initiatives designed to improve infrastructure life cycle operations and cost effectiveness, as well as enhancing the overall quality of life on military installations. The committee further supports those efforts aimed at achieving efficiencies in energy-consumption while concurrently experiencing reductions in overall pollution levels and waste-streams. The committee understands that innovative technologies can be brought to bear on these issues in a collaborative environment involving both academia and government resources. The committee notes that en-

ergy and sustainability audits of Department of Defense facilities have produced numerous operational efficiencies. The committee encourages further development in this initiative.

The committee recommends $5.9 million in PE 63734A, an increase of $3.0 million, for energy and sustainability research.

Enhanced area air defense system short range air defense integrated kinetic energy system

The budget request contained $31.9 million in PE 62303A for missile technology, but included no funds for the Army enhanced area air defense system (EAADS) short range air defense integrated kinetic energy (E-STRIKE) system.

The committee is aware that the Army's SWORD program, a component of E-STRIKE, is scheduled to complete science and technology efforts at the end of fiscal year 2002, and will be without funding until the E-STRIKE program begins in fiscal year 2004.

The committee recommends an increase of $3.0 million in PE 62303A for SWORD.

Explosively formed penetrators

The budget request included $3.0 million in PE 62624A for research on smaller, more lethal Explosively Formed Penetrators (EFPs).

The committee strongly endorses the Army's Future Combat System (FCS) and supports initiatives aimed at fielding a lighter, faster, more survivable, and more lethal combat force. The committee recognizes that warhead requirements and technologies must consequently adapt to FCS characteristics and is concerned that the present level of EFP investment may prove insufficient to meet both existing and future requirements. The committee further recognizes that the eventual FCS combat vehicles may involve a variety of smaller caliber guns and rocket launchers requiring smaller and more lethal warheads to defeat, among other things, active protection systems. Indeed, a next-generation warhead technology could benefit mortars, artillery, rockets, missiles, and hand-emplaced munitions. The committee encourages the Army to place greater emphasis on such an effort.

The committee recommends an increase of $3.0 million in PE 62624A for smaller, more lethal, next-generation Explosively Formed Penetrators.

Eye-safe laser

The budget request contained $22.3 million in PE 62709A for night vision technology, but included no funds for eye-safe lasers.

The committee is aware that eye-safe laser technology is applicable to detection and identification of diverse objects, such as wires, vehicles, and chemical/biological clouds.

The committee recommends $25.3 million in PE 62709, an increase of $3.0 million for combustion driven eye-safe laser technology.

Family of systems simulator

The budget request contained $7.4 million in PE 63308A for Army missile defense systems integration, but included no funds for the family of systems simulator (FoSSim).

The committee is aware that FoSSim integration capability can be used to evaluate and improve new operational concepts, and analyze interfaces for missile defense capabilities.

The committee recommends an increase of $6.0 million in PE 63308A for FoSSim.

Fuel catalyst research and evaluation

The budget request contained $229.8 million in PE 63005A for combat vehicle and automotive advanced technology, but included no funds for fuel catalyst research and evaluation.

The committee is aware that a fuel catalyst technology has been developed that causes hydrocarbon fuels to combust more completely, leading to reduced emissions and better fuel economy. The committee notes that a demonstration of this catalyst technology could validate its potential for significant operational savings for military vehicles.

The committee recommends an increase of $2.0 million in PE 63005A for fuels catalyst research and evaluation.

Global combat support system

The budget request contained $71.9 million in PE 33141A for global combat support system-Army (GCSS–A).

The committee is aware that the Army initiated an information systems program in 1997 that was intended to transform the Army's information technology support systems. The committee notes that the Army is still attempting to implement the first, and generally accepted easiest of five modules intended to replace 16 legacy systems. The committee additionally notes that the Army is changing its acquisition strategy for subsequent modules, and questions the requirement for research and development until the revised strategy is clear.

The committee recommends $51.9 million in PE 33140A, a decrease of $20.0 million for GCSS–A

Helmet mounted thermal imaging system

The budget request contained $36.5 million in PE 63710A for night vision advanced technology, but included no funds for the helmet-mounted thermal imaging system.

The committee is aware that thermal imaging offers potential for improved detection of personnel involved in casualties where emergency crews, be they military or civilian, must work in environments where visibility is obscured.

The committee recommends an increase of $2.8 million in PE 63710A for the helmet mounted thermal imaging system.

Hemoglobin based oxygen carrier

The budget request contained $67.5 million in PE 62787A for medical technology, but included no funds for the hemoglobin-based oxygen carrier.

The committee is aware of a 2001 Department of Defense (DOD) Inspector General audit of the DOD Blood Program that highlights programmatic shortfalls in the Department's ability to meet its stated requirements. The committee is aware of a promising hemoglobin-based oxygen carrier technology that would minimize, and in some cases eliminate, the storage and transportation problems

identified in the report. A hemoglobin-based oxygen carrier has extended life and innovative health benefits due to its ability to deliver oxygen directly to human tissue. The committee supports this innovation and urges the Department of the Army to move expeditiously in a manner that will soon field this capability.

The committee recommends an increase of $7.0 million in PE 62787A specifically for the hemoglobin-based oxygen carrier.

Human factors engineering technology

The budget request included $17.4 million in PE 62716A for Human Factors Engineering Technology, but included no funding for the Army's manpower and personnel integration (MANPRINT) modeling technologies.

The committee supports efforts to maximize soldier performance and to match soldier effectiveness with the technological advances imbedded in the Army's Objective Force concept. The committee endorses efforts of the Army Research Laboratory to conduct field studies and collect performance data on the capabilities and limitations of soldiers, particularly in the area of soldier-equipment interaction. Further, the committee recognizes and fully encourages the cross-service integration of tools and methodologies in an effort to minimize total ownership costs of future weapons systems through improvements in design, operations, and maintenance.

The committee recommends $20.4 million in PE 62716A, an increase of $3.0 million, for development of MANPRINT modeling and related technologies.

Hyperspectral long-wave imager for the tactical environment

The budget request included $4.9 million in PE 305206A for Airborne Reconnaissance Operational Systems Development.

The committee remains supportive of long-wave infrared (LWIR) hyperspectral imagery technology as a means for providing a unique, next-generation, all-terrain, day/night detection capability for camouflaged or concealed targets. The committee notes that the Army's planned efforts in this program include the development of greater integration of a variety of imaging techniques. The committee supports these initiatives yet remains particularly concerned with the need to integrate the stabilization of the LWIR sensor for ensuring enhanced target detection algorithms in pursuit of a full system capability.

The committee recommends an increase of $5.2 million in PE 35206A for hyperspectral long-wave imager.

Intelligence command global information portal

The budget request contained $5.4 million in PE 33028A for Security and Intelligence Activities, but included no funding for the Army intelligence and security command (INSCOM) global information portal.

The committee notes that INSCOM is developing the global information portal to provide intelligence analysts with timely information and to provide software applications that improve analysis. The committee is aware that INSCOM is using commercial-off-the-shelf software to continue to develop the global information portal.

The committee recommends $10.4 million in PE 33028A, an increase of $5.0 million for the INSCOM global information portal.

Javelin

The budget request contained $489 thousand in PE 64611A for Javelin missile upgrades; however, no funds were included for upgrades to defeat advanced active protection systems (APS).

The Javelin missile system is a fire-and-forget antitank weapon designed to defeat the most current armored systems fielded today. However, the committee understands some armored vehicles use APS to detect incoming missiles and defeat them by interfering with the missile guidance system.

The committee is aware of an ongoing technology insertion program to overcome this problem that uses current off-the-shelf technologies to develop counter APS (CAPS) for Tube-launched, Optically-tracked, Wire-guided and Hellfire missiles to defeat existing generation I and II APS. The committee notes that the Army Chief of Staff has identified a $13.1 million unfunded requirement in fiscal year 2003 for future generation III CAPS development, integration and testing for the Javelin.

Based on increased threats and the need to develop CAPS for generation III APS threats to the Army's antitank missiles, the committee recommends $13.6 million, an increase of $13.1 million, in PE 64611A for this purpose and strongly urges the Army to include funds in its fiscal year 2004 budget to accelerate this program.

Landmine warfare/barrier engineering development

The budget request contained $129.0 million in PE 64808A for landmine warfare/barrier engineering development, of which $28.3 million was for non-self-destruct anti-personnel landmine alternatives (NSD–A).

The committee understands that the Army has used a portion of the $37.2 million of fiscal year 2001 NSD–A funds as a reprogramming source and that $13.0 million of the funds remain withheld by the Department of Defense Comptroller. Since a portion of fiscal year 2001 funds have not been obligated for their intended purpose, additional funds remain on withhold, and the program is delayed, the committee believes that the remainder of these funds can be used to meet fiscal years 2002 and 2003 requirements until the Department of Defense determines its course of action on this initiative.

The committee recommends $101.7 million in PE 64808A for fiscal year 2003, a decrease of $27.3 million.

Lightweight x-band radar

The budget request included $29.1 million in PE 12419A for Joint Land Attack Cruise Missiles Defense, but included no funding for lightweight x-band radar technology.

The committee is aware of efforts to improve the discrimination capability of the Joint Land Attack Cruise Missile Defense Elevated Netted Sensor System (JLENS) to better address the increased cruise missile threat. The committee understands the challenge of maintaining an advanced, cost-effective, long endurance, precision-tracking defensive system. According to justification documents provided to the committee, JLENS has a requirement to develop, test, and provide a contingency-deployable Fire Control radar demonstration prototype to address this challenge. The com-

mittee understands that a lightweight electronically-steerable X-band antenna may be ideal. Therefore, the committee urges the Army to pursue further development of such technology.

The committee recommends $31.1 million in PE 12419A, an increase of $2.0 million, for lightweight x-band radar technology.

M795 extended range, high explosive baseburner projectile

The budget request contained $38.1 million in PE 62624A for weapons and munitions technology, but included no funds for the M795 extended range, high explosive baseburner projectile.

The committee notes that modern warfare requires greater artillery range and is aware that the M795 extended range baseburner projectile offers the potential to enhance conventional field artillery capabilities.

The committee recommends an increase of $6.0 in PE 62624A million for the M795 extended range, high explosive baseburner projectile.

Metabolically engineered tissues for trauma

The budget request contained $67.5 million in PE 62787A for medical technology, but included no funds for metabolically engineered tissues for trauma care.

The committee notes that technologies are being developed to permit long-term storage of cells and tissues in an ordinary environment that would allow better treatment of battlefield casualties.

The committee recommends an increase of $2.0 million in PE 62787A for metabolically engineered tissues for trauma.

Metallic particles in defense applications obscurant smokes

The budget request contained $3.7 million in PE 62622A for chemical, smoke and equipment defeating technology, but included no funds for metallic particles in defense applications obscurant smokes.

The committee notes that metallic particles in defense applications obscurant smokes may have potential benefits for the warfighter.

The committee recommends an increase of $3.0 million in PE 62622A for metallic particles in defense applications obscurant smokes.

Metrology

The budget request contained $50.3 million in PE 63001A for warfighter advanced technology development, $37.8 million in PE 64215N for Navy standards development, and $1.3 million in PE 72207F for precision maintenance and calibration.

The Department of Defense's metrology research and development program develops new measurement standards and capabilities to support the development, test, evaluation, and maintenance of emerging military systems. The committee understands that shortfalls in the metrology budget of all the military departments have led to the erosion of critical calibration standards development and measurement services to the detriment of the development and support of new weapons systems.

The committee recommends an increase of $1.5 million in PE 63001A for the Army's metrology research and development pro-

gram, an increase of $5.2 million in PE 64215N for the Navy program, and an increase of $1.5 million in PE 72207F for the Air Force metrology research and development program.

Micro electro-mechanical systems inertial measurement unit/global positioning system

The budget request contained $31.9 million in PE 62303A for missile technology, and included $10.0 million for micro electro-mechanical systems (MEMS) inertial measurement units (IMU).

The committee is aware that MEMS integrated inertial measurement unit-global positioning systems (IMU–GPS) offer the potential to provide affordable precision navigation capability for a family of platforms and weapons. The committee notes that the Army has been designated as the lead service for this program.

The committee recommends an increase of $10.0 million in PE 62303A for MEMS IMU–GPS.

Mini-backpack unmanned aerial vehicle

The budget request contained $46.5 million in PE 35204A for night vision advanced technology, and included $9.6 million for night vision airborne systems.

The committee is aware that an advanced mini-backpack unmanned air vehicle (UAV) with day/night sensor capability has been developed and is ready for testing. The committee notes that this UAV has potential applications both with existing forces and as part of the future combat system.

The committee recommends an increase of $5.0 million in PE 35204A for mini-backpack UAV.

Mobile tactical high energy laser

The budget request contained $7.4 million in PE 63308A, including $3.5 million for the Mobile Tactical High Energy Laser (MTHEL), a mobile version of an existing high energy chemical laser system jointly developed by the United States and Israel to demonstrate the feasibility of defeating short range rockets using directed energy.

The committee is aware of promising results with the current THEL, but believes that much work remains to be accomplished before the technology develops to a lethal and militarily useful capability.

The committee recommends an increase of $25 million in PE 3308A for MTHEL.

Night vision fusion

The budget request contained $36.5 million in PE 63710A for night vision technology, but included no funds for night vision fusion.

The committee is aware that the ability to see significantly better at night and under conditions of obscured visibility than an adversary is critical to the success of the military. The committee notes that digital pixel-level fusion has demonstrated the potential to greatly enhance night vision.

The committee recommends an increase of $9.0 million in PE 63710A for night vision fusion.

Non-traditional intelligence analysis toolset

The budget request contained $42.3 million in PE 64321A for support of the All Source Analysis System (ASAS), but included no funds for the continued development of the non-traditional intelligence analysis toolset (NTIAT).

The committee strongly supports the Army's objective force concept, yet remains concerned with the Department's lack of commitment to develop an open-architecture, information-exchange capability as part of the more mobile, ASAS-Light alternative. The committee strongly supports the ASAS-Light modernization initiative as a means for maintaining situational awareness, battle-management interoperability, and targeting advantages at all echelons of command and in all deployment environments. The committee supports further investment in this multi-source fusion and processing effort.

The committee recommends an increase of $4.0 million in PE 64321A to continue NTIAT development.

Nuclear biological, and chemical agent removal

The budget request contained $11.4 million in PE 63804A for logistics and engineering equipment, and included $7.9 million to develop and demonstrate prototype petroleum and water distribution technologies.

The committee strongly supports Army efforts to protect against potential contamination of water supply systems and recognizes the shortcomings of current analytical methods. The committee is particularly supportive of proposals designed to improve the real-time detection and removal of nuclear, biological, and chemical (NBC) contamination and is aware of promising analytical approaches in this field.

The committee recommends $16.4 million in PE 63804A, an increase of $5.0 million, specifically for evaluating technologies and analyzing concepts for applicability to NBC contamination detection and removal.

P3 micro-power devices for missile defense applications

The budget request included $7.4 million in PE 63308A for Army missile defense systems integration, but included no funding for the P3 micro-power device.

The committee endorses the development work at the Army Space and Missile Defense Command aimed at producing a micro-power device suitable for applications in autonomous and remote conditions. The committee notes the infinite number of applications for such a technology, particularly in intelligence, battle management, and missile defense systems. The committee understands the need for such technological weight and volume efficiencies and supports additional development.

The committee recommends an increase of $3.0 million in PE 63308A for further development of the P3 micro-power device.

Rotary multi-fuel auxiliary power unit

The budget request contained $229.8 million in PE 63005A for combat vehicle and automotive advanced technology, and included $39.2 million for combat vehicle mobility.

The committee is aware that rotary multi-fuel auxiliary power unit (APU) technology may offer a reduced cost alternative to existing turbine APUs. The committee notes that rotary multi-fuel technology may also offer weight advantages suitable for a broad range of applications.

The committee recommends an increase of $5.0 million in PE 63005A for the rotary multi-fuel auxiliary power unit.

Stable hemostat

The budget request contained $16.6 million in PE 63002A for medical technology, but included no funds for the stable hemostat.

The committee is informed that 50 percent of combat deaths are due to uncontrollable blood loss. The committee is aware that a hemostat has been developed that promotes blood clotting and has the potential to reduce the death rate on the battlefield.

The committee recommends an increase of $3.5 million in PE 63002A for stable hemostat.

Textile electronic garments for combat casualty care

The budget request contained $16.6 million in PE 63002A, including $4.4 million for combat injury management, but included no funding for rugged textile electronic garments for combat casualty care.

The committee is aware of advances in sensor technology, textile electronics, information management and medical science that have opened up the potential for remote diagnosis, monitoring, and treatment of a range of medical conditions. The committee notes positive results from combat casualty care and electronic textiles research strongly suggesting that major improvements can be made in wounded soldier survival. To benefit from these advances, the committee urges the Secretary of the Army to institute a program to develop, implement, and assess rugged textile electronic garments for combat casualty care. The committee expects the proposed effort to develop, implement and assess advanced textile electronic garments in an integrated system.

Accordingly, the committee recommends an increase of $2.0 million in PE 63002A to develop rugged textile garments for combat casualty care.

Thermionic technology

The budget request contained $7.4 million in PE 63308A for Army missile defense systems integration, but included no funding for thermionics technology.

The committee notes that progress is being made in advanced thermionics technology to make it a more viable power option for space applications.

The committee recommends an increase of $5.0 million in PE 63308A for thermionics technology.

Unmanned aerial vehicle/unmanned ground vehicle demonstration program

The budget request contained $4.8 million in PE 63006A for command, control, communications advanced technology, but included no funds for an unmanned aerial vehicle /unmanned ground vehicle (UAV/UGV) demonstration program.

The committee notes that integrated operations of unmanned aerial and ground vehicles may provide means to reduce personnel vulnerability especially while fighting in a complex urban environment.

The committee recommends $7.2 million in PE 63006A, an increase of $2.4 million for the UAV/UGV demonstration program.

Volumetrically controlled manufacturing

The budget request contained $87.9 million in PE 63313A for missile and rocket advanced technology, but included no funding for volumetrically controlled manufacturing (VCM).

The committee is aware that the Army Medical Research and Material Command successfully conducted a research program for biomaterial application using an innovative process, VCM. The committee notes that VCM is a precision synthetic manufacturing process that precisely calculates the 3D material matrix coefficients, in discrete volumes, and then replicates the properties within a manufacturing process. The material matrix has the capability to vary, based on loading tolerances, and is scalable to macro, micro and the nano level, and could lead to new and higher performance materials for aerospace applications.

The committee recommends an increase of $11.5 million in PE 63313A for volumetrically controlled manufacturing.

Weapons and munitions engineering development

The budget request contained $41.8 million in PE 64802A for weapons and munitions engineering development, but no funds were included to complete development of the shoulder-launched multipurpose assault weapon-disposable (confined space) (SMAW–D(CS)) or the common remotely operated weapon system (CROWS).

Shoulder-launched multipurpose assault weapon-disposable (confined space)

The SMAW–D(CS) will enable soldiers to fire this single-shot, disposable launcher weapon against earthen, timber bunkers and light armored vehicles and breech masonry walls from and an enclosed space, which is not possible with the current SMAW–D. This requirement is necessary due to the termination of the multipurpose individualized munition, which provided soldiers with a confined space launch capability. Due to the increased urban terrain engagements that soldiers are training for and operating in and the need for this confined space, launch and breeching requirement, the committee recommends an increase of $6.0 million in PE 64802A to complete development of the SMAW–D(CS).

Common remotely operated weapon system

The CROWS provides armored and light armored vehicles with remotely operated machine guns, allowing crewmembers to fire from and remain within the protection of their vehicles. The committee recommends an increase of $3.4 million in PE 64802A to continue development of the CROWS.

Wire detection and obstacle avoidance system for helicopters

The budget request contained $36.5 million in PE 63710A for night vision advanced technology, but included no funds for a wire detection and obstacle avoidance system for helicopters.

The committee is aware that helicopter combat operations are increasingly conducted at low level and at night. The committee notes that wire and other obstacle detection and avoidance is more difficult under those conditions.

The committee recommends an increase of $4.0 million in PE 63710A for a wire detection and obstacle avoidance system for helicopters.

NAVY RDT&E

Overview

The budget request contained $12,501.6 million for Navy RDT&E. The committee recommends authorization of $13,274.5 million, an increase of $772.9 million.

The committee recommendations for the fiscal year 2003 Navy RDT&E program are identified in the table below. Major changes to the Navy request are discussed following the table.

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, NAVY			0
0601152N	1	**BASIC RESEARCH**	16,352		16,352
0601153N	2	DEFENSE RESEARCH SCIENCES	393,557	2,100	395,657
		Marine mammal research program			(+2,100)
		TOTAL, BASIC RESEARCH	**409,909**	**2,100**	**412,009**
		RESEARCH AND DEVELOPMENT	409,909	2,100	412,009
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		APPLIED RESEARCH			
0602111N	3	AIR AND SURFACE LAUNCHED WEAPONS TECHNOLOGY	0		0
0602114N	4	POWER PROJECTION APPLIED RESEARCH	76,612	28,700	105,312
		DERF - Nuclear Posture Review			(+7,300)
		Integrated high payoff rocket propulsion technology			(+5,000)
		Hybrid fiber optic/wireless communications			(+2,000)
		Portable digital precision location system			(+4,400)
		Interrogator for high-speed retro reflectometer communications			(+5,000)
		Low cost swarm unmanned aerial vehicle program			(+5,000)
0602121N	5	SHIP, SUBMARINE & LOGISTICS TECHNOLOGY	0		0
0602122N	6	AIRCRAFT TECHNOLOGY	0		0
0602123N	7	FORCE PROTECTION APPLIED RESEARCH	89,390	7,000	96,390
		Advanced smart propulsor product model			(+4,000)
		Laser welding and cutting			(+3,000)
0602131M	8	MARINE CORPS LANDING FORCE TECHNOLOGY	30,274		30,274
0602232N	9	COMMUNICATIONS, COMMAND AND CONTROL, INTELLIGENCE, SURVEILLA	0		0
0602233N	10	HUMAN SYSTEMS TECHNOLOGY	0		0
0602234N	11	MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY	0		0
0602235N	12	COMMON PICTURE APPLIED RESEARCH	75,594		75,594
0602236N	13	WARFIGHTER SUSTAINMENT APPLIED RESEARCH	68,852	14,500	83,352
		Fibrous monolithic materials insertion			(+7,000)
		Human factors and improved performance integration tool			(+2,000)
		Commercial-off-the-shelf carbon fiber qualification program for aircraft and missiles			(+3,000)
		Formable aligned carbon thermosets			(+2,500)
0602270N	14	ELECTRONIC WARFARE TECHNOLOGY	0		0
0602271N	15	RF SYSTEMS APPLIED RESEARCH	56,263	19,000	75,263
		Vacuum electronics			(+8,000)
		High brightness electron source program			(+3,000)
		Wide bandgap semiconductor materials			(+8,000)
0602314N	16	UNDERSEA WARFARE SURVEILLANCE TECHNOLOGY	0		0
0602315N	17	MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE	0		0
0602435N	18	OCEAN WARFIGHTING ENVIRONMENT APPLIED RESEARCH	55,180	5,000	60,180

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		Navy support of research in oceanography			(+5,000)
0602633N	19	UNDERSEA WARFARE WEAPONRY TECHNOLOGY	0		0
0602747N	20	UNDERSEA WARFARE APPLIED RESEARCH	71,294		71,294
0602782N	21	MINE AND EXPEDITIONARY WARFARE APPLIED RESEARCH	56,813		56,813
0602805N	22	DUAL USE SCIENCE AND TECHNOLOGY PROGRAM	0		0
		TOTAL, APPLIED RESEARCH	**580,272**	**74,200**	**654,472**
		RESEARCH AND DEVELOPMENT	580,272	74,200	654,472
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		ADVANCED TECHNOLOGY DEVELOPMENT			
0603114N	23	POWER PROJECTION ADVANCED TECHNOLOGY	78,247	36,400	114,647
		Affordable weapon			(+15,400)
		DP-2 thrust vectoring system			(+7,000)
		Advanced camouflage coating demonstration			(+5,000)
		Real-time precision tracking radar			(+9,000)
0603123N	24	FORCE PROTECTION ADVANCED TECHNOLOGY	57,604	91,700	149,304
		DERF - Warfighter Protection Adv Tech			(+36,000)
		Littoral support craft - experimental			(+13,700)
		Superconducting DC homopolar motor			(+5,000)
		Advanced ducted electric propulsion pod			(+10,000)
		Electric propulsion/ship power system distributed test bed			(+5,000)
		Ship service fuel cell			(+4,000)
		SEALS Mark 5 patrol craft modification			(+6,000)
		High temperature superconducting AC synchronous Navy propulsion motor and generator			(+7,000)
		Knowledge projection for fleet maintenance			(+3,000)
		Small combatant craft			(+2,000)
0603217N	25	AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY	0		0
0603235N	26	COMMON PICTURE ADVANCED TECHNOLOGY	37,753	10,000	47,753
		DERF			(+7,000)
		Integrated maritime picture system of systems			(+3,000)
0603236N	27	WARFIGHTER SUSTAINMENT ADVANCED TECHNOLOGY	82,542	6,500	89,042
		Electronic interconnection research and development program			(+3,000)
		Shipboard integrated data environment			(+3,500)
0603238N	28	PRECISION STRIKE AND AIR DEFENSE TECHNOLOGY	0		0
0603270N	29	ADVANCED ELECTRONIC WARFARE TECHNOLOGY	0		0
0603271N	30	RF SYSTEMS ADVANCED TECHNOLOGY	65,098	8,200	73,298
		Advanced stealth ship radar			(+5,800)
		Multi-purpose sensor			(+2,400)
0603508N	31	SURFACE SHIP & SUBMARINE HM&E ADVANCED TECHNOLOGY	0		0
0603640M	32	MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)	51,606	23,500	75,106

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		Advanced light strike vehicle			(+6,000)
		Mobile fire support system			(+5,000)
		Joint mission high-speed vessel			(+9,000)
		Water purification-expeditionary warfare			(+2,000)
		Rapid deployment fortification wall			(+1,500)
0603706N	33	MEDICAL DEVELOPMENT	0		0
0603707N	34	MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV	0		0
0603712N	35	ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY	0		0
0603727N	36	NAVY TECHNICAL INFORMATION PRESENTATION SYSTEM	97,872		97,872
0603729N	37	WARFIGHTER PROTECTION ADVANCED TECHNOLOGY	19,040	16,100	35,140
		Portable sterile water production device			(+2,600)
		Organ transfer technology			(+5,000)
		Biomedical research imaging			(+5,000)
		Modeling and simulation of surgical procedures for battlefield trauma			(+3,500)
0603747N	38	UNDERSEA WARFARE ADVANCED TECHNOLOGY	40,125		40,125
0603758N	39	NAVY WARFIGHTING EXPERIMENTS AND DEMONSTRATIONS	43,460		43,460
0603782N	40	MINE AND EXPEDITIONARY WARFARE ADVANCED TECHNOLOGY	43,725	3,000	46,725
		Ocean modeling for mine and expeditionary warfare			(+3,000)
0603792N	41	ADVANCED TECHNOLOGY TRANSITION	0		0
0603794N	42	C3 ADVANCED TECHNOLOGY	0		0
		TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	**617,072**	**195,400**	**812,472**
		RESEARCH AND DEVELOPMENT	617,072	195,400	812,472
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		DEMONSTRATION AND VALIDATION			
0603207N	43	AIR/OCEAN TACTICAL APPLICATIONS	32,549		32,549
0603216N	44	AVIATION SURVIVABILITY	7,486	14,500	21,986
		Aviation integrated life support system			(+6,500)
		Real time heart rate variability monitor			(+8,000)
0603237N	45	DEPLOYABLE JOINT COMMAND AND CONTROL	39,772	7,500	47,272
		DERF			(+7,500)
0603254N	46	ASW SYSTEMS DEVELOPMENT	13,207	5,000	18,207
		Nonlinear dynamics stochastic resonance			(+5,000)
0603261N	47	TACTICAL AIRBORNE RECONNAISSANCE	1,922		1,922
0603382N	48	ADVANCED COMBAT SYSTEMS TECHNOLOGY	3,350		3,350
0603502N	49	SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	155,016	15,000	170,016
		Surface navy integrated undersea tactical technology			(+10,000)
		Mine countermeasures mine sweep mid-life assessment and upgrade			(+5,000)
0603506N	50	SURFACE SHIP TORPEDO DEFENSE	3,244		3,244
0603512N	51	CARRIER SYSTEMS DEVELOPMENT	88,913		88,913

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0603513N	52	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	243,111	2,000	245,111
		Advanced variable speed drive systems			(+2,000)
0603525N	53	PILOT FISH	72,637		72,637
0603527N	54	RETRACT LARCH	28,482		28,482
0603542N	55	RADIOLOGICAL CONTROL	1,078		1,078
0603553N	56	SURFACE ASW	3,219		3,219
0603559N	57	SSGN CONVERSION	82,527		82,527
0603561N	58	ADVANCED SUBMARINE SYSTEM DEVELOPMENT	107,389	20,000	127,389
		Mark-48 advanced capability torpedo improvements			(+8,000)
		Advanced composite sail			(+5,000)
		Submarine payloads and sensors program			(+7,000)
0603562N	59	SUBMARINE TACTICAL WARFARE SYSTEMS	11,601		11,601
0603563N	60	SHIP CONCEPT ADVANCED DESIGN	5,820	5,000	10,820
		Autonomous maritime navigation			(+5,000)
0603564N	61	SHIP PRELIMINARY DESIGN & FEASIBILITY STUDIES	2,983		2,983
0603570N	62	ADVANCED NUCLEAR POWER SYSTEMS	216,091		216,091
0603573N	63	ADVANCED SURFACE MACHINERY SYSTEMS	2,931		2,931
0603576N	64	CHALK EAGLE	20,978		20,978
0603582N	65	COMBAT SYSTEM INTEGRATION	40,464	20,000	60,464
		Navy common command and decision system			(+20,000)
0603609N	66	CONVENTIONAL MUNITIONS	22,445		22,445
0603611M	67	MARINE CORPS ASSAULT VEHICLES	272,092		272,092
0603612M	68	MARINE CORPS MINE/COUNTERMEASURES SYSTEMS - ADV DEV	497		497
0603635M	69	MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	27,777		27,777
0603654N	70	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	12,877		12,877
0603658N	71	COOPERATIVE ENGAGEMENT	86,144		86,144
0603713N	72	OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	15,257		15,257
0603721N	73	ENVIRONMENTAL PROTECTION	44,206		44,206
0603724N	74	NAVY ENERGY PROGRAM	5,060		5,060
0603725N	75	FACILITIES IMPROVEMENT	2,124	2,500	4,624
		Photovoltaic energy park			(+2,500)
0603734N	76	CHALK CORAL	50,704	16,400	67,104
		DERF - Classified			(+5,000)
		DERF			(+11,400)
0603739N	77	NAVY LOGISTIC PRODUCTIVITY	13,023	11,000	24,023
		Rapid retargeting			(+5,000)
		Compatible processor upgrade			(+6,000)
0603746N	78	RETRACT MAPLE	212,506	64,000	276,506
		DERF			(+64,000)
0603748N	79	LINK PLUMERIA	82,909		82,909

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0603751N	80	RETRACT ELM	21,900		21,900
0603755N	81	SHIP SELF DEFENSE - DEM/VAL	5,930		5,930
0603764N	82	LINK EVERGREEN	55,971		55,971
0603787N	83	SPECIAL PROCESSES	39,756		39,756
0603790N	84	NATO RESEARCH AND DEVELOPMENT	11,581		11,581
0603795N	85	LAND ATTACK TECHNOLOGY	108,693	25,500	134,193
		Advanced land attack missile			(+11,000)
		Extended range guided munitions			(+14,500)
0603800N	86	JOINT STRIKE FIGHTER (JSF) - DEM/VAL	0		0
0603851M	87	NONLETHAL WEAPONS - DEM/VAL	24,082		24,082
0603857N	88	ALL SERVICE COMBAT IDENTIFICATION EVALUATION TEAM (ASCIET)	14,414		14,414
0603860N	89	JOINT PRECISION APPROACH AND LANDING SYSTEMS - DEM/VAL	11,932		11,932
0603879N	90	SINGLE INTEGRATED AIR PICTURE (SIAP) SYSTEM ENGINEER (SE)	73,966		73,966
0603889N	91	COUNTERDRUG RDT&E PROJECTS	0		0
0604707N	92	SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINEERING SUPPORT	31,623		31,623
		TOTAL, DEMONSTRATION AND VALIDATION	**2,432,239**	**208,400**	**2,640,639**
		RESEARCH AND DEVELOPMENT	2,432,239	208,400	2,640,639
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		ENGINEERING AND MANUFACTURING DEVELOPMENT			
0603662N	93	FOREIGN COUNTER-INTELLEGENCE (FCI) - RDT&E			0
0603787N	94	SPECIAL PROCESSES			0
0603831N	95	CLASSIFIED PROGRAMS			0
0604212N	96	OTHER HELO DEVELOPMENT	31,123	7,500	38,623
		DERF - VH-3D/VH-60D Comm Upgrade			(+1,500)
		Laser aim scoring system			(+4,000)
		Advanced cable design for mine/submarine warfare			(+2,000)
0604214N	97	AV-8B AIRCRAFT - ENG DEV	18,565		18,565
0604215N	98	STANDARDS DEVELOPMENT	37,757	5,200	42,957
		Metrology			(+5,200)
0604216N	99	MULTI-MISSION HELICOPTER UPGRADE DEVELOPMENT	88,969		88,969
0604217N	100	S-3 WEAPON SYSTEM IMPROVEMENT	422		422
0604218N	101	AIR/OCEAN EQUIPMENT ENGINEERING	5,725		5,725
0604221N	102	P-3 MODERNIZATION PROGRAM	2,348		2,348
0604231N	103	TACTICAL COMMAND SYSTEM	81,475		81,475
0604234N	104	E-2C RADAR MODERNIZATION	113,681		113,681
0604245N	105	H-1 UPGRADES	241,384		241,384
0604261N	106	ACOUSTIC SEARCH SENSORS	13,929	20,000	33,929
		Advanced extended echo-ranging sonobuoy development			(+20,000)
0604262N	107	V-22A	420,109		420,109

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0604264N	108	AIR CREW SYSTEMS DEVELOPMENT	6,695		6,695
0604270N	109	EW DEVELOPMENT	74,742	13,000	87,742
		Airborne electronic attack follow-on			(+10,000)
		Location of global positioning system interferers			(+3,000)
0604280N	110	JOINT TACTICAL RADIO SYSTEM - NAVY (JTRS-NAVY)	20,373		20,373
0604300N	111	SC-21 TOTAL SHIP SYSTEM ENGINEERING	717,397		717,397
0604307N	112	SURFACE COMBATANT COMBAT SYSTEM ENGINEERING	300,748	10,000	310,748
		AEGIS baseline 7 phase II open architecture			(+10,000)
0604311N	113	LPD-17 CLASS SYSTEMS INTEGRATION	10,133		10,133
0604312N	114	TRI-SERVICE STANDOFF ATTACK MISSILE	14,943		14,943
0604329N	115	SMALL DIAMETER BOMB (SDB)	1,989		1,989
0604366N	116	STANDARD MISSILE IMPROVEMENTS	16,288		16,288
0604373N	117	AIRBORNE MCM	67,240		67,240
0604503N	118	SSN-688 AND TRIDENT MODERNIZATION	98,516	41,000	139,516
		Affordable towed array construction			(+16,000)
		Acoustic rapid commercial-off-the-shelf technology insertion			(+25,000)
0604504N	119	AIR CONTROL	4,951		4,951
0604507N	120	ENHANCED MODULAR SIGNAL PROCESSOR	513		513
0604512N	121	SHIPBOARD AVIATION SYSTEMS	24,619	8,200	32,819
		Aviation-shipboard information technology initiative			(+8,200)
0604518N	122	COMBAT INFORMATION CENTER CONVERSION	0		0
0604524N	123	SUBMARINE COMBAT SYSTEM	0		0
0604558N	124	NEW DESIGN SSN	238,253		238,253
0604561N	125	SSN-21 DEVELOPMENTS	3,981		3,981
0604562N	126	SUBMARINE TACTICAL WARFARE SYSTEM	13,975	14,300	28,275
		Submarine tactical warfare system			(+14,300)
0604567N	127	SHIP CONTRACT DESIGN/LIVE FIRE T&E	184,545		184,545
0604574N	128	NAVY TACTICAL COMPUTER RESOURCES	2,185		2,185
0604601N	129	MINE DEVELOPMENT	1,491		1,491
0604603N	130	UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS	12,142		12,142
0604610N	131	LIGHTWEIGHT TORPEDO DEVELOPMENT	7,769		7,769
0604618N	132	JOINT DIRECT ATTACK MUNITION	48,861		48,861
0604654N	133	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	7,781		7,781
0604703N	134	PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS	1,331		1,331
0604710N	135	NAVY ENERGY PROGRAM	5,691		5,691
0604721N	136	BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM	14,070		14,070
0604727N	137	JOINT STANDOFF WEAPON SYSTEMS	16,652		16,652
0604755N	138	SHIP SELF DEFENSE (DETECT CONTROL)	61,966		61,966
0604756N	139	SHIP SELF DEFENSE (ENGAGE: HARD KILL)	19,528		19,528
0604757N	140	SHIP SELF DEFENSE (ENGAGE: SOFT KILL/EW)	28,064	1,600	29,664

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		Ship self defense electronic warfare systems			(-25,900)
		AN/SLQ-32 shipboard electronic warfare system			(+27,500)
0604771N	141	MEDICAL DEVELOPMENT	7,154	3,100	10,254
		Medical threat detection system			(+3,100)
0604777N	142	NAVIGATION/ID SYSTEM	46,618		46,618
0604784N	143	DISTRIBUTED SURVEILLANCE SYSTEM	35,861	16,000	51,861
		Advanced deployable system off-board sensor			(+4,000)
		Advanced deployable system burial capability			(+6,000)
		Remote powered all optical array			(+6,000)
0604800N	144	JOINT STRIKE FIGHTER (JSF) - EMD	1,727,500		1,727,500
0604910N	145	SMART CARD	711		711
0605013M	146	INFORMATION TECHNOLOGY DEVELOPMENT	8,079		8,079
0605013N	147	INFORMATION TECHNOLOGY DEVELOPMENT	43,213	5,000	48,213
		Naval collaboration tool set			(+5,000)
0605014N	148	DEFENSE INTEGRATED MILITARY HUMAN RESOURCES SYSTEM (DIMHRS) - RDT&E	51,297		51,297
0605015N	149	JOINT COUNTER-INTELLEGENCE ASSESSMENT GROUP (JCAG) - RDT&E	2,337		2,337
0605500N	150	MULTI-MISSION MARITIME AIRCRAFT (MMA)	74,531		74,531
0508713N	151	NAVY STANDARD INTEGRATED PERSONNEL SYSTEM (NSIPS)	12,798		12,798
		TOTAL, ENGINEERING AND MANUFACTURING DEVELOPMENT	**5,093,018**	**144,900**	**5,237,918**
		RESEARCH AND DEVELOPMENT	0	0	0
		ENGINEERING AND MANUFACTURING DEVELOPMENT	2,057,691	25,700	2,083,391
		RDT&E MANAGEMENT SUPPORT			
0604256N	152	THREAT SIMULATOR DEVELOPMENT	30,599		30,599
0604258N	153	TARGET SYSTEMS DEVELOPMENT	45,562		45,562
0604759N	154	MAJOR T&E INVESTMENT	42,453		42,453
0605152N	155	STUDIES AND ANALYSIS SUPPORT - NAVY	4,071		4,071
0605154N	156	CENTER FOR NAVAL ANALYSES	45,435		45,435
0605155N	157	FLEET TACTICAL DEVELOPMENT	2,771		2,771
0605502N	158	SMALL BUSINESS INNOVATIVE RESEARCH	0		0
0605804N	159	TECHNICAL INFORMATION SERVICES	929	6,000	6,929
		Supply chain best practices			(+6,000)
0605853N	160	MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	50,787		50,787
0605856N	161	STRATEGIC TECHNICAL SUPPORT	2,340		2,340
0605861N	162	RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT	59,447		59,447
0605862N	163	RDT&E INSTRUMENTATION MODERNIZATION	13,289		13,289
0605863N	164	RDT&E SHIP AND AIRCRAFT SUPPORT	71,519		71,519
0605864N	165	TEST AND EVALUATION SUPPORT	278,838		278,838
0605865N	166	OPERATIONAL TEST AND EVALUATION CAPABILITY	12,642		12,642
0605866N	167	NAVY SPACE AND ELECTRONIC WARFARE (SEW) SUPPORT	3,242		3,242

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0605867N	168	SEW SURVEILLANCE/RECONNAISSANCE SUPPORT	12,120		12,120
0605873M	169	MARINE CORPS PROGRAM WIDE SUPPORT	12,208	3,000	15,208
		Chemical agent warning network demonstration			(+3,000)
0305885N	170	TACTICAL CRYPTOLOGIC ACTIVITIES	0		0
0909998N	171	PROBLEM DISBURSEMENTS	0		0
0909999N	172	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	0		0
	XX	DERF - MEDICAL FORCE PROTECTION		925	925
		DERF - Security Equipment for Medical Labs			(+475)
		DERF - Site Improvement for Medical Labs			(+450)
		TOTAL, RDT&E MANAGEMENT SUPPORT	**688,252**	**9,925**	**698,177**
		RESEARCH AND DEVELOPMENT	688,252	9,925	698,177
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		OPERATIONAL SYSTEMS DEVELOPMENT			
0603660N	173	ADVANCED DEVELOPMENT PROJECTS			0
0603661N	174	RETRACT VIOLET			0
0604805N	175	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE	0		0
0101221N	176	STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	40,278	69,900	110,178
		DERF - Hardened Target Munitions			(+30,000)
		DERF - Reentry Vehicle Sustainment Tech			(+7,500)
		DERF - Reentry Vehicle Sustainment Tech			(+14,400)
		DERF - Reentry Vehicle Sustainment Tech			(+18,000)
0101224N	177	SSBN SECURITY TECHNOLOGY PROGRAM	34,567		34,567
0101226N	178	SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	1,091		1,091
0101402N	179	NAVY STRATEGIC COMMUNICATIONS	21,452		21,452
0204136N	180	F/A-18 SQUADRONS	204,466		204,466
0204152N	181	E-2 SQUADRONS	19,011		19,011
0204163N	182	FLEET TELECOMMUNICATIONS (TACTICAL)	12,576		12,576
0204229N	183	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	94,265		94,265
0204311N	184	INTEGRATED SURVEILLANCE SYSTEM	20,405		20,405
0204413N	185	AMPHIBIOUS TACTICAL SUPPORT UNITS	6,352		6,352
0204571N	186	CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	31,421	10,000	41,421
		Anti-submarine warfare synthetic training environment			(+10,000)
0204575N	187	ELECTRONIC WARFARE (EW) READINESS SUPPORT	6,731	29,000	35,731
		DERF - Retract Barley			(+20,000)
		DERF - Information Warfare System			(+9,000)
0205601N	188	HARM IMPROVEMENT	60,758	1,500	62,258
		Advanced composite radome materials			(+1,500)
0205604N	189	TACTICAL DATA LINKS	42,667		42,667
0205620N	190	SURFACE ASW COMBAT SYSTEM INTEGRATION	24,424		24,424

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0205632N	191	MK-48 ADCAP	22,052		22,052
0205633N	192	AVIATION IMPROVEMENTS	40,915		40,915
0205658N	193	NAVY SCIENCE ASSISTANCE PROGRAM	4,801		4,801
0205667N	194	F-14 UPGRADE	0		0
0205675N	195	OPERATIONAL NUCLEAR POWER SYSTEMS	56,804		56,804
0206313M	196	MARINE CORPS COMMUNICATIONS SYSTEMS	174,664	22,800	197,464
		DERF - TCAC			(+2,500)
		DERF - MANPACK SIDS			(+300)
		DERF - TPCS			(+3,400)
		DERF - I-SURSS			(+2,500)
		DERF - RREP			(+300)
		DERF - TENCAP			(+1,500)
		DERF - TEG			(+1,000)
		DERF - ISR			(+1,200)
		DERF - TACPHOTO			(+100)
		Stationary lighter than air platform			(+5,000)
		Hawk AN/TPS-59 radar service life extension program			(+5,000)
0206623M	197	MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	36,004	2,650	38,654
		Target location designated handoff system			(+1,900)
		Sniper rifle improvements			(+750)
0206624M	198	MARINE CORPS COMBAT SERVICES SUPPORT	21,041		21,041
0207161N	199	TACTICAL AIM MISSILES	1,957		1,957
0207163N	200	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	8,124		8,124
0301303N	201	MARITIME INTELLIGENCE			0
0301323N	202	COLLECTION MANAGEMENT			0
0301327N	203	TECHNICAL RECONNAISSANCE AND SURVEILLANCE			0
0303109N	204	SATELLITE COMMUNICATIONS (SPACE)	115,903		115,903
0303140N	205	INFORMATION SYSTEMS SECURITY PROGRAM	18,436		18,436
0304111N	206	SPECIAL ACTIVITIES			0
0305160N	207	NAVY METEOROLOGICAL AND OCEAN SENSORS-SPACE (METOC)	19,801		19,801
0305188N	208	JOINT C4ISR BATTLE CENTER (JBC)	21,970		21,970
0305192N	209	JOINT MILITARY INTELLIGENCE PROGRAMS	6,709		6,709
0305204N	210	TACTICAL UNMANNED AERIAL VEHICLES	206,359	(1,300)	205,059
		DERF - Develop USMC Shadow (Adv)			(+7,000)
		DERF - ISR (BAMS UAV)/Classified			(+28,300)
		Navy tactical unmanned aerial vehicle			(-43,600)
		Joint operational test bed			(+7,000)
0305206N	211	AIRBORNE RECONNAISSANCE SYSTEMS	5,469	6,000	11,469
		Electro-optical framing sensor			(+6,000)
0305207N	212	MANNED RECONNAISSANCE SYSTEMS	11,166		11,166

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0305208N	213	DISTRIBUTED COMMON GROUND SYSTEMS	4,482	3,000	7,482
		DERF			(+3,000)
0305927N	214	NAVAL SPACE SURVEILLANCE	9,548		9,548
0308601N	215	MODELING AND SIMULATION SUPPORT	7,783		7,783
0702207N	216	DEPOT MAINTENANCE (NON-IF)	7,119		7,119
0708011N	217	INDUSTRIAL PREPAREDNESS	70,631		70,631
0708730N	218	MARITIME TECHNOLOGY (MARITECH)	9,943		9,943
XXXXXX	999	Classified Programs	1,178,723		1,178,723
		TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	**2,680,868**	**143,550**	**2,824,418**
		RESEARCH AND DEVELOPMENT	2,680,868	143,550	2,824,418
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		Accrual Accounting for Civil Service Retirement and Health Programs		(5,565)	(5,565)
		TOTAL, RESEARCH, DEVELOPMENT, TEST & EVALUATION, NAVY	**12,501,630**	**772,910**	**13,274,540**
		RESEARCH AND DEVELOPMENT	**7,408,612**	**628,010**	**8,036,622**
		ENGINEERING AND MANUFACTURING DEVELOPMENT	**5,093,018**	**144,900**	**5,237,918**

Items of Special Interest

Acoustic rapid commercial-off-the-shelf technology insertion

The budget request contained $98.5 million in PE 64503N for submarine system equipment development, including $64.6 million for acoustic rapid commercial-off-the-shelf technology insertion (ARCI) of submarine sonars.

The ARCI program upgrades current submarine sonar systems with open architecture commercial-off-the-shelf computer technology allowing continued upgrades as technology develops. Full implementation is currently planned for fiscal year 2008, but conversion of all submarines can be accelerated with additional funds. The committee believes that this technology upgrade is essential for the submarine fleet, and recommends an increase of $25.0 million in PE 64503N to continue the research and development necessary for the insertion of multi-purpose processor technology into submarine and other naval sonar systems.

Advanced cable design for mine/submarine warfare

The budget request contained $31.1 million in PE 64212N for anti-submarine warfare and other helicopter development.

The committee recommends an increase of $2.0 million in PE 64212N for the development and evaluation of improvements in the cables used for towing mine and submarine warfare sensors and countermeasures.

Advanced camouflage coating demonstration

The budget request contained $78.2 million in PE 63114N for power projection advanced technology development, including $16.3 million for advanced development of autonomous operations technology.

The committee recommends an increase of $5.0 million in PE 63114N for development and flight demonstration of an integrated set of advanced camouflage coatings and treatments for unmanned aerial vehicles that will dramatically decrease the detection range of threat sensors.

Advanced composite radome materials

The budget request contained $60.8 million in PE 25601N for operational systems development of the high-speed, anti-radiation missile (HARM), including $48.7 million for continued development of the advanced anti-radiation guided missile (AARGM).

The committee notes the progress in the AARGM program, a Phase III Small Business Innovative Research (SBIR) follow-on program designed to demonstrate an advanced multi-mode seeker on an existing high-speed anti-radiation missile (HARM) airframe. Successful controlled, captive flight, and guided vehicle test flights in the AARGM advanced technology demonstration and success in phase I of the Quick Bolt advanced concept technology demonstration have resulted in the Navy's decision to transition AARGM technology into the system development and demonstration phase.

The committee notes that use of AARGM technology in the high-speed anti-radiation demonstration requires a new radome. The committee also notes that the speed of next-generation missiles for the suppression of improved enemy air defense and other time crit-

ical targets will require materials for radomes and conformal antennas that withstand higher temperatures and permit the use of higher frequency radars. The committee further notes the identification of several new material systems that have the potential for meeting both needs.

The committee recommends $62.3 million in PE 25601N, an increase of $1.5 million to develop and qualify new composite materials for next-generation high-speed missile system applications.

Advanced composite sail

The budget request contained $107.4 million in PE 63561N for advanced submarine system development.

The committee notes that the Navy's technology insertion plan for the Virginia class submarine includes installation of an advanced sail on the seventh Virginia class submarine. The advanced composite sail program is intended to provide substantial additional payload capacity and stealth improvements over conventional submarine sails. Phase II of the program addresses the incorporation of full-scale design features and the complete spectrum of full-scale load specifications that would be encountered by operational submarines, including damage assessment and repair.

The committee recommends an increase of $5.0 million in PE 63561N for development, demonstration, and validation of technologies and techniques for advanced monitoring of the operational condition of composite sails, repair procedures, and procedures for enabling future payloads to be inserted into a composite sail without major redesign of the sail structure.

Advanced deployable system burial capability

The budget request contained $35.9 million in PE 64784N to continue development of the advanced deployable system (ADS).

ADS is an undersea surveillance system that is designed to detect and track modern diesel electric and nuclear submarines, as well as provide the capability for tracking surface ships and detecting sea mine laying. ADS is composed of distributed sensors that can be rapidly and unobtrusively deployed in regional contingency areas for use against enemy submarines and in support of littoral warfare. The committee notes that in fiscal year 2002 Congress added $4.0 million to the ADS program to accelerate the development of improvements in the ADS cable burial capability to enhance ADS cable survivability and installation of cable trunk extensions. Congress also added $4.0 million to the program to reduce risk in the development of remotely powered all optical array technology for the ADS.

The committee recommends an increase of $16.0 million in PE 64784N for the ADS program, including $6.0 million to accelerate development of the ADS cable burial capability, $4.0 million for the development of ADS off board sensors, and $6.0 million to continue the program for development of remotely powered, all optical array technology for application in the ADS program.

Advanced ducted electric propulsion pod

The budget request contained $57.6 million in PE 63123N for force protection advanced technology development, including $14.9

million for surface ship and submarine hull, mechanical, and electrical advanced technology development.

The committee notes the Navy's development of an advanced podded propulsion module that will demonstrate an advanced, hydrodynamically efficient, externally mounted electric ship propulsion module that reduces fuel consumption; eliminates the need for large and costly reduction gears, propeller shafts and hull penetrations; and offers quieter operation and higher power in a smaller diameter package, compared to other propulsor options.

The committee recommends an increase of $10.0 million in PE 63123N to accelerate the development and demonstration of the advanced ducted electric propulsion pod.

Advanced extended echo-ranging sonobuoy development

The budget request contained $13.9 million in PE 64261N for development of acoustic search sensors, including $8.3 million for advanced extended echo ranging (AEER) development.

The committee notes the role of multi-static active acoustic sonar systems in the Navy's airborne anti-submarine warfare capability and on-going programs to improve the capabilities of extended echo ranging (EER) sensors for undersea warfare in the shallow waters of the littoral.

The committee recommends $33.9 million in PE 64261N for the development of acoustic search sensors, including $20.0 million to continue the program for development of the AEER sensor system.

Advanced land attack missile

The budget request contained $108.7 million in PE 63795N for land attack technology demonstration and validation. No funds were requested for the advanced land attack missile program.

The committee notes that Navy programs for development of the extended range guided munition (ERGM), land attack standard missile (LASM), and advanced land attack missile (ALAM) have focused on addressing the operational requirements for naval surface fire support for land forces operating in the littoral and the shortcomings in current naval surface fire support capabilities.

In the statement of managers accompanying the conference report on H.R. 4205 (H. Rept. 106–945), the conferees placed a high priority on completing the analysis of alternatives to determine the appropriate course of action for providing Naval fire support and directed the Secretary of the Navy to report to the congressional defense committees recommended revisions to the ALAM program with the submission of the fiscal year 2002 budget request.

In April 2002, the Comptroller of the Navy executed a below-threshold reprogramming which redirected funds authorized and appropriated for ALAM and effectively halted the ALAM program. The Navy completed an ALAM analysis of alternatives in May 2001, which determined that a boost glide missile system was the most cost effective system, supersonic cruise missiles showed merit, and additional detailed design studies were warranted. In November 2002, the Assistant Secretary of the Navy for Research Development, and Acquisition terminated the LASM program. Section 211 of the National Defense Authorization Act for 2002 (Public Law 107–107) required the Secretary of Defense to carry out an assessment of the requirements for naval surface fire support of ground

forces operating in the littoral environment, including the role of an advanced fire support missile system for navy combatant vessels and to submit a report of the result of that assessment to the congressional defense committees by March 31, 2002. The committee has not yet received the Secretary's report.

In the Navy's unfunded requirements list that was submitted to the committee following submission of the fiscal year 2003 budget request, the Chief of Naval Operations identified the program as a high priority unfunded requirement.

The committee has consistently supported the requirement for improvements in naval surface fire support to land forces operating in the littoral and believes that the Navy should proceed promptly to reestablish the program for development and demonstration of an advanced land attack missile.

The committee recommends an increase of $11.0 million in PE 63795N for the ALAM program.

Advanced light strike vehicle

The budget request contained $51.6 million in PE 63640M for Marine Corps advanced technology demonstration, but included no funds for the advanced light strike vehicle.

The committee is aware that an advanced light strike vehicle is needed to give Marines on ground mobility and lethality.

The committee recommends an increase of $6.0 million in PE 63640M for advanced light strike vehicle.

Advanced smart propulsor product model

The budget request contained $89.4 million in PE 62123N for force protection applied research, including $46.0 million in surface ship and submarine hull, mechanical, and electrical applied research.

The committee notes prior efforts by the Navy in the development of smart propulsor product models that use advanced computational analysis, modeling, and simulation in the design, performance modeling, and analysis of ship propulsors. Integration of advanced hydromechanical, hydroacoustic, and mechanical analysis tools in the product models would permit tighter coupling of performance modeling and simulation to analyze and make tradeoffs in the design and manufacture of propulsors that could improve performance, yet reduce manufacturing and life cycle costs.

The committee recommends an increase of $4.0 million in PE 62123N for the development of an advanced smart propulsor product model that would incorporate advanced hydromechanical, hydroacoustic, and mechanical analysis tools to permit tighter coupling of performance.

Advanced stealth ship radar

The budget request contained $65.1 million in PE 63271N for radio frequency systems advanced technology demonstration.

The committee notes that Sea Lion is a small combatant craft that has been used as a baseline platform to design, build and test advanced high-speed craft for U.S. Special Operations Forces. The committee also notes that for small combatant craft operating in the littoral the capabilities for covert detection and avoidance of

other forces are highly desirable for enhanced self and force protection.

The committee recommends an increase of $5.8 million in PE 63271N for demonstration and evaluation of low probability of intercept and low observable radars on small combatant craft such as the Sea Lion technology demonstration platform.

Advanced variable speed drive systems

The budget request contained $243.1 million in PE 63513N for shipboard system component development, but included no funds for the advanced variable speed drive (VSD) system.

The committee is aware that the development of the advanced VSD system will enable fleet-wide implementation of state of the art variable speed motor controls, without the size and weight restrictions of existing VSD.

The committee recommends $245.1 million in PE 63513N, an increase of $2.0 million for the advanced variable speed drive system.

AEGIS baseline 7 phase II open architecture

The budget request contained $300.7 million in PE 64307N for AEGIS combat systems engineering, of which $13.2 million was included for continued development of the AEGIS baseline 7 phase II open architecture effort on AEGIS combat systems.

The AEGIS baseline 7 phase II open architecture effort provides upgraded computer programs for sensor improvements and to reduce life cycle costs, as well as development of a solid state replacement for the SPY–1 radar, aimed at providing increased sensitivity and bandwidth required for long range ballistic missile defense.

The committee recommends $310.7 million in PE 64307N, an increase of $10.0 million, to accelerate AEGIS baseline 7 phase II open architecture efforts.

Affordable towed array construction

The budget request contained $98.5 million in PE 64503N for submarine system equipment development, including $5.2 million in the submarine sonar improvement program to continue development of affordable towed array technology initiatives.

The submarine sonar improvement program delivers block updates to sonar systems installed on SSN 688, 688I, 21 and TRIDENT class submarines to maintain clear acoustic, tactical and operational superiority over submarine and surface combatants in all scenarios through detection, classification, localization and contact following. The TB–29, TB–21A and TB–16 towed array sonar systems support these requirements. The committee notes that the Navy initiated the affordable towed array technology program to develop fiber optic technology for more cost effective, more reliable towed arrays.

The committee recommends an increase of $16.0 million in PE 64503N to accelerate the Navy's affordable towed array technology development program.

Affordable weapon

The budget request contained $78.2 million in PE 63114N for Power Projection Advanced Technology development.

The Office of Naval Research (ONR) Affordable Weapon program is an advanced technology demonstration to design, develop, and build a 600–mile range, 200 lbs-payload, precision strike missile with global positioning system/inertial navigation system guidance and control and a data link. The committee notes the significant progress made in the Affordable Weapon development and flight test program to date, including launch and flight test. The committee has been advised that key to ONR's success has been the effective use and modification for military applications of commercially available equipment. The success of the program indicates that the demonstration program should continue with the development and integration of the seeker, data link, special survivability measures, ground station, and improved performance propulsion.

The committee recommends an increase of $15.4 million in PE 63114N for continuation of the Affordable Weapon demonstration project.

Anti-submarine warfare, mine countermeasures, and ship self-defense initiative

The committee notes the Navy's capabilities for anti-submarine warfare, mine countermeasures, and ship self-defense are key enablers for the ability of the Navy to operate in the littoral regions of the world. For the last six years, the General Accounting Office (GAO) at the committee's request has conducted a series of assessments regarding the Navy's capabilities for mine countermeasures, antisubmarine warfare and ship self-defense, and completed a comprehensive update of the assessments in May 2001.

In responding to the GAO assessments, the Department of the Navy has acknowledged that it lacks or has degraded capabilities in a number of key warfighting areas needed for operations in littoral regions: breaching enemy sea mines in the surf zone, detecting and neutralizing enemy submarines in shallow water, and defending naval ships against cruise missiles. The committee notes that the Navy has had programs under way to improve its capabilities in each of these areas for several years. However, even though mine countermeasures, anti-submarine warfare, and ship self-defense are regarded as essential core naval capabilities, progress has been slow. During committee hearings on the fiscal year 2002 budget request, the Chief of Naval Operations cited the continuing existence of shortfalls in these essential core naval capabilities.

To address these shortfalls, the committee has recommended the following increases for the Navy's anti-submarine warfare, mine countermeasures, and ship self-defense programs. These recommendations are discussed further in the classified annex to this report:

	RDT&E	Procurement
Anti-submarine warfare	$126.1	$82.0
Mine countermeasures	18.0	0.0
Ship self-defense	61.4	24.7

The committee intends to review the Navy's response to these initiatives and actions taken to improve its capabilities for anti-submarine warfare, mine countermeasures, and ship self-defense in hearings on the fiscal year 2004 budget request.

Anti-submarine warfare synthetic training environment

The budget request contained $31.4 million in PE 24571N for consolidated training systems development.

The committee is aware that the anti-submarine warfare (ASW) capability of the fleet is directly tied to the proficiency and level of training of the ASW component of the naval battle force. The committee also understands that, like most combat operations, ASW is a perishable skill that requires frequent practice of complex tasks on both the individual and the team level.

The committee notes that the limitations of current ASW training facilities and systems inhibit the ability for integrated training and result in most integrated training being done at sea. The committee further notes that the Navy's ASW community has affirmed the need for a common, integrated ASW training environment that could link real and synthetic ASW forces in realistic operational training situations for training, mission planning, and mission rehearsal. The committee believes that such a capability can probably not be achieved by a simple integration of existing incompatible training systems and that an incremental migration to an integrated, interactive ASW training system will be required. The committee also believes that the first step toward realizing such a capability in the fleet should be the linking of air ASW simulators to the existing Battle Force Teams Trainers.

The committee recommends $41.4 million in PE 24571N, an increase of $10.0 million to initiate a program for integration of fixed and rotary wing air ASW and other simulators into the Battle Force Tactical Trainer to establish an ASW synthetic training environment.

Autonomous maritime navigation

The budget request contained $5.8 million in PE 63563N for advanced ship design, but included no funds for autonomous maritime navigation.

The committee notes that autonomous maritime navigation will allow unmanned surface vessels to operate alone, or in a coordinated group without the need for continuous control from a remote operator, even near shore or other vessels.

The committee recommends $10.8 million in PE 63563N, an increase of $5.0 million for the autonomous maritime navigation.

Aviation integrated life support system

The budget request contained $7.5 million in PE 63216N for aviation survivability, but included no funds for the aviation integrated life support system (AILSS).

The committee is aware that the AILSS effort, which commenced in 1996, is ready to transition into a tactical variant for the F–18.

The committee recommends an increase of $6.5 million in PE 63216N for aviation integrated life support system.

Aviation-shipboard information technology initiative

The budget request contained $24.6 million in PE 64512N for shipboard aviation systems development, but included no funds for development of the aviation-shipboard information technology initiative (AS/ITI), which would upgrade and integrate aircraft carrier

information systems to reduce cost and improve the effectiveness of carrier aircraft launch and recovery operations.

The committee notes that the Navy views the AS/ITI as a promising technology for both its next-generation aircraft carriers and those currently in service, which can enhance accuracy and minimize latency of information; distribute information where required; improve shipboard aircraft sortie rates and safety; and reduce carrier operating costs.

The committee recommends $32.8 million in PE 64512N, an increase of $8.2 million, for development of the AS/ITI.

Biomedical research imaging

The budget request contained $19.0 million in PE 63729N for warfighter protection advanced technology development.

The committee notes the progress being made in the use of advanced imaging technology in biomedical research. New imaging technology has allowed the observation of tumors as small as 1mm in diameter and has allowed scientist to observe critical biochemical changes associated with tumor, strokes, and other disease states. These findings have important implication for advances in real-time medical diagnosis and treatment.

The committee recommends an increase of $5.0 million in PE 63729N to continue research in the application of advanced imaging technology to biomedical research.

Chemical agent warning network demonstration

The budget request contained $12.2 million in PE 65873M for Marine Corps program-wide support, but included no funding for the chemical agent warning network demonstration.

The committee recommends $15.2 million in PE 65873M, an increase of $3.0 million to continue the development of the chemical agent warning network for use by the Marine Corps Chemical-Biological Incident Response Force.

Commercial off-the-shelf (COTS) carbon fiber qualification

The budget request included $68.9 million in PE 62236N for warfighter sustainment applied research, but included no funding for COTS carbon fiber qualification.

The committee is supportive of efforts to transition new materials and processes for use on present and future aircraft and missile systems. The committee notes that the Department of Defense is currently required to use high-priced single-source fiber to reinforce composite structure. The committee is encouraged with efforts to establish a second source for intermediate modules fiber to ensure more competitive practices and supports further efforts in this regard.

The committee recommends an increase of $3.0 million in PE 62236N to qualify COTS fibers for further applications to Navy weapons platforms.

Compatible processor upgrade

The budget request contained $13.0 million in PE 63739N for Navy logistics productivity demonstration and validation. No funds were provided for continuation of the compatible processor upgrade program (CPUP).

The committee notes that CPUP system-on-a-chip processor products are used to modernize existing computer systems while preserving legacy software and infrastructure, adapt commercial designs for high radiation environments, and optimize system designs. Congress provided funds in fiscal year 2001 to initiate a program for the development of application-specific CPUP processors to upgrade the capability of the Navy's AN/AYK–14, AN/AYK–44, and AN/UYK–20 computers at a fraction of the cost and time required to reengineer legacy software for new computer systems, and provided an additional $2.5 million to continue the program in fiscal year 2002.

The committee recommends an increase of $6.0 million in PE 63739N to complete the CPUP program.

DP–2 thrust vectoring system

The budget request contained $78.3 million in PE 63114N for power projection advanced technology development, but included no funding for the DP–2 thrust vectoring system demonstration project.

DP–2 is a proof-of-concept program to demonstrate the use of thrust vector control to achieve vertical takeoff and conventional takeoff capabilities in a one-half scale flight test vehicle. The technology offers the potential for a low cost, medium range aircraft of advanced composite construction.

The committee notes the progress to date in the DP–2 program and the initial hover test of the one-half scale test vehicle in January 2002. The committee believes that test progress and the potential of the DP–2 proof-of-concept justify continuation of the program.

The committee recommends an increase of $7.0 million in PE 63114N to continue development and demonstration of the DP–2 thrust vector system concept.

Electric propulsion/ship power system distributed test bed

The budget request contained $57.6 million in PE 63123N for Force Protection Advanced Technology development.

As a part of the Navy's program leading to the development of an all-electric ship, the committee continues to support the development of a virtual, distributed test bed which will provide the software and hardware modeling tools for shipboard machinery design and allow government and industry ship designers and engineers to evaluate machinery alternatives in a virtual prototype before committing to full-scale development.

The committee recommends an increase of $5.0 million in PE 63123N to continue the program for advanced development of a distributed test bed for electric propulsion and ship power systems.

Electronic interconnection research and development program

The budget request contained $82.5 million in PE 63236N for warfighter sustainment advanced technology development.

The committee notes that printed circuit boards (PCB) are fundamental to the operation of military navigation, guidance and control, electronic warfare, missile, and surveillance and communication equipment. High density, highly ruggedized, highly reliable interconnection technology is essential to the performance of many

PCB used in military systems. The committee notes that industry PCB focuses on high-volume, low-cost boards rather than the high performance, reliability, and extreme environmental requirements of PCB for use in military systems and at the same time the United States has lost much of its PCB manufacturing capability to overseas sources. The committee recognizes the need to enhance the U.S. capability for development and production of high density, high reliability PCB for use in military systems.

The committee recommends an increase of $3.0 million in PE 63236N to accelerate improvements in PCB technology to meet military requirements now and in the future.

Electronic warfare development

The budget request contained $74.7 million in PE 64270N for electronic warfare (EW) development, but included no funds for risk reduction activities to develop an EA–6B electronic jamming aircraft replacement or to evaluate the location of global positioning system interferers (LOCO GPSI) system in fleet operations.

Airborne electronic attack follow-on

The committee notes that the December 2001 Airborne Electronic Attack Analysis of Alternatives recommended 27 options to replace the EA–6B aircraft and that a final decision on its replacement is planned for fiscal year 2002. Consistent with the fiscal year 2002 decision, the committee further notes that the Department of the Navy has included funds in its future years defense program to develop an airborne electronic attack follow-on beginning in fiscal year 2004 and that the Chief of Naval Operations has included development funding for an EA–6B follow-on aircraft among his unfunded priorities for fiscal year 2003. To accelerate the development of the EA–6B successor, the committee recommends an increase of $10.0 million in PE 64270N for pre-engineering and manufacturing development risk reduction activities.

Location of global positioning system interferers

Location of global positioning system interferers (LOCO GPSI) is a state-of-the-art precision surveillance and targeting system for location of global positioning systems interferers that is designed to protect global positioning system-guided weapons against jamming and interference. The committee understands that Naval operational fleet commanders continue to request deployment of the LOCO GPSI system in fleet exercises to demonstrate and evaluate the military utility of this system. The committee recommends an increase of $3.0 million in PE 64270N to continue to evaluate LOCO GPSI capabilities in fleet operations in fiscal year 2003.

Electro-optical framing sensor

The budget request contained $5.5 million in PE 35206N for airborne reconnaissance systems, but included no funds for electro-optical framing.

The committee is aware that additional improvement is required for SHARP sensors.

The committee recommends $11.5 million in PE 35206N, an increase of $6.0 million for continued development of an integrated

electronic shutter to upgrade SHARP sensors and prototype development of a cellular neural network airborne processor.

Extended range guided munitions

The budget request contained $108.7 million in PE 63795N for land attack technology demonstration and validation, including $44.8 million for naval surface fire support and development of the Extended Range Guided Munition (ERGM).

The committee notes the progress in the ERGM program as it completes the controlled test flight phase of the development program and prepares to begin full-scale firings. The committee notes that the schedule for program risk reduction is being reviewed as a result of the decision to adopt a unitary warhead for the projectile. The committee also notes that both the Navy and the prime contractor have funded the development of low cost guidance electrical units to reduce the production cost of the projectile. The committee also notes that the Navy is also evaluating the ANSR projectile, not as a replacement for ERGM, but as a complementary capability to ERGM with the possible application of being fired from both current 5-inch, 54 caliber and 5-inch, 62 caliber gun systems.

The committee recommends an increase of $14.5 million in PE 63795N for risk reduction in the ERGM program, acceleration of guidance and control system redesign and test, and continued evaluation of the ANSR projectile.

Fibrous monolithic materials insertion

The budget request contained $68.9 million in PE 62236N for warfighter sustainment, but included no funds for fibrous monolithic materials insertion

The committee recommends an increase of $7.0 million in PE 62236N for fibrous monolithic materials insertion.

Formable aligned carbon thermosets

The budget request contained $68.9 million in PE 62236N for warfighter sustainment applied research, but included no funds for formable aligned carbon thermosets (FACTS).

The committee is aware that development of FACTS will allow increased use of advance fibers in tactical aircraft with the attendant benefits of such materials.

The committee recommends an increase of $2.5 million in PE 62236N for FACTS.

Hawk AN/TPS–59 radar service life extension program

The budget request contained $174.7 million in PE 26313M for Marine Corps communications systems, and included $2.6 million for the Hawk AN/TPS–59 radar service life extension program.

The committee is aware that operational experience and engineering analysis has shown that the Hawk AN/TPS–59 radar requires an automatic false alarm reduction mode as part of the service life extension program. The Hawk radar has been continually upgraded and is still a high priority asset for rapid deployment forces.

The committee recommends an increase of $5.0 million in PE 26313M for the AN/TPS–59 radar service life extension program.

High brightness electron source program

The budget request contained $56.3 million in PE 62271N for RF systems applied research, but included no funds for the high brightness electron source program.

The committee is aware that the high brightness electron source program is vital to maintenance of the microwave vacuum tube electronics for high power applications

The committee recommends an increase of $3.0 million in PE 62271N for the high brightness electron source program.

High temperature superconducting AC synchronous Navy propulsion motor and generator

The budget request included $57.6 million in PE 63123N for Force Protection Advanced Technology and included no funding for the High Temperature Superconducting (HTS) AC Synchronous Navy Propulsion Motor and Generator.

The committee supports the Future Naval Capabilities (FNC) program and recognizes that its success depends heavily on innovative scientific breakthroughs in areas such as electronics, sensor development, and propulsion. The committee understands the importance of component miniaturization to achieving FNC goals. In the area of propulsion development in particular, the committee is aware of engineering analyses and tests that have illuminated the potential benefits offered by HTS motors and generators, particularly in the areas of weight, cost, and noise reduction. The committee supports development in this field and encourages greater investment.

The committee recommends an increase of $7.0 million in PE 63123N for the HTS AC Synchronous Navy Propulsion Motor and Generator development.

Human factors and improved performance integration tool

The budget request included $6.6 million in PE 62236N for Manpower, Personnel, and Human Factors, but included no funding for the Improved Performance Integration Tool and related methodologies.

The committee supports the development of modeling tools that optimize sailor job performance as a means for fulfilling the requirements of the Navy's Future Naval Capabilities. The committee is aware of several Navy force management initiatives and not only encourages a continuation in these areas, but also urges further sailor/unit performance optimization through the use of non-Navy methodologies found elsewhere in the Department of Defense. The committee is particularly interested in the potential benefit of the Improved Performance Integration Tool (IMPRINT) and the Army's manpower and personnel integration (MANPRINT) initiative. The committee urges the Navy to adopt IMPRINT and MANPRINT methodologies in an effort to minimize the total ownership costs of future acquisition programs.

The committee recommends an increase of $2.0 million in PE 62236N for the Improved Performance Integration Tool and related modeling applications.

Hybrid fiber optic/wireless communications

The budget request contained $76.6 million in PE 62114N for common picture applied research.

The committee notes progress being made in applied research for hybrid fiber optic/wireless communications that are characterized by having very high bandwidth, mobility, and low probability of intercept. The overall goal of the program is to develop the technology for versatile, mobile, secure communications systems for military and commercial use that will combine the most desirable features of fiber optic and wireless communications.

The committee recommends an increase of $2.0 million in PE 62114N to continue the program for applied research in hybrid fiber optic/wireless communications.

Integrated maritime picture system of systems

The budget request contained $37.8 million in PE 63235N, including $17.5 million for development of advanced technology for knowledge superiority and assurance.

The committee notes ongoing activities in the Navy and in the other military departments to improve situational awareness and develop an integrated common operational picture for air, land, and sea commanders and their staffs. The committee also notes that the emphasis on increasing force protection for the fleet both in port and at sea will require the integration of information about sea ports, harbors, anchorages, and the maritime operational environment in the integrated maritime operational picture.

The committee recommends an increase of $3.0 million in PE63235N for advanced development of an integrated maritime common operational picture that will include both force protection and seaport security information and systems.

Interrogator for high-speed retro reflectometer communications

The budget request included $76.6 million in PE 62114N for power projection applied research, but included no funding for a high-speed retro-reflectometer communication interrogator.

The committee strongly supports advanced sensor, processor, and data-link exchange technologies as a means to support, among other things, a greater reliance on unmanned aerial vehicles. High-speed data links are especially needed to rapidly download high resolution imagery from airborne sensors. The committee is aware of a ground-based interrogator technology with the potential for developing fleet-deployable exploitation algorithms and processes for large-bandwidth applications.

The committee recommends an increase of $5.0 million in PE 62114N for developing a laser interrogator for high-speed covert retro-reflectometer communication.

Joint mission high-speed vessel

The budget request contained $51.6 million in PE 63640M, but included no funding for the joint mission high-speed vessel.

The committee notes that the Army, Navy and Marine Corps have been conducting very successful exploration of concepts and capabilities with commercially available advanced hull and propulsion capabilities. The committee also notes the desire to continue concept-based experimentation to enable networked sea-basing as a

future joint force expeditionary capability. The committee notes that the objective is to identify a transformational capability enabling high-speed, sustained, sea-based joint operations.

The committee recommends an increase of $9.0 million in PE 63640M for the joint mission high-speed vessel.

Joint operational test bed

The budget request contained $206.4 million in PE 35204N for tactical unmanned aerial vehicles, but included no funds for the joint operational test bed system (JOTBS).

The committee is aware that as a result of the revised unified command plan, the Joint Forces Command will focus on its responsibilities of helping transform the military, including improving joint interoperability and innovation. The committee notes that the JOTBS is fundamental to these responsibilities and vital to future joint use of unmanned aerial vehicles (UAVs). The committee also notes that the JOTBS is vital, not only to complete tactical control system (TCS) development for Predator, but also use by multiple UAVs such as Shadow, Marine Shadow, and other UAVs.

The committee directs the Commander in Chief (CINC), Joint Forces Command to competitively contract for the new Government Flight Activity support contract as follows:

(1) Preparation of the contract solicitation, analysis of responses to the solicitation, and contract award must be conducted in accordance with Department of Defense regulations by an established government contracting organization/office with previous extensive experience in writing GFA support contracts.

(2) The solicitation must be open to all commercial vendors certified in the flight activities covered by the solicitation.

Additionally, the committee directs the Secretary of the Navy and the CINC Joint Forces Command to robustly fund the JOTBS in future years to remove any dependency on congressional increases for its viability. The committee strongly recommends that the Deputy Chief of Naval Operations for Naval Warfare (N7/N78), which sponsors both unmanned aerial vehicles and tactical control system development be designated as the Navy program sponsor for the JOTBS.

The committee recommends an increase of $7.0 million in PE 35204N for JOTBS.

Knowledge projection for fleet maintenance

The budget request contained $57.6 million in PE 63123N for force protection advanced technology development, but included no funds to continue the "Knowledge Projection for Fleet Maintenance" project.

Congress provided $2.5 million in fiscal year 2002 to support the initiation by the Navy of a collaborative program for the development of a new system to remotely monitor Navy ships and enable off-board technical experts to assist on-board technicians who are part of the ship's crew in ship maintenance and repair. The committee believes that the successful development and implementation of this approach to knowledge-based system diagnosis and repair could be increasingly important as the Navy makes the transition to ships with reduced numbers of personnel and as electronic

equipment and other ships systems continues to be more complex and powerful.

The committee recommends an increase of $3.0 million in PE 63123N to continue the Knowledge Projection for Fleet Maintenance project.

Laser aim scoring system

The budget request contained $31.1 million in PE 64212N for anti-submarine warfare and other helicopter development, but included no funds for the sea-target laser aim scoring system (LASS).

The LASS provides real-time quantitative feedback on critical aspects of laser-guided weapon employment not currently available from existing Navy laser scoring systems, and is being adapted to existing Navy seaborne targets to support Navy H–60 armed helicopter training and readiness events that require laser scoring capability. Since the committee continues to believe that the sea-target LASS could address a Navy training deficiency by allowing in-flight laser designation practice against a moving at-sea target while also providing immediate laser aiming result feedback to the pilot, it recommends an increase of $4.0 million in PE 64212N to develop the sea-target LASS.

Laser welding and cutting

The budget request included $89.4 million in PE 62123N for force protection applied research, but included no funding for the laser welding and cutting program.

The committee supports efforts to improve ship design processes and performance while simultaneously lowering overall construction costs. The committee is aware of laser welding and cutting as a means for design and fabrication enhancements. The committee supports further efforts in this area.

The committee recommends an increase of $3.0 million in PE 62123N for the laser welding and cutting program.

Littoral support craft—experimental

The budget request contained $57.6 million in PE 63123N for Force Protection Advanced Technology development, but included no funding to continue the development of the Littoral Support Craft—Experimental (LSC–X).

The committee notes the continued progress by the Office of Naval Research (ONR) in the development of designs and operational concepts for a littoral support craft: a fast (above 40 knots), high performance, low cost platform that could be an effective adjunct to the major surface combatant and carrier battle group operating in the littoral. The committee strongly supports ONR proposals for a phased program for development of an experimental littoral support craft demonstrator (LSC–X) that would provide the basis for operational experiments on the contribution that such a craft and its variants could make to naval operations in the littoral. The committee understands that the LSC–X design will include development of a modular payload capability to allow the use of different technology demonstrators and warfare mission modules. As such, the committee believes that LSC–X could be an effective experimental test bed for many of the technologies that might be chosen for use on the Littoral Combat Ship (LCS). The committee also

notes that among combat related features linked to the LSC–X program is continued development of the Affordable Weapon that is discussed elsewhere in this report.

The committee notes that the ONR has made significant progress on the LSC–X, culminating recently in comprehensive and successful tow tank tests that have resulted in the authorization to proceed with fabrication of the LSC–X full scale prototype in fiscal year 2002.

The committee recommends an increase of $13.7 million in PE 63123N to continue development of the LSC–X.

Low cost swarm unmanned aerial vehicle program

The budget request contained $76.6 million in PE 62114N for power projection applied research, but included no funds for the low cost swarm unmanned aerial vehicle (UAV).

The committee is aware that cost reduction is important to make UAVs affordable at the small unit level. The committee notes that the swarm UAV has achieved significant cost reduction while maintaining meaningful performance, and has the potential to cost-effectively meet close-in surveillance requirements.

The committee recommends an increase of $5.0 million in PE 62114N for low cost swarm unmanned aerial vehicle.

Marine mammal research program

The budget request included $393.6 million in PE 61153N for defense research sciences.

The committee supports the efforts of the Office of Naval Research (ONR) to research marine mammals' behavior and the broad aspects of the underwater environment. The committee is aware of a heightened public concern about underwater acoustic effects on these animals. To address these concerns and better understand the potential contributions of marine mammals to Department of Defense priorities, the committee encourages additional behavioral and acoustics research.

The committee recommends $395.7 million in PE 61153N an increase of $2.1 million for marine mammal research.

Mark-48 advanced capability torpedo improvements

The budget request contained $107.4 million in PE 63561N for Advanced Submarine System Development.

The committee notes that the advanced rapid COTS insertion (A–RCI) program, which uses advanced processing builds (APB) and a multi-purpose processor (MPP) hardware architecture (developed under a small business innovative research (SBIR) phase III project) to achieve rapid, cost-effective advances in signal processing, has successfully and improved the performance of submarine sonar systems in the most cost-effective manner. In fiscal year 2002 Congress provided funds to establish a similar A–RCI program for the MK-48 torpedo, leveraging the experience gained in the submarine sonar program. If successful, the MK-48, A–RCI program could have significant potential to cost effectively improve performance of the MK–48 torpedo in the demanding littoral waters sonar environment.

The committee recommends an increase of $8.0 million in PE 63561N to continue the program for application of the advanced

processing build/multipurpose processor technology insertion process to the MK–48 ADCAP torpedo.

Medical threat detection system

The budget request contained $7.2 million in PE 64771N for medical systems engineering development, but included no funds to develop a real-time medical threat detection system.

The committee is aware of a medical surveillance and informatics system which would use advanced signal processing methods to routinely collect data and identify deviations for normal patterns of illness and detect potential health and medical threats. This system would augment existing Navy medical surveillance and information capabilities to provide real-time surveillance and clinical data for early medical threat detection of both naval force and civilian populations in support homeland security requirements.

The committee is supportive of technologies enhancements for medical safety of personnel and recommends $10.3 million in PE 64771N, an increase of $3.1 million, to establish a real-time medical threat detection system.

Mine countermeasures mine sweep mid-life assessment and upgrade

The budget request contained $155.0 million in PE 63502N for surface and shallow water mine countermeasures demonstration and validation.

The committee recommends an increase of $5.0 million in PE 63502N to conduct a mid-life assessment of the MCM class Mine Sweeping suite and to evaluate potential upgrades to the system. This recommendation is a part of the committee's mine countermeasures initiative that is discussed in the classified annex to this report.

Mobile fire support system

The budget request contained $51.6 million in PE 63640M for Marine Corps Advanced Technology Demonstrations and included $3.2 million for emerging fires and targeting technologies.

The committee is aware of ongoing efforts at the Marine Corps Warfighting Lab to develop innovative medium-caliber indirect fire support technology to support rapid mobility on the battlefield. Known as Mobile Fire Support System (MFSS), the 120mm rifled mortar program has exhibited unparalleled accuracy, automation, and advanced fire control technology. Additional development is required to further lighten the system and incorporate other design improvements, such as an innovative breach loading capability for extreme firing angles. As a result, the committee is encouraged with the potential applications of this program.

The committee recommends an increase of $5.0 million in PE 63604M, specifically for the acceleration of MFSS development. Furthermore, the committee urges the Secretary of the Army to conduct a comprehensive assessment of MFSS to determine potential applications in accordance with transformational objectives. The committee recommends $1.0 million in PE 63004A for this purpose, as reflected elsewhere in this report.

Modeling and simulation of surgical procedures for battlefield trauma

The budget request contained $19.0 million in PE 63729N for warfighter protection advanced technology development, including $7.6 million for development of advanced technology for casualty care and management.

The committee notes advances in the use of modeling and simulation for the development of advanced surgical procedures for battlefield trauma and the utility of such simulations for the training of field medical personnel.

The committee recommends an increase of $3.5 million in PE 63729N for the development of new protocols for modeling surgical procedures applicable to battlefield trauma.

Multi-purpose sensor

The budget request included $65.1 million in PE 63271N for radio-frequency (RF) systems advanced development, but no funding for the multi-purpose power sensor.

The committee is aware of a promising new surveillance radar detection capability managed by the Office of Naval Research. During initial concept of operation validation, the sensor demonstrated a capability for detecting the presence and intensity of radio frequency energy across a broad spectrum of frequencies. Additional field-testing and development is necessary to deliver a prototype capable of measuring RF exposure with consistent accuracy. The committee supports this initiative and recognizes the importance of this type of technology for meeting the Navy's future naval capabilities.

The committee recommends an increase of $2.4 million in PE 63271N for the multi-purpose sensor.

National shipbuilding research program

The budget request contained $9.9 million in PE 78730N for the Navy's National Shipbuilding Research Project Advanced Shipbuilding Enterprise (NSRP ASE).

The committee recognizes this innovative Navy-industry collaboration as a credible, cost-effective high-leverage focal point for productivity improvements across all navy ship construction programs. The projects in lean manufacturing, process re-engineering, and other new construction and ship repair technologies funded through the NSRP ASE address both prior year shipbuilding cost growth and the cost of future ships. Adequately funding this investment now helps to ensure that the resultant efficiencies are in place before the pending increase in naval ship construction rates needed to re-capitalize the fleet. This program is a key imperative that enables significant reductions in the cost and time required for affordable naval ship construction, conversion, and repair.

The committee recommends $9.9 million in PE 78730N for the NSRP ASE and recommends that all funds in this program element be focused only on those critical elements of the NSRP ASE program that identify and adopt improved business practices which maximize actual U.S. Navy ship production within available Navy shipbuilding and construction funding. The committee strongly urges the Secretary of the Navy to continue to place a high priority on the NSRP ASE program by funding it in future budget requests

at an annual amount equal to or greater than the fiscal year 2002 level of $22.4 million.

Naval collaboration tool set

The budget request contained $43.2 million in PE 65013N for Navy information technology development and modernization.

The committee notes the development and application of emerging network centric information systems and collaboration tools that use basic web technology and commercial-off-the-shelf computer and software products to enable operational commanders and their staffs to rapidly share battlespace information and situational awareness and achieve greater mission effectiveness and speed of command and operations. The accelerating proliferation and application of information sharing and collaboration tools create the opportunity for the Navy to capitalize on the experience gained in prototype web-based information systems being used in the fleet in various warfare areas and develop a "best of breed", web-based set of collaboration tools that will enhance the ability of naval commanders and their staffs to operate in a common, integrated data environment.

The committee recommends $48.2 million in PE 65013N, an increase of $5.0 million to accelerate the development of a naval collaboration toolset that can be used in all warfare areas and domains, including building a common undersea picture and facilitating collaboration in homeland security and counterterrorism.

Navy common command and decision system

The budget request contained $40.5 million in PE 63582N for the Navy's combat systems integration demonstration and validation program.

The common command and decision (CC&D) program is a preplanned product improvement (P3I) to the AEGIS Weapons System and the Ship Self Defense System MK 2 that replaces the command and decision capability presently in these systems with a common set of application computer programs and associated supporting software infrastructure which will perform selected command and decision functions in an identical manner across multiple Navy ships.

The committee notes that the Navy has established a collaborative program for development of the CC&D that will build on the Multi-purpose Processor/Advanced Processor Build techniques developed and proven in the submarine Acoustic Rapid Commercial-off-the-shelf Insertion (A–RCI) program. The program of record would result in initial introduction of the CC&D system in the fleet in 2010; however, the committee notes that the Navy has indicated that with appropriate funding the CC&D capability could be fielded as early as 2005.

The committee strongly believes that the Navy should accelerate the program for upgrade and insertion of advanced technology in combat systems of legacy surface ships of the battle fleet. The committee recommends an increase of $20.0 million in PE 63582N to accelerate development of the CC&D system.

Navy support of research in oceanography

The budget request contained $55.2 million in PE 62435N for ocean warfighting environment applied research.

The committee believes that scientific knowledge of the oceans and ocean environments makes a critical contribution to U.S. national security and commercial vitality. The committee notes, that in large part, U.S. scientific expertise in oceanography and ocean sciences is sustained by the Office of Naval Research and the National Science Foundation partnership that provides oversight of the University-National Oceanographic Laboratory System (UNOLS) fleet.

The committee recognizes the age of the UNOLS fleet and the need for a rational plan for renewal of the fleet over the next ten years. Therefore, the committee directs the Secretary of the Navy to submit to the Senate Committee on Armed Services and House Committee on Armed Services no later than February 1, 2003, a report detailing specific requirements and outlining a specific plan for UNOLS fleet renewal. The report should include specific recommendations on the numbers of each class of ship to be maintained in the UNOLS fleet, their geographic distribution, the schedule for their replacement, and estimates of ship construction costs.

In the committee report on H.R. 1401 (H. Rept. 106–162), the committee noted the finding of the National Ocean Research Leadership Council's Ocean Research Advisory Panel that one of the most pressing concerns in oceanography is the need for integrated ocean observation systems. The committee notes recommendations that have been made for what it believes to be a piecemeal commitment to establishing regional coastal ocean observing systems without a clear concept or plan for how these regional systems will fit into a national integrated ocean and coastal observation system. The committee requests that the Secretary of the Navy as in his role as a member of the National Ocean Research Leadership Council encourage the Council to develop standards and plans for the establishment and administration of an integrated ocean and coastal observing system that provides for long-term, continuous, and real-time observations of the coastal oceans of the United States and to report those plans to Congress in the Council's next annual report on the National Oceanographic Partnership Program.

The committee recommends $60.2 million in PE 62435N, an increase of $5.0 million for the coastal ocean observation system. The committee directs that the increase for the coastal ocean observation system may not be obligated until 30 days after the Council's report detailing the standards and plans for the establishment and administration of an integrated ocean and coastal observation system is received by the Senate Committee on Armed Services and the House Committee on Armed Services.

Navy tactical unmanned aerial vehicle

The budget request contained $206.4 million in PE 35204N for tactical unmanned aerial vehicles (TUAV), and included $43.6 million for vertical TUAV (VTUAV), and $9.1 million for the tactical control system (TCS).

The committee is aware that the Navy terminated the Fire Scout VTUAV program and has requested funds for developing the Air Force Global Hawk endurance UAV for broad area maritime surveillance. The committee notes that though the Navy, which is the lead service for the joint tactical control system (TCS) development, no longer has a TUAV program, its responsibilities for program management for TCS remain. The committee further notes that both the Army and Marine Corps are fielding variants of the Shadow UAV, are committed to TCS for Shadow, and are critically dependent on successful Navy program management of TCS.

The committee recommends a decrease of $43.6 million in PE 35204N for the Fire Scout VTUAV.

Nonlinear dynamics stochastic resonance

The budget request contained $13.2 million in PE 63254N for anti-submarine warfare (ASW) systems development, for the continued development and evaluation of nonlinear dynamics and stochastic resonance (NDSR) for acoustic, magnetic, and other ASW sensor and signal processing applications.

The NDSR program was initiated in 1999 to apply the principles and results from the emerging science of nonlinear dynamics towards critical problems in shallow water anti-submarine warfare (ASW) with the goal of producing dramatic improvements in ASW system capability. The committee notes that the research conducted to date has demonstrated that there is a strong potential for greatly increased ASW system performance resulting from significantly extended electromagnetic detection ranges, enhanced sonar target discrimination and improved noise reduction.

The committee recommends $18.2 million in PE 63254N, an increase of $5.0 million to continue the development, demonstration, and evaluation of NDSR technology for ASW applications.

Ocean modeling for mine and expeditionary warfare

The budget request contained $43.7 million in PE 63782N for mine and expeditionary warfare advanced technology development, including $19.3 million for advanced surveillance and reconnaissance.

The committee notes the Navy's need for improved tactical and strategic information for the littoral battlespace environment, improved detection of submarine and mines in turbid littoral regions, development of predictive models for the littoral environment, and development of improved sensor technologies.

The committee recommends $46.7 million in PE 63782N, an increase of $3.0 million for advanced technology development of ocean modeling for mine and expeditionary warfare.

Organ transfer technology

The budget request contained $19.0 million in PE 63729N for warfighter protection advanced technology development. No funds were requested for continuation of the organ transfer technology program.

The committee notes continued progress in the development of immune therapies by investigators at the Naval Medical Research Center that have been shown to prevent the rejection of tissue and organ transplants without the need for continuous use of immuno-

suppressive drugs. In fiscal year 2001, the Chief of Naval Research initiated a program to capitalize on these newly developed methods of treatment. Congress provided $3.0 million to initiate a clinical trials program in fiscal year 2001 and $2.0 million to continue the program in fiscal year 2002.

The committee notes the initial progress in the clinical trials program and plans to bring additional patients into the program to broaden the program base. The committee believes that the ability to transplant massive tissue segments without rejection could revolutionize the treatment of combat casualties who suffer significant tissue loss or organ damage from blast, missile fragments or burns.

The committee recommends an increase of $5.0 million in PE 63729N to continue the organ transfer technology clinical trials program.

Photovoltaic energy park

The budget request contained $2.1 million in PE 63725N for demonstration and validation of improvements in naval facilities.

The committee notes that rising energy costs, the availability and reliability of traditional sources of fossil fuels, and increased concerns about the effect of gaseous emissions on the environment and fossil fuel pollution have fostered great interest in developing renewable energy sources such as solar power, hydrogen, and fuel cells. The committee is aware of ongoing discussions for the development of prototype large-scale solar powered electrical generating systems and also understands that public/private partnerships have been established for development and evaluation of advanced fuel cells. The committee believes that renewable energy from electricity generated using solar power and from advanced fuel cells could meet the need for reliable and secure sources of non-polluting electric power and energy for military forces.

The committee recommends $4.6 million in PE 63725N, including an increase of $2.5 million for development and demonstration of renewable energy sources, including solar-powered electrical generation plants, hydrogen, and fuel cells.

Portable digital precision location system

The budget request contained $76.6 million in PE 62114N for power projection applied research, but included no funds for the portable digital precision location system.

The committee is aware that many shipboard functions are being automated, in order to reduce crew size. The committee notes that in order to maintain vigilance and combat effectiveness under reduced manning, personnel identification and location technologies are required.

The committee recommends an increase of $4.4 million in PE 62114N for the portable digital precision location system.

Portable sterile water production device

The budget request included $19.0 million in PE 63729N for warfighter protection advanced technology, but included no funds for the portable sterile water production device.

The committee supports efforts by the Office of Naval Research to leverage ongoing research in the field of sterile water production and managed by the Army's Medical Research and Development

Command. The committee understands this research promises to produce a lightweight portable remote water-for-injection purification system for combat casualty care. The committee supports additional research on this project to facilitate testing of potential military applications.

The committee recommends an increase of $2.6 million in PE 63729N for the portable sterile water production device.

Rapid deployment fortification wall

The budget request included $51.6 million in PE 63640M for Marine Corps advanced technology demonstrations, but included no funding for the rapid deployment fortification wall.

The committee is aware of a potentially innovative technology for improving ground forces barrier defense. The Rapid Deployment Fortification Wall is an expandable, stackable, modular wall made of tough, lightweight, environmentally responsible plastic that can possibly serve as a replacement for sandbags. The committee believes that the technology can serve to rapidly construct field fortifications for bunkers, standoff blast and ballistic protection units, and other hardened shelters, and may prove more easily transportable and re-usable. The committee urges additional testing of this technology, with a particular focus given to transport (ground and aerial), manning, live-fire, and recycling requirements and capabilities.

The committee recommends an increase of $1.5 million in PE 63640M million for the rapid deployment fortification wall.

Rapid retargeting

The budget request contained $13.0 million in PE 63739N for Navy Logistic Productivity demonstration and validation, including $4.9 million for rapid retargeting. The committee notes that, within the logistics productivity program, the Navy has implemented a rapid retargeting project to address obsolete designs in electronic systems.

The project provides the technology to eliminate obsolete components and reduce multiple electronic modules to single programmable designs. The committee understands that the rapid retargeting process is also being employed to replace different types of standard electronic modules with programmable commercial-off-the-shelf components, thereby reducing the requirements for spare parts on board naval vessels.

The committee recommends an increase of $5.0 million in PE 63739N for the Navy's rapid retargeting project.

Real-time heart rate variability monitor

The budget request contained $7.5 million in PE 63216N for aviation survivability, but included no funds for real-time heart rate variability monitor.

The committee notes that real time heart rate variability monitor technology can be used to automate protective systems, aid in survivor identification and remotely determine physiological status.

The committee recommends an increase of $8.0 million in PE 63216N for real-time heart rate variability monitor.

Real-time precision tracking radar

The budget request contained $78.3 million in PE 63114N for power projection technology, but included no funds for real-time precision tracking radar.

The committee is aware that real-time precision tracking radar will provide the warfighter with a lightweight, low-cost, high-resolution synthetic aperture radar with moving target detection capability.

The committee recommends an increase of $9.0 million in PE 63114N for real-time precision tracking radar.

SEALs Mark 5 patrol craft modification

The budget request contained $57.6 million in PE 63123N for force protection advanced technology development.

The committee notes the progress in the Office of Naval Research (ONR) program to evaluate the ability of Project M technology to mitigate the high shock and vibration experienced by the Navy SEALs Mark V patrol craft crew and passengers in high-speed special operations. Project M is an active noise and vibration cancellation system that was developed in the Navy's advanced submarine technology program.

The committee recommends an increase of $6.0 million in PE 63123N to continue the ONR program for application of Project M technology to mitigate physical shock to crew and passengers in the Mark V patrol craft.

Shipboard integrated data environment

The budget request contained $82.5 million in PE 63236N for war fighter sustainment advance technology development, including $17.0 million for expeditionary development and demonstration.

The committee notes that the installation of fiber optic and Ethernet local area networks on ships makes possible not only the use of web-based communications and data sharing among the various elements in the network on board the ship, but also provides the capability for a fully interactive, ship-wide integration of physical plant and support operations, maintenance, logistics, training, and financial data systems. The committee believes that such a capability, coupled to other ships of the fleet and the Navy's shore establishment through the Navy's Information Technology 21, the Navy-Marine Corps Intranet, or the Global Combat Support System could provide a fully, integrated operations support and logistics network that would significantly improve maintenance and logistical support of the ships of the fleet and of forward-deployed shore activities, while potentially reducing Navy manpower requirements. The committee also notes that various naval operational support, engineering, and logistical activities are pursuing individual solutions for creating a capability for real-time in-service engineering, logistical, and life cycle support to the deployed ships of the fleet

The committee recommends an increase of $3.5 million in PE 63236N to initiate a program for development and demonstration of a prototype shipboard integrated data environment. The committee encourages the Secretary of the Navy to establish a common program among the various elements of the supporting shore estab-

lishment for development of the capability for providing real-time operational and logistical support to the deployed ships of the fleet.

Ship self defense electronic warfare systems

The budget request contained $28.1 million in PE 64757N for the development of engagement and soft kill capabilities of ship self defense, of which $25.9 million was for continued development of the advanced integrated electronic warfare system (AIEWS).

Subsequent to the submission of the fiscal year 2003 budget request, the Department of the Navy notified the committee that it had terminated the AIEWS program due to cost overruns and continued schedule delays, which have adversely impacted the Navy's ability to field urgently needed surface electronic warfare improvements, and requested that the all funding for AIEWS research, development, test, and evaluation be transferred to the AN/SLQ–32, shipboard electronic warfare system, to initiate a product improvement program.

The committee recommends an increase of $1.6 million in PE 64757N, including a decrease of $25.9 million to reflect the Navy's decision to terminate the AIEWS project and an increase of $27.5 for the development of AN/SLQ–32 shipboard electronic warfare system improvements.

Ship service fuel cell

The budget request contained $57.6 million in PE 63123N for force protection advanced technology development.

The committee recommends an increase of $4.0 million in PE 63123N to continue the development of a direct ship service fuel cell technology demonstrator for technology validation and training of ship systems engineers, designers, system integrators, operators and engineering students.

Small combatant craft

The budget request contained $57.6 million in PE 63123N for force protection advanced technology.

The committee recommends an increase of $2.0 million in PE 63123N for acquisition, test, and evaluation of a high-speed, shallow draft, off-shore capable assault boat for assault and troop transport insertion and extraction operations. The committee believes that this small combatant craft research will provide Marine Corps and Special Operations Forces with potential assault craft options by examining trade-offs between weight, payload, fuel efficiency and range, durability, and tactical survivability.

Sniper rifle improvements

The budget request included $36.0 million in PE 26623M for Marine Corps ground combat/supporting arms systems.

The committee is aware that rifle accuracy is critical for long range snipers, and urges that platoon long-range sniper rifle capability be improved for maximum accuracy.

Therefore the committee recommends an increase of $750 thousand in PE 26623M for the weapons training battalion product improvement of sniper rifles and sniper rifle manufacturing capability.

Stationary lighter than air platform

The budget request contained $174.7 million in PE 26313M for Marine Corps communications systems.

The committee is aware that the Marine Corps stationary lighter than air platform (MCSLaP) would provide a means for the Marine Corps expeditionary forces to rapidly extend voice and data beyond the line-of-sight. The committee notes that the Marine Corps is investigating commercial-off-the-shelf (COTS) sensor and payload packages to combine with COTS aerostat technology to provide this over-the-horizon capability.

The committee recommends an increase of $5.0 million in PE 26313A for MCSLaP.

Submarine payloads and sensors program

The budget request contained $107.4 million in PE 63561N for development, demonstration, and validation of advanced submarine systems

The committee notes that the Defense Advanced Research Projects Agency/Navy submarine payloads and sensors program resulted in the development of a number of innovative, but realistic payload, sensor and platform concepts that would enable a revolutionary expansion of capabilities and allow the submarine to play a more decisive role in Joint Force operations, especially in the ability to exert greater influence over events on shore. The concepts provide a potential roadmap to the future through successive implementations that would use the Virginia class nuclear attack submarine as a baseline point of departure.

The committee recommends an increase of $7.0 million in PE 63561N for follow-on studies and demonstration of advanced submarine payloads and sensors capabilities.

Submarine tactical warfare system

The budget request contained $14.0 million in PE 64562N for submarine combat control system (CCS) upgrades to the Mark two (MK2) variant.

These upgrades replace obsolete equipment and converge multiple submarine CCSs into a single program, which provides component commonality, incorporates Tactical Tomahawk cruise missile launch capability, and reduces life cycle costs with an open architecture for future system enhancements.

The committee believes that this system would increase the warfighting capability of submarines, and recommends $28.3 million for PE 64562N, an increase of $14.3 million, to accelerate development of CCS MK2 upgrades.

Superconducting DC homopolar motor

The budget request contained $57.6 million in PE 63123N for force protection advanced technology development, including $14.9 million for surface ship and submarine hull, mechanical and electrical advanced technology, but included no funding to continue the program for development and demonstration of a superconducting direct current homopolar motor.

The committee notes the progress being made in the Office of Naval Research project for development of a 5000 shaft-horsepower superconducting, direct current, homopolar motor that may be used

in the experimental littoral support craft program and could provide a prototype for a full-scale motor in the 25,000 to 50,000 shaft horsepower range which could be a primary power source for a major combatant or other class ship. The committee notes that completion of the program in fiscal year 2003 should provide information for the Navy to determine if development should continue on this motor for use in future integrated electric drive ships.

The committee recommends an increase of $5.0 million in PE 63123N to complete development and at-sea testing of the DC homopolar motor.

Supply chain best practices

The budget request contained $929 thousand in PE 65804N for technical information services that support cooperative advanced technology initiatives between the Navy and U.S. industry with the goals of improving affordability, and reducing the life cycle costs of new and modernized Navy systems.

The committee recommends $6.9 million in PE 65804N, an increase of $6.0 million to continue the program for development and adoption of industrial and logistical best business and management practices among government and industry in support of defense systems. The committee encourages the Office of Naval Research to include funding for this program in future Navy budgets.

Surface navy integrated undersea tactical technology

The budget request contained $155.0 million in PE 63502N for demonstration and validation of surface and shallow water mine countermeasures.

The committee notes that in order to effectively conduct the anti-submarine warfare (ASW) and mine warfare (MIW) missions, naval forces must be able to reliably detect, locate, and target enemy mines and submarines, respond rapidly and decisively to these hostile contacts, employ integrated ASW and MIW systems with very high probability of neutralizing the target and provide all commanders with a common under sea picture of the undersea battle space. This requirement places a premium on development of a common undersea picture that includes threat and environmental characterization along with the undersea warfare platforms and sensors.

The committee recommends an increase of $10.0 million in PE 63502N for development of the common undersea picture.

Target location designated handoff system

The budget request contained $36.0 million in PE 26623M for Marine Corps ground combat/supporting arms systems, and included $14.6 million for the Marine Corps ground weaponry product improvement program, but included no funds for the target location designated handoff system.

The committee is aware that it is imperative to continue to upgrade existing targeting capabilities to ensure interoperability with the emerging joint and Marine Corps tactical command, control, communications and computer architecture.

The committee recommends an increase of $1.9 million in PE 26623M for the target location designated handoff system.

Vacuum electronics

The budget request contained $56.3 million in PE 62271N for applied research in radio frequency technology, including $4.5 million for applied research in radio frequency vacuum electronics power amplifiers.

The committee report on H.R. 1402 (H. Rept. 106–162) noted the committee's support for a robust vacuum electronics research and development program in the Department of Defense and other federal agencies. The committee has reviewed the results of the Secretary of the Navy's report to Congress on the DOD vacuum electronics program and the DOD's April 2001 Technology Area Review and Assessment (TARA) on creating a balanced tri-service investment strategy for RF vacuum electronics and solid state power technologies. The committee endorses the TARA views on the criticality of support for both vacuum electronics and solid-state power technologies. The committee notes the TARA review's recommendations for increased funding in the tri-service vacuum electronics program and for establishment of a combined tri-service initiative to rapidly advance wide bandgap semiconductor device technology to enable advanced military radar and other systems requiring power electronics in the mid-to-long term. The committee is disappointed that the Department of Defense has not implemented the recommendations from the TARA review.

The committee recommends an increase of $8.0 million in PE 62271N for applied research in vacuum electronics, an increase of $8.0 million. The committee expects the Under Secretary of Defense (Acquisition, Technology, and Logistics) through the Director of Defense Research and Engineering to ensure a balanced investment strategy for vacuum electronics and solid state power technologies that will meet DOD requirements for current and future systems that use radio frequency power electronics.

Water purification-expeditionary warfare

The budget request contained $51.6 million in PE 63640M for Marine Corps advanced technology demonstration, but included no funds for water purification-expeditionary warfare.

The committee is aware that providing an adequate supply of water to deployed forces represents the number one logistical problem of expeditionary warfare. Expeditionary missions around the world must deal with ground water that has contaminates which range from high salinity to oil pollution. The water purification-expeditionary warfare program will conduct a field demonstration of advanced technology to show increased performance and/or reduced cost for water purification and offers to significantly upgrade existing water purification systems with advanced technology.

The committee recommends an increase of $2 million in PE 63640M for the water purification-expeditionary warfare program.

Wide band gap semiconductor materials

The budget request contained $5.5 million in PE 61153N for basic research and $30.0 million in PE 62712E and $3.5 million in PE 62271N for applied research in wide band gap semiconductor electronics.

Section 212 of the National Defense Authorization Action for Fiscal Year 2002 (Public Law 107–107) required the Secretary of De-

fense to carry out a cooperative program to develop and demonstrate advanced technologies and concepts for future Naval radar systems and other applications, with particular emphasis on development of high frequency and high power wide band gap semiconductor materials and devices. The provision also required the DDRE to report to the congressional defense committees on the implementation of the plan, including identification of the funding required to carry out the fiscal year 2003 program and for the future years defense program. The committee has not yet received the DDRE's report.

The committee continues to place a high priority on the development of the technology for advanced wide band gap semiconductor materials and devices for future naval radar and other applications. The committee notes the results of the December 2000 Special Technology Review on Radio Frequency Applications for Wide Band Gap Technology by the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics that recommended an increased science and technology investment in wide band gap materials, devices, circuits, and packaging which would total approximately $50 million a year over a five-year period beginning in fiscal year 2002, in order to develop the technologies necessary to field advanced radar systems in time to meet the Navy's and the Department of Defense requirements in 2015.

The committee recommends a total of $47.0 million for basic and applied research in wide band gap semiconductor materials technology, an increase of $8.0 million to the budget request and including $30 million in PE 62712N, $5.5 million in PE 61153N, and $11.5 million in PE 62271N.

AIR FORCE RDT&E

Overview

The budget request contained $17,601.2 million for Air Force RDT&E. The committee recommends authorization of $18,803.2 million, an increase of $1,202.0 million.

The committee recommendations for the fiscal year 2003 Air Force RDT&E program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, AIR FORCE			
		BASIC RESEARCH			
0601102F	1	DEFENSE RESEARCH SCIENCES	219,144	5,000	224,144
		Upper atmospheric and astronomical training			(+5,000)
		TOTAL, BASIC RESEARCH	**219,144**	**5,000**	**224,144**
		RESEARCH AND DEVELOPMENT	219,144	5,000	224,144
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		APPLIED RESEARCH			
0602102F	2	MATERIALS	75,272	10,700	85,972
		Metals affordability initiative			(+4,000)
		Thermal management for space structures			(+3,200)
		Advanced thermal protection systems			(+3,500)
0602201F	3	AEROSPACE VEHICLE TECHNOLOGIES	78,789	1,000	79,789
		Space Technology			(+1,000)
0602202F	4	HUMAN EFFECTIVENESS APPLIED RESEARCH	66,000		66,000
0602203F	5	AEROSPACE PROPULSION	107,659	17,700	125,359
		DERF - Sustainment of Strategic Systems (TSSS)			(+5,700)
		Pulse detonation engine			(+6,000)
		Lithium ion battery development			(+6,000)
0602204F	6	AEROSPACE SENSORS	75,799		75,799
0602500F	7	MULTI-DISCIPLINARY SPACE TECHNOLOGY	53,592	48,000	101,592
		DERF - Ground Moving Target Indication (GMTI) and Airborne Moving Target Indication (AMTI) capability			(+43,000)
		Integrated high payoff rocket propulsion technology			(+5,000)
0602601F	8	SPACE TECHNOLOGY	58,582		58,582
0602602F	9	CONVENTIONAL MUNITIONS	60,343		60,343
0602605F	10	DIRECTED ENERGY TECHNOLOGY	39,936	2,250	42,186
		Vacuum pump			(+2,250)
0602702F	11	COMMAND CONTROL AND COMMUNICATIONS	70,951		70,951
0602805F	12	DUAL USE SCIENCE AND TECHNOLOGY PROGRAM	10,626		10,626
		TOTAL, APPLIED RESEARCH	**697,549**	**79,650**	**777,199**
		RESEARCH AND DEVELOPMENT	697,549	79,650	777,199
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		ADVANCED TECHNOLOGY DEVELOPMENT			
0603106F	13	LOGISTICS SYSTEMS TECHNOLOGY	0		0
0603112F	14	ADVANCED MATERIALS FOR WEAPON SYSTEMS	21,138	8,000	29,138
		Metals affordability initiative			(+5,000)
		Ceramic matrix composites			(+3,000)
0603202F	15	AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION	0		0

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0603203F	16	ADVANCED AEROSPACE SENSORS	50,589		50,589
0603205F	17	FLIGHT VEHICLE TECHNOLOGY	0		0
0603211F	18	AEROSPACE TECHNOLOGY DEV/DEMO	22,315	4,000	26,315
		Advanced aluminum aerostructures			(+4,000)
0603216F	19	AEROSPACE PROPULSION AND POWER TECHNOLOGY	85,650	7,400	93,050
		DERF - Sustainment of Strategic Systems (TSSS)			(+4,400)
		Thrust vector control and infrared signature reduction			(+3,000)
0603227F	20	PERSONNEL, TRAINING AND SIMULATION TECHNOLOGY	0		0
0603231F	21	CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	29,690		29,690
0603245F	22	FLIGHT VEHICLE TECHNOLOGY INTEGRATION	0		0
0603253F	23	ADVANCED SENSOR INTEGRATION	0		0
0603270F	24	ELECTRONIC COMBAT TECHNOLOGY	23,350		23,350
0603302F	25	SPACE AND MISSILE ROCKET PROPULSION	0		0
0603311F	26	BALLISTIC MISSILE TECHNOLOGY	0	5,900	5,900
		DERF - Sustainment of Strategic Systems (TSSS)			(+4,900)
		Space Technology			(+1,000)
0603333F	27	UNMANNED AIR VEHICLE DEV/DEMO	18,000		18,000
0603401F	28	ADVANCED SPACECRAFT TECHNOLOGY	42,315	8,500	50,815
		Streaker small launch vehicle			(+5,000)
		Scorpius			(+3,500)
0603410F	29	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS TECHNOLOGY	0		0
0603436F	30	TRANSFORMATIONAL WIDEBAND MILSATCOM	195,000		195,000
0603444F	31	MAUI SPACE SURVEILLANCE SYSTEM (MSSS)	6,472	5,000	11,472
		High-accuracy network determination system			(+5,000)
0603500F	32	MULTI-DISCIPLINARY ADVANCED DEVELOPMENT SPACE TECHNOLOGY	50,538		50,538
0603601F	33	CONVENTIONAL WEAPONS TECHNOLOGY	38,001		38,001
0603605F	34	ADVANCED WEAPONS TECHNOLOGY	28,271		28,271
0603723F	35	ENVIRONMENTAL ENGINEERING TECHNOLOGY	0	3,000	3,000
		Texas regional institute for environmental studies			(+3,000)
0603726F	36	AEROSPACE INFO TECH SYS INTEGRATION	0		0
0603789F	37	C3I ADVANCED DEVELOPMENT	34,288	8,300	42,588
		Information security and intrusion detection development			(+4,000)
		Identification of time critical programs			(+4,300)
0603801F	38	SPECIAL PROGRAMS	97,300		97,300
0603876F	39	SPACE-BASED LASER	0		0
		TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	**742,917**	**50,100**	**793,017**
		RESEARCH AND DEVELOPMENT	742,917	50,100	793,017
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		DEMONSTRATION AND VALIDATION			

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0603260F	40	INTELLIGENCE ADVANCED DEVELOPMENT	4,545	1,000	5,545
		Super wideband compressive receiver			(+1,000)
0603319F	41	AIRBORNE LASER PROGRAM	0		0
0603421F	42	NAVSTAR GLOBAL POSITIONING SYSTEM III	100,217		100,217
0603430F	43	ADVANCED EHF MILSATCOM (SPACE)	825,783	19,000	844,783
		DERF - radiation hardening parts			(+19,000)
0603432F	44	POLAR MILSATCOM (SPACE)	19,554		19,554
0603434F	45	NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL SATELLITE SYS (SPACE) - D	237,199		237,199
0603438F	46	SPACE CONTROL TECHNOLOGY	13,814		13,814
0603617F	47	COMMAND, CONTROL, AND COMMUNICATION APPLICATIONS	0		0
0603742F	48	COMBAT IDENTIFICATION TECHNOLOGY	12,434		12,434
0603790F	49	NATO RESEARCH AND DEVELOPMENT	4,355		4,355
0603791F	50	INTERNATIONAL SPACE COOPERATIVE R&D	643		643
0603800F	51	JOINT STRIKE FIGHTER	0		0
0603845F	52	ADVANCED WIDEBAND SYSTEM (AWS)	4,982		4,982
0603850F	53	INTEGRATED BROADCAST SERVICE (DEM/VAL)	19,870	19,200	39,070
		DERF - Smart Pull			(+6,600)
		DERF - Completely fund all shortfalls when EA responsibility transferred			(+12,600)
0603851F	54	INTERCONTINENTAL BALLISTIC MISSILE - DEM/VAL	63,025	7,500	70,525
		DERF - emerging strategic solid rocket motor (SRM) technologies			(+7,500)
0603854F	55	WIDEBAND GAPFILLER SYSTEM RDT&E (SPACE)	20,009		20,009
0603856F	56	AIR FORCE/NATIONAL PROGRAM COOPERATION (AFNPC)	8,829	(6,000)	2,829
		Air Force/national systems cooperation			(-6,000)
0603858F	57	SPACE-BASED RADAR DEM/VAL	47,859		47,859
0603859F	58	POLLUTION PREVENTION (DEM/VAL)	2,743		2,743
0603860F	59	JOINT PRECISION APPROACH AND LANDING SYSTEMS - DEM/VAL	13,267		13,267
0604327F	60	HARD AND DEEPLY BURIED TARGET DEFEAT SYSTEM (HDBTDS) PROGRAM	7,482		7,482
0305149F	61	COBRA JUDY (H)	51,000		51,000
		TOTAL, DEMONSTRATION AND VALIDATION	**1,457,610**	**40,700**	**1,498,310**
		RESEARCH AND DEVELOPMENT	1,457,610	40,700	1,498,310
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		ENGINEERING AND MANUFACTURING DEVELOPMENT			
0603840F	62	GLOBAL BROADCAST SERVICE (GBS)	22,589		22,589
0604012F	63	JOINT HELMET MOUNTED CUEING SYSTEM (JHMCS)	1,859		1,859
0604222F	64	NUCLEAR WEAPONS SUPPORT	13,627		13,627
0604226F	65	B-1B	160,688		160,688
0604227F	66	DISTRIBUTED MISSION TRAINING (DMT)	0		0
0604233F	67	SPECIALIZED UNDERGRADUATE PILOT TRAINING	1,909		1,909
0604239F	68	F-22 EMD	627,266		627,266

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0604240F	69	B-2 ADVANCED TECHNOLOGY BOMBER	225,327	67,000	292,327
		DERF - B-2 Radar			(+50,000)
		B-2 low observables improvements			(+17,000)
0604251F	70	SPACE-BASED RADAR EMD	0		0
0604270F	71	EW DEVELOPMENT	65,082	19,900	84,982
		Precision location and identification			(+14,700)
		Comet infra-red countermeasures system			(+5,200)
0604280F	72	JOINT TACTICAL RADIO	17,358		17,358
0604329F	73	SMALL DIAMETER BOMB (SDB) EMD	54,368		54,368
0604421F	74	COUNTERSPACE SYSTEMS	40,053		40,053
0604441F	75	SPACE BASED INFRARED SYSTEM (SBIRS) HIGH EMD	814,927		814,927
0604442F	76	SPACE BASED INFRARED SYSTEM (SBIRS) LOW EMD	0		0
0604479F	77	MILSTAR LDR/MDR SATELLITE COMMUNICATIONS (SPACE)	148,936	8,100	157,036
		Joint integrated satellite communications technology			(+8,100)
0604600F	XX	MUNITIONS DISPENSER DEVELOPMENT		16,200	16,200
		Wind corrected munitions dispenser-extended range			(+16,200)
0604602F	78	ARMAMENT/ORDNANCE DEVELOPMENT	9,160		9,160
0604604F	79	SUBMUNITIONS	4,739		4,739
0604617F	80	AGILE COMBAT SUPPORT	6,318		6,318
0604618F	81	JOINT DIRECT ATTACK MUNITION	16,594		16,594
0604703F	82	AEROMEDICAL/CHEMICAL DEFENSE SYSTEMS	0		0
0604706F	83	LIFE SUPPORT SYSTEMS	925	7,100	8,025
		Advanced concept ejection seat II improvement			(+7,100)
0604727F	84	JOINT STANDOFF WEAPONS SYSTEMS	0		0
0604731F	85	UNMANNED COMBAT AIR VEHICLE (UCAV)	40,000		40,000
0604735F	86	COMBAT TRAINING RANGES	13,524	3,000	16,524
		Air combat training ranges			(+3,000)
0604740F	87	INTEGRATED COMMAND &; CONTROL APPLICATIONS (IC2A)	226		226
0604750F	88	INTELLIGENCE EQUIPMENT	1,326		1,326
0604754F	89	TACTICAL DATA LINK INFRASTRUCTURE	0		0
0604762F	90	COMMON LOW OBSERVABLES VERIFICATION SYSTEM (CLOVERS)	4,781		4,781
0604779F	91	TACTICAL DATA LINK INTEROPERABILITY	0		0
0604800F	92	JOINT STRIKE FIGHTER EMD	1,743,668		1,743,668
0604805F	93	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE	0		0
0604851F	94	INTERCONTINENTAL BALLISTIC MISSILE - EMD	133,291		133,291
0604853F	95	EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE) - EMD	57,562		57,562
0605011F	96	RDT&E FOR AGING AIRCRAFT	19,871	15,000	34,871
		Aging landing gear life extension program			(+15,000)
0605306F	97	RANCH HAND II EPIDEMIOLOGY STUDY	0		0
0207249F	98	PRECISION ATTACK SYSTEMS PROCUREMENT	0		0

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0207434F	99	LINK-16 SUPPORT AND SUSTAINMENT	44,146		44,146
0207701F	100	FULL COMBAT MISSION TRAINING	3,731		3,731
0305176F	101	COMBAT SURVIVOR EVADER LOCATOR	14,274		14,274
0401318F	102	CV-22	11,449		11,449
		TOTAL, ENGINEERING AND MANUFACTURING DEVELOPMENT	**4,319,574**	**136,300**	**4,455,874**
		RESEARCH AND DEVELOPMENT	0	0	0
		ENGINEERING AND MANUFACTURING DEVELOPMENT	2,088,774	25,100	2,113,874
		RDT&E MANAGEMENT SUPPORT			
0604256F	103	THREAT SIMULATOR DEVELOPMENT	30,351		30,351
0604759F	104	MAJOR T&E INVESTMENT	46,338	7,000	53,338
		Laser induced surface improvement technology			(+3,000)
		Electronic countermeasures upgrades for the generic radar target generator			(+4,000)
0605101F	105	RAND PROJECT AIR FORCE	25,462		25,462
0605306F	106	RANCH HAND II EPIDEMIOLOGY STUDY	11,029		11,029
0605502F	107	SMALL BUSINESS INNOVATION RESEARCH	0		0
0605712F	108	INITIAL OPERATIONAL TEST & EVALUATION	27,070		27,070
0605807F	109	TEST AND EVALUATION SUPPORT	398,266		398,266
0605860F	110	ROCKET SYSTEMS LAUNCH PROGRAM (SPACE)	16,237	11,000	27,237
		Missile technology demonstration			(+11,000)
0605864F	111	SPACE TEST PROGRAM (STP)	49,882		49,882
0804731F	112	GENERAL SKILL TRAINING	313		313
0909900F	113	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS	0		0
0909980F	114	JUDGMENT FUND REIMBURSEMENT	20,000		20,000
1001004F	115	INTERNATIONAL ACTIVITIES	3,878		3,878
		TOTAL, RDT&E MANAGEMENT SUPPORT	**628,826**	**18,000**	**646,826**
		RESEARCH AND DEVELOPMENT	628,826	18,000	646,826
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		OPERATIONAL SYSTEMS DEVELOPMENT			
0605024F	116	ANTI-TAMPER TECHNOLOGY EXECUTIVE AGENCY	8,000		8,000
0101113F	117	B-52 SQUADRONS	55,794		55,794
0101120F	118	ADVANCED CRUISE MISSILE	2,788		2,788
0101122F	119	AIR-LAUNCHED CRUISE MISSILE (ALCM)	26,713		26,713
0101313F	120	STRAT WAR PLANNING SYSTEM - USSTRATCOM	1,895		1,895
0101815F	121	ADVANCED STRATEGIC PROGRAMS	5,879		5,879
0102326F	122	REGION/SECTOR OPERATION CONTROL CENTER MODERNIZATION PROGRAM	35,000		35,000
0203761F	123	WARFIGHTER RAPID ACQUISITION PROCESS (WRAP) RAPID TRANSITION FUND	25,057		25,057
0207027F	124	AC2ISR CENTER	0	5,000	5,000
		Rapid attack support system			(+5,000)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0207028F	125	JOINT EXPEDITIONARY FORCE EXPERIMENT	27,161		27,161
0207131F	126	A-10 SQUADRONS	7,650		7,650
0207133F	127	F-16 SQUADRONS	81,338		81,338
0207134F	128	F-15E SQUADRONS	81,726		81,726
0207136F	129	MANNED DESTRUCTIVE SUPPRESSION	23,699		23,699
0207138F	130	F-22 SQUADRONS	181,239		181,239
0207141F	131	F-117A SQUADRONS	3,525		3,525
0207161F	132	TACTICAL AIM MISSILES	2,943		2,943
0207163F	133	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	37,008	6,500	43,508
		Increase			(+6,500)
0207247F	134	AF TENCAP	10,496		10,496
0207248F	135	SPECIAL EVALUATION PROGRAM	110,080	3,200	113,280
		DERF - Classified			(+3,200)
0207253F	136	COMPASS CALL	3,877	8,000	11,877
		Compass Call upgrades			(+8,000)
0207268F	137	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	186,690		186,690
0207277F	138	CSAF INNOVATION PROGRAM	1,920		1,920
0207325F	139	JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM)	42,097	10,000	52,097
		Joint air to surface standoff missile			(+10,000)
0207410F	140	AEROSPACE OPERATIONS CENTER (AOC)	35,875		35,875
0207412F	141	CONTROL AND REPORTING CENTER (CRC)	6,652		6,652
0207417F	142	AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	173,956		173,956
0207423F	143	ADVANCED COMMUNICATIONS SYSTEMS	29,133		29,133
0207424F	144	EVALUATION AND ANALYSIS PROGRAM	230,218	10,450	240,668
		Increase			(+10,450)
0207433F	145	ADVANCED PROGRAM TECHNOLOGY	104,651	10,000	114,651
		DERF - Classified			(+10,000)
0207438F	146	THEATER BATTLE MANAGEMENT (TBM) C4I	34,700		34,700
0207445F	147	FIGHTER TACTICAL DATA LINK	39,034		39,034
0207449F	148	MC2C (MULTI-SENSOR COMMAND AND CONTROL CONSTELLATION)	191,089	488,000	679,089
		DERF - 767 Aircraft RDT&E Testbed			(+488,000)
0207581F	149	JOINT SURVEILLANCE AND TARGET ATTACK RADAR SYSTEM (JOINT STARS)	55,515	12,700	68,215
		Joint services work station			(+12,700)
0207590F	150	SEEK EAGLE	16,972		16,972
0207591F	151	ADVANCED PROGRAM EVALUATION	220,088	17,000	237,088
		DERF - Classified			(+17,000)
0207601F	152	USAF MODELING AND SIMULATION	21,895	2,000	23,895
		Synthetic theatre operations research model			(+2,000)
0207605F	153	WARGAMING AND SIMULATION CENTERS	5,278		5,278
0207701F	154	FULL COMBAT MISSION TRAINING	0		0

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0208006F	155	MISSION PLANNING SYSTEMS	17,002		17,002
0208021F	156	INFORMATION WARFARE SUPPORT	7,837		7,837
0208031F	157	WAR RESERVE MATERIEL - EQUIPMENT/SECONDARY ITEMS	0		0
0208060F	158	THEATER MISSILE DEFENSES	0		0
0208160F	159	TECHNICAL EVALUATION SYSTEM	135,588	30,000	165,588
		DERF - Classified			(+30,000)
0208161F	160	SPECIAL EVALUATION SYSTEM	41,518		41,518
0208889F	161	COUNTERDRUG USSOUTHCOM SUPPORT	0		0
0301310F	162	NATIONAL AIR INTELLIGENCE CENTER			0
0301314F	163	COBRA BALL			0
0301315F	164	MISSILE AND SPACE TECHNICAL COLLECTION			0
0301324F	165	FOREST GREEN			0
0301398F	166	MANAGEMENT HEADQUARTERS GDIP			0
0302015F	167	E-4B NATIONAL AIRBORNE OPERATIONS CENTER (NAOC)	47,867		47,867
0303110F	168	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)	2,046		2,046
0303112F	169	AIR FORCE COMMUNICATIONS (AIRCOM)	0		0
0303131F	170	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	2,423		2,423
0303140F	171	INFORMATION SYSTEMS SECURITY PROGRAM	9,353	7,000	16,353
		DERF - toolsets to exploit, destroy, and deny adversarial networks			(+4,000)
		Information operation technology and fusion initiative			(+3,000)
0303141F	172	GLOBAL COMBAT SUPPORT SYSTEM	29,168		29,168
0303150F	173	GLOBAL COMMAND AND CONTROL SYSTEM	3,565		3,565
0303401F	174	COMMUNICATIONS SECURITY (COMSEC)	4,765		4,765
0303601F	175	MILSATCOM TERMINALS	72,712		72,712
0304111F	176	SPECIAL ACTIVITIES			0
0304311F	177	SELECTED ACTIVITIES	150,243	72,000	222,243
		DERF - Classified			(+72,000)
0305099F	178	GLOBAL AIR TRAFFIC MANAGEMENT (GATM)	7,200		7,200
0305110F	179	SATELLITE CONTROL NETWORK (SPACE)	17,542		17,542
0305111F	180	WEATHER SERVICE	14,488		14,488
0305114F	181	AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM (ATCALS)	9,865		9,865
0305128F	182	SECURITY AND INVESTIGATIVE ACTIVITIES	475		475
0305142F	183	APPLIED TECHNOLOGY AND INTEGRATION			0
0305144F	184	TITAN SPACE LAUNCH VEHICLES (SPACE)	0		0
0305148F	185	AIR FORCE TACTICAL MEASUREMENT AND SIGNATURE INTELLIGENCE (MASINT) SYSTEMS/P	6,486	9,000	15,486
		DERF - ARGUS MASINT			(+9,000)
0305159F	186	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	42,076	145,300	187,376
		DERF - Classified			(+120,300)
		DERF - Defense Space Reconnaissance Program (SPACE) Classified			(+25,000)
0305160F	187	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	3,875		3,875

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0305164F	188	NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT) (SPACE)	86,799		86,799
0305165F	189	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL SEGMENTS)	324,098	(49,000)	275,098
		GPS-II program adjustment			(-49,000)
0305172F	190	COMBINED ADVANCED APPLICATIONS			0
0305182F	191	SPACELIFT RANGE SYSTEM (SPACE)	82,108		82,108
0305202F	192	DRAGON U-2 (JMIP)	17,442	48,500	65,942
		DERF - U-2 SIGINT			(+2,700)
		DERF - Global Hawk Defensive Sys			(+30,000)
		DERF - Global Hawk SIGINT			(+5,000)
		DERF - U-2 SIGINT			(+10,800)
0305205F	193	ENDURANCE UNMANNED AERIAL VEHICLES	309,743	10,000	319,743
		DERF - Predator A & B			(+10,000)
0305206F	194	AIRBORNE RECONNAISSANCE SYSTEMS	66,810	11,100	77,910
		Tactical airborne reconnaissance system			(+11,100)
0305207F	195	MANNED RECONNAISSANCE SYSTEMS	0	20,000	20,000
		Network centric collaborative targeting			(+20,000)
0305208F	196	DISTRIBUTED COMMON GROUND SYSTEMS	20,708	26,200	46,908
		DERF - Commercial Imagery			(+2,400)
		DERF - DCGS MASINT			(+5,000)
		DERF - AF DCGC Geospatial Services and Information			(+3,800)
		DERF - DCGS/U-2 SIGINT Network			(+15,000)
0305906F	197	NCMC - TW/AA SYSTEM	15,639		15,639
0305910F	198	SPACETRACK (SPACE)	21,917		21,917
0305911F	199	DEFENSE SUPPORT PROGRAM (SPACE)	2,090		2,090
0305913F	200	NUDET DETECTION SYSTEM (SPACE)	21,180		21,180
0308601F	201	MODELING AND SIMULATION SUPPORT	1,995		1,995
0308699F	202	SHARED EARLY WARNING (SEW)	4,027		4,027
0401115F	203	C-130 AIRLIFT SQUADRON	158,978		158,978
0401119F	204	C-5 AIRLIFT SQUADRONS	277,795		277,795
0401130F	205	C-17 AIRCRAFT	157,213		157,213
0401132F	206	C-130J PROGRAM	10,000		10,000
0401134F	207	LARGE AIRCRAFT IR COUNTERMEASURES (LAIRCM)	47,539		47,539
0401218F	208	KC-135S	1,497		1,497
0401219F	209	KC-10S	10,506		10,506
0404011F	210	SPECIAL OPERATIONS FORCES	0		0
0702207F	211	DEPOT MAINTENANCE (NON-IF)	1,340	1,500	2,840
		Metrology			(+1,500)
0708011F	212	INDUSTRIAL PREPAREDNESS	37,581	3,000	40,581
		Metals affordability initiative			(+3,000)
0708012F	213	LOGISTICS SUPPORT ACTIVITIES	10,375		10,375

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0708026F	214	PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN. PROG OFC (PRAMPO)	4,767		4,767
0708071F	215	JOINT LOGISTICS PROGRAM - AMMUNITION STANDARD SYSTEM	0		0
0708611F	216	SUPPORT SYSTEMS DEVELOPMENT	35,813	1,000	36,813
		Low emission/efficient hybrid aviation refueling truck propulsion			(+1,000)
0708612F	217	COMPUTER RESOURCES SUPPORT IMPROVEMENT PROGRAM (CRSIP)	2,094		2,094
0901212F	218	SERVICE-WIDE SUPPORT	4,090		4,090
0901218F	219	CIVILIAN COMPENSATION PROGRAM	7,132		7,132
0901538F	220	FINANCIAL MANAGEMENT INFORMATION SYSTEMS DEVELOPMENT	21,326		21,326
1001018F	221	NATO JOINT STARS	0		0
	999	Classified Programs	5,019,286		5,019,286
		TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	**9,535,613**	**908,450**	**10,444,063**
		RESEARCH AND DEVELOPMENT	9,535,613	908,450	10,444,063
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		Accrual Accounting for Civil Service Retirement and Health Programs		(36,249)	(36,249)
		TOTAL. RESEARCH, DEVELOPMENT, TEST & EVALUATION, AIR FORCE	**17,601,233**	**1,201,951**	**18,803,184**
		RESEARCH AND DEVELOPMENT	13,281,659	1,065,651	14,347,310
		ENGINEERING AND MANUFACTURING DEVELOPMENT	4,319,574	136,300	4,455,874

Items of Special Interest

Advanced aluminum aerostructures

The budget request contained $22.3 million in PE 63211F for aerospace technology development, including $9.6 million for continued development of advanced aluminum aerostructures.

The committee is aware that advanced aluminum aerostructures have demonstrated significant cost, weight, and production process reductions for the C–17 and C–130 aircraft, and offer similar improvements for future programs such as F–22 and Joint Strike Fighter.

The committee recommends $26.3 million in PE 63211F, an increase of $4.0 million for continuation of advanced aluminum aerostructures.

Advanced concept ejection seat II improvement

The budget request contained $925 thousand in PE 64706F for development of aircraft life support systems, but included no funds for the advanced concept ejection seat (ACES) II pre-planned product improvement (PPPI) program. The ACES II is the pilot ejection seat used on all Department of the Air Force combat aircraft except the B–52 bomber.

The committee understands that Air Force pilots continue to experience injuries from high-speed ejections, which can be rectified by inflatable restraints and improved parachute design. The committee further understands that an improved modular ACES II seat design has the potential to both reduce maintenance requirements, thereby lowering life-cycle costs, and to accommodate smaller-sized females and larger-sized males.

To address these improvements in the ACES II, the committee recommends $8.0 million in PE 64706F, an increase of $7.1 million, for continuation of the ACES II PPPI program and encourages the Air Force to continue to provide funds for the ACES II PPPI in its future years defense program.

Advanced thermal protection systems

The budget request contained $75.3 million in PE 62102F for materials, but included no funds for advanced thermal protection systems (TPS).

The committee is aware that current thermal protection materials are derivatives of materials designed specifically for long range missile applications and do not provide adequate protection for current and emerging requirements to address prolonged, high temperature stresses of in-atmosphere hypersonic flight. Advanced TPS materials have demonstrated the capability to provide enhanced protection, as well as weight reduction, and offer solutions for aerostructures in development and planned for the future.

The committee recommends an increase of $3.5 million in PE 62102F for advanced TPS.

Aging landing gear life extension program

The budget request contained $19.9 million in PE 65011F for development of products and services to improve the performance of aging aircraft systems but included no funds for the aging landing gear life extension (ALGLE) program.

The ALGLE program addresses the operational, safety and maintenance consequences of increased mishaps resulting from landing gear failures as well as low mission capable rates for KC–135, C–130, C–5 and F–16 aircraft that are attributable to either unavailable or unreliable landing gear assets. The committee notes that the ALGLE program is prototyping new landing gear component modifications, developing new repair techniques, and exploiting new technologies. The committee understands that these efforts have already resulted in life cycle cost reductions of over $62.0 million, and that the program has the potential to further reduce life cycle costs by over $400.0 million.

Accordingly, the committee believes that this program should continue to address the Air Force's aging landing gear problems in fiscal year 2003 and in subsequent years. The committee recommends $34.9 million in PE 65011F, an increase of $15.0 million, for continuation of the ALGLE program.

Air combat training ranges

The budget request contained $13.5 million in PE 64735F for combat training range development but included no funds to integrate tactical data information and ground tracking in the Nellis Air Combat Training System (NACTS).

The NACTS, configured with instrumentation to determine aerial combat outcomes, is used to train aircrews and ground-based participants for combat. The committee understands that the joint tactical information distribution system (JTIDS), an aircraft data system to exchange time-critical targeting data, will be integrated into the NACTS in fiscal year 2002, but that the NACTS does not have the capability to assess the effectiveness of JTIDS uses in NACTS tactics training scenarios for aircrew and ground participants.

The committee recommends $16.5 million in PE 64735F, an increase of $3.0 million, to integrate tactical data information and ground tracking into the NACTS.

Air Force manufacturing technology program

The budget request contained $37.6 million in PE 78011F for the Air Force's Industrial Preparedness Manufacturing Technology program, a reduction of $21.4 million from the amount provided in fiscal year 2002.

The committee is concerned by the low level of fiscal year 2003 funding requested by the Air Force for the Manufacturing Technology (ManTech) program. The ManTech Program has an outstanding record of strengthening industrial base capability, shortening lead times for manufacturing applications and defense products, improving weapon system affordability, and speeding the transition and insertion of vital technology out of the laboratory and into operational use for the warfighter. The basic capability of the industrial base to produce military weapons is supported strongly by commercial investments, but military-unique industrial capabilities required to elevate our weapon systems above those of potential adversaries depend on military investment. The ManTech Program is a critical element of the investment needed to transform the industrial capability to support the transformation of the armed forces. The requested budget of $37.6 million is far short of

the level needed to support, sustain, and enable such a transformation.

The committee strongly recommends that the Secretary of the Air Force restore the program to a funding level of at least $70 million for fiscal year 2004, and to consider treating the ManTech Program as an Air Force corporate investment program with annual funding of at least 1 percent of the total funds budgeted for Air Force Research, Development, Test, and Evaluation.

Air Force/national systems cooperation

The budget request contained $8.8 million in PE 63856F for Air Force/national systems cooperation.

The committee is aware that the Air Force and national systems management are now combined within the office of the Under Secretary of the Air Force, and that therefore cooperation should result in reduced costs and should not require additional funding.

The committee recommends $2.8 million in PE 63856F, a decrease of $6.0 million for Air Force/national systems cooperation.

Ceramic matrix composites

The budget request contained $21.1 million in PE 63112F for advanced materials for weapons systems, but included no funding for ceramic matrix composites.

The committee notes that ceramic matrix composite materials offer significant weight reduction and enhanced durability for high performance jet engines used in the F–22 and Joint Strike Fighter.

The committee recommends an increase of $3.0 million in PE 63112F for continued development of ceramic matrix composites.

Compass Call upgrades

The budget request contained $3.9 million in PE 27253F for Compass Call, and included $2.5 million to develop and integrate new technologies to sustain Compass Call.

The committee notes that Compass Call is the Air Force's airborne wide area coverage offensive counter information system. The committee is aware that the Tactical Radio Acquisition and Countermeasures Subsystem (TRACS) represents the next evolutionary capability increase in receiver/countermeasures capability for Compass Call.

The committee recommends $11.9 million in PE 27253F, an increase of $8.0 million for TRACS.

Electronic countermeasures upgrades for the generic radar target generator

The budget request contained $46.3 million in PE 64759F for major T&E investment, but included no funds for electronic countermeasures upgrades for the generic radar target generator (RTG).

The committee is aware test ranges and training ranges are constantly challenged to provide operationally realistic threat environments for electronic countermeasures. The RTG will provide threat representative aircraft signatures and high fidelity models to represent the environments the warfighter is likely to encounter on today's battlefields.

The committee recommends an increase of $4.0 million in PE 64759F for electronic countermeasures upgrades for the generic RTG.

Electronic warfare development

The budget request contained $65.1 million in PE 64270F for electronic warfare (EW) development, of which $10.6 million was included for the precision location and identification (PLAID) technology program, but included no funds for the development of the comet infra-red (IR) countermeasures system.

Precision location and identification

The PLAID technology program will improve aircrew situational awareness by providing accurate ground emitter location and unambiguous identification. The committee understands that the budget request for fiscal year 2003 does not provide for the development of a PLAID capability that would pass ground emitter target locations to other systems nor provide for risk-reduction flight testing of this capability.

The committee recommends an increase of $14.7 million for this purpose.

Comet infra-red countermeasures system

Elsewhere in this report, the committee recommends a procurement increase for the comet IR countermeasures system, but understands that further testing is required in fiscal year 2003 to develop the comet IR countermeasures production configuration. Since the Air Force Chief of Staff included comet IR countermeasures among his top unfunded priorities for fiscal year 2003, the committee recommends an increase of $5.2 million for this purpose.

The committee recommends $85.0 million in PE 64270F, an increase of $19.9 million.

Global Hawk high altitude endurance unmanned aerial vehicle

Air Force

The budget contained $309.0 million in PE 35205F for endurance unmanned aerial vehicles, and included $306.0 for Global Hawk high altitude endurance (HAE) unmanned aerial vehicle (UAV). The Defense Emergency Response Fund (DERF) contained an additional $128.3 million for Global Hawk and associated sensor electronics development.

The committee notes the recent operational success of Global Hawk and supports introduction of this new capability. However, the committee is aware that the joint engineering team is methodically re-baselining the Global Hawk program and recognizes that this process must be thorough and complete to form the basis for a strong, well-structured production phase. The committee recognizes that while the air vehicle definition may be more mature than sensor packages, determining the proper sensors is fundamental to the future success of Global Hawk. The committee recalls the problems associated with other programs making the transition from an advanced concept technology demonstration to formal acquisition, and believes that those experiences have shown that

extra attention to detail is important as the transition to acquisition is made. Some Global Hawk documentation required by the DOD 5000 series acquisition regulations is either incomplete or in various stages of development, and must be completed.

The committee believes that the proper goal for the Global Hawk acquisition program should be to expeditiously field a meaningful operational capability for the warfighter. However, determination of a proper operational capability for Global Hawk that fits within the overall intelligence, reconnaissance and surveillance architecture, is essential to successful production.

The committee believes that cost reduction efforts are essential to allow fielding Global Hawk in meaningful numbers and notes that while production rate affects average per unit cost, the proper design, robust but not gold plated, has an even greater potential to limit cost and schedule growth. Industrial facilities can be efficiently sized for a particular rate, given stable production goals. The Secretary of the Air Force should ensure that industrial production facilities are sized at an appropriate and realistic capacity, based on a firm commitment to a sustained rate of production, rather than an overly optimistic estimate that leads to unwarranted investment in production facilities.

The committee also believes that the Air Force should make maximum appropriate use of off-the-shelf technology and open standards in order to minimize system costs and allow competition, rather than engaging in prolonged development that slightly improves performance while causing great expense and years of potential delay. The committee is also aware of the Navy's new UAV concept exploration effort examining Global Hawk and, should the Navy decide to use Global Hawk, believes that the sensors and platform should remain common with the Air Force variant unless modifications are justified as necessary to meet mission requirements.

The committee notes that basing and infrastructure development are also cost drivers and must be developed with maximum commonality and minimum duplication, again based on a realistic estimate of procurement numbers. The committee notes that shared Air Force-Navy Global Hawk basing facilities might offer cost savings should the Navy decide, after its broad area maritime surveillance (BAMS) experimentation, to acquire Global Hawk.

The committee directs the Secretary of the Air Force to re-baseline the Global Hawk by December 31, 2002. This new baseline should incorporate a clear roadmap of technology insertion leading to an objective configuration. The re-baselining shall be established on realistic per unit costs, with and without sensors; address the evolutionary growth structure or "spiral" cost, schedule objectives, and milestone decisions.

The committee recommends the budget request for Global Hawk.

Navy

The budget request contained $206.4 million in PE 35204N and included $152.0 million for Global Hawk and $28.3 million in the DERF fiscal year 2003 for sensor development.

The committee is very concerned that the Navy enters the Global Hawk program with clear maritime requirements and notes that there is currently no mission needs statement, no analysis of mul-

tiple concepts, and no specific exit criteria. The committee directs the Secretary of the Navy not to obligate more that 20 percent of the Navy's Global Hawk funding until these requirements have been met for the Broad Area Maritime Surveillance (BAMS) Phase I demonstration in accordance with DOD 5000 series.

The committee directs the Secretary of the Navy to submit the acquisition strategy for the BAMS Unmanned Aerial Vehicle (UAV) to the congressional defense and intelligence committees.

The committee recommends $180.3 million in PE 35204N for Global Hawk, including $28.3 million for sensor development in the DERF for fiscal year 2003.

GPS–II program adjustment

The budget request contained $324.1 million in PE 35165F for the NAVSTAR global positioning system (GPS).

The committee is aware that recent program adjustments have eliminated funds included to modify future GPS–II satellites to increase power.

Therefore, the committee recommends $275.1 million in PE 35165F, a decrease of $49.0 million for GPS–II.

Guidance, propulsion, and re-entry vehicle demonstration/validation

The budget request contains $63.0M in PE 63851F for the development of guidance, propulsion, and re-entry vehicle technology demonstration and validation programs.

The committee is concerned that a number of Air Force science and technology efforts to develop space vehicle and missile technologies are not being effectively coordinated and tested.

Therefore, the committee recommends that the demonstration and validation efforts for development of guidance, propulsion, reentry vehicles be executed by the Ballistic Missile Technology office and the Rocket Propulsion Laboratory, and demonstration/validation of advanced technologies and new capabilities be executed by the Space and Missile System Center Detachment Rocket Program.

High-accuracy network determination system

The budget request contained $6.5 million in PE 63444F for the Maui space surveillance system, but included no funds for the high-accuracy network determination system (HANDS).

The committee understands the importance of maintaining space situational awareness to ensure collision avoidance of national assets and space debris. The committee is aware that potential collisions can unduly draw attention from mission space-based national requirements. Accurate determination of target satellite orbits, neighboring satellites and debris is key to collision avoidance operations and threat management. HANDS can reduce the potential for collision by reducing errors in the current space-object maintenance catalog. The committee supports further development of this initiative.

The committee recommends $11.5 million in PE 63444F, an increase of $5.0 million for the high-accuracy network determination system.

Identification of time critical programs

The budget request contained $34.3 million in PE 63789F for C3I advanced development, including $4.2 million for continued development of identification of time critical programs.

The committee is aware of the importance of reducing the sensor-to-shooter engagement time for hi-value, short-duration battlefield targets and fully supports continued development of technologies for this purpose.

The committee recommends an increase of $4.3 million in PE 63789F for accelerated testing and evaluation of time critical target identification.

Information operation technology and fusion initiative

The budget request included $9.4 million in PE 33140F for the information systems security program, but included no funds for the information operation technology and fusion initiative.

The committee notes that the Information Systems Security Program conducts research and development of information protection tools and transitions them to operational systems. The committee also notes that the effort concentrates on transitioning state of the art information operation capabilities to the warfighter by demonstrating and validating advanced technology necessary to address specific deficiencies and shortfalls identified by the Air Intelligence Agency. The committee further notes that the aim of the program is to expedite technology to the field through rapid prototyping.

The committee believes deficiencies exist in the area of information operations, information assurance, information fusion, and information security. The committee understands that advanced development can eventually eliminate these deficiencies, particularly when applied in a collaborative program utilizing industry, academia, and government resources. The committee encourages the Secretary of the Air Force to pursue this initiative.

The committee recommends $12.4 million in PE 33140F, an increase of $3.0 million, for the information operation technology and fusion initiative.

Information security and intrusion detection development

The budget request included $34.3 million in 63789F for command, control, communications, and intelligence (C3I) advanced development, and included $7.0 million for battlespace information exchange and $9.3 million for dynamic aerospace command and control execution.

The committee is concerned with the growing threat to information exchange procedures, supports efforts to develop innovative security measures, and applauds Air Force efforts to develop and test components of a secure, deployable information grid. The committee understands that technology developments include an information assurance decision support system, advanced information management, multi-level secure communications, secure survivable networks, and communications transmission systems.

The committee is also aware of efforts to develop an intrusion defense capability as a means for detecting and defeating hostile forces trying to embed digital information as a means of deception. The committee is supportive of these and other efforts aimed at re-

inforcing information integrity activities and urges further investment in these areas.

The committee recommends an increase of $4.0 million in PE 63789F for development, product tests, and the fielding of intrusion defenses and system security tools.

Integrated high payoff rocket propulsion technology

The budget request contained $53.6 million in PE 62500F for Air Force Multi-disciplinary Space Technology, including $19.6 million for integrated high payoff rocket propulsion technology and $76.6 million in PE 62114N for Navy Power Projection Applied Research, including $13.6 million for integrated high payoff rocket propulsion technology.

The committee notes the improvements in large and small rocket engine propulsion capability made available through the Integrated High Payoff Rocket Propulsion Technology (IHPRPT) program and supports the increased emphasis placed on IHPRPT by the Department of Defense and the Air Force.

The committee recommends an increase of $5.0 million in PE 62500F and $5.0 million in PE 62114N for integrated high payoff rocket propulsion technology.

Joint air to surface standoff missile

The budget request contained $42.1 million in PE 27325F for the Joint Air to Surface Standoff Missile (JASSM), including $19.6 million for integrated high payoff rocket propulsion technology.

The committee notes the recent series of successful JASSM flight tests and is aware of Air Force efforts to extend the missile range to provide longer stand-off and sustain or improve accuracy. The committee is encouraged by the proposed plan to develop the extended range segment of the JASSM program, and supports acceleration of that effort.

The committee recommends $52.1 million in PE 27325F, an increase of $10.0 million for accelerated testing and evaluation of and extended range JASSM.

Joint integrated satellite communications technology

The budget request contained $148.9 million in PE 64479F for Mistar LDR/MDR satellite communications, but included no funds for joint integrated satellite communications (SATCOM) technology (JIST).

The committee is aware that JIST is a web-based satellite communications management technology that utilizes the Department's existing internet protocol router to expand the flexibility and efficiency of military satellite communications. The committee notes that development systems like JIST, based on common standards, is key to increased satellite communications efficiency.

The committee recommends $157.0 million in PE 64479F, an increase of $8.1 million for JIST.

Joint services work station

The budget request contained $55.5 million in PE 27581F for Joint STARS, including $19.3 million for the Joint Services Work Station.

The committee is aware of the importance of maintaining multi-service interoperability for all supporting elements of the Joint STARS systems.

The committee recommends $68.2 million in PE 27581F, including $32.0 million for the continued development of the Joint Services Work Station, an increase of $12.7 million.

Laser induced surface improvement technology

The budget request contained $46.3 million in PE 64759F for major test and evaluation investment, but included no funds for laser induced surface improvement technology (LISI).

The committee is aware that the LISI technology has been demonstrated to significantly extend product life by improving surface properties and increasing resistance to the effects of wear and corrosion. The committee notes that the technology has reached prototype development stage for demonstration projects on military components.

The committee recommends an increase of $3.0 million in PE 64759F to complete the prototype processing facility to move laser induced surface improvement technology into fielded applications.

Lithium ion battery development

The budget request contained $107.7 million in PE 62203F for aerospace propulsion, and included $9.9 million for lithium ion battery development.

The committee notes the development of improved batteries and fuel cells continues to afford significant savings and enhancement in weapons and communication system. The next generation, high-energy/density, lithium ion battery will enable development and production of smaller, lighter aircraft, space vehicles, and hand held electronic equipment.

The committee recommends an increase of $6.0 million in PE 62203F for continued development of the lithium ion battery.

Low emission/efficient hybrid aviation refueling truck propulsion

The budget request contained $35.8 million in PE 78611F for support systems development, but included no funds for low emission/efficient hybrid fuel truck propulsion.

The committee is informed that existing Air Force aviation refueling trucks operate short distances in a manner that causes high fuel usage, high emissions and decreased engine life. The committee notes that a heavy-duty hybrid drive technology has been developed for aviation refueling trucks.

The committee recommends an increase of $1.0 million in PE 78611F for installation and test of low emission/efficient hybrid aviation refueling truck propulsion.

Metals affordability initiative

The budget request contained $75.3 million in PE 62102F and $21.1 million in PE 63112F for materials development, and $37.6 million in PE 78011F for industrial preparedness, but included no funds for continuation of the metals affordability initiative (MAI).

The committee is aware that the MAI represents a unique government-industry collaboration to provide significant improvements in the manufacturing of specialty aerospace metals.

The committee fully supports the continuation of the MAI and recommends an increase of $4.0 million in PE 62102F, an increase of $5.0 million in PE 63112F, and an increase of $3.0 million in PE 78011F for acceleration of the initiative.

Missile technology demonstration

The budget request contained $16.2 million in PE 65860F for the rocket systems launch program, but included no funds for continuation of the missile technology demonstration (MTD–3b).

The committee is aware that the MTD–3b continues to mature technologies that support high speed weapon system platforms.

The committee recommends $27.2 million in PE 65860F, an increase of $11.0 million for MTD–3b.

Network centric collaborative targeting

The budget request contained no funding in PE 35207F for manned reconnaissance systems.

The committee recognizes the Air Force's thrust towards network centric warfare, but notes that the Air Force requested no money towards this effort.

The committee recommends $20.0 million in PE 35207F, an increase of $20.0 million for network centric collaborative targeting advance concepts technology demonstration.

Pulse detonation engine

The budget request contained $107.7 million in PE 62203F for propulsion development, including $16.0 million for continued development of the pulse detonation engine (PDE).

The committee is aware that the PDE offers significant cost and performance advantages over conventional engines

The committee supports Air Force plans to fabricate and test a flight worthy prototype and recommends an increase of $6.0 million in PE 62203F for accelerated testing and evaluation of the PDE.

Rapid attack support system

The budget request contained no funds in PE 27027F for continued development of the rapid attack support system.

The committee is aware that software development has progressed to the point that many of the systems in the DOD Joint Technical Architecture can be tied together to enhance the process of rapid targeting and attack.

The committee recommends $5.0 million in PE 27027F for transition of the rapid attack support system to production.

Scorpius

The budget request contained $42.3 million in PE 63401F for advanced spacecraft technology, but included no funds for Scorpius.

The committee is aware that Scorpius development responds to the Air Force mission need statement for operationally responsive, affordable space lift. The committee notes that Scorpius had a successful sub-orbital launch on the first attempt.

The committee recommends an increase of $3.5 million in PE 63401F for Scorpius.

Space Technology

The Air Force's budget includes significant out-year funding for Minuteman IV and future space vehicle development activities. To minimize development costs, common technologies and requirements for ballistic missiles and space vehicles should be shared between the Air Force and the Navy. To assure resources are properly focused on future strategic system development, the committee recommends that the Air Force ensure that efforts of the Space and Missile Systems Center and the Air Force Research Laboratory are combined so that both development and test facilities address technology requirements for future strategic missile and space systems in a coordinated fashion.

The committee recommends an increase of $1.0 million in PE 63311F, Ballistic Missile Technology, and $1.0 million in PE 62201F, Aerospace Propulsion, to coordinate future missile and space systems requirements and technology.

Streaker small launch vehicle

The budget request contained $42.3 million in PE 63401F for advanced spacecraft technology, but included no funds for the Streaker small launch vehicle.

The committee is aware that space launch remains a very expensive portion of the space program. The committee notes that a low cost launch technology is being developed for micro and nano satellites, which offers potential to significantly reduce, associated launch costs.

The committee recommends an increase of $5.0 million in PE 63401F for the Streaker small launch vehicle.

Super wideband compressive receiver

The budget contained $4.5 million in PE 63260F for intelligence advanced development, but included no funds for super wideband compressive receiver (SWCR) technology.

The committee is aware SWCR technology has near-term potential to greatly improve receiver capability for multiple applications. SWCR technology combined with software reprogrammability may also offer rapid adaptation to new wave forms.

The committee recommends $5.5 million in PE 63260F, an increase of $1.0 for million SWCR.

Synthetic theatre operations research model

The budget request contained $21.9 million in PE 27601F for Air Force Modeling and Simulation, but included no funds for the synthetic theatre operations research model (STORM).

The committee is aware that the Joint Model Transition (JMT) project has been created to support the development and upgrade of research and development models, and notes that STORM offers the potential to be an excellent candidate for the first year of the JMT initiative.

The committee recommends $23.9 million in PE 27601F, an increase of $2.0 million for the continued development of STORM within the JMT project.

Texas regional institute for environmental studies

The budget request contained no funds in PE 63723F for environmental engineering technology.

The committee continues to support the ongoing Texas Regional Institute for Environmental Studies (TRIES) research and development of environmental technologies to protect military water supply systems. The committee encourages further work in this area, and remains supportive of the cooperative partnership arrangement between TRIES and the Air Force.

The committee recommends $3 million in PE 63723F for TRIES to demonstrate new deployable bioreactor technologies.

Thermal management for space structures

The budget request contained $75.3 million in PE 62102F for materials, and more than $8.0 million the thermal management for aerospace structures.

The committee is aware that the Office of Naval Research and the Air Force Research Lab have demonstrated the potential to improve performance and reduce weight on military aircraft and spacecraft by using ultra-high thermal conductivity carbon fibers for selected electronics/avionics components and structures. The Air Force launched a program in this area in fiscal year 2000, and significant progress has been made. The committee understands that the Air Force has qualified use of these carbon fibers for manufacturing compact electronic enclosures for satellite passive cooling systems. The committee supports further development in this initiative and encourages the qualification of these composite materials for applications across all fleets of military aircraft.

The committee recommends an increase of $3.2 million in PE 62102F for continued development of thermal management for space structures.

Thrust vector control and infrared signature reduction

The budget request contained $85.7 million in PE 63216F for aerospace propulsion and power technology, but included no funding for thrust vector control and infrared signature reduction.

The committee is aware that the Air Force is experimenting with a propulsion flow control to reduce the heat signature of fighter jets that will reduce vulnerability to heat seeking missiles.

The committee recommends an increase of $3.0 million in PE 63216F for continued development of thrust vector control and infrared signature reduction.

Upper atmospheric and astronomical training

The budget request contained $219.1 million in PE 61102F for Defense Research Sciences, but included no funding for enhanced upper atmospheric and astronomical training.

The committee is aware that the Air Force has provided extensive scientific training in upper atmospheric and astronomical research to both government and non-government audiences. However, the training facilities are limited in capacity and in need of expansion and enhancement. The committee notes that an Air Force investment of $5.0 million for enhanced scientific research equipment would be combined with non-government funding to complete the project.

The committee recommends an increase of $5.0 million for enhanced upper atmospheric and astronomical training.

Vacuum pump

The budget request contained $39.9 million in PE 62605F for Directed Energy Technology, but included no funds for the vacuum pump.

The committee is aware of the potential benefits afforded by upgrades to vacuum pump systems at Air Force laser facilities, and recommends $42.25 million in PE 62605F, an increase of $2.25 million for vacuum pump system upgrades.

Wind-corrected munitions dispenser development

The budget request contained no funds in PE 64600F for munitions dispenser development.

The committee understands that the Air Force intends to terminate the Joint Stand Off Weapon "B" variant dispenser weapon in fiscal year 2003 due to technical delays and cost increases.

Accordingly, the Air Force Chief of Staff has identified a $16.2 million fiscal year 2003 unfunded requirement to extend the range of the unpowered wind corrected munitions dispenser (WCMD) by developing a deployable wing system for the WCMD, which would enable the weapon to glide for an extended range (ER). The committee notes the effective use of the gravity fall WCMD in Operation Enduring Freedom and believes a WCMD–ER enhancement would provide an additional stand off weapon capability within the Air Force's war reserve munition stock, and, recommends $16.2 million in PE 64600F for development of the WCMD–ER.

DEFENSE-WIDE RDT&E

Overview

The budget request contained $16,613.6 million for Defense-Wide RDT&E. The committee recommends authorization of $17,191.2 million, an increase of $309.1 million and the transfer of $268.6M million for missile defense programs from Army RDT&E to Defense-wide RDT&E.

The committee recommendations for the fiscal year 2003 Defense-Wide RDT&E program are identified in the table below. Major changes to the Defense-Wide request are discussed following the table.

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		RESEARCH, DEVELOPMENT, TEST & EVAL, DEFENSEWIDE			
		BASIC RESEARCH			
0601101D8	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,126		2,126
0601101E	2	DEFENSE RESEARCH SCIENCES	175,646	(10,500)	165,146
		Defense research sciences			(-12,000)
		Interdisciplinary biological nanoscience research			(+1,500)
0601103D8	3	UNIVERSITY RESEARCH INITIATIVES	221,610		221,610
0601105D8	4	FORCE HEALTH PROTECTION	9,973		9,973
0601108D8	5	HIGH ENERGY LASER RESEARCH INITIATIVES	12,082		12,082
0601111D8	6	GOVERNMENT/INDUSTRY COSPONSORSHIP OF UNIVERSITY RESEARCH	3,467		3,467
0601114D8	7	DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEAR	9,864	10,000	19,864
		Defense experimental program to stimulate competitive research			(+10,000)
0601384BP	8	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	64,119	(18,000)	46,119
		Engineered pathogen identification and countermeasures program			(+7,000)
		Transfer to H.R. 4547			(-25,000)
		TOTAL, BASIC RESEARCH	**498,887**	**(18,500)**	**480,387**
		RESEARCH AND DEVELOPMENT	498,887	(18,500)	480,387
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		APPLIED RESEARCH			
0602110E	9	NEXT GENERATION INTERNET	0		0
0602173C	10	SUPPORT TECHNOLOGIES - APPLIED RESEARCH	0		0
0602227D8	11	MEDICAL FREE ELECTRON LASER	0	15,000	15,000
		Medical free electron laser			(+15,000)
0602228D8	12	HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) SCIENCE	13,970		13,970
0602234D8	13	LINCOLN LABORATORY RESEARCH PROGRAM	27,732		27,732
0602301E	14	COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	424,940	(50,000)	374,940
		Computing systems and communications technology			(-50,000)
0602302E	15	EMBEDDED SOFTWARE AND PERVASIVE COMPUTING	60,000		60,000
0602383E	16	BIOLOGICAL WARFARE DEFENSE	133,000	15,250	148,250
		DERF - accelerate development of anthrax therapies			(+11,250)
		Asymmetric protocols for biological defense enhancement			(+4,000)
0602384BP	17	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	262,177	(124,000)	138,177
		Rapid antibody-based biological countermeasures			(+2,000)
		Chemical-biological regenerative air filter			(+8,000)
		Mustard gas prophylactic			(+3,000)
		Transfer to H.R. 4547			(-137,000)
0602702E	18	TACTICAL TECHNOLOGY	180,952		180,952
0602708E	19	INTEGRATED COMMAND AND CONTROL TECHNOLOGY	0		0
0602712E	20	MATERIALS AND ELECTRONICS TECHNOLOGY	440,500	(48,000)	392,500

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		Materials and electronics technology			(-50,000)
		Integrated optoelectronics technology			(+2,000)
0602715BF	21	NUCLEAR SUSTAINMENT &; COUNTERPROLIFERATION TECHNOLOGIES	0		0
0602716BF	22	WMD DEFEAT TECHNOLOGY	146,143	34,300	180,443
		DERF - CT Info Network			(+5,500)
		DERF - Vulnerability Reduction Technology Measures			(+9,800)
		DERF - Hazard Prediction and Decision Support Tools			(+5,000)
		DERF - Hard Target Defeat Characterization Initiative			(+7,000)
		DERF - Enhanced Blast Weapons Effects			(+7,000)
0602717BF	23	STRATEGIC DEFENSE TECHNOLOGIES	131,199		131,199
0602787D8	24	MEDICAL TECHNOLOGY	0		0
0602890D8	25	HIGH ENERGY LASER RESEARCH	39,310		39,310
		TOTAL, APPLIED RESEARCH	**1,859,923**	**(157,450)**	**1,702,473**
		RESEARCH AND DEVELOPMENT	1,859,923	(157,450)	1,702,473
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		ADVANCED TECHNOLOGY DEVELOPMENT			
0603002D8	26	MEDICAL ADVANCED TECHNOLOGY	0		0
0603104D8	27	EXPLOSIVES DEMILITARIZATION TECHNOLOGY	8,935	3,000	11,935
		Tactical missile recycling			(+3,000)
0603121D8	28	SO/LIC ADVANCED DEVELOPMENT	13,800	9,000	22,800
		DERF - Special Reconnaissance Capabilities			(+5,000)
		DERF - Measurement and Signatures Information			(+4,000)
0603122D8	29	COMBATING TERRORISM TECHNOLOGY SUPPORT	49,015	83,900	132,915
		DERF - Entry Point Screening & Perimeter Protection			(+11,000)
		DERF - Reconnaissance Tool Kit			(+19,500)
		DERF - Super Zoom Digital Camera			(+6,000)
		DERF - Combating Terrorism BAA			(+19,500)
		DERF - Attribution CT Tools and Deployable Communications			(+5,600)
		DERF - Detection of Bio Agents in Food			(+3,000)
		DERF - Alternate Power Sources for Battery Charging			(+5,000)
		Magnetic quadrupole resonance explosives detection			(+2,000)
		Lightweight biological detectors			(+4,000)
		Chemical-biological electrostatic decontamination system			(+4,300)
		Facial recognition technology			(+4,000)
0603160BF	30	COUNTERPROLIFERATION ADVANCED DEVELOPMENT TECHNOLOGIES	77,389	20,000	97,389
		DERF - SOF Support Defeat Terrorist			(+11,000)
		DERF - Anti-Biological Weapon Defeat Support			(+5,000)
		Thermobaric warhead development			(+4,000)
0603173C	31	SUPPORT TECHNOLOGIES - ADVANCED TECHNOLOGY DEVELOPMENT	0		0

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0603174C	32	SPACE BASED LASERS (SBL)	0		0
0603175C	33	BALLISTIC MISSILE DEFENSE TECHNOLOGY	121,751	5,500	127,251
		Silicon carbide based widebandgap technology			(+5,500)
0603225D8	34	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	25,420		25,420
0603232D8	35	AUTOMATIC TARGET RECOGNITION	7,404		7,404
0603285E	36	ADVANCED AEROSPACE SYSTEMS	246,000	(50,000)	196,000
		Advanced aerospace systems			(-50,000)
0603384BP	37	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEVELOPMENT	249,842	(161,900)	87,942
		DERF - Miniature Chemical Analysis Sys for Detection of Chembio agents in the Chemlab			(+2,600)
		Transfer to H.R. 4547			(-164,500)
0603704D8	38	SPECIAL TECHNICAL SUPPORT	11,168	5,800	16,968
		Complex systems engineering			(+5,800)
0603711BF	39	ARMS CONTROL TECHNOLOGY	37,646	3,000	40,646
		DERF - Advanced Chemical Biological Radiological Nuclear Explosive (CBRNE) Sensor and Info Fusion			(+3,000)
0603712S	40	GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	25,451	1,500	26,951
		Defense manufacturing supply chain management			(+1,500)
0603716D8	41	STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	60,468	(30,000)	30,468
		Strategic environmental research program			(-30,000)
0603727D8	42	JOINT WARFIGHTING PROGRAM	9,610		9,610
0603728D8	43	AGILE PORT DEMONSTRATION	0		0
0603738D8	44	COOPERATIVE DOD/VA MEDICAL RESEARCH	0		0
0603739E	45	ADVANCED ELECTRONICS TECHNOLOGIES	150,400		150,400
0603750D8	46	ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	199,580	16,000	215,580
		DERF - Stand Off Surveillance Camera			(+2,000)
		Multi-link antenna system			(+14,000)
0603755D8	47	HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	188,642		188,642
0603760E	48	COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS	130,101		130,101
0603762E	49	SENSOR AND GUIDANCE TECHNOLOGY	224,000		224,000
0603763E	50	MARINE TECHNOLOGY	33,000		33,000
0603764E	51	LAND WARFARE TECHNOLOGY	162,100	8,000	170,100
		DERF - Support to Homeland Security			(+8,000)
0603765E	52	CLASSIFIED DARPA PROGRAMS	275,899	19,000	294,899
		DERF - Biological Warfare Defense			(+19,000)
0603769D8	53	DISTRIBUTED LEARNING ADVANCED TECHNOLOGY DEVELOPMENT	14,000		14,000
0603781D8	54	SOFTWARE ENGINEERING INSTITUTE	22,983		22,983
0603805S	55	DUAL USE APPLICATION PROGRAMS	0		0
0603826D8	56	QUICK REACTION SPECIAL PROJECTS	25,430		25,430
0603832D8	57	JOINT WARGAMING SIMULATION MANAGEMENT OFFICE	49,929		49,929
0603924D8	58	HIGH ENERGY LASER ADVANCED TECHNOLOGY PROGRAM	13,567	15,000	28,567
		Joint technology office			(+15,000)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0605160D8	59	COUNTERPROLIFERATION SUPPORT	1,806		1,806
		TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	**2,435,336**	**(52,200)**	**2,383,136**
		RESEARCH AND DEVELOPMENT	2,435,336	(52,200)	2,383,136
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		DEMONSTRATION AND VALIDATION			
0603228D8	60	PHYSICAL SECURITY EQUIPMENT	33,553	29,000	62,553
		DERF - Security			(+10,000)
		Enhanced techniques for the detection of explosives			(+3,000)
		Backscatter mobile truck system			(+16,000)
0603709D8	61	JOINT ROBOTICS PROGRAM	11,305		11,305
0603714D8	62	ADVANCED SENSOR APPLICATIONS PROGRAM	15,994	7,000	22,994
		Advanced sensor applications program			(+5,000)
		Multi-wavelength surface scanning biological sensor			(+2,000)
0603736D8	63	CALS INITIATIVE	1,647		1,647
0603851D8	64	ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM	28,334	(8,000)	20,334
		Environmental security technical security program			(-8,000)
0603868C	65	NAVY THEATER WIDE MISSILE DEFENSE SYSTEM	0		0
0603869C	66	MEADS CONCEPTS - DEM/VAL	0		0
0603871C	67	NATIONAL MISSILE DEFENSE - DEM/VAL	0		0
0603873C	68	FAMILY-OF SYSTEMS ENGINEERING AND INTEGRATION (FOS E&I)	0		0
0603874C	69	BMD TECHNICAL OPERATIONS	0		0
0603875C	70	INTERNATIONAL COOPERATIVE PROGRAMS	0		0
0603876C	71	THREAT AND COUNTERMEASURES	0		0
0603880C	72	BALLISTIC MISSILE DEFENSE SYSTEM SEGMENT	1,065,982	20,000	1,085,982
		Wide bandwidth technology program			(+10,000)
		Battlespace environment and signatures toolkit			(+10,000)
0603881C	73	BALLISTIC MISSILE DEFENSE TERMINAL DEFENSE SEGMENT	169,974	138,745	308,719
		Transfer from MEADS (63869A)			(+117,745)
		Enhanced Arrow deployability program			(+21,000)
0603882C	74	BALLISTIC MISSILE DEFENSE MIDCOURSE DEFENSE SEGMENT	3,195,104	52,000	3,247,104
		Aegis LEAP interceptor flight demonstration program			(+27,000)
		Long range S-band and X-band discrimination radar development			(+25,000)
0603883C	75	BALLISTIC MISSILE DEFENSE BOOST DEFENSE SEGMENT	796,927	(77,500)	719,427
		Decrease			(-77,500)
0603884BP	76	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - DEM/VAL	144,790	(45,000)	99,790
		Chemical-biological mass spectrometer II			(+10,000)
		Transfer to H.R. 4547			(-55,000)
0603884C	77	BALLISTIC MISSILE DEFENSE SENSORS	373,447		373,447
060391D8Z	77a	DERF - STRATEGIC CAPABILITY MODERNIZATION		125,000	125,000

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0603920D8	78	HUMANITARIAN DEMINING	13,355		13,355
0603923D8	79	COALITION WARFARE	12,444		12,444
0604722D8	80	JOINT SERVICE EDUCATION AND TRAINING SYSTEMS DEVELOPMENT	0		0
0303191D8	81	JOINT ELECTROMAGNETIC TECHNOLOGY (JET) PROGRAM	5,085		5,085
0901585C	82	PENTAGON RESERVATION	0		0
0603XXXD!	XX	KINETIC ENERGY-ANTI SATELLITE SYSTEM		7,500	7,500
		Kinetic energy-anti satellite system			(+7,500)
		TOTAL, DEMONSTRATION AND VALIDATION	**5,867,941**	**248,745**	**6,116,686**
		RESEARCH AND DEVELOPMENT	5,867,941	248,745	6,116,686
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		ENGINEERING AND MANUFACTURING DEVELOPMENT			
0604384BF	83	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD	169,018	(1,000)	168,018
		Transfer to H.R. 4547			(-1,000)
0604709D8	84	JOINT ROBOTICS PROGRAM - EMD	13,643		13,643
0604764K	85	ADVANCED IT SERVICES JOINT PROGRAM OFFICE (AITS-JPO)	28,393		28,393
0604771D8	86	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	10,797		10,797
0604861C	87	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - EMD	932,171		932,171
0604865C	88	PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION - EMD	0	150,819	150,819
		Transfer from PAC-3 (64865A)			(+150,819)
0604867C	89	NAVY AREA THEATER MISSILE DEFENSE - EMD	0		0
0605013BL	90	INFORMATION TECHNOLOGY DEVELOPMENT	3,938		3,938
0605013D8	91	PROTOTYPE ACCOUNTING SYSTEMS	700		700
0605014SE	92	INFORMATION TECHNOLOGY DEVELOPMENT	0		0
0605015BL	93	INFORMATION TECHNOLOGY DEVELOPMENT-STANDARD PROCUREMENT SYSTEM (SPS)	10,427		10,427
0605016D8	94	FINANCIAL MANAGEMENT SYSTEM IMPROVEMENTS	96,250		96,250
0303129K	95	DEFENSE MESSAGE SYSTEM	11,803		11,803
0303140K	96	INFORMATION SYSTEMS SECURITY PROGRAM	17,620		17,620
0303141K	97	GLOBAL COMBAT SUPPORT SYSTEM	17,239		17,239
0305840K	98	ELECTRONIC COMMERCE	24,265		24,265
		TOTAL, ENGINEERING AND MANUFACTURING DEVELOPMENT	**1,336,264**	**149,819**	**1,486,083**
		RESEARCH AND DEVELOPMENT	0	0	0
		ENGINEERING AND MANUFACTURING DEVELOPMENT	1,336,264	149,819	1,486,083
		RDT&E MANAGEMENT SUPPORT			
0603858D8	99	UNEXPLODED ORDNANCE DETECTION AND CLEARANCE	1,185		1,185
0604943D8	100	THERMAL VICAR	7,058		7,058
0605104D8	101	TECHNICAL STUDIES, SUPPORT AND ANALYSIS	30,023		30,023
0605110BF	102	CRITICAL TECHNOLOGY SUPPORT	1,862		1,862
0605114E	103	BLACK LIGHT	5,000	10,000	15,000

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		DERF - Classified			(+10,000)
0605116D8	104	GENERAL SUPPORT TO C3I	14,979	4,900	19,879
		DERF - DERIS			(+2,000)
		DERF - CIP-Technology & Consequence Management			(+2,900)
0605117D8	105	FOREIGN MATERIAL ACQUISITION AND EXPLOITATION	32,382		32,382
0605123D8	106	INTERAGENCY EXPORT LICENSE AUTOMATION	10,702		10,702
0605124D8	107	DEFENSE TRAVEL SYSTEM	30,358	(10,000)	20,358
		Defense travel system			(-10,000)
0605126J	108	JOINT THEATER AIR AND MISSILE DEFENSE ORGANIZATION	72,919		72,919
0605128D8	109	CLASSIFIED PROGRAM USD(P)	0		0
0605130D8	110	FOREIGN COMPARATIVE TESTING	31,670		31,670
0605384BP	111	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	42,959	(6,600)	36,359
		Interagency consequence management equipment program			(+1,000)
		Transfer to H.R. 4547			(-7,600)
0605502C	112	SMALL BUSINESS INNOVATIVE RESEARCH - BMDO	0		0
0605502E	113	SMALL BUSINESS INNOVATIVE RESEARCH	0		0
0605710D8	114	CLASSIFIED PROGRAMS - C3I	60,708	42,060	102,768
		DERF - National Infrastructure Protection Center (NIPC) Crucial Player			(+1,600)
		DERF - Hard and Deeply Buried Targets			(+3,200)
		DERF - Information Operations			(+4,500)
		DERF - Collaborative Planning Tools			(+32,760)
0605790D8	115	SMALL BUSINESS INNOVATION RESEARCH/CHALLENGE ADMINISTRATION	2,103		2,103
0605798S	116	DEFENSE TECHNOLOGY ANALYSIS	5,201		5,201
0605799D8	117	FORCE TRANSFORMATION DIRECTORATE	20,000		20,000
0605801K	118	DEFENSE TECHNICAL INFORMATION SERVICES (DTIC)	45,249		45,249
0605803SE	119	R&D IN SUPPORT OF DOD ENLISTMENT, TESTING AND EVALUATION	8,963		8,963
0605804D8	120	DEVELOPMENT TEST AND EVALUATION	48,913		48,913
0605898E	121	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)DARPA	43,572		43,572
0901585C	122	PENTAGON RESERVATION	7,457		7,457
0901598C	123	MANAGEMENT HEADQUARTERS-BMDO	27,909		27,909
0909999E	124	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	0		0
		TOTAL, RDT&E MANAGEMENT SUPPORT	**551,172**	**40,360**	**591,532**
		RESEARCH AND DEVELOPMENT	551,172	40,360	591,532
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		OPERATIONAL SYSTEMS DEVELOPMENT			
0604805D8	125	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE	10,320	8,000	18,320
		Aircraft affordability initiative			(+8,000)
0605127T	126	PARTNERSHIP FOR PEACE (PFP) INFORMATION MANAGEMENT SYSTEM	1,920		1,920
0208045K	127	C4I INTEROPERABILITY	43,199		43,199

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
0208052J	128	JOINT ANALYTICAL MODEL IMPROVEMENT PROGRAM	12,531		12,531
0300205R	129	INFORMATION TECHNOLOGY SYSTEMS	550		550
0301011G	130	CRYPTOLOGIC ACTIVITIES			0
0301301L	131	GENERAL DEFENSE INTELLIGENCE PROGRAM			0
0301398L	132	MANAGEMENT HEADQUARTERS GDIP, DIA			0
0302016K	133	NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT	1,053		1,053
0302019K	134	DEFENSE INFO INFRASTRUCTURE ENGINEERING AND INTEGRATION	7,554		7,554
0303126K	135	LONG HAUL COMMUNICATIONS (DCS)	1,407		1,407
0303127K	136	SUPPORT OF THE NATIONAL COMMUNICATIONS SYSTEM	15,046		15,046
0303131K	137	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	7,199		7,199
0303140G	138	INFORMATION SYSTEMS SECURITY PROGRAM	394,257	51,150	445,407
		DERF - Secure Bandwidth			(+30,000)
		DERF - Mobile Secure Communications			(+20,400)
		Computer science and internet security degree program			(+750)
0303149J	139	C4I FOR THE WARRIOR	10,190		10,190
0303149K	140	C4I FOR THE WARRIOR	20,536	4,500	25,036
		DERF			(+4500)
0303150K	141	GLOBAL COMMAND AND CONTROL SYSTEM	15,604		15,604
0303153K	142	JOINT SPECTRUM CENTER	19,102		19,102
0303610K	143	TELEPORT PROGRAM	6,678		6,678
0304210BB	144	SPECIAL RECONNAISSANCE CAPABILITIES (SRC) PROGRAM	0		0
0304345BC	145	NATIONAL IMAGERY AND MAPPING PROGRAM			0
0305102BC	146	DEFENSE IMAGERY AND MAPPING PROGRAM	143,488	40,000	183,488
		DERF - Airborne Integration			(+8,300)
		DERF - IEC Workstations			(+1,000)
		DERF - Libraries Storage			(+1,000)
		DERF - PGM Workstations			(+1,700)
		Defense imagery and mapping program			(+28,000)
0305127D8	147	FOREIGN COUNTERINTELLIGENCE ACTIVITIES	13,916		13,916
0305127V	148	FOREIGN COUNTERINTELLIGENCE ACTIVITIES	474		474
0305146D8	149	DEFENSE JOINT COUNTERINTELLIGENCE PROGRAM (JMIP)	6,058	53,000	59,058
		DERF - Counter Intelligence			(+48,000)
		Defense counterintelligence programs			(+5,000)
0305190D8	150	C3I INTELLIGENCE PROGRAMS	75,682	45,900	121,582
		DERF - Hard and Deeply Buried Targets			(+3,200)
		DERF - NPR-IO-21			(+25,000)
		DERF - NPR-IO-14			(+9,000)
		DERF - Horizontal Fusion - Analysis			(+5,600)
		DERF - Coalition-Intelligence Information Sharing (CENTRIX)			(+5,00)
		DERF - Classified			(+32,100)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		C3I intelligence programs			(-34,000)
0305191D8	151	TECHNOLOGY DEVELOPMENT	120,458	110,500	230,958
		DERF - Classified			(+110.500)
0305202G	152	DRAGON U-2 (JMIP)	3,353		3,353
0305206G	153	AIRBORNE RECONNAISSANCE SYSTEMS	11,934	3,000	14,934
		Multi-function self-aligned gate			(+3,000)
0305207G	154	MANNED RECONNAISSANCE SYSTEMS	4,649	8,250	12,899
		Combat Sent data distribution upgrade			(+8,250)
0305208BC	155	DISTRIBUTED COMMON GROUND SYSTEMS			0
0305208G	156	DISTRIBUTED COMMON GROUND SYSTEMS			0
0305208L	157	DISTRIBUTED COMMON GROUND SYSTEMS	1,000		1,000
0305884L	158	INTELLIGENCE PLANNING AND REVIEW ACTIVITIES		14,800	14,800
		DERF - Intelligence to Support Hard and Deeply Buried Targets			(+5,800)
		DERF - Classified			(+9,000)
0305885G	159	TACTICAL CRYPTOLOGIC ACTIVITIES	113,159	35,000	148,159
		DERF - Classified			(+7,000)
		DERF - NC-2 COMSEC			(+10,000)
		DERF - Coalition Interoperability and Content Information Security			(+18,000)
0305889G	160	COUNTERDRUG INTELLIGENCE SUPPORT	0		0
0305917D8	161	NATIONAL SECURITY SPACE ARCHITECT (NSSA)	11,185		11,185
0708011S	162	INDUSTRIAL PREPAREDNESS	13,072		13,072
0902298J	163	MANAGEMENT HEADQUARTERS (OJCS)	12,887		12,887
0902740J	164	JOINT SIMULATION SYSTEM	0		0
1160279BB	165	SMALL BUSINESS INNOVATIVE RESEARCH/SMALL BUS TECH TRANSFER PILOT PROG	0		0
1160401BB	166	SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT	6,741	5,000	11,741
		Spike urban warfare system			(+5,000)
1160402BB	167	SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT	62,276		62,276
1160404BB	168	SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT	281,443	2,500	283,943
		Cobra blue force tracking equipment			(+2,500)
1160405BB	169	SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT	1,590		1,590
1160407BB	170	SOF MEDICAL TECHNOLOGY DEVELOPMENT	1,962		1,962
1160408BB	171	SOF OPERATIONAL ENHANCEMENTS	77,308		77,308
XXXXXX	999	Classified Programs	2,534,247		2,534,247
		TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	**4,064,028**	**381,600**	**4,445,628**
		RESEARCH AND DEVELOPMENT	3,995,508	373,600	4,369,108
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0
		Accrual Accounting for Civil Service Retirement and Health Programs		(14,688)	(14,688)
		TOTAL, RESEARCH, DEVELOPMENT, TEST & EVALUATION, DEFENSE WIDE	**16,613,551**	**577,686**	**17,191,237**
		RESEARCH AND DEVELOPMENT	**15,277,287**	**427,867**	**15,705,154**

Items of Special Interest

Advanced sensor applications program

The budget request included $16.0 million in PE 63714D8Z for the advanced sensor applications program.

The Committee is concerned that promising projects executed by the Navy's (PMA264) program office are appreciably under funded. Additional details are contained in the classified annex to this report.

Therefore the committee recommends an increase of $5.0 million in PE 63714D8Z for the advanced sensor applications program.

Aircraft affordability initiative

The budget request included $10.3 million in PE 64805D8Z for the Department of Defense Commercial Operations and Support Savings Initiative (COSSI), and included no funds for the digital electronic warfare (EW) aircraft affordability initiative. The committee notes that the stated goal of COSSI is to adapt commercial technologies to reduce operations and support (O&S) costs and to improve overall weapons systems performance.

The committee remains supportive of the EW digital product improvement program (PIP) based on its promise to substantially decrease high-performance aircraft O&S costs and increase combat performance. The committee understands the potential benefits associated with a reduction in both weight and power consumption requirements aboard such aircraft, and notes the potential savings associated with a wholesale conversion to a digital EW receiver. The committee notes significant progress to date in the requisite software development, design, and testing of a digital receiver and two associated modules for the F–22 aircraft. The committee supports a continuation of this effort, and encourages implementation of design verification testing and Lot 4 insertion in the F–22 program.

The committee recommends $18.3 million in PE 64805D8Z, an increase of $8.0 million, for the digital EW PIP aircraft affordability initiative.

Backscatter mobile truck system

The budget request contained $33.6 million in PE 63228D8Z for physical security equipment, but included no funds for the backscatter mobile truck system.

The committee is aware that the backscatter mobile truck system is a commercial-off-the-shelf system capable of detecting organic materials in shipping containers and vehicles.

The committee recommends an increase of $16.0 million in PE 63228D8Z for the backscatter mobile truck system

Ballistic missile defense

The budget request contained $7,763.0 million for ballistic missile defense and related activities, $12.6 million less than the comparable fiscal year 2002 appropriation. The request included $6,690.7 million in research, development, test and evaluation (RDT&E) and $23.4 million in military construction for the Missile Defense Agency (MDA), as well as $312.3 million in Army RDT&E,

$72.9 million in Defense-Wide RDT&E, and $663.7 million in Army missile procurement.

The committee recommends $7,784.0 million for ballistic missile defense, an increase of $21.0 million. The committee authorizes $7,003.7 million for MDA, reflecting transfers of $117.7 million for the Medium Extended Air Defense System (MEADS) program from the Army PE 63869A to the MDA PE 63881C and $150.8 million for Patriot Advanced Capability–3 (PAC–3) improvements from the Army PE 64865A to MDA in PE 64865C, and a net increase of $21.0 million. The transfers are consistent with the committee's view, as expressed in Section 23X, that responsibility for research and development related to improvements of fielded systems should remain with MDA to ensure component integration and interoperability with the ballistic missile defense "system of systems".

Silicon carbide based wide bandgap technology

The budget request contained $121.8 million in PE 63175C for advanced technology development, but included no funds for silicon carbide based wide bandgap technology.

The committee remains concerned about the apparently small fraction of MDA's budget devoted to technology development (1.8 percent in the request), noting that these activities lead to evolving capabilities for countering advanced threats. The committee understands that significant program specific technology development occurs within individual programs, and believes that MDA should establish a means to more fully account for its technology investments across-the-board.

The committee recommends $127.3 million for technology, an increase of $5.5 million for development of silicon carbide based wide bandgap semi-conductor technology. Wide bandgap technology finds wide application in advanced power electronics, particularly ground based radar and next generation communication systems.

Ballistic missile defense system

The budget request contained $1,066.0 million in PE 63880C for the Ballistic Missile Defense (BMD) system but included no funds for wide bandwidth technology and $8.1 million for Battlespace Environment and Signatures Toolkit.

The BMD system elements comprise battle management, command and control (BM/C2), communications, targets and countermeasures, system engineering and integration, and system-wide test and evaluation. The committee understands that the globally distributed ballistic missile defense system will be the most complex architecture ever attempted by the Department of Defense. Although the scientific hurdles are relatively small, the engineering challenges associated with orchestrating an effective defense are considerable, and the committee supports MDA's efforts to build a national industry team to address system component integration and interoperability.

Wide bandwidth technology program

The committee recognizes the value of wide bandwidth information technology to improve operational efficiency and test infrastructure, and recommends $10.0 million for the Wide Bandwidth Technology program.

Battlespace environment and signatures toolkit

The committee notes the ongoing work to develop the Battlespace Environment and Signatures Toolkit program to model threat signatures and supports the efforts to maintain a current threat signature database and tools to integrate current information into ongoing missile defense program.

The committee recommends an increase of $10.0 million to accelerate this effort.

Terminal defense segment

The budget request contained $170.0 million in PE 63881C for the terminal defense segment, including $65.7 million for Arrow.

Enhanced Arrow deployability program

The terminal defense segment includes $65.7 million for Arrow, primarily for the Arrow System Improvement Program to evolve system capabilities to counter advanced missile threats to Israel. The committee recommends an increase of $21.0 million for the Enhanced Arrow Deployability Program to enhance Arrow system operational capabilities and interoperability with missile defense systems of the United States.

Navy area program

The terminal defense segment also contains $90.0 million for a sea-based terminal program to develop alternatives to the Navy Area program, which was terminated on December 14, 2001 as a result of a Nunn-McCurdy cost breach. The committee supports the Administration's efforts to enforce fiscal discipline in major development and acquisition programs, but notes the undiminished need for lower tier sea-based defense, and encourages MDA to move expeditiously in pursuing alternatives.

The committee recommends $308.7 million, an increase of $117.7 million, which reflects transfer of MEADS into this program element, and an increase of $21.0 million for Arrow

Midcourse defense segment

The budget request contained $3,195.1 million in PE 63882C for the midcourse defense segment, including $426.6 million for sea-based midcourse defense.

Ground based midcourse defense

The budget request includes $533.9 million for the 2004 Pacific Test Bed and $2,072.5 million for ground-based midcourse defense, both down significantly from fiscal year 2002. The committee is encouraged by the recent flight test successes of this program, but more importantly by the test rate, which is now approaching three-month centers. The committee strongly believes that programs of this level of sophistication and maturity only seriously move forward when the test program reaches a critical momentum.

Aegis LEAP interceptor flight demonstration program

The committee understands that the sea based midcourse defense segment is still in its infancy, but is encouraged by the first intercept achieved in the Aegis LEAP Interceptor (ALI) Flight Demonstration Program with an interceptor launched from the

Aegis cruiser USS Lake Erie in January. The committee recommends an increase of $27.0 million to purchase additional ALI test articles for threat representative testing.

Long range S-band and X-band discrimination radar development

The committee is also supportive of the new emphasis on improving existing shipboard radar to enable better ballistic missile discrimination and tracking and recommends an increase of $25.0 million to accelerate long range S-band and X-band discrimination radar development.

The committee recommends $3,244.6 million, an increase of $52 million for ALI flight demonstration program and $25.0 million for long range radar improvements.

Boost defense segment

The budget request contained $796.9 million in PE 63883C for the boost defense segment.

The committee recommends $719.4 million, a decrease of $77.5 million.

Of the amount requested, $144.0 million is for "hit-to-kill" boost phase intercept programs that rely on the energy of motion (kinetic energy) of the interceptor to negate the target. The request supports two programs, consisting of $89.6 million for a sea-based boost program leading to a demonstration in fiscal year 2005, and $54.4 million for a space-based boost program leading to a demonstration in fiscal year 2006. The committee is concerned that, given the amount of tactical air power already available, and recent successes with armed unmanned aerial vehicles in Operation Enduring Freedom, MDA may have overlooked the most promising near term alternative for boost phase defense—air—based kinetic energy boost phase intercept. The committee urges MDA to give serious consideration to this option.

Of the amount requested, $625.4 million is for directed energy boost phase programs that rely on laser heating to induce structural failure of the target. The request for directed energy programs consists of $34.8 million for the space-based laser and $598.0 million for the airborne laser (ABL).

In the case of ABL, the committee is concerned by escalating costs and the slip in schedule of a lethal shoot down demonstration from fiscal year 2003 to fiscal year 2005. The committee understands the formidable technical challenges this program faces. While the committee expects that one day directed energy will play a role in ballistic missile defense, the committee notes that the 30 plus year historical record on developing lethal, militarily-useful systems is singularly unimpressive. The committee questions a boost phase defense investment strategy that relies on this difficult technology to the extent that the current program does, and encourages MDA to more seriously pursue alternative approaches. The committee recommends $520.5 million for ABL, a reduction of $77.5 million specifically to funds requested to begin payments on a second aircraft and purchase long lead optics.

Sensors segment

The budget request contained $373.4 million in PE 63884C for the boost defense segment.

The committee recommends the budget request. The committee believes that space-based sensors with play a key role in ballistic missile defense, and supports the restructured Space-Based Infrared System-low (SBIRS-low) program proposed by MDA. The restructured program will begin to place satellites in orbit in the fiscal year 2006–2007 timeframe to support, with current developmental technologies, the activities of the 2004 Pacific Test Bed, but will continue to compete and evolve more capable sensor payloads for later launches.

THAAD and PAC–3

The budget request contained $932.2 million in PE 64861C for the Theater High Altitude Air Defense system (THAAD, and $150.8 million in PE 64865A for PAC–3 engineering and manufacturing development (EMD). Funds for these two programs were requested under separate program elements, as required for programs in EMD by section 223(b) of title 10, United States Code, as amended by Section 232 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107).

The committee supports the budget request, but moves PAC–3 EMD funding into MDA for reasons previously discussed. The committee notes that the Army began fielding limited numbers of PAC–3 missiles in September of 2001 as planned, and has begun initial operational testing while continuing an RDT&E program to improve the system's capability against an expanded threat set.

After a troubled test program culminating in intercept of two ballistic missile targets in 1999, THAAD entered EMD in fiscal year 2000. However, the program is not scheduled to resume flight tests until late fiscal year 2004. The committee understands that the THAAD interceptor is undergoing major redesign and re-engineering, but given the nearly $1 billion budget for this program, and the likelihood that certain flaws will only be uncovered in flight, the committee questions the advisability of such a long hiatus in flight testing.

Cooperative programs

Although the committee believes that the United States should lead in the development of ballistic missile defense systems, the committee does not think that missile defense should be a protection simply provided by the United States to the international community, but rather a capability whose benefits and costs are shared with friends and allies. Accordingly, the committee makes special note of support for international cooperative programs in the budget request, including $65.7 million for Israel's Arrow terminal missile defense program in PE 63881C, $69.1 million for the Russian-American Observation Satellite program in PE 63884C, $79.0 million for cooperative research with Japan on sea-based upper tier defense in PE 63882C, and $117.7 million for co-development with Italy and Germany of the Medium Extended Air Defense System (MEADS) in PE 63869A. The committee is familiar with the special difficulties associated with execution of international cooperative

programs, but believes that such programs help to advance the national security agenda of the United States.

Exploration of alternative approaches

The committee understands that the Department may investigate other options for ballistic missile defense—nuclear—armed interceptors, blast fragmentation warheads, and directed energy technologies—as alternatives to current approaches based predominantly on hit-to-kill technology. The committee would consider such an examination of alternatives to be a prudent step, consistent with the commitment to evaluate all available technological options for this critical mission.

Ballistic missile defense baseline reports

The Committee is aware that the Missile Defense Agency (MDA) is in the process of completing an internal planning document known as the Technical Objectives and Goals document (TOG). As the cornerstone of this system engineering process, the TOG and applicable supporting systems engineering documents provide a development baseline for each block within the overall ballistic missile defense system that sets performance goals at the system, project, and in some cases the component level. The Committee further understands that the TOG will be an essential document in formulating the 2004 budget request. The resulting Ballistic Missile Defense (BMD) System baseline from this process will be documented as part of the BMD System Selected Acquisition Reports, submitted annually to Congress.

The Committee directs the Director of MDA to ensure that the relevant performance goals and development baselines of the TOG be communicated to Congress as part of the budget justification materials accompanying the FY 2004 and future budget requests. Such development baselines shall be made available for each block. In particular, the baselines shall be made available for projects developing systems that may be fielded, and other programs and projects identified as congressional special interest items.

The Committee recognizes the difficulty in summarizing data to make it readily understandable for Congress. This difficulty is compounded by the transition from a requirements-based acquisition process to a capability-based process. The Committee further appreciates and supports the efforts made by MDA to respond in a timely fashion to requests for further information made by the Committee. To make the voluminous data that MDA provides more readily understandable, the Committee directs the Director of MDA to ensure that the annual budget justification material for each system include the funding profile for developing the major components of each of the projects that may be fielded, and for each block of that system.

The committee notes that section 232(h) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) requires a report by the Director of Operational Test and Evaluation (OT&E) by no later than February 15 of each year. To date, no specific report by the Director of OT&E has been received. The Committee directs the Director of OT&E to comply with the statutory requirement, and expects the Missile Defense Agency to continue

to work cooperatively with the Director of OT&E so that the report may be prepared and submitted in a timely fashion in the future.

Cobra blue force tracking equipment

The budget request contained $281.4 million in PE 116404BB for tactical systems development, but included no funds for blue force tracking equipment.

The committee is aware that the Army Special Operations Command has an approved combat mission needs statement (MNS) to equip its teams with secure blue force tracking devices. It is also aware that the Marine Corps has a draft MNS for its Marine expeditionary units. The committee notes that a limited blue force tracking capability has been deployed, with unanimous praise from the units so equipped. The committee further notes that additional equipment is required to fully equip deployed Army Special Forces and Marine Expeditionary Units.

The committee recommends $283.9 million in PE 116404BB, an increase of $2.5 million to develop the next generation cobra blue force tracking equipment.

Chemical/biological defense research, development, test and evaluation program

The budget request contained a total of $932.9 million for chemical/biological defense research, development, test, and evaluation, including $64.1 million in PE 61384BP for basic research, $262.2 million in PE 62384BP for applied research, $249.8 million in PE 63384BP for advanced technology development, $144.8 million in PE 63884BP for demonstration/validation, $169.0 million in PE 64384BP for engineering and manufacturing development, and $43.0 million in PE 65384BP for RDT&E management support. The budget request also contained $133.0 million in PE 62383E for the Defense Advanced Research Projects Agency (DARPA) biological warfare defense research program.

Engineered pathogen identification and countermeasures program

The committee notes that the potential threat of using unknown or genetically modified pathogens as biological warfare agents places a high premium on the ability to rapidly identify the pathogen and its disease producing characteristics and to develop and implement therapies for countering the agent. The committee understands that human genome mapping promises beneficial advances both in medicine and in the identification and treatment of biological warfare pathogens. Advances in biotechnology, computational biology and computational chemistry promise the capability to shrink the drug research cycle significantly. In fiscal year 2002, Congress provided $2.0 million to initiate a program for rapid identification and development of countermeasures to biological warfare and engineering pathogens.

The committee recommends an increase of $7.0 million in PE 61384BP to continue the program for applied research in identification and development of countermeasures to genetically modified or engineered pathogens.

Rapid antibody-based biological countermeasures

The committee has been advised that recent advances in molecular biology combined with advances in microbiology have resulted in the development of powerful technologies, based upon a human antibody platform, which can be used to devise effective countermeasures against biological weapons.

The committee recommends an increase of $2.0 million in PE 62384BP for applied research in human antibody-based countermeasures against biological agents.

Multi-wavelength surface scanning biological sensor

The budget request contained $16.0 in PE 63714D8Z for the advanced sensors applications program.

The committee understands that recent advances in multi-wavelength excitation spectral technology shows promise for development of high spectral resolution fluorescence systems that would provide the capability to detect and identify biologic agents not discernible with conventional sensors by exploiting the fine spectral signatures of both the biologic target and the existing background. The committee notes oversight by the Office of the Secretary the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) of a program for development and demonstration of multi-wavelength excitation spectral technology that, if successful, could provide a leap-ahead improvement in the scanning and screening of potentially contaminated locations.

The committee recommends an increase of $2.0 million in PE 63714D8Z to continue the development of active, high-resolution, broad-band infrared sensors for real-time detection and identification of pathogens. The committee directs the Assistant to the Secretary of Defense (Chemical-Biological Defense) and the Director, Defense Advanced Research Projects Agency to review the program for coordination and potential integration in related programs in the DOD chemical-biological defense program or DARPA biological warfare defense program.

Chemical-biological regenerative air filters

The committee recommends an increase of $8.0 million in PE 62384BP to accelerate the program for applied research in chemical-biological regenerative air filtration technology to replace activated charcoal filters in Navy and other collective protection systems.

Chemical-biological mass spectrometer II

The chemical-biological mass spectrometer (CBMS) is a detector capable of both biological and chemical agent detection and identification. The CBMS Block I system is a component of the P3I Biological Integrated Detection System (BIDS). The CBMS Block II system is an improved system that is being developed for inclusion in the NBCRS Block II system (IAV–NBCRV) and the Joint Service Lightweight NBCRS system. The CBMS II is being further enhanced to allow operation as a stand-alone system.

The committee understands that CBMS Block has demonstrated an effective chemical agent detection and identification capability and that the currently funded effort would complete the development of this chemical capability. A January 2002 peer review of

further testing concluded that the CBMS Block II had demonstrated the potential capability for biological detection and that continued development should focus on the development and testing of biological agent identification algorithms, improve systems reliability and producibility, and develop a logistics and maintenance support program. Successful completion of the development program would result in a single integrated detection system for future nuclear, biological, chemical reconnaissance platforms.

The committee recommends an increase of $10.0 million in PE 63884BP to accelerate the program for development and demonstration of the CBMS Block II.

Asymmetric protocols for biological defense enhancement

The committee recommends $137.0 million in PE 62383E, an increase of $4.0 million for applied research in asymmetric protocols for biological defense with emphasis on enhancing individual nonspecific immunities to and blocking pathogens from biological warfare threat agents.

Mustard gas prophylactic

The budget request included $262.2 million in PE 62384BP for the Chemical Biological Defense program, but included no funding for the development of a mustard gas prophylactic.

The committee recognizes the threat of mustard gas as a potential weapon of mass destruction and notes that existing methods of protection are focused primarily on external apparel. The committee is aware of a technology, referred to as Signal Transduction Interruption Methodology Antioxidant Liposomes (STIMAL) that might provide a prophylactic defense. The anticipated research product supports the body's immune and molecular systems to first stabilize and then accelerate the recovery process in cases of unprotected exposure. Prophylactic treatment testing has yielded a rate of treatment as high as 83% and shows some promise for even higher rates with further development. The committee supports further research, development, and testing to accelerate this initiative.

The committee recommends an increase of $3.0 million in PE 62384BP for STIMAL.

Biological defense homeland security test bed

The budget request included $485.1 million for Department of Defense (DOD) homeland security initiatives requested by the Office of Homeland Security: the biological counterterrorism research program and the biological defense homeland security support program. The committee understands that the objective of the biological defense homeland security support program is to initiate a comprehensive pilot program to build a National Biological Defense System for the Office of Homeland Security. The program will create and deploy a national, multi-component, multi-organization defense capability that is targeted to protect urban areas, other high-value assets, and special events; and to provide an integrated homeland security capability designed to detect, mitigate, and respond to biological-related incidents. The committee notes that the Department's fiscal year 2003 plans for the program include establishment of a fully equipped DOD test bed in each of the military

departments, an enhanced chemical-biological monitoring system in the National Capitol Region, and an initial biological surveillance and monitoring capability in two additional urban areas.

The committee understands that the pilot project to increase chemical biological defense capabilities at DOD installations will equip nine diverse DOD installations selected by the military departments with state-of-the-art contamination avoidance, protection and decontamination equipment, enhanced emergency response capabilities for consequence management, and an integrated command and control network. The project will also include a comprehensive training and exercise plan for each installation.

The committee notes, however, that the criteria and process for selecting the locations of, and establishing the two urban area test beds have not been determined.

The committee believes that the Department of Defense should proceed promptly with a pilot program for establishing the two urban area test beds to provide the capability to develop, test, validate and deploy technologies and systems that will provide for increased homeland security. The committee also believes that selection of the sites for these test beds should take into account the factors of the potential biological threat to the area, geography, transportation and other critical infrastructure networks, military and government presence. Other criteria should include previously established crisis and consequence response capabilities, industrial, medical, and academic activities, and the availability of state, regional, local governmental, and non-governmental activities that would participate in the test bed.

The committee directs the Secretary of Defense to establish a competitive program for selection of urban area test beds in the biological defense homeland security support program. The committee believes that the regional biological defense network will serve as a national model to develop and promote integrated solutions to secure America's borders, support first responders and defend against bioterrorism.

C3I intelligence programs

The budget request contained $75.7 million in PE 35190D8Z and $5.6 million in the Defense Emergency Response Fund (DERF) for C3I intelligence programs.

The committee notes that the program has a very significant increase over the prior year, due to a new program called horizontal fusion. This program has insufficient program definition associated with it.

The committee recommends a decrease of $34.0 million in PE 35190D8Z for C3I intelligence programs.

Combat sent data distribution upgrade

The budget request included $4.6 million in PE 35207G for manned reconnaissance systems, but included no funds for the Combat Sent data distribution upgrade.

The committee is aware that Combat Sent does not have a high data-rate communications link to allow near real-time distribution of data to theater commanders and analysis centers.

The committee recommends $12.9 million in PE 35207G, an increase of 8.3 million for the Combat Sent data distribution upgrade.

Combating terrorism technology support

The budget request contained $49.0 million in PE 63122D8Z for the combating terrorism technology support program. The program develops technology and prototype equipment that address DOD, interagency, and international technology requirements for combating terrorism.

Lightweight biological detectors

The committee notes a number of competing technologies for development of portable, light-weight, biological-detection and identification systems that are capable of rapidly detecting and positively identifying a broad range of biological agents and other organisms. The committee recommends an increase of $4.0 million in PE 63122D8Z to accelerate the competitive development and evaluation of these systems.

Chemical-biological electrostatic decontamination system

The committee notes that the electrostatic decontamination system is a photosensitive, electrostatically charged mist, which when sprayed onto a contaminated surface and illuminated with ultraviolet light destroys the chemical or biological agents that are present. Successful development and demonstration of the electrostatic decontamination system could result in a field expedient decontamination capability that would be less dependent on water and would not require the deployment of post-decontamination waste disposal equipment.

The committee recommends an increase of $4.3 million in PE 63122D8Z to continue the development and evaluation of the electrostatic decontamination system.

Facial recognition technology

Given the rise in the number of terrorist attacks against Americans, the committee remains committed to anti-terrorism efforts and biometrics technology in particular. The committee notes the potential force protection applications and surveillance benefits of facial recognition technology and is aware of ongoing operational testing in this field.

The committee understands that further development in this area is necessary to improve both image quality and automatic recognition performance rates.

The committee recommends an increase of $4.0 million in PE 63122D8Z for facial recognition technology.

Magnetic quadrupole resonance explosives detection

The committee notes the development, demonstration, and employment of scanning explosive detection systems that use magnetic quadrupole resonance technology to detect the presence of explosives in luggage and mail with a greatly enhanced detection probability and reduced false alarm rate.

The committee recommends an increase of $2.0 million in PE 63122D8Z to accelerate the development and evaluation of mag-

netic quadrupole resonance technology for screening of personnel for the presence of explosives and to extend the application of the technology to the screening of cargo and vehicles.

Commercial imagery to support military requirements

The budget request supported purchase of commercial imagery, products and services in support of national intelligence and military needs.

The committee believes real progress has been made in the past year with respect to understanding the desirability of integrating commercial remote sensing into the national architecture.

However, the committee believes that insufficient progress has been made by the Secretary of Defense and the Director of Central Intelligence in achieving the goals outlined by Congress in its fiscal year 2002 direction on this subject. Given the lateness of last year's defense bills, the committee appreciates the difficulty in complying fully with last year's direction. Nevertheless, the committee is genuinely disturbed by reports that the process for development and implementation of the commercial imagery strategy called for may now be on hold.

The committee also questions the wisdom and cost effectiveness of continued investment in government infrastructure for imagery, products and services that would likely be contracted out by 2005 on implementation of the desired commercial strategy. This area will receive increased scrutiny by the committee.

Finally, the committee is not satisfied with the geospatial readiness of our troops. There is no reason for them to not have the best geospatial products based on the most current geospatial data available in the United States today. Regrettably, they do not.

Complex systems engineering

The budget request contained $11.2 million in PE 63704D8Z for special technical support, but included no funds for complex systems engineering.

The committee is aware that multi-view data standards are being developed for an integrated digital design environment supporting complex systems design. The committee is also aware that this project is developing common data formats to permit data from advanced computer-based system design and analysis tools in use by DOD to be efficiently integrated, eliminating the costly and time-consuming manual interface that is standard today. The committee notes the significant success achieved in the development of the multi-view data framework and supports its application to additional pilot efforts.

The committee recommends $17.0 million in PE 63704D8Z, an increase of $5.8 million for complex systems engineering.

Computer science and internet security degree program

The budget request contained $394.3 million in PE 33140G for information systems security programs, but included no funds for the computer science and internet security degree program.

The committee notes that there is an increasing dependency within the Department of Defense on the internet. This reality has generated a growing need for individuals who are highly trained in

computer and internet security tools and procedures necessary to protect systems from attack.

The committee recommends an increase of $750 thousand in PE 33140G for the computer science and internet security degree program.

Defense agency science and technology funding

The budget request contained $9,677.2 million for defense science and space technology, including all defense-wide and military service funding for basic research, applied research, and advanced development.

The committee notes that this amount represents an increase of $919.5 million, or 10.5 above the amount requested for the fiscal year 2002 budget, and 2.7 percent of the budget request. However, the committee also notes that the amount requested for science and technology is a decrease of $199.3 million from the amount provided by Congress for fiscal year 2002. The committee commends the Department of Defense commitment to a goal of 3 percent of the budget request for the defense science and technology program and progress toward this goal.

The committee views defense science and technology investments as critical to maintaining U.S. military technological superiority in the face of growing and changing threats to national security interest around the world, and believes that both the defense agencies and the military departments have vital roles in DOD's science and technology investment strategy. Defense agencies focus on science and technology specific to the particular agency or, in the case of DARPA, on problems of national-level problems, operational dominance, and exploitation of high-risk, high-payoff technology. The military departments' science and technology programs focus on the development and transition of more mature technologies into future weapons systems.

The committee notes that the defense-wide science and technology account increased over 14 percent while the Air Force account increased over 5 percent and the Army and Navy science and technology accounts each decreased more than 21 percent (over $400 million each). Although the committee is pleased with the overall progress in the defense science and technology program, the committee continues to be disturbed by the continuing trend of overall reduction in the military departments' science and technology program in comparison to significant increases in the Defense-wide science and technology account and in the amount budgeted for the Defense Advanced Research Projects Agency (DARPA), in particular. The committee concern is not directed at the content of the DARPA program, but rather on the Department's continuing trend of placing higher priority on defense agency science and technology programs at the expense of the already inadequate service research and development budgets. The committee believes that the Department has not provided sufficient justification to support these imbalances in funding levels between defense agencies and the services, and, therefore, recommends correcting these imbalances by reductions in the DARPA accounts that appear to show disproportionate growth and distribution of those funds among service science and technology projects.

The committee recommends the reductions in the program elements listed:

[In millions of dollars]

61101E—Defense research science	12.0
62301E—Computing systems and communications technology	50.0
62712E—Materials and electronics technology	50.0
63285E—Advanced aerospace systems	50.0

The committee directs that the reduction of $50.0 million in PE 62301E not be assessed against DARPA Information Awareness Office programs.

Defense counterintelligence programs

The budget request contained $60.7 million in PE 35146D8Z for classified programs-C3I, but included no funding for an initiative to accelerate efforts to support specific counterintelligence awareness efforts.

Additional details are contained in the classified annex to this report.

The committee recommends an increase of $5.0 million in PE 35146D8Z for the Defense counterintelligence programs initiative

Defense experimental program to stimulate competitive research

The budget request contained $9.9 million in PE 61114D8Z for the Defense Experimental Program to Stimulate Competitive Research (DEPSCoR).

The committee is aware that DEPSCoR is helping to improve our nation's science and technology capability through funding of merit-reviewed research activities at universities in 21 states and Puerto Rico. The committee notes that these programs help individuals, institutions and states improve their research capabilities and to become more competitive for other funding sources.

The committee recommends $19.9 million in PE 61114D8Z, an increase of $10.0 for DEPSCoR.

Defense imagery and mapping program

The budget request contained $143.5 million in PE 35102BQ for the Defense imagery and mapping program. The committee is concerned that promising projects are under-funded. Additional details are found in the classified annex to this report.

The committee recommends an increase of $28.0 million in PE 35102BQ for the Defense imagery and mapping program.

Defense manufacturing supply chain management

The budget request contained $25.5 million in PE 63712S for logistics research and development technology demonstration.

The committee notes defense industry concerns about reducing lead time and increasing the quality of procured parts and equipment from their respective supply chains as a strategy to deliver weapons systems to their Department of Defense customers on time and on budget. These concerns extend to hard-to-find and obsolete spare parts and equipment.

The committee recommends $27.0 million in PE 63712S, an increase of $1.5 million to develop and demonstrate an integrated, multi-state, virtual defense manufacturing supply chain pilot capability.

Defense travel system

The budget request contained $30.4 million in PE 65124D8Z for the defense travel system.

The committee notes that the budget request for the defense travel system increased precipitously and believes that the last year's level is sufficient.

The committee recommends $20.4 million in PE 65124D8Z, a decrease of $10.0 million for the Defense travel system

Enhanced techniques for the detection of explosives

The budget request contained $33.6 million in PE 63228D8Z for physical security equipment research and development.

The committee notes that the detection of explosives is a major concern. Standoff detection of hidden or buried ordnance, including improvised explosive devices, landmines, unexploded ordnance, is critical in mitigating the risk and increasing the safety of military and civilian personnel involved in the clearance of landmines and unexploded ordnance, explosive ordnance disposal operations and the response of security forces to an incident.

The committee recommends an increase of $3.0 million in PE 63228D8Z for multidisciplinary research in the development of advanced technologies for the detection of explosives, improvised explosive devices, landmines, and unexploded ordnance that will lead toward the development of cost effective, highly reliable, computer integrated explosive detection systems.

Environmental security technical certification program

The budget request contained $28.3 million in PE 63851D8Z for the Environmental Security Technical Certification Program.

The committee believes that budget justification documents support funding at the previous year's level, but the 40 percent increase requested is not sufficiently justified.

The committee recommends $20.3 million in PE 63851D8Z, a decrease of $8.0 million for the Environmental Security Technical Certification Program.

Integrated optoelectronics technology

The budget request contained $440.5 million in PE 62712E for applied research in materials and electronics technology.

The committee notes the potential for advances in high capacity interconnects, innovative chip scale technologies, advanced microelectromechanical systems, and miniaturization and integration of optical systems that would enable the development of advanced optoelectronics devices for defense and other applications.

The committee recommends an increase of $2.0 million in PE 62712E for applied research in integrated optoelectronics technology.

Interdisciplinary biological nanoscience research

The budget request included $175.6 million in PE 61101E for multidisciplinary science basic research, and included $9.3 million for specific research in nanostructure biology.

The committee views the Nanostructure in Biology program as potentially providing new and unprecedented opportunities to exploit a wide range of bio-functionality in a number of military ap-

plication areas, including chemical and biological sensing, diagnostics, and therapeutics. Potential innovations in this area include the development of algorithms for real-time atomic level resolution of molecules. Such resolution techniques could provide unique threat countermeasures, biomolecular sensors and motors, drug delivery devices, and advanced wound healing techniques, all sharing the potential for providing far-reaching applications in future battlefield environments.

The committee notes the ongoing research involving nanospheres, nano-biosensors, and multi-crystal equipment, and encourages further work in this area for detecting cytotoxicity. The committee recognizes the unique benefit of interdisciplinary studies and strongly supports further investment in this area.

The committee recommends $10.8 million in PE 61101E for the Nanostructure Biology program, an increase of $1.5 million, for interdisciplinary biological nanoscience research.

Joint technology office

The budget request contained $13.6 million in PE 63924D8Z for high energy laser advanced technology programs.

The committee understands the challenges of developing high energy lasers for weapons applications. The committee is encouraged by the progress demonstrated in some of the large and more visible demonstration programs, but believes it necessary to proceed on a broad front to develop the full range of technologies required to bring directed energy to the battlefield.

The committee recommends $28.6 million in PE 63924D8Z, an increase of $15.0 million.

Kinetic energy-anti satellite system

The budget request contained no funding in PE 63XXXD8Z for kinetic energy-anti satellite (KE–ASAT) system.

The committee notes that the kinetic energy-anti satellite system is to develop an option for space control, a critical capability for future space operations.

The committee recommends an increase of $7.5 million in PE 63XXXD8Z for the kinetic energy-anti satellite system.

Medical free electron laser

The budget request contained no funding in PE 62227D8Z for the ongoing medical free electron laser (MFEL) program and recommended transfer of program management to the National Institutes of Health.

The committee is aware that the MFEL program has been a good example of a peer-reviewed program that is oriented toward military medical applications. The committee believes that the MFEL program transfer was inappropriate and supports MFEL retention within DOD.

The committee directs the Secretary of Defense not to transfer the MFEL program and recommends $15.0 million in PE 62227D8Z for MFEL.

Multi-function self-aligned gate

The budget contained $11.9 million in PE 35206G for manned reconnaissance systems, but included no funds for multi-function self-aligned gate (MSAG) tile antenna technology.

The committee believes that MSAG has the potential to revolutionize antenna design and result in significant improvement in data rates to meet rapidly escalating demand for information exchange in the new digital warfare environment.

The committee recommends $14.9 million in PE 35206G, an increase of $3.0 million for the development and demonstration of MSAG tile antenna technology.

Multi-link antenna system

The budget request contained $199.6 million in PE 63750D8Z for advanced concept technology demonstrations, but included no funds for the multi-link antenna system (MLAS).

The committee notes that MLAS technology has demonstrated communications using small arrays, and is at the point in development at which a larger, full-scale demonstration is appropriate. The committee is aware that the multi-link antenna system advanced concept technology demonstration (ACTD) has been planned and approved by the Secretary of Defense.

The committee recommends an increase of $14.0 million in PE 63750D8Z for the multi-link antenna system ACTD.

National collaborative environment

The committee, in the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), directed the Secretary of Defense and Director of Central Intelligence to develop a proposed architecture for a national collaborative environment. The committee is aware that the ongoing war against terrorism has increased the need for such a capability.

The committee notes, with pleasure, that the Secretary of Defense has initiated a well-staffed program through the Defense Advanced Research Projects Agency (DARPA) to develop the fundamental architecture, technologies and tools necessary to enable a national collaborative environment. The committee realizes that architectural studies may well impact the direction and effort of the DARPA program, and requests the Secretary of Defense to ensure that the Director, DARPA is a full participant in those study efforts and is made fully aware of all related work within the Department.

The committee strongly encourages the Secretary of Defense to provide continued support for this vital DARPA program and the ultimate establishment of a national collaborative environment.

"Smart" fuzing

The committee believes the United States should make every effort to reduce the susceptibility of friendly forces and non-combatants to accidental death or injury—including that which results from inappropriate contact with unexploded ordnance—without impairing military effectiveness, capability, or mission accomplishment. Hence, the committee recommends the Department of Defense place greater priority on the development of affordable and effective submunition fuses that have reliability rates comparable to those found in unitary munitions fuzing, thus increasing per-

formance of these munitions while reducing the danger of unexploded ordnance to friendly forces and non-combatants. The committee also encourages the continued development of "smart" landmines with higher reliability and performance rates.

Spike urban warfare system

The budget request contained $6.7 million in PE 116401BB, for special operations technology development, but included no funds for the Spike urban warfare system.

The committee is aware that enhancements are required for shoulder fired guided missiles, and improvements to the guidance system in order to better defeat hard targets and reduce collateral damage in an urban environment.

The committee recommends $11.7 million in PE 116401BB, an increase of $5.0 million for the Spike urban warfare system.

Strategic environmental research and development program

The budget request contained $60.5 million in PE 63716D8Z for the strategic environmental research and development program (SERDP).

The committee notes that insufficient budget specific justification has been provided for SERDP including an $11.0 million increase over the level of funding projected for fiscal year 2003 in the fiscal year 2002 amended budget request.

The committee recommends $30.5 million in PE 63716D8Z, a decrease of $30.0 million for the Strategic Environmental Research Program.

Tactical missile recycling

The budget request contained $8.9 million in PE 63104D8Z for explosives demilitarization technology, and included $5.8 million for tactical missile recycling.

The committee is aware that the explosive demilitarization technology program is a cooperative interservice, interagency effort focused as the sole Department of Defense program dedicated to the development of safe, efficient, and environmentally acceptable processes for resource recovery and recycling or disposition of strategic, tactical, and conventional munitions including explosives and rocket motors.

The committee recommends $11.9 million in PE 63104D8Z, an increase of $3.0 million for tactical missile recycling technology.

Thermobaric warhead development

The budget request contained $77.4 million in PE 63160BR for development and demonstration of counterproliferation advanced technologies.

The committee notes the effectiveness of thermobaric materials, a new class of explosives that demonstrate impressive capabilities for generation of pressure and thermal effects much greater than conventional high explosives. Weapons employing thermobaric warheads were developed rapidly and employed with great effectiveness in support of tunnel defeat operations in the war on terrorism in Afghanistan. The committee also notes the progress being made in the development and demonstration of advanced thermobaric warheads in the on-going thermobaric warhead advanced concept

technology demonstration lead by the Defense Threat Reduction Agency.

The committee recommends an increase of $4.0 million in PE 63160BR for thermobaric warheads advanced technology development. The committee recommends continued close coordination of the DTRA program with the Navy's insensitive munitions program and the Army's advanced warheads development program.

Unmanned aerial vehicles major acquisition programs

The committee is aware that recent successful operational employment of unmanned aerial vehicles (UAV) has heightened military service efforts to develop and field several new variants, with additional capabilities. The committee notes that though the budget request has rapidly increased overall funding for UAVs, formal acquisition management documentation is incomplete or not yet developed in many instances.

The committee expresses its concern about proper program management elsewhere in this report, and is specifically concerned that UAV programs adhere to the same standards as other acquisition programs. The committee recognizes the necessity for and benefit of acquiring a robust family of UAVs, but believes that the Secretary of Defense and military service Secretaries must ensure that the programs are managed well, to prevent unanticipated cost growth and schedule delays experienced by other new systems. The committee notes that while the acquisition per unit cost may be relatively small, in the aggregate, the acquisition cost rivals the investment in other larger weapon systems.

OPERATIONAL TEST AND EVALUATION, DEFENSE

Overview

The budget request contained $222.1 million for Operational Test and Evaluation RDT&E. The committee recommends authorization of $222.1 million.

The committee recommendations for the fiscal year 2003 Operational Test and Evaluation RDT&E program are identified in the table below. Major changes to the Operational Test and Evaluation request are discussed following the table.

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Authorization
		ENGINEERING AND MANUFACTURING DEVELOPMENT	**1,336,264**	**149,819**	**1,486,083**
		OPERATIONAL TEST & EVAL, DEFENSE			
0603941D8	1	TEST & EVALUATION SCIENCE TECHNOLOGY	6,010		6,010
0604940D8	2	CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CTEIP)	123,276		123,276
0605118D8	3	OPERATIONAL TEST AND EVALUATION	19,725		19,725
0605131D8	4	LIVE FIRE TESTING	10,102		10,102
0605804D8	5	DEVELOPMENT TEST AND EVALUATION	62,941		62,941
		TOTAL, OPERATIONAL TEST & EVAL, DEFENSE	**222,054**	**0**	**222,054**
		RESEARCH AND DEVELOPMENT	222,054	0	222,054
		ENGINEERING AND MANUFACTURING DEVELOPMENT	0	0	0

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Section 201—Authorization of Appropriations

This section would establish RDT&E funding levels for the Department of Defense for fiscal year 2002.

Section 202—Amount for Basic and Applied Research

This section would establish basic and applied research funding levels for the Department of Defense for fiscal year 2002.

SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Section 211–RAH–66 Comanche Aircraft Program

This section would prohibit the Secretary of the Army from obligating any of the funds in fiscal year 2003 for engineering and manufacturing development of the RAH–66 Comanche aircraft program until the Secretary submits to the congressional defense committees a report, prepared in coordination with the Under Secretary of Defense for Acquisition, Technology and Logistics, containing an accurate estimate of funds to complete engineering and manufacturing development and the new restructured timeline for bringing the aircraft to initial operational capability.

This provision would also impose a cost cap on the total cost of engineering and manufacturing development (EMD), require an annual report by the Department of Defense Inspector General (DOD IG) that would assess the progress of EMD and its prospect of completion under the cost cap, and allow adjustments to the cost cap for economic inflation and compliance with laws enacted after September 30, 2002. The annual report would be required until EMD is complete. Finally, the provision would limit the obligation of funds authorized to be appropriated for each year to 90 percent until the DOD IG annual report is submitted.

Section 212—Management Responsibility for Navy Mine Countermeasures Programs

This section would amend section 216 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190) and would extend the implementation of the Management Responsibility for Navy Mine Countermeasures programs through fiscal year 2008.

The committee believes that the requirement that the Secretary of Defense and the Chairman of the Joint Chiefs of Staff provide an annual certification of the adequacy of the Navy's mine countermeasures program has had a positive impact on the program, increasing the visibility of and attention paid to the program by officials in the Department of Defense and the Navy. The committee notes the direction contained in the committee report on H.R. 3616 (H. Rept. 105–532) that the annual certification by the Secretary of Defense and the Chairman of the Joint Chiefs of Staff address the adequacy of funding for the mine countermeasures program for the budget year through the end of the future years defense pro-

gram and also include objective measures against which the Navy's progress in enhancing its mine countermeasures capabilities can be evaluated.

Section 213—Extension of Authority To Carry Out Pilot Program for Revitalizing the Laboratories and Test and Evaluation Centers of the Department of Defense

Section 246 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261) authorizes the Secretary of Defense to conduct a pilot program for revitalizing the laboratories and test and evaluation centers of the Department of Defense with the objective of improving cooperative relationships for the performance of research and development with universities and other private sector entities. This provision would amend section 246 to add the demonstration of improved efficiency in the performance of the research, development, test, and evaluation functions of the Department of Defense to the objectives of the pilot program and would also extend the authorization for the program until March 1, 2008.

Section 214—Revised Requirements for Plan for Manufacturing Technology Program

This provision would amend section 2525(e) of title 10, United States Code, to reduce the requirement for update and submission to Congress of the five-year plan for the Department of Defense (DOD) Manufacturing Technology Program from annually with the submission of the DOD budget to biennially. The amendment would also delete the requirement including in the report an annual assessment of program effectiveness and an annual assessment of the extent to which the costs of manufacturing technology projects are being shared.

Section 215—Technology Transition Initiative

The provision would require the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, to carry out an initiative to facilitate the rapid transition of new technologies from DOD science and technology programs into DOD acquisition programs. The initiative would be managed by a senior official in the Office of the Secretary of Defense, who would be assisted by a board of directors composed of the acquisition executives of the military departments, the members of the Joint Requirements Oversight Council, and the commander of the Joint Forces Command; and who would be responsible for identifying promising technology that have been demonstrated in DOD science and technology programs, identify potential sponsors and establish management agreements for the transition of such technologies into production, and provide not less that fifty percent of the funding for recommended projects that are selected for such funding support. The provision would also require the Secretary to establish a panel of highly qualified scientists and engineers to advise the Under Secretary on matters relating to the initiative.

The provision would further require that the amount requested for activities of the initiative shall be set forth in a separate pro-

gram element within amounts requested for Defense-wide research, development, test, and evaluation activities. The committee expects that the Secretary of Defense will establish a funding planning wedge for the Technology Transition Initiative program in the future years defense plan.

The committee notes that the Technology Transition Initiative established pursuant to Sec. 215 does not replace, but complements the responsibility of the senior acquisition executives of the Department of Defense and the military departments and the heads of the Defense agencies with research and development responsibilities under section 5358, title 10, United States Code (section 904, Public Law 106–301) to ensure that the science and technology programs under their authority are carried out in such manner that will foster the transition of science and technology to higher levels of research, development, test, and evaluation.

Section 216—Defense Acquisition Challenge Program

This provision would require the Secretary of Defense to establish a pilot program, the Defense Acquisition Challenge Program, to provide a person, institution, industrial corporation, or activity within or outside the Department of Defense the opportunity to propose the insertion of unique and innovative technologies ("challenge proposals") at the component, subsystem, or system level of an existing DOD acquisition program that, compared to the incumbent component, subsystem, or system, would result in substantially superior improvements in performance, affordability, manufacturability, or operational capability of that acquisition program.

The provision would require the Secretary to establish procedures under which challenge proposals would be submitted for review and evaluation by a panel of scientists and engineers established under the auspices of the Under Secretary of Defense (Acquisition, Technology, and Logistics). The committee believes that these procedures should provide for the solicitation of component, subsystem, or system-level technologies that, if incorporated in the appropriate defense acquisition program would result in substantial improvements in the program and could be transitioned rapidly into a fielded program, a block change, or a spirally developmental increment. The committee expects that the review panel would take a "best value" approach that encompasses consideration of such criteria as potential improvement in performance, affordability, manufacturability, and operational capability. Those proposals with merit would be requested to submit a proposal to be reviewed by the government program office and the prime system contractor for the impacted program. The program office-prime contractor team would then conduct an independent review of the merits of the challenge proposal, including whether the challenge proposal is likely to result in improvements in performance, affordability, manufacturability, or operational capability at the component, subsystem, or system level of the applicable acquisition program and whether the challenge proposal could be implemented rapidly in the program through changes in fielded systems, through block changes to the component, subsystem, or system, or through a spiral development increment. Each challenge proposal determined under a favorable full review and evaluation by the program

office and prime contractor to satisfy the criteria outlined above would then be considered by the prime system contractor for incorporation into the acquisition program as a new technology insertion at the component, subsystem, or system level.

The committee believes that the challenge program could provide an excellent avenue for accelerating the introduction of new and innovative technology into defense acquisition programs and that appropriate incentives, such as share-in-saving or other appropriate incentives, should be established to encourage the program office and the prime contractor to adopt successful challenge proposals that meet the criteria outlined above.

SUBTITLE C—BALLISTIC MISSILE DEFENSE

Section 231—Limitation on Obligation of Funds for Procurement of (PAC–3) Missiles Pending Submission of Required Certification

This section would prevent obligation of funds for procurement of PAC–3 pending submission to the congressional defense committees of criteria for the transfer of missile defense programs from the Missile Defense Agency to the military departments, and certification by the Secretary of Defense that those criteria have been met for the PAC–3 program. The criteria and certification are required by sections 224(b)(2) and 224(c), respectively, of title 10, United States Code.

Section 232—Responsibility of Missile Defense Agency for Research, Development, Test, and Evaluation Related to System Improvements of Programs Transferred to Military Departments

This section would amend Section 224(e) of title 10, United States Code to require the Director of the Missile Defense Agency to retain responsibility for research, development, test, and evaluation related to improvements of missile defense systems and system components that have been transferred to the military departments for procurement and fielding.

Section 233—Amendments To Reflect Change in Name of Ballistic Missile Defense Organization to Missile Defense Agency

This section would amend a number of provisions of permanent law to reflect the name change of the "Ballistic Missile Defense Organization" or "BMDO" to the "Missile Defense Agency" or "MDA".

TITLE III—OPERATION AND MAINTENANCE

OVERVIEW

The budget request for operation and maintenance represents an increase of $22.7 billion over spending levels authorized and appropriated for fiscal year 2002. Of this increase, $13.8 billion has been included for the Defense Emergency Response Fund (DERF), and $3.3 billion represents the cost for Department of Defense civilian employees health care and retirement accrual funding. The remaining $5.6 billion, which represents three percent of the operation and maintenance budget request, is allocated to what the Department has termed "realistic budgeting" and inflation. As detailed elsewhere in the report, $10.0 billion of the DERF, and the $3.3 bil-

lion for the civilian employees accrual funding have not been included in the committee's recommendations.

Although the budget request has been portrayed as the largest increase in defense spending in many years, the reality is that there are little, if any, real increases. The committee is concerned with the Department's ability to achieve acceptable readiness in the military services. The proposed level of funding, coupled with the need to fight a war, and $25.4 billion in unfunded requirements identified by the chiefs of the military departments for fiscal year 2003, suggests that adequate military readiness will be difficult to sustain in the long term. Not only is there concern for sustaining adequate readiness for the duration of the current conflict, but also a looming concern for the inevitable reconstitution of our forces when the war has concluded. Many of the Department's combat weapons systems are long past their initial design lifespan, and there are only a few replacement systems on the drawing boards.

The committee notes the increased attention and recognition of historic under-funding in many of the critical readiness accounts with the application of realistic funding this year. Even this approach of realistic funding, however, may not sustain readiness at acceptable levels. As an example, the budget request includes an increase for ship depot maintenance of $621.2 million. This significant increase will not provide any additional ship repair over previous years, it will merely fund previously programmed ship repair requirements and may negate the annual practice of re-programming and supplemental funding requests. Even with this laudable attempt at realistic funding, the committee notes that the ship repair accounts are only funded at the 95 percent level.

The committee conducted a series of hearings in an effort to obtain a more accurate and detailed assessment of current and near-term readiness from senior DOD civilian and military leaders. As it has been for the past several years, the overwhelming impression left on the committee was of an overextended force struggling to maintain acceptable readiness levels in a wartime environment coupled with domestic terrorism concerns. The committee continues to hear complaints about lack of spare parts, aging equipment, decaying infrastructure, growing equipment and facility backlogs, and the difficulties of conducting quality training and operational deployments with significant personnel shortages. The committee notes that within the fiscal years 01, 02, and 03 DERF accounts, over $4.0 billion has been dedicated for increased force protection requirements. The committee applauds the Department for these much needed security improvements and urges the Department to assign the same level of effort to the other infrastructure needs of the Department.

The committee notes that the Department has made some progress, but must continue to take steps to reduce costs in non-readiness related accounts. At the same time, the Department must provide aggressive oversight over proposals to reduce costs through contracting out and privatization. The committee is concerned with the apparent differing opinions between the Department and the Office of Management and Budget as to the need for further mandated outsourcing studies. At the same time, the committee is aware that the Department has turned to strategic sourcing as a means to make outsourcing decisions without the

need for prolonged studies. The committee is concerned that strategic sourcing may encompass consolidation, restructuring, privatization, and the outright termination of existing services, which may produce short-term savings, but may prove to be more costly in the future and may have an adverse impact on readiness. The committee fully supports well developed and justified programs that will reduce costs and prove over time to enhance readiness; however, at a time when military readiness is critical for the successful prosecution of the war effort, the committee does not believe the Department should conduct uncoordinated new programs.

Consistent with past practice, the committee has identified spending that does not directly support readiness and has reprioritized it into areas that will. In making decisions on how best to apply resources to address readiness problems, the committee relied heavily on testimony received during extensive oversight hearings and on the unfunded priorities identified by the service chiefs.

TITLE III - OPERATION AND MAINTENANCE

(Dollars in Thousands)

ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	COMMITTEE CHANGE FROM REQUEST	FY 2003 COMMITTEE RECOMMENDATION
OPERATION AND MAINTENANCE, ARMY	24,581,055	(421,322)	24,159,733
OPERATION AND MAINTENANCE, NAVY	29,028,813	400,063	29,428,876
OPERATION AND MAINTENANCE, MARINE CORPS	3,357,952	230,560	3,588,512
OPERATION AND MAINTENANCE, AIR FORCE	27,304,623	(5,219)	27,299,404
OPERATION AND MAINTENANCE, DEFENSE-WIDE	14,515,304	(145,267)	14,370,037
OPERATION AND MAINTENANCE, ARMY RESERVE	1,923,330	(5,220)	1,918,110
OPERATION AND MAINTENANCE, NAVY RESERVE	1,165,961	67,798	1,233,759
OPERATION AND MAINTENANCE, MARINE CORPS RESERVE	185,532	-	185,532
OPERATION AND MAINTENANCE, AIR FORCE RESERVE	2,190,917	3,802	2,194,719
OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD	4,136,822	163,945	4,300,767
OPEATIONS AND MAINTENANCE, AIR NATIONAL GUARD	4,150,961	(73,116)	4,077,845
ENVIRONMENTAL RESTORATION, ARMY	395,900	-	395,900
ENVIRONMENTAL RESTORATION, NAVY	256,948	-	256,948
ENVIRONMENTAL RESTORATION, AIR FORCE	389,773	-	389,773
ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	23,498	-	23,498
ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES	212,102	-	212,102
DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES	848,907	-	848,907
NATIONAL GUARD COUNTER-DRUG ACTIVITIES			
OVERSEAS CONTINGENCIES	50,000	(50,000)	-
PENTAGON RENOVATION	-		-
OFFICE OF THE INSPECTOR GENERAL	163,440	(8,275)	155,165
UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES	9,925	(311)	9,614
OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AFFAIRS	58,400	-	58,400
SUPPORT OF INTERNATIONAL SPORTING COMPETITIONS	19,000		19,000
PAYMENT TO KAHO'OLAWE ISLAND	25,000	-	25,000
DEFENSE HEALTH PROGRAM	14,360,271	(117,730)	14,242,541
COOPERATIVE THREAT REDUCTION	416,700		416,700
EMERGENCY RESPONSE FUND, DEFENSE	20,055,000	(20,055,000)	-
TOTAL OPERATION & MAINTENANCE	**149,826,134**	**(20,015,292)**	**129,810,842**
DEFENSE WORKING CAPITAL FUNDS	2,338,759	(833,803)	1,504,956
NATIONAL DEFENSE SEALIFT FUND	934,129	-	934,129
TOTAL WORKING CAPTIAL FUNDS	**3,272,888**	**(833,803)**	**2,439,085**

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
1	**OPERATION AND MAINTENANCE, ARMY**			
2				
3	**BUDGET ACTIVITY 01: OPERATING FORCES**			
4				
5	**LAND FORCES**	**3,731,924**	**8,000**	**3,739,924**
6	DIVISIONS	1,425,204		1,433,204
7	Cold Weather Clothing (ECWCS)		8,000	
8	CORPS COMBAT FORCES	424,191		424,191
9	CORPS SUPPORT FORCES	361,001		361,001
10	ECHELON ABOVE CORPS SUPPORT FORCES	405,752		405,752
11	LAND FORCES OPERATIONS SUPPORT	1,115,776		1,115,776
12				
13	**LAND FORCES READINESS**	**2,830,611**	**82,000**	**2,912,611**
14	FORCE READINESS OPERATIONS SUPPORT	1,529,998		1,575,998
15	Continuity of Operations/ DERF Transfer--Alternate National Military Command Center		44,000	
16	Continuity of Operations/ DERF Transfer--CONUS Support		2,000	
17	LAND FORCES SYSTEMS READINESS	491,947		491,947
18	LAND FORCES DEPOT MAINTENANCE	808,666		808,666
19	ARMY AVIATION WARFIGHTING SIMULATION CENTER		4,000	4,000
20	TRAINING RANGE MODERNIZATIONS		32,000	32,000
21				
22	**LAND FORCES READINESS SUPPORT**	**6,343,330**	**21,850**	**6,365,180**
23	BASE OPERATIONS SUPPORT	3,207,409		3,204,859
24	HQ/USARSO Lease Cost Increase		(2,550)	
25	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (OPERATING FORCES	1,146,516		1,146,516
26	MANAGEMENT & OPERATIONAL HEADQUARTERS	297,834		307,234
27	Counter Terrorism/Force Protection/DERF Transfer--CT/FP Personnel		9,400	
28	UNIFIED COMMANDS	83,961		83,961
29	MISCELLANEOUS ACTIVITIES	1,607,610		1,622,610
30	Nuclear Posture Review-DOD/DERF Transfer--Information Systems Security Program		15,000	
31				
32	**TOTAL, BA 01: OPERATING FORCES**	**12,905,865**	**111,850**	**13,017,715**
33				
34	**BUDGET ACTIVITY 02: MOBILIZATION**			

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
35				
36	**MOBILITY OPERATIONS**	**544,464**	**0**	**544,464**
37	STRATEGIC MOBILIZATION	365,257		365,257
38	ARMY PREPOSITIONED STOCKS	158,237		158,237
39	INDUSTRIAL PREPAREDNESS	9,497		9,497
40	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (MOBILITY OPERATIO	11,473		11,473
41				
42	**TOTAL, BA 02: MOBILIZATION**	**544,464**	**0**	**544,464**
43				
44	**BUDGET ACTIVITY 03: TRAINING AND RECRUITING**			
45				
46	**ACCESSION TRAINING**	**486,227**	**12,000**	**498,227**
47	OFFICER ACQUISITION	88,026		88,026
48	RECRUIT TRAINING	20,197		20,197
49	ONE STATION UNIT TRAINING	22,486		22,486
50	SENIOR RESERVE OFFICERS' TRAINING CORPS	209,550		209,550
51	BASE OPERATIONS SUPPORT (ACCESSION TRAINING)	89,214		89,214
52	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (ACCESSION TRAININ	56,754		56,754
53	ARMY DEPOT APPRENTICESHIP PROGRAM		10,000	12,000
54	Anniston Cooperative Program		2,000	
55				
56	**BASIC SKILL/ ADVANCE TRAINING**	**2,690,568**	**19,500**	**2,710,068**
57	SPECIALIZED SKILL TRAINING	365,041		384,541
58	Security, Communications & Information Operations/DERF Transfer--Army Language Program, Army TIARA		19,500	
59	Security, Communications & Information Operations/DERF Transfer--Contract Linguists-FP, Army TIARA		9,400	
60	Security, Communications & Information Operations/Contract Linguists-FP, Army TIARA, Transfer to HR 4547		(9,400)	
61	Security, Communications & Information Operations/DERF Transfer--Contract Linguists-Interrogation Detainees		5,000	
62	Security, Communications & Information Operations/Contract Linguists-Interrogation Detainees, Transfer to HR 454		(5,000)	
63				
64	FLIGHT TRAINING	402,481		402,481
65	PROFESSIONAL DEVELOPMENT EDUCATION	133,572		133,572
66	TRAINING SUPPORT	431,508		431,508
67	BASE OPERATIONS SUPPORT (BASIC SKILL/ADVANCED TRAINING)	1,006,102		1,006,102
68	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (BASIC SKILL/ADV TR.	351,864		351,864

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
69				
70	**RECRUITING/OTHER TRAINING**	**1,202,237**	**2,300**	**1,204,537**
71	RECRUITING AND ADVERTISING	458,788		458,788
72	EXAMINING	87,568		87,568
73	OFF-DUTY AND VOLUNTARY EDUCATION	208,860		208,860
74	CIVILIAN EDUCATION AND TRAINING	99,193		99,193
75	JUNIOR RESERVE OFFICERS' TRAINING CORPS	97,512		97,512
76	BASE OPERATIONS SUPPORT (RECRUIT/OTHER TRAINING)	250,316		252,616
77	Security, Communications & Information Operations/DERF Transfer--PE0135197		2,300	
78				
79	**TOTAL, BA 03: TRAINING AND RECRUITING**	**4,379,032**	**33,800**	**4,412,832**
80				
81	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
82				
83	**SECURITY PROGRAMS**	**572,013**	**15,000**	**587,013**
84	SECURITY PROGRAMS	572,013		587,013
85	Continuity of Operations/ DERF Transfer--CONUS Support		2,000	
86	Security, Communications & Information Operations/DERF Transfer--Battle Space Characteristics		2,000	
87	Security, Communications & Information Operations/DERF Transfer--Security & Investigative Activities		10,000	
88	Security, Communications & Information Operations/DERF Transfer--Security & Investigative Activities		1,000	
89				
90	**LOGISTICS OPERATIONS**	**1,824,815**	**35,000**	**1,859,815**
91	SERVICEWIDE TRANSPORTATION	608,608		608,608
92	CENTRAL SUPPLY ACTIVITIES	547,994		547,994
93	LOGISTICS SUPPORT ACTIVITIES	356,424		373,424
94	AIT/RFID for Maintenance		9,000	
95	AIT/RFID for Pre-Positioned Stocks		8,000	
96	EMS AND POINT-TO-POINT WIRING AND SIGNAL SYSTEM		6,000	6,000
97	AMMUNITION MANAGEMENT	311,789		311,789
98	CORROSION CONTROL		12,000	12,000
99				
100	**SERVICEWIDE SUPPORT**	**4,091,152**	**16,400**	**4,107,552**
101	ADMINISTRATION	638,845		639,445
102	Security, Communications & Information Operations/DERF Transfer--Critical Infrastructure Protection		600	

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
103	SERVICEWIDE COMMUNICATIONS	655,796		671,596
104	Continuity of Operations/DERF Transfer--CONUS Support		5,000	
105	Security, Communications & Information Operations/DERF Transfer--Collaboration Planning/Enablers		2,500	
106	Security, Communications & Information Operations/DERF Transfer--CONUS Support		500	
107	Security, Communications & Information Operations/DERF Transfer--InformationSystems Security Program		4,600	
108	Security, Communications & Information Operations/DERF Transfer--InformationSystems Security Program		1,700	
109	Security, Communications & Information Operations/DERF Transfer--InformationSystems Security Program		1,500	
110	MANPOWER MANAGEMENT	245,901		245,901
111	OTHER PERSONNEL SUPPORT	204,749		204,749
112	OTHER SERVICE SUPPORT	623,408		623,408
113	ARMY CLAIMS	112,215		112,215
114	REAL ESTATE MANAGEMENT	54,282		54,282
115	BASE OPERATIONS SUPPORT (SERVICEWIDE SUPPORT)	1,298,623		1,298,623
116	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (SERVICEWIDE SUPP	257,333		257,333
117				
118	**SUPPORT OF OTHER NATIONS**	**263,714**	**0**	**263,714**
119	INTERNATIONAL MILITARY HEADQUARTERS	205,623		205,623
120	MISC. SUPPORT OF OTHER NATIONS	58,091		58,091
121				
122	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**6,751,694**	**66,400**	**6,818,094**
123				
124	**UNDISTRIBUTED**			
125	M-GATORS		4,000	4,000
126	CSRS ACCRUAL ADJUSTMENT		(612,382)	(612,382)
127	BRAC PREPARATION FUNDS		(24,100)	(24,100)
128	GLOBAL COMMAND SUPPORT SYSTEM		(5,000)	(5,000)
129	CAMEKBAK HYDRATION SYSTEM		4,110	4,110
130				
131	**TOTAL, UNDISTRIBUTED**		**(633,372)**	**(633,372)**
132				
133	**TOTAL OPERATION AND MAINTENANCE, ARMY**	**24,581,055**	**(421,322)**	**24,159,733**
134				
135	**OPERATION AND MAINTENANCE, NAVY**			
136				

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
137	**BUDGET ACTIVITY 01: OPERATING FORCES**			
138				
139	**AIR OPERATIONS**	**5,297,220**	**2,000**	**5,299,220**
140	MISSION AND OTHER FLIGHT OPERATIONS	3,247,197		3,247,197
141	FLEET AIR TRAINING	1,030,024		1,030,024
142	INTERMEDIATE MAINTENANCE	69,945		69,945
143	AIR OPERATIONS AND SAFETY SUPPORT	109,072		109,072
144	AIRCRAFT DEPOT MAINTENANCE	785,052		785,052
145	AV-8A Engine Life Maintenance Program		2,000	2,000
147	AIRCRAFT DEPOT OPERATIONS SUPPORT	55,930		55,930
148				
149	**SHIP OPERATIONS**	**8,299,846**	**64,000**	**8,363,846**
150	MISSION AND OTHER SHIP OPERATIONS	2,442,911		2,442,911
151	SHIP OPERATIONAL SUPPORT AND TRAINING	589,655		596,655
152	Continuity of Operations/DERF Transfer--Various		5,000	
153	Security, Communications & Information Operations/DERF Transfer--Cryptologic Direct Support		2,000	
154	INTERMEDIATE MAINTENANCE	406,251		406,251
155	SHIP DEPOT MAINTENANCE	3,536,452		3,536,452
146	LHA Stability Improvement Alterations		57,000	57,000
156	SHIP DEPOT OPERATIONS SUPPORT	1,324,577		1,324,577
157				
158	**COMBAT OPERATIONS/SUPPORT**	**2,023,576**	**46,700**	**2,070,276**
159	COMBAT COMMUNICATIONS	424,042		424,042
160	ELECTRONIC WARFARE	15,485		15,485
161	SPACE SYSTEMS & SURVEILLANCE	205,001		205,001
162	WARFARE TACTICS	166,186		166,186
163	OPERATIONAL METEOROLOGY & OCEANOGRAPHY	273,412		273,412
164	COMBAT SUPPORT FORCES	767,833		814,533
165	Continuity of Operations/DERF Transfer--Various		2,000	
166	Security, Communications & Information Operations/DERF Transfer--Various		2,000	
167	Security, Communications & Information Operations/DERF Transfer--Classified		1,000	
168	Security, Communications & Information Operations/DERF Transfer--Intelligence Analysts		3,000	
169	Security, Communications & Information Operations/DERF Transfer--SCI GCCS I3		3,800	
170	Security, Communications & Information Operations/DERF Transfer--GENSER gccs i3		5,400	

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
171	Security, Communications & Information Operations/DERF Transfer--JDIS/LOCE/CENTRIX		(5,300)	
172	Security, Communications & Information Operations/JDIS/LOCE/CENTRIX, Transfer to HR 4547		5,300	
173	Security, Communications & Information Operations/DERF Transfer--CMMA		1,500	
174	Security, Communications & Information Operations/DERF Transfer--CMMA		22,500	
175	Security, Communications & Information Operations/DERF Transfer--JWICS Connectivity		5,500	
176	EQUIPMENT MAINTENANCE	169,941		169,941
177	DEPOT OPERATIONS SUPPORT	1,676		1,676
178				
179	**WEAPONS SUPPORT**	**1,432,513**	**13,000**	**1,445,513**
180	CRUISE MISSILE	162,185		162,185
181	FLEET BALLISTIC MISSILE	806,150		813,150
182	Counter Terrorism/Force Protection/DERF Transfer--Strategic Security Forces & Technicians		7,000	
183	IN-SERVICE WEAPONS SYSTEMS SUPPORT	43,314		43,314
184	WEAPONS MAINTENANCE	420,864		426,864
185	Security, Communications & Information Operations/DERF Transfer--Pioneer		6,000	
186				
187	**WORKING CAPITAL FUND SUPPORT**	**0**	**0**	**0**
188	NWCF SUPPORT			0
189				
190	**BASE SUPPORT**	**3,902,471**	**465,581**	**4,368,052**
191	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,153,732		1,375,432
192	Counter Terrorism/Force Protection/DERF Transfer--Site Improvement		219,200	
193	Homeland Security		2,500	
194	BASE SUPPORT	2,748,739		2,992,620
195	Counter Terrorism/Force Protection/DERF Transfer--Security Forces and Technicians		143,096	
196	Counter Terrorism/Force Protection/DERF Transfer--Law Enforcement		32,573	
197	Counter Terrorism/Force Protection/DERF Transfer--Management and Planning		1,712	
198	Counter Terrorism/Force Protection/DERF Transfer--Shipyard Security Forces & technicians		28,000	
199	Homeland Security--Base Support Services		38,500	
200				
201	**TOTAL, BA 01: OPERATING FORCES**	**20,955,626**	**591,281**	**21,546,907**
202				
203	**BUDGET ACTIVITY 02: MOBILIZATION**			
204				

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
205	**READY RESERVE AND PREPOSITIONING FORCES**	733,791	4,000	737,791
206	SHIP PREPOSITIONING AND SURGE	528,795		528,795
207	AIRCRAFT ACTIVATIONS/INACTIVATIONS	3,432		3,432
208	SHIP ACTIVATIONS/INACTIVATIONS	156,037		156,037
209	FLEET HOSPITAL PROGRAM	25,561		29,561
210	Homeland Security--Medical operations		4,000	
211	INDUSTRIAL READINESS	1,207		1,207
212	COAST GUARD SUPPORT	18,759		18,759
213				
214	**TOTAL, BA 02: MOBILIZATION**	**733,791**	**4,000**	**737,791**
215				
216	**BUDGET ACTIVITY 03: TRAINING AND RECRUITING**			
217				
218	**ACCESSION TRAINING**	209,817	0	209,817
219	OFFICER ACQUISITION	115,943		115,943
220	RECRUIT TRAINING	10,413		10,413
221	RESERVE OFFICERS TRAINING CORPS	83,461		83,461
222				
223	**BASIC SKILLS AND ADVANCED TRAINING**	1,078,776	14,000	1,092,776
224	SPECIALIZED SKILL TRAINING	351,114		353,114
225	Security, Communications & Information Operations/DERF Transfer--Pre-deployment Training		1,000	
226	Security, Communications & Information Operations/DERF Transfer--Imagery Training Initiative		1,000	
227	FLIGHT TRAINING	371,096		371,096
228	PROFESSIONAL DEVELOPMENT EDUCATION	137,801		137,801
229	TRAINING SUPPORT	218,765		218,765
230	NAVY AVIATION DEPOT APPRENTICESHIP PROGRAM		6,000	6,000
231	NAVY SHIPYARD APPRENTICESHIP PROGRAM		6,000	6,000
232				
233	**RECRUITING, AND OTHER TRAINING AND EDUCATION**	470,471	(4,930)	465,541
234	RECRUITING AND ADVERTISING	257,292		257,292
235	OFF-DUTY AND VOLUNTARY EDUCATION	102,643		102,643
236	CIVILIAN EDUCATION AND TRAINING	75,178		75,178
237	JUNIOR ROTC	35,358		35,358
238	IMET FUNDING		(4,930)	(4,930)

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
239				
240	**BASE SUPPORT**	**600,462**	**43,500**	**643,962**
241	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	224,764		266,764
242	Counter Terrorism/Force Protection/DERF Transfer--Site Improvement		42,000	
243	BASE SUPPORT	375,698		377,198
244	Counter Terrorism/Force Protection/DERF Transfer--Security Forces and Technicians		1,500	
245				
246	**TOTAL, BA 03: TRAINING AND RECRUITING**	**2,359,526**	**52,570**	**2,412,096**
247				
248	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
249				
250	**SERVICEWIDE SUPPORT**	**4,979,870**	**74,360**	**5,054,230**
251	ADMINISTRATION	669,509		669,509
252	EXTERNAL RELATIONS	4,639		4,639
253	COMBAT SUPPORT FORCES			8,600
254	Continuity of Operations/DERF Transfer--Various		7,000	
255	Counter Terrorism/Force Protection/DERF Transfer--HQ Management and Planning		1,600	
256	CIVILIAN MANPOWER & PERSONNEL MGT	119,785		119,785
257	MILITARY MANPOWER & PERSONNEL MGT	106,986		106,986
258	OTHER PERSONNEL SUPPORT	199,531		199,531
259	SERVICEWIDE COMMUNICATIONS	732,372		742,432
260	Counter Terrorism/Force Protection/DERF Transfer--HQ Management and Planning		3,920	
261	Security, Communications & Information Operations/DERF Transfer--Computer Network Defense		3,800	
262	Security, Communications & Information Operations/DERF Transfer--enclave Boundary		1,200	
263	Security, Communications & Information Operations/DERF Transfer--Intrusion Detection		1,140	
264	MEDICAL ACTIVITIES			
265	SERVICEWIDE TRANSPORTATION	186,872		186,872
266	ENVIRONMENTAL PROGRAMS			0
267	PLANNING, ENGINEERING & DESIGN	393,563		393,563
268	ACQUISITION AND PROGRAM MANAGEMENT	857,646		868,646
269	Security, Communications & Information Operations/DERF Transfer--Acquisition and Program Management		11,000	
270	AIR SYSTEMS SUPPORT	464,959		464,959
271	HULL, MECHANICAL & ELECTRICAL SUPPORT	51,399		51,399
272	COMBAT/WEAPONS SYSTEMS	43,907		43,907

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
273	SPACE & ELECTRONIC WARFARE SYSTEMS	59,899		60,399
274	Security, Communications & Information Operations/DERF Transfer--Carry on Cryptologic Systems		500	
275	SECURITY PROGRAMS	767,090		781,290
276	Continuity of Operations/DERF Transfer--Various		2,000	
277	Counter Terrorism/Force Protection/DERF Transfer--Intel/Security & Investigative Matters		3,500	
278	Security, Communications & Information Operations/DERF Transfer--HUMINT		3,700	
279	Security, Comm. & Info Oper/DERF Transfer--Counter surveillance & law enforcement adv. Details		5,000	
280	INTERNATIONAL HDQTRS & AGENCIES	9,349		9,349
281	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	99,406		112,406
282	Counter Terrorism/Force Protection/DERF Transfer--Site Improvement		13,000	
283	BASE SUPPORT	212,958		212,958
284	STAINLESS STEEL SANITARY SPACES		15,000	15,000
285	ATC CORROSION CONTROL PREVENTION		2,000	2,000
286				
287	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**4,979,870**	**74,360**	**5,054,230**
288				
289	**UNDISTRIBUTED**			
290	CSRS ACCRUAL ADJUSTMENT		(324,278)	(324,278)
291	CAMELBAK HYDRATION SYSTEM		1,000	1,000
292	NAVAL SEA CADET PROGRAM		1,000	1,000
293	UNITING THROUGH READING PROGRAM		130	130
294				
295	**TOTAL, UNDISTRIBUTED**		**(322,148)**	**(322,148)**
296				
297	**TOTAL OPERATION AND MAINTENANCE, NAVY**	**29,028,813**	**400,063**	**29,428,876**
298				
299	**OPERATION AND MAINTENANCE, MARINE CORPS**			
300				
301	**BUDGET ACTIVITY 01: OPERATING FORCES**			
302				
303	**EXPEDITIONARY FORCES**	**2,496,804**	**247,100**	**2,743,904**
304	OPERATIONAL FORCES	631,065		636,965
305	Continuity of Operations/DERF Transfer--Continuity of Intelligence		1,000	
306	Security, Communications & Information Operations/DERF Transfer--I-SURSS		700	

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
307	Security, Communications & Information Operations/DERF Transfer--TRSS		(1,000)	
308	Security, Communications & Information Operations/TRSS, Transfer to HR 4547		1,000	
309	Security, Communications & Information Operations/DERF Transfer--TCAC		(500)	
310	Security, Communications & Information Operations/TCAC, Transfer to HR 4547		500	
311	Security, Communications & Information Operations/DERF Transfer--RREP		(200)	
312	Security, Communications & Information Operations/RREP, Transfer to HR 4547		200	
313	Security, Communications & Information Operations/DERF Transfer--TPC		700	
314	Security, Communications & Information Operations/DERF Transfer--MCIA Analytic Support		(2,400)	
315	Security, Comm. & Info Oper/MCIA Analytic Support, Transfer to HR 4547		2,400	
316	Security, Communications & Information Operations/DERF Transfer--TEG		(1,000)	
317	Security, Communications & Information Operations/TEG, Transfer to HR 4547		1,000	
318	Security, Communications & Information Operations/DERF Transfer--TROJAN Lite		(1,500)	
319	Security, Communications & Information Operations/TROJAN Lite, Transfer to HR 4547		1,500	
320	Security, Communications & Information Operations/DERF Transfer--ISR		(2,900)	
321	Security, Communications & Information Operations/ISR, Transfer to HR 4547		2,900	
322	Security, Communications & Information Operations/DERF Transfer--FLAMES/CESAS		(2,000)	
323	Security, Communications & Information Operations/FLAMES/CESAS, Transfer to HR 4547		2,000	
324	Security, Communications & Information Operations/DERF TransferComputer Network Defense		2,000	
325	Security, Communications & Information Operations/DERF Transfer--Secure Wireless		800	
326	Security, Communications & Information Operations/DERF Transfer--Deployed Security Interdiction Devices		700	
327	FIELD LOGISTICS	289,401		289,401
328	DEPOT MAINTENANCE	138,576		138,576
329	BASE SUPPORT	907,624		1,148,824
330	Counter Terrorism/Force Protection/DERF Transfer--Physical Security Equipment		228,000	
331	Counter Terrorism/Force Protection/DERF Transfer--CINC AT/FP Staffs		3,200	
332	Counter Terrorism/Force Protection/DERF Transfer--Physical Security Upgrades		10,000	
333	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	445,582		445,582
334	MARITIME PREPOSITIONING	80,743		80,743
335	NORWAY PREPOSITIONING	3,813		3,813
336				
337	**TOTAL, BA 01: OPERATING FORCES**	**2,496,804**	**247,100**	**2,743,904**
338				
339	**BUDGET ACTIVITY 03: TRAINING AND RECRUITING**			
340				

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
341	**ACCESSION TRAINING**	105,899	(1,330)	104,569
342	RECRUIT TRAINING	10,516		10,516
343	OFFICER ACQUISITION	355		355
344	BASE SUPPORT	65,906		65,906
345	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	29,122		29,122
346	IMET FUNDING		(1,330)	(1,330)
347				
348	**BASIC SKILLS AND ADVANCED TRAINING**	272,098	0	272,098
349	SPECIALIZED SKILLS TRAINING	40,524		40,524
350	FLIGHT TRAINING	175		175
351	PROFESSIONAL DEVELOPMENT EDUCATION	8,912		8,912
352	TRAINING SUPPORT	112,202		112,202
353	BASE SUPPORT	80,141		80,141
354	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	30,144		30,144
355				
356	**RECRUITING AND OTHER TRAINING EDUCATION**	186,996	0	186,996
357	RECRUITING AND ADVERTISING	121,345		121,345
358	OFF-DUTY AND VOLUNTARY EDUCATION	34,695		34,695
359	JUNIOR ROTC	13,312		13,312
360	BASE SUPPORT	15,137		15,137
361	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	2,507		2,507
362				
363	**TOTAL, BA 03: TRAINING AND RECRUITING**	**564,993**	**(1,330)**	**563,663**
364				
365	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
366				
367	**SERVICEWIDE SUPPORT**	296,155	1,000	297,155
368	SPECIAL SUPPORT	198,890		198,890
369	SERVICEWIDE TRANSPORTATION	34,627		34,627
370	ADMINISTRATION	39,262		39,262
371	BASE SUPPORT	20,438		21,438
372	Continuity of Operations/DERF Transfer--Site R		1,000	
373	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	2,938		2,938
374				

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
375	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**296,155**	**1,000**	**297,155**
376				
377	**UNDISTRIBUTED**			
378	CSRS ACCRUAL ADJUSTMENT		(47,210)	(47,210)
379	FACILITY SUSTAINMENT AND MODERNIZATION		31,000	31,000
380				
381	**TOTAL, UNDISTRIBUTED**		**(16,210)**	**(16,210)**
382				
383	**TOTAL OPERATION AND MAINTENANCE, MARINE CORPS**	**3,357,952**	**230,560**	**3,588,512**
384				
385	**OPERATION AND MAINTENANCE, AIR FORCE**			
386				
387	**BUDGET ACTIVITY 01: OPERATING FORCES**			
388				
389	**AIR OPERATIONS**	**11,245,752**	**248,285**	**11,494,037**
390	PRIMARY COMBAT FORCES	3,244,026		3,253,026
391	CONUS Combat Air Patrol/DERF Transfer in from Defense Wide		1,200,000	
392	CONUS Combat Air Patrol/DERF Transfer out to HR 4547		(900,000)	
393	CONUS Combat Air Patrol		(300,000)	
394	Unmanned Aerial Vehicles/DERF Transfer--Predator O&M		9,000	
395	PRIMARY COMBAT WEAPONS	336,234		336,234
396	COMBAT ENHANCEMENT FORCES	248,367		251,867
397	Security, Communications & Information Operations/DERF Transfer--Computer Network Defense		3,500	
398	AIR OPERATIONS TRAINING	1,250,537		1,250,537
399	DEPOT MAINTENANCE	1,382,953		1,382,953
400	B1B Pivot Shear Replacement		80,000	80,000
401	COMBAT COMMUNICATIONS	1,465,273		1,465,273
402	BASE SUPPORT	2,357,450		2,413,650
403	Terrorism/Force Protection/DERF Transfer--AEF/Force Protection Certification Training		10,200	
404	Terrorism/Force Protection/DERF Transfer--WMD-1st Responder		46,000	
405	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	960,912		1,060,497
406	Terrorism/Force Protection/DERF Transfer--AT/FP Facility Upgrades		99,585	
407				
408	**COMBAT RELATED OPERATIONS**	**1,942,193**	**143,780**	**2,085,973**

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
409	GLOBAL C3I AND EARLY WARNING	816,000		915,430
410	Terrorism/Force Protection/DERF Transfer--GeoReach/Geo Base		25,800	
411	Nuclear Posture Review-DOD/DERF Transfer--Information Warfare Support		5,000	
412	Security, Communications & Information Operations/DERF Transfer--Defense Reconnaissance Support		68,630	
413	NAVIGATION/WEATHER SUPPORT	187,671		187,671
414	OTHER COMBAT OPS SUPPORT PROGRAMS	425,618		442,418
415	Continuity of Operations/DERF Transfer--Nat.Airborne Command Cntr. (NAOC)		10,000	
416	Continuity of Operations/DERF Transfer--Aircraft Communications Mods		3,600	
417	Continuity of Operations/DERF Transfer--UH-1 Support, capital region		700	
418	Continuity of Operations/DERF Transfer--Communications Systems Operators Traning		500	
419	Security, Communications & Information Operations/DERF Transfer--Commercial Imagery		2,000	
420	JCS EXERCISES	39,406		39,406
421	MANAGEMENT/OPERATIONAL HEADQUARTERS	221,692		235,542
422	Terrorism/Force Protection/DERF Transfer--CENTCOM PSD & Forward HQs		700	
423	Terrorism/Force Protection/DERF Transfer--CINC AT/FP Staff		5,500	
424	Nuclear Posture Review-DOD/DERF Transfer--Mgt. HQ STRATCOM		1,250	
425	Nuclear Posture Review-DOD/DERF Transfer--Information Warfare Support		4,000	
426	Nuclear Posture Review-DOD/DERF Transfer--Tactical Deception		1,000	
427	Nuclear Posture Review-DOD/DERF Transfer--Mgt. HQs STRATCOM		1,000	
428	Security, Communications & Information Operations/DERF Transfer--Critical Infrastructure Protection		400	
429	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	251,806		265,506
430	Continuity of Operations/DERF Transfer--Combat Air Intelligence Systems		2,300	
431	Continuity of Operations/DERF Transfer--Special Purpose Communications		2,000	
432	Continuity of Operations/DERF Transfer--Tactical Information Program		5,000	
433	Security, Communications & Information Operations/DERF Transfer--Spec.Eval.Prog.		1,200	
434	Security, Communications & Information Operations/DERF Transfer--DCGS Architecture		3,000	
435	Security, Communications & Information Operations/DERF Transfer--Integrated Broadcast Service		100	
436	Security, Communications & Information Operations/DERF Transfer		100	
437				
438	**SPACE OPERATIONS**	**1,622,549**	**10,000**	**1,632,549**
439	LAUNCH FACILITIES	281,022		281,022
440	LAUNCH VEHICLES	133,478		133,478
441	SPACE CONTROL SYSTEMS	244,626		244,626
442	SATELLITE SYSTEMS	60,989		60,989

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
443	OTHER SPACE OPERATIONS	251,191		261,191
444	Continuity of Operations/DERF Transfer--Def. Reconnaissance Support Activities		10,000	
445	BASE SUPPORT	493,528		493,528
446	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	157,715		157,715
447				
448	**TOTAL, BA 01: OPERATING FORCES**	**14,810,494**	**402,065**	**15,212,559**
449				
450	**BUDGET ACTIVITY 02: MOBILIZATION**			
451				
452	**MOBILITY OPERATIONS**	**3,835,341**	**85,704**	**3,921,045**
453	AIRLIFT OPERATIONS	2,147,117		2,147,117
454	AIRLIFT OPERATIONS C3I	42,298		44,098
455	Security, Communications & Information Operations/ DERF Transfer--Critical Infrastructure Protection		1,800	
456	MOBILIZATION PREPAREDNESS	175,023		175,023
457	DEPOT MAINTENANCE	312,552		312,552
458	PAYMENTS TO TRANSPORTATION BUSINESS AREA	470,700		470,700
459	BASE SUPPORT	527,755		554,405
460	Counter Terrorism/Force Protection/DERF Transfer--AEF/Force Protection Certification Training		4,800	
461	Counter Terrorism/Force Protection/DERF Transfer--WMD-1st Responder		21,850	
462	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	159,896		217,150
463	Counter Terrorism/Force Protection/DERF Transfer--AT/FP Facility Upgrades		57,254	
464				
465	**TOTAL, BA 02: MOBILIZATION**	**3,835,341**	**85,704**	**3,921,045**
466				
467	**BUDGET ACTIVITY 03: TRAINING AND RECRUITING**			
468				
469	**ACCESSION TRAINING**	**300,056**	**16,341**	**316,397**
470	OFFICER ACQUISITION	69,262		69,262
471	RECRUIT TRAINING	6,879		6,879
472	RESERVE OFFICER TRAINING CORPS (ROTC)	68,063		68,063
473	BASE SUPPORT (ACADEMIES ONLY)	73,180		73,180
474	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (ACADEMIES ONLY)	82,672		99,013
475	Counter Terrorism/Force Protection/DERF Transfer--AT/FP Facility Upgrades		16,341	
476				

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
477	**BASIC SKILLS AND ADVANCED TRAINING**	**1,948,241**	**1,150**	**1,949,391**
478	SPECIALIZED SKILL TRAINING	307,625		307,625
479	FLIGHT TRAINING	663,762		663,762
480	PROFESSIONAL DEVELOPMENT EDUCATION	141,864		141,864
481	TRAINING SUPPORT	92,646		92,646
482	DEPOT MAINTENANCE	8,242		8,242
483	BASE SUPPORT (OTHER TRAINING)	573,464		574,614
484	Counter Terrorism/Force Protection/DERF Transfer--WMD-1st Responder		1,150	
485	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (OTHER TRAINING)	160,638		160,638
486				
487	**RECRUITING, AND OTHER TRAINING AND EDUCATION**	**402,626**	**0**	**402,626**
488	RECRUITING AND ADVERTISING	152,289		152,289
489	EXAMINING	3,222		3,222
490	OFF DUTY AND VOLUNTARY EDUCATION	96,516		96,516
491	CIVILIAN EDUCATION AND TRAINING	107,151		107,151
492	JUNIOR ROTC	43,448		43,448
493				
494	**TOTAL, BA 03: TRAINING AND RECRUITING**	**2,650,923**	**17,491**	**2,668,414**
495				
496	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
497				
498	**LOGISTICS OPERATIONS**	**3,067,013**	**20,976**	**3,087,989**
499	LOGISTICS OPERATIONS	922,106		931,606
500	Aging Propulsion System		7,000	
501	Logistics System Management and Retrieval Technology/L-SMART		2,500	
502	TECHNICAL SUPPORT ACTIVITIES	429,543		429,543
503	SERVICEWIDE TRANSPORTATION	237,503		237,503
504	DEPOT MAINTENANCE	78,062		78,062
505	BASE SUPPORT	1,154,363		1,161,863
506	Counter Terrorism/Force Protection/DERF Transfer--AEF/Force Protection Certification Training		2,900	
507	Counter Terrorism/Force Protection/DERF Transfer--WMD-1st Responder		4,600	
508	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	245,436		249,412
509	Counter Terrorism/Force Protection/DERF Transfer--AT/FP Facility Upgrades		3,976	
510				

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
511	**SERVICEWIDE ACTIVITIES**	**1,866,649**	**8,100**	**1,874,749**
512	ADMINISTRATION	224,882		224,882
513	SERVICEWIDE COMMUNICATIONS	376,841		384,941
514	Security, Communications & Information Operations/ DERF Transfer--Modernization, Sustainment & Development		4,900	
515	Security, Communications & Information Operations/ DERF Transfer--Modernization, Sustainment & Development		1,700	
516	Security, Communications & Information Operations/ DERF Transfer--Intrusion Detection Systems		1,500	
517	PERSONNEL PROGRAMS	184,558		184,558
518	RESCUE AND RECOVERY SERVICES	110,418		110,418
519	ARMS CONTROL	33,092		33,092
520	OTHER SERVICEWIDE ACTIVITIES	572,320		572,320
521	OTHER PERSONNEL SUPPORT	44,716		44,716
522	CIVIL AIR PATROL CORPORATION	19,668		19,668
523	BASE SUPPORT	276,338		276,338
524	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	23,816		23,816
525	SECURITY PROGRAMS	1,054,171		1,061,171
526	Nuclear Posture Review-DOD/DERF Transfer--Security & Investigative Activities		2,000	
527	Security, Communications & Information Operations/DERF Transfer--Defense Security Service (DSS)		5,000	
528	INTERNATIONAL SUPPORT	20,032		20,032
529	BRAC PREPARATION FUNDS		(16,500)	(16,500)
530				
531	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**6,007,865**	**19,576**	**6,027,441**
532				
533	**UNDISTRIBUTED**			
534	CSRS ACCRUAL ADJUSTMENT		(531,055)	(531,055)
535	CAMELBAK HYDRATION SYSTEM		1,000	1,000
536				
537	**TOTAL, UNDISTRIBUTED**		**(530,055)**	**(530,055)**
538				
539	**TOTAL OPERATION AND MAINTENANCE, AIR FORCE**	**27,304,623**	**(5,219)**	**27,299,404**
540				
541	**OPERATION AND MAINTENANCE, DEFENSE-WIDE**			
542				
543	**BUDGET ACTIVITY 1: OPERATING FORCES**			
544	JOINT CHIEFS OF STAFF	398,341		388,341

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
545	CJCS Exercise Program		(10,000)	
546	SPECIAL OPERATIONS COMMAND	1,531,330		1,531,330
547				
548	**TOTAL, BUDGET ACTIVITY 1:**	**1,929,671**	**(10,000)**	**1,919,671**
549				
550	**BUDGET ACTIVITY 2: MOBILIZATION**			
551	DEFENSE LOGISTICS AGENCY	41,420		41,420
552				
553	**TOTAL, BUDGET ACTIVITY 2:**	**41,420**	**0**	**41,420**
554				
555	**BUDGET ACTIVITY 3: TRAINING AND RECRUITING**			
556	AMERICAN FORCES INFORMATION SERVICE	11,232		11,232
557	CLASSIFIED PROGRAMS	6,869		6,869
558	DEFENSE ACQUISITION UNIVERSITY	103,514		103,514
559	DEFENSE CONTRACT AUDIT AGENCY	4,865		4,865
560	DEFENSE FINANCE AND ACCOUNTING SERVICE	9,160		9,160
561	DEFENSE HUMAN RESOURCES ACTIVITY	89,161		89,161
562	DEFENSE SECURITY SERVICE	9,889		9,889
563	DEFENSE THREAT REDUCTION AGENCY	1,292		1,292
564	SPECIAL OPERATIONS COMMAND	62,982		62,982
565				
566	**TOTAL, BUDGET ACTIVITY 3:**	**298,964**	**0**	**298,964**
567				
568	**BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES**			
569	AMERICAN FORCES INFORMATION SERVICE	98,564		98,564
570	CIVIL MILITARY PROGRAMS	97,006		97,006
571	CLASSIFIED PROGRAMS	5,829,232		5,829,232
572	CIFA	34,996		34,996
573	C3I INTELLIGENCE PROGRAMS			23,500
574	Security, Communications & Information Operations/DERF Transfer--Coalition-Intel.Info Sharing (CENTRIX)		14,000	
575	Security, Communications & Information Operations/DERF Transfer--Classified		9,500	
576	DEFENSE CONTRACT AUDIT AGENCY	377,495		377,495
577	DEFENSE CONTRACT MANAGEMENT AGENCY	1,070,567		1,070,567
578	DEFENSE FINANCE AND ACCOUNTING SERVICE	2,282		8,682

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
579	Counter Terrorism/Force Protection/DERF Transfer--Financial Operations		5,900	
580	Security, Communications & Information Operations/DERF Transfer--Financial Operations		500	
581	DEFENSE HUMAN RESOURCES ACTIVITY	256,042		236,542
582	Civilian Personnel Data System		(20,000)	
583	Security, Communications & Information Operations/DERF Transfer--Critical Infrastructure Protection		500	
584	DEFENSE INFORMATION SYSTEMS AGENCY	956,644		961,144
585	Wireless Information Program		(37,000)	
586	Continuity of Operations/DERF Transfer--Secure Voice Teleconferencing System		2,500	
587	Continuity of Operations/DERF Transfer--Defense Conferencing Enhancement Program		8,900	
588	Continuity of Operations/DERF Transfer--DISA Contunuity of Operations		2,500	
589	Continuity of Operations/DERF Transfer--Bandwidth Expansion		7,600	
590	Continuity of Operations/DERF Transfer--Information Assurance		500	
591	Security, Communications & Information Operations/DERF Transfer--On-site Administrators		3,400	
592	Security, Communications & Information Operations/DERF Transfer--IA, Intell/Coalition Encrp (CWAN)		5,000	
593	Security, Communications & Information Operations/DERF Transfer--IA, Intell/Coalition Encrp (CWAN)		1,600	
594	Security, Communications & Information Operations/DERF Transfer--IA Computer Network Defense		3,500	
595	Security, Communications & Information Operations/DERF Transfer--On-site Administrators		3,000	
596	Continuity of Operations/DERF Transfer--White House Communications		3,000	
597	DEFENSE INTELLIGENCE AGENCY			32,600
598	Continuity of Operations/DERF Transfer--Critical Database Backup		5,000	
599	Nuclear Posture Review-DOD/DERF Transfer--Intel. Support to hard & deeply buried targets		12,600	
600	Security, Communications & Information Operations/DERF Transfer--DIA		15,000	
601	DEFENSE LOGISTICS AGENCY	201,171		211,771
602	CTMA Defense Depot Activities		20,000	
603	Global Information Grid		(10,000)	
604	Security, Communications & Information Operations/DERF Transfer--Critical Infrastructure Protection		600	
605	DEFENSE LEGAL SERVICES AGENCY	14,385		14,385
606	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,616,135		1,640,335
607	Counter Terrorism/Force Protection/DERF Transfer--Enhanced Force Protection		18,000	
608	Counter Terrorism/Force Protection/DERF Transfer--Enhanced Force Protection		6,000	
609	Counter Terrorism/Force Protection/DERF Transfer--Enhanced Force Protection		200	
610	DEFENSE POW /MISSING PERSONS OFFICE	15,974		15,974
611	DEFENSE SECURITY COOPERATION AGENCY	67,927		67,927
612	DEFENSE SECURITY SERVICE	170,447		170,947

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
613	Security, Communications & Information Operations/DERF Transfer--Critical Infrastructure Protection		500	
614	DEFENSE THREAT REDUCTION AGENCY	273,510		273,510
615	NATIONAL IMAGING AND MAPPING AGENCY (NIMA)			56,870
616	DIMAP		(28,000)	
617	Nuclear Posture Review-DOD/DERF Transfer--Hard and Deeply buried targets		2,300	
618	Security, Communications & Information Operations/DERF Transfer--Airborne Integration		2,000	
619	Security, Communications & Information Operations/DERF Transfer--IEC Workstations		1,000	
620	Security, Communications & Information Operations/DERF Transfer--Libraries Communication		10,100	
621	Security, Communications & Information Operations/DERF Transfer--PGM Targeting Workstations		2,000	
622	Security, Communications & Information Operations/DERF Transfer--CENTCOM		1,000	
623	Security, Communications & Information Operations/DERF Transfer--Commercial Imagery		33,670	
624	Security, Communications & Information Operations/DERF Transfer--Geospatial Data Generation		32,800	
625	NATIONAL SECURITY AGENCY			20,300
626	Nuclear Posture Review-DOD/DERF Transfer--Hard & deeply buried targets		2,600	
627	Security, Communications & Information Operations/DERF Transfer--Classified		11,000	
628	Security, Communications & Information Operations/DERF Transfer--U-2 support		1,300	
629	Security, Communications & Information Operations/DERF Transfer--Coalition Wide Area Networks		5,400	
630	OFFICE OF ECONOMIC ADJUSTMENT	14,740		14,740
631	OFFICE OF THE SECRETARY OF DEFENSE	499,943		624,993
632	Continuity of Operations/DERF Transfer--OSD COOP & sustainment of critical systems		18,000	
633	Continuity of Operations/DERF Transfer--National Capitol Region COOP		10,500	
634	Continuity of Operations/DERF Transfer--National Infrastructure Protection Center (NIPC) Reserve Support		4,000	
635	Continuity of Operations/DERF Transfer--NIPC DOD Detailees		4,000	
636	Nuclear Posture Review-DOD/DERF Transfer--Hard & deeply buried targets		3,050	
637	Security, Communications & Information Operations/DERF Transfer--CIP-Biological Agent Security		2,000	
638	Security, Communications & Information Operations/DERF Transfer--CIP-Nuclear Security Command & Control		400	
639	Security, Communications & Information Operations/DERF Transfer--CIP Technology		6,600	
640	Security, Communications & Information Operations/DERF Transfer--Information Operations		25,000	
641	Security, Communications & Information Operations/DERF Transfer--Concept Plan		10,000	
642	Security, Communications & Information Operations/DERF Transfer--Information Operations		32,000	
643	Security, Communications & Information Operations/DERF Transfer--Information Operations		1,500	
644	Security, Communications & Information Operations/DERF Transfer--Information Operations		6,000	
645	Security, Communications & Information Operations/DERF Transfer--Horizontal Fusion Analysis		2,000	
646	SPECIAL OPERATIONS COMMAND	62,885		69,885

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
647	Security, Communications & Information Operations/DERF Transfer--Combat Development Activities		7,000	
648	SPECIAL ACTIVITIES	68,000		68,000
649	JOINT CHIEFS OF STAFF	184,483		239,642
650	Counter Terrorism/Force Protection/DERF Transfer--Combating Terrorism Readiness Initiatives Fund		12,000	
651	CINC Homeland Security--CINC for Homeland Security		41,000	
652	Counter Terrorism/Force Protection/DERF Transfer--Other Combating Terrorism Initiatives		1,459	
653	Counter Terrorism/Force Protection/DERF Transfer--Vulnerability Assessments, AT/FP Req. tracking & analysis		400	
654	Security, Communications & Information Operations/DERF Transfer--Critical Infrastructure Protection		300	
655	WASHINGTON HEADQUARTERS SERVICES	332,821		678,821
656	Defense Travel System		(10,000)	
657	Security, Communications & Information Operations/DERF Transfer		28,000	
658	Continuity of Operations/DERF Transfer--Pentagon Acceleration		114,000	
659	Continuity of Operations/DERF Transfer--Command Communications Survivability Project		214,000	
660	PROBLEM DISBURSEMENTS			
661				
662	**TOTAL, BUDGET ACTIVITY 4:**	**12,245,249**	**693,179**	**12,938,428**
663				
664	**UNDISTRIBUTED**			
665	IMPACT AID		35,000	35,000
666	CSRS ACCRUAL ADJUSTMENT		(346,046)	(346,046)
667	NATIONAL GUARD CHALLENGE PROGRAM		2,500	2,500
668	NATIONAL GUARD YOUTH FOUNDATION		2,500	2,500
669	FOREIGN CURRENCY FUND/EXCESS BALANCES		(522,400)	(522,400)
670				
671	**TOTAL, UNDISTRIBUTED**		**(306,046)**	**(306,046)**
672				
673	**TOTAL OPERATION AND MAINTENANCE, DEFENSE-WIDE**	**14,515,304**	**(145,267)**	**14,370,037**
674				
675	**OPERATION AND MAINTENANCE, ARMY RESERVE**			
676				
677	**LAND FORCES**	**920,638**	**10,000**	**930,638**
678	DIVISION FORCES	16,323		26,323
679	Cold Weather Clothing (ECWCS)		4,000	
680	Modular Sleep System		6,000	

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
681	CORPS COMBAT FORCES	33,211		33,211
682	CORPS SUPPORT FORCES	281,583		281,583
683	ECHELON ABOVE CORPS FORCES	128,348		128,348
684	LAND FORCES OPERATIONS SUPPORT	461,173		461,173
685				
686	**LAND FORCES READINESS**	**226,668**	**0**	**226,668**
687	FORCES READINESS OPERATIONS SUPPORT	115,962		115,962
688	LAND FORCES SYSTEM READINESS	62,255		62,255
689	DEPOT MAINTENANCE	48,451		48,451
690				
691	**LAND FORCES READINESS SUPPORT**	**541,113**	**20,000**	**561,113**
692	BASE SUPPORT	361,907		361,907
693	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	176,494		176,494
694	ADDITIONAL ACTIVITIES	2,712		2,712
695	CONTROLLED HUMIDITY PRESERVATION		20,000	20,000
696				
697	**TOTAL, BA 01: OPERATING FORCES**	**1,688,419**	**30,000**	**1,718,419**
698				
699	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
700				
701	**ADMINISTRATION AND SERVICEWIDE ACTIVITIES**	**234,911**	**0**	**234,911**
702	ADMINISTRATION	48,752		48,752
703	SERVICEWIDE COMMUNICATIONS	34,842		34,842
704	PERSONNEL/FINANCIAL ADMINISTRATION (MANPOWER MANAGEMENT)	50,044		50,044
705	RECRUITING AND ADVERTISING	101,273		101,273
706				
707	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**234,911**	**0**	**234,911**
708				
709	**UNDISTRIBUTED**			
710	CSRS ACCRUAL ADJUSTMENT		(43,220)	(43,220)
711	MILITARY TECHNICIANS		8,000	8,000
712				
713	**TOTAL, UNDISTRIBUTED**		**(35,220)**	**(35,220)**
714				

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
715	**TOTAL OPERATION AND MAINTENANCE, ARMY RESERVE**	**1,923,330**	**(5,220)**	**1,918,110**
716				
717	**OPERATION AND MAINTENANCE, NAVY RESERVE**			
718				
719	**BUDGET ACTIVITY 01: OPERATING FORCES**			
720				
721	**RESERVE AIR OPERATIONS**	**548,489**	**0**	**548,489**
722	MISSION AND OTHER FLIGHT OPERATIONS	398,320		398,320
723	INTERMEDIATE MAINTENANCE	18,003		18,003
724	AIR OPERATION AND SAFETY SUPPORT	2,268		2,268
725	AIRCRAFT DEPOT MAINTENANCE	129,532		129,532
726	AIRCRAFT DEPOT OPS SUPPORT	366		366
727				
728	**RESERVE SHIP OPERATIONS**	**164,296**	**0**	**164,296**
729	MISSION AND OTHER SHIP OPERATIONS	68,219		68,219
730	SHIP OPERATIONAL SUPPORT AND TRAINING	558		558
731	INTERMEDIATE MAINTENANCE	11,712		11,712
732	SHIP DEPOT MAINTENANCE	80,272		80,272
733	SHIP DEPOT OPERATIONS SUPPORT	3,535		3,535
734				
735	**RESERVE COMBAT OPERATIONS SUPPORT**	**69,864**	**0**	**69,864**
736	COMBAT SUPPORT FORCES	69,864		69,864
737				
738	**RESERVE WEAPONS SUPPORT**	**5,668**	**0**	**5,668**
739	WEAPONS MAINTENANCE	5,668		5,668
740				
741	**BASE SUPPORT**	**212,718**	**69,025**	**281,743**
742	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	66,599		135,376
743	Counter Terrorism/Force Protection/DERF Transfer--Physical Security Site Improvement		68,777	
744	BASE SUPPORT	146,119		146,367
745	Counter Terrorism/Force Protection/DERF Transfer--Management and Planning		61	
746	Counter Terrorism/Force Protection/DERF Transfer--Management and Planning		187	
747				
748	**TOTAL, BA 01: OPERATING FORCES**	**1,001,035**	**69,025**	**1,070,060**

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
749				
750	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
751				
752	**ADMINISTRATION AND SERVICEWIDE ACTIVITIES**	164,926	5,000	169,926
753	ADMINISTRATION	12,023		12,023
754	CIVILIAN MANPOWER & PERSONNEL	2,161		2,161
755	MILITARY MANPOWER & PERSONNEL	32,479		32,479
756	SERVICEWIDE COMMUNICATIONS	111,766		116,766
757	Continuity of Operations/DERF Transfer--Reserve Site C2, Cryptologic COOP		5,000	
758	COMBAT/WEAPONS SYSTEM	5,766		5,766
759	OTHER SERVICEWIDE SUPPORT	731		731
760				
761	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**164,926**	**5,000**	**169,926**
762				
763	**UNDISTRIBUTED**			
764	CSRS ACCRUAL ADJUSTMENT		(6,227)	(6,227)
765				
766	**TOTAL, UNDISTRIBUTED**		**(6,227)**	**(6,227)**
767				
768	**TOTAL OPERATION AND MAINTENANCE, NAVY RESERVE**	**1,165,961**	**67,798**	**1,233,759**
769				
770	**OPERATION AND MAINTENANCE, MARINE CORPS RESERVE**			
771				
772				
773	**BUDGET ACTIVITY 01: OPERATING FORCES**			
774				
775	**MISSION FORCES**	154,193	0	154,193
776	OPERATING FORCES	80,723		80,723
777	DEPOT MAINTENANCE	12,571		12,571
778	BASE SUPPORT	29,473		29,473
779	TRAINING SUPPORT	20,641		20,641
780	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	10,785		10,785
781				
782	**TOTAL, BA 01: OPERATING FORCES**	**154,193**	**0**	**154,193**

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
783				
784	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
785				
786	**ADMINISTRATION AND SERVICEWIDE ACTIVITIES**	31,339	0	31,339
787	SPECIAL SUPPORT	8,461		8,461
788	SERVICEWIDE TRANSPORTATION	500		500
789	ADMINISTRATION	9,977		9,977
790	BASE SUPPORT	4,130		4,130
791	RECRUITING AND ADVERTISING	8,271		8,271
792				
793	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**31,339**	**0**	**31,339**
794				
795	**UNDISTRIBUTED**			
796				
797	**TOTAL, UNDISTRIBUTED**			
798				
799	**TOTAL OPERATION AND MAINTENANCE, MARINE CORPS RESERVE**	**185,532**	**0**	**185,532**
800				
801	**OPERATION AND MAINTENANCE, AIR FORCE RESERVE**			
802				
803	**BUDGET ACTIVITY 01: OPERATING FORCES**			
804				
805	**AIR OPERATIONS**	2,083,729	59,167	2,142,896
806	PRIMARY COMBAT FORCES	1,346,055		1,346,055
807	MISSION SUPPORT OPERATIONS	69,818		69,818
808	DEPOT MAINTENANCE	337,113		337,113
809	BASE SUPPORT	282,280		297,230
810	Counter Terrorism/Force Protection/DERF Transfer--WMD-1st Responder		14,950	
811	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	48,463		92,680
812	Counter Terrorism/Force Protection/DERF Transfer--AT/FP Facility Upgrades		6,202	
813	Counter Terrorism/Force Protection/DERF Transfer--AT/FP Facility Upgrades		38,015	
814				
815	**TOTAL, BA 01: OPERATING FORCES**	**2,083,729**	**59,167**	**2,142,896**
816				

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
817	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
818				
819	**ADMINISTRATION AND SERVICEWIDE ACTIVITIES**	**107,188**	**0**	**107,188**
820	ADMINISTRATION	57,136		57,136
821	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	24,088		24,088
822	RECRUITING AND ADVERTISING	18,683		18,683
823	OTHER PERSONNEL SUPPORT	6,593		6,593
824	AUDIOVISUAL	688		688
825				
826	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**107,188**	**0**	**107,188**
827				
828	**UNDISTRIBUTED**			
829	CSRS ACCRUAL ADJUSTMENT		(55,365)	(55,365)
830				
831	**TOTAL, UNDISTRIBUTED**		**(55,365)**	**(55,365)**
832				
833	**TOTAL OPERATION AND MAINTENANCE, AIR FORCE RESERVE**	**2,190,917**	**3,802**	**2,194,719**
834				
835	**OPERATION AND MAINTENNCE, ARMY NATIONAL GUARD**			
836				
837	**BUDGET ACTIVITY 01: OPERATING FORCES**			
838				
839	**LAND FORCES**	**2,124,777**	**13,000**	**2,137,777**
840	DIVISIONS	592,730		605,730
841	Cold Weather Clothing (ECWCS)		4,000	
842	Modular Sleep System		9,000	
843	CORPS COMBAT FORCES	652,895		652,895
844	CORPS SUPPORT FORCES	313,967		313,967
845	ECHELON ABOVE CORPS FORCES	516,742		516,742
846	LAND FORCES OPERATIONS SUPPORT	48,443		48,443
847				
848	**LAND FORCES READINESS**	**362,404**	**2,200**	**364,604**
849	FORCE READINESS OPERATIONS SUPPORT	75,746		75,746
850	LAND FORCES SYSTEMS READINESS	107,925		107,925

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
851	LAND FORCES DEPOT MAINTENANCE	178,733		178,733
852	AZUR BLUE CANNON BORE CLEANING SYSTEM		2,200	2,200
853				
854	**LAND FORCES READINESS SUPPORT**	**1,392,540**	**236,000**	**1,628,540**
855	BASE OPERATIONS SUPPORT	561,967		629,367
856	CINC Homeland Security/DERF Transfer--Enhanced Secure Communications to Reserve Components		30,700	
857	Counter Terrorism/Force Protection/DERF Transfer--Access Control, Vulnerability Assessments		33,800	
858	Counter Terrorism/Force Protection/DERF Transfer--Installation Security		2,900	
859	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	363,571		363,571
860	MANAGEMENT & OPERATIONAL HEADQUARTERS	420,329		420,329
861	MISCELLANEOUS ACTIVITIES	46,673		215,273
862	CINC Homeland Security/DERF Transfer--Classified Network		86,200	
863	CINC Homeland Security/DERF Transfer--Classified Network		48,500	
864	CINC Homeland Security/DERF Transfer--Enhanced Secure Communications to Reserve Components		5,900	
865	CINC Homeland Security/DERF Transfer--Enhanced Secure Communications to Reserve Components		25,600	
866	CINC Homeland Security/DERF Transfer--Enhanced Secure Communications to Reserve Components		2,400	
867				
868	**TOTAL, BA 01: OPERATING FORCES**	**3,879,721**	**251,200**	**4,130,921**
869				
870	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
871				
872	**ADMINISTRATION AND SERVICEWIDE ACTIVITIES**	**257,101**	**0**	**257,101**
873	STAFF MANAGEMENT	104,409		104,409
874	INFORMATION MANAGEMENT	15,565		15,565
875	PERSONNEL ADMINISTRATION	52,259		52,259
876	RECRUITING AND ADVERTISING	84,868		84,868
877				
878	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**257,101**	**0**	**257,101**
879				
880	**UNDISTRIBUTED**			
881	CSRS ACCRUAL ADJUSTMENT		(87,255)	(87,255)
882				
883	**TOTAL, UNDISTRIBUTED**		**(87,255)**	**(87,255)**
884				

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
885	**TOTAL OPERATION AND MAINTENACE, ARMY NATIONAL GUARD**	**4,136,822**	**163,945**	**4,300,767**
886				
887	**OPERATION AND MAINTENANCE, AIR NATIONAL GUARD**			
888				
889	**BUDGET ACTIVITY 01: OPERATING FORCES**			
890				
891	**AIR OPERATIONS**	**4,115,962**	**4,000**	**4,119,962**
892	AIRCRAFT OPERATIONS	2,637,374		2,641,374
893	Cold Weather Clothing (ECWCS)		4,000	
894	MISSION SUPPORT OPERATIONS	341,385		341,385
895	BASE SUPPORT	407,751		407,751
896	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	164,228		164,228
897	DEPOT MAINTENANCE	565,224		565,224
898				
899	**TOTAL, BA 01: OPERATING FORCES**	**4,115,962**	**4,000**	**4,119,962**
900				
901	**BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**			
902				
903	**SERVICEWIDE ACTIVITIES**	**34,999**	**0**	**34,999**
904	ADMINISTRATION	24,871		24,871
905	RECRUITING AND ADVERTISING	10,128		10,128
906				
907	**TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES**	**34,999**	**0**	**34,999**
908				
909	**UNDISTRIBUTED**			
910	CSRS ACCRUAL ADJUSTMENT		(88,416)	(88,416)
911	MILITARY TECHNICIANS		11,300	11,300
912				
913	**TOTAL, UNDISTRIBUTED**		**(77,116)**	**(77,116)**
914				
915	**TOTAL OPERATION AND MAINTENANCE, AIR NATIONAL GUARD**	**4,150,961**	**(73,116)**	**4,077,845**
916				
917	**TRANSFER ACCOUNTS**			
918	ENVIRONMENTAL RESTORATION, ARMY	395,900		395,900

TITLE III - OPERATION AND MAINTENANCE
(Dollars in Thousands)

LINE	ACCOUNT/BA/AG/SAG	FY 2003 AUTHORIZATION REQUEST	HOUSE CHANGE FROM REQUEST	FY 2003 HOUSE RECOMMENDATION
919	ENVIRONMENTAL RESTORATION, NAVY	256,948		256,948
920	ENVIRONMENTAL RESTORATION, AIR FORCE	389,773		389,773
921	ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	23,498		23,498
922	ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES	212,102		212,102
923	DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES	848,907		848,907
924	OVERSEAS CONTINGENCIES	50,000	(50,000)	0
925				
926	PENTAGON RENOVATION			
927				
928	**TOTAL, O&M, TRANSFER ACCOUNTS**	**2,177,128**	**(50,000)**	**2,127,128**
929				
930	**MISCELLANEOUS**			
931	OFFICE OF THE INSPECTOR GENERAL (O&M)	163,440		155,165
932	CSRS Accrual Adjustment		(8,275)	
933	U.S. COURT OF APPEALS FOR THE ARMED FORCES	9,925		9,614
934	CSRS Accrual Adjustment		(311)	
935	SUPPORT OF INTERNATIONAL SPORTING COMPETITIONS	19,000		19,000
936	OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AFFAIRS/1	58,400		58,400
937	PAYMENT TO KAHO'OLAWE ISLAND	25,000		25,000
938	EMERGENCY RESPONSE FUND, DEFENSE	20,055,000		0
939	Incremental costs of continuing the global war on terrorism		(10,000,000)	
940	Transfer to other accounts		(6,213,252)	
941	Transfer to other O&M Accounts		(3,841,748)	
942	DEFENSE HEALTH PROGRAM	14,360,271		14,242,541
943	CSRS Accrual Adjustment		(126,230)	
944	Defense Health Program--Critical Infrastructure Protection		500	
945	TRICARE Prime Remote		6,000	
946	Marshall Islands Diabetes reversal/wellness program		2,000	
947	FORMER SOVIET UNION THREAT REDUCTION	416,700		416,700
948				
949	**TOTAL, MISCELLANEOUS**	**35,107,736**	**(20,181,316)**	**14,926,420**
950				
951	**TOTAL OPERATION AND MAINTENANCE TITLE:**	**149,826,134**	**(20,015,292)**	**129,810,842**

ITEMS OF SPECIAL INTEREST

BUDGET REQUEST ADJUSTMENTS

The committee recommends the following adjustments to the fiscal year 2003 budget request:

[In millions of dollars]

Department of the Army Adjustments:	
AIT/RFID Maintenance	+9.0
AIT/RFID Prepositioned Stocks	+8.0
Army Aviation Warfighting Simulation Center	+4.0
Army Cold Weather Clothing (ECWCS)	+8.0
Army Depot Apprenticeship Program	+10.0
Army National Guard Cold Weather Clothing (ECWCS)	+4.0
Army National Guard Modular Sleep System	+10.0
Army Reserve Modular Sleep System	+6.0
Army Reserve Cold Weather Clothing (ECWCS)	+4.0
Army Reserve Military Technicians	+8.0
Azur Blue Cannon Bore Cleaning System	+2.2
BA–4 BRAC Preparation Funds	−24.1
BA–4 Global Command Support System	−5.0
Controlled Humidity Preservation	+20.0
Corrosion Prevention and Control Program	+12.0
Electronic Maintenance and Point to Point Wiring	+6.0
Hydration on the Move (CamelBak)	+4.1
M–Gators	+4.0
Training Range Modernizations	+32.0
Transfers to H.R. 4547	−14.4
USARSO Leasing Increases	−2.55
Department of the Navy Adjustments:	
AV–8B Engine Life Maintenance Program	+2.0
BA–3 IMET Funding	−4.93
BA–3 IMET Funding, USMC	−1.33
Corrosion Control Program ATC Glass	+2.0
Hydration on the Move CamelBak	+1.0
LHA Stability Improvement Alterations	+57.0
Navy Aviation Depot Apprenticeship Program	+6.0
Navy Shipyard Depot Apprenticeship Program	+6.0
Stainless Steel Sanitary Spaces	+15.0
Navy Transfer to H.R. 4547	−5.3
Naval Sea Cadets	+1.0
USMC Facility Restoration and Modernization	+31.0
USMC Transfers to H.R. 4547	−11.5
Uniting through Reading	+0.1
Department of the Air Force Adjustments:	
Aging Propulsion Systems Life Extension	+7.0
Air Force Logistics System/L–SMART	+2.5
Air National Guard Cold Weather Clothing (ECWCS)	+4.0
B–1B Pivot Shear Replacement	+80.0
BA–4 BRAC Preparation Funds	−16.5
Combat Air Patrol Flying Hours	−300.0
Hydration on the Move (CamelBak)	+1.0
Office, Secretary of Defense Adjustments:	
Impact Aid	+35.0
Defense-wide Activities Adjustments:	
CSRS/FEHBP Accrual Funding transfer out	−2,276.3
Defense Human Resources Activity	−20.0
Defense Information Systems Agency	−37.0
DERF transfer to other accounts	−6,213.3
Foreign Currency Account	−522.4
Joint Chiefs of Staff Exercise Program	−10.0
Overseas Contingency Operations Transfer Fund	−50.0
Washington Headquarters Service	−10.0
TRICARE Prime Remote	+6.0
Marshall Island Diabetes Reversal/Wellness Program	+2.0
National Guard Challenge	+2.5
National Guard Youth Foundation	+2.5

Excess Foreign Currencies Reductions

Since the submission of the budget request, the U.S. dollar has increased in value compared to various foreign currencies. As a result, the committee believes that the budget request is overstated. Therefore, the committee recommends a reduction in this account of $522.4 million to be apportioned to the military services by the Department of Defense.

Joint Chiefs of Staff Training Exercises

The committee is concerned with the increasing pace of operations throughout the military services and the proposed Joint Chiefs of Staff (JCS) training exercises program. The budget request includes an increase of $21.8 million for JCS training exercises. The committee believes that requirements for these additional training exercises will be levied against units that are already overextended with the execution of the war on terrorism, other world-wide operational deployments, home station training exercises, and training exercises at the services' major combat training centers. The committee questions whether the benefit of additional JCS exercises, at this time, is worth the price paid by units already suffering the effects of high operational tempo. Therefore, the committee recommends a reduction of $10.0 million for the JCS training exercises program.

BUDGET REQUEST DISPLAY ISSUES

Accrual Accounting for Civil Service Retirement and Health Programs

The budget request proposed, for the first time, to include $3.3 billion for the costs of the Civil Service Retirement System (CSRS) and the Federal Employees Health Benefits (FEHB) program for future retirees on an accrual basis in the accounts that pay the salaries of current civilian employees. Currently, these accrual accounts are funded by the Office of Management and Budget and are paid from a general account of the U.S. Treasury. Specific legislation is required to accomplish this change in these mandatory accounts. The Congress has not acted on the required legislation and, therefore, the committee recommends the continuation of the current practice of funding these accounts. The following represents the total budget request for CSRS and FEHB that have not been included in the committee's recommendation:

[In millions of dollars]

Operation and Maintenance—Army	612.382
Operation and Maintenance—Navy	324.278
Operation and Maintenance—Marine Corps	47.210
Operation and Maintenance—Air Force	531.055
Operation and Maintenance—Defense-Wide	346.046
Operation and Maintenance—Army Reserve	43.220
Operation and Maintenance—Navy Reserve	6.227
Operation and Maintenance—Air Force Reserve	55.365
Operation and Maintenance—Army National Guard	87.255
Operation and Maintenance—Air National Guard	88.416
Office of the Inspector General	8.275
Court of Military Appeals	0.311
RDT&E—Army	98.161
RDT&E—Navy	5.565

RDT&E—Air Force	36.249
RDT&E—Defense-Wide	14.688
Military Construction—Army	26.083
Military Construction—Navy	10.470
Working Capital Fund—Army	109.042
Working Capital Fund—Navy	373.228
Working Capital Fund—Air Force	122.365
Working Capital Fund—Defense Commissary Agency	27.589
Working Capital Fund—Defense-Wide	206.879
Family Housing—Army	3.267
Family Housing—Defense Logistics Agency	0.037
Defense Health Program	126.230
Total	3,309.893

Defense Emergency Response Fund

The budget request for operation and maintenance contained, for the first time, a single entry for a transfer account entitled the Defense Emergency Response Fund (DERF), which is intended to be used to support the efforts of the Department of Defense (DOD) to respond to, or protect against, acts or threatened acts of terrorism against the United States. Of the requested $20.1 billion for the DERF, $10.0 billion is designated as incremental funding for ongoing operations in the War on Terrorism. The remaining $10.1 billion contained in the DERF transfer account is intended for enhancements and new initiatives identified to assist the Department in force protection, munitions, military construction, security and communications requirements, continuity of operations requirements, and for additional flying hours to support combat air patrols within the United States.

In accordance with the Budget Resolution for Fiscal Year 2003, (H.Con. Res. 353), the $10.0 billion designated as incremental funding for ongoing operations in the war on terrorism has not been included in the committee's recommendation.

The committee is concerned that maintaining a single transfer account for the additional items needed by the military services to increase security, and continue operations of the war on terrorism, will be difficult to manage and, of greater concern, will be difficult to audit. The committee notes that the Department provided detailed DERF justification materials based on the traditional appropriation account formats. Using this data, the committee has distributed all of the remaining DERF transfer account into the specific services' accounts by budget activities and sub-activities groups. The following shows the distribution of the DERF transfer account to the traditional appropriations accounts:

Operation and Maintenance	$ 3,847,048,000
Procurement	3,382,433,000
Research and Development	2,198,235,000
Military Construction	594,384,000
Military Personnel	32,900,000
Total	10,055,000,000

INFORMATION TECHNOLOGY (IT) ISSUES

Overview

The Assistant Secretary of Defense for Command, Control, Communications and Intelligence [ASD(C3I)] is a single position with various roles and responsibilities, one of those roles being the De-

partment of Defense's (DOD) Chief Information Officer (CIO). Under title 10, United States Code, the DOD CIO is responsible for reviewing budget requests; ensuring interoperability; ensuring federal and Department of Defense standards are prescribed; and eliminating duplicative information technology and national security systems. The committee recognizes these are difficult and challenging responsibilities, yet these tasks are vital if DOD is to succeed in management reform and transformation.

The committee is aware of several dominant problems regarding the purchase of information technology systems. These problems include the inability to aggressively control and manage user requirements; failure to integrate information technology reviews with budget and financial decisions; difficulty in properly using performance based contracts; and promotion or endorsement of program managers who do not have the varied skills necessary to run a successful information technology program.

Requirements

Information technology systems have the ability to improve dramatically the Department's numerous administrative processes. The committee believes that too often tremendous resources are wasted on systems that do not meet the initial requirement for which the systems were intended. Without proper oversight and aggressive leadership, management reform will suffer and cases, such as described below, will prevail.

The committee recognizes that requirements setting and management are particularly difficult for those IT systems that are intended to be joint or defense wide. Evidence suggests that these IT systems cannot move beyond the requirements phase without strong leadership making difficult trade-offs among the various requirements. Without leadership, joint or defense wide systems duplicate military or agency unique systems rather than replace those systems. Equally, a joint or defense-wide system often migrates into a more unique system as the various agencies and military services adapt the system to their individual requirements. One of the more glaring examples of failure to minimize requirement growth is the Standard Procurement System (SPS), a system touted as moving the procurement world into paperless contracting.

This system was stunted by the services' and agencies' insurmountable requirements and lack of Department leadership to arrest unnecessary requirements growth. The services and agencies complained that their unique requirements were not being met and independently changed the system to fit their own needs. The committee is aware of other problems with SPS, but believes requirements growth was one of the more significant problems. The Department committed over $320.0 million to this system prior to Congress bringing SPS to a halt last year.

Budget Reviews

The committee believes that the Department of Defense has not articulated or successfully integrated the CIO's responsibilities with budgeting and financial decisions. The committee believes the opportunity for such integration presents itself with the Department's recent commitment to a financial management modernization program.

The Under Secretary of Defense, Comptroller, is committed to leadership and strong oversight over this program—which includes the development, funding, and financing of the information technology systems under the modernization program. The committee believes the Comptroller's interest in information technology should be captured and the Comptroller should have greater responsibility and oversight over all information technology systems within the Department of Defense. The committee believes that the need to integrate the CIO's responsibilities with the Comptroller's responsibilities is well within the foundation principles of the Clinger-Cohen Act of 1996 (Public Law 104–106).

Performance-based contracting

A major concern for the committee is the way in which the Department uses performance-based contracts, or task orders, for IT services. The committee believes in the concept of payment for performance. When the Department chooses a performance based service contract for an IT system, the Department should design the contract in a way that ties contractor payment with performance. The committee believes that a performance metric, and thus payment, should be more than a delivery schedule. Payment should also include an affirmative evaluation of whether the service or product does in fact meet all of the contract objectives. Failure to incentivize the contractor to perform as originally agreed in the contract is a practice inconsistent with good management and good business practice.

Program management

A successful IT program manager needs a strong and varied set of skills and knowledge. Not only does the program manager need acquisition experience, it is equally important to have technical and functional knowledge. The technical experience is important in evaluating the vendor product, understanding vendor progress, and recognizing technical difficulties ahead. Functional knowledge is a key to evaluating user requirements, recognizing the necessary degree of business re-engineering, and anticipating user concerns. These three skills can be difficult to find in one program manager. The committee believes, however, that at a minimum, the senior program management team must incorporate all three varied skills.

Defense Messaging System (DMS)

This system was originally intended to replace the automatic digital network (AUTODIN), a messaging system that DOD uses to transmit messages ranging from unclassified to top secret, including sensitive compartmented information. Seven years after the original DMS contract was awarded, and the expenditure of $647.0 million, the AUTODIN is still not in operation because, in part, top secret and sensitive compartmented information cannot be transmitted with DMS. The committee believes this is just one of several examples where after general requirements for an IT system have been established, the Department has failed to provide the necessary leadership to manage and move the system in a positive and successful direction. The committee strongly believes that without proper oversight and aggressive leadership in this area, manage-

ment reform will suffer and cases, such as demonstrated above, will prevail.

Defense Integrated Military Human Resources Systems

The Department of Defense is attempting to develop and implement the Defense Integrated Military Human Resources System (DIMHRS), a single personnel and pay system that will support all military personnel. The committee is concerned with the Department's continued disparate efforts in the development of DIMHRS. Information technology systems of this magnitude and importance require uniform, rigid, and continuous oversight. The committee believes that such an oversight management structure is not in place.

In the budget request for fiscal year 2003, the committee received three different budget exhibits from the three organizations that play a significant role in development of DIMHRS. None of the three organizations were aware of the other submissions, or could discuss information or data contained in the other's submissions. The program manager and program executive office could not even explain the purpose or work of all four prime contractors working for the program manager. The committee notes there are over 12 prime contracts under this initiative.

The committee has seen total confusion, a lack of communication, and complete mistrust between the personnel community and the pay community. The two sides do not support each other's funding requirements, user requirements, or testing procedures. This system will fail unless the Secretary of Defense takes immediate steps to vastly improve the management structure of DIMHRS. The committee directs the Secretary of Defense to obligate no funds appropriated for fiscal year 2003 for DIMHRS until a report is submitted to the Senate Committee on Armed Services and the House Committee on Armed Services. The report shall include: a statement of the roles and responsibilities assigned to the Defense Human Resources Activity, the Defense Finance and Accounting Service, and the Department of the Navy; all funds appropriated and obligated, by appropriation, for DIMHRS since its inception; a list of each prime contractor and the work to be performed under the contract; a description of the pay and personnel module that will be used in DIMHRS and a description of the testing each module underwent and a statement whether the module can meet user requirements.

Global Command Support System—Army

In 1997, the Army initiated actions that would transform the Army's information technology (IT) support systems. This included replacing 16 legacy IT systems with five modules. After spending over $320.0 million on this system to date, nothing has been fielded and no legacy systems have been turned off. In fact, the Army is still attempting to implement the first, and admittedly easiest, module. The committee is troubled by the amount of money and time needed for initial fielding of the first and easiest module, and is equally concerned with the Army's decision to start development of the second module, even before there is an Army decision about whether the second module will be a commercial off the shelf product or a government developed product. In light of these concerns, the committee recommendation includes a reduction of $5.0 million for the Global Command Support System.

Supply Maintenance Aviation Reengineering Team

The Supply Maintenance Aviation Reengineering Team is one of four enterprise resource planning initiatives within the Department of the Navy. Although the objectives of this plan have commendable goals, the committee is concerned with the Navy's acquisition plan for this initiative. The Navy has awarded a performance based contract for this initiative; however, at the same time, the Navy is still developing performance measurements, quantifying mission improvements, resource savings and mission benefits. In addition, the Navy has informed the committee that it is still waiting for the contractor to document critical aspects of the project. The committee urges the Navy to re-evaluate this initiative.

Warfighters Simulation System

The Warfighter Simulation system, initiated by the Department of the Army in 1994, is intended to allow Army units world wide to train in their local command posts using their assigned organizational equipment. The committee understands that no formal cost benefit or return on investment analysis was ever performed for this system. In April 2001, the system experienced a "schedule breach". At that time, the milestone decision authority for this system directed that a revised acquisition program baseline be developed and cost position established. To date, neither is complete. Therefore, the committee directs the Secretary of the Army to not obligate any funds for fiscal year 2003 for the Warfighter Simulation System until the military decision authority reviews the revised acquisition program baseline and cost position and determines it is appropriate to move forward with this program.

Wireless Priority Service

The budget request includes $101.0 million in the Defense Emergency Response Fund, and $73.0 million in the operation and maintenance request for the Defense Information Systems Agency to initiate and implement a priority wireless service whereby government officials can achieve priority access when using cellular phones. Following White House guidance, the committee understands that the Department hopes to have priority access nationwide by December, 2003. However, the committee does not believe that the Department has developed a realistic implementation plan, and has not seen evidence that the Department can obligate $73.0 million in the first quarter of fiscal year 2003. Therefore, the committee recommends a reduction of $37.0 million for the Defense Information Systems Agency.

ENVIRONMENTAL ISSUES

Through a series of hearings, fact-finding trips and in-depth briefings, the committee has received a growing number of reports from the Department of Defense and the military services that mandatory compliance with federal environmental laws is having an increasingly adverse impact on their ability to fully utilize training ranges that are critical to maintaining military readiness. The committee is concerned that maintaining military readiness is not only necessary to insure national security, but especially critical for the successful prosecution of the War on Terrorism.

During the past several months, the committee has had numerous meetings with representatives from the Department, the military services, federal environmental regulators, state regulatory organizations and representatives of the nonprofit environmental community to consider their common and competing concerns regarding the impact on military readiness and national security caused by compliance with various federal environmental laws. In addition to meetings in Washington, D.C., the committee has visited numerous military facilities throughout the country to examine the positive effects of compliance with environmental laws and regulations, as well as the adverse impact environmental compliance is creating in other geographic areas, particularly in the context of encroachment upon existing and available land which can be used for military training and testing.

The committee is of the opinion that it is essential that all federal agencies, including the Department, be required to comply with all federal environmental laws, including the Endangered Species Act (Public Law 93–205), the Marine Mammal Protection Act (Public Law 92–522), the Migratory Bird Treaty Act (Public Law 93–300), the Clean Air Act (Public Law 88–206), and the Clean Water Act (Public Law 92–500), to name a few. However, due to its unique training and operational missions, the Department often faces unique challenges in balancing its obligations to comply with these environmental laws and sustaining military readiness. The ever increasing limitations and restrictions on lands and waters which are currently set aside for military training exercises, as well as restrictions on the times and conditions under which military training exercises can be conducted, are some examples of these environmental encroachment challenges.

For example, the Navy spends approximately $2.4 million each year and is forced to close its shore bombardment range off the California coast at San Clemente Island four days each week during the breeding season due to the presence of a bird called the loggerhead shrike, an endangered species that inhabits the island. When the shrike was initially listed as an endangered species on San Clemente Island, the population was estimated to include only 13 birds. Today the population has grown to approximately 160 birds, of which approximately 70 birds are in the wild. The rest are housed in the captive breeding programs on San Clemente Island or at the San Diego Zoo, all at the expense of the Navy. To achieve this environmental success, the Navy has found it necessary to reduce one of the island's two firing ranges in size by 90 percent and the other by 50 percent during the fire season. Although the shrike population has increased dramatically, current laws establish no goal at which restrictions on the Navy's activities will be relaxed.

Similarly, at Fort Hood, Texas, one of the Army's premier training installations, of approximately 200,000 training acres, 66,000 acres, or 33 percent, of the training land is committed to protect the habitat of two endangered species. The presence of cultural artifacts restricts an additional 11 percent of Fort Hood's training area, and 128,000 acres have restrictions on digging, affecting 64 percent of the training area. Combined with additional restrictions of smoke and noise, a total of 84 percent of Fort Hood's available training area is currently subject to some kind of limitation. The

committee notes that some type of encroachment problem exists at nearly every military installation.

The Migratory Bird Treaty Act is an important environmental statute that was enacted in 1918 to control the mass slaughter of birds for commercial purposes. Under the statute, a federal agency can obtain a permit to "take" migratory birds intentionally, such as clearing large flocks of Canadian Geese from a landing field or golf course. However, a federal court recently ruled that the Navy had violated the Migratory Bird Treaty Act by accidentally taking migratory birds while conducting training at one of its facilities in Guam without a permit to take migratory birds. The court recognized a paradox in that the statute prohibits the issuance of a permit to authorize unintentional takings during military readiness activity. The committee recommends a provision that would amend the Migratory Bird Treaty Act to correct this paradox.

After several weeks of requesting that the Department communicate its environmental proposals to Congress, the Department delivered its proposed legislative language to the committee three business days prior to the Readiness Subcommittee markup. Among the requests received from the Department for relief of environmental encroachment was a proposal addressing encroachment of the Navy's operational activities by creating a new definition of "harassment" under the Marine Mammal Protection Act.

The committee recognizes the need to balance important federal environmental laws against the need to safeguard the Navy's ability to maximize its readiness capabilities. The committee declined to adopt a provision addressing the encroachment challenges created by the current language in the Marine Mammal Protection Act due to the lack of a meaningful period during which the committee had to examine the long-term environmental impact of this legislative provision. The committee recognizes that modifications to the Marine Mammal Protection Act may be required to address the Navy's concerns and intends to continue its examination of this matter in order to derive the correct legislative solution to this issue.

It is not the intent of the committee to weaken or repeal any of the existing federal environmental laws. The committee remains committed to fully funding the environmental programs of the Department. This commitment is demonstrated through annual authorizations to the Department and the military services of approximately $4 billion for environmental programs. The committee is similarly committed to preserving the invaluable natural resources that occupy the lands and seas upon which the military services operate, including authorization of important research and development projects with partners throughout the government and environmental community.

The committee recommends several legislative provisions to promote a statutory balance between the need to preserve and protect our invaluable natural resources and the equally important imperative to ensure national security

MORALE, WELFARE, AND RECREATION ISSUES

Appropriated Fund Support for Morale, Welfare, and Recreation Programs

The committee has long supported robust appropriated fund support to Morale, Welfare, and Recreation (MWR) programs of the Department of Defense and the military services. At the same time, the committee believes that the Department should conduct efficient, self-supporting business activities that both provide a benefit and some measure of income. The committee has discovered, however, that the tragic events of September 11, 2001, and the resultant tightened security on military bases have had a devastating impact on many installation MWR programs. Many business activities suffered significant financial losses as customers had difficulty accessing base facilities and a substantial number of personnel deployed. In testimony before the committee, Department of Defense officials stated that the Department was reviewing a proposal to provide some measure of financial relief for affected programs. The committee commends the Secretary of Defense for this initiative and urges him to follow through and provide needed funds to these important programs.

Defense Commissary Agency Funding and Staffing

The committee believes that the commissary benefit is one of the most important non-pay benefits provided to military families. The committee has learned in repeated family testimony and installation visits that the commissary store is a key element of a cohesive military community, especially in times of crisis and major deployments. The committee is aware that the Defense Commissary Agency (DECA) has embarked on an aggressive cost cutting campaign that will eliminate 2,650 civilian positions over a three-year period. While the committee believes that all Defense agencies should be operated at maximum efficiency, the committee has heard testimony that these cuts may have gone too far, to the point of jeopardizing service to the customer. The Secretary of Defense, in testimony before the committee on February 6, 2002, committed to maintain the present level of savings and customer service in commissary stores, and the committee fully supports that objective. There is dispute, however, on whether that commitment is being fulfilled. To answer that question and help the committee and the Department preserve this important benefit, the committee believes that an independent agency should be tasked to determine whether an adequate level of funding and staffing will be maintained.

Accordingly, the committee directs the Comptroller General to review the DECA budget, staffing plan, and customer satisfaction survey methodology to determine the adequacy of the customer service survey methodology and whether current levels of savings and customer service can be maintained. The Comptroller General shall report his findings to the Senate Committee on Armed Services and the House Committee on Armed Services not later than March 1, 2003. The committee further directs the Secretary of Defense to moderate the pace of these proposed personnel reductions until the results of the Comptroller General review are available.

Force Protection for Morale, Welfare, and Recreation Activities

The committee is aware that the Department of Defense is reviewing force protection standards for military installations. This review includes overall base security, facility stand off distances from installation perimeters, parking security, building engineering upgrades and the like. The committee believes that Morale, Welfare, and Recreation (MWR) activities of all types should be included in this review. The committee is aware of instances where major resale and other MWR activities are located outside the perimeter of a military installation. The committee affirms its long held view that the protection of Department of Defense assets and facilities, including MWR activities, wherever they may be located, is a command responsibility that must be resourced with appropriated funds.

Support of Privatized Housing Areas

The committee supports the military services' efforts to improve military family housing through privatization initiatives. The committee has also acted to preserve the virtual monopoly of the military resale system on installations by prohibiting such projects from including facilities that would compete with military commissaries, exchanges, or other Morale, Welfare, and Recreation (MWR) programs. The committee provided that protection because it believes that military communities are best served by military resale activities. In order to continue to receive such protection, the military services' resale and MWR programs have an obligation to aggressively support privatized housing with needed programs such as shoppettes, child care centers, and other necessary facilities, especially if such housing is isolated from the parent installation.

OTHER ISSUES

Automatic Identification Technology/Radio Frequency Identification

The committee believes that equipment maintenance is a critical requirement to achieving readiness. The Department of the Army is developing depot level maintenance programs to re-capitalize equipment and mitigate the impact of aging combat equipment. The key to the maintenance process of these programs, is the ability to track and manage critical parts within the repair cycle process. Currently, the ability to accurately see the location of items in the repair cycle is limited. Many items undergoing repair are often lost, misrouted, or misplaced requiring procurement of a replacement part, or work being deferred until the part can be found. Either action results in production delays and increased repair costs.

The committee is aware of a promising automatic identification technology that would enable the tracking and management of critical parts and equipment known as Radio Frequency Identification (RF/ID) for maintenance. In January 2001, the Army successfully concluded a pilot program using RF/ID to continuously track and monitor critical and essential repair parts of selected major aviation components undergoing maintenance at their aviation depot. In addition, the committee believes that every opportunity to obtain and employ technologies that will aid in Total Asset Visibility (TAV) of all materiel in storage, transit, and from manufacturer or

vendor, to depots, through ports, afloat on the high seas, and in land based storage sites. This is particularly important to optimize the processes associated with the storage and shipment of pre-positioned stocks, sets, kits, and outfits stored throughout the globe to support contingency requirements.

Because these new technologies have the potential to improve readiness, the committee recommends the addition of $8.6 million for Maintenance RF/ID, and $7.9 million for Pre-Positioned Stocks RF/ID. Procurement requirements for these systems are discussed elsewhere in the report.

Cold Weather Clothing

The committee is aware that within the active and reserve components, there is a need for additional funding for the Extended Cold Weather Clothing System (ECWCS), which is designed to provide protection during cold and wet weather. As an example, many military units operating in harsh weather environments, including Afghanistan, continue to provide individuals with obsolete cold weather clothing that was designed and fabricated with 1970's fabric technology and construction techniques. These critical protective items, now approaching 25 years in the inventory, represent the oldest and most inefficient items of clothing in use by soldiers in the field. Faced with the dilemma of wearing the outmoded cold-weather gear and being uncomfortable, many soldiers rely on personal outdoor wear to keep warm purchased from commercial sources at their own expense. The committee believes that individual mobility, protection and comfort is a significant contributor to the combat readiness of the individual war-fighter and would significantly improve their quality of life. Therefore, the committee recommends an increase of funding for ECWCS as follows:

[In millions of dollars]

Army	8.0
Army Reserve	4.0
Army National Guard	4.0
Air National Guard	4.0

Commercial Technologies for Maintenance Activities

The committee continues to believe that the Commercial Technologies for Maintenance Activities (CTMA) program, created by the Department of Defense (DOD) in 1998 and designed to bring the most modern and advanced manufacturing capabilities used from commercial industry in DOD maintenance depots and related maintenance activities, is of great value as a technology resource and will have a positive effect on the efficiency and effectiveness of DOD industrial activities. The CTMA program is in direct support of section 361 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) that required DOD to re-engineer industrial processes and adopt best-business practices at their depot-level activities. Although DOD initially funded the CTMA program in fiscal years 1998 and 1999 to carry out the mandate of Section 361, it has failed to keep CTMA in its budget despite the strong support of the program by Congress and the depot activities of the Department. Therefore, the committee recommends the addition of $20.0 million for the Defense Logistics Agency to continue the CTMA program at depot-level activities that will

lower operations and sustainment costs. The committee believes the addition of these funds will allow depot-level activities to participate in manufacturing technology demonstration projects in collaboration with more than 220 of the leading U.S. manufacturers and urges the Department of Defense to include funding for the CTMA program in future budget requests.

Industrial Mobilization Capacity/Unutilized Plant Capacity

Industrial Mobilization Capacity (IMC)/Unutilized Plant Capacity (UPC) funding at Department of the Army arsenals is required to compensate the arsenals for the costs of that capability that is maintained only for mobilization. If the arsenals were a private business, they would get rid of this mobilization capacity and associated costs. The arsenals, however, have been directed to retain this mobilization capacity. Absent direct IMC/UPC funding the arsenals would have to include these mandated mobilization costs in their overhead rates. These inflated overhead rates would greatly hamper the arsenals as they compete for work from outside the Army as well as drive up production costs. The practical implication of not fully funding IMC/UPC has been costly to the arsenals. The Congress has expressed its concern about the Army's lack of support of IMC/UPC for the past several years, including a requirement in the National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) to fully budget for IMC/UPC. The committee is aware that the budget request includes $24.8 million for IMC/UPC for Rock Island Arsenal and $25.2 million for IMC/UPC for Watervliet Arsenal. The committee congratulates the Secretary of the Army for finally fully budgeting for this critical requirement and expects the secretary to use the funding only for IMC/UPC needs at the Army's production arsenals.

Fuel Savings Technology

The United States uses more petroleum each year than the next five largest consuming nations combined. Military fuel consumption for aircraft, ships, ground vehicles and facilities makes the department of Defense the single largest consumer of petroleum in America. Ten years after the end of the Cold War, over 70 percent of the tonnage required to deploy Army combat units is fuel. Naval forces depend each day on millions of gallons of fuel to operate around the globe. The Air Force is the largest Department consumer, and spends approximately 85 percent of its fuel budget to deliver, by airborne tankers, just 6 percent of its annual jet fuel usage. Due to unpredictable changes in fuel costs, the projected loss in the Department's fuel account in fiscal years 2002 and 2003 is expected to be approximately $1.2 billion.

The committee believes the Department should consider new technologies to reduce the amount of required fuel. A report issued by the Defense Science Board Task Force in January 2001 titled: "More Capable Warfighting Through Reduced Fuel Burden", stated "High payoff, fuel-efficient technologies are available now to improve warfighting effectiveness in current weapon systems through retrofit and by new systems acquisition". One of these new technologies to reduce fuel usage is a bolt-on fuel catalyst that treats

fuel prior to ignition and has shown remarkable reductions not only in fuel usage, but also in engine emissions.

The committee is aware that a fuel catalyst system, designed for diesel engines, has been tested over a 14 month period by the Marine Corps at Camp Pendleton, California with results showing an average 38.7 percent fuel economy and a 44.8 percent reduction in certain engine emissions. This same technology was also tested by the Navy Facilities Engineering Service Center onboard a Navy vessel that resulted in a 39 to 50 percent reduction in exhaust pollution and a 21 percent reduction in fuel consumption. This new technology would increase fuel efficiency resulting in substantial cost savings on fuel, would extend vehicle range, and would reduce the attendant logistical cost to supply fuel. The committee understands the cost of this new technology can be amortized in as little as six months through fuel savings alone.

Given the magnitude of potential fuel savings and emissions reductions, the committee does not understand why the Department has not taken advantage of this technology. The committee urges the Secretary of Defense to take immediate steps for the application of this new technology as soon as practicable.

Energy Savings Performance Contracts

Authority for the Department of Defense to enter into Energy Savings Performance Contracts (ESPC) is contained in section 8287 of title 42, United States Code, and Executive Order 13123. Based on this authority, the Department of the Air Force has entered into numerous ESPCs. Under current Air Force policy, a single contractor is awarded an ESPC for each of the five regions, which make up the continental United States. The committee believes there could be instances where an installation is interested in entering into an ESPC, but the capabilities of the contractor assigned to that region do not meet the installation's requirements. The committee, therefore, requests the Secretary of the Air Force to reevaluate its current policy of dividing the country into regions and entering into only one ESPC per region.

Long Term Depot Strategy

The committee is concerned that the Air Force has not yet completed a long-term depot strategy. Over the past few years, the committee has expressed a need for the Air Force to develop a strategy that provides a roadmap for how the air logistics centers will be used and supported in the future. While the committee is pleased that the Air Force has made significant progress in developing such a strategy, the committee is concerned that the strategy has not yet been finalized and looks forward to receiving, as soon as possible, a completed long-term depot strategy that will identify:

(1) Future weapon systems and how they will be supported in the depots,

(2) The plans for future investments in infrastructure and technology to ensure that the depots are fully equipped and resourced to support critical weapon systems, and

(3) The parameters of public-private partnerships to ensure effective and efficient support of weapon systems for the Air Force.

National Defense Sealift Fund Issues

The budget request contained $388.8 million for one T–AKE vessel in the National Defense Sealift Fund. The T–AKE is a Department of the Navy cargo and ammunition ship that provides at-sea replenishment. Twelve T–AKE ships are planned for procurement between fiscal years 2000 and 2007.

The committee notes that the previous future years defense program (FYDP) submitted to Congress for fiscal year 2001 included two T–AKE ships in fiscal year 2004 but the FYDP for fiscal year 2003 includes only one ship in this year, and understands that costs for T–AKE ships in fiscal year 2004 and later years are based on the option that the Navy would procure two T–AKE ships in fiscal year 2004.

Since the committee understands that fixed-price contracts have been awarded under the assumption that the Department of the Navy would provide funding for two ships in fiscal year 2004 and to deviate from that assumption would increase unit costs, it encourages the Navy to return to a funding profile that would exercise the option to procure two T–AKE ships in fiscal year 2004.

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Section 301—Operation and Maintenance Funding

This section would authorize $129.8 billion in operations and maintenance funding for the Armed Forces and other activities and agencies of the Department of Defense.

Section 302—Working Capital Funds

This section would authorize $2.4 billion for Working Capital Funds of the Department of Defense.

Section 303—Armed Forces Retirement Home

This section would authorize $69.9 million from the Armed Forces Retirement Trust Fund for the operation of the Armed Forces Retirement Home, including the Armed Forces Retirement Home—Washington, and the Armed Forces Retirement Home—Gulfport.

SUBTITLE B—ENVIRONMENTAL ISSUES

Section 311—Incidental Taking of Migratory Birds During Military Readiness Activity

This section would amend section 704 of title 16, United States Code, to give the Department of Defense statutory authority under the Migratory Bird Treaty Act, P.L. 93–300, to obtain a permit for incidental taking of birds during authorized military readiness activity.

Section 312—Military Readiness and the Conservation of Protected Species

This section would amend section 1533 of title 16, United States Code, (Public Law 93–205), to amend the Endangered Species Act of 1973 to prohibit further designations of critical habitat for endangered species in areas for which an Integrated Natural Resources Management Plan has been prepared under section 101 of the Sikes Act, (Public Law 86–797). This section would also require regulatory agencies to consider national security concerns in addition to economic impact prior to designating future areas of critical habitat. This section would not annul existing critical habitat designations, but it would permit the Secretary of the Interior to exercise discretion to revise existing critical habitat designations on military installations. No existing critical habitat can be revised, however, if such action would result in the extinction of an endangered or threatened species.

Section 313—Single Point of Contact for Policy and Budgeting Issues Regarding Unexploded Ordnance, Discarded Military Munitions, and Munitions Constituents

This section would require the Secretary of Defense to establish a single point of contact in the Department of Defense for policy and budgeting issues involving the characterization, remediation, and management of explosive and related risks with respect to unexploded ordnance, discarded military munitions, and munitions constituents at defense sites that pose a threat to human health or safety. The section would also permit the Secretary to establish an independent advisory and review panel to report annually to Congress on progress made by the Department of Defense regarding unexploded ordnance.

SUBTITLE C—COMMISSARIES AND NONAPPROPRIATED FUND INSTRUMENTALITIES

Section 321—Authority for Each Military Department To Provide Base Operating Support to Fisher Houses

This section would amend section 2493 of title 10, United States Code, to authorize the secretary of a military department to provide appropriated fund support to Fisher Houses associated with the health care facilities of that military department. Currently, only the Secretary of the Navy may provide such support. This provision would expand that authority to the Secretaries of the Army and Air Force.

Section 322—Use of Commissary Stores and MWR Retail Facilities by Members of National Guard Serving in National Emergency

This section would amend section 1063a of title 10, United States Code, to authorize members of the national guard who are ordered to non-federal service in response to a federally declared national emergency to use commissary and exchange stores. Many members of the national guard have been called to service in their states to help secure the homeland in the War on Terrorism, and the com-

mittee believes that they should be authorized commissary and exchange privileges.

Section 323—Uniform Funding and Management of Morale, Welfare, and Recreation Programs

This section would authorize the Secretary of Defense to permit installation commanders to manage funds appropriated for installation Morale, Welfare, and Recreation (MWR) programs under the procedures used for nonappropriated funds. In effect, the installation commander would be allowed to pool appropriated and nonappropriated MWR funds into a single nonappropriated fund account, resulting in greater flexibility and a more streamlined financial accounting system. The Department of Defense conducted a successful test of this concept, and the committee believes adoption of this initiative throughout the Department will increase the efficiency of MWR programs operated at the installation level.

SUBTITLE D—WORKPLACE AND DEPOT ISSUES

Section 331—Notification Requirements in Connection With Required Studies for Conversion of Commercial or Industrial Type Functions to Contractor Performance

This provision would require the Secretary of Defense to notify Congress when the public sector maintains performance of a commercial function after competing against the private sector to determine which workforce could perform the work in the most efficient and effective manner.

Section 332—Waiver Authority Regarding Prohibition on Contracts for Performance of Security-Guard Functions

This section would provide a waiver to section 2465(a) of title 10, United States Code, which currently prohibits the contracting out of security guard functions of the Department of Defense. The waiver authority would allow the Secretary of Defense or the secretary of a military department to contract for security guard functions if these functions are or will be performed by members of the armed forces, and at locations where security-guard functions are now required since September 11, 2001.

Section 333—Exclusion of Certain Expenditures From Percentage Limitation on Contracting for Performance of Depot-Level Maintenance and Repair Workloads

Currently, section 2474(f) of title 10, United States Code, excludes, until the year 2005, all work performed by non-federal personnel at Department of Defense maintenance and repair depots from the percentage limitations (50/50) on contracting for depot-level maintenance by the private sector. This provision would remove the date limitation. The committee believes that the date limitation impedes the ability of both the public and the private sectors to fully achieve the benefits of public-private partnerships.

Section 334—Repeal of Obsolete Provision Regarding Depot-Level Maintenance and Repair Workloads That Were Performed at Closed or Realigned Military Installations

This provision would repeal section 2469a of title 10, United States Code, that addressed depot-level maintenance and repair workloads that were performed at installations closed or realigned under the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510). All applicable installations have completed closure or realignment actions and, therefore, section 2469a is no longer necessary.

Section 335—Clarification of Required Core Logistics Capabilities

This provision would amend section 2464(a)(3) of title 10, United States Code to change the definition of core logistics to include acquisition logistics, supply management, system engineering, maintenance, and modification management.

SUBTITLE E—DEFENSE DEPENDENTS' EDUCATION

Section 341—Assistance to Local Educational Agencies That Benefit Dependents of Members of the Armed Forces and Department of Defense Civilian Employees

This section would authorize $30.0 million for educational assistance to local education agencies where the standard for the minimum level of education within the state could not be maintained because of the large number of military connected students. The committee's commitment to military children has provided much needed boosts to the education of military children around the country. Even so, the committee notes that the Department of Education impact aid program provides supplementary funds to eligible school districts nationwide, and believes that the Department of Education bears the principal responsibility for providing support for the educational needs of the nation's children.

Section 342—Availability of Quarters Allowance for Unaccompanied Defense Department Teacher Required To Reside on Overseas Military Installation

This section would amend section 905 of title 20, United States Code, to provide a method for the Department of Defense Education Activity (DODEA) to reimburse the Department of the Navy for the costs associated with making excess family housing available to unaccompanied DODEA teachers assigned to Guantanamo Bay Naval Station, Cuba. The provision would also provide DODEA with a needed incentive to attract and retain qualified educators to accept employment at Guantanamo Bay.

Section 343—Provision of Summer School Programs for Students Who Attend Defense Dependents' Education System

This section would amend section 921 of title 20, United States Code, to clarify that the Secretary of Defense may provide optional summer school programs in the defense dependents' education system at no cost to those students who would normally be entitled to a free public education.

SUBTITLE F—INFORMATION TECHNOLOGY

Section 351—Navy-Marine Corps Intranet Contract

This provision would authorize the Department of the Navy to expand the duration of the current contract for Navy Marine Corps Intranet services from the current five years to seven years. The committee believes that this extension is necessary for the continued success of this program.

The National Defense Authorization Act for Fiscal Year 2001 (P.L. 106–398) authorized a phased implementation for the Navy-Marine Corps Intranet. Under this approach, the first phase consisted of implementing and testing the first 15 percent of the total number of seats to be provided under the contract. Although the Navy agreed that this approach was reasonable, the following year the Navy sought legislative relief. In response, Congress granted Navy the authority to order 250,000 seats, over half the program, before the operational testing of the original 15 percent was complete. The National Defense Authorization Act for Fiscal Year 2002 (P.L. 107–107) granted this authority. The Department of the Navy has recently notified the committee that it needs authority to lengthen the duration of the original contract. The committee recognizes the enormous infrastructure the contractor has built and implemented in order for the Navy-Marine Corps Intranet to be successful. The committee believes it is appropriate for the contractor to have a longer period of time to recoup its investment costs.

The committee, however, continues to have significant concerns over this program. At this time, the primary concerns are cost and funding. The budget request for NMCI is $1.4 billion. This funding request, however, does not include the costs for maintaining legacy systems, being connected to the SIPRNET, or to fund a transition office. The committee is concerned these unfunded requirements for fiscal year 2003 will exceed $600.0 million.

Section 352—Annual Submission of Information on National Security and Information Technology Capital Assets

This provision would codify information and data the Department of Defense must supply Congress on information technology systems. In the past, the committee has received information technology documents that describe the various information technology initiatives and provide budget data on these initiatives. These documents, however, are too often inaccurate, misleading, and incomplete. The Department must provide the committee accurate and precise information and data on information technology systems. The committee will rely on the documents, submitted pursuant to this provision, when making recommendations. It is not the committee's intention, however, to eliminate data or information the Office of Management and Budget or the Department of Defense may internally request on information technology and national security systems.

Section 353—Implementation of Policy Regarding Certain Commercial Off-the-Shelf Information Technology Products

This provision would require the Secretary of Defense to ensure effective implementation, throughout the military services and defense agencies, of the federal government's policy to purchase only those commercial off-the-shelf information assurance and information assurance-enable information technology products that have been evaluated and validated in accordance with specified criteria, schemes, or programs.

Section 354—Installation and Connection Policy and Procedures Regarding Defense Switch Network

This provision would require the Secretary of Defense to establish a clear, uniform, and enforceable policy, applicable to all military and defense agencies, regarding the testing and certification requirements that must be satisfied before a telecom switch can be connected to the Defense Switch Network.

The committee understands that there is a current policy in place, but believes the current policy is not well defined and does not have clear requirements for certifying and connecting telecom switches. The Department of Defense must apply the new policy consistently, or risk vendor re-evaluating the Department as a customer.

SUBTITLE G—OTHER MATTERS

Section 361—Distribution of Monthly Reports on Allocation of Funds Within Operation and Maintenance Budget Subactivities

This provision would amend section 228 of title 10, United States Code, to clarify that the report required by section 228, concerning the allocation of funds within the various operation and maintenance accounts of the Department of Defense, be provided to the congressional defense committees.

Section 362—Minimum Deduction From Pay of Certain Members of the Armed Forces to Support Armed Forces Retirement Home

This provision would amend section 1007(i) of title 37, United States Code, to require that the minimum amount to be collected monthly from all active duty enlisted and warrant officer personnel for the support of the Armed Forces Retirement Home be no less than $1. The committee notes that the current rate of deduction, $.50 cents, was established in 1977 and; although Congress authorized the Department of Defense to increase the monthly deduction to $1 in section 371 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337), the Department has not acted on this authority. The committee further notes that had the Department increased the monthly deduction to the authorized level of $1 in 1995, the Armed Forces Retirement Home Trust Fund would have received, approximately, an additional $55.0 million thereby maintaining the stability of the Trust Fund.

Section 363—Condition on Conversion of Defense Security Service to a Working Capital Funded Entity

This provision would prohibit the Department of Defense from converting the Defense Security Service (DSS) to a working capital fund (WCF) entity until the Secretary of Defense certifies to the Senate Committee on Armed Services and the House Committee on Armed Services that the financial tools and systems are in place to support DSS as a WCF.

Section 364—Continuation of Arsenal Support Program Initiative

This section would amend Section 343 of the National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) to authorize the Secretary of the Army to extend the Arsenal Support Initiative Program through fiscal year 2004. It would also require the Secretary of the Army to provide a report to the congressional defense committees by July 1, 2003, on the benefits of this program for Army manufacturing arsenals and to the Army and the success as of that date in achieving the goals of the program.

Section 365—Training Range Sustainment Plan, Global Status of Resources and Training System, and Training Range Inventory

This section would require the Secretary of Defense to develop a comprehensive plan for addressing problems created by limitations on the use of military lands, marine areas, and airspace reserved, withdrawn, or designated for training and testing activities by the Department. The section would also require the Secretary of Defense to report to Congress on plans of the Department to improve the Global Status of Resources and Training System to better reflect the extent that military units are achieving training requirements and the impact of encroachment and other factors negatively affecting military readiness. In addition, the section would require the Secretary of Defense to develop and maintain a training range data bank for each of the military services.

Section 366—Amendments to Certain Education and Nutrition Laws Relating to Acquisition and Improvement of Military Housing

This section would amend section 8003(b)(2) of the Elementary and Secondary Education Act of 1965, (section 7703(b)(2) of title 20, United States Code), to prevent changes in the daily attendance, caused by the privatization of family housing on military installations, from affecting payments under the impact aid program. The section would also amend section 9(b)(3) of the Richard B. Russell National School Lunch Act (section 1758(b)(3) of title 42 United States Code), to exclude payments to military personnel for privatized military housing from affecting the eligibility of students for free or reduced price school lunches.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

OVERVIEW

The committee's military personnel recommendations directly reflect its considerations of the impact that the war on terrorism is having on service members and their families. Following the September 11, 2001 attack on America, the nation's military forces, already stressed by years of high operations tempo and under-resourcing, responded magnificently to a range of challenges, and many new missions. Notwithstanding that magnificent response, the committee believes that the wartime operations have both masked and exacerbated the same debilitating stresses of high operations and personnel tempos that existed before the global war on terrorism. While fully supporting the efforts of the Secretary of Defense to reduce operational and mission requirements, the committee recognizes that the war on terrorism will be a long-term effort and that some growth in active manpower is prudent at this time. Therefore, the committee's recommendation would increase active duty end strength by 12,600 above fiscal year 2002 levels, the largest single-year growth in active strength since 1985–1986, and provide an additional $550.0 million to support the increase.

The committee also understands that service in uniform, whether in peace or war, often inflicts disabling injuries on military personnel. Heretofore, disabled military retirees were prohibited by law from receiving both their full military retired pay and their disability payments from the Department of Veterans Affairs (VA). The committee's recommendation would end this injustice by authorizing the most severely disabled military retirees, those rated 60 percent and above, to receive both their full retired pay and their full VA disability payments by 2007.

Building on its continuing multi-year effort to improve pay and benefits, the committee continues to believe that fully funded and flexible compensation programs are essential to successful recruiting and retention. Accordingly, the committee would provide a pay raise that combines both across-the-board and targeted increases for mid-grade noncommissioned officers and officers, and a new, more flexible approach to managing the retention of critical health care providers. Furthermore, the committee's recommendation would reduce out-of-pocket housing expenses from the current 11.3 percent to 7.5 percent in fiscal year 2003 and sustain the commitment to eliminate out-of-pocket expenses by fiscal year 2005.

Responding to the Secretary of Defense's desire for increased freedom to manage, the committee remains committed to providing military and civilian personnel managers within the Department of Defense the flexible authorities needed to promote efficient, effective, equitable, and timely management practices. Accordingly, the committee would include more flexible legislative initiatives for promotion, retirement, education programs, leave management, medical deferment of separation or retirement, support for veterans' funerals, privately-owned vehicle storage, and recruit candidate testing.

Finally, in the area of health care, the committee continues to seek better implementation of the TRICARE For Life program and

to improve existing programs. To this end, the committee's recommendations focus on several limited benefit changes, necessary improvements to TRICARE's management and business practices, the future of the managed care support contracts and optimization efforts.

LEGISLATIVE PROVISIONS

SUBTITLE A—ACTIVE FORCES

Section 401–End Strengths for Active Forces

This section would authorize the following end strengths for active duty personnel of the armed forces as of September 30, 2003.

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation	FY 2003 request	FY 2002 authorized
Army	480,000	480,000	484,800	4,800	4,800
Navy	376,000	375,700	379,457	3,757	3,457
USMC	172,600	175,000	175,000	0	2,400
Air Force	358,800	359,000	360,795	1,795	1,995
DOD Total	1,387,400	1,389,700	1,400,052	10,352	12,652

The committee's strength recommendation approves the 1.4 percent growth for the Marine Corps requested by the Secretary of Defense, and also provides for one percent increases for the Army and Navy, and a one-half of one percent increase for the Air Force that are in addition to the budget request. The committee's concerns about the inadequacy of active component manning levels extend back for at least five years prior to the commencement of the worldwide war on terrorism on September 11, 2001. Since that date, new military force requirements have emerged and the operations tempo has increased. In only one case—the increased Marine Corps end strength—did the budget request recognize these new realities. For the other services, the net end strength requested in the budget was just below the fiscal year 2002 authorized levels. While the committee fully supports the efforts of the Secretary of Defense to require the military services to comprehensively review their total force manpower requirements, the committee also believes that some increases in end strength are prudent now, that the recommended increases are within the discretionary end strength growth permitted by current law, and that the recommended increases can be achieved by each of the military services. To support the additional end strength, the committee recommends increasing by $550.0 million the total amount authorized for the military personnel accounts of the Army, Navy and Air Force.

Section 402—Revision in Permanent End Strength Minimum Levels

This section would amend section 691 of title 10, United States Code, by establishing end strength floors for the active forces at the fiscal year 2003 strength levels recommended by the committee in section 401.

Section 403—Authority for Military Department Secretaries To Increase Active-Duty End Strengths by Up to One Percent

This section would authorize the secretaries of the military departments to increase the authorized active duty end strength of their respective military service by up to one percent. The increase allowed to the secretaries of the military departments would be within the overall two percent increase in end strength that current law now permits the Secretary of Defense to authorize. The committee recommends this expanded authority for the secretaries of the military departments to allow them flexibility to enhance manning and readiness in essential units or critical specialties or ratings, and to assist them in managing dynamic strength fluctuations occurring in the military services as a result of new requirements, hard-to-predict recruiting and retention variables, and variables induced by the movement of reserve component personnel on and off active duty.

Section 404—General and Flag Officer Management

This section would increase by one the limit on the number of United States Marine Corps three- and four-star general and flag officers authorized to be on active duty, thereby permitting the commanding general, II Marine Expeditionary Force, to serve as a lieutenant general. This section would also exempt the senior military assistant to the Secretary of Defense from counting against the limits on three- and four-star general and flag officers that apply to that officer's specific military service. In addition, the section would also require that the chief of the Army Veterinary Corps serve in the grade of brigadier general. This section would become effective upon Congressional receipt of a report, using current requirements and data, that complies fully with section 1213, of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201).

Section 405—Extension of Certain Authorities Relating to Management of Numbers of General and Flag Officers in Certain Grades

This section would extend to December 31, 2004, three expiring authorities relating to general and flag officer management. Those authorities provide for: the process by which the Secretary of Defense and Chairman of the Joint Chiefs of Staff fill vacant senior joint four-star general and flag officer positions; the exemption of the senior joint four-star general and flag officers appointed by that process from the general and flag officer limits that apply to the military services; and, the process by which the Chairman of the Joint Chiefs of Staff designates and fills 12 general and flag officer positions on the joint staff and 10 reserve component general and flag positions on the staffs of the commanders of the unified and specified commands.

SUBTITLE B—RESERVE FORCES

Section 411—End Strengths for Selected Reserve

This section would authorize the following end strengths for the selected reserve personnel, including the end strength for reserves on active duty in support of the reserves, as of September 30, 2003:

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation	FY 2003 request	FY 2002 authorized
Army National Guard	350,000	350,000	350,000	0	0
Army Reserve	205,000	205,000	205,000	0	0
Naval Reserve	87,000	87,800	87,800	0	800
Marine Corps Reserve	39,558	39,558	39,558	0	0
Air National Guard	108,400	106,600	106,600	0	−1,800
Air Force Reserve	74,700	75,600	75,600	0	900
DOD Total	864,658	864,558	864,558	0	−100
Coast Guard Reserve	8,000	9,000	9,000	0	1,000

Section 412—End Strengths for Reserves on Active Duty in Support of the Reserves

This section would authorize the following end strengths for reserves on active duty in support of the reserves as of September 30, 2003:

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation	FY 2003 request	FY 2002 authorized
Army National Guard	23,698	23,768	24,562	794	864
Army Reserve	13,406	13,588	14,070	482	664
Naval Reserve	14,811	14,572	14,572	0	−239
Marine Corps Reserve	2,261	2,261	2,261	0	0
Air National Guard	11,591	11,697	11,697	0	106
Air Force Reserve	1,437	1,498	1,498	0	61
DOD Total	67,204	67,384	68,660	1,276	1,456

The committee believes that full time manning is a crucial component of readiness in the reserve components and for the last several years has supported continued overall growth in full-time manning. In that vein, the committee's recommendation for fiscal year 2003 would provide for a 2.2 percent growth over the previous year's end strength for reserves on active duty in support of the reserves.

Section 413—End Strengths for Military Technicians (Dual Status)

This section would authorize the following end strengths for military technicians (dual status) as of September 30, 2003:

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation (floor)	FY 2003 request	FY 2002 authorized
Army National Guard	23,615	23,615	24,102	487	487
Army Reserve	6,249	6,349	6,599	250	350
Air National Guard	22,422	22,495	22,495	0	73

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation (floor)	FY 2003 request	FY 2002 authorized
Air Force Reserve	9,818	9,911	9,911	0	93
DOD Total	62,104	62,370	63,107	737	1003

The committee's recommendation would provide for a 1.6 percent growth in the strength of military technicians above the levels authorized in fiscal year 2002.

Section 414—Fiscal Year 2003 Limitation on Non-Dual Status Technicians

This section would establish the following limits on the numbers of non-dual status technicians as of September 30, 2003:

Service	FY 2002 limit	FY 2003		Change from	
		Request	Committee recommendation (limit)	FY 2003 request	FY 2002 limit
Army National Guard	1,600	1,600	1,600	0	0
Army Reserve	1,095	995	995	0	−100
Air National Guard	350	350	350	0	0
Air Force Reserve	90	0	90	90	0
DOD Total	3,135	2,945	3,035	90	−100

The committee's recommended increase in the number of Air Force Reserve non-dual status technicians results from revised data provided by that component subsequent to the committee's receipt of the budget request. The committee notes that the Army Reserve and the Air Force Reserve are required by section 10217 of title 10, United States Code, to reduce the total number of non-dual status technicians in both components to no more than 175 by September 30, 2007, and the committee urges both components to coordinate their efforts to reach that objective.

SUBTITLE C—AUTHORIZATION OF APPROPRIATIONS

Section 421—Authorization of Appropriations for Military Personnel

This section would authorize $93,725.028 million to be appropriated for military personnel. This authorization of appropriations reflects both reductions and increases to the budget request that are itemized below.

[Dollars in millions]

	Military personnel accounts	O&M accounts
Recommended Increases		
Active End Strength:		
Army	247.00	
Navy	201.00	
Air Force	102.00	
RC End Strength:		
Army National Guard AGRs	28.40	
Army Reserve AGRs	11.50	

[Dollars in millions]

	Military personnel accounts	O&M accounts
Army National Guard Military Technicians	.....	11.30
Army Reserve Military Technicians	.....	8.00
Defense Health Program:		
TRICARE Prime Remote	.....	6.00
Marshall Island diabetes program	.....	2.0
Other Programs:		
Military personnel funding in Defense Emergency Response Fund	32.90	.....
Naval Sea Cadets	.....	1.00
National Guard Challenge	.....	2.50
National Guard Youth Foundation	.....	2.50
Uniting Through Reading	.....	0.13
Total Recommended Additions	622.80	33.43
Recommended Reductions		
Effect of FY 2002 NDAA legislation on accrual payment to Uniformed Services Retiree Health Care Fund	810.00	.....
Savings from not adopting DOD legislative proposals	29.20	.....
Savings from repeal of Special Stipend for Severely Disabled	33.43	.....
Transfer funding for wartime-related pays to H.R. 4547	320.80	.....
Total Recommended Reductions	1,193.43	

TITLE V—MILITARY PERSONNEL POLICY

OVERVIEW

The committee remains committed to providing military and civilian personnel managers within the Department of Defense the flexible authorities needed to promote efficient, effective, equitable, and timely management practices. Accordingly, the committee would include more flexible legislative initiatives for promotion, retirement, education programs, leave management, medical deferment of separation or retirement, support for veterans' funerals, privately-owned vehicle storage, and recruit candidate testing.

ITEMS OF SPECIAL INTEREST

Absentee Voting for Military Members

Section 1604 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) requires the Secretary of Defense to conduct during the November 2002 general election a statistically valid demonstration project under which uniformed voters may cast their absentee ballot through an electronic voting system. The committee is aware that the Secretary of Defense has exercised the discretionary authority included in section 1604 to delay the electronic voting demonstration project until the general election in November 2004. The committee urges the Secretary of Defense to continue to investigate the potential to participate in, and provide funding for, smaller scale tests during the November 2002 election as preparation for the major effort envisioned for the November 2004 election. The committee is aware of existing initiatives that would benefit from the support of the Department of Defense and would provide such an interim step opportunity during the November 2002 election.

Compensation and Benefits for Reserve Component Members

The committee recognizes that the current level of reserve component participation and responsibility in military operations changed dramatically during the last decade of the twentieth century. Today the reserve components represent a significant portion of the capability of the total force and are an essential element in the full spectrum of worldwide military operations. Since 1996, the reserve components have contributed between 12 and 13 million full time equivalent days in direct support of DOD missions, a tenfold increase over a 1989 benchmark period. In addition, the current national military strategy calls for a significant number of military occupational specialties and skills to reside solely in the reserve components. The recent war on terrorism has required the call-up of over 85,000 reservists to active duty, and the current operational tempo gives no indication that there will be significant reductions in the near future. This increase in operations tempo of reserve forces raises questions about compensation and benefits of particular concern to the citizen-soldier.

Accordingly, the committee directs the Comptroller General of the United States to review the terms and elements of reserve compensation, benefit, and personnel support programs, including the retirement system. The review should address the effectiveness and adequacy of compensation and benefit programs, income protection for reservists called to active duty, family support programs, health care access, and other programs of interest to reservists serving on active duty. The review should assess the need for these programs to be improved and, if appropriate, offer recommendations for achieving needed improvements. The review should also include a comparison of these programs to similar programs conducted for the benefit of active duty forces to determine if the reserve programs are fair and equitable given the increased contributions by reserve forces to the defense of the nation.

Additionally, the review should include an examination of the differences in benefits and protections provided to reservists who are called to serve under different authorities to include: title 10, United States Code; title 32, United States Code; and state active duty. The review should assess the need for benefits and protections to be made consistent regardless of the authority under which reservists are called to serve and, if appropriate, offer recommendations for achieving that objective.

The committee directs the Comptroller General to report his findings and recommendations to the Senate Committee on Armed Services and the House Committee on Armed Services by March 31, 2003.

Consideration of Innovative Readiness Training Initiatives

The committee recognizes the success of the Department of Defense Civil Military Innovative Readiness Training Program, which is authorized by section 2012 of title 10, United States Code. This program provides military unit and individual support and services to non-Department of Defense organizations in a manner that accomplishes unit and individual training requirements. The committee urges the Secretary of Defense to consider training opportunities that provide a benefit to our nation's youth and support the

President's education priorities. The committee recommends the secretary to consider applications from local schools, particularly those in rural and urban areas, for support of training initiatives to establish computer networks in schools.

Review and Report on Increased Participation of U.S. Navy Officers in Intermediary and Senior War Colleges

The committee is concerned about the challenges facing the Navy in providing its officers with appropriate and timely opportunities for professional military education. Therefore, the committee directs the Secretary of the Navy to review the plans and progress achieved to increase participation of active and reserve Navy officers in intermediate and senior war colleges. The review should include an assessment of the attendance objective for each level, as well as actions being taken to achieve the objectives. Specific attention should be given to responses that may require enabling congressional action. The Secretary of the Navy shall provide the results of the review to the Senate Committee on Armed Services and the House Committee on Armed Services by April 18, 2003.

Uniting Through Reading

The committee is pleased to note the success of the Navy's Uniting Through Reading program. Uniting Through Reading improves literacy and strengthens the quality of life for Navy and Marine Corps families separated during deployments. This popular family support program is currently available to all ships preparing for deployment, and is being extended to the Naval Construction Forces (Seabees), Marine Expeditionary Units, the Naval Reserve Forces, individual deployers, and deployed, shore-based squadrons. Uniting Through Reading helps maintain the emotional bond between children and parents during extended periods of separation. The committee recommends an additional $130,000 for this important program.

LEGISLATIVE PROVISIONS

SUBTITLE A—GENERAL PERSONNEL MANAGEMENT AUTHORITIES

Section 501—Increase in Number of Deputy Commandants of the Marine Corps

This section would increase the authorized number of deputy commandants at Headquarters, United States Marine Corps, from five to six. This authorization would permit the commander, Marine Corps Combat Developments Command, to be designated a deputy commandant, but would not increase the number of three-star Marine Corps general officers on active duty because the commander, Marine Corps Combat Developments Command, already holds that rank.

Section 502—Extension of Good-of-the-Service Waiver Authority for Officers Appointed to a Reserve Chief or Guard Director Position

This section would extend to December 31, 2004, the authority of the Secretary of Defense to waive the requirement for significant joint experience as a qualification for appointment as the chief of

the Army, Navy, Air Force, or Marine Corps reserve or as director of the Army or Air National Guard. The committee recommends the extension because it understands that the requirement for significant joint experience was established just two years ago with the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398), and that the Department and service secretaries will require a period of time for future candidates for appointment as chiefs of the reserve and national guard components to acquire that joint experience. However, the committee also believes that unless the Secretary of Defense acts aggressively, it could be many years before senior reserve component officers will gain the requisite experience. Therefore, this section would also require the Secretary of Defense to report to Congress regarding the steps that he, together with the Chairman of the Joint Chiefs and the secretaries of the military departments, will take to ensure that no further extensions of this waiver authority will be required after 2004.

SUBTITLE B—RESERVE COMPONENT MANAGEMENT

Section 511—Reviews of National Guard Strength Accounting and Management and Other Issues

This section, like section 512, is a result of the committee's continued concerns about the national guard's unit strength management, senior officer selection and oversight, and whistleblower protections. This section would require both the Comptroller General and the Secretary of Defense to conduct reviews and to provide the committee assessments of:

(1) The effectiveness of the Department of Defense's continuing effort to improve unit strength management in the Army National Guard;

(2) The effectiveness of the federal recognition process for senior national guard officers;

(3) The nature and extent of administrative and judicial actions taken in cases of substantiated misconduct by senior national guard officers;

(4) The effectiveness of federal protections for whistleblowers and the national guard and the nature and extent of corrective actions taken against those in the national guard who retaliate against whistleblowers; and

(5) The differing Army and Air Force policies for taking adverse administrative actions against national guard general officers serving in a state status.

Section 512—Courts-Martial for the National Guard When Not in Federal Service

This section would amend title 32 United States Code, to update and streamline the administration of military justice in the national guard when it is not in a federal status. Furthermore, reflecting the committee's support for the 1998 recommendation of the Department of Defense Panel to Study Military Justice in the National Guard, this section would require the Secretary of Defense to develop a model state Uniform Code of Military Justice, as well as a model state Manual for Courts-Martial, and undertake an

effort to present these two models for consideration and possible adoption by all the states and territories. As noted in the panel's report, such an effort would promote the modernization and uniformity of the administration of military justice in the national guard while in state status.

Section 513—Matching Funds Requirements Under National Guard Youth Challenge Program

This section would revise the Department of Defense cost share for each state's National Guard Challenge Program from 60 percent to 75 percent.

SUBTITLE C—RESERVE COMPONENT OFFICER PERSONNEL POLICY

Section 521—Exemption from Active Status Strength Limitation for Reserve Component General and Flag Officers Serving on Active Duty in Certain Joint Duty Assignments Designated by the Chairman of the Joint Chiefs of Staff

This section would exempt the 10 reserve component general and flag officers who are serving on active duty on the joint staffs of the commanders of the unified and specified commands from counting against the numbers of reserve component general and flag officers authorized by section 12004 of title 10, United States Code. These 10 reserve component general and flag officers, the so-called "Chairman's ten" because the Chairman of the Joint Chiefs of Staff designates the joint staff positions they fill on active duty, already are exempted by section 526 of title 10, United States Code, from counting against active duty general and flag officer limits. The proposed exemption from reserve component general and flag officer authorizations would enable the reserve components not on active duty to fill 10 more general and flag officer mobilization positions. The authority for this exemption would expire on December 31, 2004.

Section 522—Eligibility for Consideration for Promotion to Grade of Major General for Certain Reserve Component Brigadier Generals Who do Not Otherwise Qualify for Consideration for Promotion Under the One-Year Rule

Section 14301 of title 10, United States Code, precludes promotion eligibility for reserve officers who are serving on the reserve active-status list or the active-duty list (or combination of both lists) for less than one year as of the convening of the promotion board. This section would permit reserve brigadier generals of the Army and Air Force to be eligible for promotion with less than one year on the reserve active-status list or the active-duty list (or combination of both lists) when the following three factors apply to the officer:

(1) The officer had been transferred from an inactive status to the active status list during the one-year period preceding the date of the convening of the promotion board.

(2) The officer had been in an inactive status for less than one year immediately before the officer's most recent transfer to an active status.

(3) The officer had continuously served for at least one year on the reserve active status list, the active duty list (or a combination of both lists) before the officer's most recent transfer to an inactive status.

Section 523—Retention of Promotion Eligibility for Reserve Component General and Flag Officers Transferred to an Inactive Status

Section 14317 of title 10, United States Code, requires that reserve officers forfeit their status as a selectee for promotion when they are transferred to inactive status. They may be promoted upon return to active status, but only if recommended for promotion by a subsequent promotion board. This section would permit reserve officers selected for promotion to major general and rear admiral to retain their promotion eligibility and, if otherwise qualified, be promoted to the higher grade upon returning to an active status from an inactive status.

Section 524—Authority for Limited Extension of Medical Deferment of Mandatory Retirement or Separation for Reserve Officers

This section would authorize the secretaries of the military departments to defer mandatory retirement or separation of reserve officers undergoing hospitalization or medical observation when such hospitalization or medical observation is part of an evaluation to determine the officer's eligibility for disability retirement or separation. The secretary of the military department would be authorized to extend the retirement or separation for 30 days after completion of the evaluation requiring hospitalization or medical observation.

SUBTITLE D—EDUCATION AND TRAINING

Section 531—Authority for Phased Increase to 4,400 in Authorized Strengths for the Service Academies

This section would permit the secretaries of the military departments, beginning with classes entering the service academies during the 2003–2004 academic year, to increase the end strengths for cadets or midshipmen at their respective service academies, in annual increments of up to 100, from the current limit of 4,000 to 4,400. In addition, this section would specify that the annual increase in service academy end strength could not exceed the increase achieved during the preceding year in enrollments in the senior Reserve Officers Training Program (ROTC) of that service. This section also urges the secretaries of the military departments to ensure that by the 2006–2007 academic year the corresponding increase in enrollments in the senior ROTC program are all scholarship participants. The committee recommends a linkage between end strengths at the service academies and senior ROTC enrollments because it firmly believes that the long-term effectiveness of the officer corps of the military services will be enhanced by growth in both commissioning sources.

Section 532—Enhancement of Reserve Component Delayed Training Program

This section would authorize members who enlist in the reserve delayed training program to remain in that program for one year, a full three months longer than authorized in current law. The one-year duration would be consistent with the active duty delayed entry program.

SUBTITLE E—DECORATIONS AND AWARDS

Section 541—Waiver of Time Limitations for Award of Certain Decorations to Certain Persons

This section would waive the statutory time limitations for the award of the Distinguished Flying Cross to individuals recommended for award of the Distinguished Flying Cross by the service secretary concerned.

Section 542—Option To Convert Award of Armed Forces Expeditionary Medal Awarded for Operation Frequent Wind to Vietnam Service Medal

This section would authorize participants in Operation Frequent Wind, the evacuation of Vietnam conducted on April 29 and 30, 1975, to return the award of the Armed Forces Expeditionary Medal and to receive the Vietnam Service Medal in its place.

SUBTITLE F—ADMINISTRATIVE MATTERS

Section 551—Staffing and Funding of the Defense Prisoner of War/Missing Personnel Office

This section would require the Secretary of Defense to increase the military and civilian manning levels, as well the annual funding, for the Defense Prisoner of War/Missing in Action Office (DPMO) in fiscal year 2004 and subsequent years to enable the DPMO to adequately perform its full range of missions. This section would also prohibit the secretary in fiscal year 2003 from reducing the assigned military and civilian personnel and funding below the levels requested in the budget. The committee makes this recommendation because it believes the DPMO plays a crucial role in the fulfillment of the national commitment to provide a full accounting for the prisoners of war and missing in action of the nation's wars. The committee is disappointed that the secretary did not heed the committee's direction in the committee report on H.R. 2586 (H. Rept. 107–194), to increase DPMO resources. The committee also understands that the DPMO faces a potential reduction of 15 percent or more in fiscal year 2003 as part of the secretary's plan to reduce the size of headquarters. The committee believes such a reduction in DPMO to be imprudent.

Section 552—Three-Year Freeze on Reductions of Personnel of Agencies Responsible for Review and Correction of Military Records

The committee considers the review boards agencies, and specifically the boards for correction of military records, within each military department as representing congressional interests in safe-

guarding fairness and equity for all service members. The committee views these boards differently from other headquarters functions and becomes concerned when announced management decisions to reduce manpower levels within the boards threaten their efficiency and effectiveness.

Accordingly, this section would preclude the secretaries of the military departments from reducing the number of military and civilian personnel assigned to duty within the boards through fiscal year 2005 until 90 days after the secretary of the military department concerned submits a report that describes the proposed reduction, provides the rationale for the reduction, and specifies the number of personnel that will be assigned to the board after the reduction is complete.

Section 553—Department of Defense Support for Persons Participating in Military Funeral Honors Details

This section would authorize the Secretary of Defense to prescribe a flat-rate daily stipend for military retirees and others who are not service members or government employees participating in funeral honors details. The stipend would be paid in lieu of separate payments for transportation and miscellaneous expenses.

Section 554—Authority for Use of Volunteers as Proctors for Administration of Armed Services Vocational Aptitude Battery Test

This section would authorize the secretaries concerned to accept the voluntary services of educators and other individuals to assist recruiters in administering the Armed Services Vocational Aptitude Battery to high school students.

Section 555—Annual Report on Status of Female Members of the Armed Forces

This provision would require the Secretary of Defense to submit an annual report to the Senate Committee on Armed Services and the House Committee on Armed Services on the status of female members of the armed forces regarding assignments and assignments policies, deployment, promotion and retention rates, and sexual harassment.

SUBTITLE G—BENEFITS

Section 561—Voluntary Leave Sharing Program for Members of the Armed Forces

This section would authorize a service member to transfer accrued leave to another member when the recipient is likely to require a prolonged absence from duty due to a medical condition of a family member or other hardship condition. The commander of the recipient and the commander of the contributor would be required to approve such transfer of leave.

Section 562—Enhanced Flexibility in Medical Loan Repayment Program

This section would repeal the bar against providing loan repayment benefits to participants in the armed forces health professions

scholarship and financial assistance program and would remove the limit on the total benefit that may be paid.

Section 563—Expansion of Overseas Tour Extension Benefits

Section 705 of title 10, United States Code, authorizes members who have been granted leave and transportation benefits in connection with an extension of an overseas tour to travel to the nearest port of entry within the 48 contiguous states and return. This section would authorize members who have been granted leave and transportation benefits in connection with an extension of an overseas tour to travel to an alternative location within the 48 contiguous states, so long as the cost does not exceed the cost of transportation to the nearest port of entry.

Section 564—Vehicle Storage in Lieu of Transportation When Member Is Ordered to a Nonforeign Duty Station Outside Continental United States

This section would authorize members to store a privately-owned vehicle when the member is ordered to a duty station in a nonforeign area outside the continental United States and the shipment of a vehicle is prohibited or contingent upon completion of extensive modification.

SUBTITLE H—MILITARY JUSTICE MATTERS

Section 571—Right of Convicted Accused to Request Sentencing by Military Judge

This section would amend chapter 47 of title 10, United States Code, to permit the sentencing phase of trial in courts-martial to be conducted by a military judge sitting alone, rather than by court members.

Under the present courts-martial process, a military judge alone may not sentence an accused if the accused elects to be tried by court members. Such a result, however, has disadvantages. Sentencing trials involving members may be more lengthy and complicated than judge-alone proceedings, costing the government time and expense and keeping court members away from their regular duties for extended periods. Moreover, military judges generally have as sound a sense of community and disciplinary norms and mores as court members because they typically preside over many cases at a single installation.

This section would permit a separate choice of forum decision to be made following announcement of findings of guilt or innocence by the court but before evidence on sentencing is received. A request for sentencing by judge-alone could be made orally on the record or in writing. Consistent with article 18 of the Uniform Code of Military Justice, section 818 of title 10, United States Code, and Rule for Courts-Martial 201(f)(1)(C), judge-alone sentencing would not be permitted in capital cases.

This section would apply to offenses committed after January 1, 2003. The committee notes that Congress considered a similar provision last year but deferred legislative action pending receipt of a report from the Secretary of Defense on this issue. The report was due March 1, 2002, but has not been received. The committee has

been provided no explanation for the failure to timely provide this report. The committee anticipates receipt of the report in time to permit full consideration of this issue before the effective date of this provision.

Section 572—Report on Desirability and Feasibility of Consolidating Separate Courses of Basic Instruction for Judge Advocates

This section would require the Secretary of Defense to study the feasibility and desirability of consolidating the separate Army, Navy and Air Force courses on basic instruction for judge advocates into a single course to be conducted at a single location. Recent deployments of American military personnel have demonstrated increased interoperability requirements, as well as the likelihood that joint military operations will be more common in the future. Given this reality, questions must be asked about whether cost savings in training activities can be achieved and whether common courses of instruction among the services in certain disciplines leading to better interoperability in joint operations make sense.

In the context of the services' judge advocate officer corps, the legal subjects officers should learn in order to be successful military attorneys are not service-specific. For example, the provisions of the Uniform Code of Military Justice and courts-martial practices are substantially the same for all the services, as are the majority of laws pertaining to claims, civil law and legal assistance. Moreover, overhead and infrastructure cost savings could be achieved by consolidating the physical facilities of the three service judge advocate schools into a single location. Service-unique instruction or acculturation could easily be provided as an adjunct to a generic legal course of instruction. The result of this consolidation could be well-trained legal officers who could perform better in joint operational environments and whose training costs are less than those of officers who attend the separate courses of instruction provided at present. The committee requires the secretary to report on his findings to the Senate Committee on Armed Services and the House Committee on Armed Services by February 28, 2003.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

OVERVIEW

The committee continues to believe that fully funded and flexible compensation programs are essential to successful recruiting and retention. Accordingly, the committee would include a pay raise that combines both across-the-board and targeted increases for mid-grade noncommissioned officers and officers, increases to wartime pays and benefits and a new more flexible approach to managing the retention of critical health care providers.

The committee remains committed to achieving for disabled military retirees concurrent receipt of military retired pay and disability compensation from the Department of Veterans Affairs (VA). The committee is pleased that the Concurrent Resolution on the Budget—Fiscal Year 2003 (H. Con. Res. 353), adopted in the House includes an allocation of $5.8 billion over 5 years in manda-

tory spending to fund full concurrent receipt during fiscal year 2007 for disabled retirees rated by the VA as 60 percent disabled and above. Accordingly, the committee would include a provision that achieves full concurrent receipt of military retired pay and VA disability compensation during fiscal year 2008 for military retirees rated by the VA as 60 percent disabled and above.

ITEMS OF SPECIAL INTEREST

Integrating Basic Allowance for Subsistence into Basic Pay

The committee has grown increasingly concerned that similarly situated deployed service members receive disparate treatment regarding receipt of basic allowance for subsistence (BAS). Based on the type of deployment and service-unique policies, some service members receive their full BAS while others serving at the same duty location receive only a portion of their BAS. While the committee remains committed to resolving such inequities, this concern has prompted the committee to question the larger issue of whether BAS continues to be a useful management tool. It occurs to the committee that the services would benefit from eliminating the administrative burden and structure associated with managing BAS and integrating the value of the allowance into basic pay for all personnel. While such a strategy would raise the issue of how to deal with the increase in the tax burden for individuals, the committee notes that the increase in personal taxes would be counterbalanced by an increase in the value of retired pay for those that remain for a full career. The committee is aware that the Seventh Quadrennial Review of Military Compensation recognized the benefits of simplifying military pay systems and made a recommendation that included the elimination of BAS.

Accordingly, the committee directs the Secretary of Defense to study this issue, examine the cost implications, develop implementation strategies, and determine the Department of Defense position. The committee directs the Secretary of Defense to report the findings of his review to the Senate Committee on Armed Services and the House Committee on Armed Services by March 31, 2003.

Montgomery G.I. Bill for Members of the Selected Reserve

The committee has received complaints that the benefits of the Montgomery G.I. Bill for members of the selected reserve have not kept pace with the benefits provided under the Montgomery G.I. Bill for members serving on active duty. The committee recognizes that there are necessary differences between the programs and that benefit levels will be different due to the different purposes of the programs. However, the committee believes that some of the existing differences between the programs are not justified and have resulted from administrative oversight or neglect. Accordingly, the committee directs the Secretary of Defense to study the differences between the two programs and report the findings and recommendations of his review to the Senate Committee on Armed Services and the House Committee on Armed Services by March 31, 2003.

Reducing the Gap Between Military and Private Sector Pay Increases

The committee believes that eliminating the gap in pay raise rates between the military and the private sector is fundamental to an effective compensation strategy and an essential prerequisite to successful recruiting and retention. While a variety of other allowances, special pays, and bonuses must be constantly monitored and adjusted when required, basic pay is the foundation upon which the other elements of compensation are based and it must keep pace with private sector pay raises.

Section 602 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) requires that military pay raises exceed the private sector rate by one-half of one percent during fiscal years 2001 through 2006. The committee recognizes that, depending on the pay raises planned for the defense budgets through fiscal year 2006, the pay gap will likely not be eliminated during fiscal year 2006. The committee is inclined to extend beyond fiscal year 2006 the period of time that military pay raises are required to exceed the private sector pay raise rates. While such an action would signal military forces and their leaders that the committee is committed to restoring and maintaining parity between military and private sector pay raises, it may also prematurely set a goal that will ultimately be unnecessary.

Accordingly, the committee directs the Secretary of Defense to report the details of his long-term plan for military pay raises and his estimate as to when the gap in pay raise rates between the military and the private sector will be eliminated. The committee directs the Secretary of Defense to provide the report to the Senate Committee on Armed Services and the House Committee on Armed Services by March 31, 2003.

Use of the Critical Skills Retention Bonus for Linguists

The committee urges the secretaries of the military departments to fully utilize the flexibility provided in the critical skills retention bonus to address the need to retain qualified foreign language speakers. The war on terrorism has highlighted the need to attract and retain foreign language speakers, including, but not limited to, critical languages such as Arabic, Korean, Mandarin Chinese, Persian-Farsi, and Russian. For example, a January 2002 report by the General Accounting Office (GAO) indicated that the Army had a requirement for 608 Korean linguists, but was only able to fill 480 positions. This shortfall did not result because of inadequate training levels. The Defense Language Institute has graduated 693 Korean linguists over the previous 5 years, or 114 percent of the Army's total requirement. The committee believes that more needs to be done to retain skilled linguists to take advantage of the higher productivity inherent with more experienced and proficient linguists. The committee believes that the critical skill retention bonus offers the means to achieve the needed improvement in the retention of military linguists.

LEGISLATIVE PROVISIONS

Subtitle A—Pay and Allowances

Section 601—Increase in Basic Pay for Fiscal Year 2003

This section would increase basic pay a minimum of 4.1 percent for all members of the uniformed services. In addition, the section would provide additional increases to mid-grade and senior non-commissioned officers, and mid-grade officers to maintain incentives to serve throughout the enlisted career and to increase incentives to retain junior officers and highly skilled enlisted members.

This raise would continue to fulfill Congress' commitment to increasing pay for the uniformed services. The combined across-the-board and targeted raise would be the equivalent of a 4.7 percent across-the-board raise and would reduce the pay gap between military and private sector pay increases over time from 7.5 percent to 6.4 percent.

Section 602—Expansion of Basic Allowance for Housing Low-Cost or No-Cost Moves Authority to Members Assigned to Duty Outside United States

This section would authorize the secretary concerned to pay members assigned overseas who complete low-cost or no-cost moves to continue to receive basic allowance for housing (BAH) based on the BAH rate for the member's previous duty location if the secretary determines that it would be inequitable to pay the member the BAH rate for the member's new duty location. The provision would bring the treatment of BAH rates for low-cost or no-cost moves in an overseas area in line with the treatment of BAH for similar moves inside the United States.

SUBTITLE B—BONUSES AND SPECIAL AND INCENTIVE PAYS

Section 611—One-Year Extension of Certain Bonus and Special Pay Authorities for Reserve Forces

This section would extend the authority for the selected reserve reenlistment bonus, the selected reserve enlistment bonus, special pay for enlisted members of the selected reserve assigned to certain high priority units, the selected reserve affiliation bonus, the ready reserve enlistment and reenlistment bonus, and the prior service enlistment bonus until December 31, 2003.

Section 612—One-Year Extension of Certain Bonus and Special Pay Authorities for Certain Health Care Professionals

This section would extend the authority for the nurse officer candidate accession program, the accession bonus for registered nurses, the incentive special pay for nurse anesthetists, the special pay for selected reserve health care professionals in critically short wartime specialties, and the accession bonus for dental officers until December 31, 2003. The provision would also extend the authority for repayment of educational loans for certain health professionals who serve in the selected reserve until January 1, 2004.

Section 613—One-Year Extension of Special Pay and Bonus Authorities for Nuclear Officers

This section would extend the authority for the special pay for nuclear-qualified officers extending the period of active service, nuclear career accession bonus, and the nuclear career annual incentive bonus until December 31, 2003.

Section 614—One-Year Extension of Other Bonus and Special Pay Authorities

This section would extend the authority for the aviation officer retention bonus, the reenlistment bonus for active members, the enlistment bonus for active members, the retention bonus for members with critical military skills, and the accession bonus for new officers in critical skills until December 31, 2003.

Section 615—Minimum Levels of Hardship Duty Pay for Duty on the Ground in Antarctica or on Arctic Icepack

This section would specify a hardship duty pay rate of not less than $240 per month for duty performed by service members on the ground in Antarctica or on the Arctic icepack. The provision would specify that the monthly rate be prorated and paid for each day of qualified service.

Section 616—Increase in Maximum Rates for Prior Service Enlistment Bonus

This section would increase the rates paid to reservists with critical skills under the prior service enlistment bonus from $5,000 to $8,000 in the case of a member who enlists for six years, from $2,500 to $4,000 in the case of a member who enlists for three years, and from $2,000 to $3,500 in the case of a member who received a prior bonus for a three year enlistment and who reenlists or extends for an additional three years.

Section 617—Retention Incentives for Health Care Providers Qualified in a Critical Military Skill

The committee recognizes that, in some cases, the legislative authorities for health care provider special and incentive pays and bonuses have not been updated for a decade and have lost their value to attract and retain quality practitioners. The committee understands that the Department of Defense is studying health care provider compensation and that a new structure for these incentives will be forthcoming. In an effort to facilitate the ultimate implementation of the new pay and bonus structure, the committee elects to adopt a more flexible legislative authority for this purpose that preserves through an annual report the capability of Congress to provide oversight. Accordingly, this section would amend the critical skill retention bonus to provide exceptions to the limits on bonus amounts and years of service for bonuses paid to health care providers.

SUBTITLE C—TRAVEL AND TRANSPORTATION ALLOWANCES

Section 631—Extension of Leave Travel Deferral Period for Members Performing Consecutive Overseas Tours of Duty

This section would authorize members who have been granted travel and transportation benefits in connection with a consecutive overseas tour to defer those benefits for the full duration of the additional tour of duty. If the member is unable to undertake the travel before the completion of the additional tour because of duty in connection with a contingency operation, the provision would authorize the member to defer the travel and transportation for a year after the contingency operation duty ends.

SUBTITLE D—RETIRED PAY AND SURVIVORS BENEFITS

Section 641—Phase-in of Full Concurrent Receipt of Military Retired Pay and Veterans Disability Compensation for Military Retirees with Disabilities Rated at 60 Percent or Higher

The committee is opposed to reducing retired pay due to members of the uniformed services to offset the receipt of compensation for service-connected disabilities paid by the Department of Veterans Affairs (VA). The committee believes that retirees are entitled to receive both the retired pay for which they contributed years of faithful service and the VA compensation for a service-connected disability intended to recognize a lifelong limitation on earning potential. The committee intends to continue to promote concurrent receipt for all eligible retirees and is committed to adopt the legislative changes needed to achieve advances in concurrent receipt to the extent that funding for this purpose is made available in future concurrent budget resolutions.

Accordingly, and consistent with the Concurrent Resolution on the Budget—Fiscal Year 2003 (H. Con. Res. 353) adopted in the House, this section would authorize retirement-qualified members of the uniformed services with disabilities rated as 60 percent and above to receive during the fifth year of a 5–year transition program, full VA disability compensation without a reduction in retired pay. In the case of a member who receives a disability retirement, the section would allow the retired pay to be reduced, but only to the extent that the member's retired pay exceeds the amount of retired pay to which the member would have been entitled based solely on the member's years of service.

The transition program would provide the following amounts to disabled retirees during fiscal year 2003:

(1) Members rated 100 percent disabled would receive $750 per month.

(2) Members rated 90 percent disabled would receive $500 per month.

(3) Members rated 80 percent disabled would receive $250 per month.

(4) Members rated 70 percent disabled would receive $250 per month.

(5) Members rated 60 percent disabled would receive $125 per month.

The transition program during fiscal years 2004, 2005, and 2006 would reduce for each retiree the difference between the amount of retired pay received the previous year and full concurrent receipt by 23 percent, 30 percent, and 64 percent, respectively. During fiscal year 2007, all retirees with disability rating of 60 percent and above would receive their entire retired pay and VA disability compensation.

Section 642—Change in Service Requirements for Eligibility for Retired Pay for Non-Regular Service

This section would reduce the number of years of continuous reserve component service required immediately before qualifying for non-regular retired pay from eight to six.

Section 643—Elimination of Possible Inversion in Retired Pay Cost-of-Living Adjustment for Initial COLA Computation

This section would limit partial-year retired pay cost-of-living adjustments (COLAs) in the first year of retirement to be no greater than the COLA paid to retirees who were retired for the entire year.

Section 644—Technical Revisions to So-Called "Forgotten Widows" Annuity Program

This section would make technical and administrative changes to section 644 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) that addressed annuities for certain military surviving spouses.

SUBTITLE E—RESERVE COMPONENT MONTGOMERY GI BILL

Section 651—Extension of Montgomery G.I. Bill-Selected Reserve Eligibility Period

This section would extend the eligibility window for educational assistance for members of the selected reserve through the Montgomery G.I. Bill from 10 to 14 years from the date of first eligibility.

SUBTITLE F—OTHER MATTERS

Section 661—Addition of Definition of Continental United States in Title 37

This section would amend section 101 of title 37, United States Code, to include the definition of continental United States as the 48 contiguous states and the District of Columbia and amend other sections of title 37, United States Code, to reflect the addition of the definition.

TITLE VII—HEALTH CARE MATTERS

OVERVIEW

Enactment of the National Defense Authorization Act of Fiscal Year 2002 (Public Law 107–107) limited changes to TRICARE in fiscal year 2002 to necessary improvements intended to facilitate

better implementation of TRICARE For Life or to improve existing programs. The committee commends the Secretary of Defense for the Department's efforts to ensure smooth implementation of the new benefits for Medicare-eligible military retirees and their eligible beneficiaries and other improvements to TRICARE. With this in mind, the committee has focused this year's legislation on several limited benefit changes, necessary improvements to TRICARE's management and business practices, the future of the managed care support contracts, and optimization efforts.

The committee was encouraged that the defense health program budget request relied on more realistic cost and budgeting assumptions. The commitment to fully fund the defense health program (DHP) is commendable. However, the committee continues to urge the Department of Defense (DOD) to more fully optimize the military treatment facilities. Although the direct care system of military treatment facilities has received an increase in the budget request, a sustained period of under-investment in optimization, maintenance, and repair of these facilities has eroded the capacity of the military hospitals and clinics of the direct care system. The committee is concerned that current funding for the direct care system continues to undermine optimization efforts, forcing some patients into the private sector. On balance, this phenomenon drives up the cost of the defense health program and limits the resources available for treating patients in the direct care system. The committee expects to be kept informed of the efforts to allocate defense health resources in a manner that will maximize the effectiveness of the entire DHP.

For the past several years, the committee has focused its efforts to reduce the high cost of TRICARE claims processing. In testimony this year, the committee again heard from providers and managed care support contractors that DOD's unique claims processing system costs continue to far exceed those of equivalent civilian systems for processing claims. The testimony suggested that impediments to a cost-effective, provider and beneficiary friendly system for TRICARE claims processing continue to exist. Hearing testimony also suggested that the committee needs to better understand the nature, reasons, and extent of trends in the TRICARE network provider instability, and the effectiveness of DOD's and TRICARE managed care support contractors' efforts to measure and mitigate such turbulence. The committee was encouraged by testimony from DOD health officials that they would examine the policies and practices associated with the managed care support contractors, and the committee urges the Department to move forward and examine and formulate plans to address these issues. However, the committee is concerned about the long-term impact of these issues on the program and requires the Comptroller General to also study these areas.

The committee recognizes that DOD is negotiating extension periods to existing managed care support contracts even as it considers how to structure the next generation of TRICARE contracts. Much remains to be known of the Department's plans to redesign the contracts and possible initiatives to carve out specific contract areas such as marketing and pharmacy services. The committee notes DOD's intent to include suitable best business practices found in the health care industry and to incorporate mechanisms

that share risk between TRICARE's partners—the Department of Defense and the managed care support contractors. The successful implementation of the new contracts should also keep in mind the potential impact on the beneficiaries. The committee urges the Department to continue to ensure all stakeholders are included. The committee expects to be kept fully informed as the Department approaches its final design of new contract vehicles.

The committee continues to be pleased with the nature and extent of DOD's engagement with the private non-governmental associations representing the interests of the beneficiaries of the military health care system during its deliberations on the design of next generation contracts and implementation of TRICARE programs. The committee encourages DOD to continue to reach out to beneficiaries of the military health care system and other key stakeholders including DOD's managed care support contractors. The Department should consider broadening and enhancing this outreach to include other health care organizations and providers in more routine consultations regarding benefit design and delivery, industry best practices, management initiatives, and beneficiary and provider communications and consultation. Such outreach could provide valuable insight regarding provider and beneficiary incentives and satisfaction.

ITEMS OF SPECIAL INTEREST

Claims Processing for Under–65 Medicare-Eligible Beneficiaries

The committee is aware that Medicare-eligible beneficiaries under the age of 65 are not currently able to have their health care claims filed electronically because the Department has not yet resolved cross-over claims issues. Until the Department remedies this shortcoming, under–65 Medicare-eligible beneficiaries are unable to fully participate in TRICARE For Life (TFL) and, in essence are denied participation in the program because they must pay their fees upfront. For many, this is not a viable option. Until this cross-over claims issue is resolved, these beneficiaries are effectively denied the ready access to Medicare providers they are entitled to under the TFL program. The committee directs the Secretary of Defense to expeditiously resolve this barrier to TFL participation and submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by March 31, 2003, on actions taken to resolve claims processing problems for under–65 Medicare-eligible beneficiaries.

Defense Enrollment and Eligibility Enrollment Reporting System Improvements

The committee is concerned about the accuracy and timeliness of the current process to update information in the Defense Enrollment and Eligibility Reporting System (DEERS). In particular, there appears to be some delay in entering updates when changes occur in the sponsor's military status, demographics, or duty station. The DEERS database determines the eligibility and benefit program of service members. If there are delays in accurately processing and transmitting personnel changes to DEERS by the military services, then beneficiaries are denied health care, or health

care is delayed. The committee believes the Department should set a goal of near real-time updates with 100% accuracy. The committee directs the Secretary of Defense, to assess the ability of the military services to update information in DEERS in a more timely and accurate manner, and, if necessary, implement a plan to make the improvements the secretary believes are necessary. The secretary's report to the Senate Committee on Armed Services and the House Committee on Armed Services would be required by September 30, 2003.

Force Health Protection

The committee remains strongly committed to ensuring that the force health protection of our troops continues to remain a high priority for the Department of Defense (DOD) and the military services. The committee is pleased to note the implementation of new clinical guidelines for use by DOD and the Department of Veterans Affairs' (VA) physicians in caring for the unique needs of military personnel and their families. However, as utilization of the active, guard and reserve components continues to increase to meet the growing demand for deployments around the world, force health protection remains at the forefront of our ability to meet these requirements. The Department was tasked with developing a system that can be used to track military personnel who are deployed, monitor in-theatre medical requirements, and conduct post-deployment assessments to ensure that DOD and the military services know where and when our men and women are deployed, the environment in which they are deployed, any medical requirements they are subject to while in theatre, and any post-deployment health developments. These issues were raised as a result of the Persian Gulf War. In view of the continuing and increasing deployments around the world, we need to ensure that we are doing everything possible to protect the health of our troops. The committee recently requested that the General Accounting Office examine the DOD–VA medical surveillance system. In view of this, the committee urges that the Secretary of Defense take this opportunity to review the entire spectrum of force health protection issues in order to ensure that a collaborative, focused and adequately resourced effort is underway, and that appropriate medical surveillance policies and procedures are in place throughout the DOD and the military services.

Military Health Care System Information Management

The committee remains interested in developments by the Department of Defense (DOD) to improve its health care information management systems. The committee, therefore, is concerned that the Department has yet to provide the interim report requested in the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) to conduct a comprehensive study of DOD medical data systems that will facilitate management, clinical treatment, system performance evaluations, costs, manpower and enrollment. The establishment of a comprehensive medical data system is vital to the Department on a number of levels, including improving benefits and services to military personnel, retirees and their families, increasing resource sharing activities between the Depart-

ment and the Department of Veterans Affairs or other federal agencies and private organizations, improving resource management and reducing barriers to ensure medical readiness. The committee urges the Department to provide adequate resources to ensure that the development and implementation of these information management systems moves forward in a timely manner.

TRICARE Access Standards for Appointments

The committee is aware of the many advantages available to beneficiaries under TRICARE Prime, including the access standards for the wait time for appointments. The committee is concerned that these standards may not be uniformly met by all managed care support contractors and military treatment facilities, thereby impacting their ability to adequately address the health care needs of TRICARE Prime enrollees. The Department needs to ensure that beneficiaries calling for appointments receive them within the required access standards.

The committee recommends that the Secretary of Defense review and improve current processes to ensure that military treatment facilities inform the managed care support contractors of available appointments.

Waiver of TRICARE Senior Pharmacy Deductible for Beneficiaries in Nursing Homes

The committee is concerned that TRICARE beneficiaries who are patients in nursing homes are currently subject to the annual deductible for using out-of-network pharmacy services. Because TRICARE considers the pharmacy services used by nursing homes in most states to be out-of-network pharmacies, the committee believes the Department could resolve this inequity by waiving the annual deductible for patients in nursing homes. This non-network pharmacy deductible policy is aimed at creating an incentive for beneficiaries to use the National Mail Order Pharmacy or network pharmacies. However, the policy unintentionally penalizes beneficiaries in nursing homes. The committee directs the Secretary of Defense to implement such policies and regulations or recommend any legislative changes that may be necessary to waive the deductible for these patients, and report to the Senate Committee on Armed Services and the House Committee on Armed Services by March 31, 2003, on actions taken.

LEGISLATIVE PROVISIONS

SUBTITLE A—HEALTH CARE PROGRAM IMPROVEMENTS

Section 701—Elimination of Requirement for TRICARE Preauthorization of Inpatient Mental Health Care for Medicare-Eligible Beneficiaries

This section would eliminate the redundant TRICARE preauthorization requirement for specific cases in which Medicare has already authorized such care and Medicare is the primary payer. This provision would take effect on October 1, 2004.

Section 702—Expansion of TRICARE Prime Remote for Certain Dependents

This section would extend the TRICARE Prime Remote benefit to active duty family members who are not authorized to accompany the member to the member's permanent duty station. This benefit would apply in cases when the dependent continues to reside at the location of the former duty assignment and that location is more than 50 miles, or approximately 1 hour of driving time, from the nearest military medical treatment facility adequate to provide the needed care; or when there is no reasonable expectation the member will return to the location of the former duty assignment and the dependent moves to a location that is more than 50 miles, or approximately 1 hour of driving time, from the nearest military medical treatment facility adequate to provide the needed care. This provision would take effect on October 1, 2002.

Section 703—Enabling Dependents of Certain Members Who Died While on Active Duty to Enroll in the TRICARE Dental Program

This section would amend section 1076a(k)(2) of title 10, United States Code, to permit the dependents of members who die while serving on active duty tours of more than 30 days to enroll in the TRICARE Dental Program under that section regardless of the dependent's dental plan enrollment status on the date of the member's death. Many dependents outside the continental United States temporarily discontinue participation in the premium sharing dental plan under section 1076 because they receive their dental care in DOD dental facilities. In cases where the member dies while assigned overseas, their dependents' nonparticipation disadvantages their future eligibility. This section would authorize these dependents to participate in the dental plan in the same manner as other dependents of members who die while on active duty.

Section 704—Improvements Regarding the Department of Defense Medicare-Eligible Retiree Health Care Fund

This section would align the normal cost contribution funding for the Department of Defense (DOD) Medicare-eligible retiree health care fund with the military personnel accounts since the payments into the fund are related to post-retirement health benefits associated with military service, this change would treat accrual funding for health benefits for Medicare-eligible beneficiaries in a manner consistent with funding for retirement pension costs under chapter 74 of title 10, United States Code.

This section would mandate participation in the Uniformed Services Retiree Health Care Fund by non-DOD uniformed services. The National Defense Authorization Act of 2002 (Public Law 107–107), made participation in the fund discretionary for the Coast Guard, the commissioned corps of the Public Health Service, and the commissioned corps of the National Oceanic and Atmospheric Administration. The committee views the President's request to require such participation by the secretaries of the federal departments administering non-DOD uniformed services without prejudice and has included such a provision.

Section 705—Certification of Institutional and Non-Institutional Providers Under the TRICARE Program

This section would amend section 1079 of title 10, United States Code, to require the Secretary of Defense to prescribe regulations to allow, to the extent practicable, providers authorized under title XVIII of the Social Security Act, section 1395 et seg. of title 42, United States Code, to be deemed TRICARE providers in addition to their current certification as TRICARE For Life (TFL) providers. This provision would allow the acceptance of Medicare certification as the basis of TRICARE provider authorization. Moreover, this provision reduces administrative requirements associated with the credentialing of Medicare providers so that they may treat TRICARE patients in addition to TFL patients. This provision will take effect on October 1, 2003.

Section 706—Technical Correction Regarding Transitional Health Care

The transitional health care benefit for certain involuntarily separated members made permanent in the National Defense Authorization Act of Fiscal Year 2002 (Public Law 107–107), inadvertently failed to include the dependents of the service members. This technical correction ensures transitional health care benefits for the dependents of the service members entitled to such benefit.

SUBTITLE B—REPORTS

Section 711—Comptroller General Report on TRICARE Claims Processing

This section would require the Comptroller General to evaluate the continuing impediments to a cost-effective, provider and beneficiary friendly system for TRICARE claims processing. The committee has long had an interest in claims processing reform, including a range of reforms directed in the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65). Recently the committee heard testimony from providers and industry that DOD's unique claims processing system features individual claim costs far exceeding those of equivalent civilian systems for processing claims. Moreover, the requirements associated with DOD's claims processing system may discourage some providers from participation in the TRICARE program, thus creating an impediment to beneficiary access. The committee is concerned that these issues were among those that led to the reforms in the National Defense Authorization Act of 2000 (Public Law 106–65). The committee is also concerned that on balance, the additional cost and administrative burdens associated with this unique claims processing system may serve as a hindrance to more efficient beneficiary care and satisfaction, as well as improved provider participation. The study mandated under this section would pay special attention to:

(1) The extent of progress implementing improvements in claims processing particularly the application of best industry practices;

(2) The extent of progress in simplifying claims processing procedures and eliminating or reducing the reliance on and complexity of, the Health Care Service Record;

(3) The suitability of a Medicare-compatible claims processing system with regard to the data requirements necessary to administer TRICARE and related information systems; and

(4) The extent to which the TRICARE claims processing system impedes provider participation and beneficiary access, and provide recommendations for improvements.

The Comptroller General's report of findings and recommendations to the Senate Committee on Armed Services and the House Committee on Armed Services would be required by March 31, 2003.

Section 712—Comptroller General Report on Provision of Care Under the TRICARE Program

This section would require the Comptroller General to evaluate the nature, reasons, and extent of trends in TRICARE network provider turbulence, and the effectiveness of DOD's and TRICARE support managed care contractors' efforts to measure and mitigate such turbulence. The committee has heard testimony that provider network instability exists in certain geographic areas, that such instability may be associated with the administrative requirements, preauthorization procedures and the reimbursement rates of the TRICARE program, that the measurement of past and future trends may be instructive, that DOD's existing authority to adjust reimbursement rates to address provider network adequacy in certain areas is largely unused, and that the administrative requirements of the TRICARE program merits review. The study mandated under this section would pay special attention to:

(1) The adequacy of provider/network stability measurement tools and their current use by DOD and/or managed care support contractors to assess network adequacy/stability;

(2) The relationship of reimbursement rates and TRICARE administration requirements, (including preauthorization requirements) to provider/network turbulence;

(3) The current extent of the problem and likely future trends with and without intervention using existing authority;

(4) DOD's and TRICARE managed care support contractors' use of existing authority to apply higher reimbursement rates in specific geographic areas;

(5) Recommendations for improvements needed in measurement tools or their application; and

(6) Recommendations for specific fiscally prudent measures that could mitigate negative trends or improve provider/network stability.

The Comptroller General's report of findings and recommendations to the Senate Committee on Armed Services and the House Committee on Armed Services would be required by March 31, 2003.

Section 713—Repeal of Report Requirement

This section would repeal the reporting requirement specified in section 712 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398). The committee notes that the reporting requirement has been superceded by the TRICARE For Life program and obviated by decisions by the De-

partment of Defense and the Department of Health and Human Services not to pursue the Medicare subvention demonstration project.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

ITEMS OF SPECIAL INTEREST

Acquisition Program Management

The Department of Defense acquisition programs continue to experience significant cost increases and schedule delays. No military service is exempt from this problem. Examples of major acquisition programs with significant cost increases and schedule delays include:

(1) Army—CH–47 helicopter upgrade and Comanche helicopter.

(2) Navy—Virginia class submarine and LPD–17.

(3) Air Force—Space based infrared system and advanced extremely high frequency communications satellite.

(4) Marine Corps—UH–1/Cobra helicopter upgrades.

(5) Special Operations Command—Advanced seal delivery system.

The continued prevalence and the pervasive nature of unscheduled cost growths and schedule delays lead the committee to conclude that the Department of Defense is not yet practicing the improvements espoused to be included in the new Department of Defense Directive 5000 series and Department of Defense Instruction 5000 series.

Each military service has a program or programs that have exceeded the Nunn-McCurdy limits, which necessitates review by the Secretary of Defense, program re-base-lining, and re-certification to Congress.

It is well recognized that cost growth and time delays are often associated with poor program structure and unsatisfactory program management, often involving both government and contractors. Examples of poor management include:

(1) Contractors submitting low cost estimates—an action inconsistent with best business practices.

(2) The Department failing to sufficiently analyze the scope of work, estimate costs accurately, establish affordable requirements and avoid requirement creep, resulting in increased system development and procurement cost.

(3) Both the Department and contractors establish high performing program management teams, but then disband the teams as other projects reach high profile.

(4) Discontinuity in program management.

(5) Allowing too many programs to progress to SDD/EMD, without sufficient funding available to adequately fund programs in the out years.

The committee believes that the issue is not to re-write Department of Defense Directive 5000 series again, but rather to properly baseline programs, beginning with the mission needs statement and operational requirements specification. Programs must be

based on realistic cost estimates, which are fully funded. Program operational requirements must be complete and remain stable. The joint requirements oversight council (JROC) must guard against requirements creep and ensure compliance with applicable Department of Defense acquisition regulations, including JROC validation and approval.

The committee also believes that in order to manage acquisition properly, DOD must have and use a modern financial control system, as is discussed elsewhere in this report.

Defense Logistics Agency's Best Value Contracting

The committee is aware of concerns over how the Defense Logistics Agency (DLA) is implementing best value contracting in the acquisition of select items. DLA is responsible for acquiring and managing over 13,000 different items that outfit military troops and civilian customers with uniforms, helmets, body armor, chemical protective suite, footwear, tents, and other related items. DLA is one of the Department of Defense's principal buyers of goods and services, yet DLA's buying practices have often come into question. The committee understands the difficult task facing DLA and other defense acquisition organizations in balancing the imperative to ensure the best possible value for the military customer while also providing for the broad participation of qualified private sector suppliers. To better understand how DLA is performing in executing this goal, the committee directs the Comptroller General to conduct a review on whether DLA is properly implementing applicable statutory and regulatory guidance for best value purchases. In particular, the review should examine DLA's use of past performance as an evaluation factor in the selection of suppliers and the impact this practice is having on the imperative to maintain an adequate domestic supplier base for key items of supply. The report shall be provided to the House Armed Services Committee no later than March 1, 2003.

Report on Small Business Concerns Owned and Controlled by Women

The committee directs the Secretary of Defense to report whether the Department of Defense has met its annual goal of awarding procurement contracts to small business concerns owned or controlled by women from fiscal years 1998—2002. To the extent the Department of Defense has not met its goals the Secretary of Defense shall include in the report actions taken to try to meet its goal. This report shall be provided to the House Committee on Armed Services no later than February 15, 2003.

LEGISLATIVE PROVISIONS

Section 801—Plan for Acquisition Management Professional Exchange Pilot Program

This section would require the Secretary of Defense to develop a pilot program for the exchange of personnel between Department of Defense acquisition management community and the private sector. The committee believes such an exchange program would improve knowledge and foster understanding between the two com-

munities with the ultimate benefit of the Department acquiring better quality products and services.

Section 802—Evaluation of Training, Knowledge, and Resources Regarding Negotiation of Intellectual Property Arrangements

This section would require the Secretary of Defense to evaluate the adequacy of training, education and resources within the acquisition community on the negotiation of intellectual property. This section would require the Secretary of Defense to report the results of the evaluation in a report to the Senate Committee on Armed Services and the House Committee on Armed Services. The report shall also include any actions that should be taken to meet the Department's needs, and the number of legal personnel within the Department of Defense (DOD) who are trained in the negotiation of intellectual property arrangements.

The committee is concerned that DOD does not have the resources to adequately negotiate intellectual property rights with the private sector. The committee notes that in 1995 DOD updated the Defense Federal Acquisition Regulations pertaining to rights in technical data and computer software. The updates resulted from the work of a Government-Industry Technical Advisory Committee, established by the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190). The committee is concerned that the flexibility and commercially-friendly intellectual property terms and conditions contained in these regulations are not understood, and are thus underutilized within DOD.

Section 803—Limitation Period for Task and Delivery Order Contracts

This section would amend sections 2304a and 2304b of title 10, United States Code, by proscribing the period of time for which these contracts can be awarded, and by more clearly characterizing advisory and service task order contracts as a type of task and delivery order contract. The committee believes it is appropriate to limit contract duration in order to better promote the use of competition. The committee also believes that all task and delivery order contracts should be treated as congruently as is possible and appropriate.

Section 804—One-Year Extension of Program Applying Simplified Procedure to Certain Commercial items; Report

This section would amend section 4202 of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) by extending for one more year the authority for the Secretary of Defense to use simplified acquisition procedures for the purchase of commercial items not greater then $5.0 million. The section would also require the Secretary of Defense to report to Congress, no later than January 15, 2003, whether authority under the pilot program should be made permanent. The report should also address the benefits and usefulness of this pilot program.

Section 805—Authority to Make Inflation Adjustment to Simplified Acquisition Threshold

This section would provide the Administrator of the Office of Federal Procurement Policy with the authority to adjust the simplified acquisition threshold every five years to account for inflation.

Section 806—Improvement of Personnel Management Policies and Procedures Applicable to the Civilian Acquisition Workforce

This section would require the Secretary of Defense to develop an implementation plan for improving the personnel management policies and procedures for the Department of Defense acquisition workforce based on the demonstration project authorized by section 4308 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106). The section would additionally require the Secretary of Defense to provide a report to Congress by February 15, 2003, containing the implementation plan and any areas within the implementation plan needing legislative relief.

The committee supports the ongoing Department of Defense (DOD) Civilian Acquisition Workforce Personnel Demonstration Project, which is designed to determine the effectiveness of initiatives to increase organizational efficiencies, enhance retention rates and rewards for performance, and increase quality of the workforce and the products it acquires. The committee is concerned with the delay in commencing the demonstration project and believes that the Secretary of Defense must ensure that lessons learned from the first three years of the demonstration project are incorporated into the Department's overall acquisition management, organizational structure, and personnel systems.

Section 807—Modification of Scope of Ball and Roller Bearings Covered for Purposes of Procurement Limitation

This section would amend section 2534 of title 10, United States Code, by expanding the definition of ball and roller bearings to include unconventional or hybrid ball and roller bearings, cam follower bearings, ball screws and other derivatives of ball and roller bearings. This section would not extend the time period for which the procurement limitation is in place.

Section 808—Rapid Acquisition and Deployment Procedures

This section would require the Secretary of Defense to develop rapid procedures for the acquisition and the deployment of items a commander of a unified combatant command urgently requires. The procedures would require the Chairman of the Joint Chiefs of Staff, the Secretary of Defense, the secretary of the military service, as well as the Director, Operational Test & Evaluation to work together in an expedited manner in order to deliver to the commander of a unified combatant command the item urgently needed to react to an enemy or to provide safety.

Section 809—Quick-Reaction Special Projects Acquisition Team

This section would require the Secretary of Defense to establish a special projects acquisition team to examine and address issues

affecting expeditious procurements. The special projects acquisition team shall specifically address industrial base issues, lengthy acquisition procedures due to acquisition regulations, environmental issues, small business concerns, and the purchase of products made in the United States.

Section 810—Report on Development of Anti-Cyberterrorism Technology

This section would require the Secretary of Defense to submit a report to Congress by February 1, 2003, on Department of Defense efforts to enter into contracts with private entities to develop anti-cyberterrorism technology.

Section 811—Contracting with Federal Prison Industries

This section would require the Secretary of Defense to acquire a product or service from Federal Prison Industries in accordance with chapter 137 of title 10, United States Code. This provision would also require the Secretary of Defense to assure that Federal Prison Industries, Inc. does not provide contractor services if an inmate were to have access to certain information.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

ITEM OF SPECIAL INTEREST

Regional Centers for Security Studies

The committee has been concerned that the Department of Defense's regional centers for security studies, and some of its staff, have not accurately represented the views and policies of the United States government with regard to foreign affairs and national security matters. As such, the committee was inclined this year to propose legislative provisions that would seek to redress this problem. However, the committee is reassured by recent reports that senior officials in the Department of Defense are reviewing how the regional centers are organized, managed, and staffed, as well as studying a number of ways to ensure coherence with regard to policy matters and positions. As a result, the committee has withheld action this year regarding this matter, but looks forward to receiving the results of the Department's assessment, and its plans, if any, for subsequent action.

LEGISLATIVE PROVISIONS

Section 901—Change in Title of Secretary of the Navy to the Secretary of the Navy and Marine Corps

This section would redesignate the title of the Secretary of the Navy to the Secretary of the Navy and Marine Corps.

Section 902—Report on Implementation of United States Northern Command

This section would require the Secretary of Defense to submit to the Committees on Armed Services of the Senate and House of

Representatives a report by September 1, 2002, containing an implementation plan for the United States Northern Command that addresses organizational, legal, diplomatic, budgetary, and personnel matters associated with the establishment of the command.

Section 903—National Defense Mission of Coast Guard to be Included in Future Quadrennial Defense Reviews

This section would amend section 118(d) of title 10, United States Code, to require the Secretary of Defense to include the national defense mission of the U.S. Coast Guard when conducting the Quadrennial Defense Review. The committee recognizes that the U.S. Coast Guard currently performs a range of national security missions, and anticipates that in the future the U.S. Coast Guard will increasingly be integrated with the other military services in the conduct of deployments and joint operations. Accordingly, the committee believes the Secretary of Defense should assess and include the capabilities of the U.S. Coast Guard as part of the Quadrennial Defense Review process.

Section 904—Change in Year for Submission of Quadrennial Defense Review

This section would amend section 118(a) of title 10, United States Code, to move the submission of the Quadrennial Defense Review (QDR) to the second year after a year divisible by four.

The committee notes the importance of the QDR to the Department's planning guidance and other important decisions. While the committee believes the QDR allows a new Administration the opportunity to lay out a blueprint for its future defense plan and activities, it also recognizes that the complexity of preparing the QDR can be compounded by the lengthy confirmation process for Presidential appointees. The committee feels that moving the submission of the QDR back a year will give senior civilian Department of Defense leadership more time to conduct the type of critical review of all aspects of the Department's operations envisioned by the statute.

Section 905—Report on Effect of Operations Other Than War on Combat Readiness of the Armed Forces

This section would require a report on the impact of operations other than war on the combat readiness of the United States Armed Forces. These operations include humanitarian operations, counter-drug operations, peace operations (including peace monitoring activities and observer missions), and nation assistance, which is defined as the assistance provided to a host nation to promote stability, develop sustainability, and establish institutions responsive to the needs of the people. In order to better account for, understand, and highlight the impact of these operations on the Department of Defense, and to assist Congress in assessing these costs and benefits relative to the nation's foreign policy and national security interests, the committee directs the Secretary of Defense to prepare and submit to the Committees on Armed Services of the Senate and House a detailed report on the pecuniary and non-pecuniary costs and benefits of these operations.

Section 906—Conforming Amendment to Reflect Disestablishment of Department of Defense Consequence Management Program Integration Office

This section would amend section 12310(c) of title 10, United States Code, to conform to an internal Department of Defense reorganization involving the Consequence Management Program Integration Office.

TITLE X—GENERAL PROVISIONS

ITEMS OF SPECIAL INTEREST

CHARTERING OF SPECIAL PURPOSE VESSELS

Each year the Department of the Navy charters a number of special purpose vessels in order to meet both its ongoing and emergency requirements. These vessels generally include salvage ships, oceanographic survey and research vessels, cable laying ships, and other vessels not traditionally used in special purpose roles. The committee notes that despite the Navy's desire to increase competition for these charters, there have been several instances where only one contractor submitted bids for these charters. In some cases, the method of procurement or the type of contract proposed for the charter may have served to inadvertently eliminate a class of vessels that are capable of performing these functions but are not technically classified or cataloged as being able to perform the mission.

In view of this and the committee's desire to increase competition in these programs, the committee directs the Secretary of the Navy to prepare a report that will address the following matters:

(1) Identification of barriers, including legal, regulatory, administrative, or acquisition procedures, that may exist with respect to the use of U.S.-flag vessels or that otherwise may decrease competition;

(2) A market survey which identifies vessels capable of performing the required activities;

(3) The need for increased use of innovative contracting methods, including greater use of performance based contracts;

(4) Identification of methods for increasing the use of U.S.-flag vessels in such special purpose activities;

(5) Any proposals for legislation or administrative steps that the Secretary considers necessary to increase competition and use of U.S.-flag vessels.

The report shall be submitted to the Senate Committee on Armed Services and to the House Committee on Armed Services not later than February 1, 2003.

COUNTER-DRUG ACTIVITIES

Overview

The budget request for counter-drug activities maintained a steady-state level of effort as compared with prior years. The committee continues to support a robust counter-drug program and is cognizant of the linkages between terrorist organizations and the international narcotics trade. In that regard, the committee is con-

cerned with the lack of targeting of opium storage facilities in Afghanistan that were identified early in the conduct of Operation Enduring Freedom. The committee understands that U.S. Central Command deemed that opium in any form did not constitute a credible military target. However, as well established, the ruling Taliban maintained close ties to the narcotics trade in Afghanistan and used illicit narcotics trafficking profits to bolster their regime. Accordingly, the committee believes the Department of Defense should review and revise its policy in this regard to ensure that such targets are properly prosecuted in Afghanistan and any future conflicts.

The committee is also aware that the U.S. Southern Command Forward Operating Locations (FOLs) in El Salvador, Ecuador, and Curacao are all nearing full operational capability. The committee remains fully supportive of this important effort but is concerned that recent statements by senior Ecuadorian officials may restrict the use of the airfield at Manta, Ecuador. The committee believes that U.S. aircraft based at Manta should be available to conduct search and rescue and humanitarian relief operations. Accordingly, the committee urges the Administration to engage the government of Ecuador to seek approval for use of the Manta FOL for these specific purposes.

The budget request contained $848.9 million for drug interdiction and counter-drug activities, in addition to $149.8 million for operational tempo which is included within the operating budgets of the military services.

The committee recommends an authorization for fiscal year 2003 Department of Defense counter-drug activities as follows:

[In thousands of dollars]

FY03 Drug Interdiction & Counter-Drug Request	$848,900
Educate America's Youth	27,100
Increase Safety of Citizens	81,800
Reduce Health & Social Costs	82,500
Shield America's Frontiers	335,700
Break Drug Sources of Supply	321,800
Recommended Decreases:	
DEA Support	1,300
Riverine Training Deployments	1,000
Tethered Aerostat Radar System	5,000
Transit Zone Maritime Patrol Aircraft	3,000
Recommended Increases:	
Mexico Information Analysis Center	1,500
National Guard C–26 Aircraft	2,100
Southwest Border Fence	6,700
Recommendation	$848,900

Items of Special Interest

DEA support

The budget request contained $6.2 million for Department of Defense support to federal law enforcement, namely the Drug Enforcement Agency (DEA) for data processing and analysis. While the committee fully supports the underlying merit of the classified program, the committee strongly believes the Drug Enforcement Agency (DEA) must assume responsibility for adequately funding the program requirements. Accordingly, the committee recommends a decrease of $1.3 million for this activity.

Mexico information analysis center

The budget request contained $790,000 for the Mexico Information Analysis Center (IAC). The committee is aware that the IAC provides tactically actionable intelligence in support of U.S. and Mexican counter-narcotics efforts and has contributed to significant gains in this area. Accordingly, the committee recommends an increase of $1.5 million for this successful program.

National Guard C–26 aircraft

The budget request did not contain funds to complete the upgrade of counter-narcotics National Guard C–26 aircraft with Electro-Optical (EO) digital cameras. The committee is aware that of the current fleet of 11 aircraft, only 10 C–26s are outfitted with an EO camera. The committee understands the requirement for the National Guard is to complete the standardization and additionally procure two EO camera spares. The committee supports this program and recommends $2.1 million for this purpose.

Riverine training deployments

The budget request contained $4.1 million for worldwide riverine deployments. The committee supports this activity but is aware that deployments of this nature are frequently postponed or delayed. Accordingly, the committee recommends a decrease of $1.0 million for this program.

Southwest border fence

The Southwest border continues to be a heavily utilized drug trafficking corridor into the United States. The committee has been supportive of fence and road-building activities in this area and continues to support this effort. Accordingly, the committee recommends an increase of $6.7 million for this purpose.

Tethered aerostat radar system

The budget request contained $40.7 million for the Tethered Aerostat Radar System (TARS) which includes $13.3 million for procurement of equipment as compared to $3.4 million in fiscal year 2002. The committee is concerned with the relative size of this increase and, therefore, recommends a decrease of $5.0 million in the TARS program.

Transit zone maritime patrol aircraft

The budget request contained $9.0 million for Transit Zone Maritime Patrol Aircraft, a new contractor lease program to assist in maritime surveillance. The committee understands the basis for this initiative but is concerned that the total budget request is not fully executable in fiscal year 2003. Accordingly, the committee recommends a decrease of $3.0 million for this program.

PRINCIPLES OF FEDERAL APPROPRIATION

The General Accounting Office wrote a comprehensive text on the body of law governing federal appropriations, "Principles of Federal Appropriations Law," in 1982, with a second version published in 1991. This committee considers this text to be a useful resource in deciphering federal appropriations law. As material in

this publication is subject to change by statute or through decision-making process, the committee requests that the General Accounting Office update this text.

SECURITY REQUIREMENTS FOR CONTRACTOR EMPLOYEES

The committee is concerned with the level of access contractor employees have to military facilities and installations within the United States. In today's environment it is appropriate for any and all security risks to be examined, and to the extent necessary precautions taken. The committee, therefore, directs the Secretary of Defense to evaluate the security risk that may be associated with contractor employee's access to military facilities and installations, and to report to the House Committee on Armed Services and the Senate Committee on Armed Services, no later than February 1, 2003, the results of the evaluation. The evaluation shall include: A determination whether the Department of Defense should require contractors to conduct background investigations on contractor employees; if background checks are appropriate, to describe the type of background checks that should be implemented and the cost of these background checks.

STRATEGIC FORCE STRUCTURE PLAN

The most recent Nuclear Posture Review (NPR), submitted to Congress by the Department of Defense on January 8, 2002, is a broad policy document. Despite setting levels for active forward deployed strategic weapons of 3800 in fiscal year 2007 and 1700–2200 in fiscal year 2012, it contains no comprehensive description of the baseline force structure required to execute the national defense strategy that supports those levels. A force structure plan, including the number of warheads by type in both active (deployed, "responsive" and spares) and inactive status, the number and type of each associated weapons system, and the number and type of each associated delivery platform, is the point of departure for making intelligent decisions regarding weapons complex infrastructure recapitalization, as well as investments in stockpile life extension programs. Such a plan would also provide a framework for Department of Defense investments in weapons systems and delivery vehicles.

Accordingly, Section 1014 requires the Secretaries of Defense and Energy to jointly prepare a baseline nuclear force structure plan for the period covered by the NPR, and a budget plan to support that force structure. It requires, in addition, submission of a report on the force structure and supporting budget plans to the congressional defense committees by January 1, 2003.

The committee recognizes and endorses the Administration's efforts to reach an agreement with the Russian Federation on future strategic force levels. The committee does not intend, in this regard, to hinder or limit the President's options in carrying out the foreign policy of the United States. Consequently, the committee has allowed an extension of the due date of the report to Congress should the President determine that deferment is in the national security interests of the United States.

U.S. STRATEGIC DETERRENT

The committee believes that a flexible, reliable, and robust nuclear deterrent is critical to the national security of the United States. Capable and credible strategic forces are essential to deterring enemies and potential adversaries, defending our friends and allies, promoting global stability, and ensuring that the United States can protect and advance its interests abroad.

Given these vitally important goals and interests, juxtaposed against a strategic environment that is as uncertain, dangerous, and complex as ever in history, the committee has outlined in a Sense of Congress provision the purposes and need for the United States to maintain a reliable, flexible and robust strategic deterrent. The key to achieving such a posture is revitalization of the nation's nuclear weapons industry, and the retention and training of skilled nuclear and weapons technicians, scientists, and engineers.

Finally, the committee firmly believes that improvements and changes to the nation's strategic deterrent should be made in accordance with the national defense strategy, the Nuclear Posture Review, and the global strategic environment.

LEGISLATIVE PROVISIONS

SUBTITLE A—FINANCIAL MATTERS

Section 1001—Transfer Authority

This section would provide fiscal year 2003 transfer authority to the Department of Defense for amounts up to $2.0 billion.

Section 1002—Authorization of Supplemental Appropriations for Fiscal Year 2002

This section would authorize amounts enacted in the Emergency Supplemental Act, 2002 (Division B of Public Law 107–117) for the Department of Defense and for the national security activities of the Department of Energy.

This section would also authorize those defense items appropriated pursuant to any fiscal year 2002 emergency supplemental appropriations legislation enacted during the second session of the 107th Congress.

This section would further limit the obligation of emergency supplemental funds to the Department of Defense until the Secretary submits a report to the congressional defense committees detailing the appropriation accounts to which the funds have been transferred and the purpose for which the transferred amounts are to be used.

Section 1003—Uniform Standards Throughout Department of Defense for Exposure of Personnel to Pecuniary Liability for Loss of Government Property

This section would extend the authority for imposition of pecuniary liability for government property that is lost, damaged or destroyed to military members of the Navy and Marine Corps, and to all civilian employees of the Department of Defense. Currently, only military members and civilian employees of the Departments

of the Army and the Air Force are subject to this liability. This section would also extend the authority to deduct the amount of the pecuniary liability from the pay of a member of the Navy and Marine Corps. Currently, the authority to deduct the liability applies only to members of the Army and Air Force.

Section 1004—Accountable Officials In the Department of Defense

This section would establish pecuniary liability for those Department of Defense officials who submit illegal, improper, or incorrect data or information to an official who could rely on that data to make payment on a voucher. This provision provides the Department the ability to enforce responsibilities assigned to personnel in the management of purchase cards, as well as other areas where personnel are required to review and submit data that the Department will rely on to make payments.

Section 1005—Improvements in Purchase Card Management

This section would amend section 2784 of title 10, United States Code, by enhancing the Secretary of Defense's responsibilities for management and oversight of the Department of Defense's purchase card program. Recent reports, including the Department of Defense's March 2002 Inspector General Report demonstrate that additional managerial steps are needed to prevent negligence, misuse, or abuse of the purchase card. This section would add those safeguards necessary to improve internal controls over this program.

Section 1006—Authority to Transfer Funds Within a Major Acquisition Program from Procurement to RDT&E

This section would amend Chapter 131 of title 10, United States Code, to provide the Secretary of Defense limited authority to transfer funds from Procurement to Research, Development, Test, and Evaluation (RDT&E), for the same acquisition program when that program's development effort cannot transition to procurement as planned.

This transfer authority is limited to a total of $250.0 million for any fiscal year and $20.0 million per acquisition program per fiscal year. This authority also specifically prohibits the use of transferred amounts for new starts.

Section 1007—Development and Procurement of Financial and Nonfinancial Management Systems

This section would require: (1) the Secretary of Defense to submit a report to the congressional defense committees providing the goals and objectives of the department's financial management modernization plan; and (2) the approval of the Under Secretary of Defense, Comptroller, prior to the expenditure of funds by any department or agency within the Department of Defense for new or upgraded financial management and non-financial feeder systems.

On July 19, 2001, the Secretary of Defense established the Financial Management Modernization Program and directed the program management office to "develop a DOD-wide blueprint—an Enterprise Architecture—that prescribes how the Department's fi-

nancial and non-financial feeder systems and business processes will interact." The National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) authorized $100.0 million for the Financial Management Modernization Program in PE 65016D8Z. The fiscal year 2003 budget request was $96.3 million.

The committee believes that this program is one of the most important developmental programs within the Department. The committee also believes that the major impediment to implementing a viable financial management program within the Department will be overcoming the cultural and bureaucratic resistance to change.

Consequently the committee believes that strict control over expenditures for new and upgraded financial and non-financial feeder systems is required and that until the architecture is established for the new system that no agency or department within DOD should be permitted to commit funds for new, upgraded or interim financial management systems without the explicit approval of the Comptroller. In addition, implementation of the objective system under prescribed milestones must be mandatory.

This can only be accomplished if the responsible agency, the Department's comptroller, is given total authority for all funds authorized for obligation for financial management and feeder systems within the Department.

SUBTITLE B—REPORTS

Section 1011—After-Action Reports on the Conduct of Military Operations Conducted as Part of Operation Enduring Freedom

This section would require the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, the Commander-in-Chief of United States Central Command, and the Director of Central Intelligence, to submit to the Senate Committee on Armed Services, the House Committee on Armed Services, the Senate Select Committee on Intelligence, and the House Permanent Select Committee on Intelligence two reports on the conduct of military operations conducted as part of Operation Enduring Freedom. The first report, an interim report, would be required not later than June 15, 2003, and the final report not later than 180 days after the cessation of hostilities associated with Operation Enduring Freedom.

The committee is aware that the campaign in Afghanistan demonstrated new war fighting doctrine and concepts and believes an appropriate record must be established as soon as possible to assist in the conduct of future military operations. Therefore, the committee supports a requirement for the Secretary of Defense to produce two reports to address the accomplishments and shortcomings of the overall military operation, including personnel, readiness, basing, air and sea lift, joint operations, and equipment matters. The committee notes that after-action reports of Operation Desert Storm and Operation Allied Force can serve as a guide for the Department in this regard. The committee is particularly concerned with the factors that promoted or inhibited the timely insertion of Special Operations Forces (SOF) personnel and assets into the theater of operations, their operational utility and effectiveness once in Afghanistan, and the scope and adequacy of logistical and

operational support provided to both SOF and Central Intelligence Agency personnel.

Section 1012—Report on Biological Weapons Defense and Counter-Proliferation

This section would require a report on the Department's biological weapons defense, nonproliferation, and counter-proliferation programs. Given the anthrax letter attacks of 2001, efforts by the al Qaeda terrorist organization to acquire dangerous pathogens, and continuing reports by the intelligence community that several rogue states and other countries have active biological warfare programs, the committee is concerned about the United States' ability to halt, defend against, and counter these present and emerging threats.

As a result, the committee directs the Secretary of Defense to provide a report to the Senate Committee on Armed Services and the House Committee on Armed Services on the Department's programs and initiatives to defend against and counter the development, production, and proliferation of biological weapons agents, technology, and expertise to terrorist groups and other states. The purpose of this report is to inform Congress of the legal (including U.S. and international law), policy, resource, and other impediments to the Department's biological warfare defense, nonproliferation, and counter-proliferation initiatives, activities, and programs.

Section 1013—Requirement That Department of Defense Reports to Congress Be Accompanied by Electronic Version

This section would amend section 480(a) of title 10, United States Code, to require the Department of Defense to submit to Congress electronic versions of all unclassified required reports, to include certifications, notifications, or other written communications.

The committee is concerned that the Department of Defense failed to comply with section 1042 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) which required the Department of Defense to provide electronic reports only upon request from Congress. Accordingly, the committee reaffirms its view that this requirement is consistent with the Department's intention to make greater use of electronic media and will facilitate broader dissemination of, and wider access to, official DOD information.

Section 1014—Strategic Force Structure Plan for Nuclear Weapons and Delivery Systems

This section would require the Secretaries of Defense and Energy to jointly prepare a baseline nuclear force structure plan for the period covered by, and consistent with, the Nuclear Posture Review submitted to Congress on January 8, 2002. The plan would include the warheads, weapon systems, and delivery vehicles required to execute the national defense strategy, as well as the infrastructure, modernization and life extension plans, and other elements of the defense program of the United States necessary to sustain that force structure. The section would also require a budget plan to support that force structure. The section would require submission

of a report on the force structure and supporting budget plan to the congressional defense committees by January 1, 2003, but would permit the President to defer submission of the report to a date certain should the President determine that it is in the national security interest of the United States to submit the report on a later date.

Section 1015—Report on Establishment of a Joint National Training Complex and Joint Opposing Forces

This section would require the Secretary of Defense to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services not later than six months after the date of enactment that outlines a plan to develop and operate a joint national training complex capable of supporting field exercises and experimentation at the operational level of war across a broad spectrum of adversary capabilities.

The committee notes that the Department of Defense currently lacks the infrastructure to support joint high-fidelity field exercises and experiments and is aware that the National Defense Panel recommended in 1997 that the Department establish a Joint National Training Complex to fully support joint transformation initiatives. Accordingly, the committee believes that the Department must assess the benefits of establishing a Joint National Training Complex in order to enhance future joint warfighting.

Section 1016—Repeal of Various Reports Required of the Department of Defense

This section would repeal a number of reporting requirements contained in title 10, United States Code, and annual National Defense Authorization Acts.

Section 1017—Report on the Role of the Department of Defense in Supporting Homeland Security

This section would require the Secretary of Defense to submit to the congressional defense committees a report by December 31, 2002, on Department of Defense responsibilities, missions, and plans for military support of homeland security, with particular focus on defense against biological agents.

Section 1018—Study of Short-term and Long-term Effects of Nuclear Earth Penetrator Weapon

This section would direct the Secretary of Defense to request a report by the National Academy of Sciences (NAS), which will be submitted to the Congress with the Secretary's comments as appropriate, on the short- and long-term effects on a civilian population and/or U.S. military personnel in the proximity of the target area, as a result of:

(1) The use of an earth-penetrating nuclear weapon, to include the effects on the target area itself;

(2) The use of an above-ground nuclear detonation to destroy hard or deeply-buried targets in the target area;

(3) The use of an advanced conventional weapon to destroy an adversary's weapons of mass destruction storage or production facilities in the target area.

Section 1019—Study of Short-term and Long-term Effects of Nuclear-tipped Ballistic Missile Interceptor

This section would direct the Secretary of Defense to request a report by the National Academy of Sciences (NAS), which will be submitted to the Congress with the Secretary's comments as appropriate, on the short- and long-term effects of:

(1) The use of a nuclear-tipped ballistic missile interceptor in the outer atmosphere on the civilian population and U.S. military personnel in proximity to the target area;

(2) A nuclear weapon detonated above a major U.S. city on the population of that city and on the nation as a whole.

SUBTITLE C—OTHER MATTERS

Section 1021—Sense of Congress on Maintenance of a Reliable, Flexible, and Robust Strategic Deterrent

This section would express the Sense of Congress regarding the purposes and need for the United States to maintain a reliable, flexible and robust strategic deterrent in accordance with the national defense strategy, the Nuclear Posture Review, and the global strategic environment.

Section 1022—Time for Transmittal of Annual Defense Authorization Legislative Proposal

This section would require the Secretary of Defense to transmit to Congress the annual defense authorization request for a fiscal year within 30 days of the date the President transmits to Congress the budget for that fiscal year. In this section "defense authorization request" is defined as a legislative proposal submitted to Congress for enactment and includes the authorization of appropriations for that fiscal year as required by section 114 of title 10, United States Code, personnel strengths for that fiscal year as required by section 115 of title 10, United States Code, and any other matter that is proposed by the Secretary of Defense for enactment as part of the annual defense authorization bill for that fiscal year.

Section 1023—Technical and Clerical Amendments

This section would make a number of technical and clerical amendments to existing law of a non-substantive basis.

Section 1024—War Risk Insurance for Vessels in Support of NATO-Approved Operations

This section would authorize the Secretary of Transportation to provide war risk insurance to a commercial vessel that is supporting a shared logistics military operation approved by the North Atlantic Council. This section would also authorize the Secretary of Transportation, with the concurrence of the Secretary of State, to seek from another nation a commitment to indemnify the United

States for any amounts paid by the United States for claims against such insurance.

Section 1025—Conveyance, Navy Drydock, Portland, Oregon

This section would authorize the Secretary of the Navy to sell Navy Drydock No. YFD–69, located in Portland, Oregon, to Portland Shipyard, LLC at an amount equal to the fair market value at the time of the conveyance, as determined by the Secretary.

Section 1026—Additional Weapons of Mass Destruction Civil Support Teams

This section would express the sense of the Congress that the Secretary of Defense should establish 23 additional Weapons of Mass Destruction Civil Support Teams, raising the total to 55, and provide at least one team be established in each state and territory.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

LEGISLATIVE PROVISIONS

Section 1101—Eligibility of Department of Defense Nonappropriated Fund Employees For Long-Term Care Insurance

This section would amend sections 9001 and 9002 of title 5, United States Code, to permit nonappropriated fund employees of the Department of Defense to participate in the employee-funded Federal Long Term Care Insurance program.

Section 1102—Extension of Department of Defense Authority to Make Lump-Sum Severance Payments

This section would amend section 5595 of title 5, United States Code, to extend the lump-sum severance payment authority to employees of the Department of Defense who are involuntarily separated from September 30, 2003, to September 30, 2006. This section would also direct that the President report to Congress within twelve months whether this new authority should be made permanent or extended to other federal agencies.

Section 1103—Common Occupational and Health Standards for Differential Payments as a Consequence of Exposure To Asbestos

This section would amend sections 5343 and 5545 of title 5, United States Code, to establish a common standard for payment of hazardous duty differential pay for reason of exposure to asbestos for prevailing rate and general schedule federal employees.

Section 1104—Continuation of Federal Employee Health Benefits Program Eligibility

This section would amend section 8905a of title 5, United States Code, to extend eligibility for health benefits to Federal employees separated before October 1, 2006, or February 1, 2007, if specific notice of separation is given to the employee before October 1, 2006.

Section 1105—Triennial Full-Scale Federal Wage System Wage Surveys

This section would amend section 5343 of title 5, United States Code, to change the full-scale federal wage system wage survey cycle conducted by the Office of Personnel Management from two to three years.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

LEGISLATIVE PROVISIONS

Section 1201—Support of United Nations-Sponsored Efforts to Inspect and Monitor Iraqi Weapons Activities

This section would extend the authority under section 1505 of the Weapons of Mass Destruction Control Act of 1992, section 5859a of title 22, United States Code, for the Department of Defense to expend up to $15.0 million in fiscal year 2003 in support of the United Nations efforts to account for Iraqi weapons of mass destruction items, facilities, and capabilities.

Section 1202—Strengthening the Defense of Taiwan

This section would strengthen the self-defense capability of Taiwan and promote regional stability. The Taiwan Relations Act of 1979 (Public Law 96–8) states that "the United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability." This law further stipulates that the President and Congress shall determine the nature and quantity of such defense articles and services based solely upon their judgment of the needs of Taiwan. While the committee is generally satisfied with the Administration's actual and proposed sales of defense articles to Taiwan, China's missile buildup and arms acquisitions have heightened concern about Taiwan's ability to defend itself. The committee is concerned that if the balance of power in the Taiwan Strait continues to shift in China's favor, China may be tempted to seize Taiwan by force.

The United States has stated, through policy and law, that it desires a peaceful resolution to the differences between China and Taiwan. In 2000, the Department released a report that stated, "As long as Taiwan has a capable defense, the environment will be more conducive to peaceful dialogue, and thus the whole region will be more stable."

Given these reports and assessments, the committee believes that Taiwan's self-defense capability could be enhanced, and regional stability promoted, through the conduct of operational training and exchanges of senior officers between the armed forces of the United States and the armed forces of Taiwan. This training would cover a broad range of military matters, to include improving civil-military relations. The committee believes that weapons sales alone do not guarantee capability. Rather, these systems are only as effective as the military personnel trained to operate, integrate, and employ them.

The committee is confident that the preparation and implementation of a comprehensive training plan by the Department, for the conduct of training between the armed forces of the United States and the armed forces of Taiwan, will help Taiwan maintain a sufficient self-defense capability, deter aggression, promote dialogue, and enhance regional stability.

This section would also require that the Secretary of Defense submit the joint training and exchange plan, at least 30 days before implementation, to the Congress, specifically the Committees on Armed Services of the House of Representatives and the Senate, the Committee on International Relations in the House of Representatives, and the Committee on Foreign Relations in the Senate.

Section 1203—Administrative Services and Support for Foreign Liaison Officers

This section would amend Title 10, United States Code, by making clear that the Secretary of Defense and the secretaries of the military departments may pay for, or provide without cost, administrative services and support to foreign liaison officers performing duties at military facilities in the United States. Through the Department of Defense Foreign Liaison Officer Program, military representatives of foreign governments are temporarily assigned to components or commands of U.S. armed forces. The administrative services and support that could be provided under this section include base or installation operation support services, office space, utilities, copying services, fire and police protection, and computer support. This section would not authorize the Secretary to provide pay and allowances and other similar benefits for foreign liaison officers. The U.S. government would also not cover, among other things, the following costs associated with foreign liaison officers stationed in the United States: pay and allowances; travel by the officers and their dependents; movement of the household effects of the officers or their dependents; preparation and shipment of the remains and funeral expenses associated with the death of an officer or the officer's dependents; formal and informal training of the officers; and expenses in connection with the return of an officer whose assignment has been terminated or expired, along with his dependents.

This provision was requested by the Department of Defense. However, given the committee's concern that this authority could evolve over time to cover costs and activities that would be unauthorized under this provision (as outlined above), a report shall be required before this authority is either reauthorized or expires on September 30, 2005.

Section 1204—Additional Countries Covered by Loan Guarantee Program

This section would amend section 2540(b) of title 10, United States Code, to expand the list of countries eligible under the Defense Export Loan Guarantee Program to include countries that are determined by the Secretary of Defense, in consultation with the Secretary of State, to be important to the United States' efforts

to combat drug trafficking organizations or foreign terrorist organizations.

The committee continues to believe that the Defense Export Loan Guarantee Program can serve as an alternative to U.S. foreign assistance programs, and can support legitimate foreign defense equipment requirements. However, the committee is concerned that many nations, such as Colombia, that are combating drug trafficking organizations or foreign terrorist organizations do not currently qualify for the Defense Export Loan Guarantee Program. Therefore, the committee believes that it is in the interest of the United States to expand the list of nations eligible to participate in the program.

Section 1205—Limitation on Funding for Joint Data Exchange Center in Moscow

This section would prohibit the obligation or expenditure of more than 50 percent of fiscal year 2003 funds for activities associated with the Joint Data Exchange Center in Moscow, Russia, until 30 days after the Secretary of Defense submits to the Senate Committee on Armed Services, the House Committee on Armed Services, the Senate Committee on Foreign Relations, and the House Committee on International Relations the agreement required by section 1231 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) and an agreement exempting the United States from Russian taxes and liability.

The committee remains concerned by Russia's apparent unwillingness to move forward with this project by agreeing to the same kinds of tax and liability exemptions that apply to other U.S.-Russia cooperative programs. The committee urges the Department of Defense to reach agreement with Russia on such exemptions, or risk continued congressional support for this endeavor.

Section 1206—Limitation on Number of Military Personnel in Colombia

This section would restrict funds available to the Department of Defense to support or maintain more than 500 U.S. military personnel in Colombia at any time. The amendment would provide exemptions from the limitation for military personnel assigned to the U.S. Embassy in Colombia as an attaché, part of the security assistance office or the Marine Corps security contingent, participating in natural disaster relief efforts, involved in non-operational transit through Colombia, engaged in rescuing or retrieving U.S. military or governmental personnel, or participating in a ship port call. The provision would also provide the Secretary of Defense the authority to waive the military personnel limitation should the Secretary determine that such a waiver is in the national security interests of the United States.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

OVERVIEW

The budget request contained $416.7 million for cooperative threat reduction (CTR) activities, representing a 3.4 percent increase from the $403 million appropriated for fiscal year 2002. The request included $239.9 million to dismantle former Soviet Union (FSU) weapons of mass destruction (WMD) and associated infrastructure; $94.4 million to consolidate and secure FSU WMD and related technology and materials; $8.8 million to increase transparency and encourage higher standards of conduct; $58.9 million to support defense and military cooperation with the objective of preventing proliferation; and $14.7 million for other program support, including administrative and management costs. Finally, from these program categories, $55.0 million would go toward preventing the proliferation of biological weapons.

The committee recommends the budget request with modifications.

The committee has traditionally supported the overriding goal of the CTR program: to reduce the threat to the United States posed by the former Soviet Union's residual weapons of mass destruction and their delivery systems. Nevertheless, in recent years the committee has raised numerous concerns, including: the expansion in the program's scope; the Department's willingness—especially in the absence of prior congressional consultation—to absorb project costs that Russia, in particular, has not funded; the difficulty in determining whether assistance provided is accomplishing intended objectives; the lack of appropriate access and transparency agreements; the challenge of ensuring that assistance provided is not directly or indirectly facilitating the process of arms modernization; possible duplication and redundancies in similar projects executed by multiple federal agencies; fraud, waste, and mismanagement in the program; and whether CTR activities are more appropriately funded outside the Department of Defense.

This year, the committee faces a much more daunting problem. Current law stipulates that United States assistance for CTR projects may not be provided to any independent state of the former Soviet Union for any year unless the President certifies to Congress for that year that the proposed recipient state is committed to a number of conditions that are in the national interest of the United States. The President currently has no authority to waive this certification or any of these conditions.

These conditions and certification were mandated given the amount of financial assistance being provided to these countries, and the obvious need for reciprocal financial and political commitment by recipient countries to the goals and objectives of these threat reduction programs. Granting the President unlimited waiver authority for the annual certification, or any of the conditions that compose it, would most certainly weaken the President's ability to insist that recipient countries fully support, participate in, and share the fundamental goals of the Cooperative Threat Reduction Act (Public Law 103–160). However, completely suspending

these programs would itself be contrary to U.S. interests in ensuring the nonproliferation of weapons of mass destruction.

The Administration informed Congress in early 2002 that the President cannot certify that Russia is committed to complying with relevant arms control agreements, specifically the Biological and Toxin Weapons Convention (BWC) and the Chemical Weapons Convention (CWC). The purposes of these conventions are to prevent the use of these types of weapons of mass destruction by prohibiting any research, development, production, or stockpiling of these weapons.

The purpose of the United States CTR programs with the states of the former Soviet Union is to similarly prevent the use of weapons of mass destruction, or their acquisition or theft by third parties, by assisting these countries in reducing their excess stockpiles, production facilities, materials, and delivery systems, among other things. By doing so, presumably the risk of proliferation, theft, and illicit or accidental use—prevention of which are in the national security interests of the United States and its allies—would also be reduced.

If Russia is not committed, let alone not complying with, its obligations under the BWC and CWC, then its illicit activities undermine the purpose and goals of the CTR program. Moreover, noncompliance with its arms control agreements calls into question Russia's fundamental commitment to nonproliferation and demilitarization, its credibility and trustworthiness as a treaty partner, and its strategic intentions and plans toward the United States and other nations.

Given that the President has been forthright about Russia's questionable activities, and has put Moscow on notice regarding its commitment to comply with all relevant arms control agreements, the committee is granting the President limited waiver authority in Section 1308 so as to allow the CTR program in Russia to continue. This waiver authority, however, is limited in both duration and scope, and includes appropriate reporting requirements to ensure that Congress is properly apprised of the nature and extent of this ongoing matter, and why it is important to the United States national security to exercise this waiver authority.

Additionally, the President is required to develop a plan or policy to promote Russian compliance with its relevant arms control agreements. Needless to say, failure by Russia to take immediate action to demonstrate its commitment to the BWC and CWC risks further restrictions on CTR assistance to Russia.

The committee continues to believe that the focus of the CTR program should be the elimination of those weapons that pose the most serious and direct threat to U.S. security—first and foremost, strategic nuclear weapons and associated infrastructure. As such, the committee does not fully support the Administration's budget request for chemical weapons destruction in Russia, particularly when that country is failing to meet its obligations under the CWC.

The committee also notes that the CTR program was originally envisioned as a short-term emergency effort to reduce the threat posed to the United States by the thousands of nuclear weapons and their delivery vehicles left behind after the demise of the Soviet Union. However, the original focus of the CTR program has expanded significantly in scope since its inception. Now, there is an

effort to expand the CTR program beyond the FSU. The committee does not believe this is wise given the amount of CTR work still needing to be done in the FSU, and has therefore placed a prohibition on further expansion of the CTR program.

The committee believes that the oversight provided by Congress since the program's inception has served to improve the overall management of the program and to increase its effectiveness. As such, the committee remains troubled that the Department has not complied with the various reporting requirements mandated by law that are designed to enhance congressional visibility and oversight of the CTR program. Accordingly, the committee recommends a provision (sec. 1303) that would prohibit or limit the obligation or expenditure of all fiscal year 2003 CTR funds until the necessary reports are submitted.

The committee expects the Department to consider carefully and fully the concerns the committee has identified with respect to the CTR program as the Department prepares its budget and program request for fiscal year 2004.

ITEMS OF SPECIAL INTEREST

Arms Elimination Projects in Russia

The budget request contained $70.5 million for strategic offensive arms elimination projects in Russia, a 47 percent decrease from the fiscal year 2002 appropriated amount of $133.4 million. The committee recommends the budget request.

Biological Weapons Proliferation Prevention

The budget request contained $55.0 million for biological weapons proliferation prevention activities in the former Soviet Union, a 223 percent increase from the fiscal year 2002 appropriated level of $17.0 million. The committee recommends the budget request.

Although generally supportive of efforts to prevent the proliferation of biological weapons expertise, the committee remains concerned over the lack of transparency with respect to Russia's biological weapons programs, the risk that collaborative research on defensive biotechnology can be applied to offensive weapons purposes, the perpetuation of a knowledge and skills base among Russian scientists that may increase their attractiveness to foreign states seeking to develop biological weapons, the difficulty of verifying that assistance provided is not being diverted to illicit purposes, and the lack of an exit strategy for this activity.

Chemical Weapons Destruction in Russia

The budget request contained $133.6 million for chemical weapons elimination activities in Russia, which represents a 167 percent increase over the fiscal year 2002 appropriated level of $50.0 million. The committee does not fully support this request.

Rather, the committee supports funding this request at $50.0 million, and making the balance of the DOD request—$83.6 million—also available for strategic offensive arms elimination in the former Soviet Union and nuclear weapons transportation and storage security in Russia.

As previously stated, the committee continues to believe that the focus of the CTR program should be the elimination of those weapons that pose the most serious and direct threat to U.S. security: strategic nuclear weapons and associated infrastructure. As such, the committee does not support a budget request that proposes to spend $133.6 million on chemical weapons destruction in Russia, particularly when that country is failing to live up to its obligations under the Chemical Weapons Convention (CWC).

As it stands, Russia has failed to meet any of the time and destruction milestones outlined in the CWC; in fact, Russia is admittedly years behind schedule and shows little sign of making progress in complying with the convention. While Russia may claim economic hardship, and the failure of other countries—particularly the United States—to help fund the destruction activities outlined in the CWC, the committee notes that Russia's obligations under the CWC are Russia's responsibilities—not others'. Moreover, the Russian government could meet its obligations under the CWC by freeing up funds dedicated to the production of SS–27 ballistic missiles, the development of other offensive arms, and the pursuit of military modernization initiatives.

Finally, the committee is troubled by the fact that Russia has yet to meet all of the necessary conditions, particularly the requirement to provide full and accurate information regarding its chemical weapons stockpile, before CTR funds can be expended on the chemical weapons destruction facility (CWDF). Because Russia has failed to meet these conditions, no CTR funds have been expended on the destruction facility to date. Given the totality of facts, the Committee has decided to flat line this year's budget request for chemical weapons destruction rather than endorse a 167% increase in funding for this project. Additionally, continued Russian reluctance to resolve these issues not only undermines congressional support for the CTR program, it also jeopardizes continued funding for the CWDF project in particular.

Defense and Military Contacts

The budget request contained $18.9 million for defense and military contacts with the states of the former Soviet Union, a slight increase over the fiscal year 2002 appropriated level of $18.3 million. The committee recommends the budget request. Last year, the CTR program funded approximately 500 defense and military contacts with the states of the former Soviet Union. This year's budget request would also support 500 events. However, the committee continues to believe that the utility of these activities is difficult to quantify, yet fully expects the Department to do so as it plans, implements and evaluates these activities. As such, the committee has required a detailed report on this program's activities before more than 50% of fiscal year 2003 CTR funds are obligated or expended.

Fissile Material Storage Facility

The budget request did not contain funding for this activity. The committee notes that Russia continues not to seek assistance to build a second wing at the Mayak storage facility and that sufficient funds remain to complete activity on the first wing. Accord-

ingly, the committee supports the Department's action not to seek additional funds for this activity and recommends a provision (section 1305) that would continue to prohibit CTR funds from being used for the design, planning, or construction of a second wing. The committee notes that Russia has consistently refused to agree to transparency measures that would allow the United States to verify that the fissile material stored at the facility in Mayak, Russia, is from dismantled nuclear weapons and reiterates its view that the Department should continue to seek an agreement with Russia on this issue.

Nuclear Weapons Storage Security in Russia

The budget request contained $39.9 million for nuclear weapons storage security in Russia, a 27 percent decrease from the fiscal year 2002 appropriated level of $54.7 million. The committee recommends the budget request, but reiterates the need for the Secretary of Defense to seek an agreement with Russia allowing appropriate U.S. access to nuclear weapons storage sites for which CTR assistance is provided.

Nuclear Weapons Transportation Security

The budget request contained $19.7 million for nuclear weapons transportation security in Russia, a 107 percent increase from the fiscal year 2002 appropriated level of $9.5 million. The committee recommends the budget request. The committee notes that these costs were previously paid by Russia and again urges the Department to seek an agreement that would once again shift the burden of financial responsibility for this activity back to Russia.

Other Assessments and Administrative Support

The budget request contained $14.7 million for other program support, including management and administrative costs, project development, and audits and examinations, an 11 percent increase over the fiscal year 2002 appropriated level of $13.2 million. The committee recommends the budget request.

The committee notes that a portion of these funds has traditionally been applied to new initiatives in the concept development stage. The committee understands that Russia has in the past proposed various initiatives for CTR consideration, including initiatives involving conventional weapons or delivery platforms. The committee believes that the statutory language of section 1303 of the National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398), which prohibits the use of CTR funds for conventional elimination purposes, should be strictly adhered to and that CTR funds should not be expended on concept development studies designed to assess the viability of elimination projects specifically prohibited under the statutory prohibition.

Weapons of Mass Destruction Infrastructure Elimination in Kazakhstan

The budget request contained $9.0 million for weapons of mass destruction infrastructure elimination activities in Kazakhstan, a 50 percent increase over the fiscal year 2002 appropriated level of

$6.0 million. This would include funding for activities related to the prevention of fissile and radioactive material proliferation, and the elimination of facilities used to support the deployment and operation of weapons of mass destruction, including infrastructure at former bomber bases. The committee recommends the budget request.

Weapons of Mass Destruction Infrastructure Elimination in Ukraine

The budget request contained $8.8 million for weapons of mass destruction infrastructure elimination activities in Ukraine, a 47 percent increase over the fiscal year 2002 appropriated level of $6.0 million. This would include funding for activities related to the elimination of facilities used to support the deployment and operation of weapons of mass destruction, including facilities for storage and maintenance of nuclear weapons. The committee recommends the budget request.

Russian Proliferation to Iran

The committee is deeply concerned about continued Russian proliferation to Iran, and the clear threat that this dangerous activity presents to the national security and vital interests of the United States. Needless to say, Russian proliferation to Iran, and to other countries, conflicts with the purpose and goals of the Cooperative Threat Reduction (CTR) program, and could undermine continued congressional support for threat reduction efforts in Russia.

According to the U.S. intelligence community, Russian proliferation to Iran consists primarily of nuclear and missile technology, goods, and know-how, and dual-use items that could contribute to the development of weapons of mass destruction (WMD) and ballistic missiles. This proliferation also includes other WMD technologies and advanced conventional weapons; and Russian entities are also transferring similar items to other countries, including China, Libya, and Syria.

As a result of Russian assistance, the intelligence community estimates that Iran could attempt to launch an intercontinental ballistic missile by 2005, and could possess a nuclear weapon by 2010. Combined, these capabilities would create a new strategic threat to the United States, and an immediate threat to American forces, interests, allies and friends in the region.

Unclassified intelligence reports indicate that Russian proliferation to Iran takes place either covertly, under the guise of peaceful cooperation, or through academic and scientific exchanges that take place in both Russia and Iran. In either case, this matter has been raised by United States officials at the highest levels of the Russian government. Yet, despite U.S. efforts, this activity continues with either the knowledge or acquiescence of senior Russian officials, who support these illicit transfers or are tolerating them for strategic or financial reasons.

To make matters worse, Iran has a longstanding history of providing safe harbor, money, arms and assistance to foreign terrorist organizations. As a result, Iran has been rightly designated a "state sponsor of terrorism" by the United States. The most dangerous aspect of Russian proliferation to Iran, therefore, is that

weapons of mass destruction technologies or materials might be passed onto foreign terrorist organizations supported by Teheran. It goes without saying that the combination of foreign terrorists organizations and weapons of mass destruction would constitute a grave threat to the national security of the United States, since an attack of this nature would be extremely difficult to prevent, deter, or defend against.

Therefore, it would be fair to state that the ongoing proliferation of WMD technologies, materials, and know-how from Russia to Iran represents a greater, broader, and more likely threat to the national security and vital interests of the United States than the potential proliferation of these same items from Russia.

Russian proliferation to Iran and other countries raises serious questions about Moscow's intentions, commitment to nonproliferation, and desire for improved U.S.-Russian relations. Thus, the President must make nonproliferation a top priority when dealing with Moscow, and must demonstrate United States resolve and commitment to nonproliferation through clear, firm and coherent policies and strategies that employ the full-range of diplomatic and economic tools at his disposal, both positive and negative, to eliminate this dangerous activity once and for always.

LEGISLATIVE PROVISIONS

Section 1301—Specification of Cooperative Threat Reduction Programs and Funds

This section would specify the kinds of programs to be funded under this title and would make fiscal year 2003 Cooperative Threat Reduction (CTR) funds available for obligation for three years.

Section 1302—Funding Allocations

This section would allocate fiscal year 2003 funding for various CTR purposes and activities.

Section 1303—Prohibition Against Use of Funds Until Submission of Reports

This section would prohibit the obligation or expenditure of fiscal year 2003 CTR funds until 30 days after the annual report required by section 1308 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398), and the update for the multi-year plan required to be submitted for fiscal year 2001, are submitted.

Section 1304—Report on Use of Revenue Generated by Activities Carried Out Under Cooperative Threat Reduction Programs

This section would place a new reporting requirement, as practicable, in the annual report required by section 1308 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) regarding use of the revenue generated by CTR activities in the states of the former Soviet Union.

Section 1305—Prohibition Against Use of Funds for Second Wing of Fissile Material Storage Facility

This section would prohibit the use of CTR funds for the design, planning, or construction of a second wing for the fissile material storage facility in Mayak, Russia.

Section 1306—Sense of Congress and Report Requirement Regarding Russian Proliferation to Iran

This section would express the Sense of Congress regarding continued Russian proliferation of goods, technology, and know-how that directly or indirectly contribute to Iran's development of weapons of mass destruction and ballistic missiles, and the threat that this illicit activity could pose to United States national security and vital interests.

This section would also require the President to report to the Senate Committee on Armed Services, the House Committee on Armed Services, the Senate Committee on Foreign Relations, and the House Committee on International Relations regarding the scope, nature, and extent of Russian proliferation to Iran, and to other countries of concern; the impact this activity could have on the United States and its national security interests; and the plan, policy, or strategy that the President intends to pursue to halt Russian proliferation.

Section 1307—Prohibition Against Use of Cooperative Threat Reduction Funds Outside the States of the Former Soviet Union

This section would prohibit expanding the CTR program to states outside of the former Soviet Union.

Section 1308—Limited Waiver of Restriction on Use of Funds

This section would provide limited authority for the President to waive the certification requirement of paragraph (d)(5), section 5952 of title 22, United Stated Code—which states that Russia is committed to complying with all relevant arms control agreements—for national security purposes.

This waiver authority is limited in both duration and scope. It includes appropriate reporting requirements to ensure that Congress is properly apprised of the nature and extent of Russia's lack of commitment to all relevant arms control agreements, why it is important to the United States national security to exercise this waiver authority and continue CTR activities with Russia, and the President's plan or policy to promote Russian compliance with its relevant arms control agreements.

The committee notes that while it may be in the national security interest of the United States to continue CTR programs in Russia, it is even more important to the nation's security that Russia comply with all relevant arms control agreements, particularly those involving weapons of mass destruction.

Section 1309—Limitation on Use of Funds Until Submission of Report on Defense and Military Contacts Activities

This section would prohibit the obligation or expenditure of more than 50% of fiscal year 2003 CTR funds for "Defense and Military

Activities" until the Secretary of Defense submits a report to Congress detailing the activities, operation, and performance of the previous year's events under this program.

TITLE XIV—UTAH TEST AND TRAINING RANGE

OVERVIEW

The Utah Test and Training Range is used for operational training, testing of new systems, and missile motor storage, testing and destruction. The range provides the largest overland safety footprint available in the Department for aircrew training and weapons testing. The continued operation of the Utah Test and Training Range is vital for meeting test and training requirements for the Air Force, allied forces, other national agencies, civilian industry and civilian academic institutions.

In order to fulfill its mission, the Air Force must maintain overflight capability, including low-altitude overflight, by manned and unmanned aircraft and vehicles as well as the ability to undertake supersonic events. The Air Force must protect established rights-of-way to existing ground instrumentation and communications gear, and the capability to upgrade or add additional equipment as necessary. The Air Force also requires emergency access to certain areas and the ability to control or restrict public access.

In 1990, the Bureau of Land Management recommended that approximately 1.9 million acres in Utah be designated as wilderness, including approximately 200,000 acres within the Utah Test and Training Range. The Wilderness Act of 1964, P.L. 88–577, defines wilderness as lands upon which "the imprint of man's work [is] substantially unnoticeable" such that the lands provide "outstanding opportunities for solitude." In recent years, the Department's readiness capabilities have been encroached by threatened litigation wherein parties have asserted that military training activities conducted at or near proposed wilderness areas nationwide are unlawful in instances where the activities interfere with a solitude wilderness experience.

Continued unrestricted access to the special use airspace and lands that comprise the Utah Test and Training Range is a national security priority that is compatible with the protection and proper management of the natural, environmental, cultural and other resources of these lands. This provision would not amend the Wilderness Act, which is silent on the issue of military activities above wilderness areas.

LEGISLATIVE PROVISIONS

Section 1401–Definition of Utah Test and Training Range

This section would define the "Utah Test and Training Range" as those portions of the military operating area of the Utah Test and Training Area located solely in the State of Utah, including the Dugway Proving Ground.

Section 1402—Military Operations and Overflights at Utah Test and Training Range

This section would specify that the Wilderness Act would not restrict the ability of the military to conduct overflights or designate new training routes on the Utah Test and Training Range. The section would specify that the Wilderness Act would not require the removal of existing communication, instrumentation or electronic tracking systems, and would permit maintenance of or installation of any such equipment in the future. This section would also instruct the Secretary of the Air Force and the Secretary of Interior to enter into a Memorandum of Understanding to determine procedures and guidelines regarding emergency access, the restriction of public access for safety and security reasons and the temporary placement of communications equipment for training and testing of military activities.

Section 1403—Designation and Management of Lands in Utah Test and Training Range

This section would specify the Federal lands located in the Utah Test and Training Range that will be designated as wilderness. All areas designated as wilderness would be administered by the Secretary of the Interior subject to the conditions specified in the provision.

Section 1404—Designation of Pilot Range Wilderness

This section would designate specified Federal lands in Box Elder County, Utah, as wilderness known as the Pilot Range Wilderness Area.

Section 1405—Designation of Cedar Mountain Wilderness

This section would designate specified Federal lands in Tooele County, Utah, as wilderness known as the Cedar Mountain Wilderness Area.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

PURPOSE

The purpose of Division B is to provide military construction authorizations and related authority in support of the military departments during fiscal year 2003. As approved by the committee, Division B would authorize appropriations in the amount of $9,953,476,000 for construction in support of the active forces, reserve components, defense agencies, and the North Atlantic Treaty Organization (NATO) security infrastructure fund for fiscal year 2003.

MILITARY CONSTRUCTION OVERVIEW

The Department of Defense requested $4,713,916,000 for military construction and $4,220,133,000 for family housing for fiscal year 2003. Within the military construction request, $545,138,000 was requested for implementation of base closure and realignment ac-

tions. The committee recommends authorization of $5,702,368,000 for military construction, including $545,138,000 for base closure implementation, and $4,251,108,000 for family housing.

Although the last two military construction budgets will be the highest in several years, the committee remains concerned about the state of our military installations and facilities. Despite these two relatively robust budgets, the situation at installation after installation remains grim, with little hope for the future without a serious commitment to the modernization of the Department's infrastructure. Even the improved funding for sustainment, modernization and restoration does not provide enough resources to keep the condition of these facilities from falling further behind.

The budget request would have funded little more than beddown of new missions and some quality of life projects. While important, these projects do nothing to improve the situation for long neglected current mission requirements, which continue to suffer. To address some of this shortfall, the committee recommends an increase in new budget authority of $1,019,427,000, and carefully reviewed the projects contained in the budget request. While the committee approved all but a few of the requested projects, the committee withheld approval of seemingly redundant projects overseas and withheld judgment on the value of additional North Atlantic Treaty Organization headquarters.

The committee is pleased that three of the four military services expect to have all military families living in adequate family housing by 2007 through the housing privatization program. The committee has recommended further enhancements to this program in the effort to hasten the day when all military families will live in decent homes.

A tabular summary of the authorizations provided in Division B for fiscal year 2003 follows:

Summary of

TITLES XXI THROUGH XXVIII - MILITARY CONSTRUCTION AND FAMILY HOUSING

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Military Construction			
Military Construction, Army	1,476,521	44,912	1,521,433
Military Construction, Navy	895,131	350,454	1,245,585
Military Construction, Air Force	644,090	285,631	929,721
Military Construction, Defense-Wide	687,535	92,361	779,896
NATO Security Investment Program	168,200	0	168,200
BRAC IV	545,138	0	545,138
Military Construction, Army National Guard	101,595	69,198	170,793
Military Construction, Air National Guard	53,473	65,793	119,266
Military Construction, Army Reserve	58,779	28,010	86,789
Military Construction, Navy Reserve	51,554	15,417	66,971
Military Construction, Air Force Reserve	31,900	36,676	68,576
Total Military Construction	**4,713,916**	**988,452**	**5,702,368**
Family Housing			
Family Housing Construction, Army	283,346	(4,920)	278,426
Family Housing Support, Army	1,122,274	0	1,122,274
Family Housing Construction, Navy	375,700	1,916	377,616
Family Housing Support, Navy	867,788	0	867,788
Family Housing Construction, Air Force	676,694	4,348	681,042
Family Housing Support, Air Force	844,419	29,631	874,050
Family Housing Construction, Defense-Wide	5,480	0	5,480
Family Housing Support, Defense-Wide	42,432	0	42,432
Family Housing Improvement Fund	2,000	0	2,000
Total Family Housing	**4,220,133**	**30,975**	**4,251,108**
Total Military Construction and Family Housing	**8,934,049**	**1,019,427**	**9,953,476**

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
1	Alabama	Army	Anniston AD	Ammunition Containerization Doors	1,900		1,900
2	Alabama	Army	Fort Rucker	UH-60 Parking Aprons		3,050	3,050
3	Alabama	Army	Redstone Arsenal	Cafeteria Addition		1,950	1,950
4	Alabama	Air Force	Maxwell AFB	Gunter Fitness Center		8,000	8,000
5	Alabama	Army National Guard	Gadsen	Readiness Center (ADRS)	1,781	480	2,261
6	Alaska	Army	Fort Richardson	Barracks Complex - D Street Phase 2A	21,000		21,000
7	Alaska	Army	Fort Wainwright	Automated Sniper Field Fire Range	1,600		1,600
8	Alaska	Army	Fort Wainwright	Battalion Headquarters	18,000		18,000
9	Alaska	Army	Fort Wainwright	DERF - AT/FP Windows		910	910
10	Alaska	Army	Fort Wainwright	Infantry Platoon Battle Course	24,000		24,000
11	Alaska	Army	Fort Wainwright	Mission Support Training Facility	50,000		50,000
12	Alaska	Army	Fort Wainwright	Vehicle Maintenance Facility	16,500		16,500
13	Alaska	Air Force	Clear AS	Upgrade Power Plant	14,400		14,400
14	Alaska	Air Force	Eielson AFB	Central Heat Plant Bag Houses	21,600		21,600
15	Alaska	Tri-Care Management Activity	Elmendorf AFB	Hospital Construction Claim Payment	10,400		10,400
16	Arizona	Army	Fort Huachuca	UAV Facilities		10,400	10,400
17	Arizona	Army	Yuma PG	Aircraft Armament Test/Maintenance Facilities		4,500	4,500
18	Arizona	Navy	MCAS Yuma	CALA Phase 2	3,000		3,000
19	Arizona	Air Force	Davis-Monthan AFB	Dormitory (120 RM)	9,110		9,110
20	Arizona	Air Force	Davis-Monthan AFB	HH-60 Apron/Taxiway & Shoulders	3,720		3,720
21	Arizona	Air Force	Davis-Monthan AFB	HH-60 Maintenance Hangar	6,440		6,440
22	Arizona	Air Force	Luke AFB	Land Acquisition		13,000	13,000
23	Arkansas	Army	Pine Bluff Arsenal	Non-Stockpile Ammunition Demolition Shop	18,937		18,937
24	Arkansas	Air Force	Little Rock AFB	ADAL C-130J Aircrew Fuselage Trainer	2,500		2,500
25	Arkansas	Air Force	Little Rock AFB	C-130J Engine/Propeller Storage Facility	2,100		2,100
26	Arkansas	Air Force	Little Rock AFB	C-130J Maintenance Hangar	12,900		12,900
27	Arkansas	Air Force	Little Rock AFB	C-130J Maintenance Training Facility	8,100		8,100
28	Arkansas	Air National Guard	Little Rock AFB	Replace Operations and Training Facility		5,100	5,100
29	California	Army	Monterey DLI	Water Diversion		1,500	1,500
30	California	Navy	AUXLNDFLD San Diego (San Clemente)	Replace Pier	6,150		6,150
31	California	Navy	MCLB Barstow	Combat Vehicle Welding		4,450	4,450
32	California	Navy	China Lake NAWCWPNSDIV	Propulsion Fuel Lab Replacement		10,100	10,100
33	California	Navy	MCAGCC Twentynine Palms	Aircraft Surveillance Radar		15,100	15,100
34	California	Navy	MCAGCC Twentynine Palms	Bachelor Enlisted Quarters	25,770		25,770
35	California	Navy	MCAS Camp Pendleton	Aviation Armament Shop	6,610		6,610
36	California	Navy	MCAS Camp Pendleton	DERF - Force Intelligence Operations Center		20,000	20,000
37	California	Navy	MCAS Camp Pendleton	Fire Protection Pipeline	5,320		5,320
38	California	Navy	MCAS Miramar	Construct Equipment Shop	5,540		5,540
39	California	Navy	MCAS Miramar	High Explosive Magazine	3,160		3,160
40	California	Navy	MCAS Miramar	Refueling Vehicle Shop		3,510	3,510
41	California	Navy	MCB Camp Pendleton	AAAV Training Complex	28,810		28,810
42	California	Navy	MCB Camp Pendleton	BEQ	23,230		23,230
43	California	Navy	MCB Camp Pendleton	Water Treatment Plant/Reservoir	12,000		12,000
44	California	Navy	Monterey NPGS	DERF - Replace Perimeter Security Fence		2,020	2,020
45	California	Navy	Monterey NPGS	Educational Facility Replacement		7,000	7,000
46	California	Navy	NAS Lemoore	A/C Parking Apron	8,450		8,450

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
47	California	Navy	NAS Lemoore	Air Passenger Terminal	8,070		8,070
48	California	Navy	NAS Lemoore	DERF - Security Upgrades		19,335	19,335
49	California	Navy	NAWC Pt Mugu San Nicholas Island	Extend A/C Parking Apron	6,760		6,760
50	California	Navy	NS San Diego	DERF - Perimeter Security Lighting		1,580	1,580
51	California	Navy	NS San Diego	DERF - Security Lights, Piers and Quaywalls		7,100	7,100
52	California	Navy	NS San Diego	Pier 2 Electrical Upgrade	3,530		3,530
53	California	Air Force	Beale AFB	Global Hawk Dining Facility	3,470		3,470
54	California	Air Force	Beale AFB	Global Hawk Squadron Ops/Maint Facility	3,670		3,670
55	California	Air Force	Beale AFB	Global Hawk Upgrade Maintenance Dock	4,600		4,600
56	California	Air Force	Travis AFB	Operations AMU		9,600	9,600
57	California	Air Force	Vandenberg AFB	Install Stormwater Drainage	3,100		3,100
58	California	Air Force	Vandenberg AFB	Upgrade Water Distribution System Phase 2	7,400		7,400
59	California	Defense Logistics Agency	Travis AFB	Replace Bulk Fuel Storage Tanks	16,000		16,000
60	California	Army National Guard	Moreno Valley	Readiness Center (ADRS)	12,044		12,044
61	California	Army National Guard	NC San Diego	OMS (ADRS)	6,774		6,774
62	California	Army Reserve	Vallejo	Army Reserve Center with Supporting Facilities	6,501		6,501
63	California	Air Force Reserve	March ARB	Runway Surface		2,550	2,550
64	California	Air Force Reserve	March ARB	Taxiway Surface		4,350	4,350
65	Colorado	Army	Fort Carson	Barracks Complex - Nelson Blvd Phase 2	42,000		42,000
66	Colorado	Army	Fort Carson	Fire Station		4,250	4,250
67	Colorado	Army	Fort Carson	Truck Loading/Unloading Docks	1,100		1,100
68	Colorado	Army	Pueblo AD	Ammunition Demilitarization Facility Phase 4	38,000	(38,000)	0
69	Colorado	Air Force	AF Academy	DERF - Perimeter Fence - Cadet Area Phase I		4,200	4,200
70	Colorado	Air Force	AF Academy	Upgrade Academic Facility		5,200	5,200
71	Colorado	Air Force	Buckley ANGB	Add/Alter SBIRS Mission Control Station	6,900		6,900
72	Colorado	Air Force	Buckley ANGB	Wing Headquarters/Administrative Facility	10,800		10,800
73	Colorado	Air Force	Peterson AFB	DERF - AT/FP Site Improvements for HQ		2,000	2,000
74	Colorado	Air Force	Peterson AFB	DERF - NORAD Battle Management Center		3,500	3,500
75	Colorado	Air Force	Peterson AFB	DERF - NORAD Battle Management Center		(3,500)	(3,500)
76	Colorado	Air Force	Shriever AFB	DERF - Construct Visitors Center/Entry Control Gates		5,700	5,700
77	Colorado	ChemDemil	Pueblo AD	Ammunition Demilitarization Facility Phase 4		38,000	38,000
78	Colorado	Joint Chiefs of Staff	Peterson AFB	DERF - Facility Refurbishment for new CINC for Homeland Security		25,000	25,000
79	Colorado	Joint Chiefs of Staff	Peterson AFB	DERF - Facility Refurbishment for new CINC for Homeland Security		(6,600)	(6,600)
80	Colorado	Air Force Reserve	Shriever AFB	Consolidated Space Group Ops		6,900	6,900
81	Connecticut	Navy	NSB New London	DERF - Gate 1 Security Improvements		4,080	4,080
82	Connecticut	Navy	NSB New London	DERF - Gate 7 Truck Access Security		3,800	3,800
83	District of Columbia	Army	Walter Reed Army Medical Center	DERF - Construct 3 Sentry Stations		2,550	2,550
84	District of Columbia	Army	Walter Reed Army Medical Center	DERF - Electrical Switch Station		7,400	7,400
85	District of Columbia	Navy	Marine Corps Barracks	Site Improvements	3,700		3,700
86	District of Columbia	Navy	Naval District Washington	DERF - O Street Visitor Process Center		2,690	2,690
87	District of Columbia	Air Force	Bolling AFB	DERF - Add Perimeter Wall, North Gate to Navy Line		1,500	1,500
88	District of Columbia	Air Force	Bolling AFB	DERF - SFS Operations Facility		3,500	3,500
89	District of Columbia	Air Force	Bolling AFB	Transfer to H.R. 4547		(3,500)	(3,500)
90	District of Columbia	Defense Intelligence Agency	Bolling AFB	DIA Analysis Center	121,958		121,958
91	District of Columbia	Washington Headquarters Services	WHS - DC	Parking Garage	2,500	(2,500)	0

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
92	Florida	Navy	Mayport	DERF - Perimeter Security Upgrades		1,900	1,900
93	Florida	Navy	NAS Jacksonville	Aviation Support Equip Main Trng Fac		6,572	6,572
94	Florida	Navy	NAS Jacksonville	DERF - Birmingham Gate Security Improvements		1,890	1,890
95	Florida	Navy	NAS Jacksonville	DERF - Commercial Gate Security Improvements		2,680	2,680
96	Florida	Navy	NAS Jacksonville	DERF - Yorktown Gate Security Improvements		2,200	2,200
97	Florida	Navy	NAS Pensacola	Approach Lights Runway 7L	990		990
98	Florida	Navy	NAVSCLEODDET Eglin	Advanced Explosive Ordinance Disposal Training Facility	6,350		6,350
99	Florida	Navy	Whiting Field FL NAS	Aviation Maintenance Officer School		1,780	1,780
100	Florida	Air Force	Eglin AFB	DERF - Barriers & Intrusion Detection System		1,050	1,050
101	Florida	Air Force	Eglin AFB	DERF - Security Fencing		3,200	3,200
102	Florida	Air Force	Hurlburt Field	DERF - Force Protection Phase 1, HQ AFSOC		3,500	3,500
103	Florida	Air Force	Hurlburt Field	DERF - Force Protection Phase 2, HQ 16 SOW		2,500	2,500
104	Florida	Air Force	Hurlburt Field	Dormitory (144 RM)	9,000		9,000
105	Florida	Air Force	MacDill AFB	Air Traffic Control Tower / Fire Rescue		14,000	14,000
106	Florida	Air Force	MacDill AFB	DERF - Construct AT/FP Gates		7,000	7,000
107	Florida	Air Force	Tyndall AFB	Fitness Center		8,100	8,100
108	Florida	Special Operations Command	Hurlburt Field	SOF ADAL Command & Operations Facility	9,000		9,000
109	Florida	Special Operations Command	Hurlburt Field	SOF Alter Facilities for CV-22	2,100		2,100
110	Florida	Army National Guard	Camp Blanding	Combined Support Maintenance Shop Phase 1		6,000	6,000
111	Florida	Air Force Reserve	Homestead ARS	DERF - Installation Perimeter Fence		1,100	1,100
112	Florida	Air Force Reserve	Homestead ARS	Services Complex		2,500	2,500
113	Georgia	Army	Fort Benning	Barracks Complex Main Post Phase 1	45,000		45,000
114	Georgia	Army	Fort Benning	DERF - AT/FP Access Control Points		8,000	8,000
115	Georgia	Army	Fort Benning	Urban Assault Course	3,250		3,250
116	Georgia	Army	Fort Stewart/Hunter AAF	Sabar Hall Complex	26,000		26,000
117	Georgia	Navy	Kings Bay NSB	DERF - Stimson Gate Security Improvement		1,580	1,580
118	Georgia	Air Force	Robins AFB	DERF - Base Entrance/Visitors Facility		5,400	5,400
119	Georgia	Air National Guard	Savannah	DERF - Entrance Road		1,450	1,450
120	Georgia	Navy Reserve	Atlanta	BEQ	6,730		6,730
121	Georgia	Navy Reserve	NRC Savannah	Marine Reserve Center	5,900		5,900
122	Georgia	Air Force Reserve	Dobins	DERF - Construct Visitors Center		2,000	2,000
123	Hawaii	Army	Schofield Barracks	Barracks Complex - Capron Ave Phase I	49,000		49,000
124	Hawaii	Army	Schofield Barracks	Barracks Complex - Quad C	42,000		42,000
125	Hawaii	Navy	NS Pearl Harbor	DERF - Security Lighting		4,200	4,200
126	Hawaii	Navy	NS Pearl Harbor	Recapitalize Bravo Docks	10,490		10,490
127	Hawaii	Navy	NSY Pearl Harbor	Waterfront/Mech Shop (Bravo Pier)		18,500	18,500
128	Hawaii	Air Force	Hickam AFB	DERF - Install Flightline Security Fencing & Gates, Phase 0		1,350	1,350
129	Hawaii	Ballistic Missile Defense Organization	Kauai	THAAD Test Facility	23,400		23,400
130	Hawaii	Tri-Care Management Activity	Hickam AFB	Life Skills Clinic Replacement	2,700		2,700
131	Hawaii	Army National Guard	NAS Barbers Point	Military Complex Phase I	22,473		22,473
132	Illinois	Navy	NTC Great Lakes	DERF - Commercial Truck Inspection Facility		1,620	1,620
133	Illinois	Navy	NTC Great Lakes	DERF - Intrusion Resistant Gates		6,470	6,470
134	Illinois	Navy	NTC Great Lakes	Recruit Barracks	43,360		43,360
135	Illinois	Navy	NTC Great Lakes	Recruit Barracks	41,740		41,740
136	Illinois	Air National Guard	183rd Fighter Wing, Springfield	Composite Support Facility		8,800	8,800

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
137	Indiana	Army	Newport AAP	Ammunition Demilitarization Facility Phase 5	61,494	(61,494)	0
138	Indiana	Navy	Crane NAVSURFWARCENDIV	Electrochemistry Eng Facility		11,610	11,610
139	Indiana	ChemDemil	Newport AAP	Ammunition Demilitarization Facility Phase 5		61,494	61,494
140	Indiana	Army National Guard	Camp Atterbury	Battle Simulation Center		8,327	8,327
141	Iowa	Army National Guard	Boone	Readiness Center		4,252	4,252
142	Iowa	Air National Guard	Sioux Gateway Airport	KC-135 Upgrade Aircraft Maintenance Hangar & Shop	6,900		6,900
143	Iowa	Air National Guard	Sioux Gateway Airport	KC-135 Upgrade Shops & Operations Facility	4,800		4,800
144	Kansas	Army	Fort Leavenworth	DERF - Access Control Points		3,150	3,150
145	Kansas	Army	Fort Riley	Barracks Complex - Infantry Drive East	41,000		41,000
146	Kansas	Army	Fort Riley	DERF - Access Control Gates		6,000	6,000
147	Kansas	Army	Fort Riley	Deployment Facility, Ramp Expansion		4,950	4,950
148	Kansas	Air Force	McConnell AFB	Corrosion Control Paint Facility		7,500	7,500
149	Kansas	Army National Guard	Fort Riley	OMS ADD/ALT (ADRS)	770		770
150	Kansas	Army National Guard	Kansas City	OMS, ADD/ALT (ADRS)	771		771
151	Kansas	Army National Guard	Topeka	Armed Forces Reserve Center	14,607		14,607
152	Kentucky	Army	Blue Grass AD	Ammunition Demilitarization Facility Phase 3	10,300	(10,300)	0
153	Kentucky	Army	Blue Grass AD	Ammunition Demilitarization Support Phase 3	8,300	(8,300)	0
154	Kentucky	Army	Blue Grass AD	Railyard Infrastructure	5,500		5,500
155	Kentucky	Army	Fort Campbell	Barracks Complex - Range Road Phase 1	49,000		49,000
156	Kentucky	Army	Fort Campbell	Purchase Easement Runway Approach & Departure		7,300	7,300
157	Kentucky	ChemDemil	Blue Grass AD	Ammunition Demilitarization Facility Phase 3		10,300	10,300
158	Kentucky	ChemDemil	Blue Grass AD	Ammunition Demilitarization Support Phase 3		8,300	8,300
159	Louisiana	Army	Fort Polk	Digital Multipurpose Training Range	31,000		31,000
160	Louisiana	Air Force	Barksdale AFB	Dormitory (168 RM)	10,900		10,900
161	Louisiana	Defense Logistics Agency	NAS New Orleans	Replace Bulk Fuel Storage Tanks	9,500		9,500
162	Louisiana	Navy Reserve	NAS JRB New Orleans	AFRC (Phase III)		7,400	7,400
163	Louisianna	Navy Reserve	NAS JRB New Orleans	DERF - Perimeter Road and Fencing		1,510	1,510
164	Louisiana	Navy Reserve	NAS JRB New Orleans	Engine Maintenance Shop Addition	1,500		1,500
165	Louisiana	Navy Reserve	NAS JRB New Orleans	Hazardous Material Storage Facility	2,690		2,690
166	Louisiana	Navy Reserve	NAS JRB New Orleans	Runway/Taxiway Extension With Land	14,600		14,600
167	Maine	Navy	NSY Kittery-Portsmouth	AT/FP Improvements	11,600		11,600
168	Maine	Navy	NSY Kittery-Portsmouth	DERF - Gate 1 Security Improvements		3,600	3,600
169	Maryland	Army	Aberdeen Proving Ground	Ammunition Demilitarization Facility Phase 5	30,600	(30,600)	0
170	Maryland	Army	Fort Detrick	Barracks Complex - Porter Street South	16,000		16,000
171	Maryland	Army	Fort Detrick	Community Support Center	3,700		3,700
172	Maryland	Army	Fort Detrick	Renovate & Expand Fire Station		2,800	2,800
173	Maryland	Navy	NAF Andrews AFB	BEQ Replacement	9,680		9,680
174	Maryland	Navy	U.S. Naval Academy	Ethical Center Classroom		1,800	1,800
175	Maryland	Air Force	Andrews	DERF - Construct AT/FP POV Gates		4,100	4,100
176	Maryland	Air Force	Andrews	DERF - Construct AT/FP Remaining Gates		5,500	5,500
177	Maryland	ChemDemil	Aberdeen Proving Ground	Ammunition Demilitarization Facility Phase 5		30,600	30,600
178	Maryland	National Security Agency	Fort Meade	FANX PSAT	1,896		1,896
179	Maryland	National Security Agency	Fort Meade	OPS 1 Stair Towers	2,588		2,588
180	Maryland	Army National Guard	St. Mary's County	Readiness Center		6,740	6,740
181	Massachusetts	Army	Natick	Food Engineer Lab		4,100	4,100

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
182	Massachusetts	Air Force	Hanscom AFB	Add/Alter Fitness Center	7,700		7,700
183	Massachusetts	Air Force Reserve	Westover ARB	Security Forces		3,850	3,850
184	Michigan	Army National Guard	Shiawasse County	Readiness Center		4,700	4,700
185	Michigan	Air National Guard	Battle Creek	Vehicle Maintenance Shop		3,800	3,800
186	Michigan	Air National Guard	Selfridge	DERF - Add Perimeter Fencing		1,000	1,000
187	Minnesota	Navy Reserve	Duluth	DERF - Harden Reserve Building		1,450	1,450
188	Minnesota	Air Force Reserve	Minn-St Paul ARS	Lodging Facility Phase 4		6,300	6,300
189	Mississippi	Navy	NAS Meridian	Control Tower (Joe Williams Field)		2,850	2,850
190	Mississippi	Navy	NCTC Gulfport	Communication/Inst Facility	5,460		5,460
191	Mississippi	Navy	NS Pascagoula	BEQ Shipboard Sailors Ashore Phase I		12,000	12,000
192	Mississippi	Navy	NS Pascagoula	New Channel	4,160		4,160
193	Mississippi	Air Force	Keesler AFB	Student Dormitory (200 RM)	22,000		22,000
194	Mississippi	Air National Guard	Jackson IAP	Construct C-17 Maintenance Training Facility	4,100		4,100
195	Mississippi	Air National Guard	Jackson IAP	Jackson C-17 Replace Fuel Cell Hangar/Shops	25,000		25,000
196	Missouri	Army	Fort Leonard Wood	Tactical Vehicle Simulator Building	15,500		15,500
197	Montana	Navy Reserve	NRC Billings	Reserve Center w/Land	5,905		5,905
198	Nebraska	Army National Guard	Lincoln	Readiness Center ADD/ALT (ADRS)	757		757
199	Nebraska	Army National Guard	Norfolk Nebraska	Readiness Center ADD/ALT (ADRS)	3,666		3,666
200	Nebraska	Army Reserve	Lincoln	Army Reserve Center with Supporting Facilities	8,732		8,732
201	Nevada	Navy	NAS Fallon	Weapons Magazine Storage Facility		4,010	4,010
202	Nevada	Air Force	Nellis AFB	DERF - Explosive Ordnance Disposal Facility		6,900	6,900
203	Nevada	Air Force	Nellis AFB	Dormitory (144 RM)	12,280		12,280
204	Nevada	Air Force	Nellis AFB	F-22 Munitions Maintenance Facility	3,170		3,170
205	Nevada	Air Force	Nellis AFB	Land Acquisition	15,000		15,000
206	New Jersey	Army	Picatinny Arsenal	High Energy Propellant Formulation Facility Phase 2		7,500	7,500
207	New Jersey	Navy	Lakehurst NAWC ACFTDIV	Combined Structure / Aircraft Fire Station		5,200	5,200
208	New Jersey	Navy	NWS Earle	DERF - Waterfront Main Gate Security Improvements		5,600	5,600
209	New Jersey	Air Force	McGuire AFB	C-17 Flightline Operations Facilities	24,631		24,631
210	New Jersey	Army Reserve	Fort Dix	Vehicle / Pallet Facility		4,012	4,012
211	New Jersey	Army Reserve	Fort Dix	Ramp Modifications		10,000	10,000
212	New Mexico	Air Force	Cannon	DERF - Replace Security Forces Operations Facility		4,650	4,650
213	New Mexico	Air Force	Holloman AFB	Survival Equipment Shop		4,650	4,650
214	New Mexico	Air Force	Kirtland AFB	DERF - Relocate Truman Gate		2,500	2,500
215	New Mexico	Air Force	Kirtland AFB	DERF - Upgrade Kirtland Underground Munitions Storage Complex Security		11,000	11,000
216	New Mexico	Air Force	Kirtland AFB	Dormitory for Visiting Airmen and Officers		8,400	8,400
217	New York	Army	Fort Drum	One plus One DIVARTY Barracks		8,000	8,000
218	New York	Army	Fort Drum	Parallel Taxiway		8,800	8,800
219	New York	Army	Fort Drum	Shoot House	1,500		1,500
220	New York	DoD Dependents Schools	USMA West Point	West Point ES Classroom Addition	3,898		3,898
221	New York	DoD Dependents Schools	West Point	DERF - Additional Force Protection for a Classroom Addition		449	449
222	New York	Air National Guard	Hancock Field	Upgrade Force Protection and Infrastructure		8,600	8,600
223	New York	Air National Guard	Syracuse	Mobility Processing Facility		2,300	2,300
224	New York	Army Reserve	Oswego	Army Reserve Center with Supporting Facilities	5,492		5,492
225	New York	Navy Reserve	I & I Staff Syracuse	Combat Vehicle Maintenance	2,030		2,030
226	North Carolina	Army	Fort Bragg	Barracks Complex - Armistead Street	50,000		50,000

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
227	North Carolina	Army	Fort Bragg	Barracks Complex - Butner Road Phase 3	50,000		50,000
228	North Carolina	Army	Fort Bragg	Consolidated Fuel Facility	17,500		17,500
229	North Carolina	Army	Fort Bragg	DERF - Force Protection Plan, PH II		18,000	18,000
230	North Carolina	Army	Fort Bragg	Soldier Support Center		9,400	9,400
231	North Carolina	Navy	MCAS Cherry Point	Ordnance Magazines		4,430	4,430
232	North Carolina	Navy	MCAS Cherry Point	T-56 Test Cell	6,040		6,040
233	North Carolina	Navy	MCAS New River	Property Control Facility	6,920		6,920
234	North Carolina	Navy	MCB Camp Lejeune	Fitness Center Addition	5,370		5,370
235	North Carolina	Navy	MCB Camp Lejeune	Land Acquisition		4,200	4,200
236	North Carolina	Air Force	Pope AFB	Dormitory (144 RM)	9,700		9,700
237	North Carolina	DoD Dependents Schools	Camp Lejeune	DERF - Additional Force Protection for a Classroom Addition		1,254	1,254
238	North Carolina	DoD Dependents Schools	Fort Bragg	Butner ES Classroom Addition	900		900
239	North Carolina	DoD Dependents Schools	Fort Bragg	DERF - Additional Force Protection for a Classroom Addition		104	104
240	North Carolina	DoD Dependents Schools	Fort Bragg	DERF - Additional Force Protection for a Classroom Addition		107	107
241	North Carolina	DoD Dependents Schools	Fort Bragg	McNair ES Classroom Addition	925		925
242	North Carolina	DoD Dependents Schools	MCB Camp Lejeune	Berkeley Manor ES Replace School	10,884		10,884
243	North Carolina	Special Operations Command	Fort Bragg	SOF Renovate Bryant Hall	11,600		11,600
244	North Carolina	Special Operations Command	Fort Bragg	SOF Weapons Training Facility	19,200		19,200
245	North Carolina	Army National Guard	Elizabeth City	Motor Vehicle Storage Compound (ADRS)	208		208
246	North Carolina	Air National Guard	Charlotte	DERF - Relocate Commercial Road		2,500	2,500
247	North Carolina	Army Reserve	Fort Bragg	Army Reserve Center - Addition and Alteration	1,624		1,624
248	Ohio	Air Force	Wright-Patterson AFB	AFIT Upgrade		13,000	13,000
249	Ohio	Air Force	Wright-Patterson AFB	DERF - Fully Contained Small Arms Range Complex		12,000	12,000
250	Ohio	Air Force	Wright-Patterson AFB	Dormitory (144 RM)	10,400	(10,400)	0
251	Ohio	Defense Logistics Agency	Columbus	Physical Fitness Facility	5,021		5,021
252	Ohio	Air National Guard	179th Airlift Wing in Mansfield	Replace Vehicle Maintenance Complex		3,500	3,500
253	Ohio	Air National Guard	Toledo Express	Replace Logistics Complex		6,900	6,900
254	Ohio	Air National Guard	Rickenbacker ANGB	Fire Station		6,000	6,000
255	Ohio	Air National Guard	Springfield ANGB	Fire Station		6,100	6,100
256	Ohio	Army Reserve	North Canton	Reserve Center		11,998	11,998
257	Ohio	Navy Reserve	Columbus	DERF - Harden Reserve Building		1,040	1,040
258	Ohio	Air Force Reserve	Youngstown	DERF - Construct Visitors Center		2,500	2,500
259	Oklahoma	Air Force	Tinker AFB	Consolidated Integrated Support Facility		7,500	7,500
260	Oregon	Air National Guard	Klamath Falls	DERF - Replace Perimeter Fencing		1,000	1,000
261	Oregon	Air Force Reserve	Portland IAP	Alter Maintenance Hangar, Bldg 310	525		525
262	Oregon	Air Force Reserve	Portland IAP	Alter Maintenance Shops	2,650		2,650
263	Oregon	Air Force Reserve	Portland IAP	Apron/Hydrant System/Blast Fence Phase 1	6,400		6,400
264	Oregon	Air Force Reserve	Portland IAP	Consolidated Training Facility Phase 1	1,609		1,609
265	Pennsylvania	Army	Letterkenny Army Depot	Ammunition Road Infrastructure	1,550		1,550
266	Pennsylvania	Army National Guard	Connellsville	Readiness Center Phase 2		1,700	1,700
267	Pennsylvania	Army National Guard	Johnstown	Runway Improvements		11,000	11,000
268	Pennsylvania	Air National Guard	Ft. Indiantown Gap	DERF - Construct Base Entry and Fencing		2,300	2,300
269	Rhode Island	Navy	Newport NAVSTA	Child Development Center		6,870	6,870
270	South Carolina	Army	Fort Jackson	Basic Combat Training Complex Phase 2	39,000		39,000
271	South Carolina	Navy	Charleston	DERF - Security Consolidation		5,740	5,740

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
272	South Carolina	Navy	MCAS Beaufort	A/C Acoustical Enclosure	13,700		13,700
273	South Carolina	Navy	MCRD Parris Island	All Weather Training Facility	7,410		7,410
274	South Carolina	Navy	MCRD Parris Island	Recruit Training Facility Addition	3,080		3,080
275	South Carolina	Air Force	Shaw AFB	New Fighter Squadron Maint Facility		6,800	6,800
276	South Carolina	DoD Dependents Schools	Fort Jackson	DERF - Additional Force Protection for a Classroom Addition		159	159
277	South Carolina	DoD Dependents Schools	Fort Jackson	DERF - Additional Force Protection for a Classroom Addition		100	100
278	South Carolina	DoD Dependents Schools	Fort Jackson	Hood St Elementary School Classroom Addition	865		865
279	South Carolina	DoD Dependents Schools	Fort Jackson	Pierce Terrace Elementary School Classroom Addition	1,382		1,382
280	South Carolina	Air Force Reserve	Charleston AFB	Medical Training Addition		2,150	2,150
281	Texas	Army	Fort Bliss	Upgrade Water Systems		5,200	5,200
282	Texas	Army	Fort Hood	Barracks Complex - Clear Creek Road	45,000		45,000
283	Texas	Army	Fort Hood	Brigade / Battalion Command and Control		16,000	16,000
284	Texas	Army	Fort Hood	DERF - Access Control Building		24,000	24,000
285	Texas	Navy	NAS Corpus Christi	Public Safety Facility		7,150	7,150
286	Texas	Navy	NAS JRB Fort Worth	AIMD Power Plant Shop		8,850	8,850
287	Texas	Navy	NAS Kingsville	Upgrade Airfield Lighting/Controls	6,210		6,210
288	Texas	Air Force	Camp Bullis	DERF - Military Operations in Urban Terrain		(6,000)	(6,000)
289	Texas	Air Force	Camp Bullis	DERF - VQ at Camp Bullis		(4,000)	(4,000)
290	Texas	Air Force	Lackland AFB	DERF - Military Operations in Urban Terrain		13,000	13,000
291	Texas	Air Force	Lackland AFB	DERF - Military Operations in Urban Terrain		6,000	6,000
292	Texas	Air Force	Lackland AFB	DERF - VQ at Camp Bullis		4,000	4,000
293	Texas	Air Force	Lackland AFB	Student Dormitory (200 RM)	18,500		18,500
294	Texas	Air Force	Lackland AFB	Training Annex, Fitness Center		5,800	5,800
295	Texas	Air Force	Laughlin AFB	Consolidated Wing Support Facility		8,000	8,000
296	Texas	Air Force	Sheppard AFB	Airfield Ops Complex		8,000	8,000
297	Texas	Air Force	Sheppard AFB	Dormitory (144 RM)	10,000		10,000
298	Texas	Air Force	Sheppard AFB	ENJJPT Flight Simulator	6,000		6,000
299	Texas	Army Reserve	Grand Prairie	Army Reserve Center with Supporting Facilities	9,113		9,113
300	Texas	Navy Reserve	Fort Worth	DERF - Bass Pass ID/Visitor Center		1,500	1,500
301	Texas	Navy Reserve	NMCRC Waco	Vehicle Maintenance & Supply Storage	4,140		4,140
302	Utah	Air Force	Hill AFB	Depot Maintenance Hangar Phase 1B		14,500	14,500
303	Virginia	Army	Fort Lee	Fire and Emergency Services Center		5,200	5,200
304	Virginia	Navy	Dam Neck	Special Operations Building		3,900	3,900
305	Virginia	Navy	Little Creek	DERF - New Truck Access Gate		4,400	4,400
306	Virginia	Navy	Little Creek	DERF - Operational Control Tower		5,370	5,370
307	Virginia	Navy	MCCDC Quantico	Armory/Fleet Weapons Support Facility	4,234		4,234
308	Virginia	Navy	MCCDC Quantico	Bachelor Enlisted Quarters (OCS)	10,280		10,280
309	Virginia	Navy	MCCDC Quantico	Bachelor Enlisted Quarters (SNCO)	5,040		5,040
310	Virginia	Navy	MCCDC Quantico	Candidate Instruction Facility		5,310	5,310
311	Virginia	Navy	NAS Norfolk	A/C Maintenance Facilities	34,450		34,450
312	Virginia	Navy	NAS Norfolk	Aircraft Recap	11,290		11,290
313	Virginia	Navy	NAS Oceana	Airfield Approach Lighting	2,000		2,000
314	Virginia	Navy	NAS Oceana	DERF - Airfield Perimeter Security		10,500	10,500
315	Virginia	Navy	NAS Oceana	DERF - Post 1 Security Improvements		3,990	3,990
316	Virginia	Navy	Norfolk Naval Support Activity	DERF - Gate 5 Security Improvements		2,260	2,260

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
317	Virginia	Navy	NS Norfolk	BEQ Shipboard Ashore (INCR I)	37,310		37,310
318	Virginia	Navy	NS Norfolk	DERF - Gate 2 Security improvements		4,400	4,400
319	Virginia	Navy	NS Norfolk	DERF - Gate 3A Security Improvements		4,005	4,005
320	Virginia	Navy	NS Norfolk	DERF - Main Gate Combatting Terrorism Improvements		2,200	2,200
321	Virginia	Navy	NS Norfolk	Pier Replacement (INCR II)	33,520		33,520
322	Virginia	Navy	NS Norfolk	Shoreline Security Fencing	2,030		2,030
323	Virginia	Navy	NS Norfolk	Upgrade Electrical Distribution	25,160		25,160
324	Virginia	Navy	NSWC Dahlgren	DERF - Chemical/Biological Warfare Detachment Facility		6,600	6,600
325	Virginia	Navy	NSWC Dahlgren	Theater Warfare Integration Center	9,230		9,230
326	Virginia	Navy	NSY Norfolk, Portsmouth	AT/FP Improvements	19,660		19,660
327	Virginia	Navy	NWS Yorktown	BEQ Replacement	15,020		15,020
328	Virginia	Air Force	Langley AFB	DERF - Air Combat Command Ops Support Center		24,000	24,000
329	Virginia	Air Force	Langley AFB	Dormitory (96 RM)	8,320		8,320
330	Virginia	Air Force	Langley AFB	F-22 Flight Simulator	8,120		8,120
331	Virginia	Air Force	Langley AFB	F-22 Infrastructure and Utilities	10,700		10,700
332	Virginia	Air Force	Langley AFB	F-22 Squadron Ops/AMU	20,800		20,800
333	Virginia	Defense Logistics Agency	Defense Dist Depot - DDNV	Renovate Operations Center	5,500		5,500
334	Virginia	Defense Threat Reduction Agency	Fort Belvoir	Defense Threat Reduction Center	50,188		50,188
335	Virginia	DoD Dependents Schools	MCB Quantico	Ashurst ES Classroom Addition	1,272		1,272
336	Virginia	DoD Dependents Schools	MCB Quantico	DERF - Additional Force Protection for a Classroom Addition		146	146
337	Virginia	Special Operations Command	NAB Little Creek	SOF Operations Trainer	4,400		4,400
338	Virginia	Special Operations Command	NAB Little Creek	SOF SEAL Team Operations Facility	9,900		9,900
339	Virginia	Washington Headquarters Services	Arlington	Land Acquisition	18,000	(18,000)	0
340	Virginia	Army Reserve	Fort Story	Army Reserve Center with Supporting Facilities	12,385		12,385
341	Virginia	Navy Reserve	NMCRC Norfolk	Reserve Center Addition	4,770		4,770
342	Washington	Army	Fort Lewis	Barracks Complex - 17th & B Street Phase 2	50,000		50,000
343	Washington	Army	Fort Lewis	Battle Simulation Center	24,000		24,000
344	Washington	Army	Fort Lewis	Combined Arms Collective Training Facility	29,800		29,800
345	Washington	Navy	Keyport NUWC	Center for Intg USW Systems Dependability		10,500	10,500
346	Washington	Navy	NAS Whidbey Island	A/C Direct Refueling Facility	9,180		9,180
347	Washington	Navy	NAS Whidbey Island	DERF - Ault Field Security Fencing		8,400	8,400
348	Washington	Navy	NAVMAG Indian Island	Ammo Wharf Improvements	4,030		4,030
349	Washington	Navy	NS Bremerton	BEQ Shipboard Ashore	35,120		35,120
350	Washington	Navy	NS Bremerton	DERF - Ship Movements Office with Control Tower		2,200	2,200
351	Washington	Navy	NS Bremerton	Waterfront Revitalization	8,550		8,550
352	Washington	Navy	NSB Bangor	DERF - Small Arms Training Center		16,410	16,410
353	Washington	Navy	NSB Bangor	Relocate Encum Waterfront Shops	5,900		5,900
354	Washington	Navy	Puget Sound NSY Bremerton	AT/FP Improvements	21,670		21,670
355	Washington	Navy	Puget Sound NSY Bremerton	Industrial Waste Treatment Facility	11,390		11,390
356	Washington	Navy	Puget Sound NSY Bremerton	Waterfront Support Facility	21,072		21,072
357	Washington	Navy	Puget Sound NSY Bremerton	ATFP Parking		3,000	3,000
358	Washington	Navy	SWFPAC Bangor	Missiles Spares Storage Bldg	7,340		7,340
359	Washington	Army National Guard	Spokane	Readiness Center Phase 1		8,800	8,800
360	West Virginia	Army National Guard	ARNG - Summersville	Army National Guard Readiness Center	6,800		6,800
361	Wisconsin	Army National Guard	Camp Williams	United States Property and Fiscal Office	6,045		6,045

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
362	Wisconsin	Army National Guard	Madison	United States Property and Fiscal Office	5,245		5,245
363	Wisconsin	Army Reserve	Fort McCoy	Battalion Dining Facility	5,117		5,117
364	Wyoming	Navy Reserve	Cheyenne	DERF - Harden Reserve Building		1,240	1,240
365	Bahrain	Navy	NSA Bahrain	Installation Service Support Center	25,970		25,970
366	Belgium	Army	SHAPE	Barracks Complex - Chievres	13,600		13,600
367	Belgium	DoD Dependents Schools	SHAPE	DERF - Additional Force Protection for a Classroom Addition		163	163
368	Belgium	DoD Dependents Schools	SHAPE	SHAPE ES Classroom Addition	1,410		1,410
369	Cuba	Navy	Guantanamo Bay	DERF - Security Upgrades		4,280	4,280
370	Cuba	Navy	Guantanamo Bay	Transfer to H.R. 4547		(4,280)	(4,280)
371	Diego Garcia	Navy	Diego Garcia NAVSUPPFAC	Physical Readiness Center	8,370		8,370
372	Diego Garcia	Navy	Diego Garcia NAVSUPPFAC	Waterfront Ops Spt Facility	2,720		2,720
373	Diego Garcia	Air Force	Diego Garcia	B-2 Aircraft Parking Apron, Phase 1	17,100		17,100
374	Germany	Army	ASG Bamberg	Barracks Complex - Warner Bldg 7002	10,200		10,200
375	Germany	Army	ASG Bamberg	Child Development Center	7,000		7,000
376	Germany	Army	Campbell Barracks	DERF - AT/FP Blast Mitigation Windows		8,300	8,300
377	Germany	Army	Coleman Barracks	DERF - Upgrade Access Control Facility/Perimeter Security		1,350	1,350
378	Germany	Army	Darmstadt	Modified Record Fire Range, Automated	3,500		3,500
379	Germany	Army	Grafenwoehr	Brigade Complex-Barracks	13,200		13,200
380	Germany	Army	Grafenwoehr	Brigade Complex-Site Preparation	10,000		10,000
381	Germany	Army	Grafenwoehr	Brigade Complex-Utilities Infrastructure	46,666		46,666
382	Germany	Army	Landstuhl	DERF - Upgrade Access Control Facilities		1,100	1,100
383	Germany	Army	Landstuhl	DERF - Upgrade Access Control/Perimeter Security		1,300	1,300
384	Germany	Army	Mannheim	Barracks Complex - Coleman Bldg 18	42,000		42,000
385	Germany	Army	Schweinfurt	Central Vehicle Wash Facility	2,000		2,000
386	Germany	Air Force	Ramstein AFB	Combined Fleet Service/In-Flight Kitchen	7,500		7,500
387	Germany	Air Force	Ramstein AFB	DERF - Construct Large Vehicle Entry Inspection Station		1,600	1,600
388	Germany	Air Force	Ramstein AFB	KMC Center Support	21,300		21,300
389	Germany	Air Force	Ramstein AFB	Passenger Terminal Annex	17,683		17,683
390	Germany	Air Force	Ramstein AFB	Ramp 1, Phase 1	23,700		23,700
391	Germany	DoD Dependents Schools	Kaiserslautern	Ramstein ES Classroom Addition	858		858
392	Germany	DoD Dependents Schools	Ramstein AFB	DERF - Additional Force Protection for a Classroom Addition		99	99
393	Germany	DoD Dependents Schools	Spangdahlem AB	DERF - Additional Force Protection for a Classroom Addition		103	103
394	Germany	DoD Dependents Schools	Spangdahlem AB	Spangdahlem ES Classroom Addition	894		894
395	Germany	Tri-Care Management Activity	Spangdahlem AB	Hospital Replacement	39,629		39,629
396	Greece	Navy	NSA JHC Larissa	BQ and Support Facility	14,800		14,800
397	Guam	Navy	Naval Forces Marianas	BEQ Replacement	13,400		13,400
398	Guam	Air Force	Andersen AFB	DERF - Replace Off-Base Water Supply System		15,000	15,000
399	Guam	Air Force	Andersen AFB	Fitness Center	16,000		16,000
400	Guam	Defense Logistics Agency	Andersen AFB	Replace Hydrant Fuel System, Phase 4	17,586		17,586
401	Guam	Defense Logistics Agency	Naval Forces Marianas	Marine Loading Arms	6,000		6,000
402	Guam	Army National Guard	Barrigada	Readiness Center		6,968	6,968
403	Iceland	Navy	NAS Keflavik	Combined Dining Facility	14,920		14,920
404	Italy	Army	Vicenza	Barracks Complex - Camp Ederle	31,000		31,000
405	Italy	Army	Vicenza	Child Development Center	3,700		3,700
406	Italy	Navy	NAS Sigonella	DERF - Off Base Access Road Improvements		11,300	11,300

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS
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Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
407	Italy	Navy	NAS Sigonella	DERF - Off Base Access Road Improvements		(11,300)	(11,300)
408	Italy	Navy	NAS Sigonella	Parking Garage & Perimeter Security Upgrades	19,560		19,560
409	Italy	Navy	NAS Sigonella	QOL Support II	33,530		33,530
410	Italy	Air Force	Aviano	DERF - Consolidate Area A-1 & Area A-2 for Force Protection		5,000	5,000
411	Italy	Air Force	Aviano	DERF - Large Vehicle Inspection Station		1,600	1,600
412	Italy	DoD Dependents Schools	Vicenza	DERF - Additional Force Protection for a Classroom Addition		219	219
413	Italy	DoD Dependents Schools	Vicenza	Vicenza ES Classroom Addition	1,898		1,898
414	Italy	Tri-Care Management Activity	NSA Naples	Medical/Dental Facility Replacement	41,449		41,449
415	Japan	Air Force	Kadena	DERF - Visitor & Traffic Control Facilities & Security Fencing		6,000	6,000
416	Japan	Defense Logistics Agency	Yokota AB	Bulk Fuel Storage Tanks	23,000		23,000
417	Korea	Army	Camp Carroll	Barracks Complex	20,000		20,000
418	Korea	Army	Camp Castle	Physical Fitness Training Center	6,800		6,800
419	Korea	Army	Camp Henry	Barracks Complex - Camp Henry (Camp Walker)	10,200		10,200
420	Korea	Army	Camp Hovey	Barracks Complex	25,000		25,000
421	Korea	Army	Camp Humphreys	Barracks Complex	36,000		36,000
422	Korea	Army	Garrison Yong	DERF - C4I Hardening, CP Tango		12,600	12,600
423	Korea	Army	K16 Airfield	Barracks Complex	40,000		40,000
424	Korea	Air Force	Osan AB	Dormitory (156 RM)	15,100		15,100
425	Korea	DoD Dependents Schools	Yongsan Garrison	DERF - Additional Force Protection for a Classroom Addition		3,274	3,274
426	Korea	DoD Dependents Schools	Seoul	Seoul MS Replacement	28,409		28,409
427	Portugal	Defense Logistics Agency	Lajes Field, Azores	Replace Hydrant Fuel System	19,000	(19,000)	0
428	Portugal	DoD Dependents Schools	Azores	DERF - Additional Force Protection for a Classroom Addition		123	123
429	Portugal	DoD Dependents Schools	Lajes Field, Azores	Lajes ES Classroom Addition	1,069		1,069
430	Qatar	Army	Qatar	Unaccompanied Personnel Housing	8,600		8,600
431	Qatar	Army	Qatar	Transfer to H.R. 4547		(8,600)	(8,600)
432	Spain	Navy	Joint HQ CMD Madrid	NEX/MWR Facility	2,890	(2,890)	0
433	Spain	Navy	NS Rota	DERF - Security Complex		18,700	18,700
434	Spain	Navy	NS Rota	Transfer to H.R. 4547		(18,700)	(18,700)
435	Spain	Air Force	NS Rota	Aircraft Parking Apron Phase 1	31,818		31,818
436	Spain	Defense Logistics Agency	NS Rota	Hydrant Fuel System	23,400		23,400
437	Turkey	Air Force	Incirlik	DERF - Construct Large Vehicle Entry Inspection Station		1,550	1,550
438	United Kingdom	Air Force	RAF Fairford	B-2 Maintenance Hangar/Apron	19,000		19,000
439	United Kingdom	Air Force	RAF Lakenheath	Add to and Alter Fitness Center	10,800		10,800
440	United Kingdom	Air Force	RAF Lakenheath	Mobility Processing Facility	2,600		2,600
441	United Kingdom	Defense Logistics Agency	RAF Fairford	Replace Hydrant Fuel System	17,000		17,000
442	Wake Island	Air Force	Wake Island	Repair Airfield Pavement, Phase 1	24,900		24,900
443	Worldwide Classified	Air Force	Worldwide Unspecified Classified	C-17 Various Facilities	30,569		30,569
444	Worldwide Classified	Air Force	Worldwide Unspecified Classified	Classified MilCon Project	1,993		1,993
445	Worldwide Classified	Air Force	Worldwide Unspecified Classified	Force Protection of Facilities/Utilities/Infrastructure	23,000	(23,000)	0
446	Worldwide Unspecified	Army	Host Nation Support	Planning and Design - Host Nation Support	23,700		23,700
447	Worldwide Unspecified	Army	Unspecified Worldwide	Classified Project	4,000		4,000
448	Worldwide Unspecified	Army	Unspecified Worldwide	DERF - Planning and Design		5,340	5,340
449	Worldwide Unspecified	Army	Unspecified Worldwide	Planning and Design	119,824	9,932	129,756
450	Worldwide Unspecified	Army	Unspecified Worldwide	Unspecified Minor Construction	20,500	1,050	21,550
451	Worldwide Unspecified	Army	Unspecified Worldwide	Foreign Currency Fluctuation		(13,676)	(13,676)

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(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
452	Worldwide Unspecified	Navy	Unspecified Worldwide	DERF - Planning and Design		17,630	17,630
453	Worldwide Unspecified	Navy	Unspecified Worldwide	Planning and Design	68,573	9,542	78,115
454	Worldwide Unspecified	Navy	Unspecified Worldwide	Unspecified Minor Construction	23,262		23,262
455	Worldwide Unspecified	Navy	Unspecified Worldwide	Foreign Currency Fluctuation		(1,340)	(1,340)
456	Worldwide Unspecified	Air Force	Unspecified Worldwide	DERF - Planing and Design		21,797	21,797
457	Worldwide Unspecified	Air Force	Unspecified Worldwide	Planning and Design	41,496	13,665	55,161
458	Worldwide Unspecified	Air Force	Unspecified Worldwide	Unspecified Minor Construction	11,500		11,500
459	Worldwide Unspecified	Air Force	Unspecified Worldwide	Foreign Currency Fluctuation		(10,281)	(10,281)
460	Worldwide Unspecified	Special Operations Command	Unspecified Worldwide	Planning and Design	4,932		4,932
461	Worldwide Unspecified	Special Operations Command	Unspecified Worldwide	Unspecified Minor Construction	2,000		2,000
462	Worldwide Unspecified	Defense Wide	Unspecified Worldwide	Foreign Currency Fluctuation		(2,976)	(2,976)
463	Worldwide Unspecified	Defense Wide	Unspecified Worldwide	Accrual		(39,857)	(39,857)
464	Worldwide Unspecified	OSD Contingencies	Unspecified Worldwide	Contingency Construction	10,000		10,000
465	Worldwide Unspecified	OSD Minor Construction	Unspecified Worldwide	Unspecified Minor Construction	3,000		3,000
466	Worldwide Unspecified	OSD Planning & Design	Unspecified Worldwide	Planning and Design	20,000	1,300	21,300
467	Worldwide Unspecified	NATO Security Investment Program	Unspecified Worldwide	NATO Security Investment Program	168,200		168,200
468	Worldwide Unspecified	Army National Guard	Unspecified Worldwide	Planning and Design	14,724	9,645	24,369
469	Worldwide Unspecified	Army National Guard	Unspecified Worldwide	Unspecified Minor Construction	4,930	586	5,516
470	Worldwide Unspecified	Air National Guard	Unspecified Worldwide	DERF - Planning and Design		683	683
471	Worldwide Unspecified	Air National Guard	Unspecified Worldwide	Planning and Design	8,273	5,760	14,033
472	Worldwide Unspecified	Air National Guard	Unspecified Worldwide	Unspecified Minor Construction	4,400		4,400
473	Worldwide Unspecified	Army Reserve	Unspecified Worldwide	Planning and Design	6,965	2,000	8,965
474	Worldwide Unspecified	Army Reserve	Unspecified Worldwide	Unspecified Minor Construction	2,850		2,850
475	Worldwide Unspecified	Navy Reserve	Unspecified Worldwide	Planning and Design	2,509	900	3,409
476	Worldwide Unspecified	Navy Reserve	Unspecified Worldwide	Unspecified Minor Construction	780		780
477	Worldwide Unspecified	Navy Reserve	Worldwide Various	DERF - Planning and Design		377	377
478	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide	AF Reserve Command Judgment Fund	11,900		11,900
479	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide	DERF - Planning and Design		476	476
480	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide	Planning and Design	3,656	2,000	5,656
481	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide	Unspecified Minor Construction	5,160		5,160
482	Worldwide Unspecified	Defense Finance & Accounting Service	Unspecified Worldwide	Unspecified Minor Construction	1,500		1,500
483	Worldwide Unspecified	Base Closure IV	BRAC IV	Base Realignment and Closure	545,138		545,138
484	Worldwide Unspecified	Joint Chiefs of Staff	Unspecified Worldwide	Unspecified Minor Construction	6,430		6,430
485	Worldwide Unspecified	Energy Conservation Improvement Program	Unspecified Worldwide	Energy Conservation Improvement Program	49,531		49,531
486	Worldwide Unspecified	Tri-Care Management Activity	Unspecified Worldwide	Planning and Design	14,200		14,200
487	Worldwide Unspecified	Tri-Care Management Activity	Unspecified Worldwide	Unspecified Minor Construction	3,363		3,363
488	Worldwide Unspecified	Chemical & Biological Defense Program	Unspecified Worldwide	Planning and Design	5,000		5,000
489	Worldwide Various	Navy	Various Worldwide	NATO Infrastructure	1,000		1,000
490	Alaska	Army	Fort Wainwright	Family Housing Construction (38 units)	17,752		17,752
491	Arizona	Army	Yuma PG	Family Housing Construction (33 units)	6,100		6,100
492	Arizona	Air Force	Luke AFB	Replace Family Housing Phase 2 (140 units)	18,954		18,954
493	California	Navy	NAS Lemoore	Replacement Construction (178 units)	40,981		40,981
494	California	Navy	Twentynine Palms	Replacement Construction-Marine Palms Phase 4 of 5 (76 units)	19,425		19,425
495	California	Air Force	Travis AFB	Replace Family Housing Phase 3 (110 units)	24,320		24,320
496	Colorado	Air Force	Air Force Academy	Replace Family Housing Phase 1 (71 units)	12,424		12,424

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Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
497	Colorado	Air Force	Peterson AFB	Construct Family Housing Phase 1 (2 units)	959		959
498	Connecticut	Navy	NSB New London	Replacement Construction-Polaris Park (100 units)	24,415		24,415
499	Delaware	Air Force	Dover AFB	Replace Family Housing Phase 2 (112 units)	19,615		19,615
500	Florida	Navy	NS Mayport	Construct ICQ (1 unit)	329		329
501	Florida	Air Force	Eglin AFB	Housing Management Facility	597		597
502	Florida	Air Force	Eglin AFB	Replace Family Housing Phase 2A (134 units)	15,906		15,906
503	Florida	Air Force	MacDill AFB	Replace Family Housing Phase 5 (96 units)	18,086		18,086
504	Hawaii	Navy	MCB Kaneohe	Replacement Construction (65 units)	24,797		24,797
505	Hawaii	Air Force	Hickam AFB	Replace Family Housing Phase 2 (96 units)	29,050		29,050
506	Idaho	Air Force	Mountain Home AFB	Replace Family Housing Phase 4 (95 units)	24,392		24,392
507	Kansas	Air Force	McConnell AFB	Construct MFH Maintenance Bldg & Roads	1,514		1,514
508	Maine	Navy	NAS Brunswick	Family Housing Replacement (26 Junior Enlisted Units)		5,600	5,600
509	Maryland	Air Force	Andrews AFB	Replace Family Housing Phase 1 (53 units)	9,838		9,838
510	Maryland	Air Force	Andrews AFB	Replace Family Housing Phase 1B (52 units)	8,807		8,807
511	Mississippi	Navy	NAS Meridian	Replacement Construction-Juniper Ridge & Pine Crest (56 units)	9,755		9,755
512	Mississippi	Air Force	Columbus AFB	MFH Management Office	412		412
513	Mississippi	Air Force	Keesler AFB	Replace Family Housing Phase 1 (117 units)	16,505		16,505
514	Missouri	Air Force	Whiteman AFB	Replace Family Housing (97 units)	3,977	13,130	17,107
515	Montana	Air Force	Malmstrom AFB	Replace Family Housing Phase 6A (18 units)	4,717		4,717
516	New Mexico	Air Force	Holloman AFB	Replace Family Housing (101 units)	20,161		20,161
517	North Carolina	Navy	MCB Camp Lejeune	Replacement Construction-Tarawa Terrace Phase II (317 units)	43,650		43,650
518	North Carolina	Air Force	Pope AFB	Replace Housing Maintenance Bldg	991		991
519	North Carolina	Air Force	Seymour Johnson AFB	Replace Family Housing Phase 6 (126 units)	18,615		18,615
520	North Dakota	Air Force	Grand Forks AFB	Replace Family Housing Phase F (150 units)	30,140		30,140
521	North Dakota	Air Force	Minot AFB	Replace Family Housing Phase 8 (112 units)	21,428		21,428
522	North Dakota	Air Force	Minot AFB	Replace Family Housing Phase 9 (102 units)	20,315		20,315
523	Oklahoma	Air Force	Vance AFB	Replace Family Housing Phase 1 (59 units)	11,423		11,423
524	Pennsylvania	Defense Logistics Agency	DDSP New Cumberland	FH Improvements	5,430		5,430
525	South Dakota	Air Force	Ellsworth AFB	Housing Maintenance Facility	447		447
526	South Dakota	Air Force	Ellsworth AFB	Replace Family Housing Phase 2 (22 units)	4,794		4,794
527	Texas	Air Force	Dyess AFB	Replace Family Housing Phase 3 (85 units)	14,824		14,824
528	Texas	Air Force	Randolph AFB	MFH Housing Maintenance Office	447		447
529	Texas	Air Force	Randolph AFB	Replace Family Housing Phase 1 (112 units)	14,311		14,311
530	Virginia	Navy	MCB Quantico	Replacement Construction-Thomason Park Phase II (290 units)	41,843		41,843
531	Virginia	Air Force	Langley AFB	Construct Housing Management Office	1,193		1,193
532	Germany	Army	Stuttgart	Replace Historic Housing Unit (1 unit)	990		990
533	Germany	Air Force	Ramstein AFB	Replace Family Housing (19 units)	8,534		8,534
534	Greece	Navy	NSA JHC Larissa	Construct Family Housing Flag Units (2 units)	1,232	(1,232)	0
535	Korea	Army	Yongsan	Family Housing Construction (10 units)	3,100		3,100
536	Korea	Air Force	Osan AB	Construct Family Housing Phase 1 (113 units)	35,705		35,705
537	Korea	Air Force	Osan AB	Replace Furnishings Management Warehouse	834		834
538	United Kingdom	Navy	JMF St. Mawgan Scotland	Construct Enlisted Family Housing (62 Units) and Housing Office	18,524		18,524
539	United Kingdom	Air Force	RAF Lakenheath	Family Housing Management Facility	2,203		2,203
540	Worldwide Unspecified	Army	Unspecified Worldwide	FH Improvements	239,751		239,751

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Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
541	Worldwide Unspecified	Army	Unspecified Worldwide	Foreign Currency Fluctuation		(4,920)	(4,920)
542	Worldwide Unspecified	Army	Unspecified Worldwide	Furnishing Account	48,673		48,673
543	Worldwide Unspecified	Army	Unspecified Worldwide	Interest Payment	1		1
544	Worldwide Unspecified	Army	Unspecified Worldwide	Leasing	215,251		215,251
545	Worldwide Unspecified	Army	Unspecified Worldwide	Maintenance of Real Property	485,257		485,257
546	Worldwide Unspecified	Army	Unspecified Worldwide	Management Account	91,567		91,567
547	Worldwide Unspecified	Army	Unspecified Worldwide	Military Housing Privatization Initiative	25,926		25,926
548	Worldwide Unspecified	Army	Unspecified Worldwide	Miscellaneous Account	1,321		1,321
549	Worldwide Unspecified	Army	Unspecified Worldwide	Planning and Design	15,653		15,653
550	Worldwide Unspecified	Army	Unspecified Worldwide	Services Account	41,846		41,846
551	Worldwide Unspecified	Army	Unspecified Worldwide	Utilities Account	212,432		212,432
552	Worldwide Unspecified	Navy	Unspecified Worldwide	FH Improvements	139,468		139,468
553	Worldwide Unspecified	Navy	Unspecified Worldwide	Foreign Currency Fluctuation		(2,652)	(2,652)
554	Worldwide Unspecified	Navy	Unspecified Worldwide	Furnishings Account	30,344		30,344
555	Worldwide Unspecified	Navy	Unspecified Worldwide	Housing Privatization Support Cost	7,071		7,071
556	Worldwide Unspecified	Navy	Unspecified Worldwide	Leasing	129,085		129,085
557	Worldwide Unspecified	Navy	Unspecified Worldwide	Maintenance of Real Property	381,388		381,388
558	Worldwide Unspecified	Navy	Unspecified Worldwide	Management Account	82,114		82,114
559	Worldwide Unspecified	Navy	Unspecified Worldwide	Miscellaneous Account	913		913
560	Worldwide Unspecified	Navy	Unspecified Worldwide	Mortgage Insurance Premiums	71		71
561	Worldwide Unspecified	Navy	Unspecified Worldwide	Planning and Design	11,281		11,281
562	Worldwide Unspecified	Navy	Unspecified Worldwide	Services Account	62,583		62,583
563	Worldwide Unspecified	Navy	Unspecified Worldwide	Utilities Account	174,219		174,219
564	Worldwide Unspecified	Air Force	Unspecified Worldwide	FH Improvements	226,068		226,068
565	Worldwide Unspecified	Air Force	Unspecified Worldwide	Foreign Currency Fluctuation		(8,782)	(8,782)
566	Worldwide Unspecified	Air Force	Unspecified Worldwide	Furnishing Account	35,619		35,619
567	Worldwide Unspecified	Air Force	Unspecified Worldwide	Leasing	103,690		103,690
568	Worldwide Unspecified	Air Force	Unspecified Worldwide	Maintenance of Real Property	476,485		476,485
569	Worldwide Unspecified	Air Force	Unspecified Worldwide	Management Account	48,473		48,473
570	Worldwide Unspecified	Air Force	Unspecified Worldwide	Military Housing Privatization Initiative	20,482		20,482
571	Worldwide Unspecified	Air Force	Unspecified Worldwide	Miscellaneous Account	1,511		1,511
572	Worldwide Unspecified	Air Force	Unspecified Worldwide	Mortgage Insurance Premiums	36		36
573	Worldwide Unspecified	Air Force	Unspecified Worldwide	Planning and Design	34,188		34,188
574	Worldwide Unspecified	Air Force	Unspecified Worldwide	Services Account	25,178		25,178
575	Worldwide Unspecified	Air Force	Unspecified Worldwide	Utilities Account	132,945		132,945
576	Worldwide Unspecified	Air Force	Unspecified Worldwide	DERF - Family Housing Air Force		29,631	29,631
577	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Furnishing Account	26		26
578	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Maintenance of Real Property	510		510
579	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Management Account	308		308
580	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Services Account	76		76
581	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Utilities Account	410		410
582	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	FH Improvements	50		50
583	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Furnishing Account	120		120
584	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Leasing	9,643		9,643

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(Dollars in Thousands)

Line No.	Location	Service/Agency/Program	Installation	Project Title	FY 2003 Authorization Request	Committee Change From Request	FY 2003 Committee Recommendation
585	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Maintenance of Real Property	611		611
586	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Management Account	15		15
587	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Miscellaneous Account	58		58
588	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Services Account	339		339
589	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Utilities Account	407		407
590	Worldwide Unspecified	Defense Intelligence Agency	Unspecified Worldwide	Furnishing Account	3,689		3,689
591	Worldwide Unspecified	Defense Intelligence Agency	Unspecified Worldwide	Leasing	26,220		26,220
592	Worldwide Unspecified	Family Housing Improvement Fund	Unspecified Worldwide	Family Housing Improvement Fund	2,000		2,000

TITLE XXI—ARMY

SUMMARY

The budget request contained $1,476,521,000 for Army military construction and $1,405,620,000 for family housing for fiscal year 2003. The committee recommends authorization of $1,521,433,000 for military construction and $1,400,700,000 for family housing for fiscal year 2003.

ITEMS OF SPECIAL INTEREST

Planning and Design

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Army complete planning and design activities for the following project: $1,600,000 for a railhead at Baumholder, Germany.

Unspecified Minor Construction

The committee recommends that, within authorized amounts for unspecified minor construction, the Secretary of the Army execute the following project: $1,050,000 for sewage plant environmental compliance upgrades at White Sands Missile Range, New Mexico.

Water Tanks, Fort Bliss, Texas

The committee authorizes $10,200,000 for phase two of a project to replace elevated water tanks at Fort Bliss, Texas, and recommends authorization of appropriation of $5,200,000. The committee notes that sufficient authorization of appropriations to complete phase two of this project was provided by section 2101 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107).

LEGISLATIVE PROVISIONS

Section 2101—Authorized Army Construction and Land Acquisition Projects

This section contains the list of authorized Army construction projects for fiscal year 2003. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Section 2102—Family Housing

This section would authorize new construction and planning and design of family housing units for the Army for fiscal year 2003.

Section 2103—Improvements to Military Family Housing Units

This section would authorize improvements to existing units of family housing for fiscal year 2003.

Section 2104—Authorization of Appropriations, Army

This section would authorize specific appropriations for each line item contained in the Army's budget for fiscal year 2003. This section also provides an overall limit on the amount the Army may spend on military construction projects.

Section 2105—Modification of Authority to Carry Out Certain Fiscal Year 2002 Projects

This section would amend the table in section 2101 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107) to provide for an increase in the amounts authorized for military construction at Fort Carson, Colorado, and Fort Jackson, South Carolina.

TITLE XXII—NAVY

SUMMARY

The budget request contained $895,131,000 for Navy military construction and $1,243,488,000 for family housing for fiscal year 2003. The committee recommends authorization of $1,245,585,000 for military construction and $1,245,404,000 for family housing for fiscal year 2003.

ITEMS OF SPECIAL INTEREST

Electromagnetic Aircraft Launch System Land Based Test Site

The committee commends the Secretary of the Navy for including planning and design funding in the budget request for the Electromagnetic Aircraft Launch System (EMALS) Land Based Test Site at Lakehurst Naval Air Engineering Station, New Jersey. The committee believes this project is a critical component of the CVN–X program and understands that the Secretary of the Navy intends to request full funding for the project in fiscal year 2004. The committee endorses the secretary's plan to fund this project in fiscal year 2004.

North Chicago Department of Veterans Affairs Medical Center And Naval Hospital, Great Lakes, Illinois

The committee directs the Secretary of the Navy to consult with the Secretary of Veterans Affairs and provide a report of the plan required by the House of Representatives report on National Defense Authorization Act for Fiscal Year 2002 (Report 107–333) to jointly make maximum use of the North Chicago Veterans Affairs Medical Center. The report should be transmitted to the committee by January 30, 2003.

The committee believes that efficiencies are possible if the Department of the Navy and the Department of Veterans' Affairs share a single, modern facility. The committee recognizes the many bureaucratic impediments to such a proposal, among them the reality that construction of medical facilities for the military departments is managed and budgeted by the Department of Defense (DOD). With the understanding that the Secretary of the Navy and the Secretary of Veterans Affairs agree on the design of a new joint

facility that will be no more costly to each department than respective single use facilities, the committee encourages the Secretary of the Navy to submit a request to fund the DOD portion of a joint facility to the Secretary of Defense for consideration in the fiscal year 2004 or future medical construction budget requests.

The committee believes that any joint venture undertaken at Great Lakes Naval Hospital and the North Chicago Veterans Affairs Medical Center should meet jointly identified needs in a cost effective manner, be mutually beneficial to the beneficiaries of both departments, and incorporate the best business practices and lessons learned from previous joint ventures. To this end, the Secretary of the Navy, in coordination with the Secretary of Defense, and the Secretary of Veterans Affairs shall consult on further development of compatible budget, reimbursement and accounting systems, and compatible information technology goals. The consultation shall seek to identify restrictive regulations, policies and regulatory redundancies that inhibit resource sharing, and provide milestone dates to address each identified issue.

Planning and Design

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Navy complete planning and design activities for the following projects: $1,100,000 for a child development center at North Island Naval Air Station, California and $180,000 for a fire station at Whidbey Island Naval Air Station, Washington.

LEGISLATIVE PROVISIONS

Section 2201—Authorized Navy Construction and Land Acquisition Projects

This section contains the list of authorized Navy construction projects for fiscal year 2003. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Section 2202—Family Housing

This section would authorize new construction and planning and design of family housing units for the Navy for fiscal year 2003.

Section 2203—Improvements to Military Family Housing Units

This section would authorize improvements to existing units of family housing for fiscal year 2003.

Section 2204—Authorization of Appropriations, Navy

This section would authorize specific appropriations for each line item in the Navy's budget for fiscal year 2003. This section also provides an overall limit on the amount the Navy may spend on military construction projects.

Section 2205—Modification of Authority to Carry Out Certain Fiscal Year 2002 Project

This section would amend the table in section 2201 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107) to provide for an increase in the amounts authorized for military construction at Naval Station Norfolk, Virginia.

TITLE XXIII—AIR FORCE

SUMMARY

The budget request contained $644,090,000 for Air Force military construction and $1,521,113,000 for family housing for fiscal year 2003. The committee recommends authorization of $929,721,000 for military construction and $1,555,092,000 for family housing for fiscal year 2003.

ITEMS OF SPECIAL INTEREST

C–17 Assault Strips

The committee endorses the decision by the Secretary of the Air Force to base C–17 aircraft at March Air Reserve Base, California, and Travis Air Force Base, California. The committee notes that fully trained C–17 crews must practice combat landings at assault strips located at air bases near their home station. The committee has learned that a facility at Bicycle Lake, Fort Irwin, California, may be able to serve as an assault strip for March Air Reserve Base and Travis Air Force Base crews with some minor improvements. The committee urges the Secretary of the Air Force and the Secretary of the Army to consider upgrading the facility at Fort Irwin for use as an assault strip and urges the Secretary of the Air Force to construct assault strips at locations at appropriate distances from other bases where C–17 aircraft are stationed.

Planning and Design

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Air Force complete planning and design activities for the following projects: $675,000 for an air traffic control tower at Dover Air Force Base, Delaware, $2,160,000 for the 1st Air Force operations support center at Tyndall Air Force Base, Florida, and $2,430,000 for corrosion control paint facility at Robins Air Force Base, Georgia.

LEGISLATIVE PROVISIONS

Section 2301—Authorized Air Force Construction and Land Acquisition Projects

This section contains the list of authorized Air Force construction projects for fiscal year 2003. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Section 2302—Family Housing

This section would authorize new construction and planning and design of family housing units for the Air Force for fiscal year 2003.

Section 2303—Improvements to Military Family Housing Units

This section would authorize improvements to existing units of family housing for fiscal year 2003.

Section 2304—Authorization of Appropriations, Air Force

This section would authorize specific appropriations for each line item in the Air Force's budget for fiscal year 2003. This section also would provide an overall limit on the amount the Air Force may spend on military construction projects.

TITLE XXIV—DEFENSE AGENCIES

SUMMARY

The budget request contained $687,535,000 for defense agencies military construction and $47,912,000 for family housing for fiscal year 2003. The committee recommends authorization of $779,896,000 for military construction and $47,912,000 for family housing for fiscal year 2003.

ITEMS OF SPECIAL INTEREST

Planning and Design

The committee recommends that, within authorized amounts for planning and design, the Secretary of Defense complete planning and design activities for the following project: $1,300,000 for the fifth building of the Uniformed Services University of Health Sciences at Bethesda, Maryland.

LEGISLATIVE PROVISIONS

Section 2401—Authorized Defense Agencies Construction and Land Acquisition Projects

This section contains the list of authorized defense agencies construction projects for fiscal year 2003. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Section 2402—Improvements to Military Family Housing Units

This section would authorize improvements to existing units of family housing for fiscal year 2003.

Section 2403—Energy Conservation Projects

This section would authorize the Secretary of Defense to carry out energy conservation projects.

Section 2404—Authorization of Appropriations, Defense Agencies

This section would authorize specific appropriations for each line item in the Defense Agencies' budget for fiscal year 2003. This section also would provide an overall limit on the amount the defense agencies may spend on military construction projects.

Section 2405—Modification of Authority to Carry Out Certain Fiscal Year 2000 Project

This section would amend the table in section 2401 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65) to provide for an increase in the amounts authorized for military construction at Blue Grass Army Depot, Kentucky.

Section 2406—Modification of Authority to Carry Out Certain Fiscal Year 1999 Project

This section would amend the table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261) to provide for an increase in the amounts authorized for military construction at Newport Army Depot, Indiana.

Section 2407—Modification of Authority to Carry Out Certain Fiscal Year 1997 Project

This section would amend the table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201) to provide for an increase in the amounts authorized for military construction at Pueblo Chemical Activity, Colorado.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

OVERVIEW

The budget request contained $168,200,000 for the North Atlantic Treaty Organization (NATO) infrastructure fund (NATO Security Investment Program) for fiscal year 2003. The committee recommends $168,200,000.

LEGISLATIVE PROVISIONS

Section 2501—Authorized NATO Construction and Land Acquisition Projects

This section would authorize the Secretary of Defense to make contributions to the North Atlantic Treaty Organization security investment program in an amount equal to the sum of the amount specifically authorized in section 2502 of this bill and the amount of recoupment due to the United States for construction previously financed by the United States.

Section 2502—Authorization of Appropriations, NATO

This section would authorize appropriations of $168,200,000 as the U.S. contribution to the North Atlantic Treaty Organization security investment program.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SUMMARY

The budget request contained $297,301,000 for military construction of guard and reserve facilities for fiscal year 2003. The committee recommends authorization for fiscal year 2003 of $512,395,000 to be distributed as follows:

Army National Guard	$ 170,793,000
Air National Guard	119,266,000
Army Reserve	86,789,000
Naval and Marine Corps Reserve	66,971,000
Air Force Reserve	68,576,000
Total	512,395,000

ITEMS OF SPECIAL INTEREST

Dual Use Reserve Facilities

The committee understands that select Marine Reserve units are developing innovative programs with local educational institutions that may result in greater synergy between the military and civilian community at the local level. The committee is aware that these initiatives may involve efficiencies in the form of dual use of some facilities. The committee is interested in this initiative and directs the Secretary of the Navy to report to the Senate Committee on Armed Services and the House Committee on Armed Services by March 1, 2003, on the value of this program.

Joint Army Reserve and National Guard Reserve Center

The committee believes that the reserve components should construct joint facilities wherever possible. The committee understands that both the Army National Guard and Army Reserve have inadequate facilities in Scranton, Pennsylvania. The committee urges the Secretary of the Army to consider establishing a joint Army Reserve and Army National Guard center in the Scranton, Pennsylvania area to properly support the reserve components in northeast Pennsylvania. The committee is also aware that the Army National Guard and Army Reserve are considering such a joint project in the Moreno Valley, California, area, and urges the Secretary of the Army to complete this needed joint facility as soon as possible.

Planning and Design, Air National Guard

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Air Force complete planning and design activities for the following projects: $1,650,000 for a fire crash rescue station and control tower at Otis Air National Guard Base, Massachusetts, $1,110,000 for an aircraft maintenance complex at Duluth International Airport, Minnesota, and

$347,000 for phase two of an aircraft maintenance complex in Nashville, Tennessee.

Planning and Design, Army National Guard

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Army complete planning and design activities for the following projects: $990,000 for an armed forces reserve center in Haleyville, Alabama, $1,126,000 for an aviation transformation readiness center at Windsor Locks, Connecticut, $1,580,000 for an aviation support facility at Fort Stewart, Georgia, $659,000 for a readiness center in Methuen, Massachusetts, $2,014,000 for an aviation support facility at North Kingstown, Rhode Island, and $856,000 for an information operations armory at Camp Murray, Washington.

Unspecified Minor Construction

The committee recommends that, within authorized amounts for unspecified minor construction, the Secretary of the Army execute the following project: $586,000 for readiness center utilities upgrades at Worcester, Massachusetts.

LEGISLATIVE PROVISIONS

Section 2601—Authorized Guard and Reserve Construction and Land Acquisition Projects

This section would authorize appropriations for military construction for the guard and reserve by service component for fiscal year 2003. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

LEGISLATIVE PROVISIONS

Section 2701—Expiration of Authorizations and Amounts Required to Be Specified by Law

This section would provide that authorizations for military construction projects, repair of real property, land acquisition, family housing projects and facilities, contributions to the North Atlantic Treaty Organization infrastructure program, and guard and reserve projects will expire on October 1, 2005 or the date of enactment of an act authorizing funds for military construction for fiscal year 2006, whichever is later. This expiration would not apply to authorizations for which appropriated funds have been obligated before October 1, 2005 or the date of enactment of an act authorizing funds for these projects, whichever is later.

Section 2702—Extensions of Authorizations of Certain Fiscal Year 2000 Projects

This section would provide for selected extension of certain fiscal year 2000 military construction authorizations until October 1,

2003, or the date of the enactment of an act authorizing funds for military construction for fiscal year 2004, whichever is later.

Section 2703—Extension of Authorizations of Certain Fiscal Year 1999 Projects

This section would provide for selected extension of certain fiscal year 1999 military construction authorizations until October 1, 2003, or the date of the enactment of the act authorizing funds for military construction for fiscal year 2004, whichever is later.

Section 2704—Effective Date

This section would provide that Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of this bill shall take effect on October 1, 2002, or the date of the enactment of this act, whichever is later.

TITLE XXVIII—GENERAL PROVISIONS

ITEMS OF SPECIAL INTEREST

Impact of Privatized Housing on Local School Systems

The committee commends the Secretary of Defense's initiative to eliminate substandard military family housing by 2007 by aggressive use of housing privatization authorities. The committee believes that such initiatives, while worthy, should carefully consider the impact on all local support facilities, especially local school systems. It is particularly challenging for Department of Defense Education Activity Schools to respond effectively to sudden shifts in student population, since these schools must accommodate all students on a given installation, and since new school construction must be approved in the Department's military construction budget request. Local education activities feel the effects as well, and have little chance to react as federal impact payments are slow to adjust. The committee notes that service secretaries are authorized to include new school facilities in privatized housing contracts, and is concerned that this authority has not been used to its fullest advantage. In order to understand how the Department is addressing this issue both at installations with and without Department of Defense schools, the committee directs the Secretary of Defense to report to the Senate Committee on Armed Services and the House Committee on Armed Services by March 1, 2003, the impact of privatized housing on local and any Department of Defense schools at Fort Bragg, North Carolina, Fort Hood, Texas, and Lackland Air Force Base, Texas, together with the measures taken to ameliorate those impacts.

Integrated Water Management System on Guam

The committee recognizes the need for efficient management, utilization and conservation of water resources for the civilian and military communities on Guam. For some years, the committee has encouraged the military services to privatize utility systems where possible. In that regard, the committee encourages the Department of Defense to work collaboratively with the Government of Guam for a comprehensive and integrated water supply system and

wastewater system on the island. To achieve this goal, the committee urges the exploration of a public-private partnership to manage the distribution and supply of potable water on a more efficient basis in Guam.

LEGISLATIVE PROVISIONS

SUBTITLE A—MILITARY CONSTRUCTION PROGRAM AND MILITARY FAMILY HOUSING CHANGES

Section 2801—Changes to Alternative Authority for Acquisition and Improvement of Military Housing

This section would amend several provisions of subchapter IV of chapter 169, title 10, United States Code, to provide the secretaries of the military departments with additional flexibility in the management of family and unaccompanied housing under alternate authorities. This section would amend section 2872a of title 10, United States Code, to add police and fire protection services to the services that may be provided by a service secretary under these authorities; would amend section 2874 of title 10, United States Code, to permit service secretaries to lease existing housing and incorporate such housing into contracts negotiated under these authorities; would repeal section 2879 of title 10, United States Code; would amend section 2880 of title 10, United States Code, to remove restrictions on space limitations by grade for unaccompanied housing provided under these authorities on a military installation; and would amend section 2883 of title 10, United States Code, to consolidate the existing separate family housing and unaccompanied housing improvement funds into a single fund.

Section 2802—Modification of Authority to Carry Out Construction Projects as Part of Environmental Response Action

This section would amend section 2810 of title 10, United States Code, to clarify that the secretaries of the military departments are required to notify Congress of their intent carry out military construction projects not otherwise authorized by law necessary to carry out an environmental response action when the cost of that project exceeds the minor construction threshold.

Section 2803—Leasing of Military Family Housing in Korea

This section would amend section 2828 of title 10, United States Code, to authorize the Secretary of the Army to lease in Korea no more than 2,400 units of family housing for a maximum lease amount of $35,000 per year and no more than 1,175 units of family housing for a maximum of $25,000 per year.

SUBTITLE B—REAL PROPERTY AND FACILITIES ADMINISTRATION

Section 2811—Agreements with Private Entities to Limit Encroachments and Other Constraints on Military Training, Testing, and Operations

This section would authorize the secretary of a military department to enter into an agreement with a private organization whose principal purpose is the conservation of natural resources to ac-

quire an interest in land near military installations for the purpose of preserving natural habitat and limiting commercial development near military installations. The committee believes that judicious use of this initiative will help to preserve the last refuge habitat of some endangered species and will reduce the risk of urban encroachment impacting training at military installations.

Section 2812—Conveyance of Surplus Real Property for Natural Resource Conservation Purposes

This section would authorize the secretary of a military department to convey surplus real property under the administrative control of the secretary to an entity of state or local government or a nonprofit conservation organization for the purpose of maintaining the property for the conservation of natural resources in perpetuity.

Section 2813—National Emergency Exemption From Screening and Other Requirements of McKinney-Vento Homeless Assistance Act for Property Used in Support of Response Activities

This section would amend section 11411 of title 42, United States Code, to provide an exception to the requirement to screen excess or surplus property for various other uses when the property may be needed by federal, state, or local agencies to support emergency efforts in times of war, national emergency, or the occurrence of a major disaster.

Section 2814—Demonstration Program on Reduction in Long-Term Facility Maintenance Costs

This section would authorize the Secretary of Defense to conduct a demonstration program to assess whether the inclusion of facility maintenance requirements in military construction contracts may reduce the long-term facility maintenance costs of the military departments. This program is limited to 12 contracts, but is in addition to similar authority provided to the Secretary of the Army by section 2814 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107).

Section 2815—Expanded Authority to Transfer Property at Military Installations to Be Closed to Persons Who Construct or Provide Military Family Housing

This section would amend section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526) and section 2905 of the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510) to provide greater flexibility to the secretary of a military department to exchange property at a closed military installation for needed military family housing.

SUBTITLE C—LAND CONVEYANCES

PART I—ARMY CONVEYANCES

Section 2821—Land Conveyances, Lands in Alaska No Longer Required for National Guard Purposes

This section would authorize the Secretary of the Army to convey to the State of Alaska, a local government entity, or Indian tribe in the State of Alaska certain parcels of real estate in the National Wildlife Refuge System in Alaska that are excess to the needs of the Alaska National Guard.

Section 2822—Land Conveyance, Fort Campbell, Kentucky

This section would authorize the Secretary of the Army to convey, without consideration, a parcel of real property at Fort Campbell, Kentucky, consisting of approximately 50 acres containing an abandoned railroad spur, to the city of Hopkinsville, Kentucky. The property is to be used by the city for storm water management, recreation, and other public purposes. The cost of any surveys necessary for the conveyance shall be borne by the city.

Section 2823—Land Conveyance, Army Reserve Training Center, Buffalo, Minnesota

This section would authorize the Secretary of the Army to convey, without consideration, a parcel of real property, with improvements, to the Buffalo Independent School District 877 of Buffalo, Minnesota. The property is to be used by the school district as a learning center. The cost of any surveys necessary for the conveyance shall be borne by the school district.

Section 2824—Land Conveyance, Fort Bliss, Texas

This section would authorize the Secretary of the Army to convey, without consideration, a parcel of real property at Fort Bliss, Texas, consisting of approximately 44 acres with and without improvements to the State of Texas. The property is to be used by the State for the construction of a veterans' nursing home. The cost of any surveys necessary for the conveyance shall be borne by the State.

Section 2825—Land Conveyance, Fort Hood, Texas

This section would authorize the Secretary of the Army to convey, without consideration a parcel of real estate at Fort Hood, Texas, consisting of approximately 174 acres with and without improvements, to the Veterans Land Board of the State of Texas. The property is to be used by the State to establish a State run veterans' cemetery. The cost of any surveys necessary for the conveyance shall be borne by the board.

PART II—NAVY CONVEYANCES

Section 2831—Land Conveyance, Marine Corps Air Station, Miramar, San Diego, California

This section would authorize the Secretary of the Navy to convey a parcel of real property at Marine Corps Air Station Miramar, San Diego, California, to ENPEX Corporation for consideration. The section would require that the corporation construct family housing in the San Diego area and convey such housing and underlying real estate to the Secretary of the Navy as consideration for the parcel to be conveyed by the secretary. The section would also require that the value of the housing and real estate to be acquired by the secretary be of at least equal value to real estate being conveyed, and would restrict the use of the land conveyed by the secretary to the generation of electric power.

Section 2832—Boundary Adjustments, Marine Corps Base, Quantico, and Prince William Forest Park, Virginia

This section would authorize the Secretary of the Interior and the Secretary of the Navy to adjust the boundaries of Marine Corps Base, Quantico, Virginia, and Prince William Forest Park, Virginia. The boundary adjustment will require the Secretary of the Navy to transfer approximately 352 acres of land to the administrative jurisdiction of the Secretary of the Interior, and will require the Secretary of the Interior to transfer approximately 3,400 acres of land to the administrative jurisdiction of the Secretary of the Navy.

PART III—AIR FORCE CONVEYANCES

Section 2841—Land Conveyance, Wendover Air Force Base Auxiliary Field, Nevada

This section would authorize the Secretary of the Interior and the Secretary of the Air Force to convey certain parcels of real property at Wendover Air Force Base Auxiliary Field, Nevada, to the City of West Wendover, Nevada, and Tooele County, Utah, without consideration, for the purpose of establishing a runway protection zone and the development of an industrial park.

SUBTITLE D—OTHER MATTERS

Section 2861—Easement for Construction of Roads or Highways, Marine Corps Base, Camp Pendleton, California

This section would amend section 2867 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107) to clarify that any state law that would restrict the construction of the proposed road through Camp Pendleton, California, has no effect on the authority of the Secretary of the Navy to grant the easement or on the Transportation Corridor Agency to construct and operate the road.

Section 2862—Sale of Excess Treated Water and Wastewater Treatment Capacity, Marine Corps Base, Camp Lejeune, North Carolina

This section would permit the Secretary of the Navy to enter into an agreement that would allow Camp Lejeune, North Carolina, to provide treated water and wastewater treatment services to Onslow County, North Carolina, if the secretary determines that such an agreement is in the public interest and will not interfere with current or future utility needs at Camp Lejeune. The section would also require the county to reimburse the Navy for the fair market value of the services provided and specify that any amounts paid would be credited to the base operations and maintenance accounts of Camp Lejeune.

Section 2863—Ratification of Agreement Regarding Adak Naval Complex, Alaska, and Related Land Conveyances

This section would ratify an agreement made by the Secretary of the Interior, the Secretary of the Navy, and the Aleut Corporation in September 2000 concerning the reuse of the Adak Naval Complex, Alaska, and other related land conveyances. The agreement would provide that real estate on Adak Island withdrawn for use by the Secretary of the Navy may be transferred to the Aleut Corporation without regard to the requirements of section 1621 of title 42, United States Code, pertaining to lands in the Alaska Maritime National Wildlife Refuge. In return, the Aleut Corporation would agree to transfer to the Secretary of the Interior at least 36,000 acres of land suitable for inclusion in the Alaska Maritime National Wildlife Refuge. The committee believes that this agreement promotes the public interest by equitably preserving wildlife habitat and allowing the Secretary of the Navy to divest of unneeded real property.

Section 2864—Special Requirements for Adding Military Installations to Closure List

This section would amend section 3003 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107) to require that the base closure commission vote unanimously to add an installation to the list of bases being considered for closure and that at least two commissioners must visit any base ultimately recommended for closure.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

OVERVIEW

The budget request contained $15,434.0 million for the national security activities of the Department of Energy for fiscal year 2003. Of this amount, $8,038.7 million is for the programs of the Na-

tional Nuclear Security Administration and $7,395.2 million is for environmental and other defense activities. The committee recommends $15,400.9 million, the amount requested less $33.1 million for retirement accrual, representing an increase of $1,324.2 million from the amount authorized for fiscal year 2002. The following table summarizes the budget request and the committee recommendations.

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Atomic Energy Defense Activities (053)			
National Nuclear Security Administration:			
Weapons Activities	5,869,379	67,621	5,937,000
Defense Nuclear Nonproliferation	1,113,630	(39,000)	1,074,630
Naval Reactors	708,020	(1,230)	706,790
Office of the Administrator	347,705	(31,776)	315,929
Total, National Nuclear Security Administration	**8,038,734**	**(4,385)**	**8,034,349**
Environmental and Other Defense Activities:			
Defense Environmental Restoration and Waste Management	4,558,360	(14,227)	4,544,133
Defense environmental cleanup reform	800,000	-	800,000
Defense Facilities Closure Projects	1,091,314	-	1,091,314
Environmental Management Privatization	158,399	-	158,399
Other Defense Activities	472,156	(14,492)	457,664
Defense Nuclear Waste Disposal	315,000	-	315,000
Total, Environmental and Other Defense Activities	**7,395,229**	**(28,719)**	**7,366,510**
Total Atomic Energy Defense Activities	**15,433,963**	**(33,104)**	**15,400,859**

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
National Nuclear Security Administration:			
Weapons Activities			
Directed stockpile work			
Stockpile research and development	467,149	-	467,149
Stockpile maintenance	401,157	-	401,157
Stockpile evaluation	197,184	-	197,184
Dismantlement/disposal	24,378	-	24,378
Production support	137,706	-	137,706
Field engineering, training and manuals	6,893	-	6,893
Total, Directed stockpile work	1,234,467	-	1,234,467
Campaigns			
Science campaigns			
Primary certification	47,159	-	47,159
Dynamic materials properties	87,594	-	87,594
Advanced radiography			
Operations and maintenance	52,925	-	52,925
Secondary certification and nuclear systems margins	47,790	-	47,790
Total, Science campaigns	235,468	-	235,468
Engineering campaigns			
Enhanced surety	37,713	-	37,713
Weapons system engineering certification	27,007	-	27,007
Nuclear survivability	23,394	-	23,394
Enhanced surveillance	77,155	-	77,155

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Advanced design and production technologies	74,141	-	74,141
Total, Engineering campaigns	239,410	-	239,410
High energy density physics campaign			
Operations and maintenance	237,748	25,000	262,748
Construction:			
96-D-111 National ignition facility (NIF), LLNL, Livermore, CA	214,045	-	214,045
Total, High energy density physics campaign	451,793	25,000	476,793
Advanced simulation and computing			
Operations and maintenance	669,527	-	669,527
Construction:			
01-D-101 Distributed information systems laboratory, SNL, Livermore, CA	13,305	-	13,305
00-D-103, Terascale simulation facility, LLNL, Livermore, CA	35,030	-	35,030
00-D-105, Strategic computing complex, LANL, Los Alamos, NM	-	-	-
00-D-107 Joint computational engineering laboratory, SNL, Albuquerque, NM	7,000	-	7,000
Total, Construction	55,335	-	55,335
Total, Advanced simulation and computing	724,862	-	724,862

Title XXXI - Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Pit manufacturing and certification	194,484	-	194,484
Readiness campaigns			
Stockpile readiness	61,027	-	61,027
High explosives manufacturing and weapons assembly/disassembly readiness	12,093	-	12,093
Non-nuclear readiness	22,398	-	22,398
Materials readiness	-	-	-
Tritium readiness			
Operations and maintenance	56,134	-	56,134
Construction:			
98-D-125 Tritium extraction facility, Savannah River plant, Aiken, SC	70,165	-	70,165
Total, Tritium readiness	126,299	-	126,299
Total, Readiness campaigns	221,817	-	221,817
Total, Campaigns	2,067,834	25,000	2,092,834
Readiness in technical base and facilities			
Operations of facilities	949,920	45,000	994,920
Pantex		[+25,000]	
Y-12		[+20,000]	
Program readiness	208,089	-	208,089
Special projects	37,744	-	37,744
Material recycle and recovery	98,816	-	98,816
Containers	17,721	-	17,721

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Storage	14,593	-	14,593
Nuclear weapons incident response	91,000	-	91,000
Subtotal, Readiness in technical base and facilities	1,417,883	45,000	1,462,883
Construction:			
03-D-101 Sandia underground reactor facility SURF, SNL, Albuquerque, NM	2,000	-	2,000
03-D-103 Project engineering and design various locations	15,539	-	15,539
03-D-121 Gas transfer capacity expansion, Kansas City Plant, Kansas City, MO	4,000	-	4,000
03-D-122 Prototype purification facility, Y-12 plant, Oak Ridge, TN	20,800	-	20,800
03-D-123 Special nuclear materials Requalification, Pantex plant, Amarillo, TX	3,000	-	3,000
02-D-103 Project engineering and design, various locations	27,245	-	27,245
02-D-105 Engineering technology complex upgrade (ETCU), LLNL, Livermore, CA	10,000	-	10,000
02-D-107 Electrical power systems safety communications and bus upgrades,Nevada Test Site	7,500	-	7,500

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
01-D-103 Project engineering and design (PE&D), various locations	6,164	-	6,164
01-D-107 Atlas relocation and operations Nevada Test Site	4,123	-	4,123
01-D-108 Microsystem and engineering science applications (MESA), SNL, Albuquerque, NM	75,000	-	75,000
01-D-124 HEU storage facility, Y-12 plant, Oak Ridge, TN	25,000	-	25,000
01-D-126 Weapons Evaluation Test Laboratory Pantex Plant, Amarillo, TX	8,650	-	8,650
01-D-800 Sensitive compartmented information facility, LLNL	9,611	-	9,611
99-D-103 Isotope sciences facilities, LLNL, Livermore, CA	4,011	-	4,011
99-D-104 Protection of real property (roof reconstruction-Phase II), LLNL, Livermore, CA	5,915	-	5,915
99-D-106 Model validation & system certification center, SNL, Albuquerque, NM	-	-	-

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
99-D-108 Renovate existing roadways, Nevada Test Site, NV		-	-
99-D-125 Replace boilers & controls, Kansas City plant, Kansas City, MO	-	-	-
99-D-127 Stockpile management restructuring initiative, Kanas City plant, Kansas City, MO	29,900	-	29,900
99-D-128 Stockpile management restructuring initiative, Pantex plant, Amarillo, TX	407	-	407
98-D-123 Stockpile management restructing initiative, Tritium factory modernization and consolidation, Savannah River plant, SC	10,481	-	10,481
98-D-124 Stockpile management restructuring initiative, Y-12 consolidation, Oak Ridge, TN	-	-	-
97-D-123 Structural upgrades, Kansas City plant, Kansas City, KS	-	-	-
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations	1,000	-	1,000

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Total, Construction	270,346	-	270,346
Total, Readiness in technical base and facilities	1,688,229	45,000	1,733,229
Facilities and infrastructure recapitalization program	242,512	-	242,512
Secure transportation asset			
Operations and equipment	100,863	-	100,863
Program direction	54,505	(2,379)	52,126
Total, Secure transportation asset	155,368	(2,379)	152,989
Safeguards and security			
Operations and maintenance	501,054	-	501,054
Construction:			
99-D-132 SMRI nuclear material safeguards and security upgrade project, LANL, Los Alamos, NM	8,900	-	8,900
Total, Safeguards and security	509,954	-	509,954
Subtotal, Weapons Activities	5,898,364	67,621	5,965,985
Program Direction		-	-
Adjustments			
Use of prior year balances (General reduction)	-	-	-
Less security charge for reimbursable work	(28,985)	-	(28,985)
Total, Weapons Activities	**5,869,379**	**67,621**	**5,937,000**

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Defense Nuclear Nonproliferation			
Nonproliferation and verification R&D			
Operation and maintenance	283,407	-	283,407
Construction:			
00-D-192 Nonproliferation and international security center (NISC), LANL	-	-	-
Total, Nonproliferation & verification R&D	283,407	-	283,407
Nonproliferation and international security	92,668	-	92,668
Nonproliferation programs with Russia			
International nuclear materials protection and cooperation	233,077	-	233,077
Russian transition initiatives	39,334	-	39,334
HEU transparency implementation	17,229	-	17,229
International nuclear safety	14,576	(3,000)	11,576
Elimination of weapons-grade plutonium production program	49,339	(30,000)	19,339
Fissile materials disposition			
U S surplus materials disposition	194,000	4,000	198,000
Russian surplus materials disposition	98,000	(10,000)	88,000
Program oversight		[-10,000]	
Construction:			
01-D-407 Highly enriched uranium (HEU) blend down, Savannah River, SC	30,000	-	30,000

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
99-D-141 Pit disassembly and conversion facility, Savannah River, SC	33,000	-	33,000
99-D-143 Mixed oxide fuel fabrication facility, Savannah River, SC	93,000	-	93,000
Total, Construction	156,000	-	156,000
Total, Fissile materials disposition	448,000	(6,000)	442,000
Total, Nonproliferation programs with Russia	801,555	(39,000)	762,555
Program direction	-	-	-
Subtotal, Defense Nuclear Nonproliferation	1,177,630	(39,000)	1,138,630
Adjustments:			
Use of prior year balances	(64,000)	-	(64,000)
Total, Defense Nuclear Nonproliferation	**1,113,630**	**(39,000)**	**1,074,630**
Naval Reactors			
Naval reactors development			
Operation and maintenance	671,290	-	671,290
Construction:			
03-D-201 Cleanroom technology facility Bettis Atomic Power Laboratory, West Mifflin, PA	7,200	-	7,200
01-D-200 Major office replacement building, Schenectady, NY	2,100	-	2,100
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID	2,000	-	2,000
Total, Construction	11,300	-	11,300

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Total, Naval reactors development	682,590	-	682,590
Program direction	25,430	(1,230)	24,200
Total, Naval Reactors	**708,020**	**(1,230)**	**706,790**
Office Of The Administrator	347,705	(31,776)	315,929
CSRS		[11,776]	
Overhead		[20,000]	
Total, Office of the Administrator	**347,705**	**(31,776)**	**315,929**
Total, National Nuclear Security Administration	**8,038,734**	**(4,385)**	**8,034,349**
Environmental and Other Defense Activities			
Defense Environmental Restoration & Waste Management			
Site/project completion			
Operation and maintenance	779,706	-	779,706
Construction:			
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID	1,119	-	1,119
02-D-420 Plutonium packaging and stabilization, Savannah River, SC	2,000	-	2,000
01-D-414 Preliminary project, engineering and design (PE&D), various locations	5,125	-	5,125

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
99-D-402 Tank farm support services, F&H area, Savannah River Site, Aiken, SC	-	-	-
99-D-404 Health physics instrumentation laboratory, INEL, ID	-	-	-
98-D-453 Plutonium stabilization and handling system for PFP, Richland, WA	-	-	-
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC	-	-	-
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA	-	-	-
Total, Construction	8,244	-	8,244
Total, Site/project completion	787,950	-	787,950
Post 2006 completion			
Operation and maintenance	1,702,241	-	1,702,241
Uranium enrichment D&D fund contribution	-	-	-
Construction:			
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC	14,870	-	14,870
Office of river protection			
Operation and maintenance	226,256	-	226,256

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Construction:			
03-D-403 Immobilized high-level waste interim storage facility, Richland, WA	6,363	-	6,363
01-D-416 Tank waste remediation system, RL	619,000	-	619,000
97-D-402 Tank farm restoration and safe operations, Richland, WA	25,424	-	25,424
94-D-407 Initial tank retrieval systems, Richland, WA	20,945	-	20,945
Total, Construction	671,732	-	671,732
Total, Office of river protection	897,988	-	897,988
Total, Post 2006 completion	2,615,099	-	2,615,099
Science and technology	92,000	-	92,000
Excess facilities	1,300	-	1,300
Multi-Site activities			
Uranium enrichment D&D fund contribution	442,000	-	442,000
Other activities	37,871	-	37,871
Total, Multi-Site activities	479,871	-	479,871
Safeguards and security	228,260	-	228,260
Program direction	358,227	(14,227)	344,000
Subtotal, Defense environmental restoration and waste management	4,562,707	(14,227)	4,548,480
Use of prior year balances	-	-	-

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
General reduction			
Less security charge for reimbursable work	(4,347)	-	(4,347)
Total, Defense Environmental Restoration And Waste Management	**4,558,360**	**(14,227)**	**4,544,133**
Environmental Management Cleanup Reform			
Environmental management cleanup reform	**800,000**	**-**	**800,000**
Defense Facilities Closure Projects			
Site closure	1,054,153	-	1,054,153
Safeguards and security	37,161	-	37,161
Total, Defense Facilities Closure Projects	**1,091,314**	**-**	**1,091,314**
Defense Environmental Management Privatization			
Privatization initiatives, various locations	158,399	-	158,399
Total, Defense Environmental Management	**6,608,073**	**(14,227)**	**6,593,846**
Other Defense Activities			
Energy security and assurance			
Energy security	23,411	-	23,411
Program direction	4,275	-	4,275
Total, Energy security and assurance	27,686	-	27,686

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
Office of Security			
Nuclear safeguards and security	91,102	-	91,102
Security investigations	45,870	-	45,870
Program direction	50,246	(1,703)	48,543
Chief information officer			
Corporate management information program	-	-	-
Total, Office of Security	187,218	(1,703)	185,515
Intelligence	41,559	(313)	41,246
Counterintelligence	46,083	(128)	45,955
Advanced accelerator applications	-	-	-
Independent oversight and performance assurance	22,615	(185)	22,430
Environment, safety & health			
Environment, safety and health (defense)	81,892	-	81,892
Program direction	18,018	(869)	17,149
Management efficiencies	-	(5,000)	(5,000)
Total, Environment, safety and health	99,910	(5,869)	94,041
Worker and community transition			
Worker and community transition	22,965	-	22,965
Program direction	2,809	(91)	2,718
Management efficiencies	-	(6,000)	(6,000)
Total, Worker and community transition	25,774	(6,091)	19,683

Title XXXI - Department of Energy National Security Programs

(Dollars in Thousands)

	FY 2003 Authorization Request	Committee Change from Request	FY 2003 Committee Recommendation
National security programs administration support	25,587	-	25,587
Office of hearings and appeals	3,136	(203)	2,933
Subtotal, Other defense activities	479,568	(14,492)	465,076
Adjustments:			
Use of prior year balances	(6,700)	-	(6,700)
Less security charge for reimbursable work	(712)	-	(712)
Total, Adjustments	(7,412)	-	(7,412)
Total, Other Defense Activities	**472,156**	**(14,492)**	**457,664**
Defense Nuclear Waste Disposal			
Defense nuclear waste disposal	315,000	-	315,000
Total, Environmental and Other Defense Activities	**7,395,229**	**(28,719)**	**7,366,510**
TOTAL, Atomic Energy Defense Activities	**15,433,963**	**(33,104)**	**15,400,859**

ITEM OF SPECIAL INTEREST

Full Funding for Retiree Costs in the Fiscal Year 2003 Budget Request

The Administration proposed legislation to require agencies, beginning in fiscal year 2003, to pay the full government share of the accruing cost of retirement for current Civil Service Retirement System (CSRS) employees and to pay the full accruing cost of post-retirement health benefits for current civilian employees who are enrolled in the Federal Employees Health Benefits Program (FEHB). At the present time, agencies pay about half of the employer's share for accruing benefits, and the remainder is covered by a mandatory general fund payment. The Administration's proposed change would require specific legislation to move the full government share to each agency's budget.

The committee understands that the appropriate committee with jurisdiction to initiate this change has declined to consider the required legislation and, therefore, recommends continuing the current practice of funding these benefits. The fiscal year 2003 budget request for the atomic energy defense activities of the Department of Energy (DOE) includes $33.1 million to fund this proposed change in the CSRS and the FEHB program. The following represents the total budget request for funding for CSRS and FEHB that has not been included in the committee's recommendation for the atomic energy defense activities of the Department of Energy:

PROGRAM

[In thousands of dollars]

National Nuclear Security Administration:	
Weapons Activities—Secure Transportation Asset program direction	2,379
Naval Reactors—program direction	1,230
Office of the Administrator	11,776
Environmental Management: Defense Environmental Restoration and Waste Management—program direction	14,227
Other Defense Activities:	
Office of Security—program direction	1,703
Intelligence	313
Counterintelligence	128
Independent oversight and performance assurance	185
Environmental, Safety and Health—program direction	869
Worker and community transition—program direction	91
Office of Hearings and Appeals	203
Total	33,104

NATIONAL NUCLEAR SECURITY ADMINISTRATION

Overview

The budget request contained $8,038.7 million for the National Nuclear Security Administration (NNSA) for fiscal year 2003. The committee recommends $8,034.3 million, representing an increase of $913.3 million from the amount authorized for fiscal year 2002.

ITEMS OF SPECIAL INTEREST

Adjustments to the budget request

The committee recommends $8,034.3 million for the National Nuclear Security Administration (NNSA), including reductions for retirement accrual, and makes adjustments to individual programs.

The budget request contained a record $5,869.4 million for Weapons Activities, including $1,234.5 million for directed stockpile work. The committee remains concerned that NNSA nuclear weapon life extension program goals are not properly matched to Department of Defense needs, as evidenced by life extension and modernization activities for the weapon systems, and the delivery vehicles designed to carry those warheads and bombs.

The budget request contained a record $1,113.6 million for Defense Nuclear Nonproliferation programs. The committee remains concerned that, as evidenced by a pattern of high unobligated balances, many international cooperative programs have been funded at a rate in excess of what the programs can effectively absorb.

Reductions

The budget request contained $14.6 million for international nuclear safety programs. The committee recommends $11.6 million, a reduction of $3.0 million. The committee cautions that other federal and international entities already have nuclear safety as a primary mission.

The budget request contained $49.3 million for the elimination of weapons-grade plutonium production program. The committee recommends $19.3 million, a reduction of $30.0 million. The committee notes that this program is being transferred from the Department of Defense's Cooperative Threat Reduction program, with $57.8 million in unobligated balances. The committee believes that NNSA's request for an additional $49.3 million in fiscal year 2003 is excessive, especially given that the Administration has no detailed plan for execution of the program, or even a formal agreement with the Russian Federation with regard to cost sharing and shut down of the reactors at Seversk and Zheleznogorsk.

The budget request contained $98.0 million for Russian surplus fissile materials disposition. The committee recommends $88.0 million, a reduction of $10.0 million specifically to program support and oversight in the United States. The committee notes that the budget request more than doubles funds for these activities in fiscal year 2003 to over one-third of the request for the program. The committee has cautioned NNSA in the past regarding excessive levies on international programs.

The budget request, less retirement accrual, contained $335.9 million for the Office of the Administrator. The committee recommends $315.9 million, a reduction of $20.0 million to hold this appropriation account to the comparable fiscal year 2002 level. The committee expects economies to result from the organizational streamlining and management efficiencies that Congress in large part created NNSA to effect.

Increases

The budget request contained $949.9 million in Readiness in Technical Base and Facilities for operations of facilities. The com-

mittee recommends $994.9 million, an increase of $45.0 million. The committee is aware of the poor condition of weapons complex infrastructure, particularly at the production plants, and the continuing need to address maintenance backlogs. The committee recommends $25.0 million for infrastructure maintenance and mission essential upgrades and replacements at the Pantex Plant. The committee recommends an additional $20.0 million for repairs of facilities and priority upgrades at the Y–12 Plant.

The budget request contained $451.8 million for the high energy density physics (HEDP) campaign, including $237.7 million for operations and maintenance, and $214.0 million for National Ignition Facility construction. The committee recommends $262.7 million, an increase of $25.0 million, for HEDP campaign operations and maintenance. The HEDP campaign comprises experimental programs directed towards developing data on the properties and behavior of matter under extreme conditions of temperature and pressure, and is critical to gaining a scientific understanding of how nuclear weapons work. Data developed in HEDP programs are used to validate computer simulations, which in turn are used to assess weapon characteristics, and excursions from nominal performance. In particular, the committee is concerned by reductions and terminations in the budget request of high technical quality programs such as the high average power laser program and the petawatt initiative.

The budget request contained $194.0 million for U.S. surplus materials disposition programs. The committee recommends $198.0 million, an increase of $4.0 million to investigate alternative technologies and fuel cycles for disposition of weapons grade plutonium excess to defense needs. The committee understands that the Administration has selected fabrication of mixed oxide fuel (MOX) for consumption in commercial power reactors as its baseline approach. However, the committee is aware that, in the longer term, other approaches such as fuel cycles based on thorium could offer significant advantages in terms of proliferation resistance and efficiency of plutonium consumption. The committee encourages NNSA to work with both the private sector and the Russian Federation to assess the technical feasibility and economic viability of thorium-based fuel cycles.

Federal workforce restructuring

A number of independent assessments have described federal management of the nuclear weapons complex as burdened by excessive, and in some cases duplicative, staffing.

In its 1999 Report on Security Problems at the U.S. Department of Energy, the President's Foreign Intelligence Advisory Board (PFIAB) described a management structure comprising "layer upon layer of bureaucracy" that made it nearly impossible to assign responsibility or accountability. The PFIAB singled out for special comment the field offices, which have been described as redundant "shadow headquarters," pressing their own agendas and priorities, concluding that the weapons labs reported to "far too many DOE masters". The PFIAB report was highly instrumental in triggering Congress to pass in 1999 the National Nuclear Security Administration Act, title XXXII of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65), leading to establishment

of a semi-autonomous agency within the Department to manage the weapons complex.

In its report NNSA Management: Progress in the Implementation of Title 32 dated December 12, 2001, GAO noted that longstanding issues of organizational roles and responsibilities remained unaddressed in a substantive way, and that NNSA reform efforts appeared to be losing momentum in some areas.

In its FY 2001 Report to Congress of the Panel to Assess the Reliability, Safety, and Security of the United States Nuclear Stockpile of March 15, 2002, the Panel emphasized a continuing need to reduce duplicative and non-value added management practices, and correspondingly to implement significant reductions in NNSA staff. The Panel recommended that this smaller government organization focus on oversight and policy responsibilities, and "restore management responsibility, authority and accountability to the laboratory directors and plant managers for meeting requirements, standards, timelines, and budgets".

The committee concurs with these assessments. While NNSA's Report to Congress on the Organization and Operations of the National Nuclear Security Administration of February 25, 2002 appears to anticipate that "streamlined processes and redefined roles" will lead to a "significant reduction" in federal staff, the report provides no specifics on the size of the reductions or the timeline over which they will occur. In the meantime, the committee notes that justification materials submitted with the budget request show that federal staffing levels at NNSA have actually grown since fiscal year 2001. The committee strongly urges the Administrator to move forward decisively and expeditiously with a restructuring of the NNSA federal workforce, and start NNSA on the path to realizing the organizational streamlining and management efficiencies Congress intended in passing the NNSA Act in 1999.

Foster Panel Assessment of NNSA Reform Efforts

The last underground test of a nuclear weapon at the Nevada Test Site occurred a decade ago. Since that time the United States has observed a moratorium on testing, relying instead on a science-based stewardship program to certify the continued viability of the nation's nuclear stockpile. Concerns regarding the efficacy of this approach led Congress in 1998 to establish a panel to assess the process for certifying the safety, reliability and performance of nuclear weapons in the absence of testing. Section 3159 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261) established the Panel to Assess the Reliability, Safety, and Security of the United States Nuclear Stockpile (commonly know as the Foster Panel after its chairman, Dr. John S. Foster). The Panel, established for a period of three years, has consistently noted in its annual reports "* * * the disturbing gap between the nation's policy that maintaining a safe and reliable nuclear stockpile is a supreme national interest and the actions taken to support this policy". The committee has benefited greatly from the Panel's independent assessments, and expresses its appreciation for the contributions to national security of its members.

In 1999, Congress fundamentally restructured how the Department of Energy manages defense nuclear activities. Title 32 of the National Defense Authorization Act for Fiscal Year 2000 (Public

Law 106–65), the National Nuclear Security Administration Act, established a semi-autonomous NNSA within DOE. In passing the Act, Congress intended to address significant and long-standing problems relating to DOE's management of defense nuclear programs by establishing an organization that would be responsible for, and accountable for, management of the nation's nuclear stockpile and related programs. NNSA was statutorily established over two years ago, on March 1, 2000. The committee has been fortunate that the Panel's tenure has included the first two years of NNSA's organizational life.

In standing up and staffing a new organization, Congress has provided a rare opportunity to address the difficult and important problems that have confounded efforts to properly manage the nation's nuclear stockpile. On March 15, 2002, the Foster Panel submitted its fiscal year 2001 report to Congress—Expectations for the U.S. Nuclear Stockpile Stewardship Program. In it, the Panel notes that some progress has been made. However, the report also states:

> There remains an urgent need for NNSA to address the fundamental problems that Congress created it to correct. The start-up phase is now over. If NNSA cannot within the current year achieve the autonomy and provide the leadership Congress intended, it is appropriate for Congress to revisit other options for managing the nuclear weapons program.

The committee concurs with this assessment.

The committee regards the current year as a watershed, during which NNSA's organizational and management reform efforts are likely to succeed or fail. Because of the value the committee places on independent assessment, and the critical need for attaining a functional nuclear weapons complex, the committee, in Section 3141, extends the termination date of the Panel to April 1, 2003.

Pit Manufacturing and Certification Campaign

The budget request contained $194.5 million for plutonium pit manufacturing and certification programs. The committee recommends the budget request.

The United States remains the only nuclear power without the ability to produce all the components of a nuclear weapon. In particular, the United States has not produced a plutonium pit, a critical weapon component, since manufacturing operations ceased at Rocky Flats in 1989. The goal of the manufacturing campaign is to produce a certifiable W88 pit in fiscal year 2003, and establish a limited production capability of 10 pits per year at Los Alamos National Laboratory by 2007. The National Nuclear Security Administration intends to be able to certify a W88 pit without underground testing by fiscal year 2009, with a goal of sooner achieving this capability in 2007.

The campaign as described above is designed to meet a limited need for W88 surveillance pits for destructive evaluation purposes. Ultimately the nation will require the ability to produce replacement pits at a far higher rate in order to meet the needs of the enduring stockpile. While the effects of aging, and consequently the lifetime of pits, are not known with certainty, and international agreements may further affect requirements for new pits, the com-

mittee believes that prudence dictates a need to proceed immediately, with preliminary steps to re-establish a large scale pit production facility, especially given that site selection and permitting will likely entail an extended process. The committee is somewhat concerned that the budget request of $2.0 million for design of a modern pit facility, half that appropriated in fiscal year 2004, is not commensurate with the seriousness of the need.

Robust nuclear earth penetrator

The committee understands that the NNSA intends to reprogram $7.0 million of fiscal year 2002 funds, and requests $15.0 million in fiscal year 2003, to begin formal design studies for a robust nuclear earth penetrator (RNEP). The 6.2/6.2a design study has been approved by the Nuclear Weapons Council with a cost to completion of $46.0 million, and will involve repackaging of an existing stockpile warhead. The committee understands that RNEP is not a new design, is not a low yield "mini nuke", and is not "clean" in the sense that fallout and collateral damage can be contained. Consequently the committee does not believe that RNEP represents a significant departure from current stockpile weapons. The committee expects to be informed of any changes to the parameters of this study.

Stockpile certification

In 1995 the President established a requirement for annual certification of the nuclear stockpile. The committee believes this annual certification, including an assessment of the need to resume underground tests, provides a valuable measure of the health of the nation's strategic deterrent. In section 3144, the committee has taken action to strengthen this certification process by requiring an assessment of other factors that have strong bearing on the certification process, including the adequacy of the tools and methods on which those certifications are based, and the ability of the weapons complex infrastructure to detect and resolve problems in the stockpile. The committee has also taken measures to strengthen peer review in the certification process.

Test readiness

The President has stated that resumption of underground nuclear testing is not required at this time, and the Administration continues to observe the moratorium on nuclear testing. As reflected in justification materials submitted to Congress in support of the President's fiscal year 2003 budget request, the policy of the NNSA is to be capable of resuming underground testing within two to three years, should the President determine that such tests are necessary. The NNSA Administrator has stated that the current test readiness posture of the weapons complex is closer to three years.

The most recent Nuclear Posture Review, submitted to Congress by the Department of Defense on January 8, 2002, supports reduction of the Department of Energy's test readiness lead-time.

In its fiscal year 2001 report to Congress submitted on March 15, 2002, the Panel to Assess the Reliability, Safety, and Security of the United States Nuclear Stockpile recommends a test readiness of 3 months to a year depending on the type of test. The Panel

notes that the test "pedigree" of existing weapons is deteriorating with time, and that prudence dictates that the President should have a "realistic option" to resume nuclear testing if technical or political events so require.

The committee concurs with these recommendations. The committee believes that test readiness could be greatly enhanced by, among other actions, planning for specific tests, conducting site preparation activities, laying in diagnostics, and maintaining test articles at the Nevada Test Site. Section 3145 requires the Secretary of Energy, in consultation with the NNSA Administrator, to develop and report to Congress on a plan and budget to achieve a one-year readiness posture within one year of a decision to do so.

Tritium readiness campaign

The budget request contained $126.3 million for the tritium readiness campaign. The committee recommends the budget request.

Tritium is a perishable radioactive element that is essential to the proper functioning of stockpile weapons, and consequently must periodically be replaced. The United States has not had the capability to produce tritium since 1988, and has relied on reserves, and tritium recovered and recycled from dismantled weapons, to maintain the stockpile. The committee understands that the tritium readiness campaign is on schedule to begin irradiation of tritium producing bars in commercial light water reactors at Watts Bar and Sequoyah in fiscal year 2003, and to begin production extraction for the stockpile in fiscal year 2006 at the Savannah River Site. The committee urges the National Nuclear Security Administration to continue to maintain the schedule for this critical project.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

Overview

The budget request contained $7,395.2 million for environmental and other defense activities for fiscal year 2003. The committee recommends $7,366.5 million, including reductions for retirement accrual, representing an increase of $410.9 million from the amount authorized for fiscal year 2002.

Items of Special Interest

Adjustments to the Budget Request

The budget request, less retirement accrual, contained $99.0 million for Other Defense Activities environment, safety, and health (ES&H) programs. The committee recommends $94.0 million, a reduction of $5.0 million. The committee notes that the budget had increased in recent years to accommodate administrative functions associated with assessment and compensation programs that should present a relatively short term increase in funding requirements, and that other worker health studies should be nearing completion.

The budget request, less retirement accrual, contained $25.7 million for Other Defense Activities worker and community transition programs. The committee recommends $19.7, a reduction of $6.0 million to hold these programs to fiscal year 2002 levels.

Environmental management cleanup reform program

The budget request contained $800.0 million to establish a new environmental management cleanup reform program. This new program is designed to provide the vehicle for implementing the recommendations of the Department of Energy's recently completed "top to bottom review" of its environmental management programs (EM). As structured today, this review concluded that the EM program now has a life cycle cost of $220 billion and, that without significant change in business processes, the cost estimate could easily increase to more than $300 billion. In fact only about one-third of the EM program budget is going toward actual cleanup and risk reduction work. The remainder is spent on maintenance, fixed costs, and other activities required to support safety and security. Not only have the dollar estimates proven to be overly optimistic, the schedule estimates have followed a similar path. Numerous sites are already unable to meet their commitments as outlined in an earlier 1998 Departmental report. Moreover, the three largest sites—Savannah River, Idaho National Engineering and Environmental Laboratory, and Hanford—have such long term completion dates (2038, 2050, and 2070, respectively) that the estimates for cost and schedule are highly uncertain and subject to change. The reality of an extended cleanup schedule is that eventually it could lead to more prolonged and potentially severe public health and environmental risks.

With these facts not in dispute, it was critical for the Department to seek alternative cleanup approaches that would be designed to produce more real risk reduction, accelerated cleanup, and cost and schedule improvements. This new program is established for the purpose of meeting these goals. Evidence does suggest that a program can be turned around if a site can adopt an approach similar to that taken at Rocky Flats, Colorado. By adopting a risk based management approach, combined with a clear mission, a culture of urgency, and a performance based contract, the cleanup at Rocky Flats is now scheduled to be completed 50 years ahead of schedule and $30 billion below the original baseline. The goal of the new program is in essence to take the successes at Rocky Flats and apply those principles complex-wide.

Under this new cleanup reform program it is contemplated that the Department will work with the States and federal regulators with a goal of reaching an agreement on an accelerated and risk-based cleanup—a cleanup that eliminates unneeded activities. Once an agreement or "site performance management plan" is reached and a new cost savings and funding profile is established for the acceleration or alternate cleanup strategy, funds will be made available from the EM Cleanup Reform account to fund or supplement existing funding of a site's base budget. The committee expects that the site's entire budget for cleanup will be used for activities addressed and agreed to in the site performance management plan. Finally, this new program is designed to ensure that constant or greater funding levels are available to those States whose cooperative efforts lead to greater and faster risk reduction. In that regard, the committee understands that the Department has been in initial discussions with state officials representing the sites most affected by this new program. As a result of these discussions, the committee has been advised that a "letter of intent"

has been signed with the State of Washington to accelerate cleanup at that state's Hanford site. The agreement proposes an allocation of approximately $433.0 million from this new cleanup reform account. This agreement, if and when it is fully implemented, would accelerate cleanup by 35–45 years and result in cost savings of $33 billion over the current projected costs. The committee understands that negotiations with the State of South Carolina are moving rapidly toward a similar agreement. The committee understands that this agreement, if finalized, will result in a substantial monetary increase above the site's base budget for fiscal year 2003 of $961.1 million and at the same time result in an accelerated cleanup and risk reduction. The committee is encouraged by these efforts and urges other sites to develop proposals for an accelerated and risk-based cleanup.

LEGISLATIVE PROVISIONS

SUBTITLE A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

Section 3101—National Nuclear Security Administration

This section would authorize funds for the National Nuclear Security Administration for fiscal year 2003, including funds for weapons activities, defense nuclear nonproliferation programs, naval reactors programs, and the Office of the Administrator.

Section 3102—Environmental and Other Defense Activities

This section would authorize funds for environmental and other defense activities for fiscal year 2003, including funds for defense environmental restoration and waste management, defense environmental management cleanup reform, defense facilities closure projects, defense environmental management privatization, other defense activities, and defense nuclear waste disposal.

SUBTITLE B—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS GENERAL PROVISIONS

Section 3120—Short Title; Definitions

This section would designate this subtitle as the "Department of Energy National Security Authorizations General Provisions Act". This Act will make permanent law certain recurring provisions governing the use of funds authorized for national security programs of the Department of Energy. This section would also define the terms "DOE national security authorization", "congressional defense committee", and the term "minor construction project".

Section 3121—Reprogramming

This section would prohibit the reprogramming of funds in excess of the amount authorized for the program until the Secretary of Energy has notified the congressional defense committees and a period of 30 days has elapsed after the date on which the notification is received.

Section 3122—Minor Construction Projects

This section would limit the initiation of a minor construction project if the current estimated cost for the project exceeds $5.0 million, and would require the Secretary of Energy to notify the congressional defense committees in the event the estimated cost of any project exceeds $5.0 million and the reasons for the cost variation.

Section 3123—Limits on Construction Projects

This section would permit the initiation and continuation of any construction project only if the estimated cost for the project does not exceed 125 percent of the higher of: (1) the amount authorized for the project; or (2) the most recent total estimated cost presented to Congress as justification for such project. To exceed this limit, the Secretary of Energy must report in detail the reason therefore to the congressional defense committees and the report must be before the committees for 30 legislative days. This section would also specify that the 125 percent limitation would not apply to projects estimated to cost under $5.0 million.

Section 3124—Fund Transfer Authority

This section would authorize the Secretary of Energy to transfer funds to other agencies of the government for performance of work for which funds were authorized and appropriated. The provision would permit the merger of such funds with the funds made available to the agency to which they are transferred.

Section 3125—Authority for Conceptual and Construction Design

This section would require the Secretary of Energy to certify that a conceptual design for a construction project has been completed prior to requesting funding for that project, except in the case of emergencies.

Section 3126—Authority for Emergency Planning, Design, and Construction Activities

This section would authorize the Secretary of Energy to perform planning and design for construction activities utilizing available funds for any Department of Energy national security program whenever the Secretary determines that the design must proceed expeditiously to protect the public health and safety, to meet the needs of national defense, or to protect property.

Section 3127—Funds Available for all National Security Programs of the Department of Energy

This section would authorize, subject to section 3121 of this act, amounts appropriated for management and support activities and for general plant projects to be made available for use in connection with all national security programs of the Department of Energy.

Section 3128—Availability of Funds

This section would allow funds authorized for atomic energy activities of the Department of Energy to remain available until ex-

pended, except for amounts appropriated for the National Nuclear Security Administration pursuant to a DOE national security authorization. Amounts appropriated for the Office of the Administrator for Nuclear Security will remain available until the end of that fiscal year and all other amounts appropriated to the National Nuclear Security Administration will remain available for a total of three fiscal years.

Section 3129—Transfer of Defense Environmental Management Funds

This section would provide the manager of each field office of the Department of Energy with limited authority to transfer defense environmental management funds from a program or project under the jurisdiction of the office to another such program or project.

Section 3130—Transfer of Weapons Activities Funds

This section would provide the manager of each field office of the Department of Energy with limited authority to transfer weapons activities funds from a program or project under the jurisdiction of the office to another such program or project.

Section 3131—Scope of Authority to Carry Out Plant Projects

This section would clarify that the authority of the Secretary of Energy to carry out plant projects includes authority for maintenance, restoration, planning, construction, acquisition, modification of facilities, and continuation of projects authorized in prior years, and related land acquisition.

SUBTITLE C—PROGRAM AUTHORIZATIONS, RESTRICTIONS, AND LIMITATIONS

Section 3141—One-year Extension of Panel to Assess the Reliability, Safety, and Security of the United States Nuclear Stockpile

This section would extend the statutory termination date of the Panel to Assess the Reliability, Safety, and Security of the United States Nuclear Stockpile (also known as the Foster Panel) to April 1, 2003. The section would also require an additional report from the Panel on February 1, 2003.

Section 3142—Transfer to National Nuclear Security Administration of the Department of Defense's Cooperative Threat Reduction Program Relating to Elimination of Weapons Grade Plutonium in Russia

This section would transfer the Cooperative Threat Reduction program relating to elimination of weapons grade plutonium production in Russia from the Department of Defense (DOD) to the National Nuclear Security Administration (NNSA) of the Department of Energy. The section would transfer specified assets of the program to the NNSA, including any unexpended balances of appropriations. The provision would not remove program limitations or restrictions, including the period of availability of funds for obli-

gation. The section would also transfer responsibility for obligations under federal law from officers of DOD to those of NNSA.

Section 3143—Repeal of Requirement for Reports on Obligations of Funds for Programs on Fissile Materials in Russia

This section repeals a duplicative reporting requirement related to programs to improve the protection, control, and accountability of fissile materials in Russia.

Section 3144—Annual Certification to the President and Congress on the Condition of the United States Nuclear Weapons Stockpile

This section would require an annual certification to the President and Congress on the safety, reliability, and performance of each nuclear weapon type in the active stockpile of the United States. The certifications would be required from the directors of the National Laboratories and the commander of United States Strategic Command for each weapon type for which they are responsible. The section would also require a report from the aforementioned on other matters related to the certifications, including an assessment of the need for the United States to resume underground nuclear testing, and would require the National Laboratory directors to use certain "red team" procedures for the certification process. The section would require the submission of the certifications and reports to the Secretaries of Defense and Energy, as appropriate, by January 15th of each year, and would require that the Secretaries forward the certifications and reports unchanged to the President and Congress not later than February 1st of each year.

Section 3145—Plan for Achieving One-Year Readiness for Resumption by the United States of Underground Nuclear Weapons Tests

This section would require the Secretary of Energy to submit to Congress with the fiscal year 2004 budget request a report on a plan and a budget to enhance underground nuclear test readiness. The report would detail the plan and budget required to achieve a one-year readiness posture for resumption of underground nuclear weapons tests. A one-year readiness posture is the capability of the Department of Energy to resume underground tests not later than one year after so directed by the President, should the President determine that such tests are necessary. The provision would require that the plan and budget provide for attainment of a one-year readiness posture within one year of a decision to execute the plan.

SUBTITLE D—PROVISIONS RELATING TO DEFENSE ENVIRONMENTAL MANAGEMENT

Section 3151—Defense Environmental Management Cleanup Reform Program

This section would require the Secretary of Energy to carry out a program to reform the Department's environmental management activities using the funds authorized in section 3102(a)(2) of this act. The Secretary would be authorized to transfer funds to each site upon the execution of a site performance management plan

and upon its submission to the congressional defense committees. The site performance management plan for a site is defined as a plan, agreed to by the applicable federal and state agencies with regulatory jurisdiction with respect to the site, that provides for the performance of activities that will accelerate the reduction of environmental risk and will also accelerate the environmental cleanup at the site. Upon the transfer and merger of the funds, all funds in the merged account are available only to carry out the site performance management plan at the site.

Section 3152—Report on Status of Environmental Management Initiatives to Accelerate the Reduction of Environmental Risks and Challenges Posed by the Legacy of the Cold War

This section would require the Secretary of Energy to prepare a report on the status of the management initiatives recommended in the Department's report entitled "Top-to-Bottom Review of the Environmental Management Program" and dated February 4, 2002. Specifically, this report is to address the progress being made in streamlining risk reduction processes, contract management, acquisition strategy, and consolidation of special nuclear materials. This section would require the report to be submitted to the congressional defense committees with the submission of the Department's budget justification materials for fiscal year 2004.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

ITEM OF SPECIAL INTEREST

Full Funding for Retiree Costs in the Fiscal Year 2003 Budget Request

The Administration proposed legislation to require agencies, beginning in fiscal year 2003, to pay the full government share of the accruing cost of retirement for current Civil Service Retirement System (CSRS) employees and to pay the full accruing cost of post-retirement health benefits for current civilian employees who are enrolled in the Federal Employees Health Benefits Program (FEHB). At the present time, agencies pay about half of the employer's share for accruing benefits, and the remainder is covered by a mandatory general fund payment. The Administration's proposed change would require specific legislation to move the full government share to each agency's budget. The committee understands that the appropriate committee with jurisdiction to initiate this change has declined to consider the required legislation and, therefore, recommends continuing the current practice of funding these benefits. The fiscal year 2003 budget request for the Defense Nuclear Facilities Safety Board includes $0.5 million to fund this proposed change in the CSRS and the FEHB program. The committee recommendation does not include this amount.

LEGISLATIVE PROVISIONS

Section 3201—Authorization

This section would authorize $19.0 million for the Defense Nuclear Facilities Safety Board for fiscal year 2003.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS

Section 3301—Authorized Uses Of Stockpile Funds

This section would authorize $76.4 million from the National Defense Stockpile Transaction Fund for the operation and maintenance of the National Defense Stockpile for fiscal year 2003. The provision would also permit the use of additional funds for extraordinary or emergency conditions 45 days after a notification to Congress.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISIONS

Section 3401—Authorization of Appropriations

This section would authorize $21.1 million for fiscal year 2003 for the operation of the Naval Petroleum and Oil Shale Reserves.

TITLE XXXV—MARITIME ADMINISTRATION

ITEMS OF SPECIAL INTEREST

Full Funding for Retiree Costs in the Fiscal Year 2003 Budget

The Administration proposed legislation to require agencies, beginning in fiscal year 2003, to pay the full Government share of the accruing cost of retirement for current Civil Service Retirement System (CSRS) employees and to pay the full accruing cost of post-retirement health benefits for current civilian employees who are enrolled in the Federal Employees Health Benefits Program (FEHB). At the present time, agencies pay about half of the employer's share for accruing benefits, and the remainder is covered by a mandatory general fund payment. The Administration's proposed change would require specific legislation to move the full Government share to each agency's budget.

The committee understands that the appropriate committee with jurisdiction to initiate this change has declined to consider the required legislation and, therefore, recommends continuing the current practice of funding these benefits. The fiscal year 2003 budget request included $4.4 million dollars for the Maritime Administration to fund this proposed change in the CSRS and the FEHB program. The following represents the total budget request for funding for CSRS and FEHB that has not been included in the committee's recommendation for the Maritime Administration.

[In thousands of dollars]

Operations and Training	4,089

Title XI Administrative Expenses	356
Total	4,445

Blanket Approval of Vessel Time Charters

Section 9 of the Shipping Act, 1916, (46 App. United States Code 808), requires prior approval of the Secretary Transportation of vessel charters to persons who are not U.S. citizens. In 1992, the Maritime Administration, which is charged with responsibility for administering section 9, issued regulations that granted "blanket" prior approval of time charters and other forms of temporary use agreements to persons who are not U.S. citizens. The committee urges the Maritime Administration to review this policy, as implemented by this regulation, to determine whether changes should be made in light of recent concerns over the security in our nation's ports. The committee expects to receive a report on the Maritime Administration's findings and any recommendations for legislative changes, by November 1, 2002.

Financial Assistance to States to Prepare Vessels for Use as Artificial Fish Reefs

The budget request contained $11.1 million for the disposal of four vessels from the National Defense Reserve Fleet. The committee recommends $20.0 million, an increase of $8.9 million above the budget request for disposal of obsolete vessels including assistance to states. The National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) required the Maritime Administration to dispose of all vessels in the National Defense Fleet that are not otherwise assigned to the Ready Reserve Force or otherwise designated for a specific purpose by September 30, 2006. The cost to accomplish this goal will likely exceed $350.0 million based on current estimates. While scrapping of certain vessels is the only method of disposal, there also appears to be a substantial demand for use of a number of these obsolete vessels as artificial fishing reefs.

While the Maritime Administration's artificial reef program was established in 1972, it has not been utilized to the extent possible since the individual states that take title to these vessels must pay for the cost of moving the vessel to the location for sinking, pay for the cost of removal of oil and other hazardous substances, and pay for the cost of sinking the vessel. In order to make this program more appealing to the states and to help offset the cost of reefing a vessel, the committee has established a new program which will allow the Secretary of Transportation, acting through the Maritime Administrator, to provide financial assistance to a state to prepare the vessel for use as an artificial reef. This assistance will include the cost of environmental remediation, towing, and sinking. The committee has not set a specific amount of assistance that can be awarded to a state but rather allows the Maritime Administrator to consider a number of elements including the total amount of funding available in the program. The committee understands that it may be substantially less expensive to sink a vessel for use as a reef than paying for the scrapping of the vessel.

The committee recognizes that the process of obtaining approval to sink a vessel as an artificial reef involves the coordination with

various agencies of government, including the U.S. Army Corps of Engineers, the United States Coast Guard, and the United States Environmental Protection Agency, however this new program of financial assistance is intended to remove at least one obstacle in the system. While nothing in this section alters or removes any current environmental requirements, the committee urges the responsible agencies to work together to establish national standards for the cleaning of hazardous materials from ships prior to their sinking as artificial reefs. The committee understands that it typically takes nine months for a state to complete the federal agency coordination. The committee expects that the financial assistance provided in this act, coupled with a uniform national standard, can result in a cost effective and environmentally responsible partial alternative to traditional vessel disposal techniques.

Loan Guarantee Program

The budget request, excluding the accrued agency costs of Civil Service Retirement and Federal Health benefits, contained $4.1 million to fund administrative expense associated with the management of the title XI loan guarantee program. The budget request contained no funds for costs, as defined in section 502 of the Federal Credit Reform Act of 1990 (Public Law 93–344). The committee recommends $54.1 million for the title XI program, an increase of $50 million above the budget request.

Marketing Efforts to Reduce Potential Losses

The committee is concerned with the recent defaults that have occurred in the title XI loan guarantee programs as a result of the bankruptcy filing by American Classic Voyages and the potential costs of these defaults on the United States Treasury. Although the recent defaults occurred for a variety of reasons, including the downturn in the economy and the events of September 11, 2001, the committee is also concerned that the Maritime Administration may be moving ahead too quickly in its efforts to dispose of the assets which it has or will receive as a result of the bankruptcy filing. It was indeed unfortunate that two of the ships in question were partially completed at the time of the filing; however, the committee is of the opinion that the Maritime Administration should use every effort possible to avoid scrapping these ships. In that regard, the committee strongly urges the Maritime Administration to explore options that will allow these ships to be completed as originally designed, including an aggressive marketing effort to find a new buyer. The committee likewise urges the shipyard where these partially completed ships are located to join in that effort. The committee believes that completion of these ships offers the best long-term opportunity for reducing the ultimate cost to the title XI program. In that regard, the committee expects to be advised on a regular basis of the progress being made in securing a suitable buyer for these ships.

LEGISLATIVE PROVISIONS

Section 3501—Authorization of Appropriations for Fiscal Year 2003

This section would authorize a total of $167.3 million for fiscal year 2003, an increase of $54.4 million above the budget request for the Maritime Administration. Of the funds authorized, $93.1 million would be for operations and training programs, $50.0 million would be for the costs as defined in section 502 of the Federal Credit Reform Act of 1990 (Public Law 93–344), of loan guarantees authorized by title XI of the Merchant Marine Act, 1936, as amended, (46 App. United States Code 1271 *et seq.*), $4.1 million would be for administrative expenses related to providing these loan guarantees, and $20.0 million would be for the disposal of obsolete ships in the National Defense Reserve Fleet.

Section 3502—Authorization to Transfer the USS Sphinx

This section would authorize the Secretary of Transportation to convey the vessel USS SPHINX to the Dunkirk Historical Lighthouse and Veterans Park Museum for use as a military museum.

Section 3503—Financial Assistance to States for Preparation of Obsolete Vessels for Use as Artificial Reefs

This section will allow the Secretary of Transportation to provide financial assistance to states to offset the cost of transferring the vessel to the state and preparing the vessel for use as an artificial reef. The specific amount of funding provided shall be based on the availability of funds, the benefit to the program, and the cost effectiveness compared to other ship disposal options.

Section 3504—Independent Analysis of Title XI Insurance Guarantee Applications

This section would grant authority to the Secretary to obtain an independent analysis of an application for a guarantee or commitment to guarantee under the Title XI program. It would also, subject to limits contained in current law, allow the Secretary to be reimbursed for the cost of this outside independent analysis.

DEPARTMENTAL DATA

The Department of Defense requested legislation, in accordance with the program of the President, as illustrated by the correspondence set out below:

DEPARTMENT OF DEFENSE AUTHORIZATION REQUEST

DEPARTMENT OF DEFENSE,
OFFICE OF GENERAL COUNSEL,
Washington, DC, April 19, 2002.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: The Department of Defense proposes the enclosed draft legislation, "To authorize appropriations for fiscal year

2003 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2003, and for other purposes."

This legislative proposal is part of the Department of Defense Legislative Program for the Second Session of the 107th Congress and is necessary to carry out the President's budget plans for fiscal year 2003. The Office of Management and Budget advises that there is no objection to the presentation of this proposal to the Congress, and that its enactment would be in accord with the program of the President.

Sincerely,

WILLIAM J. HAYNES II,
General Counsel.

Enclosures.

MILITARY CONSTRUCTION AUTHORIZATION REQUEST

DEPARTMENT OF DEFENSE,
OFFICE OF GENERAL COUNSEL,
Washington, DC, March 25, 2002.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: The Department of Defense proposes the enclosed bill, Military Construction Authorizations, as part of its legislative program for the Second Session of the 107th Congress, and we urge its enactment.

The enclosed bill will authorize military construction and facility management for the military departments, the defense agencies, the North Atlantic Treaty Organization Security Investment program, and the National Guard and Reserve components. It will enhance our efforts to mitigate encroachment on and around our installations and facilities through both partnering with natural resource conservation organizations to purchase property and conveying surplus real property to conservation organizations. Revisions to the house privatization legislation will improve program execution and enable privatization of barracks. We also propose to purchase land near the Pentagon on Boundary Channel Drive in Arlington, Virginia, in order to build a new office building that meets anti-terrorism force protection standards and consolidates activities currently in leased space. Our proposed military construction legislation also includes legislation that will increase our freedom to manage and help us to achieve greater efficiency in our installation management.

The Office of Management and Budget advises that there is no objection, from the standpoint of the Administration's program, to the presentation of these initiatives for your consideration and the consideration of the Congress.

Sincerely,

WILLIAM J. HAYNES II,
General Counsel.

Enclosures.

COMMITTEE POSITION

On May 1, 2002 the Committee on Armed Services, a quorum being present, approved H.R. 4546, as amended, by a vote of 57–1.

COMMUNICATIONS FROM OTHER COMMITTEES

HOUSE OF REPRESENTATIVES,
COMMITTEE OF RESOURCES,
Washington, DC, May 1, 2002.

Hon. BOB STUMP,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for contacting me with regard to several provisions within H.R. 4546, the Defense Authorization Act of 2003. Specifically, you requested to know the Resources Committee's recommended disposition with regard to:

Section 311—Incidental Taking of Migratory Birds During Military Readiness Activity

Section 312—Military Readiness and the Conservation of Protected Species

Section 601—Increase in Basic Pay

Section 602—Expansion of Basic Allowance for Housing

Section 614—One-Year Extension of Other Bonus and Special Pay Authorities

Section 615—Minimum Hardship Duty Pay for Antarctica and Artic Icepack

Section 631—Extension of Leave Travel Deferral Period

Section 641—Concurrent Receipt of Military Retired Pay and Veterans Disability

Section 2821—Land Conveyance, Lands in Alaska

Section 2832—Boundary Adjustments, Marine Corps Base, Quantico

Section 2841—Land Conveyances, Wendover Air Force Base Auxiliary Field, Nevada

Section 2863—Ratification of Agreement Regarding Adak Naval Complex, Alaska

Section 3503—Financial Assistance to States for Preparation of Transferred Obsolete Ships for Use as Artificial Reefs

Title XIV—Utah Test and Training Range

Because of the urgent need to bring this bill to the floor of the House in order to provide crucial support of our military, I am writing to inform you that I have reviewed the above-referenced provisions and am in full support of their inclusion in H.R. 4546. Therefore, I will not seek a sequential referral of the bill. This action does not affect any future jurisdictional claims over these, or similar, provisions. In addition, I would request that the Committee on Resources be represented during any conference proceedings on all matters within its jurisdiction.

I recognize that our two committees have historically worked very closely together on matters of mutual interest, and I am pleased that I have had a hand in the drafting of several of these provisions. I also greatly appreciate the assistance and competence

of your staff, and look forward to continuing to work with you to ensure that H.R. 4546 is enacted into law.

Sincerely yours,

JAMES V. HANSEN, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, April 30, 2002.

Hon. BOB STUMP,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing concerning H.R. 4546, the "National Defense Authorization Act for Fiscal Year 2003," which is scheduled for action by your committee this week.

As you know, the Committee on Ways and Means has jurisdiction over matters concerning Medicare. Section 713 of the bill repeals the report requirement on the Medicare Subvention Demonstration Project. However, in order to expedite this legislation for floor consideration, we will not take action on this particular proposal. This is being done with the understanding that it does not in any way prejudice the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on this or similar legislation.

I would appreciate your response to this letter, confirming this understanding with respect to H.R. 4546 and would ask that a copy of our exchange of letters on this matter be included in your committee report.

Best Regards,

BILL THOMAS, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, May 1, 2002.

Hon. BILL THOMAS,
Chairman, Committee on Ways and Means,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of April 30, 2002 regarding H.R. 4546, the National Defense Authorization Act for Fiscal Year 2003.

I agree that the Committee on Ways and Means has valid jurisdictional claims to certain provisions in this important legislation, and I am most appreciative of your decision not to request such a referral in the interest of expediting consideration of the bill. I agree that by foregoing a sequential referral, the Committee on Ways and Means is not waiving its jurisdiction. Further, as you requested, this exchange of letters will be included in the Committee report on the bill.

Thank you for your cooperation in this matter.

Sincerely,

BOB STUMP, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, May 2, 2002.

Hon. BOB STUMP,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC

DEAR MR. CHAIRMAN: This letter concerns the jurisdictional interest of the Committee on Transportation and Infrastructure in H.R. 4546, the Department of Defense Authorization Act for Fiscal Year 2003.

H.R. 4546, as ordered reported by the Committee on Armed Services, contains many provisions over which the Committee on Transportation and Infrastructure has jurisdiction. These include all sections that affect the pay, benefits, and personnel of the United States Coast Guard and the United States Coast Guard Reserve as well as provisions concerning war risk insurance.

Our Committee recognizes the importance of H.R. 4546 and the need for this legislation to move expeditiously. While we have a valid claim to jurisdiction over several provisions, I do not intend to request a sequential referral of the bill. This is, of course, conditional on our mutual understanding that nothing in this legislation waives or affects the jurisdiction of the Transportation Committee, that every effort will be made to include any agreements worked out by our staffs as the bill is taken to the Floor, and that a copy of this letter and your response will be included in the Committee Report and as part of the Record during consideration of the bill by the House.

The Committee on Transportation and Infrastructure also asks that you support our request to be conferees on the provisions over which we have jurisdiction during any House-Senate conference.

Thank you for your cooperation in this matter.

Sincerely,

DON YOUNG, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, May 2, 2002.

Hon. DON YOUNG,
Chairman, Committee on Transportation and Infrastructure,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of May 2, 2003 regarding H.R. 4546, the National Defense Authorization Act for Fiscal Year 2003.

I agree that the Committee on Transportation and Infrastructure has valid jurisdictional claims to certain provisions in this important legislation, and I am most appreciative of your decision not to request such a referral in the interest of expediting consideration of the bill. I agree that by foregoing a sequential referral, the Committee on Transportation and Infrastructure is not waiving its jurisdiction. Further, as you requested, this exchange of letters will be included in the Committee report on the bill.

Thank you for your cooperation in this matter.

Sincerely,

BOB STUMP, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, May 2, 2002.

Hon. BOB STUMP,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I wish to inform the Committee on Armed Services that the Committee on Veterans' Affairs hereby waives any jurisdiction it may have over sections 641 and 651 of Title VI of the Defense Authorization Bill for Fiscal Year 2003, has no objection to them and does not desire their referral.

Sincerely,

CHRISTOPHER H. SMITH, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND THE WORKFORCE,
Washington, DC, May 2, 2002.

Hon. BOB STUMP,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for working with me in your development of H.R. 4546, the "National Defense Authorization Act for Fiscal Year 2003," specifically:

1. Section 341, "Assistance to Local Educational Agencies that Benefit Dependents of Members of the Armed Forces and Department of Defense Civilian Employees."
2. Section 342, "Availability of Quarters Allowance for Unaccompanied Defense Department Teacher Required to Reside on Overseas Military Installation."
3. Section 343, "Provision of Summer School Programs for Students who Attend Defense Dependent's Education System."
4. Section 366, "Amendments to Certain Education and Nutrition Laws Relating to Acquisition and Improvement of Military Housing."

As you know, these provisions are within the jurisdiction of the Education and the Workforce Committee. While I do not intend to seek sequential referral of H.R. 4546, the Committee does hold an interest in preserving its future jurisdiction with respect to issues raised in the aforementioned provisions and its jurisdictional prerogatives should the provisions of this bill or any Senate amendments thereto be considered in a conference with the Senate. We would expect to be appointed as conferees on these provisions should a conference with the Senate arise.

I do have concerns regarding the change made in Committee to the length of the authorization amending the National School Lunch Act; however, I am certain that we can work together to address our mutual goals.

Again, I thank you for working with me in developing the amendments to H.R 4546 and look forward to working with you on these issues in the future.

Sincerely,

JOHN BOEHNER, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, May 2, 2002.

Hon. BOB STUMP,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: On May 1, 2002, the Committee on Armed Services ordered reported H.R. 4546, the National Defense Authorization Act for Fiscal Year 2003. As ordered reported by the Committee on Armed Services, this legislation contains a number of provisions that fall within the jurisdiction of the Committee on Energy and Commerce. These provisions include the following:

Section 601. Increase in basic pay for fiscal year 2003.

Section 602. Increase basic allowance for subsistence for members forced to purchase meal outside messing facilities.

Section 612. One-year extension of certain bonus and special pay authorities for certain health care professionals.

Section 614. One-year extension of other bonus and special pay authorities.

Section 615. Minimum levels of hardship duty pay for duty on the ground in Antarctica or Arctic icepack.

Section 631. Extension of leave travel deferral period for members.

Section 641. Phase-in of full concurrent receipt of military retired pay and veterans disability compensation for military retirees with disabilities rated at 60 percent or higher.

Section 704. Improvements regarding the Department of Defense Medicare-eligible retiree health care fund.

Section 713. Repeal of report requirement.

Section 3201. Defense Nuclear Facilities Safety Board Authorization.

Recognizing your interest in bringing this legislation before the House expeditiously, the Committee on Energy and Commerce agrees not to seek a sequential referral of the bill based on the provisions listed above. By agreeing not to seek a sequential referral, the Committee on Energy and Commerce does not waive its jurisdiction over these provisions or any other provisions of the bill that may fall within its jurisdiction. In addition, the Committee on Energy and Commerce reserves its right to seek conferees on any provisions within its jurisdiction which are considered in the House-Senate conference, and asks for your support in being accorded such conferees.

I request you include this letter as part of the report on H.R. 4546 and as part of the Record during consideration of this bill by the House.

Sincerely,

W.J. "BILLY" TAUZIN, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, May 2, 2002.

Hon. BOB STUMP,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I understand that on Wednesday, May 1, 2002, the Committee on Armed Services ordered favorably reported H.R. 4546, the National Defense Authorization Act for Fiscal Year 2003. The bill includes a number of provisions that fall within the legislative jurisdiction of the Committee on International Relations pursuant to Rule X(k) of the House of Representatives.

The specific provisions within our committee's jurisdiction are: (1) Section 1201, Support of United Nations-Sponsored Efforts to Inspect and Monitor Iraqi Weapons Activities; (2) Section 1202, Strengthening the Defense of Taiwan; (3) Section 1204, Additional Countries Covered by Loan Guarantee Program; (4) Title XIII, Cooperative Threat Reduction with States of the Former Soviet Union; (5) Section 3142, Transfer to National Nuclear Security Administration of Department of Defense Cooperative Threat Reduction Program Relating to Elimination of Weapons Grade Plutonium in Russia; and (6) Section 3143, Repeal of Requirement for Reports on Obligation of Funds for Programs on Fissile Materials in Russia.

Pursuant to Chairman Dreier's expected announcement that the Committee on Rules will move expeditiously to consider a rule for H.R. 4546 and your desire to have the bill considered on the House floor next week, the Committee on International Relations will not seek a sequential referral of the bill as a result of including these provisions, without waiving or ceding now or in the future this committee's jurisdiction over the provisions in question. I will seek to have conferees appointed for these provisions during any House-Senate conference committee.

I would appreciate your including this letter as a part of the report on H.R. 4546 and as part of the record during consideration of the bill by the House of Representatives.

With best wishes,

HENRY J. HYDE, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, April 30, 2002.

Hon. BOB STUMP,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I understand that Representative Van Hilleary may offer an amendment to the FY 2003 DOD Authorization bill relating to Federal Prison Industries. I have reviewed the amendment and support it. If it is included in the DOD Authorization bill, I do not intend to seek a referral on behalf of the Committee on the Judiciary.

Sincerely,

F. JAMES SENSENBRENNER, Jr., *Chairman.*

FISCAL DATA

Pursuant to clause 3(d) Rule XIII of the Rules of the House of Representatives, the committee attempted to ascertain annual outlays resulting from the bill during fiscal year 2003 and the following four years. The results of such efforts are reflected in the cost estimate prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974, which is included in this report pursuant to clause 3(c)(3)

CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with clause 3(c)(3) of rule XIII of the House of Representatives, the cost estimate prepared by the Congressional Budget Office and submitted pursuant to section 402 of the Congressional Budget Act of 1974 is as follows:

MAY 3, 2002.

Hon. BOB STUMP,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4546, the Bob Stump National Defense Authorization Act for Fiscal Year 2003.

The CBO staff contact is Kent Christensen, who can be reached at 226–2840. If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

DAN L. CRIPPEN.

Congressional Budget Office Cost Estimate

Summary: H.R. 4546 would authorize appropriations totaling $382 billion for fiscal year 2003 and an estimated $14 billion in additional funding for 2002 for the military functions of the Department of Defense (DoD) and the Department of Energy. It also would prescribe personnel strengths for each active-duty and selected reserve component of the U.S. armed forces. CBO estimates that appropriation of the authorized amounts for 2002 and 2003 would result in additional outlays of $392 billion over the 2002–2007 period.

The bill also contains provisions that would raise the costs of discretionary defense programs over the 2004–2007 period. CBO estimates that those provisions would require appropriations of $7.0 billion over those four years.

The bill contains provisions that would increase direct spending by an estimated $5.8 billion over the 2003–2007 period and $17.7 billion over the 2003–2012 period, primarily from the phase-in of concurrent payment of retirement annuities with veterans' disability compensation to retirees from the military and the other uniformed services who have service-connected disabilities rated at 60 percent or greater. Because it would affect direct spending, the bill would be subject to pay-as-you-go procedures.

H.R. 4546 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 4546 is shown in Table 1. Most of the costs of this legislation fall within budget function 050 (national defense).

TABLE 1.—BUDGETARY IMPACT OF H.R. 4546, THE BOB STUMP NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003

	By fiscal year, in millions of dollars—					
	2002	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for Defense Programs:						
Budget Authority [a]	346,285	0	0	0	0	0
Estimated Outlays	346,878	116,344	38,941	13,273	5,536	2,724
Proposed Changes:						
Authorizations of Supplemental Appropriations for 2002:						
Estimated Authorization Level [b]	14,048	0	0	0	0	0
Estimated Outlays [b]	5,345	5,782	1,941	660	174	79
Authorization of Appropriations for 2003:						
Estimated Authorization Level	0	381,522	0	0	0	0
Estimated Outlays	0	252,982	86,639	27,346	7,944	2,726
Spending Under H.R. 4546 for Defense Programs:						
Estimated Authorization Level [a]	360,333	381,522	0	0	0	0
Estimated Outlays	352,223	375,108	127,521	41,279	13,654	5,529
CHANGES IN DIRECT SPENDING						
Estimated Budget Authority	0	509	637	1,021	1,599	1,997
Estimated Outlays	0	509	637	1,021	1,599	1,997

NOTE: This table excludes estimated authorizations of appropriations for years after 2003. (Those additional authorizations are shown in Table 3.)

[a] The 2002 level is the amount appropriated for programs authorized by the bill.

[b] The estimates shown for the 2002 supplemental are amounts contained in the Administration's supplemental request for defense programs. The outlay estimate for 2003 includes $5,684 million of spending from funds requested as emergency appropriations. Excluding emergency spending would lower total outlays in 2003 to $369,424 million.

Basis of Estimate

Spending Subject to Appropriation

The bill would specifically authorize appropriations totaling $381.4 billion in 2003 (see Table 2) and additional amounts as may be necessary for supplemental appropriations for defense in 2002, which CBO estimates would total $14 billion based on the Administration's request.[1] Most of those costs would fall within budget function 050 (national defense). H.R. 4546 also would specifically authorize appropriations of $113 million for the Maritime Administration (function 400—transportation), $70 million for the Armed Forces Retirement Home (function 600—income security), and $21 million for the Naval Petroleum Reserves (function 270—energy).[2]

The estimate assumes that the estimated authorization amount for 2002 is appropriated by the end of June 2002, and that the amounts authorized for 2003 will be appropriated before the start of fiscal year 2003. Outlays are estimated based on historical spending patterns.

The bill also contains provisions that would affect various costs, mostly for personnel, that would be covered by the fiscal year 2003

[1] After adding the $92 million estimated authorization for the Coast Guard Reserve, the bill would authorize appropriations of slightly more than $381.5 million for 2003.

[2] The authorization shown here for the Maritime Administration does not include any amounts for maritime loan guarantees and related administrative costs because they are already authorized under existing law.

authorization and by authorizations in future years. Table 3 contains estimates of those amounts. In addition to the costs covered by the authorizations in the bill for 2003, these provisions would raise estimated costs by $7.0 billion over the 2004–2007 period. The following sections describe the provisions identified in Table 3 and provide information about CBO's cost estimates for those provisions.

TABLE 2.—SPECIFIC AUTHORIZATIONS IN H.R. 4546

Category	By fiscal year, in millions of dollars				
	2003	2004	2005	2006	2007
Military Personnel:					
Authorization Level [a]	93,670	0	0	0	0
Estimated Outlays	88,612	4,402	281	94	0
Operation and Maintenance:					
Authorization Level	130,159	0	0	0	0
Estimated Outlays	96,425	26,006	5,538	1,186	378
Procurement:					
Authorization Level	73,160	0	0	0	0
Estimated Outlays 20,860	27,671	15,218	5,170	1,789	
Research, Development, Test, and Evaluation:					
Authorization Level	56,424	0	0	0	0
Estimated Outlays	31,792	20,381	3,286	591	151
Military Construction and Family Housing:					
Authorization Level	9,954	0	0	0	0
Estimated Outlays	2,687	3,718	2,192	793	324
Atomic Energy Defense Activities:					
Authorization Level	15,420	0	0	0	0
Estimated Outlays	10,369	4,094	826	74	55
Other Accounts:					
Authorization Level	2,643	0	0	0	0
Estimated Outlays	1,874	418	125	96	49
General Transfer Authority:					
Authorization Level	0	0	0	0	0
Estimated Outlays	280	−60	−120	−60	−20
Total					
Authorization Level [b]	381,430	0	0	0	0
Estimated Outlays	252,899	86,630	27,346	7,944	2,726

[a] This authorization is for discretionary appropriations and does not include $55 million for mandatory payments from appropriations for military personnel.

[b] These amounts comprise nearly all of the proposed changes for authorizations of appropriations for 2003 shown in Table 1; they do not include the estimated authorization of $92 million for the Coast Guard Reserve, which is shown in Table 3.

TABLE 3.—ESTIMATED AUTHORIZATIONS OF APPROPRIATIONS FOR SELECTED PROVISIONS IN H.R. 4546

Category	By fiscal year, in millions of dollars				
	2003	2004	2005	2006	2007
MULTIYEAR PROCUREMENT					
Virginia Class Submarine	−37	−54	−60	−73	−93
C–130J Aircraft	15	−63	−121	−142	−162
FORCE STRUCTURE					
DoD Military Endstrengths	528	1,089	1,122	1,155	1,191
Coast Guard Reserve Endstrengths	92	0	0	0	0
COMPENSATION AND BENEFITS (DoD)					
Military Pay Raises	276	381	398	415	430
Expiring Bonuses and Allowances	706	796	417	234	152
Education and Training	3	6	9	13	10
DEFENSE HEALTH PROGRAM					
TRICARE Prime Remote	12	10	9	8	8

TABLE 3.—ESTIMATED AUTHORIZATIONS OF APPROPRIATIONS FOR SELECTED PROVISIONS IN H.R. 4546—Continued

Category	By fiscal year, in millions of dollars				
	2003	2004	2005	2006	2007
Transitional Health Care	7	5	3	2	1
OTHER PROVISIONS					
National Guard Challenge Program	16	16	17	17	18
Asbestos Payments	−110	−110	−110	−110	−110
Federal Employees Health Benefits Program	0	2	3	3	3
School Impact Aid	0	0	0	14	14
Military Housing Privatization Initiative	0	0	80	80	80
TOTAL ESTIMATED AUTHORIZATIONS					
Estimated Authorization Level	1,508	2,078	1,767	1,616	1,542

Note: For every item in this table except the authorization for the Coast Guard, the 2003 levels are included in the amounts specifically authorized to be appropriated in the bill. Those amounts are shown in Table 2. Amounts shown in this table for 2004 through 2007 are not included in Table 1.

Multiyear Procurement

In most cases, purchases of weapon systems are authorized annually, and as a result, DoD negotiates a separate contract for each annual purchase. In a small number of cases, the law permits multiyear procurement; that is, it allows DoD to enter into a contract to buy specified annual quantities of a system for up to five years. In those cases, DoD can negotiate lower prices because its commitment to purchase the weapons gives the contractor an incentive to find more economical ways to manufacture the weapon, including cost-saving investments. Annual funding is provided for these multiyear contracts, but potential termination costs are covered by an initial appropriation.

Section 111 would authorize the Secretary of the Navy to enter into a multiyear contract for procurement of Virginia class submarines starting in fiscal year 2003. This authority would be conditional on the prime contractor for the Virginia class submarine program entering into a binding agreement with the U.S. government to expend from its own funds an amount not less than $385 million for nuclear and non-nuclear components purchased in economic quantities.

Based on information provided by the Navy, CBO assumes that the Navy would buy five Virginia class submarines over the 2003–2007 period if this agreement can be reached. CBO estimates that savings from buying these submarines under a multiyear contract would total $317 million, or just over $60 million a submarine, over the 2003–2007 period. CBO estimates that funding requirements to purchase these submarines, as well as funding the advance purchase of components for future boats, would total about $13 billion over the 2003–2007 period (instead of the more than $13.3 billion that would be needed under annual contracts).

Section 121 would authorize the Secretary of the Air Force to enter into a multiyear contract to purchase C–130J aircraft beginning in 2003 after the Secretary of Defense certifies that two variants of the C–130J—the CC–130J airlift aircraft and the KC–130J tanker aircraft—are operationally effective and suitable. The Secretary of Defense also must certify that this multiyear contract will result in substantial savings relative to the cost of annual contracts, that requirements for the system and the design of the sys-

tem are stable, and that the program is fully funded in the department's plans for subsequent outyear budgets. Based on information provided by the Air Force, CBO assumes that DoD will procure 64 aircraft over the 2003–2008 period—40 CC–130J aircraft for the Air Force and 24 KC–130J aircraft for the Marine Corps. CBO also assumes that the CC–130J and KC–130J aircraft would be purchased under one contract administered by the Air Force and covering six years of production beginning in 2003. CBO estimates that savings from buying these aircraft under a multiyear contract would total $473 million, or about $95 million a year, over the 2003–2007 period. CBO also estimates that additional savings of $182 million would accrue in 2008. Funding requirements to purchase these aircraft would total just under $3.4 billion over the 2003–2007 period (instead of the almost $3.9 billion that would be needed under annual contracts).

Multiyear procurement of C–130Js would raise costs in 2003 because the KC–130J did not receive advance procurement in 2002 in anticipation of multiyear procurement starting in 2003, and because the Air Force would need to provide advance procurement for the aircraft that it would purchase in 2004.

Military endstrength

The bill would authorize active and reserve endstrength levels for 2003 and would increase the minimum endstrength authorization in permanent law. The authorized endstrengths for active-duty personnel and personnel in the selected reserve would total about 1,400,000 and 865,000, respectively. Of those selected reservists, about 69,000 would serve on active duty in support of the reserves. The bill would specifically authorize appropriations of $93.7 billion for the discretionary costs of military pay and allowances in 2003. The authorized endstrength represents a net increase of 12,552 servicemembers that would boost costs for salaries and other expenses by $528 million in the first year and about $1.1 billion annually in subsequent years, compared to the authorized strengths for 2002.

The bill also would authorize an endstrength of 9,000 in 2003 for the Coast Guard Reserve. This authorization would cost about $92 million and would fall under budget function 400 (transportation).

Section 403 would allow the service secretaries to increase endstrength by 1 percent above the level authorized by the Congress. Under current law, only the Secretary of Defense has this authority. While there is the potential for increased costs, the service secretaries would still have to manage their resources given the finite amount of money appropriated each year for military personnel. As such, CBO estimates that this provision would not significantly increase costs.

Compensation and benefits

H.R. 4546 contains several provisions that would affect military compensation and benefits for uniformed personnel.

Military Pay Raises. Section 601 would raise basic pay by 4.1 percent across-the-board and authorize additional targeted pay raises, ranging from 0.9 percent to 4.4 percent, for individuals with specific ranks and years of service at a total cost of about $2.3 billion in 2003. Because the pay raises would be above those projected

under current law, CBO estimates that the incremental costs associated with the larger pay raise would be about $276 million in 2003 and total $1.9 billion over the 2003–2007 period.

Expiring Bonuses and Allowances. Several sections would extend DoD's authority to pay certain bonuses and allowances to current personnel. Under current law, most of these authorities are scheduled to expire in December 2002, or three months into fiscal year 2003. The bill would extend these authorities through December 2003. Based on data provided by DoD, CBO estimates that the costs of these extensions would be as follows:

- Payment of reenlistment bonuses for active-duty personnel would cost $327 million in 2003 and $191 million in 2004; enlistment bonuses for active-duty personnel would cost $133 million in 2003 and $361 million in 2004;
- Various bonuses for the Selected and Ready Reserve would cost $99 million in 2003 and $114 million in 2004;
- Special payments for aviators and nuclear-qualified personnel would cost $67 million in 2003 and $72 million in 2004;
- Retention bonuses for officers and enlisted members with critical skills would cost $29 million in 2003 and $19 million in 2004;
- Accession bonuses for new officers with critical skills would cost $14 million in 2003 and $5 million in 2004; and
- Authorities to make special payments and give bonuses to certain health care professionals would cost $37 million in 2003 and $34 million in 2004.

Most of these changes would result in additional, smaller costs in subsequent years because payments are made in installments.

Education and Training. Section 531 would allow the military services to increase the number of students at each of the service academies from the current ceiling of 4,000 to 4,400 students over a four-year period at a maximum rate of 100 students a year for academic years 2003–2004 through 2007–2008. Under this provision, the annual increase in service-academy students could not exceed the increase in the number of students in the Reserve Officer Training Corp (ROTC) for the previous academic year.

Based on information from DoD, CBO expects that only the Navy would increase its service-academy strength and that it would bring on about 50 extra academy students a year, as well as an additional 50 ROTC students, at an average annual cost of about $34,000 per student. According to the Navy, these additional students would not be used to increase overall officer endstrength, but rather to offset a desired drawdown in the number of officers commissioned through the Officer Candidate School (OCS) program. Thus, the actual cost of the increase for the academy and ROTC students would be offset somewhat by the cost of the OCS graduates they would replace. Because the OCS program lasts less than one year, the offsetting costs would not begin to affect net outlays until 2007, when the first of the additional academy and ROTC students would graduate and be commissioned. CBO estimates the cost of implementing this provision would be $1 million in 2003 and $31 million over the 2003–2007 period, assuming appropriation of the necessary amounts.

Section 651 would extend the period during which eligible reservists may use their education benefits from 10 years to 14 years. In

2001, over 82,000 reservists trained under this program and received an average annual benefit of $1,653. These benefits are paid by the Secretary of Veterans Affairs from the DoD Education Benefits Fund. Each month, DoD pays into the fund the net present value of the education benefit granted to each person who enlisted in the previous month. Based on information from DoD about current contributions to the fund and expected accessions, CBO estimates section 651 would increase payments into the fund by about $2 million each year. (CBO estimates that there also would be direct spending of about $29 million over the 2003–2012 period for increased outlays from the fund. CBO's estimate of those costs is discussed below under the heading of "Direct Spending.")

Defense health program

Title VII contains several provisions that would affect DoD health care and benefits. Tricare is the name of DoD's health care program; Tricare Prime and Tricare Prime Remote are managed care programs, and Tricare Standard is a fee-for-service program.

Tricare Prime Remote. Section 702 would affect dependents of servicemembers on active duty who live in a remote area, which is defined as roughly a one-hour or more driving distance from a military treatment facility. Under certain conditions, this section would allow dependents of personnel on active duty who live in a remote area to participate in Tricare Prime Remote if the servicemember is transferred to a different duty station and is not allowed to bring his or her family. Section 702 also would allow the family members of reservists called to active duty to participate in the Tricare Prime Remote program if they live in a remote area. Under current law, dependents of personnel on active duty living in remote areas must reside with the active-duty member to participate in Tricare Prime Remote. If the active-duty servicemember is transferred to a duty station where he or she cannot bring family members, the family can no longer participate in the Tricare Prime Remote program. Families of reservists called to active duty also are not allowed to participate in this program.

Based on information provided by DoD, CBO estimates that about 36,000 dependents of personnel on active duty and about 50,000 dependents of reservists called to active duty would be affected by this provision. While CBO expects the number of family members of active-duty personnel to remain fairly constant, CBO assumes that the more than 80,000 reservists currently on active duty will decline to about 65,000 in 2003 and 10,000 by 2006. If the number of reservists called to active duty were to remain at current levels over the 2003–2007 period, then the estimated costs would be correspondingly higher.

According to DoD, about 40 percent of those dependents who would be eligible for Tricare Prime Remote under this section already participate in Tricare Standard. Based on data provided by the department, CBO estimates that the additional incremental cost of providing Tricare Prime Remote to those individuals would be $113 per person. In addition, CBO estimates that the new benefit would attract about 4,300 dependents to Tricare Prime Remote who had not previously used any Tricare program at an estimated annual cost of $1,900 per person. Thus, CBO estimates that the cost of providing Tricare Prime Remote to more individuals would

be $12 million in 2003 and $47 million over the 2003–2007 period, assuming appropriation of the estimated amounts.

Transitional Health Care. Under section 706, family members of reservists who were called to active duty for more than 30 days would be eligible for health care coverage under Tricare for 60 days after the reservist is released from active duty. Under current law, only the reservist is eligible for health care coverage under Tricare for the 60 days after he or she is released from active duty. While there are currently more than 80,000 reservists on active duty, CBO assumes for this estimate that the number of reserves will fall to about 65,000 in 2003 and 10,000 by 2006. If the number of reservists remains at current levels over the 2003–2007 period, the estimated costs would be correspondingly higher.

Based on data from DoD and the General Accounting Office, CBO estimates that about 50 percent of the reservists have families and that about 40 percent of those families would use the transitional health care. CBO further estimates that providing an additional 60 days of health care coverage to those families would cost, on average, about $600 per family. After accounting for inflation and the assumed decline in the level of reservists called to active duty, CBO estimates that this provision would cost $7 million in 2003, and $18 million over the 2003–2007 period, assuming appropriation of the estimated amounts.

National Guard Challenge Program

Section 513 would allow DoD to reimburse a state program of the National Guard Challenge Program for up to 75 percent of the cost of operating the state program in a fiscal year. If fully implemented, CBO estimates that implementing this provision would cost $84 million over the 2003–2007 period. CBO estimates that raising the federal contribution to these programs to 75 percent would increase the annual federal cost for each participant by approximately $2,500. Applying this annual cost to the 6,400 participants in the program would increase the cost by about $17 million per year over the 2003–2007 period.

Asbestos differential pay

Under section 1103, federal wage-grade employees would be subject to the same standards as general schedule employees when determining eligibility for environmental differential pay (EDP), based on exposure to asbestos. Under current law, general schedule employees are entitled to 8 percent hazard differential pay if they are exposed to asbestos that exceeds the permissible exposure limits established by the Occupational Safety and Health Administration (OSHA). The current EDP standard for wage-grade employees entitles them to the same 8 percent of pay, but does not set an objective measure for determining the level of asbestos exposure necessary to qualify for EDP. In several instances where wage-grade employees have sought back pay for EDP, arbitrators found in favor of the employees when asbestos levels were below those consistent with OSHA standards. Based on information from DoD on prior and pending arbitration rulings, CBO expects that implementing section 1103 would reduce the amount of back pay federal agencies would be required to pay for EDP based on asbestos exposure. Assuming these cases would be handled administratively,

CBO estimates establishing OSHA standards for asbestos EDP would save $110 million in 2003 and $550 million over the 2003–2007 period, assuming appropriations are reduced by the estimated amounts.

Federal Employees Health Benefits (FEHB) Program

Section 1104 would extend a provision of law into fiscal year 2007 that allows DoD and certain Department of Energy employees whose employment is terminated because of a reduction-in-force action to continue to participate in the FEHB health insurance program and only pay the regular employee's share of the insurance premium. The respective departments would be responsible for paying the normal employer's share of the premium. Under current law, this provision expires in fiscal year 2004. Based on information from DoD and the Office of Personnel Management, CBO estimates that this provision would affect about 500 people a year at an average annual cost of $5,500 per person over the 2003–2007 period. CBO estimates that extending this provision into fiscal year 2007 would cost $2 million in 2004, and $11 million over the 2004–2007 period, assuming appropriation of the estimated amounts.

School impact aid

Section 366 would allow school districts with a large percentage of children from military families to continue to receive heavy impact aid when military families are temporarily relocated. Heavy impact aid is federal funding earmarked for school districts with large military populations. Many military families in those school districts live on federal installations and do not contribute to the local property tax base that is used to help finance school operations. Heavy impact aid helps to offset this loss of local tax revenue. Under current law, schools can only receive heavy impact aid if they meet strict criteria for numbers of federal students located in their districts, local tax rates, and per pupil expenditures. Because of population relocations associated with certain military housing initiatives, some school districts would temporarily be unable to meet these criteria and would lose their heavy impact aid for several years.

Based on data from the Department of Education and the Military Impacted Schools Association, CBO estimates that about four school districts would initially be affected by housing privatization and that these school districts receive about $18 million in heavy impact aid annually. Because applications for heavy impact aid are based on school district statistics from three years prior, CBO estimates that the cost of implementing this section would not occur until 2006. After adjusting for the changes in student population within the affected districts, CBO estimates that restoration of this aid would cost about $14 million per year. Since the requirements of the School Impact Aid program are not always fully funded, CBO expects that the Department of Education would likely fund this increase through reductions in aid to other school districts. CBO expects this cost would reoccur annually only for the duration of the privatization effort within the affected school districts, which CBO estimates to be about three years.

Military Housing Privatization Initiative (MHPI)

Section 2801 would increase the value of budget authority that DoD can use to finance special authorities for the construction and renovation of military family housing and military unaccompanied housing. Those authorities allow DoD to use direct loans, loan guarantees, long-term leases, rental guarantees, barter, direct government investment, and other financial arrangements to encourage private-sector participation in building military housing. Funding for those activities comes from the Family Housing Improvement Fund which is financed by appropriations made to the fund, transfers from other accounts, receipts from property sales and rents, returns on any capital, and other income from operations or transactions connected with the program. Currently the amounts in the fund are available for use by DoD to acquire housing using the various techniques mentioned above, but the total value of budget authority for all contracts and investments undertaken is limited to $1 billion ($850 million for family housing and $150 million for unaccompanied housing). Under the bill, those limits would be increased to $2 billion ($1.7 billion for family housing and $300 million for unaccompanied housing).

To date, DoD has signed contracts for 16 family housing projects and is proceeding with solicitations for or considering plans for close to 60 other projects over the next few years. Based on how the Office of Management and Budget (OMB) has recorded obligations from DoD's use of this authority, DoD has only recorded obligations of about $250 million—well below the current $1 billion limit. Given DoD's plans for future projects, CBO estimates that the department will reach the current limit by the end of 2004. As a result, CBO estimates that raising the limit effectively authorizes additional appropriations beginning in 2005. Based on recent trends and DoD's current plans, CBO estimates these authorizations would total about $80 million a year over the 2005–2007 period.

CBO, however, continues to believe that OMB's current accounting for MHPI initiatives is at odds with government-wide standards for recording obligations and outlays. Those standards call for different treatments depending on the character of the transaction. The OMB accounting treats certain initiatives primarily as credit and other transactions that have relatively little cost in terms of recorded obligations and outlays. In contrast, CBO considers many MHPI projects as having characteristics of lease-purchases or of public-private partnerships, both of which require the Administration to record higher levels of obligations and outlays. Currently the Administration's approach allows DoD to obligate significantly more federal resources than the existing $1 billion limitation for such projects. Consequently, if the limitation is increased to $2 billion, DoD would be allowed to obligate much more than that figure.

Government-Wide Accounting Principles. Some of the options available for use of the Family Housing Improvement Fund involve up-front commitments of government resources that would be spent over a long period of time. According to standard principles of federal accounting, obligations of the fund should reflect the full amount of the financial liability incurred when the government makes such a commitment. In the case of a long-term capital lease or rental guarantee, for example, obligations should equal the total

amount of lease or rental payments over the life of the contract, and appropriations to cover the full amount of such obligations should be available before entering into the lease or guarantee. Some commitments could take the form of lease-purchases, which would require the recording of both obligations and outlays up front. Still others could be public-private partnerships formed to borrow private funds in order to construct housing on a military base; in those instances, obligations should equal the borrowing authority—a form of budget authority—used for that project. If direct loans are used to help finance an on-base project, the value of future appropriations that will be passed through to developers—by servicemembers who pay rent with their housing allowances—should be viewed as a subsidy, which would increase obligations.

In effect, the Administration's accounting is allowing DoD to record the costs of the projects incrementally over time rather than up front. CBO believes this is counter to the government-wide principles that require costs from such projects to be recorded up front in the budget. In future years, CBO's approach would reduce the amount of budget authority and outlays the Administration would need to record each year in the military personnel accounts—which fund housing allowances—since such costs would already be recorded.

CBO plans to consult with the Committee on the Budget in both the House and the Senate on how to score future legislation that expands or extends these authorities. Depending on the outcome of those consultations, CBO may score such future legislation as direct spending.

Matters relating to other nations

Section 1204 would expand the list of countries eligible for loan financing under the defense export loan guarantee program to include countries combating drug trafficking organizations or combating foreign terrorist organizations, as determined by the Secretary of Defense and the Secretary of State. CBO estimates that implementing this provision would have no significant budgetary effect because CBO believes that the authority would not be used. The section would not authorize appropriations for the cost of any loan guarantees, as defined by the Federal Credit Reform Act. Without a subsidy appropriation, the borrowing country would be required to pay fees sufficient to cover the cost of the contingent liability of the United States under the guarantee plus administrative expenses. CBO estimates that the required fees would render the total cost of financing no more attractive to potential borrowers than financing without a government guarantee. CBO also estimates that the other limitations and authorizations provided in title 12 would have little effect on the spending of funds otherwise authorized to be appropriated.

Direct Spending

The bill contains provisions that would increase direct spending, primarily from the phase-in of concurrent payment of retirement annuities with veterans' disability compensation to retirees from the military and the other uniformed services who have service-connected disabilities rated at 60 percent or greater. The bill also contains a few provisions with small direct spending savings. On

balance, CBO estimates that enacting H.R. 4546 would result in a net increase in direct spending totaling $5.8 billion over the 2003–2007 period (see Table 4).

Concurrent receipt

Section 641 would phase in over five years total or partial concurrent payment of retirement annuities together with veterans' disability compensation to retirees from the uniformed services who have service-connected disabilities rated at 60 percent or greater. The uniformed services include all branches of the U.S. military, the Coast Guard, and uniformed members of the Public Health Service (PHS) and the National Oceanic and Atmospheric Administration (NOAA).

Under current law, disabled veterans who are retired from the uniformed services cannot receive both full retirement annuities and disability compensation from the Department of Veterans Affairs (VA). Because of this prohibition on concurrent receipt, such veterans forgo a portion of their retirement annuity equal to the nontaxable veterans' benefit. This section would permit, beginning in 2007, individuals who have significant service-connected disabilities and have a retirement annuity based on years of service, to receive both benefits in full without the reduction called for under current law. Individuals whose retirement pay is based on their degree of disability would continue to forgo retirement pay equal to the VA compensation payment, but only to the extent that their disability had entitled them to a larger retirement annuity than they would have received based on years of service.

TABLE 4.—ESTIMATED DIRECT SPENDING FROM CONCURRENT RECEIPT AND OTHER PROVISIONS IN H.R. 4546

	By fiscal year, in millions of dollars—				
	2003	2004	2005	2006	2007
CHANGES IN DIRECT SPENDING					
Section 641—Concurrent Receipt:					
Estimated Budget Authority	516	643	1,029	1,608	2,006
Estimated Outlays	516	643	1,029	1,608	2,006
Section 362—Armed Forces Retirement Home Fee:					
Estimated Budget Authority	−7	−7	−7	−7	−7
Estimated Outlays	−7	−7	−7	−7	−7
Section 643—Cost-of-Living Adjustment (COLA) Inversion:					
Estimated Budget Authority	−3	−3	−4	−4	−4
Estimated Outlays	−3	−3	−4	−4	−4
Section 644—Forgotten Widows:					
Estimated Budget Authority	−1	−1	−1	−1	−1
Estimated Outlays	−1	−1	−1	−1	−1
Section 651—Education Benefits for Selected Reserves:					
Estimated Budget Authority	4	4	3	2	2
Estimated Outlays	4	4	3	2	2
Section 701—Mental Health Benefits:					
Estimated Budget Authority	0	1	1	1	1
Estimated Outlays	0	1	1	1	1
TOTAL CHANGES IN DIRECT SPENDING					
Estimated Budget Authority	509	637	1,021	1,599	1,997
Estimated Outlays	509	637	1,021	1,599	1,997

This section also would repeal a program that partially compensates certain severely disabled retirees for this reduction in their retirement annuities. This program currently pays a fixed

benefit of $50 to $300 a month, depending on degree of disability. Taken together, CBO estimates that implementing section 641 would increase direct spending for retirement annuities and veterans' disability compensation by a net amount of about $516 million in 2003, $5.8 billion over the 2003–2007 period, and $17.8 billion over the 2003–2012 period (see Table 5).

TABLE 5.—ESTIMATED CHANGES IN RETIREE BENEFITS UNDER H.R. 4546

Description of Benefits Program	By fiscal year, in millions of dollars—				
	2003	2004	2005	2006	2007
Retirement Annuities:					
Nondisability	490	591	887	1,370	1,744
Disability	83	97	135	194	234
Veterans Compensation Payments	0	13	67	104	89
Survivor Benefit Plan Payments	8	8	8	9	9
Special Compensation for Severely Disabled	−65	−66	−68	−69	−70
Total Changes in Retiree Benefits	516	643	1,029	1,608	2,006

Retirement Annuities. Since the proposed legislation would treat retirees differently based on their type of retirement—nondisability or disability, the potential costs of the legislation depend on the number of beneficiaries, their type of retirement, their disability levels, and their benefit amounts.

Nondisability Retirees. A nondisability retirement is granted based on length of service—usually 20 or more years. Section 641 would allow those longevity retirees whose degree of disability has been rated as 60 percent or greater to receive full retirement annuities and veterans' disability benefits with no offset in 2007, and to receive an increasing portion of their retirement annuities over the 2003–2006 period. Data from the uniformed services indicate that in 2001 the prohibition on paying both benefits concurrently caused about $1.3 billion to be withheld from the annuity payments of about 74,000 eligible DoD retirees with nondisability retirements, and about 900 eligible Coast Guard, PHS, and NOAA retirees. Using current rates of net growth in the population of new beneficiaries, CBO estimates this caseload would rise to about 78,000 nondisability retirees in 2003, and 96,000 nondisability retirees by 2012. CBO assumes that future benefit payments will increase consistent with current rates of growth in average disability levels and also increase from cost-of-living adjustments. After phasing the benefits in over five years as specified in the provision, CBO estimates that enacting the legislation would increase direct spending on retirement annuities for nondisability retirees of the uniformed services by $490 million in 2003, $5.1 billion over the 2003–2007 period, and $15.6 billion over the 2003–2012 period.

Disability Retirees. Servicemembers who are found to be unable to perform their duties because of service-related disabilities may be granted a disability retirement. Section 641 would allow eligible disability retirees to receive retirement annuities based on their years of service and veterans' disability benefits with no offset in 2007, and partial concurrent receipt of these payments in 2003 through 2006. Disability retirees would be eligible to obtain concurrent receipt of their retirement annuity and veterans' disability compensation if they served 20 or more years in the uniformed services and had a disability rating of 60 percent or greater.

Data from the uniformed services indicate that in 2001, the prohibition on paying both benefits concurrently caused about $200 million to be withheld from annuity payments of about 11,400 eligible DoD retirees with disability retirements, and about 500 eligible Coast Guard, PHS, and NOAA retirees. An analysis of retiree records by DoD indicates that, under the criteria set forth in this section, these retirees would be eligible to receive about 95 percent of their retirement annuity concurrently with their VA disability benefit. Assuming continuation of current trends in population and benefit growth, and phasing the benefit in over five years as specified in this section, CBO estimates that, of the disability retirees who would be receiving VA disability benefits in fiscal year 2003, about 12,100 would be entitled to an additional $83 million in retirement annuities. CBO estimates their retirement annuities would increase by $743 million over the 2003–2007 period and $2 billion over the 2003–2012 period.

Other Effects of Concurrent Receipt. Enacting section 641 also would affect Veterans' Disability Compensation, receipts to the Treasury for Survivor Benefit Payments, Special Compensation to Severely Disabled Retirees, and the level of contributions to the Military Retirement Trust Fund.

Veterans' Disability Compensation. Data from DoD indicates that an additional 15,100 disability retirees of the uniformed services—14,500 from DoD and about 600 from the other uniformed services—do not currently receive VA disability benefits that they are entitled to receive. Since many disability retirees are not taxed on their annuities, there is no incentive under current law for these retirees to apply for the tax-free VA benefits, as they will be offset, dollar-for-dollar, against their retirement annuities. Section 641 would provide a significant incentive for the more disabled of these individuals to apply for VA disability benefits. CBO estimates that about 7,000 disability retirees might be eligible for concurrent receipt under section 641, but, because many of these retirees are both disabled and quite elderly, CBO expects that only about half of that number would become aware of this improved benefit and successfully complete the application process. Based on their DoD-assessed degree of disability, CBO estimates that outlays for VA disability benefits would increase by $13 million in 2004, about $270 million over the 2003–2007 period, and $760 million over the 2003–2012 period. Because of the time needed for individuals to prepare and submit their applications and the current backlog in processing applications, CBO estimates that enacting this legislation would not increase outlays for veterans' disability compensation in 2003.

Survivor Benefit Plan Offsetting Receipts. Many retirees have a Survivor Benefit Plan (SBP) premium payment deducted from their retirement annuity. The SBP was established in Public Law 92–425 to create an opportunity for military retirees to provide annuities for their survivors. Those retirees who are not receiving a paycheck from DoD because their retirement annuity is totally offset by their VA disability benefit may still participate in the SBP by paying the monthly premium to the U.S. Treasury. These payments are recorded as offsetting receipts to DoD. According to DoD, approximately 34,000 military retirees paid $23 million in SBP premiums to the Treasury in 2001. DoD also indicates that about $7

million of that amount was paid by about 8,000 retirees who would begin to receive annuity checks under section 641. CBO's estimate of the increase in retirement outlays presented above assumes that the SBP premiums of retirees who benefit from the legislation would be deducted from the retirees' annuities, and their payments to the Treasury would cease. Assuming continuation of current trends in population and benefit growth, CBO estimates these offsetting receipts (a credit against direct spending) would decrease by about $8 million in 2003, $40 million over the 2003–2007 period, and $90 million over the 2003–2012 period.

Repeal of Special Compensation for Severely Disabled Retirees. Section 641 also would repeal a special compensation program that currently pays a fixed benefit of $50 to $300 a month to certain uniformed service retirees who were determined to be 60 percent to 100 percent disabled within four years of their retirement. Based on information from DoD and assuming the population growth trends continue, CBO estimates that about 36,000 DoD retirees and about 600 retirees of the other uniformed services will receive an average monthly benefit of $150 in 2002. Under current law, this benefit is scheduled to increase over the next two years to $172 a month. CBO estimates that the savings from repealing this program would be $65 million in 2003, $338 million over the 2003–2007 period, and $706 million over the 2003–2012 period.

Increased Accrual Payment Financing. The military retirement system is financed in part by an annual payment from appropriated funds (an outlay in budget function 050) to the Military Retirement Fund, based on an estimate of the system's accruing liabilities. If this provision is enacted, the yearly contribution to the fund would increase to reflect the added liability from the expected increase in annuities to future retirees. Under section 641, however, this incremental increase in the accrual payment would be paid to the Military Retirement Fund by the Secretary of the Treasury from the general fund of the Treasury. Using information from DoD, CBO estimates that the accrual payment from the Treasury would be $569 million in 2003, and about $3 billion over the 2003–2007 period.

Armed Forces Retirement Home fee

Section 362 would increase the fee that certain military personnel pay toward the operation of the Armed Forces Retirement Home. Currently, these personnel—which include active-duty enlisted personnel, warrant officers, and limited-duty officers—are required to pay a fee of 50 cents per month, which is used to offset the costs of operating the retirement home. Section 362 would set the fee at $1.00 per month. Based on information provided by the Department of Defense, CBO estimates this provision would increase offsetting receipts (a credit against direct spending) by $7 million per year.

Cost-of-living-adjustment (COLA) inversion

Under current law, the annual COLA for military retirement annuities, which takes effect every December, is calculated based on the amount of the increase in the consumer price index (CPI) over the course of the previous fiscal year. Members of the uniformed services who are newly retired are credited with only a partial-year

COLA the first December of their retirement. The size of this partial-year COLA depends on when during the year they retired, and their retirement plan. Because the CPI declined during the fourth quarter of 2001, retirees whose "COLA clock" started counting during that period of deflation will receive a larger COLA than those retirees whose COLA is calculated from the previous, higher-growth quarter. Section 643 would prevent this "COLA inversion" by capping retirees' initial COLAs at the level of the full-year COLA received by the rest of the retiree population.

Based on data from DoD, CBO estimates that enacting this legislation would reduce the COLA adjustment of about 43,000 servicemen who retire during fiscal year 2002 by less than half a percentage point. CBO estimates that the retirement annuities they would otherwise receive in 2003 would be reduced by a total of about $3 million. This reduction in annuities would increase over time by the amount of future COLA increases that would otherwise have applied to the original $3 million. CBO estimates section 643 would reduce retiree annuities by about $18 million over the 2003–2007 period and by $38 million over the 2003–2012 period.

Forgotten widows

Section 644 would modify a program to compensate surviving spouses of certain active-duty servicemembers and reservists who died before they were able to enroll in the Survivor Benefit Plan. This program, which began in December 1997, is currently providing a monthly annuity of $186 to over 2,500 beneficiaries. Under current law, benefits are retroactive to the inception of the program. CBO estimates that a survivor enrolling in the program in 2003 would receive, in addition to the monthly annuity, a lump-sum payment of over $11,000 and that by 2012, the lump-sum payment would increase to almost $32,000. Section 644 would eliminate the retroactive portion of the benefit, so that survivors who enroll in the program after enactment of this legislation would receive the annuity, but not the lump-sum payment. Data from DoD indicates that the eligible population is elderly, and the recent growth rate has been limited to between 100 and 150 surviving spouses a year. Without the lump-sum payment incentive, CBO assumes even fewer new enrollees would seek to become eligible each year. CBO estimates eliminating the lump-sum payment would save about $9 million over the 2003–2012 period.

Education benefits for the selected reserve

Section 651 would extend the period during which eligible reservists may use their education benefits from 10 years to 14 years. VA reported that, in 2001, over 82,000 reservists trained under this program and received an average annual benefit of $1,653. This average benefit includes both the basic benefit and a supplemental benefit that DoD can offer to enhance accessions or re-enlistment in critical skill specialties. This benefit increases each year by a COLA and by the level of supplemental benefits being offered. Based on current usage rates, CBO estimates that enacting this extension would result in an extra 2,500 trainees in fiscal year 2003 and a somewhat smaller number of additional trainees in subsequent years. The number of trainees will be larger in the first several years because reservists who are currently excluded from

using their benefits because they have exceeded the 10-year limit would be expected to use the newly available benefit more intensively. Based on information from DoD and VA, CBO estimates that enacting this legislation would increase education outlays by $4 million in 2003, $15 million over the 2003–2007 period and by $29 million over the 2003–2012 period. Since DoD makes monthly payments into the DoD Education Benefits Fund in the amount of the net present value of the benefits granted during the previous month, this increase in usage of the education benefit would necessitate an increase in payments to the fund. (The discretionary costs associated with these payments are discussed earlier in the "Spending Subject to Appropriation" section under the heading of "Education and Training.")

Mental health benefits

Section 701 would remove a statutory requirement that inpatient mental health care be preauthorized for retirees and dependents who are eligible for Medicare beginning in 2004. Under current law, Tricare for Life (TFL), another medical program run by DoD, pays all Medicare copayments and deductibles for those benefits that are covered by both programs. Beginning in 2003, TFL spending for Medicare-eligible retirees and dependents will be considered direct spending. Under current law, Medicare does not require a preauthorization for inpatient mental health care but Tricare does. Removing this requirement would make the mental health benefits identical and reduce confusion among beneficiaries and health care providers.

Although most individuals would seek preauthorization before receiving inpatient mental health care, CBO expects that, under current law, some individuals would fail to obtain the necessary preauthorization from Tricare and would have to pay the copayments and deductibles on their own. Because DoD does not have any available data on the frequency or costs of inpatient mental health care for Medicare-eligible retirees and dependents, CBO extrapolated this data from the general Medicare population. Under section 701, CBO estimates that in 2004 TFL would cover the copayments and deductibles for about 600 additional people at an average cost of about $1,800 per person. Thus, CBO estimates section 701 would raise direct spending by $1 million in 2004, $4 million over the 2004–2007 period, and $14 million over the 2004–2012 period.

Land conveyance and other property transactions

Titles XXVIII and XIV would authorize a variety of property transactions involving both large and small parcels of land.

Section 2841 would authorize the Secretary of the Interior to convey to the city of West Wendover, Nevada, and Tooele County, Utah, without consideration, two parcels of federal land located in those states and identified in the bill. According to the Bureau of Land Management (BLM), those lands, which are withdrawn for military purposes, currently generate no offsetting receipts and are not expected to in the foreseeable future. Hence, CBO estimates that conveying the lands would not affect offsetting receipts. According to the U.S. Air Force, portions of the lands that could be conveyed have been used as a bombing range by the Air Force.

Under the Comprehensive Environmental Response, Compensation, and Liability Act, the agency would have to remediate any expended and unexploded ordnance prior to conveying those lands. Any federal spending for remediation, which could be significant, would be subject to appropriation. At this time, CBO does not have sufficient information to estimate remediation costs.

CBO estimates that other provisions in title XXVIII would not result in significant costs to the federal government because they would either authorize DoD to exchange one piece of property for another or would authorize DoD to convey land that under current law is unlikely to be declared excess and sold or is likely to be given away.

Title XIV of H.R. 4546 would designate as wilderness more than 539,000 acres of federal lands throughout the state of Utah. Subject to valid existing rights, the bill would withdraw most of those lands from programs to develop mineral and geothermal resources. Withdrawing those lands from leasing and development could result in forgone offsetting receipts if, under current law, the lands would generate receipts from those activities. According to BLM, however, the lands currently generate no significant receipts and are not expected to over the next 10 years. Hence, we estimate that any resulting changes in offsetting receipts would be negligible.

Title XIV also would prohibit the Secretary of the Interior from issuing permits for rights-of-way through certain federal lands in Utah. According to BLM, the agency collects less than $100,000 a year from such permits; hence, CBO estimates that any resulting loss of offsetting receipts (a credit against direct spending) would not exceed that amount in any year.

Other provisions

The following provisions would have an insignificant budgetary impact on direct spending:

- Section 364 would extend the arsenal support program initiative (ASPI) through 2004. ASPI allows government owned and operated arsenals to sign contracts with private companies for the use of excess plant space and equipment. The arsenal can then use the rents and fees from these contracts to reduce overhead costs. To date, these contracts have generated less than $500,000 a year in proceeds.
- Section 366 would allow the basic allowance for housing (BAH) for service members who live in privatized housing to be disregarded as income when determining eligibility for free and reduced meals in the school lunch program. Under current law, the BAH is counted as income. The provision would allow more children to be eligible for free and reduced price meals for the one year period after enactment. CBO estimates that this section would increase direct spending in the child nutrition program in 2003, but that the costs would not be significant. (If this bill is enacted before the start of fiscal year 2003, then there would be some insignificant cost in 2002 also.)
- Section 2862 would allow the Navy to provide wastewater treatment services from its facilities at Camp Lejeune, North Carolina, to Onslow County and other public entities near the base. In exchange for those services, the Navy would receive cash or in-kind payment. This provision would have no net im-

pact on direct spending because it would allow the Navy to spend any cash that it collects.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in direct spending that are subject to pay-as-you-go procedures are shown in Table 6. For the purposes of enforcing pay-as-you-go procedures, only the effects through fiscal year 2006 are counted.

TABLE 6.—ESTIMATED IMPACT OF H.R. 4546 ON DIRECT SPENDING AND RECEIPTS

	By fiscal year, in millions of dollars—										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Changes in outlays	0	509	637	1,021	1,599	1,997	2,123	2,256	2,386	2,524	2,672
Changes in receipts	Not applicable										

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4546 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Federal Costs: Defense Outlays: Kent Christensen. Military Construction: David Newman. Military and Civilian Personnel: Michelle Patterson and Dawn Regan. Armed Forces Retirement Home: Geoffrey Gerhardt. Military Retirement: Sarah Jennings. Health Programs: Sam Papenfuss. Multiyear Procurement: David Newman and Raymond Hall. Conservation and Land Management: Megan Carroll. Maritime Administration: Deborah Reis. Naval Petroleum Reserves: Lisa Cash Driskill. Nutrition Programs: Valerie Womer. Operation and Maintenance: Matt Schmit. Impact on State, Local, and Tribal Governments: Elyse Goldman. Impact on the Private Sector: R. William Thomas.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(d) of rule XIII of the Rules of the House of Representatives, the committee generally concurs with the estimates as contained in the report of the Congressional Budget Office.

OVERSIGHT FINDINGS

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, this legislation results from hearings and other oversight activities conducted by the committee pursuant to clause 2(b)(1) of rule X.

With respect to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this legislation does not include any new spending or credit authority, nor does it provide for any increase or decrease in tax revenues or expenditures. The bill does, however, authorize appropriations. Other fiscal features of this legislation are addressed in the estimate prepared by the Director of the Con-

gressional Budget Office under section 402 of the Congressional Budget Act of 1974.

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the committee has not received a report from the Committee on Government Reform and Oversight pertaining to the subject matter of H.R. 4546.

GENERAL PERFORMANCE GOALS AND OBJECTIVES

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, this legislation would address several general and outcome-related performance goals and objectives. The general goal and objective of this legislation is to improve the quality of life for military personnel and their families, military readiness, the modernization and eventual transformation of the armed forces, to enhance the development of ballistic missile defenses, and to improve the condition of military housing and facilities.

With respect to the outcome-related goal of improving the quality of life for military personnel and their families, the objective of this legislation is to:

(1) ensure the largest one-year growth in active duty end strength since 1986 by adding 12,650 personnel, enabling all the military services to begin meeting long-standing manpower shortages, as well as new manning requirements.

(2) provide every military service member a pay raise of between 4.1 and 6.5 percent effective January 1, 2003;

(3) reduce out-of-pocket housing costs for military personnel to less than 8 percent during fiscal year 2003;

(4) eliminate unfair provisions in current law, thereby allowing those rated 60 percent disabled or greater to receive by 2007 their full military retired pay and full veteran's disability compensation.

With respect to the outcome-related goal of improving military readiness, the objective of this legislation is to:

(1) increase funding for key readiness accounts by $4.6 billion above the fiscal year 2002 level;

(2) satisfy approximately $200 million of the service chiefs' unfunded readiness requirements;

With respect to the outcome-related goal of improving the modernization and eventual transformation of the armed forces and enhancing the development of ballistic missile defenses, the objective of this legislation is to:

(1) increase funding for military procurement accounts by $2.9 billion;

(2) satisfy more than $2 billion of the unfunded procurement requirements identified by the service chiefs; and

(3) increase funding for military research and development accounts by $914 million.

With respect to the outcome-related goal of improving military housing and facilities, the objective of this legislation is to:

(1) provide $10 billion for military construction and military family housing programs, including $2 billion for quality of life enhancements;

(2) provide several enhancements to the authority provided by current law to privatize military housing that will provide

the military services more flexibility to procure adequate military family housing.

With respect to the outcome-related goal of increasing homeland and troop defenses against terrorist and ballistic missile attacks, the objective of this legislation is to:

(1) support the President's request for $7.3 billion to combat terrorism; and

(2) support the approach of the President's ballistic missile defense program and to increase funding for ballistic missile defense programs by $8.4 million above the fiscal year 2002 level.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to Rule XIII, clause 3 (d)(1) of the Rules of the House of Representatives, the committee finds the authority for this legislation in Article I, Section 8 of the United States Constitution.

STATEMENT OF FEDERAL MANDATES

Pursuant to section 423 of Public Law 104–4, this legislation contains no federal mandates with respect to state, local, and tribal governments, nor with respect to the private sector. Similarly, the bill provides no federal intergovernmental mandates.

RECORD VOTES

In accordance with clause 3(b) of rule XIII of the Rules of the House of Representatives, record and voice votes were taken with respect to the committee's consideration of H.R. 4546. The record of these votes is attached to this report.

The committee ordered H.R. 4546 reported to the House with a favorable recommendation by a vote of 57–1, a quorum being present.

COMMITTEE ON ARMED SERVICES
107TH CONGRESS
ROLL CALL

Amendment Number: 9 **Date: 5/1/02**
description: Repeal 2005 BRAC Requirement **Offered by: Taylor**

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Stump		X		Mr. Skelton		X	
Mr. Hunter		X		Mr. Spratt		X	
Mr. Hansen		X		Mr. Ortiz	X		
Mr. Weldon		X		Mr. Evans	X		
Mr. Hefley	X			Mr. Taylor	X		
Mr. Saxton		X		Mr. Abercrombie		X	
Mr. McHugh		X		Mr. Meehan		X	
Mr. Everett		X		Mr. Underwood	X		
Mr. Bartlett			X	Mr. Blagojevich			
Mr. McKeon		X		Mr. Reyes		X	
Mr. Watts				Mr. Allen	X		
Mr. Thornberry		X		Mr. Snyder		X	
Mr. Hostettler		X		Mr. Turner		X	
Mr. Chambliss		X		Mr. Smith		X	
Mr. Hilleary		X		Ms. Sanchez		X	
Mr. Jones	X			Mr. Maloney		X	
Mr. Graham		X		Mr. McIntyre	X		
Mr. Ryun		X		Mr. Rodriguez	X		
Mr. Riley	X			Ms. McKinney		X	
Mr. Gibbons		X		Ms. Tauscher	X		
Mr. Hayes		X		Mr. Brady		X	
Mrs. Wilson	X			Mr. Andrews		X	
Mr. Calvert		X		Mr. Hill		X	
Mr. Simmons		X		Mr. Thompson		X	
Mr. Crenshaw		X		Mr. Larson (CT)	X		
Mr. Kirk		X		Mrs. Davis (CA)	X		
Mrs. Davis (VA)	X			Mr. Langevin	X		
Mr. Schrock		X		Mr. Larsen (WA)	X		
Mr. Akin		X					
Mr. Forbes	X						
Mr. Miller	X						
Mr. Wilson (SC)		X					

Roll Call Vote Total

19 Aye 38 Nay 1 Present

COMMITTEE ON ARMED SERVICES
107TH CONGRESS
ROLL CALL

Amendment Number: 3 **Date: 5/1/02**
description: Abortion **Offered by: Sanchez**

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Sturup		X		Mr. Skelton		X	
Mr. Hunter		X		Mr. Spratt	X		
Mr. Hansen		X		Mr. Ortiz		X	
Mr. Weldon		X		Mr. Evans	X		
Mr. Hefley		X		Mr. Taylor		X	
Mr. Saxton		X		Mr. Abercrombie	X		
Mr. McHugh		X		Mr. Meehan	X		
Mr. Everett		X		Mr. Underwood		X	
Mr. Bartlett		X		Mr. Blagojevich			
Mr. McKeon		X		Mr. Reyes	X		
Mr. Watts				Mr. Allen	X		
Mr. Thornberry		X		Mr. Snyder	X		
Mr. Hostettler		X		Mr. Turner	X		
Mr. Chambliss		X		Mr. Smith	X		
Mr. Hilleary		X		Ms. Sanchez	X		
Mr. Jones		X		Mr. Maloney	X		
Mr. Graham		X		Mr. McIntyre		X	
Mr. Ryun		X		Mr. Rodriguez	X		
Mr. Riley		X		Ms. McKinney	X		
Mr. Gibbons	X			Ms. Tauscher	X		
Mr. Hayes		X		Mr. Brady	X		
Mrs. Wilson		X		Mr. Andrews	X		
Mr. Calvert		X		Mr. Hill	X		
Mr. Simmons	X			Mr. Thompson	X		
Mr. Crenshaw		X		Mr. Larson (CT)	X		
Mr. Kirk	X			Mrs. Davis (CA)	X		
Mrs. Davis (VA)		X		Mr. Langevin		X	
Mr. Schrock		X		Mr. Larsen (WA)	X		
Mr. Akin		X					
Mr. Forbes		X					
Mr. Miller		X					
Mr. Wilson (SC)		X					

Roll Call Vote Total

24 Aye 34 Nay 0 Present

COMMITTEE ON ARMED SERVICES
107TH CONGRESS
ROLL CALL

Amendment Number: 8 **Date: 5/1/02**
description: Strike title XIV **Offered by: Skelton**

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Stump		X		Mr. Skelton	X		
Mr. Hunter		X		Mr. Spratt	X		
Mr. Hansen		X		Mr. Ortiz		X	
Mr. Weldon		X		Mr. Evans	X		
Mr. Hefley		X		Mr. Taylor		X	
Mr. Saxton		X		Mr. Abercrombie		X	
Mr. McHugh		X		Mr. Meehan	X		
Mr. Everett		X		Mr. Underwood	X		
Mr. Bartlett		X		Mr. Blagojevich			
Mr. McKeon				Mr. Reyes	X		
Mr. Watts		X		Mr. Allen	X		
Mr. Thornberry		X		Mr. Snyder	X		
Mr. Hostettler		X		Mr. Turner		X	
Mr. Chambliss		X		Mr. Smith	X		
Mr. Hilleary		X		Ms. Sanchez	X		
Mr. Jones		X		Mr. Maloney	X		
Mr. Graham				Mr. McIntyre	X		
Mr. Ryun		X		Mr. Rodriguez	X		
Mr. Riley		X		Ms. McKinney	X		
Mr. Gibbons		X		Ms. Tauscher	X		
Mr. Hayes		X		Mr. Brady	X		
Mrs. Wilson		X		Mr. Andrews	X		
Mr. Calvert		X		Mr. Hill	X		
Mr. Simmons		X		Mr. Thompson		X	
Mr. Crenshaw		X		Mr. Larson (CT)	X		
Mr. Kirk		X		Mrs. Davis (CA)	X		
Mrs. Davis (VA)		X		Mr. Langevin	X		
Mr. Schrock		X		Mr. Larsen (WA)	X		
Mr. Akin		X					
Mr. Forbes		X					
Mr. Miller		X					
Mr. Wilson (SC)		X					

Roll Call Vote Total

22 Aye 35 Nay 0 Present

COMMITTEE ON ARMED SERVICES
107TH CONGRESS
ROLL CALL

Amendment Number: 58 **Date:** 5/1/02

description: Perfecting to Taylor on Colombia Troop Cap **Offered by:** Chambliss

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Stump	X			Mr. Skelton		X	
Mr. Hunter	X			Mr. Spratt		X	
Mr. Hansen	X			Mr. Ortiz		X	
Mr. Weldon	X			Mr. Evans		X	
Mr. Hefley	X			Mr. Taylor		X	
Mr. Saxton	X			Mr. Abercrombie		X	
Mr. McHugh	X			Mr. Meehan		X	
Mr. Everett	X			Mr. Underwood		X	
Mr. Bartlett		X		Mr. Blagojevich			
Mr. McKeon	X			Mr. Reyes		X	
Mr. Watts	X			Mr. Allen		X	
Mr. Thornberry	X			Mr. Snyder		X	
Mr. Hostettler		X		Mr. Turner		X	
Mr. Chambliss	X			Mr. Smith		X	
Mr. Hilleary	X			Ms. Sanchez		X	
Mr. Jones	X			Mr. Maloney		X	
Mr. Graham	X			Mr. McIntyre		X	
Mr. Ryun	X			Mr. Rodriguez		X	
Mr. Riley	X			Ms. McKinney		X	
Mr. Gibbons	X			Ms. Tauscher	X		
Mr. Hayes	X			Mr. Brady		X	
Mrs. Wilson	X			Mr. Andrews		X	
Mr. Calvert	X			Mr. Hill		X	
Mr. Simmons	X			Mr. Thompson		X	
Mr. Crenshaw	X			Mr. Larson (CT)		X	
Mr. Kirk	X			Mrs. Davis (CA)		X	
Mrs. Davis (VA)	X			Mr. Langevin		X	
Mr. Schrock	X			Mr. Larsen (WA)		X	
Mr. Akin	X						
Mr. Forbes	X						
Mr. Miller	X						
Mr. Wilson (SC)	X						

Roll Call Vote Total

31 Aye 28 Nay 0 Present

COMMITTEE ON ARMED SERVICES
107TH CONGRESS
ROLL CALL

Amendment Number: 26 **Date: 5/1/02**

description: SOC re: Strategic Deterrent **Offered by: Tauscher**

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Stump		X		Mr. Skelton	X		
Mr. Hunter		X		Mr. Spratt	X		
Mr. Hansen		X		Mr. Ortiz	X		
Mr. Weldon		X		Mr. Evans	X		
Mr. Hefley		X		Mr. Taylor		X	
Mr. Saxton		X		Mr. Abercrombie	X		
Mr. McHugh		X		Mr. Meehan	X		
Mr. Everett		X		Mr. Underwood	X		
Mr. Bartlett		X		Mr. Blagojevich			
Mr. McKeon		X		Mr. Reyes	X		
Mr. Watts		X		Mr. Allen	X		
Mr. Thornberry		X		Mr. Snyder			X
Mr. Hostettler		X		Mr. Turner	X		
Mr. Chambliss		X		Mr. Smith	X		
Mr. Hilleary		X		Ms. Sanchez	X		
Mr. Jones		X		Mr. Maloney	X		
Mr. Graham		X		Mr. McIntyre	X		
Mr. Ryun		X		Mr. Rodriguez	X		
Mr. Riley				Ms. McKinney	X		
Mr. Gibbons		X		Ms. Tauscher	X		
Mr. Hayes		X		Mr. Brady	X		
Mrs. Wilson		X		Mr. Andrews	X		
Mr. Calvert		X		Mr. Hill	X		
Mr. Simmons		X		Mr. Thompson	X		
Mr. Crenshaw		X		Mr. Larson (CT)	X		
Mr. Kirk		X		Mrs. Davis (CA)	X		
Mrs. Davis (VA)		X		Mr. Langevin	X		
Mr. Schrock		X		Mr. Larsen (WA)	X		
Mr. Akin		X					
Mr. Forbes		X					
Mr. Miller		X					
Mr. Wilson (SC)		X					

Roll Call Vote Total

25 Aye 32 Nay 1 Present

COMMITTEE ON ARMED SERVICES
107TH CONGRESS
ROLL CALL

Amendment Number: 21 **Date: 5/1/02**
description: Notification of Underground Testing **Offered by: Spratt**

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Stump		X		Mr. Skelton	X		
Mr. Hunter		X		Mr. Spratt	X		
Mr. Hansen		X		Mr. Ortiz	X		
Mr. Weldon		X		Mr. Evans	X		
Mr. Hefley	X			Mr. Taylor	X		
Mr. Saxton		X		Mr. Abercrombie	X		
Mr. McHugh		X		Mr. Meehan	X		
Mr. Everett		X		Mr. Underwood	X		
Mr. Bartlett		X		Mr. Blagojevich			
Mr. McKeon		X		Mr. Reyes	X		
Mr. Watts		X		Mr. Allen	X		
Mr. Thornberry		X		Mr. Snyder	X		
Mr. Hostettler		X		Mr. Turner	X		
Mr. Chambliss		X		Mr. Smith	X		
Mr. Hilleary		X		Ms. Sanchez	X		
Mr. Jones		X		Mr. Maloney		X	
Mr. Graham				Mr. McIntyre		X	
Mr. Ryun		X		Mr. Rodriguez	X		
Mr. Riley				Ms. McKinney			
Mr. Gibbons		X		Ms. Tauscher	X		
Mr. Hayes		X		Mr. Brady	X		
Mrs. Wilson		X		Mr. Andrews	X		
Mr. Calvert		X		Mr. Hill	X		
Mr. Simmons		X		Mr. Thompson	X		
Mr. Crenshaw		X		Mr. Larson (CT)	X		
Mr. Kirk		X		Mrs. Davis (CA)	X		
Mrs. Davis (VA)		X		Mr. Langevin	X		
Mr. Schrock		X		Mr. Larsen (WA)	X		
Mr. Akin		X					
Mr. Forbes		X					
Mr. Miller		X					
Mr. Wilson (SC)		X					

Roll Call Vote Total

25 Aye 31 Nay 0 Present

COMMITTEE ON ARMED SERVICES
107TH CONGRESS
ROLL CALL

Amendment Number: 56 **Date:** 5/1/02
description: Nuclear Interceptors **Offered by:** Spratt

Voice Vote	Ayes	Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Stump		X		Mr. Skelton	X		
Mr. Hunter		X		Mr. Spratt	X		
Mr. Hansen		X		Mr. Ortiz	X		
Mr. Weldon		X		Mr. Evans	X		
Mr. Hefley		X		Mr. Taylor		X	
Mr. Saxton		X		Mr. Abercrombie	X		
Mr. McHugh		X		Mr. Meehan	X		
Mr. Everett		X		Mr. Underwood	X		
Mr. Bartlett		X		Mr. Blagojevich			
Mr. McKeon		X		Mr. Reyes	X		
Mr. Watts		X		Mr. Allen	X		
Mr. Thornberry		X		Mr. Snyder	X		
Mr. Hostettler		X		Mr. Turner	X		
Mr. Chambliss		X		Mr. Smith	X		
Mr. Hilleary		X		Ms. Sanchez	X		
Mr. Jones		X		Mr. Maloney	X		
Mr. Graham		X		Mr. McIntyre	X		
Mr. Ryun		X		Mr. Rodriguez	X		
Mr. Riley				Ms. McKinney			
Mr. Gibbons		X		Ms. Tauscher	X		
Mr. Hayes		X		Mr. Brady	X		
Mrs. Wilson		X		Mr. Andrews	X		
Mr. Calvert		X		Mr. Hill	X		
Mr. Simmons				Mr. Thompson	X		
Mr. Crenshaw		X		Mr. Larson (CT)	X		
Mr. Kirk		X		Mrs. Davis (CA)			
Mrs. Davis (VA)		X		Mr. Langevin	X		
Mr. Schrock		X		Mr. Larsen (WA)	X		
Mr. Akin		X					
Mr. Forbes		X					
Mr. Miller		X					
Mr. Wilson (SC)		X					

Roll Call Vote Total

24 Aye 31 Nay 0 Present

COMMITTEE ON ARMED SERVICES
107TH CONGRESS
ROLL CALL

Amendment Number: 51 **Date: 5/1/02**
description: BMD Cut **Offered by: Spratt**

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Stump		X		Mr. Skelton	X		
Mr. Hunter		X		Mr. Spratt	X		
Mr. Hansen		X		Mr. Ortiz	X		
Mr. Weldon		X		Mr. Evans	X		
Mr. Hefley		X		Mr. Taylor	X		
Mr. Saxton		X		Mr. Abercrombie	X		
Mr. McHugh		X		Mr. Meehan	X		
Mr. Everett		X		Mr. Underwood	X		
Mr. Bartlett		X		Mr. Blagojevich			
Mr. McKeon		X		Mr. Reyes	X		
Mr. Watts		X		Mr. Allen	X		
Mr. Thornberry		X		Mr. Snyder	X		
Mr. Hostettler		X		Mr. Turner	X		
Mr. Chambliss		X		Mr. Smith	X		
Mr. Hilleary		X		Ms. Sanchez	X		
Mr. Jones		X		Mr. Maloney	X		
Mr. Graham		X		Mr. McIntyre	X		
Mr. Ryun		X		Mr. Rodriguez	X		
Mr. Riley				Ms. McKinney	X		
Mr. Gibbons		X		Ms. Tauscher	X		
Mr. Hayes		X		Mr. Brady	X		
Mrs. Wilson		X		Mr. Andrews	X		
Mr. Calvert		X		Mr. Hill	X		
Mr. Simmons		X		Mr. Thompson	X		
Mr. Crenshaw		X		Mr. Larson (CT)	X		
Mr. Kirk		X		Mrs. Davis (CA)		X	
Mrs. Davis (VA)		X		Mr. Langevin	X		
Mr. Schrock		X		Mr. Larsen (WA)	X		
Mr. Akin		X					
Mr. Forbes		X					
Mr. Miller		X					
Mr. Wilson (SC)		X					

Roll Call Vote Total

26 Aye 32 Nay 0 Present

COMMITTEE ON ARMED SERVICES
107TH CONGRESS
ROLL CALL

Final Passage of H.R. 4546 **Date: 5/1/02**
as Amended

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Stump	X			Mr. Skelton	X		
Mr. Hunter	X			Mr. Spratt	X		
Mr. Hansen	X			Mr. Ortiz	X		
Mr. Weldon	X			Mr. Evans	X		
Mr. Hefley	X			Mr. Taylor	X		
Mr. Saxton	X			Mr. Abercrombie	X		
Mr. McHugh	X			Mr. Meehan	X		
Mr. Everett	X			Mr. Underwood	X		
Mr. Bartlett	X			Mr. Blagojevich			
Mr. McKeon	X			Mr. Reyes	X		
Mr. Watts	X			Mr. Allen	X		
Mr. Thornberry	X			Mr. Snyder	X		
Mr. Hostettler	X			Mr. Turner	X		
Mr. Chambliss	X			Mr. Smith	X		
Mr. Hilleary	X			Ms. Sanchez	X		
Mr. Jones	X			Mr. Maloney	X		
Mr. Graham	X			Mr. McIntyre	X		
Mr. Ryun	X			Mr. Rodriguez	X		
Mr. Riley				Ms. McKinney		X	
Mr. Gibbons	X			Ms. Tauscher	X		
Mr. Hayes	X			Mr. Brady	X		
Mrs. Wilson	X			Mr. Andrews	X		
Mr. Calvert	X			Mr. Hill	X		
Mr. Simmons	X			Mr. Thompson	X		
Mr. Crenshaw	X			Mr. Larson (CT)	X		
Mr. Kirk	X			Mrs. Davis (CA)	X		
Mrs. Davis (VA)	X			Mr. Langevin	X		
Mr. Schrock	X			Mr. Larsen (WA)	X		
Mr. Akin	X						
Mr. Forbes	X						
Mr. Miller	X						
Mr. Wilson (SC)	X						

Roll Call Vote Total

57 Aye 1 Nay 0 Present

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TITLE 10, UNITED STATES CODE

* * * * * * *

Subtitle A—General Military Law

* * * * * * *

PART I—ORGANIZATION AND GENERAL MILITARY POWERS

* * * * * * *

CHAPTER 2—DEPARTMENT OF DEFENSE

Sec.
111. Executive department.
* * * * * * *
113a. Transmission of annual defense authorization request.
* * * * * * *

§ 113a. Transmission of annual defense authorization request

(a) TIME FOR TRANSMITTAL.—The Secretary of Defense shall transmit to Congress the annual defense authorization request for a fiscal year during the first 30 days after the date on which the President transmits to Congress the budget for that fiscal year pursuant to section 1105 of title 31.

(b) DEFENSE AUTHORIZATION REQUEST DEFINED.—In this section, the term "defense authorization request", with respect to a fiscal year, means a legislative proposal submitted to Congress for the enactment of the following:

(1) Authorizations of appropriations for that fiscal year, as required by section 114 of this title.

(2) Personnel strengths for that fiscal year, as required by section 115 of this title.

(3) Any other matter that is proposed by the Secretary of Defense to be enacted as part of the annual defense authorization bill for that fiscal year.

* * * * * * *

§ 115. Personnel strengths: requirement for annual authorization

(a) * * *

* * * * * * *

(f) Upon determination by the Secretary of a military department that such action would enhance manning and readiness in essential units or in critical specialties or ratings, the Secretary may increase the end strength authorized pursuant to subsection (a)(1)(A) for a

fiscal year for the armed force under the jurisdiction of that Secretary or, in the case of the Secretary of the Navy, for any of the armed forces under the jurisdiction of that Secretary. Any such increase for a fiscal year—

(1) shall be by a number equal to not more than 1 percent of such authorized end strength; and

(2) shall be counted as part of the increase for that armed force for that fiscal year authorized under subsection (c)(1).

* * * * * * *

§ 118. Quadrennial defense review

(a) REVIEW REQUIRED.—The Secretary of Defense shall every four years, ⟦during a year⟧ *during the second year* following a year evenly divisible by four, conduct a comprehensive examination (to be known as a "quadrennial defense review") of the national defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies of the United States with a view toward determining and expressing the defense strategy of the United States and establishing a defense program for the next 20 years. Each such quadrennial defense review shall be conducted in consultation with the Chairman of the Joint Chiefs of Staff.

* * * * * * *

(d) SUBMISSION OF QDR TO CONGRESSIONAL COMMITTEES.—The Secretary shall submit a report on each quadrennial defense review to the Committees on Armed Services of the Senate and the House of Representatives. The report shall be submitted not later than September 30 of the year in which the review is conducted. The report shall include the following:

(1) * * *

* * * * * * *

(14) The national defense mission of the Coast Guard.

⟦(14)⟧ *(15)* Any other matter the Secretary considers appropriate.

* * * * * * *

CHAPTER 5—JOINT CHIEFS OF STAFF

* * * * * * *

§ 153. Chairman: functions

(a) PLANNING; ADVICE; POLICY FORMULATION.—Subject to the authority, direction, and control of the President and the Secretary of Defense, the Chairman of the Joint Chiefs of Staff shall be responsible for the following:

(1) * * *

* * * * * * *

CHAPTER 8—DEFENSE AGENCIES AND DEPARTMENT OF DEFENSE FIELD ACTIVITIES

* * * * * * *

SUBCHAPTER II—MISCELLANEOUS DEFENSE AGENCY MATTERS

Sec.
201. Certain intelligence officials: consultation and concurrence regarding appointments; evaluation of performance.
[203. Director of Ballistic Missile Defense Organization.]
203. Director of Missile Defense Agency.

* * * * * * *

[§ 203. Director of Ballistic Missile Defense Organization]

§ 203. Director of Missile Defense Agency

If an officer of the armed forces on active duty is appointed to the position of Director of the [Ballistic Missile Defense Organization] *Missile Defense Agency*, the position shall be treated as having been designated by the President as a position of importance and responsibility for purposes of section 601 of this title and shall carry the grade of lieutenant general or general or, in the case of an officer of the Navy, vice admiral or admiral.

* * * * * * *

CHAPTER 9—DEFENSE BUDGET MATTERS

Sec.
221. Future-years defense program: submission to Congress; consistency in budgeting.
* * * * * * *
[230. Amounts for declassification of records.]

* * * * * * *

§ 223. Ballistic missile defense programs: program elements

(a) PROGRAM ELEMENTS SPECIFIED.—In the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year (as submitted with the budget of the President under section 1105(a) of title 31), the amount requested for activities of the [Ballistic Missile Defense Organization] *Missile Defense Agency* shall be set forth in accordance with program elements governing functional areas as follows:

(1) * * *

* * * * * * *

§ 224. Ballistic missile defense programs: display of amounts for research, development, test, and evaluation

(a) REQUIREMENT.—Any amount in the budget submitted to Congress under section 1105 of title 31 for any fiscal year for research, development, test, and evaluation for a Department of Defense missile defense program described in subsection (b) shall be set forth under the account of the Department of Defense for Defense-wide research, development, test, and evaluation and, within that account, under the subaccount (or other budget activity level) for the [Ballistic Missile Defense Organization] *Missile Defense Agency*.

(b) TRANSFER CRITERIA.—(1) The Secretary of Defense shall establish criteria for the transfer of responsibility for a ballistic missile defense program from the Director of the [Ballistic Missile Defense Organization] *Missile Defense Agency* to the Secretary of a

military department. The criteria established for such a transfer shall, at a minimum, address the following:

(A) * * *

* * * * * * *

(c) NOTIFICATION OF TRANSFER.—Before responsibility for a ballistic missile defense program is transferred from the Director of the [Ballistic Missile Defense Organization] *Missile Defense Agency* to the Secretary of a military department, the Secretary of Defense shall submit to the congressional defense committees notice in writing of the Secretary's intent to make that transfer. The Secretary shall include with such notice a certification that the program has met the criteria established under subsection (b) for such a transfer. The transfer may then be carried out after the end of the 60-day period beginning on the date of such notice.

(d) CONFORMING BUDGET AND PLANNING TRANSFERS.—When a ballistic missile defense program is transferred from the [Ballistic Missile Defense Organization] *Missile Defense Agency* to the Secretary of a military department in accordance with this section, the Secretary of Defense shall ensure that all appropriate conforming changes are made to proposed or projected funding allocations in the future-years defense program under section 221 of this title and other Department of Defense program, budget, and planning documents.

(e) FOLLOW-ON RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—The Secretary of Defense shall ensure that, [before a] *for each* ballistic missile defense program [is] transferred from the Director of the [Ballistic Missile Defense Organization] *Missile Defense Agency* to the Secretary of a military department, [roles and responsibilities for research, development, test, and evaluation related to system improvements for that program are clearly defined.] *responsibility for research, development, test, and evaluation related to system improvements for that program remains with the Director.*

* * * * * * *

§ 228. Monthly reports on allocation of funds within operation and maintenance budget subactivities

(a) MONTHLY REPORT.—The Secretary of Defense shall submit [to Congress] *to the congressional defense committees* a monthly report on the allocation of appropriations to O&M budget activities and to the subactivities of those budget activities. Each such report shall be submitted not later than 60 days after the end of the month to which the report pertains.

* * * * * * *

[(e) O&M BUDGET ACTIVITY DEFINED.—For purposes of this section, the] *(e) DEFINITIONS.—In this section:*

(1) The term "O&M budget activity" means a budget activity within an operation and maintenance appropriation of the Department of Defense for a fiscal year.

(2) The term "congressional defense committees" means the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and

the Committee on Appropriations of the House of Representatives.

* * * * * * *

[§ 230. Amounts for declassification of records

[The Secretary of Defense shall include in the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year (as submitted with the budget of the President under section 1105(a) of title 31) specific identification of the amounts required to carry out programmed activities during that fiscal year to declassify records pursuant to Executive Order No. 12958 (50 U.S.C. 435 note) or any successor Executive order or to comply with any statutory requirement, or any request, to declassify Government records. Identification of such amounts in such budget justification materials shall be in a single display that shows the total amount for the Department of Defense and the amount for each military department and Defense Agency.]

* * * * * * *

CHAPTER 23—MISCELLANEOUS STUDIES AND REPORTS

Sec.
480. Reports to Congress: submission in electronic form.

* * * * * * *

488. Status of female members of the armed forces: annual report.

§ 480. Reports to Congress: submission in electronic form

(a) REQUIREMENT.—Whenever the Secretary of Defense or any other official of the Department of Defense submits to Congress (or any committee of either House of Congress) a report that the Secretary (or other official) is required by law to submit, the Secretary (or other official) [shall, upon request by any committee of Congress to which the report is submitted or referred, provide to Congress (or each] *shall provide to Congress (or* such committee) a copy of the report in an electronic medium.

* * * * * * *

§ 488. Status of female members of the armed forces: annual report

(a) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress an annual report on the status of female members of the armed forces. Information in the report shall be shown for the Department of Defense as a whole and separately for each of the Army, Navy, Air Force, and Marine Corps.

(b) MATTERS TO BE INCLUDED.—Each report under subsection (a) shall include, at a minimum, the following information with respect to female members:

(1) Access to health care.
(2) Positions open.
(3) Assignment policies.
(4) Joint spouse assignments.
(5) Deployment availability rates.
(6) Promotion and retention rates.
(7) Assignments in nontraditional fields.

(8) Assignments to command positions.
(9) Selection for service schools.
(10) Sexual harassment.

* * * * * * *

PART II—PERSONNEL

* * * * * * *

CHAPTER 32—OFFICER STRENGTH AND DISTRIBUTION IN GRADE

* * * * * * *

§ 525. Distribution of commissioned officers on active duty in general officer and flag officer grades

(a) * * *
(b)(1) * * *
(2)(A) * * *
(B) No appointment may be made in a grade above major general in the Marine Corps if that appointment would result in more than [16.2] *17.5* percent of the general officers of the Marine Corps on active duty being in grades above major general.
(5)(A) * * *

* * * * * * *

(C) This paragraph shall cease to be effective at the end of [September 30, 2003] *December 31, 2004*.

* * * * * * *

(8) An officer while serving in a position designated by the Secretary of Defense as Senior Military Assistant to the Secretary of Defense, if serving in the grade of lieutenant general or vice admiral, is in addition to the number that otherwise would be permitted for that officer's armed force for that grade under paragraph (1) or (2). Only one officer may be designated as Senior Military Assistant to the Secretary of Defense for purposes of this paragraph.

* * * * * * *

§ 526. Authorized strength: general and flag officers on active duty

(a) * * *
(b) LIMITED EXCLUSION FOR JOINT DUTY REQUIREMENTS.—(1) * * *

* * * * * * *

(3) This subsection shall cease to be effective on [October 1, 2002] *December 31, 2004*.
[(c) NOTICE TO CONGRESS UPON CHANGE IN GRADE FOR CERTAIN POSITIONS.—(1) Not later than 60 days before an action specified in paragraph (2) may become effective, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report providing notice of the intended action and an analytically based justification for the intended action.
[(2) Paragraph (1) applies in the case of the following actions:

[(A) A change in the grade authorized as of July 1, 1994, for a general officer position in the National Guard Bureau, a general or flag officer position in the Office of a Chief of a reserve component, or a general or flag officer position in the headquarters of a reserve component command.

[(B) Assignment of a reserve component officer to a general officer position in the National Guard Bureau, to a general or flag officer position in the Office of a Chief of a reserve component, or to a general or flag officer position in the headquarters of a reserve component command in a grade other than the grade authorized for that position as of July 1, 1994.

[(C) Assignment of an officer other than a general or flag officer as the military executive to the Reserve Forces Policy Board.]

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CHAPTER 35—TEMPORARY APPOINTMENTS IN OFFICER GRADES

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§ 604. Senior joint officer positions: recommendations to the Secretary of Defense

(a) * * *

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(c) EXPIRATION.—This section shall cease to be effective at the end of [September 30, 2003] *December 31, 2004*.

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CHAPTER 38—JOINT OFFICER MANAGEMENT

* * * * * * *

§ 663. Education

(a) * * *

* * * * * * *

(e) DURATION OF PRINCIPAL COURSE OF INSTRUCTION AT JOINT FORCES STAFF COLLEGE.—(1) * * *

(2) In this subsection, the term "principal course of instruction" means any course of instruction offered at the [Armed Forces Staff College] *Joint Forces Staff College* as Phase II joint professional military education.

* * * * * * *

CHAPTER 39—ACTIVE DUTY

* * * * * * *

§ 691. Permanent end strength levels to support two major regional contingencies

(a) * * *

(b) Unless otherwise provided by law, the number of members of the armed forces (other than the Coast Guard) on active duty at the end of any fiscal year shall be not less than the following:

(1) For the Army, [480,000] *484,800*.
(2) For the Navy, [376,000] *379,457*.
(3) For the Marine Corps, [172,600] *175,000*.
(4) For the Air Force, [358,800] *360,795*.

* * * * * * *

CHAPTER 40—LEAVE

Sec.
701. Entitlement and accumulation.

* * * * * * *

709. Voluntary transfers of leave.

* * * * * * *

§ 705. Rest and recuperative absence for qualified enlisted members extending duty at designated locations overseas

(a) * * *
(b) The benefits authorized by subsection (a) are—
(1) * * *
(2) a period of rest and [recuperative] *recuperation* absence for not more than 15 days and round-trip transportation at Government expense from the location of the extended tour of duty to the nearest port in the 48 contiguous States and return*, or to an alternate location at a cost not to exceed the cost of transportation to the nearest port in the 48 contiguous States, and return.*

* * * * * * *

§ 709. Voluntary transfers of leave

(a) PROGRAM.—The Secretary concerned shall, by regulation, establish a program under which leave accrued by a member of an armed force may be transferred to another member of the same armed force who requires additional leave because of a qualifying emergency. Any such transfer of leave may be made only upon the voluntary written application of the member whose leave is to be transferred.

(b) APPROVAL OF COMMANDING OFFICER REQUIRED.—Any transfer of leave under a program under this section may only be made with the approval of the commanding officer of the leave donor and the leave recipient.

(c) QUALIFYING EMERGENCY.—In this section, the term "qualifying emergency", with respect to a member of the armed forces, means a circumstance that—

(1) is likely to require the prolonged absence of the member from duty; and

(2) is due to—

(A) a medical condition of a member of the immediate family of the member; or

(B) any other hardship that the Secretary concerned determines appropriate for purposes of this section.

(d) MILITARY DEPARTMENT REGULATIONS.—Regulations prescribed under this section by the Secretaries of the military depart-

ment shall be as uniform as practicable and shall be subject to approval by the Secretary of Defense.

* * * * * * *

CHAPTER 41—SPECIAL APPOINTMENTS, ASSIGNMENTS, DETAILS, AND DUTIES

* * * * * * *

§ 721. General and flag officers: limitation on appointments, assignments, details, and duties outside an officer's own service

(a) * * *

* * * * * * *

(d) TREATMENT OF OFFICERS HOLDING MULTIPLE POSITIONS.—[(1)] If an officer described in subsection (b) simultaneously holds both a position external to that officer's armed force and another position not external to that officer's armed force, the Secretary of Defense shall determine whether that officer shall be counted for the purposes of this section.

[(2) The Secretary of Defense shall submit to Congress an annual report on the number of officers to whom paragraph (1) was applicable during the year covered by the report. The report shall set forth the determination made by the Secretary under that paragraph in each such case.]

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CHAPTER 47—UNIFORM CODE OF MILITARY JUSTICE

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SUBCHAPTER VII—TRIAL PROCEDURE

Sec.	Art.	
836.	36.	President may prescribe rules.
*	*	* * * * * *
852a.	*52a.*	*Right of accused to request sentencing by military judge rather than by members.*

* * * * * * *

§ 852a. Art. 52a. Right of accused to request sentencing by military judge rather than by members

(a) In the case of an accused convicted of an offense by a court-martial composed of a military judge and members, the sentence shall be tried before and adjudged by the military judge rather than the members if, after the findings are announced and before evidence in the sentencing proceeding is introduced, the accused, knowing the identity of the military judge and after consultation with defense counsel, requests orally on the record or in writing that the sentence be tried before and adjudged by the military judge rather than the members.

(b) This section shall not apply with respect to an offense for which the death penalty may be adjudged unless the case has been previously referred to trial as a noncapital case.

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CHAPTER 49—MISCELLANEOUS PROHIBITIONS AND PENALTIES

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§ 986. Security clearances: limitations

(a) * * *

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[(e) ANNUAL REPORT.—Not later than February 1 each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report identifying each waiver issued under subsection (d) during the preceding year with an explanation for each case of the disqualifying factor in subsection (c) that applied, and the reason for the waiver of the disqualification.]

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CHAPTER 54—COMMISSARY AND EXCHANGE BENEFITS

Sec.
1061. Survivors of certain Reserve and Guard members.
* * * * * * *
[1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster.]
1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster or national emergency.

* * * * * * *

[§ 1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster]

§ 1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster or national emergency

(a) ELIGIBILITY OF MEMBERS.—A member of the National Guard who, although not in Federal service, is called or ordered to duty in response to a federally declared disaster *or national emergency* shall be permitted to use commissary stores and MWR retail facilities during the period of such duty on the same basis as members of the armed forces on active duty.

* * * * * * *

(c) DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

(3) NATIONAL EMERGENCY.—The term "national emergency" means a national emergency declared by the President or Congress.

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CHAPTER 55—MEDICAL AND DENTAL CARE

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§ 1076a. TRICARE dental program

(a) * * *

* * * * * * *

(k) ELIGIBLE DEPENDENT DEFINED.—In this section, the term "eligible dependent"—

(1) * * *

(2) includes any such dependent of a member who dies while on active duty for a period of more than 30 days or a member of the Ready Reserve if the dependent is enrolled on the date of the death of the member in a dental benefits plan established under subsection (a) *(or, if not enrolled, if the member discontinued participation under subsection (f))*, except that the term does not include the dependent after the end of the three-year period beginning on the date of the member's death.

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§ 1079. Contracts for medical care for spouses and children: plans

(a) * * *

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(i)(1) * * *

* * * * * * *

(3) Except in the case of an emergency *or in the case of a person eligible for health care benefits under section 1086(d)(2) of this title for whom payment for such services is made under subsection 1086(d)(3) of this title*, the Secretary of Defense shall require preadmission authorization before inpatient mental health services may be provided to persons covered by this section or section 1086 of this title. In the case of the provision of emergency inpatient mental health services, approval for the continuation of such services shall be required within 72 hours after admission.

* * * * * * *

(p)(1)*(A)* Subject to such exceptions as the Secretary of Defense considers necessary, coverage for medical care under this section for the dependents [referred to in subsection (a) of a member of the uniformed services referred to in section 1074(c)(3) of this title who are residing with the member] *described in subparagraph (B)*, and standards with respect to timely access to such care, shall be comparable to coverage for medical care and standards for timely access to such care under the managed care option of the TRICARE program known as TRICARE Prime.

(B) A dependent referred to in subparagraph (A) is—

(i) a dependent referred to in subsection (a) of a member of the uniformed services referred to in section 1074(c)(3) of this title, who is residing with the member; or

(ii) a dependent referred to in subsection (a) of a member of the uniformed services with a permanent duty assignment for which the dependent is not authorized to accompany the member and one of the following circumstances exists:

(I) The dependent continues to reside at the location of the former duty assignment of the member (or residence in the case of a member of a reserve component ordered to active duty for a period of more than 30 days), and that location is more than 50 miles, or approximately one hour of driving time, from the nearest military medical treatment facility that can adequately provide needed health care.

(II) There is no reasonable expectation the member will return to the location of the former duty assignment, and the dependent moves to a location that is more than 50 miles, or approximately one hour of driving time, from the nearest military medical treatment facility that can adequately provide needed health care.

(q) For purposes of designating institutional and non-institutional health care providers authorized to provide care under this section, the Secretary of Defense shall prescribe regulations (in consultation with the other administering Secretaries) that will, to the extent practicable and subject to the limitations of subsection (a), so designate any provider authorized to provide care under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

* * * * * * *

§ 1095. Health care services incurred on behalf of covered beneficiaries: collection from third-party payers

(a) * * *

* * * * * * *

(g)[(1)] Amounts collected under this section from a third-party payer or under any other provision of law from any other payer for health care services provided at or through a facility of the uniformed services shall be credited to the appropriation supporting the maintenance and operation of the facility and shall not be taken into consideration in establishing the operating budget of the facility.

[(2) Not later than February 15 of each year, the Secretary of Defense shall submit to Congress a report specifying for each facility of the uniformed services the amount credited to the facility under this subsection during the preceding fiscal year.]

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CHAPTER 56—DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE RETIREE HEALTH CARE FUND

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§ 1111. Establishment and purpose of Fund; definitions; authority to enter into agreements

(a) * * *

* * * * * * *

(c) The Secretary of Defense [may enter into an agreement with any other administering Secretary] *shall enter into an agreement with each other administering Secretary* (as defined in section 1072(3) of this title) for participation in the Fund by a uniformed service under the jurisdiction of that Secretary. [Any] *Each* such agreement shall require that Secretary to determine contributions

to the Fund on behalf of the members of the uniformed service under the jurisdiction of that Secretary in a manner comparable to the determination with respect to contributions to the Fund made by the Secretary of Defense under section 1116 of this title, and such administering Secretary may make such contributions.

* * * * * * *

§ 1116. Payments into the Fund

(a) * * *

* * * * * * *

[(c) Amounts paid into the Fund under subsection (a) shall be paid from funds available for the health care programs of the participating uniformed services under the jurisdiction of the respective administering Secretaries.]

(c) Amounts paid into the Fund under subsection (a) shall be paid from funds available for the pay of members of the participating uniformed services under the jurisdiction of the respective administering Secretaries.

* * * * * * *

CHAPTER 58—BENEFITS AND SERVICES FOR MEMBERS BEING SEPARATED OR RECENTLY SEPARATED

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§ 1145. Health benefits

(a) TRANSITIONAL HEALTH CARE.—(1) For the applicable time period described in paragraph (3), a member of the armed forces who is separated from active duty as described in paragraph (2) *(and the dependents of the member)* shall be entitled to receive—

(A) * * *

* * * * * * *

CHAPTER 71—COMPUTATION OF RETIRED PAY

Sec.
1401. Computation of retired pay.

* * * * * * *

[1413. Special compensation for certain severely disabled uniformed services retirees.

[1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans' disability compensation; contingent authority.]

1414. Members eligible for retired pay who have service-connected disabilities rated at 60 percent or higher: concurrent payment of retired pay and veterans' disability compensation.

* * * * * * *

§ 1401a. Adjustment of retired pay and retainer pay to reflect changes in Consumer Price Index

(a) * * *

* * * * * * *

(c) FIRST COLA ADJUSTMENT FOR MEMBERS WITH RETIRED PAY COMPUTED USING FINAL BASIC PAY.—

(1) FIRST ADJUSTMENT WITH INTERVENING INCREASE IN BASIC PAY.—Notwithstanding subsection (b) *but subject to subsection (f)(2)*, if a person described in paragraph (3) becomes entitled to retired pay based on rates of monthly basic pay that became effective after the last day of the calendar quarter of the base index, the retired pay of the member or former member shall be increased on the effective date of the next adjustment of retired pay under subsection (b) only by the percent (adjusted to the nearest one-tenth of 1 percent) by which—

(A) the price index for the base quarter of that year, exceeds

(B) the price index for the calendar quarter immediately before the calendar quarter in which the rates of monthly basic pay on which the retired pay is based became effective.

(2) FIRST ADJUSTMENT WITH NO INTERVENING INCREASE IN BASIC PAY.—If a person described in paragraph (3) becomes entitled to retired pay on or after the effective date of an adjustment in retired pay under subsection (b) but before the effective date of the next increase in the rates of monthly basic pay, the retired pay of the member or former member shall be increased *(subject to subsection (f)(2) as applied to other members whose retired pay is computed on the current rates of basic pay in the most recent adjustment under this section)*, effective on the date the member becomes entitled to that pay, by the percent (adjusted to the nearest one-tenth of 1 percent) by which—

(A) the base index, exceeds

(B) the price index for the calendar quarter immediately before the calendar quarter in which the rates of monthly basic pay on which the retired pay is based became effective.

(d) FIRST COLA ADJUSTMENT FOR MEMBERS WITH RETIRED PAY COMPUTED USING HIGH-THREE.—Notwithstanding subsection (b) *but subject to subsection (f)(2)*, the retired pay of a member or former member of an armed force who first became a member of a uniformed service before August 1, 1986, *or on or after August 1, 1986, if the member or former member did not elect to receive a bonus under section 322 of title 37* and whose retired pay base is determined under section 1407 of this title shall be increased on the effective date of the first adjustment of retired pay under subsection (b) after the member or former member becomes entitled to retired pay by the percent (adjusted to the nearest one-tenth of 1 percent) equal to the difference between the percent by which—

(1) the price index for the base quarter of that year, exceeds

(2) the price index for the calendar quarter immediately before the calendar quarter during which the member became entitled to retired pay.

(e) PRO RATING OF INITIAL ADJUSTMENT.—Notwithstanding subsection (b) *but subject to subsection (f)(2)*, the retired pay of a member or former member of an armed force who first became a member of a uniformed service on or after August 1, 1986, *and elected to receive a bonus under section 322 of title 37* shall be increased on the effective date of the first adjustment of retired pay under subsection (b) after the member or former member becomes enti-

tled to retired pay by the percent (adjusted to the nearest one-tenth of 1 percent) equal to the difference between—

(1) * * *

* * * * * * *

(f) PREVENTION OF PAY INVERSIONS.—

(1) PREVENTION OF RETIRED PAY INVERSIONS.—Notwithstanding any other provision of law, the monthly retired pay of a member or a former member of an armed force who initially became entitled to that pay on or after January 1, 1971, may not be less than the monthly retired pay to which he would be entitled if he had become entitled to retired pay at an earlier date based on the grade in which the member is retired, adjusted to reflect any applicable increases in such pay under this section. In computing the amount of retired pay to which such a member or former member would have been entitled on that earlier date, the computation shall be based on his grade, length of service, and the rate of basic pay applicable to him at that time, except that such computation may not be based on a rate of basic pay for a grade higher than the grade in which the member is retired. This subsection does not authorize any increase in the monthly retired pay to which a member was entitled for any period before October 7, 1975.

(2) PREVENTION OF COLA INVERSIONS.—The percentage of the first adjustment under this section in the retired pay of any person, as determined under subsection (c)(1), (c)(2), (d), or (e), may not exceed the percentage increase in retired pay determined under subsection (b)(2) that is effective on the same date as the effective date of such first adjustment.

* * * * * * *

[§ 1413. Special compensation for certain severely disabled uniformed services retirees

[(a) AUTHORITY.—The Secretary concerned shall pay to each eligible disabled uniformed services retiree a monthly amount determined under subsection (b). If the provisions of subsection (a) of section 1414 of this title become effective in accordance with subsection (f) of that section, payments under this section shall be terminated effective as of the month beginning on the effective date specified in subsection (e) of that section.

[(b) AMOUNT.—The amount to be paid to an eligible disabled uniformed services retiree in accordance with subsection (a) is the following:

[(1) For payments for months beginning with February 2002 and ending with December 2002, the following:

[(A) For any month for which the retiree has a qualifying service-connected disability rated as total, $300.

[(B) For any month for which the retiree has a qualifying service-connected disability rated as 90 percent, $200.

[(C) For any month for which the retiree has a qualifying service-connected disability rated as 80 percent or 70 percent, $100.

[(D) For any month for which the retiree has a qualifying service-connected disability rated as 60 percent, $50.

[(2) For payments for months beginning with January 2003 and ending with September 2004, the following:

[(A) For any month for which the retiree has a qualifying service-connected disability rated as total, $325.

[(B) For any month for which the retiree has a qualifying service-connected disability rated as 90 percent, $225.

[(C) For any month for which the retiree has a qualifying service-connected disability rated as 80 percent, $125.

[(D) For any month for which the retiree has a qualifying service-connected disability rated as 70 percent, $100.

[(E) For any month for which the retiree has a qualifying service-connected disability rated as 60 percent, $50.

[(3) For payments for months after September 2004, the following:

[(A) For any month for which the retiree has a qualifying service-connected disability rated as total, $350.

[(B) For any month for which the retiree has a qualifying service-connected disability rated as 90 percent, $250.

[(C) For any month for which the retiree has a qualifying service-connected disability rated as 80 percent, $150.

[(D) For any month for which the retiree has a qualifying service-connected disability rated as 70 percent, $125.

[(E) For any month for which the retiree has a qualifying service-connected disability rated as 60 percent, $50.

[(c) ELIGIBLE MEMBERS.—An eligible disabled uniformed services retiree referred to in subsection (a) is a member of the uniformed services in a retired status who—

[(1) completed at least 20 years of service in the uniformed services that are creditable for purposes of computing the amount of retired pay to which the member is entitled; and

[(2) has a qualifying service-connected disability.

[(d) QUALIFYING SERVICE-CONNECTED DISABILITY DEFINED.—In this section, the term "qualifying service-connected disability" means a service-connected disability that—

[(1) was incurred or aggravated in the performance of duty as a member of a uniformed service, as determined by the Secretary concerned; and

[(2) is rated as not less than 60 percent disabling—

[(A) by the Secretary concerned as of the date on which the member is retired from the uniformed services; or

[(B) by the Secretary of Veterans Affairs within four years following the date on which the member is retired from the uniformed services.

[(e) STATUS OF PAYMENTS.—Payments under this section are not retired pay.

[(f) SOURCE OF FUNDS.—Payments under this section for any fiscal year shall be paid out of funds appropriated for pay and allowances payable by the Secretary concerned for that fiscal year.

[(g) OTHER DEFINITIONS.—In this section:

[(1) The term "service-connected" has the meaning given that term in section 101 of title 38.

[(2) The term "disability rated as total" means—

[(A) a disability that is rated as total under the standard schedule of rating disabilities in use by the Department of Veterans Affairs; or

[(B) a disability for which the scheduled rating is less than total but for which a rating of total is assigned by reason of inability of the disabled person concerned to secure or follow a substantially gainful occupation as a result of service-connected disabilities.

[(3) The term "retired pay" includes retainer pay, emergency officers' retirement pay, and naval pension.

[§ 1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans' disability compensation; contingent authority

[(a) PAYMENT OF BOTH RETIRED PAY AND COMPENSATION.—Subject to subsection (b), a member or former member of the uniformed services who is entitled to retired pay (other than as specified in subsection (c)) and who is also entitled to veterans' disability compensation is entitled to be paid both without regard to sections 5304 and 5305 of title 38, subject to the enactment of qualifying offsetting legislation as specified in subsection (f).

[(b) SPECIAL RULE FOR CHAPTER 61 CAREER RETIREES.—The retired pay of a member retired under chapter 61 of this title with 20 years or more of service otherwise creditable under section 1405 of this title at the time of the member's retirement is subject to reduction under sections 5304 and 5305 of title 38, but only to the extent that the amount of the member's retired pay under chapter 61 of this title exceeds the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member's service in the uniformed services if the member had not been retired under chapter 61 of this title.

[(c) EXCEPTION.—Subsection (a) does not apply to a member retired under chapter 61 of this title with less than 20 years of service otherwise creditable under section 1405 of this title at the time of the member's retirement.

[(d) DEFINITIONS.—In this section:

[(1) The term "retired pay" includes retainer pay, emergency officers' retirement pay, and naval pension.

[(2) The term "veterans' disability compensation" has the meaning given the term "compensation" in section 101(12) of title 38.

[(e) EFFECTIVE DATE.—If qualifying offsetting legislation (as defined in subsection (f)) is enacted, the provisions of subsection (a) shall take effect on—

[(1) the first day of the first month beginning after the date of the enactment of such qualifying offsetting legislation; or

[(2) the first day of the fiscal year that begins in the calendar year in which such legislation is enacted, if that date is later than the date specified in paragraph (1).

[(f) EFFECTIVENESS CONTINGENT ON ENACTMENT OF OFFSETTING LEGISLATION.—(1) The provisions of subsection (a) shall be effective only if—

[(A) the President, in the budget for any fiscal year, proposes the enactment of legislation that, if enacted, would be qualifying offsetting legislation; and

[(B) after that budget is submitted to Congress, there is enacted qualifying offsetting legislation.

[(2) In this subsection:

[(A) The term "qualifying offsetting legislation" means legislation (other than an appropriations Act) that includes provisions that—

[(i) offset fully the increased outlays to be made by reason of the provisions of subsection (a) for each of the first 10 fiscal years beginning after the date of the enactment of such legislation;

[(ii) expressly state that they are enacted for the purpose of the offset described in clause (i); and

[(iii) are included in full on the PayGo scorecard.

[(B) The term "PayGo scorecard" means the estimates that are made by the Director of the Congressional Budget Office and the Director of the Office of Management and Budget under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)) with respect to the ten fiscal years following the date of the enactment of the legislation that is qualifying offsetting legislation for purposes of this section.]

§ 1414. Members eligible for retired pay who have service-connected disabilities rated at 60 percent or higher: concurrent payment of retired pay and veterans' disability compensation

(a) PAYMENT OF BOTH RETIRED PAY AND COMPENSATION.—Subject to subsection (b), a member or former member of the uniformed services who is entitled for any month to retired pay and who is also entitled for that month to veterans' disability compensation for a qualifying service-connected disability (hereinafter in this section referred to as a "qualified retiree") is entitled to be paid both for that month without regard to sections 5304 and 5305 of title 38. For fiscal years 2003 through 2006, payment of retired pay to such a member or former member is subject to subsection (c).

(b) SPECIAL RULES FOR CHAPTER 61 DISABILITY RETIREES.—

(1) CAREER RETIREES.—The retired pay of a member retired under chapter 61 of this title with 20 years or more of service otherwise creditable under section 1405 of this title at the time of the member's retirement is subject to reduction under sections 5304 and 5305 of title 38, but only to the extent that the amount of the member's retired pay under chapter 61 of this title exceeds the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member's service in the uniformed services if the member had not been retired under chapter 61 of this title.

(2) DISABILITY RETIREES WITH LESS THAN 20 YEARS OF SERVICE.—Subsection (a) does not apply to a member retired under chapter 61 of this title with less than 20 years of service other-

wise creditable under section 1405 of this title at the time of the member's retirement.

(c) PHASE-IN OF FULL CONCURRENT RECEIPT.—For fiscal years 2003 through 2006, retired pay payable to a qualified retiree shall be determined as follows:

(1) FISCAL YEAR 2003.—For a month during fiscal year 2003, the amount of retired pay payable to a qualified retiree is the amount (if any) of retired pay in excess of the current baseline offset plus the following:

(A) For a month for which the retiree receives veterans' disability compensation for a qualifying service-connected disability rated as total, $750.

(B) For a month for which the retiree receives veterans' disability compensation for a qualifying service-connected disability rated as 90 percent, $500.

(C) For a month for which the retiree receives veterans' disability compensation for a qualifying service-connected disability rated as 80 percent, $250.

(D) For a month for which the retiree receives veterans' disability compensation for a qualifying service-connected disability rated as 70 percent, $250.

(E) For a month for which the retiree receives veterans' disability compensation for a qualifying service-connected disability rated as 60 percent, $125.

(2) FISCAL YEAR 2004.—For a month during fiscal year 2004, the amount of retired pay payable to a qualified retiree is the sum of—

(A) the amount specified in paragraph (1) for that qualified retiree; and

(B) 23 percent of the difference between (i) the current baseline offset, and (ii) the amount specified in paragraph (1) for that member's disability.

(3) FISCAL YEAR 2005.—For a month during fiscal year 2005, the amount of retired pay payable to a qualified retiree is the sum of—

(A) the amount determined under paragraph (2) for that qualified retiree; and

(B) 30 percent of the difference between (i) the current baseline offset, and (ii) the amount determined under paragraph (2) for that qualified retiree.

(4) FISCAL YEAR 2006.—For a month during fiscal year 2006, the amount of retired pay payable to a qualified retiree is the sum of—

(A) the amount determined under paragraph (3) for that qualified retiree; and

(B) 64 percent of the difference between (i) the current baseline offset, and (ii) the amount determined under paragraph (3) for that qualified retiree.

(d) DEFINITIONS.—In this section:

(1) RETIRED PAY.—The term "retired pay" includes retainer pay, emergency officers' retirement pay, and naval pension.

(2) VETERANS' DISABILITY COMPENSATION.—The term "veterans' disability compensation" has the meaning given the term "compensation" in section 101(13) of title 38.

(3) SERVICE-CONNECTED.—The term "service-connected" has the meaning given that term in section 101(16) of title 38.

(4) QUALIFYING SERVICE-CONNECTED DISABILITY.—The term "qualifying service-connected disability" means a service-connected disability or combination of service-connected disabilities that is rated as not less than 60 percent disabling by the Secretary of Veterans Affairs.

(5) DISABILITY RATED AS TOTAL.—The term "disability rated as total" means—

(A) a disability, or combination of disabilities, that is rated as total under the standard schedule of rating disabilities in use by the Department of Veterans Affairs; or

(B) a disability, or combination of disabilities, for which the scheduled rating is less than total but for which a rating of total is assigned by reason of inability of the disabled person concerned to secure or follow a substantially gainful occupation as a result of service-connected disabilities.

(6) CURRENT BASELINE OFFSET.—

(A) IN GENERAL.—The term "current baseline offset" for any qualified retiree means the amount for any month that is the lesser of—

(i) the amount of the applicable monthly retired pay of the qualified retiree for that month; and

(ii) the amount of monthly veterans' disability compensation to which the qualified retiree is entitled for that month.

(B) APPLICABLE RETIRED PAY.—In subparagraph (A), the term "applicable retired pay" for a qualified retiree means the amount of monthly retired pay to which the qualified retiree is entitled, determined without regard to this section or sections 5304 and 5305 of title 38), except that in the case of such a retiree who was retired under chapter 61 of this title, such amount is the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member's service in the uniformed services if the member had not been retired under chapter 61 of this title.

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CHAPTER 74—DEPARTMENT OF DEFENSE MILITARY RETIREMENT FUND

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§ 1465. Determination of contributions to the Fund

(a) * * *

(b)(1) * * *

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(3) At the same time that the Secretary of Defense makes the determination required by paragraph (1) for any fiscal year, the Secretary shall determine the amount of the Treasury contribution to be made to the Fund for the next fiscal year under section 1466(b)(2)(D) of this title. That amount shall be determined in the same manner as the determination under paragraph (1) of the total amount of Department of Defense contributions to be made to the

Fund during that fiscal year under section 1466(a) of this title, except that for purposes of this paragraph the Secretary, in making the calculations required by subparagraphs (A) and (B) of that paragraph, shall use the single level percentages determined under subsection (c)(4), rather than those determined under subsection (c)(1).

(c)(1) Not less often than every four years, the Secretary of Defense shall carry out an actuarial valuation of Department of Defense military retirement and survivor benefit programs. Each actuarial valuation of such programs shall include—

(A) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay for members of the armed forces (other than the Coast Guard) on active duty (other than active duty for training) or full-time National Guard duty (other than full-time National Guard duty for training only)*, to be determined without regard to section 1414 of this title*; and

(B) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37) for members of the Ready Reserve of the armed forces (other than the Coast Guard and other than members on full-time National Guard duty other than for training) who are not otherwise described by subparagraph (A)*, to be determined without regard to section 1414 of this title*.

Such single level percentages shall be used for the purposes of subsection (b)*(1)* and section 1466(a) of this title.

* * * * * * *

(4) Whenever the Secretary carries out an actuarial valuation under paragraph (1), the Secretary shall include as part of such valuation the following:

(A) A determination of a single level percentage determined in the same manner as applies under subparagraph (A) of paragraph (1), but based only upon the provisions of section 1414 of this title.

(B) A determination of a single level percentage determined in the same manner as applies under subparagraph (B) of paragraph (1), but based only upon the provisions of section 1414 of this title.

Such single level percentages shall be used for the purposes of subsection (b)(3).

[(4)**]** *(5)* Contributions to the Fund in accordance with amortization schedules under paragraphs (2) and (3) shall be made as provided in section 1466(b) of this title.

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§ 1466. Payments into the Fund

(a) * * *

(b)(1) At the beginning of each fiscal year the Secretary of the Treasury shall promptly pay into the Fund from the General Fund of the Treasury the amount certified to the Secretary by the Secretary of Defense under paragraph (3). Such payment shall be the contribution to the Fund for that fiscal year required by **[**sections

1465(a) and 1465(c)] *sections 1465(a), 1465(b)(3), 1465(c)(2), and 1465(c)(3)* of this title.

(2) At the beginning of each fiscal year the Secretary of Defense shall determine the sum of the following:

(A) * * *

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(D) The amount for that year determined by the Secretary of Defense under section 1465(b)(3) of this title for the cost to the Fund arising from increased amounts payable from the Fund by reason of section 1414 of this title.

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CHAPTER 75—DECEASED PERSONNEL

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SUBCHAPTER II—DEATH BENEFITS

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§ 1491. Funeral honors functions at funerals for veterans

(a) * * *

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(d) SUPPORT.—[To provide a]*(1) To support a* funeral honors detail under this section, the Secretary of a military department may provide the following:

[(1) Transportation, or reimbursement for transportation, and expenses for a person who participates in the funeral honors detail and is not a member of the armed forces or an employee of the United States.]

(A) For a person who participates in a funeral honors detail (other than a person who is a member of the armed forces not in a retired status or an employee of the United States), either transportation (or reimbursement for transportation) and expenses or the daily stipend prescribed under paragraph (2).

[(2) Materiel, equipment, and training for] *(B) For* members of a veterans organization or other organization referred to in subsection (b)(2) *and for members of the armed forces in a retired status, materiel, equipment, and training*.

[(3) Articles of clothing for] *(C) For* members of a veterans organization or other organization referred to in subsection (b)(2)*, articles of clothing* that, as determined by the Secretary concerned, are appropriate as a civilian uniform for persons participating in a funeral honors detail.

(2) The Secretary of Defense shall prescribe annually a flat rate daily stipend for purposes of paragraph (1)(A). Such stipend shall be set at a rate so as to encompass typical costs for transportation and other miscellaneous expenses for persons participating in funeral honors details who are members of the armed forces in a retired status and other persons are not members of the armed forces or employees of the United States.

(3) A stipend paid under this subsection to a member of the armed forces in a retired status is in addition to any compensation

to which the member is entitled under section 435(a)(2) of title 37 and any other compensation to which the member may be entitled.

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CHAPTER 76—MISSING PERSONS

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§ 1501. System for accounting for missing persons

(a) OFFICE FOR MISSING PERSONNEL.—(1) The Secretary of Defense shall establish within the Office of the Secretary of Defense an office to have responsibility for Department of Defense policy relating to missing persons. *Such office shall be known as the Defense Prisoner of War/Missing Personnel Office.* Subject to the authority, direction, and control of the Secretary of Defense, the responsibilities of the office shall include—

(A) * * *

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(5)(A) The Secretary of Defense shall ensure that the office is provided sufficient military and civilian personnel levels, and sufficient funding, to enable the office to fully perform its complete range of missions. The Secretary shall ensure that Department of Defense programming, planning, and budgeting procedures are structured so as to ensure compliance with the preceding sentence for each fiscal year.

(B) For any fiscal year, the number of military and civilian personnel assigned or detailed to the office may not be less than the number requested in the President's budget for fiscal year 2003, unless a level below such number is expressly required by law.

(C) For any fiscal year, the level of funding allocated to the office within the Department of Defense may not be below the level requested for such purposes in the President's budget for fiscal year 2003, unless such a level of funding is expressly required by law.

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CHAPTER 79—CORRECTION OF MILITARY RECORDS

Sec.
1551. Correction of name after separation from service under an assumed name.

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1559. Personnel limitation.

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§ 1559. Personnel limitation

(a) LIMITATION.—During fiscal years 2003, 2004, and 2005, the Secretary of a military department may not carry out any reduction in the number of military and civilian personnel assigned to duty with the service review agency for that military department below the baseline number for that agency until—

(1) the Secretary submits to Congress a report that—

(A) describes the reduction proposed to be made;

(B) provides the Secretary's rationale for that reduction; and

(C) specifies the number of such personnel that would be assigned to duty with that agency after the reduction; and

(2) a period of 90 days has elapsed after the date on which the report is submitted.

(b) BASELINE NUMBER.—The baseline number for a service review agency under this section is—

(1) for purposes of the first report with respect to a service review agency under this section, the number of military and civilian personnel assigned to duty with that agency as of January 1, 2002; and

(2) for purposes of any subsequent report with respect to a service review agency under this section, the number of such personnel specified in the most recent report with respect to that agency under this section.

(c) SERVICE REVIEW AGENCY DEFINED.—In this section, the term "service review agency" means—

(1) with respect to the Department of the Army, the Army Review Boards Agency;

(2) with respect to the Department of the Navy, the Board for Correction of Naval Records; and

(3) with respect to the Department of the Air Force, the Air Force Review Boards Agency.

CHAPTER 81—CIVILIAN EMPLOYEES

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§ 1588. Authority to accept certain voluntary services

(a) AUTHORITY TO ACCEPT SERVICES.—Subject to subsection (b) and notwithstanding section 1342 of title 31, the Secretary concerned may accept from any person the following services:

(1) * * *

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(6) Voluntary services as a proctor for administration to secondary school students of the test known as the "Armed Services Vocational Aptitude Battery".

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CHAPTER 87—DEFENSE ACQUISITION WORKFORCE

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SUBCHAPTER IV—EDUCATION AND TRAINING

Sec.
1741. Policies and programs: establishment and implementation.

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[2410h.] *1747.* Acquisition fellowship program.

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[§ 2410h.] *§ 1747.* Acquisition fellowship program

(a) * * *

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CHAPTER 88—MILITARY FAMILY PROGRAMS AND MILITARY CHILD CARE

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SUBCHAPTER II—MILITARY CHILD CARE

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§ 1798. Child care services and youth program services for dependents: financial assistance for providers

(a) * * *

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[(d) BIENNIAL REPORT.—(1) Every two years the Secretary of Defense shall submit to Congress a report on the exercise of authority under this section. The report shall include an evaluation of the effectiveness of that authority for meeting the needs of members of the armed forces or employees of the Department of Defense for child care services and youth program services. The report may include any recommendations for legislation that the Secretary considers appropriate to enhance the capability of the Department of Defense to meet those needs.

[(2) A biennial report under this subsection may be combined with the biennial report under section 1799(d) of this title into a single report for submission to Congress.]

§ 1799. Child care services and youth program services for dependents: participation by children and youth otherwise ineligible

(a) * * *

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[(d) BIENNIAL REPORT.—(1) Every two years the Secretary of Defense shall submit to Congress a report on the exercise of authority under this section. The report shall include an evaluation of the effectiveness of that authority for achieving the objectives set out under subsection (c). The report may include any recommendations for legislation that the Secretary considers appropriate to enhance the capability of the Department of Defense to attain those objectives.

[(2) A biennial report under this subsection may be combined with the biennial report under section 1798(d) of this title into a single report for submission to Congress.]

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PART III—TRAINING AND EDUCATION

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CHAPTER 101—TRAINING GENERALLY

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§ 2010. Participation of developing countries in combined exercises: payment of incremental expenses

(a) * * *

[(b) The Secretary of Defense shall submit to Congress a report each year, not later than March 1, containing—

[(1) a list of the developing countries for which expenses have been paid by the United States under this section during the preceding year; and

[(2) the amounts expended on behalf of each government.]

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CHAPTER 103—SENIOR RESERVE OFFICERS' TRAINING CORPS

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§ 2107. Financial assistance program for specially selected members

(a) * * *

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(h)(1) [Not more than 29,500 cadets and midshipmen appointed under this section may be in the financial assistance programs at any one time.] The Secretary of Defense shall determine the number of cadets and midshipmen appointed under this section who may be in the financial assistance programs at any one time in each military department.

* * * * * * *

(i) The Secretary of each military department shall seek to achieve an increase in the number of agreements entered into under this section so as to achieve an increase, by the 2006–2007 academic year, of not less than 400 in the number of cadets or midshipmen, as the case may be, enrolled under this section, compared to such number enrolled for the 2002–2003 academic year. In the case of the Secretary of the Navy, the Secretary shall seek to ensure that not less than one-third of such increase in agreements under this section are with students enrolled (or seeking to enroll) in programs of study leading to a baccalaureate degree in nuclear engineering or another appropriate technical, scientific, or engineering field of study.

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CHAPTER 105—ARMED FORCES HEALTH PROFESSIONS FINANCIAL ASSISTANCE PROGRAMS

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SUBCHAPTER II—NURSE OFFICER CANDIDATE ACCESSION PROGRAM

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§ 2130a. Financial assistance: nurse officer candidates

(a) BONUS AUTHORIZED.—(1) A person described in subsection (b) who, during the period beginning on November 29, 1989, and ending on December 31, [2002] *2003*, executes a written agreement in accordance with subsection (c) to accept an appointment as a nurse officer may, upon the acceptance of the agreement by the Secretary concerned, be paid an accession bonus of not more than $5,000. The bonus shall be paid in periodic installments, as determined by the

Secretary concerned at the time the agreement is accepted, except that the first installment may not exceed $2,500.

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CHAPTER 109—EDUCATIONAL LOAN REPAYMENT PROGRAMS

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§ 2173. Education loan repayment program: commissioned officers in specified health professions

(a) * * *

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(d) CERTAIN PERSONS INELIGIBLE.—[Participants of the Armed Forces Health Professions Scholarship and Financial Assistance program under subchapter I of chapter 105 of this title and students] *Students* of the Uniformed Services University of the Health Sciences established under section 2112 of this title are not eligible for the repayment of an education loan under this section.

(e) LOAN REPAYMENTS.—(1) * * *

(2) For each year of obligated service that a person agrees to serve in an agreement described in subsection (b)(3), the Secretary of the military department concerned may pay not more than $22,000 on behalf of the person. This maximum amount shall be increased annually by the Secretary of Defense effective October 1 of each year by the percentage equal to the percent increase in the average annual cost of educational expenses and stipend costs of a single scholarship under the Armed Forces Health Professions Scholarship and Financial Assistance program. [The total amount that may be repaid on behalf of any person may not exceed an amount determined on the basis of a four-year active duty service obligation.]

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PART IV—SERVICE, SUPPLY, AND PROCUREMENT

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CHAPTER 131—PLANNING AND COORDINATION

Sec.
2201. Apportionment of funds: authority for exemption; excepted expenses.

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2214a. Transfer of funds: transfers from procurement accounts to research and development accounts for major acquisition programs.

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§ 2214a. Transfer of funds: transfers from procurement accounts to research and development accounts for major acquisition programs

(a) TRANSFER AUTHORITY WITHIN MAJOR PROGRAMS.—Subject to subsection (b), the Secretary of Defense may transfer amounts provided in an appropriation Act for procurement for a covered acquisi-

tion program to amounts provided in the same appropriation Act for research, development, test, and evaluation for that program.

(b) CONGRESSIONAL NOTICE-AND-WAIT.—A transfer may be made under this section only after—

(1) the Secretary submits to the congressional defense committees notice in writing of the Secretary's intent to make such transfer, together with the Secretary's justification for the transfer; and

(2) a period of 30 days has elapsed following the date of such notification.

(c) LIMITATIONS.—From amounts appropriated for the Department of Defense for any fiscal year for procurement—

(1) the total amount transferred under this section may not exceed $250,000,000; and

(2) the total amount so transferred for any acquisition program may not exceed $20,000,000.

(d) COVERED ACQUISITION PROGRAMS.—In this section, the term "covered acquisition program" means an acquisition program of the Department of Defense that is—

(A) a major defense acquisition program for purposes of chapter 144 of this title; or

(B) any other acquisition program of the Department of Defense—

(i) that is designated by the Secretary of Defense as a covered acquisition program for purposes of this section; or

(ii) that is estimated by the Secretary of Defense to require an eventual total expenditure for research, development, test, and evaluation of more than $140,000,000 (based on fiscal year 2000 constant dollars) or an eventual total expenditure for procurement of more than $660,000,000 (based on fiscal year 2000 constant dollars.)

(e) TRANSFER BACK OF UNUSED TRANSFERRED FUNDS.—If funds transferred under this section are not used for the purposes for which transferred, such funds shall be transferred back to the account from which transferred and shall be available for their original purpose.

(f) ADDITIONAL AUTHORITY.—The transfer authority provided in this section is in addition to any other transfer authority available to the Secretary of Defense.

CHAPTER 137—PROCUREMENT GENERALLY

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§ 2304a. Task and delivery order contracts: general authority

(a) * * *

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(e) CONTRACT MODIFICATIONS.—*(1)* A task or delivery order may not increase the scope, period, or maximum value of the task or delivery order contract under which the order is issued. The scope, period, or maximum value of the contract may be increased only by modification of the contract.

(2) Unless use of procedures other than competitive procedures is authorized by an exception in subsection (c) of section 2304 of this

title and approved in accordance with subsection (f) of such section, competitive procedures shall be used for making such a modification.

(3) Notice regarding the modification shall be provided in accordance with section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

[(f) INAPPLICABILITY TO CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.—Except as otherwise specifically provided in section 2304b of this title, this section does not apply to a task or delivery order contract for the procurement of advisory and assistance services (as defined in section 1105(g) of title 31).**]**

(f) LIMITATION ON CONTRACT PERIOD.—The base period of a task order contract or delivery order contract entered into under this section may not exceed five years unless a longer period is specifically authorized in a law that is applicable to such contract. The contract may be extended for an additional 5 years (for a total contract period of not more than 10 years) through modifications, options, or otherwise.

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§ 2304b. Task order contracts: advisory and assistance services

[(a) AUTHORITY TO AWARD.—(1) Subject to the requirements of this section, section 2304c of this title, and other applicable law, the head of an agency may enter into a task order contract (as defined in section 2304d of this title) for procurement of advisory and assistance services.

[(2) The head of an agency may enter into a task order contract for procurement of advisory and assistance services only under the authority of this section.

[(b) LIMITATION ON CONTRACT PERIOD.—The period of a task order contract entered into under this section, including all periods of extensions of the contract under options, modifications, or otherwise, may not exceed five years unless a longer period is specifically authorized in a law that is applicable to such contract.**]**

(a) IN GENERAL.—A task order contract (as defined in section 2304d of this title) for procurement of advisory and assistance services shall be subject to the requirements of this section, sections 2304a and 2304c of this title, and other applicable provisions of law.

[(c)**]** *(b)* CONTENT OF NOTICE.—The notice required by section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)) shall reasonably and fairly describe the general scope, magnitude, and duration of the proposed task order contract in a manner that would reasonably enable a potential offeror to decide whether to request the solicitation and consider submitting an offer.

[(d) REQUIRED CONTENT OF SOLICITATION AND CONTRACT.—(1) The solicitation for the proposed task order contract shall include the information (regarding services) described in section 2304a(b) of this title.

[(2) A task order contract entered into under this section shall contain the same information that is required by paragraph (1) to be included in the solicitation of offers for that contract.**]**

(c) REQUIRED CONTENT OF CONTRACT.—A task order contract described in subsection (a) shall contain the same information that is required by section 2304a(b) to be included in the solicitation of offers for that contract.

[(e)] *(d)* MULTIPLE AWARDS.—(1) The head of an agency may, on the basis of one solicitation, award separate task order contracts [under this section] *described in subsection (a)* for the same or similar services to two or more sources if the solicitation states that the head of the agency has the option to do so.

(2) If, in the case of a task order contract for advisory and assistance services to be entered into [under this section], the contract period is to exceed three years and the contract amount is estimated to exceed $10,000,000 (including all options), the solicitation shall—

(A) * * *

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[(f) CONTRACT MODIFICATIONS.—(1) A task order may not increase the scope, period, or maximum value of the task order contract under which the order is issued. The scope, period, or maximum value of the contract may be increased only by modification of the contract.

[(2) Unless use of procedures other than competitive procedures is authorized by an exception in subsection (c) of section 2304 of this title and approved in accordance with subsection (f) of such section, competitive procedures shall be used for making such a modification.

[(3) Notice regarding the modification shall be provided in accordance with section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

[(g) CONTRACT EXTENSIONS.—(1) Notwithstanding the limitation on the contract period set forth in subsection (b) or in a solicitation or contract pursuant to subsection (e), a task order contract entered into by the head of an agency under this section may be extended on a sole-source basis for a period not exceeding six months if the head of such agency determines that—

[(A) the award of a follow-on contract has been delayed by circumstances that were not reasonably foreseeable at the time the initial contract was entered into; and

[(B) the extension is necessary in order to ensure continuity of the receipt of services pending the award of, and commencement of performance under, the follow-on contract.

[(2) A task order contract may be extended under the authority of paragraph (1) only once and only in accordance with the limitations and requirements of this subsection.]

[(h)] *(e)* INAPPLICABILITY TO CERTAIN CONTRACTS.—This section does not apply to a contract for the acquisition of property or services that includes acquisition of advisory and assistance services if the head of an agency entering into such contract determines that, under the contract, advisory and assistance services are necessarily incident to, and not a significant component of, the contract.

[(i)] *(f)* ADVISORY AND ASSISTANCE SERVICES DEFINED.—In this section, the term "advisory and assistance services" has the meaning given such term in section 1105(g) of title 31.

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§ 2306b. Multiyear contracts: acquisition of property

(a) * * *

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(i) DEFENSE ACQUISITIONS SPECIFICALLY AUTHORIZED BY LAW.—(1) * * *

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(4)(A) Unless otherwise authorized by law, the Secretary of Defense may obligate funds for procurement of an end item under a multiyear contract for the purchase of property only for procurement of a complete and usable end item.

(B) Unless otherwise authorized by law, the Secretary of Defense may obligate funds appropriated for any fiscal year for advance procurement under a multiyear contract for the purchase of property only for the procurement of those long-lead items necessary in order to meet a planned delivery schedule for complete major end items that are programmed under the contract to be acquired with funds appropriated for a subsequent fiscal year.

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§ 2327. Contracts: consideration of national security objectives

(a) * * *

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(c) WAIVER.—(1)(A) If the Secretary of Defense determines under paragraph (2) that entering into a contract with a firm or a subsidiary of a firm described in subsection (b) is not inconsistent with the national security objectives of the United States, the head of an agency may enter into a contract with such firm or subsidiary [after the date on which such head of an agency submits to Congress a report on the contract] *if in the best interests of the Government*.

[(B) A report under subparagraph (A) shall include the following:

[(i) The identity of the foreign government concerned.

[(ii) The nature of the contract.

[(iii) The extent of ownership or control of the firm or subsidiary concerned (or, if appropriate in the case of a subsidiary, of the firm that owns the subsidiary) by the foreign government concerned or the agency or instrumentality of such foreign government.

[(iv) The reasons for entering into the contract.]

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CHAPTER 138—COOPERATIVE AGREEMENTS WITH NATO ALLIES AND OTHER COUNTRIES

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SUBCHAPTER II—OTHER COOPERATIVE AGREEMENTS

Sec.
2350a. Cooperative research and development agreements: NATO organizations; allied and friendly foreign countries.

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2350m. Administrative services and support for foreign liaison officers.

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§ 2350f. Procurement of communications support and related supplies and services

(a) * * *

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[(c) The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives copies of all documents evidencing an arrangement entered into under subsection (a) not later than 45 days after entering into such an arrangement.]

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§ 2350k. Relocation within host nation of elements of armed forces overseas

(a) * * *

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[(d) ANNUAL REPORT TO CONGRESS.—Not later than 30 days after the end of each fiscal year, the Secretary shall submit to Congress a report specifying—

[(1) the amount of the contributions accepted by the Secretary during the preceding fiscal year under subsection (a) and the purposes for which the contributions were made; and

[(2) the amount of the contributions expended by the Secretary during the preceding fiscal year and the purposes for which the contributions were expended.]

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§ 2350m. Administrative services and support for foreign liaison officers

(a) AUTHORITY TO PROVIDE SERVICES AND SUPPORT.—The Secretary of Defense may provide administrative services and support for foreign liaison officers performing duties while such officers temporarily are assigned to components or commands of the armed forces. Such administrative services and support may include base or installation operation support services, office space, utilities, copying services, fire and police protection, and computer support. The Secretary may provide such administrative services and support with or without reimbursement, as the Secretary considers appropriate.

(b) EXPIRATION OF AUTHORITY.—The authority under this section shall expire on September 30, 2005.

CHAPTER 139—RESEARCH AND DEVELOPMENT

Sec.

2351. Availability of appropriations.

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2359a. Technology Transition Initiative.
2359b. Defense Acquisition Challenge Program.

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§ 2359a. Technology Transition Initiative

(a) INITIATIVE REQUIRED.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall carry out an initiative, to be known as the Technology Transition Initiative (hereinafter in this section referred to as the "Initiative"), to facilitate the rapid transition of new technologies from science and technology programs of the Department of Defense into acquisition programs of the Department for the production of such technologies.

(b) OBJECTIVES.—The Initiative shall have the following objectives:

(1) To accelerate the introduction of new technologies into appropriate acquisition programs.

(2) To successfully demonstrate new technologies in relevant environments.

(3) To ensure that new technologies are sufficiently mature for production.

(c) MANAGEMENT OF INITIATIVE.—(1) The Initiative shall be managed by a senior official in the Office of the Secretary of Defense designated by the Secretary (hereinafter in this section referred to as the "Manager"). In managing the Initiative, the Manager shall report directly to the Under Secretary of Defense for Acquisition, Technology, and Logistics.

(2) The Secretary shall establish a board of directors (hereinafter in this section referred to as the "Board"), composed of the acquisition executive of each military department, the members of the Joint Requirements Oversight Council, and the commander of the Joint Forces Command. The Board shall assist the Manager in managing the Initiative.

(3) The Secretary shall establish, under the auspices of the Under Secretary of Defense for Acquisition, Technology, and Logistics, a panel of highly qualified scientists and engineers. The panel shall advise the Under Secretary on matters relating to the Initiative.

(d) DUTIES OF MANAGER.—The Manager shall have following duties:

(1) To identify, in consultation with the Board, promising technologies that have been demonstrated in science and technology programs of the Department.

(2) To identify potential sponsors in the Department to undertake the transition of such technologies into production.

(3) To work with the science and technology community and the acquisition community to develop memoranda of agreement, joint funding agreements, and other cooperative arrangements to provide for the transition of such technologies into production.

(4) Provide funding support for projects selected under subsection (e).

(e) JOINTLY FUNDED PROJECTS.—(1) The acquisition executive of each military department shall identify technology projects of that

military department to recommend for funding support under the Initiative and shall submit to the Manager a list of such recommended projects, ranked in order of priority. Such executive shall identify such projects, and establish priorities among such projects, using a competitive process, on the basis of the greatest potential benefits in areas of interest identified by the Secretary of that military department.

(2) The Manager, in consultation with the Board, shall select projects for funding support from among the projects on the lists submitted under paragraph (1). From the funds made available to the Manager for the Initiative, the Manager shall provide funds for each selected project in an amount determined by mutual agreement between the Manager and the acquisition executive of the military department concerned, but not less than 50 percent of the total cost of the project.

(3) The acquisition executive of the military department concerned shall manage each project selected under paragraph (2) that is undertaken by the military department. Memoranda of agreement, joint funding agreements, and other cooperative arrangements between the science and technology community and the acquisition community shall be used in carrying out the project if the acquisition executive determines that it is appropriate to do so to achieve the objectives of the project.

(f) REQUIREMENT FOR PROGRAM ELEMENT.—In the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year (as submitted with the budget of the President under section 1105(a) of title 31), the amount requested for activities of the Initiative shall be set forth in a separate program element within amounts requested for research, development, test, and evaluation for Defense-wide activities.

(g) DEFINITION OF ACQUISITION EXECUTIVE.—In this section, the term "acquisition executive", with respect to a military department, means the official designated as the senior procurement executive for that military department under section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

§ 2359b. Defense Acquisition Challenge Program

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program to provide opportunities for the increased introduction of innovative and cost-saving technology in acquisition programs of the Department of Defense. The program, to be known as the Defense Acquisition Challenge Program (hereinafter in this section referred to as the "Challenge Program"), shall provide any person or activity within or outside the Department of Defense with the opportunity to propose alternatives, to be known as challenge proposals, at the component, subsystem, or system level of an existing Department of Defense acquisition program that would result in improvements in performance, affordability, manufacturability, or operational capability of that acquisition program.

(b) PANEL.—(1) In carrying out the Challenge Program, the Secretary shall establish a panel of highly qualified scientists and engineers (hereinafter in this section referred to as the "Panel") under the auspices of the Under Secretary of Defense for Acquisition, Technology, and Logistics. The duty of the Panel shall be to carry out evaluations of challenge proposals under subsection (c).

(2) A member of the Panel may not participate in any evaluation of a challenge proposal under subsection (c) if at any time within the previous five years that member has, in any capacity, participated in or been affiliated with the acquisition program for which the challenge proposal is submitted.

(c) EVALUATION BY PANEL.—(1) Under procedures prescribed by the Secretary, a person or activity within or outside the Department of Defense may submit challenge proposals to the Panel.

(2) The Panel shall carry out an evaluation of each challenge proposal submitted under paragraph (1) to determine each of the following criteria:

(A) Whether the challenge proposal has merit.

(B) Whether the challenge proposal is likely to result in improvements in performance, affordability, manufacturability, or operational capability at the component, subsystem, or system level of the applicable acquisition program.

(C) Whether the challenge proposal could be implemented rapidly in the applicable acquisition program.

(3) If the Panel determines that a challenge proposal satisfies each of the criteria specified in paragraph (2), the person or activity submitting that challenge proposal shall be provided an opportunity to submit such challenge proposal for a full review and evaluation under subsection (d).

(d) FULL REVIEW AND EVALUATION.—(1) Under procedures prescribed by the Secretary, for each challenge proposal submitted for a full review and evaluation as provided in subsection (c)(3), the office carrying out the applicable acquisition program, and the prime system contractor carrying out such program, shall jointly conduct a full review and evaluation of the challenge proposal.

(2) The full review and evaluation shall, independent of the determination of the Panel under subsection (c)(2), determine each of the matters specified in subparagraphs (A), (B), and (C) of such subsection.

(e) ACTION UPON FAVORABLE FULL REVIEW AND EVALUATION.—(1) Under procedures prescribed by the Secretary, each challenge proposal determined under a full review and evaluation to satisfy each of the criteria specified in subsection (c)(2) shall be considered by the prime system contractor for incorporation into the applicable acquisition program as a new technology insertion at the component, subsystem, or system level.

(2) The Secretary shall encourage the adoption of each challenge proposal referred to in paragraph (1) by providing suitable incentives to the office carrying out the applicable acquisition program and the prime system contractor carrying out such program.

(f) ACCESS TO TECHNICAL RESOURCES.—The Secretary shall ensure that the Panel (in carrying out evaluations of challenge proposals under subsection (c)) and each office and prime system contractor (in conducting a full review and evaluation under subsection (d)) have the authority to call upon the technical resources of the laboratories, research, development, and engineering centers, test and evaluation activities, and other elements of the Department.

(g) ELIMINATION OF CONFLICTS OF INTEREST.—In carrying out each evaluation under subsection (c) and full review under subsection (d), the Secretary shall ensure the elimination of conflicts of interest.

(h) REPORT.—The Secretary shall submit to Congress, with the submission of the budget request for the Department of Defense for each fiscal year during which the Challenge Program is carried out, a report on the Challenge Program for that fiscal year. The report shall include the number and scope of challenge proposals submitted, evaluated, subjected to full review, and adopted.

(i) SUNSET.—The authority to carry out this section shall terminate on September 30, 2007.

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CHAPTER 141—MISCELLANEOUS PROCUREMENT PROVISIONS

Sec.
2381. Contracts: regulations for bids.

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2397. Rapid acquisition and deployment procedures.

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2403. Quick-reaction special projects acquisition team.

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§ 2397. Rapid acquisition and deployment procedures

(a) ESTABLISHMENT.—The Secretary of Defense shall establish tailored rapid acquisition and deployment procedures for items urgently needed to react to an enemy threat or to respond to significant and urgent safety situations.

(b) PROCEDURES.—The procedures established under subsection (a) shall include the following:

(1) A process for streamlined communications between the Chairman of the Joint Chiefs of Staff, the acquisition community, and the testing community.

(2) A process for expedited technical, programmatic, and financial decisions.

(3) An expedited procurement and contracting process.

(c) SPECIFIC STEPS TO BE INCLUDED.—The procedures established under subsection (a) shall provide for the following:

(1) The commander of a unified combatant command may notify the Chairman of the Joint Chiefs of Staff of the need for an item described in subsection (a) that is currently under development.

(2) The Chairman may request the Secretary of Defense to use rapid acquisition and deployment procedures with respect to the item.

(3) The Secretary of Defense shall decide whether to use such procedures with respect to the item and shall notify the Secretary of the appropriate military department of the decision.

(4) If the Secretary of Defense decides to use such procedures with respect to the item, the Secretary of the military department shall prepare a funding strategy for the rapid acquisition of the item and shall conduct a demonstration of the performance of the item.

(5) The Director of Operational Test and Evaluation shall immediately evaluate the existing capability of the item (but under such evaluation shall not assess the capability of the item as re-

gards to the function the item was originally intended to perform).

(6) The Chairman of the Joint Chiefs of Staff shall review the evaluation of the Director of Operational Test and Evaluation and report to the Secretary of Defense regarding whether the capabilities of the tested item are able to meet the urgent need for the item.

(7) The Secretary of Defense shall evaluate the information regarding funding and rapid acquisition prepared pursuant to paragraph (4) and approve or disapprove of the acquisition of the item using the procedures established pursuant to subsection (a).

(d) LIMITATION.—The quantity of items of a system procured using the procedures established under this section may not exceed the number established for low-rate initial production for the system, and any such items shall be counted for purposes of the number of items of the system that may be procured through low-rate initial production.

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§ 2399. Operational test and evaluation of defense acquisition programs

(a) CONDITION FOR PROCEEDING BEYOND LOW-RATE INITIAL PRODUCTION.—(1) * * *

(2) In this subsection, the term "major defense acquisition program" [means—] *means a conventional weapons system that—*

(A) [a conventional weapons system that] is a major system within the meaning of that term in section 2302(5) of this title; and

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§ 2403. Quick-reaction special projects acquisition team

The Secretary of Defense shall establish a quick-reaction special projects acquisition team, the purpose of which shall be to advise the Secretary on actions that can be taken to expedite the procurement of urgently needed systems. The team shall address problems with the intention of creating expeditious solutions relating to—

(1) industrial-base issues such as the limited availability of suppliers;

(2) compliance with acquisition regulations and lengthy procedures;

(3) compliance with environmental requirements;

(4) compliance with requirements regarding small-business concerns; and

(5) compliance with requirements regarding the purchase of products made in the United States.

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CHAPTER 146—CONTRACTING FOR PERFORMANCE OF CIVILIAN COMMERCIAL OR INDUSTRIAL TYPE FUNCTIONS

Sec.

2460. Definition of depot-level maintenance and repair.

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[2469a. Use of competitive procedures in contracting for performance of depot-level maintenance and repair workloads formerly performed at certain military installations.]

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§ 2461. Commercial or industrial type functions: required studies and reports before conversion to contractor performance

(a) * * *

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[(c) NOTIFICATION OF DECISION.—(1) If, as a result of the completion of the examinations under subsection (b)(3), a decision is made to change the commercial or industrial type function that was the subject of the analysis to performance by the private sector, the Secretary of Defense shall submit to Congress a report describing that decision. The report shall contain the following:

[(A) The date when the analysis of that commercial or industrial type function for possible change to performance by the private sector was commenced.

[(B) An indication that the examinations required under subsection (b)(3) have been completed.

[(C) The Secretary's certification that the Government calculation of the cost of performance of the function by Department of Defense civilian employees is based on an estimate of the most cost effective manner for performance of the function by Department of Defense civilian employees.

[(D) The number of Department of Defense civilian employees who were performing the function when the analysis was commenced, the number of such employees whose employment was terminated or otherwise affected in implementing the most efficient organization of the function, and the number of such employees whose employment would be terminated or otherwise affected by changing to performance of the function by the private sector.

[(E) The Secretary's certification that the factors considered in the examinations performed under subsection (b)(3), and in the making of the decision to change performance, did not include any predetermined personnel constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees.

[(F) The Secretary's certification that the examination required by subsection (b)(3)(A) as part of the analysis demonstrates that the performance of the function by the private sector will result in savings to the Government over the life of the contract.

[(G) A statement of the potential economic effect of the change on each affected local community, as determined in the examination under subsection (b)(3)(B)(ii).

[(H) The Secretary's certification that the entire analysis is available for examination.

[(I) A schedule for completing the change to performance of the function by the private sector.

[(2) If the commercial or industrial type function to be changed to performance by the private sector is performed at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an Army ammunition plant—

[(A) the report required by this subsection shall also include a description of the effect that the performance and administration of the resulting contract will have on the overhead costs of the center or ammunition plant, as the case may be; and

[(B) notwithstanding paragraph (3), the change of the function to contractor performance may not begin until at least 60 days after the submission of the report.

[(3) The change of the function to contractor performance may not begin until after the submission of the report required by this subsection.]

(c) SUBMISSION OF ANALYSIS RESULTS.—(1) Upon the completion of an analysis of a commercial or industrial type function described in subsection (a) for possible change to performance by the private sector, the Secretary of Defense shall submit to Congress a report containing the results of the analysis, including the results of the examinations required by subsection (b)(3).

(2) The report shall also contain the following:

(A) The date when the analysis of the function was commenced.

(B) The Secretary's certification that the Government calculation of the cost of performance of the function by Department of Defense civilian employees is based on an estimate of the most cost effective manner for performance of the function by Department of Defense civilian employees.

(C) The number of Department of Defense civilian employees who were performing the function when the analysis was commenced and the number of such employees whose employment was or will be terminated or otherwise affected by changing to performance of the function by the private sector or by implementation of the most efficient organization of the function.

(D) The Secretary's certification that the factors considered in the examinations performed under subsection (b)(3), and in the making of the decision regarding changing to performance of the function by the private sector or retaining performance in the most efficient organization of the function, did not include any predetermined personnel constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees.

(E) A statement of the potential economic effect of implementing the decision regarding changing to performance of the function by the private sector or retaining performance in the most efficient organization of the function on each affected local community, as determined in the examination under subsection (b)(3)(B)(ii).

(F) A schedule for completing the change to performance of the function by the private sector or implementing the most efficient organization of the function

(G) In the case of a commercial or industrial type function performed at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an Army am-

munition plant, a description of the effect that the manner of performance of the function, and administration of the resulting contract if any, will have on the overhead costs of the center or ammunition plant, as the case may be.

(H) The Secretary's certification that the entire analysis is available for examination.

(3)(A) If a decision is made to change the commercial or industrial type function that was the subject of the analysis to performance by the private sector, the change of the function to contractor performance may not begin until after the submission of the report required by paragraph (1).

(B) Notwithstanding subparagraph (A), in the case of a commercial or industrial type function performed at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an Army ammunition plant, the change of the function to contractor performance may not begin until at least 60 days after the submission of the report.

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§ 2464. Core logistics capabilities

(a) NECESSITY FOR CORE LOGISTICS CAPABILITIES.—(1) * * *

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(3) The core logistics capabilities identified under paragraphs (1) and (2) shall include ⟦those capabilities that are necessary to maintain and repair the weapon systems⟧ *those logistics capabilities (including acquisition logistics, supply management, system engineering, maintenance, and modification management) that are necessary to sustain the weapon systems* and other military equipment (including mission-essential weapon systems or materiel not later than four years after achieving initial operational capability, but excluding systems and equipment under special access programs, nuclear aircraft carriers, and commercial items described in paragraph (5)) that are identified by the Secretary, in consultation with the Chairman of the Joint Chiefs of Staff, as necessary to enable the armed forces to fulfill the strategic and contingency plans prepared by the Chairman of the Joint Chiefs of Staff under section 153(a) of this title.

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§ 2465. Prohibition on contracts for performance of firefighting or security-guard functions

(a) * * *

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(c) The Secretary of Defense or the Secretary of a military department may waive the prohibition under subsection (a) regarding contracting for the performance of security-guard functions at a military installation or facility under the jurisdiction of the Secretary if such functions—

(1) are or will be performed by members of the armed forces in the absence of a waiver; or

(2) were not performed at the installation or facility before September 11, 2001.

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[§ 2469a. Use of competitive procedures in contracting for performance of depot-level maintenance and repair workloads formerly performed at certain military installations

[(a) DEFINITIONS.—In this section:

[(1) The term "closed or realigned military installation" means a military installation where a depot-level maintenance and repair facility was approved in 1995 for closure or realignment under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

[(2) The term "military installation" includes a former military installation that was a military installation when it was approved in 1995 for closure or realignment under the Defense Base Closure and Realignment Act of 1990 and that has been closed or realigned under the Act.

[(3) The terms "realignment" and "realigned" mean a decision under the Defense Base Closure and Realignment Act of 1990 that results in both a reduction and relocation of functions and civilian personnel positions.

[(b) COVERED DEPOT-LEVEL MAINTENANCE AND REPAIR WORKLOADS.—Except as provided in subsection (c), this section applies with respect to any depot-level maintenance and repair workload that—

[(1) was performed as of January 1, 1997, at a military installation that was approved in 1995 for closure or realignment under the Defense Base Closure and Realignment Act of 1990 and that has been closed or realigned under the Act; and

[(2) is proposed to be converted from performance by Department of Defense personnel to performance by a private sector source.

[(c) EXCEPTIONS.—This section shall not apply with respect to—

[(1) a depot-level maintenance and repair workload that is to be consolidated to another military installation (other than a closed or realigned military installation) as a result of a base closure or realignment action or a decision made by the Secretary concerned or the Defense Depot Maintenance Council;

[(2) a workload necessary to maintain a core logistics capability identified under section 2464 of this title; or

[(3) any contract originally entered into before November 18, 1997.

[(d) CONDITIONS AND SOLICITATION.—A solicitation of offers for the performance of any depot-level maintenance and repair workload described in subsection (b) may be issued, and a contract may be awarded pursuant to such a solicitation, only if the following conditions are met with respect to the contract and the solicitation specifically states the conditions:

[(1) The source selection process used in the case of the solicitation and contract permits the consideration of offers submitted by private sector sources and offers submitted by public sector sources.

[(2) The source selection process used in the case of the solicitation and contract requires that, in the comparison of offers, there be taken into account—

[(A) the fair market value (or if fair market value cannot be determined, the estimated book value) of any land, plant, or equipment from a military installation that is proposed by a private offeror to be used to meet a specific workload (whether these assets are provided to the offeror by a local redevelopment authority or by any other source approved by an official of the Department of Defense); and

[(B) the total estimated direct and indirect costs that will be incurred by the Department of Defense and the total estimated direct and indirect savings (including overhead) that will be derived by the Department of Defense.

[(3) The cost standards used to determine the depreciation of facilities and equipment shall, to the maximum extent practicable, provide identical treatment to all public and private sector offerors.

[(4) Any offeror, whether public or private, may offer to perform the workload at any location or locations selected by the offeror and to team with any other public or private entity to perform that workload at one or more locations, including a Center of Industrial and Technical Excellence designated under section 2474 of this title.

[(5) No offeror may be given any preferential consideration for, or in any way be limited to, performing the workload in-place or at any other single location.

[(e) CONTRACTS FOR MULTIPLE WORKLOADS.—(1) A solicitation may be issued for a single contract for the performance of multiple depot-level maintenance and repair workloads described in subsection (b) only if—

[(A) the Secretary of Defense determines in writing that the individual workloads cannot as logically and economically be performed without combination by sources that are potentially qualified to submit an offer and to be awarded a contract to perform those individual workloads;

[(B) the Secretary submits to Congress a report setting forth the determination together with the reasons for the determination; and

[(C) the solicitation of offers for the contract is issued more than 60 days after the date on which the Secretary submits the report.

[(2) The Comptroller General shall review each report submitted under paragraph (1)(B) and, not later than 30 days after the report is submitted to Congress, shall submit to Congress the Comptroller General's views regarding the determination of the Secretary that is set forth in the report, together with any other findings that the Comptroller General considers appropriate.

[(f) COMPETITIVE PROCEDURES REQUIRED.—Section 2304(c)(7) of this title shall not be used as the basis for an exception to the requirement to use competitive procedures for any contract for a depot-level maintenance and repair workload described in subsection (b).

[(g) REVIEWS OF COMPETITIVE PROCEDURES.—If a solicitation of offers for a contract for, or award of, any depot-level maintenance

and repair workload described in subsection (b) is issued, the Comptroller General shall—

[(1) within 45 days after the issuance of the solicitation, review the solicitation and report to Congress on whether the solicitation—

[(A) provides substantially equal opportunity for public and private offerors to compete for the contract without regard to the location at which the workload is to be performed; and

[(B) is in compliance with the requirements of this section and all applicable provisions of law and regulations; and

[(2) within 45 days after any contract or award resulting from the solicitation is entered into or made, review the contract or award, including the contracting or award process, and report to Congress on whether—

[(A) the procedures used to conduct the competition—

[(i) provided substantially equal opportunity for public and private offerors to compete for the contract without regard to the location at which the workload is to be performed; and

[(ii) were in compliance with the requirements of this section and all applicable provisions of law and regulations;

[(B) appropriate consideration was given to factors other than cost in the selection of the source for performance of the workload; and

[(C) the contract or award resulted in the lowest total cost to the Department of Defense for performance of the workload.

[(h) RESOLUTION OF WORKLOAD AWARD OBJECTIONS.—Any public or private entity may, pursuant to procedures established by the Secretary, object to a solicitation of offers under this section for the performance of any depot-level maintenance and repair workload, or the award or proposed award of any workload pursuant to such a solicitation. The Secretary may designate a qualified individual or entity to review the objection; however, the Secretary shall not designate the Source Selection Authority or any individual from the same military department as the Source Selection Authority to review the objection. The Secretary shall take appropriate action to address any defect in the solicitation or award in the event that the objection is sustained.

[(i) OVERSIGHT OF CONTRACTS AWARDED PUBLIC ENTITIES.—The Secretary of Defense or the Secretary concerned may not impose on a public sector entity awarded a contract for the performance of any depot-level maintenance and repair workload described in subsection (b) any requirements regarding management systems, reviews, oversight, or reporting that are significantly different from the requirements used in the performance and management of other similar or identical depot-level maintenance and repair workloads by the entity, unless the requirements are specifically provided in the solicitation for the contract or are necessary to ensure compliance with the terms of the contract.]

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§ 2474. Centers of Industrial and Technical Excellence: designation; public-private partnerships

(a) * * *

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(f) EXCLUSION OF CERTAIN EXPENDITURES FROM PERCENTAGE LIMITATION.—(1) * * *

(2) The funds referred to in paragraph (1) are funds available to the military departments and Defense Agencies for depot-level maintenance and repair workloads [for fiscal years 2002 through 2005].

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CHAPTER 147—COMMISSARIES AND EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES

Sec.
2482. Commissary stores: operation.

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2494. Uniform funding and management of morale, welfare, and recreation programs.

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§ 2492. Overseas commissary and exchange stores: access and purchase restrictions

(a) * * *

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[(c) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress an annual report describing the host nation laws and the treaty obligations of the United States, and the conditions within host nations, that necessitate the use of quantity or other restrictions on purchases in commissary and exchange stores located outside the United States.]

§ 2493. Fisher Houses: administration as nonappropriated fund instrumentality

(a) * * *

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[(f) SPECIAL AUTHORITY FOR NAVY.—The Secretary of the Navy shall provide base operating support for Fisher Houses associated with health care facilities of the Navy. The level of the support shall be equivalent to the base operating support that the Secretary provides for morale, welfare, and recreation category B community activities (as defined in regulations, prescribed by the Secretary, that govern morale, welfare, and recreation activities associated with Navy installations).

[(g) ANNUAL REPORT.—Not later than January 15 of each year, the Secretary of each military department shall submit to Congress a report describing the operation of Fisher Houses and Fisher Suites associated with health care facilities of that military department. The report shall include, at a minimum, the following:

[(1) The amount in the fund established by that Secretary under subsection (d) as of October 1 of the previous year.

[(2) The operation of the fund during the preceding fiscal year, including—

[(A) all gifts, fees, and interest credited to the fund; and

[(B) all disbursements from the fund.

[(3) The budget for the operation of the Fisher Houses and Fisher Suites for the fiscal year in which the report is submitted.]

(f) BASE OPERATING SUPPORT.—The Secretary of a military department may provide base operating support for Fisher Houses associated with health care facilities of that military department.

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§ 2494. Uniform funding and management of morale, welfare, and recreation programs

(a) AUTHORITY FOR UNIFORM FUNDING AND MANAGEMENT.—Under regulations prescribed by the Secretary of Defense, funds appropriated to the Department of Defense and available for morale, welfare, and recreation programs may be treated as nonappropriated funds and expended in accordance with laws applicable to the expenditures of nonappropriated funds. When made available for morale, welfare, and recreation programs under such regulations, appropriated funds shall be considered to be nonappropriated funds for all purposes and shall remain available until expended.

(b) CONDITIONS ON AVAILABILITY.—Funds appropriated to the Department of Defense may be made available to support a morale, welfare, or recreation program only if the program is authorized to receive appropriated fund support and only in the amounts the program is authorized to receive.

(c) CONVERSION OF EMPLOYMENT POSITIONS.—(1) The Secretary of Defense may identify positions of employees in morale, welfare, and recreation programs within the Department of Defense who are paid with appropriated funds whose status may be converted from the status of an employee paid with appropriated funds to the status of an employee of a nonappropriated fund instrumentality.

(2) The status of an employee in a position identified by the Secretary under paragraph (1) may, with the consent of the employee, be converted to the status of an employee of a nonappropriated fund instrumentality. An employee who does not consent to the conversion may not be removed from the position because of the failure to provide such consent.

(3) The conversion of an employee from the status of an employee paid by appropriated funds to the status of an employee of a nonappropriated fund instrumentality shall be without a break in service for the concerned employee. The conversion shall not entitle an employee to severance pay, back pay or separation pay under subchapter IX of chapter 55 of title 5, or be considered an involuntary separation or other adverse personnel action entitling an employee to any right or benefit under such title or any other provision of law or regulation.

(4) In this subsection, the term "an employee of a nonappropriated fund instrumentality" means an employee described in section 2105(c) of title 5.

CHAPTER 148—NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE, DEFENSE REINVESTMENT, AND DEFENSE CONVERSION

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SUBCHAPTER III—PROGRAMS FOR DEVELOPMENT, APPLICATION, AND SUPPORT OF DUAL-USE TECHNOLOGIES

Sec.
2511. Defense dual-use critical technology program.

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2520. Transfer of technology items and equipment in support of homeland security.

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§ 2520. Transfer of technology items and equipment in support of homeland security

The Secretary of Defense shall enter into an agreement with an independent, nonprofit, technology-oriented entity that has demonstrated the ability to facilitate the transfer of defense technologies, developed by both the private and public sectors, to aid Federal, State, and local first responders. Under the agreement the entity shall develop and deploy technology items and equipment, through coordination between Government agencies and private sector, commercial developers and suppliers of technology, that will enhance public safety and shall—

(1) work in coordination with the InterAgency Board for Equipment Standardization and Interoperability;

(2) develop technology items and equipment that meet the standardization requirements established by the Board;

(3) evaluate technology items and equipment that have been identified using the standards developed by the Board and other state-of-the-art technology items and equipment that may benefit first responders;

(4) identify and coordinate among the public and private sectors research efforts applicable to national security and homeland security;

(5) facilitate the timely transfer of technology items and equipment between public and private sources;

(6) eliminate redundant research efforts with respect to technologies to be deployed to first responders;

(7) expedite the advancement of high priority projects from research through implementation of initial manufacturing; and

(8) establish an outreach program, in coordination with the Board, with first responders to facilitate awareness of available technology items and equipment to support crisis response.

SUBCHAPTER IV—MANUFACTURING TECHNOLOGY

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§ 2521. Manufacturing Technology Program

(a) * * *

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(e) FIVE-YEAR PLAN.—(1) The Secretary of Defense shall [prepare a five-year plan for the program which establishes—

[(A) the overall manufacturing technology goals, milestones, priorities, and investment strategy for the program; and

[(B) for each of the five fiscal years covered by the plan, the objectives of, and funding for the program by, each military department and each Defense Agency participating in the program.

[(2) The plan shall include the following:

[(A) An assessment of the effectiveness of the program, including a description of all completed projects and status of implementation.

[(B) An assessment of the extent to which the costs of projects are being shared by the following:

[(i) Commercial enterprises in the private sector.

[(ii) Department of Defense program offices, including weapon system program offices.

[(iii) Departments and agencies of the Federal Government outside the Department of Defense.

[(iv) Institutions of higher education.

[(v) Other institutions not operated for profit.

[(vi) Other sources.] *prepare and maintain a five-year plan for the program.*

(2) The plan shall establish the following:

(A) The overall manufacturing technology objectives, milestones, priorities, and investment strategy for the program.

(B) The specific objectives of, and funding for the program by, each military department and each Defense Agency participating in the program.

(3) The plan shall be updated [annually] *biennially* and shall be included in the budget justification documents submitted in support of the budget of the Department of Defense [for a fiscal year] *for each even-numbered fiscal year* (as included in the budget of the President submitted to Congress under section 1105 of title 31).

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SUBCHAPTER V—MISCELLANEOUS TECHNOLOGY BASE POLICIES AND PROGRAMS

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§ 2534. Miscellaneous limitations on the procurement of goods other than United States goods

(a) LIMITATION ON CERTAIN PROCUREMENTS.—The Secretary of Defense may procure any of the following items only if the manufacturer of the item satisfies the requirements of subsection (b):

(1) * * *

* * * * * * *

(5) BALL BEARINGS AND ROLLER BEARINGS.—Ball bearings and roller bearings, in accordance with subpart [225.71] *225.70* of part 225 of the Defense Federal Acquisition Regulation Supplement, as in effect on [October 23, 1992] *April 27, 2002. In this section the term "ball bearings and roller bearings" includes unconventional or hybrid ball and roller bear-*

ings and cam follower bearings, ball screws, and other derivatives of ball and roller bearings.

* * * * * * *

SUBCHAPTER VI—DEFENSE EXPORT LOAN GUARANTEES

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§ 2540. Establishment of loan guarantee program

(a) * * *

(b) COVERED COUNTRIES.—The authority under subsection (a) applies with respect to the following countries:

(1) * * *

* * * * * * *

(5) A country that, as determined by the Secretary of Defense in consultation with the Secretary of State, assists in combatting drug trafficking organizations or foreign terrorist organizations.

* * * * * * *

(d) REPORT.—The Secretary of Defense and the Secretary of State, whenever the Secretaries consider such action to be warranted, shall jointly submit to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and International Relations of the House of Representatives a report enumerating those countries to be added or removed under subsection (b).

* * * * * * *

CHAPTER 152—ISSUE OF SUPPLIES, SERVICES, AND FACILITIES

* * * * * * *

§ 2563. Articles and services of industrial facilities: sale to persons outside the Department of Defense

(a) * * *

* * * * * * *

(c) CONDITIONS FOR SALES.—(1) * * *

(2) The Secretary of Defense may waive the condition in paragraph (1)(A) and subsection (a)(1) that an article or service must be not available from a United States commercial source in the case of a particular sale if the Secretary determines that the waiver is necessary for reasons of national security **[**and notifies Congress regarding the reasons for the waiver**]**.

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CHAPTER 155—ACCEPTANCE OF GIFTS AND SERVICES

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§ 2611. Asia-Pacific Center for Security Studies: acceptance of foreign gifts and donations

(a) * * *

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[(e) NOTICE TO CONGRESS.—If the total amount of funds accepted under subsection (a) in any fiscal year exceeds $2,000,000, the Secretary shall notify Congress of the amount of those donations for that fiscal year. Any such notice shall list each of the contributors of such amounts and the amount of each contribution in that fiscal year.]

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CHAPTER 157—TRANSPORTATION

* * * * * * *

§ 2634. Motor vehicles: transportation or storage for members on change of permanent station or extended deployment

(a) * * *

[(b)(1) In lieu of transportation authorized by this section, if a member is ordered to make a change of permanent station to a foreign country and the laws, regulations, or other restrictions imposed by the foreign country or the United States preclude entry of a motor vehicle described in subsection (a) into that country, or would require extensive modification of the vehicle as a condition to entry, the member may elect to have the vehicle stored at the expense of the United States at a location approved by the Secretary concerned.

[(2) If a member is transferred or assigned in connection with a contingency operation to duty at a location other than the permanent station of the member for a period of more than 30 consecutive days, but the transfer or assignment is not considered a change of permanent station, the member may elect to have a motor vehicle described in subsection (a) stored at the expense of the United States at a location approved by the Secretary concerned.]

(b)(1) When a member receives a vehicle storage qualifying order, the member may elect to have a motor vehicle described in subsection (a) stored at the expense of the United States at a location approved by the Secretary concerned. In the case of a vehicle storage qualifying order that is to make a change of permanent station, such storage is in lieu of transportation authorized by subsection (a).

(2) In this subsection, the term "vehicle storage qualifying order" means any of the following:

(A) An order to make a change of permanent station to a foreign country in a case in which the laws, regulations, or other restrictions imposed by the foreign country or by the United States either—

(i) preclude entry of a motor vehicle described in subsection (a) into that country; or

(ii) would require extensive modification of the vehicle as a condition to entry.

(B) An order to make a change of permanent station to a nonforeign area outside the continental United States in a case in which the laws, regulations, or other restrictions imposed by that area or by the United States either—

(i) preclude entry of a motor vehicle described in subsection (a) into that area; or

(ii) would require extensive modification of the vehicle as a condition to entry.

(C) An order under which a member is transferred or assigned in connection with a contingency operation to duty at a location other than the permanent station of the member for a period of more than 30 consecutive days but which is not considered a change of permanent station.

* * * * * * *

(h) In this section:

(1) * * *

* * * * * * *

(3) The term "nonforeign area outside the continental United States" means any of the following: the States of Alaska and Hawaii, the Commonwealths of Puerto Rico and the Northern Mariana Islands, and any possession of the United States.

* * * * * * *

CHAPTER 159—REAL PROPERTY; RELATED PERSONAL PROPERTY; AND LEASE OF NONEXCESS PROPERTY

Sec.
2661. Miscellaneous administrative provisions relating to real property.

* * * * * * *

2684a. Agreements to limit encroachments and other constraints on military training, testing, and operations.

* * * * * * *

2694a. Conveyance of surplus real property for natural resource conservation.

* * * * * * *

§ 2677. Options: property required for military construction projects

(a) * * *

* * * * * * *

[(c)(1) Before acquiring an option on real property under subsection (a), the Secretary of a military department shall review the most recent inventory of real property assets published by the Resolution Trust Corporation under section 21A(b)(11)(F) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(11)(F)) and determine whether any real property listed in the inventory is suitable for use by the military department for the purposes for which the real property is sought.

[(2) The requirement for the review referred to in paragraph (1) shall terminate on September 30, 1996.**]**

* * * * * * *

§ 2680. Leases: land for special operations activities

(a) * * *

* * * * * * *

(e) REPORTS.—Not later than March 1 of each year, the Secretary of Defense shall submit to the Committee on [the] Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report that—

(1) * * *

* * * * * * *

§ 2684a. Agreements to limit encroachments and other constraints on military training, testing, and operations

(a) AGREEMENTS AUTHORIZED.—The Secretary of a military department may enter into an agreement with a private entity described in subsection (b) to address the use or development of real property in the vicinity of a military installation for purposes of—

(1) limiting any development or use of the property that would otherwise be incompatible with the mission of the installation; or

(2) preserving habitat on the property in a manner that is compatible with both—

(A) current or anticipated environmental restrictions that would or might otherwise restrict, impede, or otherwise interfere, whether directly or indirectly, with current or anticipated military training, testing, or operations on the installation; and

(B) current or anticipated military training, testing, or operations on the installation.

(b) COVERED PRIVATE ENTITIES.—A private entity referred to in subsection (a) is any private entity that has as its stated principal organizational purpose or goal the conservation, restoration, or preservation of land and natural resources, or a similar purpose or goal, as determined by the Secretary concerned.

(c) INAPPLICABILITY OF CERTAIN CONTRACT REQUIREMENTS.—Chapter 63 of title 31 shall not apply to any agreement entered into under this section.

(d) ACQUISITION AND ACCEPTANCE OF PROPERTY AND INTERESTS.—(1) An agreement with a private entity under this section—

(A) may provide for the private entity to acquire all right, title, and interest in and to any real property, or any lesser interest in the property, as may be appropriate for purposes of this section; and

(B) shall provide for the private entity to transfer to the United States, upon the request of the United States, any property or interest so acquired.

(2) Property or interests may not be acquired pursuant to an agreement under this section unless the owner of the property or interests, as the case may be, consents to the acquisition.

(3) An agreement under this section providing for the acquisition of property or interests under paragraph (1)(A) shall provide for the sharing by the United States and the private entity concerned of the costs of the acquisition of the property or interests.

(4) The Secretary concerned shall identify any property or interests to be acquired pursuant to an agreement under this section. The property or interests shall be limited to the minimum property or interests necessary to ensure that the property concerned is developed and used in a manner appropriate for purposes of this section.

(5) Notwithstanding any other provision of law, the Secretary concerned may accept on behalf of the United States any property or interest to be transferred to the United States under paragraph (1)(B).

(6) The Secretary concerned may, for purposes of the acceptance of property or interests under this subsection, accept an appraisal or title documents prepared or adopted by a non-Federal entity as satisfying the applicable requirements of section 301 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4651) or section 355 of the Revised Statutes (40 U.S.C. 255) if the Secretary finds that the appraisal or title documents substantially comply with the requirements.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary concerned may require such additional terms and conditions in an agreement under this section as the Secretary considers appropriate to protect the interests of the United States.

(f) FUNDING.—(1) Except as provided in paragraph (2), funds authorized to be appropriated for operation and maintenance of the Army, Navy, Marine Corps, Air Force, or Defense-wide activities, including funds authorized to be appropriated for the Legacy Resources Management Program, may be used to enter into agreements under this section.

(2) In the case of a military installation operated primarily with funds authorized to be appropriated for research, development, test, and evaluation, funds authorized to be appropriated for the Army, Navy, Marine Corps, Air Force, or Defense-wide activities for research, development, test, and evaluation may be used to enter into agreements under this section with respect to the installation.

* * * * * * *

§ 2694a. Conveyance of surplus real property for natural resource conservation

(a) AUTHORITY TO CONVEY.—The Secretary of a military department may convey to an eligible recipient described in subsection (b) any surplus real property that—

(1) is under the administrative control of the Secretary;

(2) is suitable and desirable for conservation purposes;

(3) has been made available for public benefit transfer for a sufficient period of time to potential claimants; and

(4) is not subject to a pending request for transfer to another Federal agency or for conveyance to any other qualified recipient for public benefit transfer under the real property disposal processes and authorities established pursuant to the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471, et seq.).

(b) ELIGIBLE RECIPIENTS.—The conveyance of surplus real property under subsection (a) may be made to any of the following:

(A) A State or political subdivision of a State.

(B) A nonprofit organization that exists for the primary purpose of conservation of natural resources on real property.

(c) REVISIONARY INTEREST AND OTHER DEED REQUIREMENTS.—(1) The deed of conveyance of any surplus real property conveyed under subsection (a) disposed of under this subsection shall require the property to be used and maintained for the conservation of natural resources in perpetuity. If the Secretary of the military department that made the conveyance determines at any time that the property is not being used or maintained for such purpose, then, at the option of the Secretary, all or any portion of the property shall revert to the United States.

(2) The deed of conveyance may permit the recipient of the property—

(A) to convey the property to another eligible entity described in subsection (b), subject to the approval of the Secretary of the military department that made the conveyance and subject to the same covenants and terms and conditions as provided in the deed from the United States; and

(B) to conduct incidental revenue-producing activities on the property that are compatible with the use of the property for conservation purposes.

(3) The deed of conveyance may contain such additional terms, reservations, restrictions, and conditions as the Secretary of the military department considers appropriate to protect the interests of the United States.

(d) RELEASE OF COVENANTS.—The Secretary of the military department that conveys real property under subsection (a), with the concurrence of the Secretary of Interior, may grant a release from a covenant included in the deed of conveyance of the property under subsection (c) on the condition that the recipient of the property pay the fair market value, as determined by the Secretary of the military department, of the property at the time of the release of the covenant. The Secretary of the military department may reduce the amount required to be paid under this subsection to account for the value of the natural resource conservation benefit that has accrued to the United States during the period the covenant was in effect, if the benefit was not taken into account in determining the original consideration for the conveyance.

(e) LIMITATIONS.—A conveyance under subsection (a) shall not be used in settlement of any litigation, dispute, or claim against the United States, or as a condition of allowing any defense activity under any Federal, State, or local permitting or review process. The Secretary of a military department may make a conveyance under subsection (a), with the restrictions specified in subsection (c), to establish a mitigation bank, but only if the establishment of the mitigation bank does not occur in order to satisfy any condition for permitting military activity under a Federal, State, or local permitting or review process.

(f) CONSIDERATION.—In fixing the consideration for the conveyance of real property under subsection (a) or in determining the amount of any reduction of the amount to be paid for the release of a covenant under subsection (d), the Secretary of the military department concerned shall take into consideration any benefit that

has accrued or may accrue to the United States from the use of such property for the conservation of natural resources.

(g) RELATION TO OTHER CONVEYANCE AUTHORITIES.—(1) The Secretary of a military department may not make a conveyance under this section of any real property to be disposed of under a base closure law in a manner that is inconsistent with the requirements and conditions of the base closure law.

(2) In the case of real property on Guam, the Secretary of a military department may not make a conveyance under this section unless the Government of Guam has been first afforded the opportunity to acquire the real property as authorized by section 1 of Public Law 106–504 (114 Stat. 2309).

(h) DEFINITIONS.—In this section:

(1) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, and the territories and possessions of the United States.

(2) The term "base closure law" means the following:

(A) Section 2687 of this title.

(B) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act of 1988 (10 U.S.C. 2687 note).

(C) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

(D) Any other similar authority for the closure or realignment of military installations that is enacted after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2003.

§ 2695. Acceptance of funds to cover administrative expenses relating to certain real property transactions

(a) * * *

(b) COVERED TRANSACTIONS.—Subsection (a) applies to the following transactions involving real property under the control of the Secretary of a military department:

(1) * * *

* * * * * * *

(5) The conveyance of real property under section 2694a of this title.

* * * * * * *

CHAPTER 160—ENVIRONMENTAL RESTORATION

* * * * * * *

§ 2701. Environmental restoration program

(a) * * *

* * * * * * *

(d) SERVICES OF OTHER AGENCIES.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may enter into agreements on a reimbursable or other basis with any other Federal agency, [with any State or local government agency, or with any Indian tribe,] *any State or local*

government agency, any Indian tribe, or any nonprofit conservation organization to obtain the services of the agency to assist the Secretary in carrying out any of the Secretary's responsibilities under this section. Services which may be obtained under this subsection include the identification, investigation, and cleanup of any off-site contamination resulting from the release of a hazardous substance or waste at a facility under the Secretary's jurisdiction.

* * * * * * *

[(3) DEFINITION.—In this subsection, the term "Indian tribe" has the meaning given such term in section 101(36) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(36)).]

(3) DEFINITIONS.—In this subsection:

(A) The term "Indian tribe" has the meaning given such term in section 101(36) of Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(36)).

(B) The term "nonprofit conservation organization" means any non-governmental nonprofit organization whose primary purpose is conservation of open space or natural resources.

* * * * * * *

(k) UXO PROGRAM MANAGER.—(1) The Secretary of Defense shall establish a program manager who shall serve as the single point of contact in the Department of Defense for policy and budgeting issues involving the characterization, remediation, and management of explosive and related risks with respect to unexploded ordnance, discarded military munitions, and munitions constituents at defense sites (as such terms are defined in section 2710 of this title) that pose a threat to human health or safety.

(2) The Secretary of Defense may delegate this authority to the Secretary of a military department, who may delegate the authority to the Under Secretary of that military department. The authority may not be further delegated.

(3) The program manager may establish an independent advisory and review panel that may include representatives of the National Academy of Sciences, nongovernmental organizations with expertise regarding unexploded ordnance, discarded military munitions, or munitions constituents, the Environmental Protection Agency, States (as defined in section 2710 of this title), and tribal governments. If established, the panel would report annually to Congress on progress made by the Department of Defense to address unexploded ordnance, discarded military munitions, or munitions constituents at defense sites and make such recommendations as the panel considered appropriate.

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CHAPTER 165—ACCOUNTABILITY AND RESPONSIBILITY

Sec.
2771. Final settlement of accounts: deceased members.

* * * * * * *

2773a. Departmental accountable officials.

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[2784. Management of credit cards.]
2784. Management of purchase cards.

* * * * * * *

2787. Reports of survey.

* * * * * * *

§ 2773a. Departmental accountable officials

(a) DESIGNATION.—(1) The Secretary of Defense may designate as a "departmental accountable official" any civilian employee of the Department of Defense or member of the armed forces under the Secretary's jurisdiction who is described in paragraph (2). Any such designation shall be in writing.

(2) An employee or member of the armed forces described in this paragraph is an employee or member who is responsible in the performance of the employee's or member's duties for providing to a certifying official of the Department of Defense information, data, or services that are directly relied upon by the certifying official in the certification of vouchers for payment.

(b) PECUNIARY LIABILITY.—(1) The Secretary of Defense may impose pecuniary liability on a departmental accountable official to the extent that an illegal, improper, or incorrect payment results from the information, data, or services that that official provides to a certifying official and upon which the certifying official directly relies in certifying the voucher supporting that payment.

(2) The pecuniary liability of a departmental accountable official under this subsection for such an illegal, improper, or incorrect payment is joint and several with that of any other officials who are pecuniarily liable for such payment.

(c) RELIEF FROM LIABILITY.—The Secretary of Defense shall relieve a departmental accountable official from liability under subsection (b) if the Secretary determines that the illegal, improper, or incorrect payment was not the result of fault or negligence by that official.

* * * * * * *

[§ 2784. Management of credit cards

[(a) MANAGEMENT OF CREDIT CARDS.—The Secretary of Defense, acting through the Under Secretary of Defense (Comptroller), shall prescribe regulations governing the use and control of all credit cards and convenience checks that are issued to Department of Defense personnel for official use. Those regulations shall be consistent with regulations that apply Government-wide regarding use of credit cards by Government personnel for official purposes.

[(b) REQUIRED SAFEGUARDS AND INTERNAL CONTROLS.—Regulations under subsection (a) shall include safeguards and internal controls to ensure the following:

[(1) That there is a record in the Department of Defense of each holder of a credit card issued by the Department of Defense for official use, annotated with the limitations on amounts that are applicable to the use of each such card by that credit card holder.

[(2) That the holder of a credit card and each official with authority to authorize expenditures charged to the credit card are responsible for—

[(A) reconciling the charges appearing on each statement of account for that credit card with receipts and other supporting documentation; and

[(B) forwarding that statement after being so reconciled to the designated disbursing office in a timely manner.

[(3) That any disputed credit card charge, and any discrepancy between a receipt and other supporting documentation and the credit card statement of account, is resolved in the manner prescribed in the applicable Government-wide credit card contract entered into by the Administrator of General Services.

[(4) That payments on credit card accounts are made promptly within prescribed deadlines to avoid interest penalties.

[(5) That rebates and refunds based on prompt payment on credit card accounts are properly recorded.

[(6) That records of each credit card transaction (including records on associated contracts, reports, accounts, and invoices) are retained in accordance with standard Government policies on the disposition of records.]

§ 2784. Management of purchase cards

(a) MANAGEMENT OF PURCHASE CARDS.—The Secretary of Defense, acting through the Under Secretary of Defense (Comptroller), shall prescribe regulations governing the use and control of all purchase cards and convenience checks that are issued to Department of Defense personnel for official use. Those regulations shall be consistent with regulations that apply Government-wide regarding use of purchase cards by Government personnel for official purposes.

(b) REQUIRED SAFEGUARDS AND INTERNAL CONTROLS.—Regulations under subsection (a) shall include safeguards and internal controls to ensure the following:

(1) That there is a record in the Department of Defense of each holder of a purchase card issued by the Department of Defense for official use, annotated with the limitations on amounts that are applicable to the use of each such card by that purchase card holder.

(2) That the holder of a purchase card and each official with authority to authorize expenditures charged to the purchase card are responsible for—

(A) reconciling the charges appearing on each statement of account for that purchase card with receipts and other supporting documentation; and

(B) forwarding that statement after being so reconciled to the designated disbursing office in a timely manner.

(3) That any disputed purchase card charge, and any discrepancy between a receipt and other supporting documentation and the purchase card statement of account, is resolved in the manner prescribed in the applicable Government-wide purchase card contract entered into by the Administrator of General Services.

(4) That payments on purchase card accounts are made promptly within prescribed deadlines to avoid interest penalties.

(5) That rebates and refunds based on prompt payment on purchase card accounts are properly recorded.

(6) That records of each purchase card transaction (including records on associated contracts, reports, accounts, and invoices) are retained in accordance with standard Government policies on the disposition of records.

(7) That an annual review is performed of the use of purchase cards issued by the Department of Defense to determine whether each purchase card holder has a need for the purchase card.

(8) That the Inspectors General of the Department of Defense and the military services perform periodic audits with respect to the use of purchase cards issued by the Department of Defense to ensure that such use is in compliance with regulations.

(9) That appropriate annual training is provided to each purchase card holder and each official with responsibility for overseeing the use of purchase cards issued by the Department of Defense.

(c) PENALTIES FOR VIOLATIONS.—The Secretary shall provide in the regulations prescribed under subsection (a)—

(1) that procedures are implemented providing for appropriate punishment of employees of the Department of Defense for violations of such regulations and for negligence, misuse, abuse, or fraud with respect to a purchase card, including dismissal in appropriate cases; and

(2) that a violation of such regulations by a person subject to chapter 47 of this title (the Uniform Code of Military Justice) is punishable as a violation of section 892 of this title (article 92 of the Uniform Code of Military Justice).

* * * * * * *

§ 2787. Reports of survey

(a) REGULATIONS.—Under such regulations as the Secretary of Defense may prescribe, any officer of the Army, Navy, Air Force, or Marine Corps or any civilian employee of the Department of Defense designated by the Secretary may act upon reports of surveys and vouchers pertaining to the loss, spoilage, unserviceability, unsuitability, or destruction of, or damage to, property of the United States under the control of the Department of Defense.

(b) FINALITY OF ACTION.—Action taken under subsection (a) is final, except that action holding a person pecuniarily liable for loss, spoilage, destruction, or damage is not final until approved by the Secretary.

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CHAPTER 169—MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING

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SUBCHAPTER I—MILITARY CONSTRUCTION

* * * * * * *

§ 2810. Construction projects for environmental response actions

[(a) Subject to subsection (b), the Secretary of Defense may carry out a military construction project not otherwise authorized by law (or may authorize the Secretary of a military department to carry out such a project) if the Secretary of Defense determines that the project is necessary to carry out a response action under chapter 160 of this title or under the Comprehensive Environmental Reponse, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).]

(a) AUTHORITY TO CARRY OUT UNAUTHORIZED CONSTRUCTION PROJECTS.—The Secretary concerned may carry out a military construction project not otherwise authorized by law if the Secretary determines that the project is necessary to carry out a response under chapter 160 of this title or the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(b)[(1) When a decision is made to carry out a military construction project under this section, the Secretary of Defense shall submit a report in writing to the appropriate committees of Congress on that decision.] *CONGRESSIONAL NOTIFICATION.—(1) When a decision is made to carry out a military construction project under this section that exceeds the amount specified in section 2805(b)(1) of this title, the Secretary concerned shall submit a report in writing to the appropriate committees of Congress on that decision.* Each such report shall include—

(A) the justification for the project and the current estimate of the cost of the project; and

(B) the justification for carrying out the project under this section.

(2) The project may then be carried out only after the end of the 21-day period beginning on the date the notification is received by such committees.

(c) *RESPONSE DEFINED.*—In this section, the term "response [action]" has the meaning given that term in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

* * * * * * *

§ 2814. Special authority for development of Ford Island, Hawaii

(a) * * *

* * * * * * *

(i) USE OF ACCOUNT.—(1) * * *

* * * * * * *

(3)[(A) The Secretary may transfer funds from the Ford Island Improvement Account to the following funds:

[(i) The Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of this title.

[(ii) The Department of Defense Military Unaccompanied Housing Improvement Fund established by section 2883(a)(2) of this title.] *(A) The Secretary may transfer funds from the Ford Island Improvement Account to the Department of Defense*

Housing Improvement Fund established by section 2883(a) of this title.

(B) Amounts transferred under subparagraph (A) to [a fund] *the Fund* referred to in that subparagraph shall be available in accordance with the provisions of section 2883 of this title for activities authorized under subchapter IV of this chapter at Ford Island.

* * * * * * *

§ 2815. Joint use military construction projects: annual evaluation

(a) * * *

(b) ANNUAL EVALUATION.—In the case of the budget submitted under section 1105 of title 31 [for fiscal year 2003 and each fiscal year thereafter] *for any fiscal year*, the Secretary of Defense shall include in the budget justification materials submitted to Congress in support of the budget a certification by each Secretary concerned that, in evaluating military construction projects for inclusion in the budget for that fiscal year, the Secretary concerned evaluated the feasibility of carrying out the projects as joint use military construction projects.

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SUBCHAPTER II—MILITARY FAMILY HOUSING

* * * * * * *

§ 2828. Leasing of military family housing

(a) * * *

(b)(1) * * *

(2) Except as provided in paragraphs (3) and (4), expenditures for the rental of housing units under subsection (a) (including the cost of utilities, maintenance, and operation) may not exceed $12,000 per unit per year, as adjusted from time to *time* under paragraph (5).

* * * * * * *

(e)(1) * * *

* * * * * * *

[(3) In addition to the 450 units of family housing referred to in paragraph (1) for which the maximum lease amount is $25,000 per unit per year, the Secretary of the Army may lease not more than 800 units of family housing in Korea subject to that maximum lease amount.]

(3) In addition to the 450 units of family housing referred to in paragraph (1) for which the maximum lease amount is $25,000 per unit per year, the Secretary of the Army may lease in Korea—

(A) not more than 1,175 units of family housing subject to that maximum lease amount; and

(B) not more than 2,400 units of family housing subject to a maximum lease amount of $35,000 per unit per year.

* * * * * * *

SUBCHAPTER IV—ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING

Sec.
2871. Definitions.

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[2874. Leasing of housing to be constructed.]
2874. Leasing of housing.

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[2879. Interim leases.]

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[2883. Department of Defense Housing Funds.]
2883. Department of Defense Housing Improvement Fund.

* * * * * * *

§ 2871. Definitions

In this subchapter:

(1) * * *

* * * * * * *

(6) The term "Fund" means the [Department of Defense Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund] *Department of Defense Housing Improvement Fund* established under section 2883(a) of this title.

* * * * * * *

§ 2872a. Utilities and services

(a) * * *

(b) COVERED UTILITIES AND SERVICES.—The utilities and services that may be furnished under subsection (a) are the following:

(1) * * *

* * * * * * *

(11) Firefighting and fire protection services.

(12) Police protection services.

* * * * * * *

[§ 2874. Leasing of housing to be constructed

[(a) BUILD AND LEASE AUTHORIZED.—The Secretary concerned may enter into contracts for the lease of military family housing units or military unaccompanied housing units to be constructed under this subchapter.]

§ 2874. Leasing of housing

(a) LEASE AUTHORIZED.—(1) The Secretary concerned may enter into contracts for the lease of housing units that the Secretary determines are suitable for use as military family housing or military unaccompanied housing.

(2) The Secretary concerned shall utilize housing units leased under paragraph (1) as military family housing or military unaccompanied housing, as appropriate.

* * * * * * *

§ 2875. Investments

(a) * * *

* * * * * * *

(e) CONGRESSIONAL NOTIFICATION REQUIRED.—Amounts in the [Department of Defense Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund] *Department of Defense Housing Improvement Fund* may be used to make a cash investment under this section in an eligible entity only after the end of the 30-day period beginning on the date the Secretary of Defense submits written notice of, and justification for, the investment to the appropriate committees of Congress.

* * * * * * *

[§ 2879. Interim leases

[Pending completion of a project to acquire or construct military family housing units or military unaccompanied housing units under this subchapter, the Secretary concerned may provide for the interim lease of such units of the project as are complete. The term of a lease under this section may not extend beyond the date of the completion of the project concerned.]

§ 2880. Unit size and type

(a) * * *

(b) INAPPLICABILITY OF LIMITATIONS ON SPACE BY PAY GRADE.—(1) * * *

(2) The regulations prescribed under section 2856 of this title shall not apply to any military unaccompanied housing unit acquired or constructed under this subchapter [unless the unit is located on a military installation].

* * * * * * *

[§ 2883. Department of Defense Housing Funds

[(a) ESTABLISHMENT.—There are hereby established on the books of the Treasury the following accounts:

[(1) The Department of Defense Family Housing Improvement Fund.

[(2) The Department of Defense Military Unaccompanied Housing Improvement Fund.

[(b) COMMINGLING OF FUNDS PROHIBITED.—(1) The Secretary of Defense shall administer each Fund separately.

[(2) Amounts in the Department of Defense Family Housing Improvement Fund may be used only to carry out activities under this subchapter with respect to military family housing.

[(3) Amounts in the Department of Defense Military Unaccompanied Housing Improvement Fund may be used only to carry out activities under this subchapter with respect to military unaccompanied housing.

[(c) CREDITS TO FUNDS.—(1) There shall be credited to the Department of Defense Family Housing Improvement Fund the following:

[(A) Amounts authorized for and appropriated to that Fund.

[(B) Subject to subsection (f), any amounts that the Secretary of Defense transfers, in such amounts as provided in appropriation Acts, to that Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or construction of military family housing.

[(C) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this subchapter with respect to military family housing.

[(D) Income derived from any activities under this subchapter with respect to military family housing, including interest on loans made under section 2873 of this title, income and gains realized from investments under section 2875 of this title, and any return of capital invested as part of such investments.

[(E) Any amounts that the Secretary of the Navy transfers to that Fund pursuant to section 2814(i)(3) of this title, subject to the restrictions on the use of the transferred amounts specified in that section.

[(2) There shall be credited to the Department of Defense Military Unaccompanied Housing Improvement Fund the following:

[(A) Amounts authorized for and appropriated to that Fund.

[(B) Subject to subsection (f), any amounts that the Secretary of Defense transfers, in such amounts as provided in appropriation Acts, to that Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or construction of military unaccompanied housing.

[(C) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this subchapter with respect to military unaccompanied housing.

[(D) Income derived from any activities under this subchapter with respect to military unaccompanied housing, including interest on loans made under section 2873 of this title, income and gains realized from investments under section 2875 of this title, and any return of capital invested as part of such investments.

[(E) Any amounts that the Secretary of the Navy transfers to that Fund pursuant to section 2814(i)(3) of this title, subject to the restrictions on the use of the transferred amounts specified in that section.]

§ 2883. Department of Defense Housing Improvement Fund

(a) ESTABLISHMENT.—There is hereby established on the books of the Treasury an account to be known as the Department of Defense Housing Improvement Fund (in this section referred to as the "Fund").

(b) CREDITS TO FUND.—There shall be credited to the Fund the following:

(1) Amounts authorized for and appropriated to the Fund.

(2) Subject to subsection (e), any amounts that the Secretary of Defense transfers, in such amounts as are provided for in appropriation Acts, to the Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or

construction of military family housing or military unaccompanied housing.

(3) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this subchapter with respect to military family housing or military unaccompanied housing.

(4) Income derived from any activities under this subchapter with respect to military family housing or military unaccompanied housing, income and gains realized from investments under section 2875 of this title, and any return of capital invested as part of such investments.

(5) Any amounts that the Secretary of the Navy transfers to the Fund pursuant to section 2814(i)(3) of this title, subject to the restrictions on the use of the transferred amounts specified in that section.

[(d)] *(c)* USE OF AMOUNTS IN [FUNDS] *FUND*.—(1) In such amounts as provided in appropriation Acts and except as provided in subsection [(e)] *(d)*, the Secretary of Defense may use amounts in the [Department of Defense Family Housing Improvement] Fund to carry out activities under this subchapter with respect to military family housing, including activities required in connection with the planning, execution, and administration of contracts entered into under the authority of this subchapter. The Secretary may also use for expenses of activities required in connection with the planning, execution, and administration of such contracts funds that are otherwise available to the Department of Defense for such types of expenses.

[(2) In such amounts as provided in appropriation Acts and except as provided in subsection (e), the Secretary of Defense may use amounts in the Department of Defense Military Unaccompanied Housing Improvement Fund to carry out activities under this subchapter with respect to military unaccompanied housing, including activities required in connection with the planning, execution, and administration of contracts entered into under the authority of this subchapter. The Secretary may also use for expenses of activities required in connection with the planning, execution, and administration of such contracts funds that are otherwise available to the Department of Defense for such types of expenses.]

[(3)] *(2)* Amounts made available under this subsection shall remain available until expended. The Secretary of Defense may transfer amounts made available under this subsection to the Secretaries of the military departments to permit such Secretaries to carry out the activities for which such amounts may be used.

[(e)] *(d)* LIMITATION ON OBLIGATIONS.—The Secretary may not incur an obligation under a contract or other agreement entered into under this subchapter in excess of the unobligated balance, at the time the contract is entered into, of the Fund [required to be used to satisfy the obligation].

[(f)] *(e)* NOTIFICATION REQUIRED FOR TRANSFERS.—A transfer of appropriated amounts to [a Fund under paragraph (1)(B) or (2)(B) of subsection (c)] *the Fund under subsection (b)(2)* may be made only after the end of the 30-day period beginning on the date the Secretary of Defense submits written notice of, and justification for, the transfer to the appropriate committees of Congress.

[(g)] *(f)* LIMITATION ON AMOUNT OF BUDGET AUTHORITY.—The total value in budget authority of all contracts and investments undertaken using the authorities provided in this subchapter shall not exceed—

(1) [$850,000,000] *$1,700,000,000* for the acquisition or construction of military family housing; and

(2) [$150,000,000] *$300,000,000* for the acquisition or construction of military unaccompanied housing.

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Subtitle B—Army

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PART I—ORGANIZATION

* * * * * * *

CHAPTER 305—THE ARMY STAFF

* * * * * * *

§ 3038. Office of Army Reserve: appointment of Chief

(a) * * *

(b) APPOINTMENT.—(1) * * *

* * * * * * *

(4) Until [October 1, 2003] *December 31, 2004*, the Secretary of Defense may waive subparagraph (B) of paragraph (2) with respect to the appointment of an officer as Chief of Army Reserve if the Secretary of the Army requests the waiver and, in the judgment of the Secretary of Defense—

(A) the officer is qualified for service in the position; and

(B) the waiver is necessary for the good of the service.

Any such waiver shall be made on a case-by-case basis.

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CHAPTER 307—THE ARMY

Sec.
3061. Regulations.

* * * * * * *

3084. Chief of Veterinary Corps: grade.

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§ 3084. Chief of Veterinary Corps: grade

The Chief of the Veterinary Corps of the Army serves in the grade of brigadier general. An officer appointed to that position who holds a lower grade shall be appointed in the grade of brigadier general.

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PART III—TRAINING

* * * * * * *

CHAPTER 403—UNITED STATES MILITARY ACADEMY

* * * * * * *

§ 4342. Cadets: appointment; numbers, territorial distribution

(a) The authorized strength of the Corps of Cadets of the Academy (determined for any year as of the day before the last day of the academic year) is 4,000 *or such higher number as may be prescribed by the Secretary of the Army under subsection (j)*. Subject to that limitation, cadets are selected as follows:

(1) * * *

* * * * * * *

(i) For purposes of the limitation in subsection (a) establishing the aggregate authorized strength of the Corps of Cadets, the Secretary of the Army may for any year **[**(beginning with the 2001–2002 academic year)**]** permit a variance in that limitation by not more than one percent. In applying that limitation, and any such variance, the last day of an academic year shall be considered to be graduation day.

(j)(1) Beginning with the 2003–2004 academic year, the Secretary of the Army may prescribe annual increases in the cadet strength limit in effect under subsection (a). For any academic year, any such increase shall be by no more than 100 cadets or such lesser number as applies under paragraph (3) for that year. Such annual increases may be prescribed until the cadet strength limit is 4,400. However, no increase may be prescribed for any academic year after the 2007–2008 academic year.

(2) Any increase in the cadet strength limit under paragraph (1) with respect to an academic year shall be prescribed not later than the date on which the budget of the President is submitted to Congress under section 1105 of title 31 for the fiscal year beginning in the same year as the year in which that academic year begins. Whenever the Secretary prescribes such an increase, the Secretary shall submit to Congress a notice in writing of the increase. The notice shall state the amount of the increase in the cadet strength limit and the new cadet strength limit, as so increased, and the amount of the increase in Senior Army Reserve Officers' Training Corps enrollment under each of sections 2104 and 2107 of this title.

(3) The amount of an increase under paragraph (1) in the cadet strength limit for an academic year may not exceed the increase (if any) for the preceding academic year in the total number of cadets enrolled in the Army Senior Reserve Officers' Training Corps program under chapter 103 of this title who have entered into an agreement under section 2104 or 2107 of this title.

(4) In this subsection, the term "cadet strength limit" means the authorized maximum strength of the Corps of Cadets of the Academy.

* * * * * * *

§ 4357. Acceptance of guarantees with gifts for major projects

(a) ACCEPTANCE AUTHORITY.—**[**Subject to subsection (c), the Secretary**]** *The Secretary* of the Army may accept from a donor or do-

nors a qualified guarantee for the completion of a major project for the benefit of the Academy.

* * * * * * *

[(c) NOTICE OF PROPOSED ACCEPTANCE.—The Secretary of the Army may not accept a qualified guarantee under this section for the completion of a major project until after the expiration of 30 days following the date upon which a report of the facts concerning the proposed guarantee is submitted to Congress.]

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CHAPTER 407—SCHOOLS AND CAMPS

* * * * * * *

§ 4416. Academy of Health Sciences: admission of civilians in physician assistant training program

(a) * * *

* * * * * * *

[(f) ANNUAL REPORT.—(1) Each year, the Secretary shall submit to Congress a report on the exchange of services under this section during the year. The report shall contain the following:

[(A) The number of civilian students who receive instruction at the Academy under this section.

[(B) An assessment of the benefits derived by the United States.

[(2) Reports are required under paragraph (1) only for years during which an agreement is in effect under this section.]

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PART IV—SERVICE, SUPPLY, AND PROCUREMENT

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CHAPTER 453—ACCOUNTABILITY AND RESPONSIBILITY

Sec.
4831. Custody of departmental records and property.
* * * * * * *
[4835. Reports of survey.]
* * * * * * *

[§ 4835. Reports of survey

[(a) Under such regulations as the Secretary of the Army may prescribe, any officer of the Army or any civilian employee of the Department of the Army designated by him may act upon reports of surveys and vouchers pertaining to the loss, spoilage, unserviceability, unsuitability, or destruction of or damage to property of the United States under the control of the Department of the Army.

[(b) Action taken under subsection (a) is final, except that action holding a person pecuniarily liable for loss, spoilage, destruction, or damage is not final until approved by the Secretary or the Secretary's designee. The Secretary may designate officers of the Army

or civilian employees of the Department of the Army to approve such action.]

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Subtitle C—Navy and Marine Corps

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PART I—ORGANIZATION

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CHAPTER 506—HEADQUARTERS, MARINE CORPS

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§ 5045. Deputy Commandants

There are in the Headquarters, Marine Corps, not more than [five] *six* Deputy Commandants, detailed by the Secretary of the Navy from officers on the active-duty list of the Marine Corps.

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CHAPTER 513—BUREAUS; OFFICE OF THE JUDGE ADVOCATE GENERAL

§ 5143. Office of Naval Reserve: appointment of Chief

(a) * * *

(b) APPOINTMENT.—(1) * * *

* * * * * * *

(4) Until [October 1, 2003] *December 31, 2004*, the Secretary of Defense may waive subparagraph (B) of paragraph (2) with respect to the appointment of an officer as Chief of Naval Reserve if the Secretary of the Navy requests the waiver and, in the judgment of the Secretary of Defense—

(A) the officer is qualified for service in the position; and

(B) the waiver is necessary for the good of the service.

Any such waiver shall be made on a case-by-case basis.

* * * * * * *

§ 5144. Office of Marine Forces Reserve: appointment of Commander

(a) * * *

(b) APPOINTMENT.—(1) * * *

* * * * * * *

(4) Until [October 1, 2003] *December 31, 2004*, the Secretary of Defense may waive subparagraph (B) of paragraph (2) with respect to the appointment of an officer as Commander, Marine Forces Reserve, if the Secretary of the Navy requests the waiver and, in the judgment of the Secretary of Defense—

(A) * * *

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PART II—PERSONNEL

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CHAPTER 544—TEMPORARY APPOINTMENTS

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§ 5721. Temporary promotions of certain Navy lieutenants

(a) * * *

* * * * * * *

(f) LIMITATION ON NUMBER OF ELIGIBLE POSITIONS.—**[**(1)**]** An appointment under this section may only be made for service in a position designated by the Secretary of the Navy for purposes of this section. The number of positions so designated may not exceed 325.

[(2) Whenever the Secretary makes a change to the positions designated under paragraph (1), the Secretary shall submit notice of the change in writing to Congress.**]**

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PART III—EDUCATION AND TRAINING

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CHAPTER 603—UNITED STATES NAVAL ACADEMY

* * * * * * *

§ 6954. Midshipmen: number

(a) The authorized strength of the Brigade of Midshipmen (determined for any year as of the day before the last day of the academic year) is 4,000 *or such higher number as may be prescribed by the Secretary of the Navy under subsection (h)*. Subject to that limitation, midshipmen are selected as follows:

(1) * * *

* * * * * * *

(h)(1) Beginning with the 2003–2004 academic year, the Secretary of the Navy may prescribe annual increases in the midshipmen strength limit in effect under subsection (a). For any academic year, any such increase shall be by no more than 100 midshipmen or such lesser number as applies under paragraph (3) for that year. Such annual increases may be prescribed until the midshipmen strength limit is 4,400. However, no increase may be prescribed for any academic year after the 2007–2008 academic year.

(2) Any increase in the midshipmen strength limit under paragraph (1) with respect to an academic year shall be prescribed not later than the date on which the budget of the President is submitted to Congress under section 1105 of title 31 for the fiscal year beginning in the same year as the year in which that academic year begins. Whenever the Secretary prescribes such an increase, the Secretary shall submit to Congress a notice in writing of the increase. The notice shall state the amount of the increase in the midshipmen strength limit and the new midshipmen strength limit, as so increased, and the amount of the increase in Senior Navy Reserve Of-

ficers' Training Corps enrollment under each of sections 2104 and 2107 of this title.

(3) The amount of an increase under paragraph (1) in the midshipmen strength limit for an academic year may not exceed the increase (if any) for the preceding academic year in the total number of midshipmen enrolled in the Navy Senior Reserve Officers' Training Corps program under chapter 103 of this title who have entered into an agreement under section 2104 or 2107 of this title.

(4) In this subsection, the term "midshipmen strength limit" means the authorized maximum strength of the Brigade of Midshipmen.

* * * * * * *

§ 6975. Acceptance of guarantees with gifts for major projects

(a) ACCEPTANCE AUTHORITY.—**[**Subject to subsection (c), the Secretary**]** *The Secretary* of the Navy may accept from a donor or donors a qualified guarantee for the completion of a major project for the benefit of the Naval Academy.

* * * * * * *

[(c) NOTICE OF PROPOSED ACCEPTANCE.—The Secretary of the Navy may not accept a qualified guarantee under this section for the completion of a major project until after the expiration of 30 days following the date upon which a report of the facts concerning the proposed guarantee is submitted to Congress.**]**

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Subtitle D—Air Force

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PART I—ORGANIZATION

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CHAPTER 805—THE AIR STAFF

* * * * * * *

§ 8038. Office of Air Force Reserve: appointment of Chief

(a) * * *

(b) APPOINTMENT.—(1) * * *

* * * * * * *

(4) Until **[**October 1, 2003**]** *December 31, 2004*, the Secretary of Defense may waive subparagraph (B) of paragraph (2) with respect to the appointment of an officer as Chief of Air Force Reserve if the Secretary of the Air Force requests the waiver and, in the judgment of the Secretary of Defense—

(A) the officer is qualified for service in the position; and

(B) the waiver is necessary for the good of the service.

Any such waiver shall be made on a case-by-case basis.

* * * * * * *

PART III—TRAINING

* * * * * * *

CHAPTER 903—UNITED STATES AIR FORCE ACADEMY

* * * * * * *

§ 9342. Cadets: appointment; numbers, territorial distribution

(a) The authorized strength of Air Force Cadets of the Academy (determined for any year as of the day before the last day of the academic year) is 4,000 *or such higher number as may be prescribed by the Secretary of the Air Force under subsection (j)*. Subject to that limitation, Air Force Cadets are selected as follows:

(1) * * *

* * * * * * *

(j)(1) Beginning with the 2003–2004 academic year, the Secretary of the Air Force may prescribe annual increases in the cadet strength limit in effect under subsection (a). For any academic year, any such increase shall be by no more than 100 cadets or such lesser number as applies under paragraph (3) for that year. Such annual increases may be prescribed until the cadet strength limit is 4,400. However, no increase may be prescribed for any academic year after the 2007–2008 academic year.

(2) Any increase in the cadet strength limit under paragraph (1) with respect to an academic year shall be prescribed not later than the date on which the budget of the President is submitted to Congress under sections 1105 of title 31 for the fiscal year beginning in the same year as the year in which that academic year begins. Whenever the Secretary prescribes such an increase, the Secretary shall submit to Congress a notice in writing of the increase. The notice shall state the amount of the increase in the cadet strength limit and the new cadet strength limit, as so increased, and the amount of the increase in Senior Air Force Reserve Officers' Training Corps enrollment under each of sections 2104 and 2107 of this title.

(3) The amount of an increase under paragraph (1) in the cadet strength limit for an academic year may not exceed the increase (if any) for the preceding academic year in the total number of cadets enrolled in the Air Force Senior Reserve Officers' Training Corps program under chapter 103 of this title who have entered into an agreement under section 2104 or 2107 of this title.

(4) In this subsection, the term "cadet strength limit" means the authorized maximum strength of Air Force Cadets of the Academy.

* * * * * * *

§ 9356. Acceptance of guarantees with gifts for major projects

(a) ACCEPTANCE AUTHORITY.—**[**Subject to subsection (c), the Secretary**]** *The Secretary* of the Air Force may accept from a donor or donors a qualified guarantee for the completion of a major project for the benefit of the Academy.

* * * * * * *

[(c) NOTICE OF PROPOSED ACCEPTANCE.—The Secretary of the Air Force may not accept a qualified guarantee under this section for the completion of a major project until after the expiration of 30 days following the date upon which a report of the facts concerning the proposed guarantee is submitted to Congress.]

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PART IV—SERVICE, SUPPLY, AND PROCUREMENT

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CHAPTER 953—ACCOUNTABILITY AND RESPONSIBILITY

Sec.
9831. Custody of departmental records and property.
* * * * * * *
[9835. Reports of survey.]
* * * * * * *

[§ 9835. Reports of survey

[(a) Under such regulations as the Secretary of the Air Force may prescribe, any officer of the Air Force designated by him may act upon reports of surveys and vouchers pertaining to the loss, spoilage, unserviceability, unsuitability, or destruction of or damage to property of the United States under the control of the Department of the Air Force.

[(b) Action taken under subsection (a) is final, except that action holding a person pecuniarily liable for loss, spoilage, destruction, or damage is not final until approved by the Secretary or an officer of the Air Force designated by him.]

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Subtitle E—Reserve Components

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PART I—ORGANIZATION AND ADMINISTRATION

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CHAPTER 1007—ADMINISTRATION OF RESERVE COMPONENTS

* * * * * * *

§ 10217. Non-dual status technicians

(a) * * *

* * * * * * *

(c) PERMANENT LIMITATIONS ON NUMBER.—(1) * * *

(2) [Effective October 1, 2002, the] *The* total number of non-dual status technicians employed by the National Guard may not exceed 1,950. If at any time [after the preceding sentence takes effect] the

number of non-dual status technicians employed by the National Guard exceeds the number specified in the limitation in the preceding sentence, the Secretary of Defense shall require that the Secretary of the Army or the Secretary of the Air Force, or both, take immediate steps to reduce the number of such technicians in order to comply with such limitation.

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CHAPTER 1011—NATIONAL GUARD BUREAU

* * * * * * *

§ 10506. Other senior National Guard Bureau officers

(a) ADDITIONAL GENERAL OFFICERS.—(1) * * *

* * * * * * *

(3)(A) * * *

* * * * * * *

(D) Until [October 1, 2003] *December 31, 2004*, the Secretary of Defense may waive clause (ii) of subparagraph (B) with respect to the appointment of an officer as Director, Army National Guard, or as Director, Air National Guard, if the Secretary of the military department concerned requests the waiver and, in the judgment of the Secretary of Defense—

(i) the officer is qualified for service in the position; and

(ii) the waiver is necessary for the good of the service.

Any such waiver shall be made on a case-by-case basis.

* * * * * * *

PART II—PERSONNEL GENERALLY

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CHAPTER 1201—AUTHORIZED STRENGTHS AND DISTRIBUTION IN GRADE

* * * * * * *

§ 12004. Strength in grade: reserve general and flag officers in an active status

(a) * * *

* * * * * * *

(f)(1) A general or flag officer who is on active duty but who is not counted under section 526(a) of this title by reason of section 526(b)(2)(B) of this title shall also be excluded from being counted under subsection (a).

(2) This subsection shall cease to be effective on the date specified in section 526(b)(3) of this title.

* * * * * * *

CHAPTER 1203—ENLISTED MEMBERS

* * * * * * *

§ 12103. Reserve components: terms

(a) * * *

* * * * * * *

(d) Under regulations to be prescribed by the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a non-prior-service person who is qualified for induction for active duty in an armed force and who is not under orders to report for induction into an armed force under the Military Selective Service Act (50 U.S.C. App. 451 et seq.), except as provided in section 6(c)(2)(A)(ii) and (iii) of such Act, may be enlisted in the Army National Guard or the Air National Guard, or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve, for a term of not less than six years nor more than eight years. Each person enlisted under this subsection shall perform an initial period of active duty for training of not less than twelve weeks to commence insofar as practicable within [270 days] *one year* after the date of that enlistment.

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CHAPTER 1209—ACTIVE DUTY

* * * * * * *

§ 12302. Ready Reserve

(a) * * *

(b) To achieve fair treatment as between members in the Ready Reserve who are being considered for recall to duty without their consent, consideration shall be given to—

(1) * * *

* * * * * * *

The Secretary of Defense shall prescribe such policies and procedures as he considers necessary to carry out this subsection. [He shall report on those policies and procedures at least once a year to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.]

* * * * * * *

[(d) Whenever one or more units of the Ready Reserve are ordered to active duty, the President shall, on the first day of the second fiscal year quarter immediately following the quarter in which the first unit or units are ordered to active duty and on the first day of each succeeding six-month period thereafter, so long as such unit is retained on active duty, submit a report to the Congress regarding the necessity for such unit or units being ordered to and retained on active duty. The President shall include in each such report a statement of the mission of each such unit ordered to active duty, an evaluation of such unit's performance of that mission, where each such unit is being deployed at the time of the report, and such other information regarding each unit as the President deems appropriate.]

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§ 12310. Reserves: for organizing, administering, etc., reserve components

(a) * * *

* * * * * * *

(c) DUTIES RELATING TO DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION.—(1) * * *

* * * * * * *

(3) A Reserve may perform duties described in paragraph (1) [only—

[(A) while assigned to the Department of Defense Consequence Management Program Integration Office; or

[(B) while assigned] *only while assigned* to a reserve component rapid assessment element team and performing those duties within the geographical limits of the United States, its territories and possessions, the District of Columbia, and the Commonwealth of Puerto Rico.

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CHAPTER 1223—RETIRED PAY FOR NON-REGULAR SERVICE

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§ 12731. Age and service requirements

(a) Except as provided in subsection (c), a person is entitled, upon application, to retired pay computed under section 12739 of this title, if the person—

(1) * * *

* * * * * * *

(3) performed the last [eight] *six* years of qualifying service while a member of any category named in section 12732(a)(1) of this title, but not while a member of a regular component, the Fleet Reserve, or the Fleet Marine Corps Reserve; and

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PART III—PROMOTION AND RETENTION OF OFFICERS ON THE RESERVE ACTIVE-STATUS LIST

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CHAPTER 1405—PROMOTIONS

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§ 14301. Eligibility for consideration for promotion: general rules

(a) * * *

* * * * * * *

[(g) A reserve component brigadier general of the Army or the Air Force who is in an inactive status is eligible (notwithstanding subsection (a)) for consideration for promotion to major general by

a promotion board convened under section 14101(a) of this title if the officer—

[(1) has been in an inactive status for less than one year as of the date of the convening of the promotion board; and

[(2) had continuously served for at least one year on the reserve active status list or the active duty list (or a combination of both) immediately before the officer's most recent transfer to an inactive status.]

(g) BRIGADIER GENERALS.—(1) An officer who is a reserve component brigadier general of the Army or the Air Force who is not eligible for consideration for promotion under subsection (a) because the officer is not on the reserve active status list (as required by paragraph (1) of that subsection for such eligibility) is nevertheless eligible for consideration for promotion to the grade of major general by a promotion board convened under section 14101(a) of this title if—

(A) as of the date of the convening of the promotion board, the officer has been in an inactive status for less than one year; and

(B) immediately before the date of the officer's most recent transfer to an inactive status, the officer had continuously served on the reserve active status list or the active-duty list (or a combination of the reserve active status list and the active-duty list) for at least one year.

(2) An officer who is a reserve component brigadier general of the Army or the Air Force who is on the reserve active status list but who is not eligible for consideration for promotion under subsection (a) because the officer's service does not meet the one-year-of-continuous-service requirement under paragraph (2) of that subsection is nevertheless eligible for consideration for promotion to the grade of major general by a promotion board convened under section 14101(a) of this title if—

(A) the officer was transferred from an inactive status to the reserve active status list during the one-year period preceding the date of the convening of the promotion board;

(B) immediately before the date of the officer's most recent transfer to an active status, the officer had been in an inactive status for less than one year; and

(C) immediately before the date of the officer's most recent transfer to an inactive status, the officer had continuously served for at least one year on the reserve active status list or the active-duty list (or a combination of the reserve active status list and the active-duty list).

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§ 14317. Officers in transition to and from the active-status list or active-duty list

(a) * * *

* * * * * * *

(f) EFFECT OF TRANSFER OF OFFICERS IN PAY GRADE O–7 TO INACTIVE STATUS.—Notwithstanding subsection (a), if a reserve officer on the active-status list in the grade of brigadier general or rear admiral (lower half) is transferred to an inactive status after having been recommended for promotion to the grade of major general or rear admiral under this chapter, or after having been found qualified for Federal recognition in the grade of major general under title

32, but before being promoted, the officer shall retain promotion eligibility and, if otherwise qualified, may be promoted to the higher grade after returning to an active status.

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CHAPTER 1407—FAILURE OF SELECTION FOR PROMOTION AND INVOLUNTARY SEPARATION

Sec.
14501. Failure of selection for promotion.

* * * * * * *

14519. Deferment of retirement or separation for medical reasons.

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§ 14519. Deferment of retirement or separation for medical reasons

(a) If the Secretary of the military department concerned determines that the evaluation of the physical condition of a Reserve officer and determination of the officer's entitlement to retirement or separation for physical disability require hospitalization or medical observation and that such hospitalization or medical observation cannot be completed with confidence in a manner consistent with the officer's well-being before the date on which the officer would otherwise be required to be separated, retired, or transferred to the Retired Reserve under this title, the Secretary may defer the separation, retirement, or transfer of the officer under this title.

(b) A deferral under subsection (a) of separation, retirement, or transfer to the Retired Reserve may not extend for more than 30 days after completion of the evaluation requiring hospitalization or medical observation.

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PART IV—TRAINING FOR RESERVE COMPONENTS AND EDUCATIONAL ASSISTANCE PROGRAMS

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CHAPTER 1606—EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE SELECTED RESERVE

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§ 16133. Time limitation for use of entitlement

(a) Except as provided in subsection (b), the period during which a person entitled to educational assistance under this chapter may use such person's entitlement expires (1) at the end of the [10-year] *14-year* period beginning on the date on which such person becomes entitled to such assistance, or (2) on the date the person is separated from the Selected Reserve, whichever occurs first.

* * * * * * *

CHAPTER 1609—EDUCATION LOAN REPAYMENT PROGRAMS

* * * * * * *

§ 16302. Education loan repayment program: health professions officers serving in Selected Reserve with wartime critical medical skill shortages

(a) * * *

* * * * * * *

(d) The authority provided in this section shall apply only in the case of a person first appointed as a commissioned officer before January 1, [2003] *2004*.

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SECTION 216 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

SEC. 216. MANAGEMENT OF NAVY MINE COUNTERMEASURES PROGRAMS.

(a) RESPONSIBILITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition and Technology shall have the primary responsibility for developing and testing naval mine countermeasures systems during fiscal years 1996 [through 2003] *through 2008*.

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STROM THURMOND NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

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TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

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Subtitle D—Other Matters

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SEC. 246. PILOT PROGRAM FOR REVITALIZING THE LABORATORIES AND TEST AND EVALUATION CENTERS OF THE DEPARTMENT OF DEFENSE.

(a) PILOT PROGRAM.—(1) The Secretary of Defense may carry out a pilot program to demonstrate improved cooperative relationships with universities and other private sector entities for the perform-

ance of research and development functions*, and to demonstrate improved efficiency in the performance of the research, development, test, and evaluation functions of the Department of Defense*.

* * * * * * *

(4) The Secretary may carry out the pilot program at each selected laboratory and center [for a period of three years beginning not later than March 1, 1999.] *until March 1, 2008.*

(b) REPORTS.—(1) * * *

(2) [Promptly after the expiration of the period for participation of a laboratory or center in the pilot program, the Secretary of Defense shall submit to Congress a final report on the participation of the laboratory or center in the pilot program. The report shall contain] *Not later than December 31 of each year, the Secretary of Defense shall submit to the congressional defense committees a report on the activities of the pilot program during the preceding fiscal year. Each such report shall contain, for each laboratory or center in the pilot program,* the following:

(A) * * *

* * * * * * *

(3) Not later than March 1, 2007, the Secretary of Defense shall submit to the committees referred to in paragraph (2) the Secretary's recommendation as to whether, and to what extent, the authority to carry out the pilot program should be extended.

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DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1999".

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TITLE XXIV—DEFENSE AGENCIES

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SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization	Aberdeen Proving Ground, Maryland	$223,950,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
* *	Newport Army Depot, Indiana	[$191,550,000] *$293,853,000*
	* *	* * *
	Total	[$727,616,000] *$829,919,000*

* * * * * * *

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) * * *

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) * * *

(2) [$162,050,000] *$264,353,000* (the balance of the amount authorized under section 2401(a) for the construction of the Ammunition Demilitarization Facility at Newport Army Depot, Indiana); and

* * * * * * *

TITLE XXVIII—GENERAL PROVISIONS

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Subtitle D—Land Conveyances

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PART II—NAVY CONVEYANCES

SEC. 2851. CONVEYANCE OF EASEMENT, MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA.

(a) EASEMENT AUTHORIZED.—The Secretary of the Navy may grant an easement, in perpetuity, to the Foothill/Eastern Transportation Corridor Agency (in this section referred to as the "Agency") over a parcel of real property at Marine Corps Base, Camp Pendleton, California, consisting of approximately 340 acres to permit the recipient of the [easement to construct, operate, and maintain, notwithstanding any provision of State law to the contrary, a restricted access highway.] *easement to construct, operate, and maintain a restricted access highway, notwithstanding any provision of State law that would otherwise prevent the Secretary from granting the easement or the Agency from constructing, operating, or maintaining the restricted access highway.* The area covered by the easement shall include slopes and all necessary incidents thereto.

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DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

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TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

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Subtitle D—Other Matters

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SEC. 3159. PANEL TO ASSESS THE RELIABILITY, SAFETY, AND SECURITY OF THE UNITED STATES NUCLEAR STOCKPILE.

(a) * * *

* * * * * * *

(d) REPORT.—Not later than October 1 of 1999 and 2000, and not later than [February 1, 2002,] *February 1 of 2002 and 2003,* the panel shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report setting forth its findings and conclusions resulting from the review and assessment carried out for the year covered by the report. The report shall be submitted in classified and unclassified form.

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(g) TERMINATION OF PANEL.—The panel shall terminate [three years after the date of the appointment of the member designated as chairman of the panel.] *April 1, 2003.*

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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2002

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

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TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

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Subtitle C—Ballistic Missile Defense

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[SEC. 232. PROGRAM ELEMENTS FOR BALLISTIC MISSILE DEFENSE ORGANIZATION.]

SEC. 232. PROGRAM ELEMENTS FOR MISSILE DEFENSE AGENCY.

(a) * * *

* * * * * * *

(e) INTERNAL DOD REVIEWS.—(1) The officials and elements of the Department of Defense specified in paragraph (2) shall on an ongoing basis—

(A) * * *

(B) provide to the Secretary of Defense and the Director of the [Ballistic Missile Defense Organization] *Missile Defense Agency* any comments on such matters as considered appropriate.

* * * * * * *

(f) DEMONSTRATION OF CRITICAL TECHNOLOGIES.—(1) The Director of the [Ballistic Missile Defense Organization] *Missile Defense Agency* shall develop a plan for ensuring that each critical technology for a missile defense program is successfully demonstrated in an appropriate environment before that technology enters into operational service as part of a missile defense program.

(2) The Director of Operational Test and Evaluation of the Department of Defense shall monitor the development of the plan under paragraph (1) and shall submit to the Director of the [Ballistic Missile Defense Organization] *Missile Defense Agency* any comments regarding that plan that the Director of Operational Test and Evaluation considers appropriate.

(g) COMPTROLLER GENERAL ASSESSMENT.—(1) At the conclusion of each of fiscal years 2002 and 2003, the Comptroller General of the United States shall assess the extent to which the [Ballistic Missile Defense Organization] *Missile Defense Agency* achieved the goals established under subsection (c) for such fiscal year.

* * * * * * *

(h) ANNUAL OT&E ASSESSMENT OF TEST PROGRAM.—(1) The Director of Operational Test and Evaluation shall each year assess the adequacy and sufficiency of the [Ballistic Missile Defense Organization] *Missile Defense Agency* test program during the preceding fiscal year.

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TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

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Subtitle A—Pay and Allowances

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SEC. 602. BASIC PAY RATE FOR CERTAIN RESERVE COMMISSIONED OFFICERS WITH PRIOR SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER.

(a) SERVICE CREDIT.—Section 203(d) of title 37, United States Code, is amended—

(1) * * *

(2) by striking "active service as a warrant officer or as a warrant officer and [an] enlisted member" and inserting "service described in paragraph (2)"; and

* * * * * * *

TITLE XIV—ARMED FORCES RETIREMENT HOME

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SEC. 1410. CONFORMING AND CLERICAL AMENDMENTS AND REPEALS OF OBSOLETE PROVISIONS.

(a) CONFORMING AMENDMENTS.—(1) * * *

* * * * * * *

(3) Section 1520 (24 U.S.C. 420), relating to disposition of effects of deceased persons and unclaimed property, is amended—

(A) * * *

* * * * * * *

(C) in subsection (e), by striking "Directors" *both places it appears* and inserting "Director of the facility".

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DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE; DEFINITION.

(a) SHORT TITLE.—This division may be cited as the "Military Construction Authorization Act for Fiscal Year 2002".

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TITLE XXI—ARMY

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SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Anniston Army Depot	$5,150,000
* *	* * * *	*
Colorado	Fort Carson	[$66,000,000] *$67,000,000*
* *	* * * *	*
South Carolina	Fort Jackson	[$65,650,000] *$68,650,000*
* *	* * * *	*

* * * * * * *

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) * * *

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) * * *

* * * * * * *

(3) [$41,000,000] *$42,000,000* (the balance of the amount authorized under section 2201(a) for construction of phase 1 of a barracks complex, Nelson Boulevard, at Fort Carson, Colorado);

(4) [$36,000,000] *$39,000,000* (the balance of the amount authorized under section 2201(a) for construction of phase 1 of a basic combat training complex at Fort Jackson, South Carolina); and

* * * * * * *

TITLE XXII—NAVY

* * * * * * *

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma	$22,570,000
*	* * *	* * *
	Naval Station, Norfolk	[$139,270,000] *$139,550,000*
*	* * *	* * *
	Total:	[$1,058,750,000] *$1,059,030,000*

* * * * * * *

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) * * *

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) * * *

(2) **[**$33,240,000**]** *$33,520,000* (the balance of the amount authorized under section 2201(a) for replacement of a pier, increment I, at Naval Station, Norfolk, Virginia); and

* * * * * * *

TITLE XXVIII—GENERAL PROVISIONS

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Subtitle B—Real Property and Facilities Administration

* * * * * * *

SEC. 2814. DEMONSTRATION PROGRAM ON REDUCTION IN LONG-TERM FACILITY MAINTENANCE COSTS.

(a) * * *

* * * * * * *

[(d) REPORTING REQUIREMENTS.—Not later than January 31, 2005, the Secretary of the Army shall submit to Congress a report on the demonstration program, including the following:

[(1) A description of all contracts that contain requirements referred to in subsection (a) for the purpose of the demonstration program.

[(2) An evaluation of the demonstration program and a description of the experience of the Secretary with respect to such contracts.

[(3) Any recommendations, including recommendations for the termination, continuation, or expansion of the demonstration program, that the Secretary considers appropriate.**]**

[(e)**]** *(d)* EXPIRATION.—The authority under subsection (a) to include requirements referred to in that subsection in contracts under the demonstration program shall expire on September 30, 2006.

[(f)**]** *(e)* FUNDING.—Amounts authorized to be appropriated for the Army for a fiscal year for military construction shall be available for the demonstration program under this section in such fiscal year.

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TITLE XXX—REALIGNMENT AND CLOSURE OF MILITARY INSTALLATIONS AND PREPARATION OF INFRASTRUCTURE PLAN FOR THE NUCLEAR WEAPONS COMPLEX

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SEC. 3007. TECHNICAL AND CLARIFYING AMENDMENTS.

(a) * * *

* * * * * * *

(d) OTHER CLARIFYING AMENDMENTS.—(1) That Act is further amended by inserting "or realignment" after "closure" each place it appears in the following provisions:

(A) Section 2905(b)(3).

(B) Section 2905(b)(5).

(C) Section [2905(b)(7)(B)(iv)] *2905(b)(7)(C)(iv)*.

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FLOYD D. SPENCE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

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TITLE III—OPERATION AND MAINTENANCE

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Subtitle D—Department of Defense Industrial Facilities

* * * * * * *

SEC. 343. ARSENAL SUPPORT PROGRAM INITIATIVE.

(a) DEMONSTRATION PROGRAM REQUIRED.—To help maintain the viability of the Army manufacturing arsenals and the unique capabilities of these arsenals to support the national security interests of the United States, the Secretary of the Army shall carry out a demonstration program under this section during fiscal years 2001 [and 2002] *through 2004* at each manufacturing arsenal of the Department of the Army.

* * * * * * *

(g) REPORTING REQUIREMENTS.—(1) Not later than July 1 of each year in which a guarantee issued under subsection (d) is in effect, the Secretary of the Army shall submit to Congress a report speci-

fying the amounts of loans guaranteed under such subsection during the preceding calendar year. No report is required after fiscal year [2002] *2004*.

(2) [Not later than July 1, 2001, the Secretary of the Army shall submit to the congressional defense committees a report on the implementation of the demonstration program.] *Not later than July 1, 2003, the Secretary of the Army shall submit to the congressional defense committees a report on the results of the demonstration program since its implementation, including the Secretary's views regarding the benefits of the program for Army manufacturing arsenals and the Department of the Army and the success of the program in achieving the purposes specified in subsection (b).* The report shall contain a comprehensive review of contracting at the Army manufacturing arsenals covered by the program and such recommendations as the Secretary considers appropriate regarding changes to the program.

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TITLE V—MILITARY PERSONNEL POLICY

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Subtitle G—Other Matters

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SEC. 577. NATIONAL GUARD CHALLENGE PROGRAM.

(a) * * *

(b) SOURCES OF FEDERAL SUPPORT.—Subsection (b) of such section is amended—

(1) * * *

(2) by striking ", except that [Federal] *Department of Defense* expenditures under the program may not exceed $62,500,000 for any fiscal year"; and

* * * * * * *

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

* * * * * * *

Subtitle A—Pay and Allowances

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SEC. 612. INCREASE IN MONTHLY SUBSISTENCE ALLOWANCE FOR MEMBERS OF PRECOMMISSIONING PROGRAMS.

(a) * * *

* * * * * * *

(c) CONFORMING AND STYLISTIC AMENDMENTS.—Section 209 of such title is further amended—

(1) * * *

* * * * * * *

(4) in subsection (d)—

(A) * * *

(B) by striking "the same rate as that prescribed by subsection (a)**[**,**]**" and inserting "a monthly rate prescribed under subsection (a)".

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TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

* * * * * * *

Subtitle B—Information Technology

* * * * * * *

SEC. 814. NAVY-MARINE CORPS INTRANET.

(a) * * *

(b) PHASED IMPLEMENTATION.—(1) * * *

(2) Not more than 15 percent of the total number of work stations to be **[**provided**]** *ordered* under the Navy-Marine Corps Intranet program may be **[**provided**]** *ordered* in the first increment of implementation of the Navy-Marine Corps Intranet contract.

(3) No work stations in excess of the number permitted by paragraph (2) may be **[**provided**]** *ordered* under the program until—

(A) * * *

* * * * * * *

(i) DURATION OF NAVY-MARINE CORPS INTRANET CONTRACT.—Notwithstanding section 2306c of title 10, United States Code, the Navy-Marine Corps Intranet contract may have a term in excess of five years, but not more than seven years.

[(i)**]** *(j)* DEFINITIONS.—(1) In this section, the term "Navy-Marine Corps Intranet contract" means a contract providing for a long-term arrangement of the Department of the Navy with the commercial sector that imposes on the contractor a responsibility for, and transfers to the contractor the risk of, providing and managing the significant majority of desktop, server, infrastructure, and communication assets and services of the Department of the Navy.

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TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

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SEC. 1308. REPORTS ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) * * *

* * * * * * *

(c) MATTERS TO BE INCLUDED.—The report under subsection (a) in a year shall set forth the following:

(1) * * *

* * * * * * *

(6) To the maximum extent practicable, a description of how revenue generated by activities carried out under Cooperative Threat Reduction programs in recipient States is being utilized, monitored, and accounted for.

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DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

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Subtitle C—Program Authorizations, Restrictions, and Limitations

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[SEC. 3132. ENHANCED COOPERATION BETWEEN NATIONAL NUCLEAR SECURITY ADMINISTRATION AND BALLISTIC MISSILE DEFENSE ORGANIZATION.]

SEC. 3132. ENHANCED COOPERATION BETWEEN NATIONAL NUCLEAR SECURITY ADMINISTRATION AND MISSILE DEFENSE AGENCY.

(a) * * *

(b) REQUIREMENTS FOR PROJECTS.—The projects referred to in subsection (a) shall—

(1) be carried out by the National Nuclear Security Administration and the [Ballistic Missile Defense Organization] *Missile Defense Agency*; and

* * * * * * *

(c) PARTICIPATION BY NNSA IN CERTAIN [BMDO] *MDA* ACTIVITIES.—The Administrator for Nuclear Security and the Director of the [Ballistic Missile Defense Organization] *Missile Defense Agency* shall implement mechanisms that increase the cooperative relationship between those organizations. Those mechanisms may include participation by personnel of the National Nuclear Security Administration in the following activities of the [Ballistic Missile Defense Organization] *Missile Defense Agency*:

(1) Peer reviews of technical efforts.

(2) Activities of so-called "red teams".

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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

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TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

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Subtitle C—Ballistic Missile Defense Programs

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SEC. 233. COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAM.

(a) REQUIREMENT FOR NEW PROGRAM ELEMENT.—The Secretary of Defense shall establish a program element for the [Ballistic Missile Defense Organization] *Missile Defense Agency*, to be referred to as the "Cooperative Ballistic Missile Defense Program", to support technical and analytical cooperative efforts between the United States and other nations that contribute to United States ballistic missile defense capabilities. Except as provided in subsection (b), all international cooperative ballistic missile defense programs of the Department of Defense shall be budgeted and administered through that program element.

* * * * * * *

(c) RELATIONSHIP TO OTHER PROGRAM ELEMENTS.—The program element established pursuant to subsection (a) is in addition to the program elements for activities of the [Ballistic Missile Defense Organization] *Missile Defense Agency* required under section 251 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 233; 10 U.S.C. 221 note).

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TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

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Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

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SEC. 644. ANNUITIES FOR CERTAIN MILITARY SURVIVING SPOUSES.

(a) SURVIVOR ANNUITY.—(1) The Secretary concerned shall pay an annuity to the qualified surviving spouse of each member of the uniformed services who—

(A) *became entitled to retired or retainer pay before September 21, 1972,* died before March 21, 1974, and was entitled to retired or retainer pay on the date of death; or

(B) [was a member of a reserve component of the Armed Forces] *died* before October 1, 1978, and at the time of his death would have been entitled to retired pay under chapter 67 of title 10, United States Code (as in effect before December 1, 1994), but for the fact that he was under 60 years of age.

(2) A qualified surviving spouse for purposes of this section is a surviving spouse who has not remarried [and who is not eligible for an annuity under section 4 of Public Law 92–425 (10 U.S.C. 1448 note)].

(b) AMOUNT OF ANNUITY.—(1) An annuity under this section shall be paid at the rate of [$165] *$185.58* per month, as adjusted from time to time under paragraph (3).

[(2) An annuity paid to a surviving spouse under this section shall be reduced by the amount of any dependency and indemnity compensation (DIC) to which the surviving spouse is entitled under section 1311(a) of title 38, United States Code.]

(2) The amount of an annuity to which a surviving spouse is entitled under this section for any period shall be reduced (but not below zero) by any amount paid to that surviving spouse for the same period under any of the following provisions of law:

(A) Section 1311(a) of title 38, United States Code (relating to dependency and indemnity compensation payable by the Secretary of Veterans Affairs).

(B) Chapter 73 of title 10, United States Code.

(C) Section 4 of Public Law 92–425 (10 U.S.C. 1448 note).

(3) Whenever after [the date of the enactment of this Act] *May 1, 2002,* retired or retainer pay is increased under section 1401a(b)(2) of title 10, United States Code, each annuity that is payable under this section shall be increased at the same time and by the same total percent. [The amount of the increase shall be based on the amount of the monthly annuity payable before any reduction under this section.]

* * * * * * *

(d) DEFINITIONS.—For purposes of this section:

(1) * * *

(2) The term "surviving spouse" has the meaning given [the terms "widow" and "widower" in paragraphs (7) and (8)] *such term in paragraph (9)* of section 1447 of title 10, United States Code.

(e) PROSPECTIVE APPLICABILITY.—(1) Annuities under this section shall be paid for months beginning after [the month in which this Act is enacted] *November 1997.*

(2) No benefit shall accrue to any person by reason of the enactment of this section for any period before [the first month that begins after the month in which this Act is enacted] *December 1997*.

(3) In the case of a person entitled to an annuity under this section who applies for the annuity after the date of the enactment of this paragraph, such annuity shall be paid only for months beginning after the date on which such application is submitted.

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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

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TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

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Subtitle C—Ballistic Missile Defense Act of 1995

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SEC. 234. THEATER MISSILE DEFENSE ARCHITECTURE.

(a) * * *

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(e) PROGRAM ACCOUNTABILITY REPORT.—(1) As part of the annual report of the [Ballistic Missile Defense Organization] *Missile Defense Agency* required by section 224 of Public Law 101–189 (10 U.S.C. 2431 note), the Secretary of Defense shall describe the technical milestones, the schedule, and the cost of each phase of development and acquisition (together with total estimated program costs) for each core and follow-on theater missile defense program.

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DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

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Subtitle C—Program Authorizations, Restrictions, and Limitations

* * * * * * *

SEC. 3131. AUTHORITY TO CONDUCT PROGRAM RELATING TO FISSILE MATERIALS.

[(a) AUTHORITY.—]The Secretary of Energy may conduct programs designed to improve the protection, control, and accountability of fissile materials in Russia.

[(b) SEMI-ANNUAL REPORTS ON OBLIGATION OF FUNDS.—(1) Not later than 30 days after the date of the enactment of this Act, and thereafter not later than April 1 and October 1 of each year, the Secretary of Energy shall submit to Congress a report on each obligation during the preceding six months of funds appropriated for a program described in subsection (a).

[(2) Each such report shall specify—

[(A) the activities and forms of assistance for which the Secretary of Energy has obligated funds;

[(B) the amount of the obligation;

[(C) the activities and forms of assistance for which the Secretary anticipates obligating funds during the six months immediately following the report, and the amount of each such anticipated obligation; and

[(D) the projected involvement (if any) of any department or agency of the United States (in addition to the Department of Energy) and of the private sector of the United States in the activities and forms of assistance for which the Secretary of Energy has obligated funds referred to in subparagraph (A).]

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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

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TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

* * * * * * *

Subtitle C—Missile Defense Programs

* * * * * * *

SEC. 235. THEATER MISSILE DEFENSE MASTER PLAN.

(a) * * *

(b) TMD MASTER PLAN.—The Secretary of Defense shall submit to Congress a report (which shall constitute the TMD master plan) containing a thorough and complete analysis of the future of theater missile defense programs. The report shall include the following:

(1) * * *

* * * * * * *

(4) An evaluation of the cost and relative effectiveness of each interceptor and sensor under development as part of a Theater Missile Defense system by the [Ballistic Missile Defense Organization] *Missile Defense Agency*.

* * * * * * *

SEC. 243. TRANSFER OF FOLLOW-ON TECHNOLOGY PROGRAMS.

(a) * * *

(b) WAIVER AUTHORITY.—The Secretary may waive the provisions of subsection (a) in the case of a particular program, project, or activity if the Secretary certifies to the congressional defense committees that it is in the national security interest of the United States to provide management and budget responsibility for that program, project, or activity through the [Ballistic Missile Defense Organization] *Missile Defense Agency*.

(c) REPORT REQUIRED.—As a part of the report required by section 231(e), the Secretary shall submit to the congressional defense committees a report identifying—

(1) each program, project, and activity with respect to which the Secretary has transferred management and budget responsibility from the [Ballistic Missile Defense Organization] *Missile Defense Agency* in accordance with subsection (a);

* * * * * * *

SECTION 3 OF THE MIGRATORY BIRD TREATY ACT

SEC. 3. (a) * * *

* * * * * * *

(c)(1) Section 2 shall not apply to the incidental taking of a migratory bird by a member of the Armed Forces during a military readiness activity authorized by the Secretary of Defense or the Secretary of the military department concerned.

(2)(A) In this subsection, the term "military readiness activity" includes—

(i) all training and operations of the Armed Forces that relate to combat; and

(ii) the adequate and realistic testing of military equipment, vehicles, weapons, and sensors for proper operation and suitability for combat use.

(B) The term does not include—

(i) the routine operation of installation operating support functions, such as administrative offices, military exchanges, commissaries, water treatment facilities, storage facilities, schools, housing, motor pools, laundries, morale, welfare, and recreation activities, shops, and mess halls;

(ii) the operation of industrial activities; or

(iii) the construction or demolition of facilities used for a purpose described in clause (i) or (ii).

SECTION 4 OF THE ENDANGERED SPECIES ACT OF 1973

DETERMINATION OF ENDANGERED SPECIES AND THREATENED SPECIES

SEC. 4. (a) GENERAL.—(1) * * *

* * * * * * *

(3)*(A)* The Secretary, by regulation promulgated in accordance with subsection (b) and to the maximum extent prudent and determinable—

[(A)] *(i)* shall, concurrently with making a determination under paragraph (1) that a species is an endangered species or a threatened species, designate any habitat of such species which is then considered to be critical habitat; and

[(B)] *(ii)* may, from time-to-time thereafter as appropriate, revise such designation.

(B)(i) The Secretary may not designate as critical habitat any lands or other geographical areas owned or controlled by the Department of Defense, or designated for its use, that are subject to an integrated natural resources management plan prepared under section 101 of the Sikes Act (16 U.S.C. 670a), if the Secretary determines that such plan addresses special management considerations or protection (as those terms are used in section 3(5)(A)(i)).

(ii) Nothing in this subparagraph affects the requirement to consult under section 7(a)(2) with respect to an agency action (as that term is defined in that section).

(iii) Nothing in this subparagraph affects the obligation of the Department of Defense to comply with section 9 of the Endangered Species Act of 1973, including the prohibition preventing extinction and taking of endangered species and threatened species.

(b) BASIS FOR DETERMINATIONS.—(1) * * *

(2) The Secretary shall designate critical habitat, and make revisions thereto, under subsection (a)(3) on the basis of the best scientific data available and after taking into consideration the economic impact, *the impact on national security,* and any other relevant impact, of specifying any particular area as critical habitat. The Secretary may exclude any area from critical habitat if he determines that the benefits of such exclusion outweight the benefits of specifying such area as part of the critical habitat, unless he determines, based on the best scientific and commercial data available, that the failure to designate such area as critical habitat will result in the extinction of the species concerned.

* * * * * * *

SECTION 7 OF THE DEFENSE DEPARTMENT OVERSEAS TEACHERS PAY AND PERSONNEL PRACTICES ACT

QUARTERS, QUARTERS ALLOWANCES, AND STORAGE

SEC. 7. (a) * * *

(b) Each teacher (other than a teacher employed in a substitute capacity) shall be entitled, for each school year for which he per-

forms services as a teacher, to quarters or a quarters allowance equal to those authorized by [the Act of June 26, 1930 (5 U.S.C. 118a)] *section 5912 of title 5, United States Code. If the teacher is unaccompanied by dependents and is required to reside on a United States military installation in an overseas area, the teacher may receive a quarters allowance to reside in excess family housing at the installation notwithstanding the availability single room housing at the installation.*

(c) Each teacher (other than a teacher employed in a substitute capacity) who is performing services as a teacher at the close of a school year and agrees in writing to serve as a teacher for the next school year may be authorized, for the recess period immediately preceding such next school year—

(1) quarters or a quarters allowance equal to those authorized by [the Act of June 26, 1930 (5 U.S.C. 118a)] *section 5912 of title 5, United States Code*, or

* * * * * * *

SECTION 1402 OF THE DEFENSE DEPENDENTS' EDUCATION ACT OF 1978

ESTABLISHMENT OF DEFENSE DEPENDENTS' EDUCATION SYSTEM

SEC. 1402. (a) * * *

* * * * * * *

(d)(1) The Secretary of Defense may provide optional summer school programs in the defense dependents' education system.

[(2) The Secretary shall provide in regulations for fees to be charged for the students enrolling in a summer school program under this subsection in amounts determined on the basis of family income.]

(2) Individuals eligible to receive a free public education under subsection (a) may enroll without charge in a summer school program offered under this subsection. Students who are required under section 1404 to pay tuition to enroll in a school of the defense dependents' education system shall also be charged a fee, at a rate established by the Secretary, to attend a course offered as part of the summer school program.

* * * * * * *

TITLE 37, UNITED STATES CODE

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CHAPTER 1—DEFINITIONS

§ 101. Definitions

In addition to the definitions in sections 1–5 of title 1, the following definitions apply in this title:

(1) The term "United States", in a geographical sense, means the States and the District of Columbia. *The term "continental*

United States" means the 48 contiguous States and the District of Columbia.

* * * * * * *

CHAPTER 5—SPECIAL AND INCENTIVE PAYS

* * * * * * *

§ 301b. Special pay: aviation career officers extending period of active duty

(a) BONUS AUTHORIZED.—An aviation officer described in subsection (b) who, during the period beginning on January 1, 1989, and ending on December 31, [2002] *2003*, executes a written agreement to remain on active duty in aviation service for at least one year may, upon the acceptance of the agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

* * * * * * *

§ 302d. Special pay: accession bonus for registered nurses

(a) ACCESSION BONUS AUTHORIZED.—(1) A person who is a registered nurse and who, during the period beginning on November 29, 1989, and ending on December 31, [2002] *2003*, executes a written agreement described in subsection (c) to accept a commission as an officer and remain on active duty for a period of not less than four years may, upon the acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

* * * * * * *

§ 302e. Special pay: nurse anesthetists

(a) SPECIAL PAY AUTHORIZED.—(1) An officer described in subsection (b)(1) who, during the period beginning on November 29, 1989, and ending on December 31, [2002] *2003*, executes a written agreement to remain on active duty for a period of one year or more may, upon the acceptance of the agreement by the Secretary concerned, be paid incentive special pay in an amount not to exceed $15,000 for any 12-month period.

* * * * * * *

§ 302g. Special pay: Selected Reserve health care professionals in critically short wartime specialties

(a) * * *

* * * * * * *

(f) TERMINATION OF AGREEMENT AUTHORITY.—No agreement under this section may be entered into after December 31, [2002] *2003*.

§ 302h. Special pay: accession bonus for dental officers

(a) ACCESSION BONUS AUTHORIZED.—(1) A person who is a graduate of an accredited dental school and who, during the period beginning on September 23, 1996, and ending on December 31, [2002] *2003*, executes a written agreement described in subsection

(c) to accept a commission as an officer of the armed forces and remain on active duty for a period of not less than four years may, upon the acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

* * * * * * *

§ 302j. Special pay: accession bonus for pharmacy officers

(a) ACCESSION BONUS AUTHORIZED.—A person who is a graduate of an accredited pharmacy school and who, during the period beginning on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 and ending on September 30, 2004, executes a written agreement described in subsection **[**(c)**]** *(d)* to accept a commission as an officer of a uniformed service and remain on active duty for a period of not less than 4 years may, upon acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

* * * * * * *

§ 305. Special pay: hardship duty pay

(a) * * *

(b) DUTY IN CERTAIN LOCATIONS.—(1) In the case of duty at a location described in paragraph (2) at any time during a month, the member of a uniformed service performing that duty is entitled to special pay under this section at a monthly rate of not less than $240, but not to exceed the monthly rate specified in subsection (a). For each day of that duty during the month, the member shall receive an amount equal to 1/30 of the monthly rate prescribed under this subsection.

(2) Paragraph (1) applies with respect to duty performed on the ground in Antarctica or on the Arctic icepack.

[(b)**]** *(c)* REGULATIONS.—The Secretary of Defense shall prescribe regulations for the provision of hardship duty pay under subsection (a), including the specific monthly rates at which the special pay will be available.

* * * * * * *

§ 308. Special pay: reenlistment bonus

(a) * * *

* * * * * * *

(g) No bonus shall be paid under this section with respect to any reenlistment, or voluntary extension of an active-duty reenlistment, in the armed forces entered into after December 31, **[**2002**]** *2003*.

* * * * * * *

§ 308b. Special pay: reenlistment bonus for members of the Selected Reserve

(a) * * *

* * * * * * *

(f) TERMINATION OF AUTHORITY.—No bonus may be paid under this section to any enlisted member who, after December 31,

[2002] *2003*, reenlists or voluntarily extends his enlistment in a reserve component.

§ 308c. Special pay: bonus for enlistment in the Selected Reserve

(a) * * *

* * * * * * *

(e) No bonus may be paid under this section to any enlisted member who, after December 31, [2002] *2003*, enlists in the Selected Reserve of the Ready Reserve of an armed force.

* * * * * * *

§ 308d. Special pay: enlisted members of the Selected Reserve assigned to certain high priority units

(a) * * *

* * * * * * *

(c) Additional compensation may not be paid under this section for inactive duty performed after December 31, [2002] *2003*.

§ 308e. Special pay: bonus for reserve affiliation agreement

(a) * * *

* * * * * * *

(e) No bonus may be paid under this section to any person for a reserve obligation agreement entered into after December 31, [2002] *2003*.

* * * * * * *

§ 308h. Special pay: bonus for reenlistment, enlistment, or voluntary extension of enlistment in elements of the Ready Reserve other than the Selected Reserve

(a) * * *

* * * * * * *

(g) TERMINATION OF AUTHORITY.—A bonus may not be paid under this section to any person for a reenlistment, enlistment, or voluntary extension of an enlistment after December 31, [2002] *2003*.

§ 308i. Special pay: prior service enlistment bonus

(a) * * *

(b) BONUS AMOUNTS; PAYMENT.—(1) The amount of a bonus under this section may not exceed—

(A) [$5,000] *$8,000*, in the case of a person who enlists for a period of six years;

(B) [$2,500] *$4,000*, in the case of a person who, having never received a bonus under this section, enlists for a period of three years; and

(C) [$2,000] *$3,500*, in the case of a person who, having received a bonus under this section for a previous three-year enlistment, reenlists or extends the enlistment for an additional period of three years.

* * * * * * *

(f) TERMINATION OF AUTHORITY.—No bonus may be paid under this section to any person for an enlistment after December 31, [2002] *2003*.

§ 309. Special pay: enlistment bonus

(a) * * *

* * * * * * *

(e) DURATION OF AUTHORITY.—No bonus shall be paid under this section with respect to any enlistment in the armed forces made after December 31, [2002] *2003*.

* * * * * * *

§ 312. Special pay: nuclear-qualified officers extending period of active duty

(a) * * *

* * * * * * *

(e) The provisions of this section shall be effective only in the case of officers who, on or before December 31, [2002] *2003*, execute the required written agreement to remain in active service.

* * * * * * *

§ 312b. Special pay: nuclear career accession bonus

(a) * * *

* * * * * * *

(c) The provisions of this section shall be effective only in the case of officers who, on or before December 31, [2002] *2003*, have been accepted for training for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.

§ 312c. Special pay: nuclear career annual incentive bonus

(a) * * *

* * * * * * *

(d) For the purposes of this section, a "nuclear service year" is any fiscal year beginning before December 31, [2002] *2003*.

* * * * * * *

§ 314. Special pay or bonus: qualified enlisted members extending duty at designated locations overseas

(a) COVERED MEMBERS.—This section applies with respect to an enlisted member of an armed force who—

(1) * * *

* * * * * * *

(3) has completed a tour of duty (as defined in accordance with regulations prescribed by the Secretary concerned) at a location outside [the 48 contiguous States and the District of Columbia] *the continental United States* that is designated by the Secretary concerned for the purposes of this section; and

* * * * * * *

§ 323. Special pay: retention incentives for members qualified in a critical military skill

(a) * * *

* * * * * * *

(d) MAXIMUM BONUS AMOUNT.—*(1)* A member may enter into an agreement under this section, or reenlist or voluntarily extend the member's enlistment, more than once to receive a bonus under this section. However, a member may not receive a total of more than $200,000 in payments under this section.

(2) The limitation in paragraph (1) on the total bonus payments that a member may receive under this section does not apply with respect to an officer who is assigned duties as a health care provider.

(e) CERTAIN MEMBERS INELIGIBLE.—*(1)* A retention bonus may not be provided under subsection (a) to a member of the armed forces who—

[(1)**]** *(A)* has completed more than 25 years of active duty; or

[(2)**]** *(B)* will complete the member's twenty-fifth year of active duty before the end of the period of active duty for which the bonus is being offered.

(2) The limitations in paragraph (1) do not apply with respect to an officer who is assigned duties as a health care provider during the period of active duty for which the bonus is being offered.

* * * * * * *

(i) TERMINATION OF BONUS AUTHORITY.—No bonus may be paid under this section with respect to any reenlistment, or voluntary extension of an enlistment, in the armed forces entered into after December 31, **[**2002**]** *2003*, and no agreement under this section may be entered into after that date.

§ 324. Special pay: accession bonus for new officers in critical skills

(a) * * *

(b) DESIGNATION OF CRITICAL OFFICER SKILLS.—**[**(1)**]** The Secretary concerned shall designate the critical officer skills for the purposes of this section. A skill may be designated as a critical officer skill for an armed force under this subsection if—

(1) * * *

* * * * * * *

(g) TERMINATION OF AUTHORITY.—No agreement under this section may be entered into after December 31, **[**2002**]** *2003*.

* * * * * * *

CHAPTER 7—ALLOWANCES

* * * * * * *

§ 403. Basic allowance for housing

(a) * * *

* * * * * * *

(c) BASIC ALLOWANCE FOR HOUSING OUTSIDE THE UNITED STATES.—(1) * * *

* * * * * * *

(4) In the case of a member who is assigned to duty outside of the United States, the location or the circumstances of which make it necessary that the member be reassigned under the conditions of low-cost or no-cost permanent change of station or permanent change of assignment, the member may be treated as if the member were not reassigned if the Secretary concerned determines that it would be inequitable to base the member's entitlement to, and amount of, a basic allowance for housing on the cost of housing in the area to which the member is reassigned.

* * * * * * *

§ 403b. Cost-of-living allowance in the continental United States

(a) * * *

* * * * * * *

(i) OTHER DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

[(6) The term "continental United States" means the 48 contiguous States and the District of Columbia.**]**

* * * * * * *

§ 409. Travel and transportation allowances: house trailers and mobile homes

(a) * * *

* * * * * * *

[(e) In this section, the term "continental United States" means the 48 contiguous States and the District of Columbia.**]**

* * * * * * *

§ 411b. Travel and transportation allowances: travel performed in connection with leave between consecutive overseas tours

[(a)(1)**]** *(a) ALLOWANCES AUTHORIZED.*—Under uniform regulations prescribed by the Secretaries concerned, a member of a uniformed service stationed outside **[**the 48 contiguous States and the District of Columbia**]** *the continental United States* who is ordered to a consecutive tour of duty at the same duty station or who is ordered to make a change of permanent station to another duty station outside **[**the 48 contiguous States and the District of Columbia**]** *the continental United States* may be paid travel and transportation allowances in connection with authorized leave from his last duty station to a place approved by the Secretary concerned, and from that place to his designated post of duty. Such allowances may be paid for the member and for the dependents of the member who are authorized to, and do, accompany him at his duty stations.

[(2) Under the regulations referred to in paragraph (1), a member may defer the travel for which the member is paid travel and transportation allowances under such paragraph until not more than one year after the date on which the member begins the consecutive tour of duty at the same duty station or reports to another duty station under the order involved, as the case may be. If the member is unable to undertake the travel before the end of such one-year period as a result of duty in connection with a contingency operation, the member may defer the travel for one additional year beginning on the date the duty of the member in connection with the contingency operation ends.]

(b) AUTHORITY TO DEFER TRAVEL; LIMITATIONS.—(1) Under the regulations referred to subsection (a), a member may defer the travel for which the member is paid travel and transportation allowances under this section until anytime before the completion of the consecutive tour at the same duty station or the completion of the tour of duty at the new duty station under the order involved, as the case may be.

(2) If a member is unable to undertake the travel before expiration of the deferral period under paragraph (1) because of duty in connection with a contingency operation, the member may defer the travel until not more than one year after the date on which the member's duty in connection with the contingency operation ends.

[(b) The allowances] *(c) LIMITATION ON ALLOWANCE RATE.*— prescribed under this section may not exceed the rate authorized under section 404(d) of this title. Authorized travel under this section is performed in a duty status.

* * * * * * *

§ 411d. Travel and transportation allowances: transportation incident to personal emergencies for certain members and dependents

(a) * * *

* * * * * * *

[(d) In this section, the term "continental United States" means the 48 contiguous States and the District of Columbia.]

* * * * * * *

§ 430. Travel and transportation: dependent children of members stationed overseas

(a) * * *

* * * * * * *

[(f) DEFINITIONS.—In this section:

[(1) The term "continental United States" means the 48 contiguous States and the District of Columbia.

[(2) The term "formal education" means the following:

[(A) A secondary education.

[(B) An undergraduate college education.

[(C) A graduate education pursued on a full-time basis at an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)).

[(D) Vocational education pursued on a full-time basis at a post-secondary vocational institution (as defined in sec-

tion 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c))).]

(f) DEFINITIONS.—In this section:

(1) The term "formal education" means the following:

(A) A secondary education.

(B) An undergraduate college education.

(C) A graduate education pursued on a full-time basis at an institution of higher education.

(D) Vocational education pursued on a full-time basis at a postsecondary vocational institution.

(2) The term "institution of higher education" has the meaning given that term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(3) The term "postsecondary vocational institution" has the meaning given that term in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c)).

* * * * * * *

CHAPTER 19—ADMINISTRATION

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§ 1007. Deductions from pay

(a) * * *

* * * * * * *

(e) The amount of any damage, or cost of repairs, to arms or equipment caused by the abuse or negligence of a member of the [Army or the Air Force] *Army, Navy, Air Force, or Marine Corps*, as the case may be, who had the care of, or was using, the property when it was damaged, shall be deducted from his pay.

* * * * * * *

(i)(1) There shall be deducted each month from the pay of each enlisted member, warrant officer, and limited duty officer of the armed forces on active duty [an amount (determined under paragraph (3)) not to exceed $1.00.] *an amount equal to $1.00 and such additional amount as may be determined under paragraph (3).*

* * * * * * *

(3) The Secretary of Defense, after consultation with the Armed Forces Retirement Home Board, shall determine from time to time [the amount] *the additional amount* to be deducted under paragraph (1) from the pay of enlisted members, warrant officers, and limited duty officers on the basis of the financial needs of the Armed Forces Retirement Home. [The amount] *The additional amount* to be deducted may be fixed at different amounts on the basis of grade or length of service, or both.

* * * * * * *

SECTION 8003 OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 8003. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.

(a) * * *

(b) BASIC SUPPORT PAYMENTS AND PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

(1) * * *

(2) BASIC SUPPORT PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

(A) * * *

* * * * * * *

(H) ELIGIBILITY FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES AFFECTED BY PRIVATIZATION OF MILITARY HOUSING.—

(i) ELIGIBILITY.—For any fiscal year beginning with fiscal year 2003, a heavily impacted local educational agency that received a basic support payment under subparagraph (A) for the prior fiscal year, but is ineligible for such payment for the current fiscal year under subparagraph (B) or (C), as the case may be, by reason of the conversion of military housing units to private housing described in clause (iii), shall be deemed to meet the eligibility requirements under subparagraph (B) or (C), as the case may be, for the period during which the housing units are undergoing such conversion.

(ii) AMOUNT OF PAYMENT.—The amount of a payment to a heavily impacted local educational agency for a fiscal year by reason of the application of clause (i), and calculated in accordance with subparagraph (D) or (E) (as the case may be), shall be based on the number of children in average daily attendance in the schools of such agency for the fiscal year.

(iii) CONVERSION OF MILITARY HOUSING UNITS TO PRIVATE HOUSING DESCRIBED.—For purposes of clause (i), "conversion of military housing units to private housing" means the conversion of military housing units to private housing units pursuant to subchapter IV of chapter 169 of title 10, United States Code, or pursuant to any other related provision of law.

* * * * * * *

SECTION 9 OF THE RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

SEC. 9. (a) * * *

(b)(1) * * *

* * * * * * *

(3) Any child who is a member of a household whose income, at the time the application is submitted, is at an annual rate which does not exceed the applicable family size income level of the income eligibility guidelines for free lunches, as determined under paragraph (1), shall be served a free lunch. Any child who is a member of a household whose income, at the time the application

is submitted, is at an annual rate greater than the applicable family size income level of the income eligibility guidelines for free lunches, as determined under paragraph (1), but less than or equal to the applicable family size income level of the income eligibility guidelines for reduced price lunches, as determined under paragraph (1), shall be served a reduced price lunch. The price charged for a reduced price lunch shall not exceed 40 cents. *For the one-year period beginning on the date of the enactment of this sentence, the amount of a basic allowance provided under section 403 of title 37, United States Code, on behalf of an individual who is a member of the uniformed services for housing that is acquired or constructed under the authority of subchapter IV of chapter 169 of title 10, United States Code, or any other related provision of law, shall not be considered to be income for purposes of determining the eligibility of a child of the individual for free or reduced price lunches under this Act.*

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TITLE 32, UNITED STATES CODE

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CHAPTER 3—PERSONNEL

Sec.
301. Federal recognition of enlisted members.

* * * * * * *

[327. General courts-martial of National Guard not in Federal service.
[328. Special courts-martial of National Guard not in Federal service.
[329. Summary courts-martial of National Guard not in Federal service.
[330. Confinement instead of fine.
[331. Dismissal or dishonorable discharge.
[332. Compelling attendance of accused and witnesses.
[333. Execution of process and sentence.]
327. Courts-martial of National Guard not in Federal service: convening authority.

* * * * * * *

§ 326. Courts-martial of National Guard not in Federal service: composition, jurisdiction, and procedures

In the National Guard not in Federal service, there are general, special, and summary courts-martial constituted like similar courts of the Army and the Air Force. They have the jurisdiction and powers, except as to punishments, and shall follow the forms and procedures, provided for those courts. *Punishments shall be as provided by the laws of the respective States and Territories, Puerto Rico, and the District of Columbia.*

[§ 327. General courts-martial of National Guard not in Federal service

[(a) In the National Guard not in Federal service, general courts-martial may be convened by the President or by the governor of a State or Territory, Puerto Rico or by the commanding general of the National Guard of the District of Columbia.

[(b) A general court-martial may sentence to—

[(1) a fine of not more than $200;

[(2) forfeiture of pay and allowances;

[(3) a reprimand;
[(4) dismissal or dishonorable discharge;
[(5) reduction of a noncommissioned officer to the ranks; or
[(6) any combination of these punishments.

[§ 328. Special courts-martial of National Guard not in Federal service

[(a) In the National Guard not in Federal service, the commanding officer of a garrison, fort, post, camp, air base, auxiliary air base, or other place where troops are on duty, or of a brigade, regiment, wing, group, detached battalion, separate squadron, or other detached command, may convene special courts-martial. Special courts-martial may also be convened by superior authority.

[(b) A special court-martial may not try a commissioned officer.

[(c) A special court-martial has the same powers of punishment as a general court-martial, except that a fine imposed by a special court-martial may not be more than $100 for a single offense.

[§ 329. Summary courts-martial of National Guard not in Federal service

[(a) In the National Guard not in Federal service, the commanding officer of a garrison, fort, post, camp, air base, auxiliary air base, or other place where troops are on duty, or of a regiment, wing, group, detached battalion, detached squadron, detached company, or other detachment, may convene a summary court-martial consisting of one commissioned officer. The proceedings shall be informal.

[(b) A summary court-martial may sentence to a fine of not more than $25 for a single offense, to forfeiture of pay and allowances, and to reduction of a noncommissioned officer to the ranks.

[§ 330. Confinement instead of fine

[In the National Guard not in Federal service, a court-martial may, instead of imposing a fine, sentence to confinement for not more than one day for each dollar of the authorized fine.

[§ 331. Dismissal or dishonorable discharge

[In the National Guard not in Federal service, no sentence of dismissal or dishonorable discharge may be executed until it is approved by the governor of the State or Territory, Puerto Rico, or whichever is concerned, or, in the case of the National Guard of the District of Columbia, by its commanding general.

[§ 332. Compelling attendance of accused and witnesses

[In the National Guard not in Federal service, the president of a court-martial or a summary court officer may—

[(1) issue a warrant for the arrest of any accused person who, having been served with a warrant and a copy of the charges, disobeys a written order by the convening authority to appear before the court;

[(2) issue subpenas duces tecum and other subpenas;

[(3) enforce by attachment the attendance or witnesses and the production of books and papers; and

[(4) sentence for refusal to be sworn or to answer, as provided in actions before civil courts.

[§ 333. Execution of process and sentence

[In the National Guard not in Federal service, the processes and sentences of its courts-martial shall be executed by the civil officers prescribed by the laws of the States concerned. In a State where no provision is made for executing those processes and sentences, and in the Territories, Puerto Rico and the District of Columbia, the process or sentence shall be executed by a United States marshal or deputy marshal, who shall make a return to the military officer issuing the process or the court imposing the sentence.]

§ 327. Courts-martial of National Guard not in Federal service: convening authority

(a) In the National Guard not in Federal service, general, special, and summary courts-martial may be convened as provided by the laws of the States and Territories, Puerto Rico, and the District of Columbia.

(b) In addition to convening authorities as provided under subsection (a), in the National Guard not in Federal service—

(1) general courts-martial may be convened by the President;

(2) special courts-martial may be convened—

(A) by the commanding officer of a garrison, fort, post, camp, air base, auxiliary air base, or other place where troops are on duty; or

(B) by the commanding officer of a division, brigade, regiment, wing, group, detached battalion, separate squadron, or other detached command; and

(3) summary courts-martial may be convened—

(A) by the commanding officer of a garrison, fort, post, camp, air base, auxiliary air base, or other place where troops are on duty; or

(B) by the commanding officer of a division, brigade, regiment, wing, group, detached battalion, detached squadron, detached company, or other detachment.

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CHAPTER 5—TRAINING

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§ 509. National Guard Challenge Program of opportunities for civilian youth

(a) * * *

* * * * * * *

[(d) MATCHING FUNDS REQUIRED.—The amount of assistance provided under this section to a State program of the National Guard Challenge Program may not exceed—

[(1) for fiscal year 1998, 75 percent of the costs of operating the State program during that year;

[(2) for fiscal year 1999, 70 percent of the costs of operating the State program during that year;

[(3) for fiscal year 2000, 65 percent of the costs of operating the State program during that year; and

[(4) for fiscal year 2001 and each subsequent fiscal year, 60 percent of the costs of operating the State program during that year.]

(d) MATCHING FUNDS REQUIRED.—The amount of assistance provided under this section to a State program of the National Guard Challenge Program for a fiscal year may not exceed 75 percent of the costs of operating the State program during that fiscal year.

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SECTION 1896 OF THE SOCIAL SECURITY ACT

MEDICARE SUBVENTION DEMONSTRATION PROJECT FOR MILITARY RETIREES

SEC. 1896. (a) * * *

* * * * * * *

(k) EVALUATION AND REPORTS.—

(1) * * *

[(2) REPORT ON EXTENSION AND EXPANSION OF DEMONSTRATION PROJECT.—Not later than 6 months after the date of the submission of the final report by the Comptroller General of the United States under paragraph (1), the administering Secretaries shall submit to Congress a report containing their recommendation as to—

[(A) whether there is a cost to the health care program under this title in conducting the demonstration project, and whether the demonstration project could be expanded without there being a cost to such health care program or to the Federal Government;

[(B) whether to extend the demonstration project or make the project permanent; and

[(C) whether the terms and conditions of the project should be continued (or modified) if the project is extended or expanded.]

SECTION 4202 OF THE CLINGER-COHEN ACT OF 1996

SEC. 4202. APPLICATION OF SIMPLIFIED PROCEDURES TO CERTAIN COMMERCIAL ITEMS.

(a) * * *

* * * * * * *

(e) EFFECTIVE DATE.—The authority to issue solicitations for purchases of commercial items in excess of the simplified acquisition threshold pursuant to the special simplified procedures authorized by section 2304(g)(1) of title 10, United States Code, section 303(g)(1) of the Federal Property and Administrative Services Act of 1949, and section 31(a) of the Office of Federal Procurement Policy Act, as amended by this section, shall expire January 1, [2003] *2004*. Contracts may be awarded pursuant to solicitations that have been issued before such authority expires, notwithstanding the expiration of such authority.

SECTION 4 OF THE OFFICE OF FEDERAL PROCUREMENT POLICY ACT

SEC. 4. DEFINITIONS.

As used in this Act:

(1) * * *

* * * * * * *

(11) The term "simplified acquisition threshold" means $100,000*, except that such amount may be adjusted by the Administrator every five years to the amount equal to $100,000 in constant fiscal year 2002 dollars (rounded to the nearest $10,000)*.

* * * * * * *

SECTION 553 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995

SEC. 553. PROHIBITION ON IMPOSITION OF ADDITIONAL CHARGES OR FEES FOR ATTENDANCE AT CERTAIN ACADEMIES.

(a) * * *

(b) EXCEPTION.—The prohibition specified in subsection (a) shall not apply with respect to any item or service provided to cadets or midshipmen at an academy named in subsection (c) for which a charge or fee is imposed as of the date of the enactment of this Act. ⟦The Secretary of Defense or the Secretary of Transportation, as the case shall be, shall notify Congress of any change made by an academy in the amount of a charge or fee authorized under this subsection.⟧

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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2000

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TITLE V—MILITARY PERSONNEL POLICY

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Subtitle H—Matters Relating to Recruiting

* * * * * * *

SEC. 573. ARMY COLLEGE FIRST PILOT PROGRAM.

(a) * * *

(b) DELAYED ENTRY WITH ALLOWANCE FOR HIGHER EDUCATION.—Under the pilot program, the Secretary may—

(1) * * *

(2) subject to paragraph (2) of subsection (d) and except as provided in paragraph (3) of that subsection, pay an allowance to a person accepted for enlistment under paragraph (1)(A) for each month of the period during which that person is enrolled in and pursuing a program described in paragraph (1)(B).

* * * * * * *

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

* * * * * * *

SEC. 1305. LIMITATION ON USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION.

No fiscal year 2000 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs after the date of the enactment of this Act, may be obligated or expended for planning, design, or construction of a chemical weapons destruction facility in Russia until the Secretary of Defense submits to Congress a certification that there has been—

(1) * * *

* * * * * * *

(6) a demonstrated commitment from the international community to fund and build infrastructure needed to support and operate the facility**[**.**]**.

* * * * * * *

TITLE XXIV—DEFENSE AGENCIES

* * * * * * *

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization	Blue Grass Army Depot, Kentucky	**[**$254,030,000**]** *$290,325,000*
* *	* * *	* *
	Total	**[**$711,950,000**]** *$748,245,000*

* * * * * * *

SEC. 2405. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECTS.

(a) * * *

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) * * *

* * * * * * *

(3) **[**$231,230,000**]** *$267,525,000* (the balance of the amount authorized under section 2401(a) for the construction of a

chemical demilitarization facility at Blue Grass Army Depot, Kentucky).

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SECTION 516 OF TITLE 14, UNITED STATES CODE

§ 516. Presentation of United States flag upon retirement

(a) * * *

* * * * * * *

(c) NO COST TO RECIPIENT.—The presentation of a flag under [his section] *this section* shall be at no cost to the recipient.

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MERCHANT MARINE ACT, 1936

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TITLE XI—FEDERAL SHIP MORTGAGE INSURANCE

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SEC. 1104A. (a) * * *

* * * * * * *

(d)(1) * * *

* * * * * * *

(4) The Secretary may obtain independent analysis of an application for a guarantee or commitment to guarantee under this title.

* * * * * * *

(f) The Secretary shall charge and collect from the obligor such amounts as he may deem reasonable for the investigation of applications for a guarantee *(including for obtaining independent analysis under subsection (d)(4))*, for the appraisal of properties offered as security for a guarantee, for the issuance of commitments, for services in connection with the escrow fund authorized by section 1108 and for the inspection of such properties during construction, reconstruction, or reconditioning: *Provided,* That such charges shall not aggregate more than one-half of 1 per centum of the original principal amount of the obligations to be guaranteed.

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TITLE XII—WAR RISK INSURANCE

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SEC. 1205. (a) * * *

* * * * * * *

(c) INSURANCE OF VESSELS IN SUPPORT OF NATO-APPROVED OPERATIONS.—(1) Upon request made under subsection (b), the Secretary may provide insurance for a vessel, regardless of the country in which the vessel is registered and the citizenship of its owners, that is supporting a military operation approved by the North Atlantic Council, including a vessel that is not operating under contract with a department or agency of the United States.

(2) If a vessel is insured under paragraph (1) in response to a request made pursuant to an international agreement providing for the sharing among nations of the risks involved in mutual or joint operations, the Secretary of Transportation, with the concurrence of the Secretary of State, may seek from another nation that is a party to such agreement a commitment to indemnify the United States for any amounts paid by the United States for claims against such insurance.

(3) Amounts received by the United States as indemnity from a nation pursuant to paragraph (2) shall be deposited into the insurance fund created under section 1208.

(4) Any obligation of a department or agency of the United States to indemnify the Secretary or the insurance fund for any claim against insurance provided under this subsection is extinguished to the extent of any indemnification received from a nation pursuant to paragraph (2) with respect to the claim.

* * * * * * *

TITLE 5, UNITED STATES CODE

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PART III—EMPLOYEES

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Subpart D—Pay and Allowances

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CHAPTER 53—PAY RATES AND SYSTEMS

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SUBCHAPTER IV—PREVAILING RATE SYSTEMS

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§ 5343. Prevailing rate determinations; wage schedules; night differentials

(a) * * *

(b) The Office of Personnel Management shall schedule full-scale wage surveys every [2 years] *3 years* and shall schedule interim surveys to be conducted between each 2 consecutive full-scale wage surveys. The Office may schedule more frequent surveys when conditions so suggest[.]*, based on criteria developed by the Office.*

(c) The Office of Personnel Management, by regulation, shall prescribe practices and procedures for conducting wage surveys, analyzing wage survey data, developing and establishing wage schedules and rates, and administering the prevailing rate system. The regulations shall provide—

(1) * * *

* * * * * * *

(4) for proper differentials, as determined by the Office, for duty involving unusually severe working conditions or unusu-

ally severe hazards*, and for any hardship or hazard related to asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970*;

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CHAPTER 55—PAY ADMINISTRATION

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SUBCHAPTER V—PREMIUM PAY

* * * * * * *

§ 5545. Night, standby, irregular, and hazardous duty differential

(a) * * *

* * * * * * *

(d) The Office shall establish a schedule or schedules of pay differentials for duty involving unusual physical hardship or hazard*, and for any hardship or hazard related to asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970*. Under such regulations as the Office may prescribe, and for such minimum periods as it determines appropriate, an employee to whom chapter 51 and subchapter III of chapter 53 of this title applies is entitled to be paid the appropriate differential for any period in which he is subjected to physical hardship or hazard not usually involved in carrying out the duties of his position. However, the pay differential—

(1) * * *

* * * * * * *

SUBCHAPTER IX—SEVERANCE PAY AND BACK PAY

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§ 5595. Severance pay

(a) * * *

* * * * * * *

(i)(1) * * *

* * * * * * *

(4) This subsection applies with respect to severance pay payable under this section for separations taking effect on or after February 10, 1996, and before October 1, [2003] *2006*.

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Subpart G—Insurance and Annuities

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CHAPTER 89—HEALTH INSURANCE

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§ 8905a. Continued coverage

(a) * * *

* * * * * * *

(d)(1) * * *

* * * * * * *

(4)(A) * * *

(B) This paragraph shall apply with respect to any individual whose continued coverage is based on a separation occurring on or after the date of enactment of this paragraph and before—

(i) October 1, [2003] *2006*; or

(ii) February 1, [2004] *2007*, if specific notice of such separation was given to such individual before October 1, [2003] *2006*.

* * * * * * *

CHAPTER 90—LONG-TERM CARE INSURANCE

* * * * * * *

§ 9001. Definitions

For purposes of this chapter:

(1) EMPLOYEE.—The term "employee" means—

(A) * * *

(B) an individual described in section 2105(e); [and]

(C) an individual employed by the Tennessee Valley Authority[,]*; and*

(D) an employee of a nonappropriated fund instrumentality of the Department of Defense described in section 2105(c),

but does not include an individual employed by the government of the District of Columbia.

* * * * * * *

§ 9002. Availability of insurance

(a) * * *

(b) DISCRETIONARY AUTHORITY REGARDING NONAPPROPRIATED FUND INSTRUMENTALITIES.—The Secretary of Defense may determine that a nonappropriated fund instrumentality of the Department of Defense is covered under this chapter or is covered under an alternative long-term care insurance program.

[(b)] *(c)* GENERAL REQUIREMENTS.—Long-term care insurance may not be offered under this chapter unless—

(1) * * *

* * * * * * *

[(c)] *(d)* DOCUMENTATION REQUIREMENT.—As a condition for obtaining long-term care insurance coverage under this chapter based on one's status as a qualified relative, an applicant shall provide documentation to demonstrate the relationship, as prescribed by the Office.

[(d)] *(e)* UNDERWRITING STANDARDS.—

(1) * * *

* * * * * * *

[(e)] *(f)* GUARANTEED RENEWABILITY.—The benefits and coverage made available to eligible individuals under any insurance contract under this chapter shall be guaranteed renewable (as defined by section 7A(2) of the model regulations described in section 7702B(g)(2) of the Internal Revenue Code of 1986), including the right to have insurance remain in effect so long as premiums continue to be timely made. However, the authority to revise premiums under this chapter shall be available only on a class basis and only to the extent otherwise allowable under section 9003(b).

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SECTION 1505 OF THE WEAPONS OF MASS DESTRUCTION CONTROL ACT OF 1992

SEC. 1505. INTERNATIONAL NONPROLIFERATION INITIATIVE.

(a) * * *

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(f) TERMINATION OF AUTHORITY.—The authority of the Secretary of Defense to provide assistance under this section terminates at the close of fiscal year [2002] *2003*.

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MILITARY CONSTRUCTION AUTHORIZATION ACT FOR FISCAL YEAR 1997

* * * * * * *

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

* * * * * * *

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2406(a)(1), and, in the case of the projects described in paragraphs (2) and (3) of section 2406(b), other amounts appropriated pursuant to authorizations enacted after this Act for the projects, the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization Program	Pueblo Chemical Activity, Colorado	[$203,500,000] *$261,000,000*
Defense Finance & Accounting Service	Charleston, South Carolina	$6,200,000
*	* * * * *	*
	Total:	[$549,954,000] *$607,454,000*

* * * * * * *

SEC. 2406. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) * * *

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) * * *

(2) [$203,500,000] *$261,000,000* (the balance of the amount authorized under section 2401(a) of this Act for the construction of a chemical demilitarization facility at Pueblo Army Depot, Colorado); and

* * * * * * *

SECTION 501 OF THE MCKINNEY-VENTO HOMELESS ASSISTANCE ACT

SEC. 501. USE OF UNUTILIZED AND UNDERUTILIZED PUBLIC BUILDINGS AND REAL PROPERTY TO ASSIST THE HOMELESS.

(a) * * *

* * * * * * *

(i) APPLICABILITY TO CERTAIN PROPERTY DURING EMERGENCIES.—The screening requirements and other provisions of this section shall not apply to any property that is excess property or surplus property or that is described as unutilized or underutilized property if the property is subject to a request for conveyance or use for the purpose of directly supporting activities in response to—

(1) a war or national emergency declared in accordance with the National Emergencies Act (50 U.S.C. 1601 et seq.); or

(2) an emergency or major disaster declared in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

[(i)] *(j)* DEFINITIONS.—For purposes of this section—

(1) * * *

* * * * * * *

SECTION 204 OF THE DEFENSE AUTHORIZATION AMENDMENTS AND BASE CLOSURE AND REALIGNMENT ACT

SEC. 204. IMPLEMENTATION

(a) * * *

* * * * * * *

(e) TRANSFER AUTHORITY IN CONNECTION WITH CONSTRUCTION OR PROVISION OF MILITARY FAMILY HOUSING.—(1) Subject to paragraph (2), the Secretary may enter into an agreement to transfer by deed real property or facilities located at or near an installation closed or to be closed under this title with any person who agrees, in exchange for the real property or facilities, to transfer to the Secretary housing units that are constructed or provided by the person and located at or near a military installation at which there is a shortage of suitable housing to meet the requirements of members of the Armed Forces and their dependents. **[**The Secretary may not select real property for transfer under this paragraph if the property is identified in the redevelopment plan for the installation as items essential to the reuse or redevelopment of the installation.**]**

* * * * * * *

SECTION 2914 OF THE DEFENSE BASE CLOSURE AND REALIGNMENT ACT OF 1990

SEC. 2914. SPECIAL PROCEDURES FOR MAKING RECOMMENDATIONS FOR REALIGNMENTS AND CLOSURES FOR 2005 ROUND; COMMISSION CONSIDERATION OF RECOMMENDATIONS.

(a) * * *

* * * * * * *

(d) COMMISSION REVIEW AND RECOMMENDATIONS.—

(1) * * *

* * * * * * *

(4) LIMITATION ON AUTHORITY TO RECOMMEND ADDITIONAL INSTALLATION FOR CLOSURE.—Notwithstanding paragraph (3), the decision of the Commission to add a military installation to the Secretary's list of installations recommended for closure must be unanimous, and at least two members of the Commission must have visited the installation during the period of the Commission's review of the list.

[(4)**]** *(5)* TESTIMONY BY SECRETARY.—The Commission shall invite the Secretary to testify at a public hearing, or a closed hearing if classified information is involved, on any proposed change by the Commission to the Secretary's recommendations.

[(5)**]** *(6)* COMPTROLLER GENERAL REPORT.—The Comptroller General report required by section 2903(d)(5)(B) analyzing the recommendations of the Secretary and the selection process in 2005 shall be transmitted to the congressional defense committees not later than July 1, 2005.

* * * * * * *

ACT OF AUGUST 22, 1972

(Public Law 92–402)

AN ACT To authorize appropriations for the fiscal year 1973 for certain maritime programs of the Department of Commerce, and for related purposes.

* * * * * * *

SEC. 4. If, after consideration of such comments and views as are received pursuant to section 3(c), the Secretary finds that the use of Liberty ships proposed by a State will not violate any Federal law, contribute to degradation of the marine environment, create undue interference with commercial fishing or navigation, and is not frivolous, he may transfer without consideration to the State all right, title, and interest of the United States in and to any Liberty ships which are available for transfer under this Act if—

(1) * * *

* * * * * * *

(4) the transfer would be at no cost to the Government *(except for any financial assistance provided under section 7)* with the State taking delivery of such obsolete ships at fleetside of the National Defense Reserve Fleet in an "as is-where is" condition.

* * * * * * *

SEC. 7. FINANCIAL ASSISTANCE TO STATE TO PREPARE TRANSFERRED SHIP.

(a) ASSISTANCE AUTHORIZED.—The Secretary, subject to the availability of appropriations, may provide, to any State to which an obsolete ship is transferred under this Act, financial assistance to prepare the ship for use as an artificial reef, including for—

(1) environmental remediation;

(2) towing; and

(3) sinking.

(b) AMOUNT OF ASSISTANCE.—The Secretary shall determine the amount of assistance under this section with respect to an obsolete ship based on—

(1) the total amount available for providing assistance under this section;

(2) the benefit achieved by providing assistance for that ship; and

(3) the cost effectiveness of disposing of the ship by transfer under this Act and provision of assistance under this section, compared to other disposal options for the vessel.

(c) TERMS AND CONDITIONS.—The Secretary—

(1) shall require a State seeking assistance under this section to provide cost data and other information determined by the Secretary to be necessary to justify and document the assistance; and

(2) may require a State receiving such assistance to comply with terms and conditions necessary to protect the environment and the interests of the United States.

SEC. **[**7**]** *8*. For purposes of sections 3, 4, 5, and 6, the term "obsolete ship" means any vessel owned by the Department of Transportation that has been determined to be of insufficient value for commercial or national defense purposes to warrant its mainte-

nance and preservation in the national defense reserve fleet and has been designated as an artificial reef candidate.

* * * * * * *

ADDITIONAL VIEWS

While we strongly support the overall defense authorization bill, we would like to express our views on the wisdom of the nuclear policy that was adopted and some of the amendments on this subject that were not. We agree with the bill's provision requiring that the Department of Defense provide the detailed force structure plan that should have been part of the administration's Nuclear Posture Review. We also are pleased that two amendments offered by Mr. Allen were accepted by the committee. The National Academy of Sciences' studies called for by those amendments will help Congress and the Department of Defense understand the short- and long-term effects of the possible use of nuclear earth-penetrators and nuclear-tipped ballistic missile interceptors. Previous effect studies may not reflect all current information and any future decision about the utility of these weapons must take their effects into account.

We are disappointed, however, that the sense of congress contained in Section 1021 was not modified as proposed in the amendment by Mrs. Tauscher and Mr. Allen. Further, we believe the amendments offered by Mr. Spratt and Mr. Allen prohibiting the development or deployment of nuclear-tipped ballistic missile interceptors and by Mr. Spratt requiring Congressional notification in advance of any future underground nuclear test would have improved the quality of our nuclear policy and the strength of the U.S. negotiating position with Russia and others on security issues. We all agree that nuclear deterrence remains a critical component of U.S. national security and that the United States should maintain sufficient nuclear forces to execute its Single Integrated Operational Plan (SIOP). The amendments offered, however, would have improved the chairman's mark in three critical ways.

First, the Tauscher-Allen sense of Congress amendment would have retained the President's flexibility in his current negotiations with Russia by removing a minimum requirement of operationally-deployed weapons at 1,700. The amendment would have allowed him to go lower than that figure if he negotiated a bilateral agreement to that effect. U.S. security is enhanced by encouraging Russia to eliminate as many nuclear weapons as possible. For our own purposes, retaining a large "responsive force" of non-operationally deployed nuclear weapons well above the levels required by the SIOP is counter-productive and costly. It encourages Russia to retain larger stockpiles than it otherwise would and supports the rationale for nuclear build-up of other states like China which are assessing the appropriate size of their nuclear force.

Second, both the Tauscher-Allen amendment and the Spratt-Allen amendment speak to the need for caution in expanding applications of nuclear use. The Tauscher-Allen sense of Congress would have focused our policy for countering the very real threat of hard

and deeply-buried targets on advanced conventional weapons and enhanced intelligence. The amendment would not have ruled out the use of existing nuclear capabilities, but highlighted that the focus of scientific research and development should be on non-nuclear capabilities first, given the collateral damage involved and the destabilizing potential of using tactical nuclear options. Similarly, the Spratt prohibition of nuclear-tipped ballistic missile interceptors would have put Congress on record against an option dismissed twenty years ago when the Reagan administration launched the Strategic Defense Initiative. We don't believe the public would support such nuclear use and this is not an option we should be advocating in any missile defense program.

Finally, the Spratt amendment on Congressional notification before the conduct of any future underground nuclear test would have provided critical oversight of any potential change in administration policy. If the administration chooses to resume testing, Congress should have an opportunity to investigate why the test is necessary and the implications of conducting it. The twelve-month notification was designed to accommodate the authorization bill cycle and does not tie the administration's hands in any way, as the current test readiness posture is 24–36 months. DOE officials, in fact, indicate that it will cost tens of millions of dollars and take at least two years to reduce this to 18 months. Congress has a duty to oversee our deterrence and defense capability; this amendment would have strengthened our ability to do so.

We all agree on the need to maintain U.S. national security and the deterrent capability of our nuclear forces. These amendments would have enhanced both. We look forward to opportunities on the House floor and in the future to continue to advance these goals.

IKE SKELTON.
JOHN SPRATT.
LANE EVANS.
NEIL ABERCROMBIE.
MARTY MEEHAN.
TOM ALLEN.
LORETTA SANCHEZ.
ELLEN O. TAUSCHER.
ROBERT A. BRADY.
ROBERT E. ANDREWS.
BARON P. HILL.
JIM LANGEVIN.
RICK LARSEN.
ADAM SMITH.
ROBERT A. UNDERWOOD.

ADDITIONAL VIEWS

As the Committee marked up the National Defense Authorization Act for Fiscal Year 2003, the matters put before the members were appropriate for our consideration with one glaring exception, Title XIV concerning the Utah Test and Training Range.

We believe that every Member of the House has a stake in the committee process. If any issue under the jurisdiction of the Armed Services Committee were to be added to the Chairman's mark in another committee, the Armed Services Committee members would be right to object in the most strenuous terms.

That's why we feel that the inclusion of title XIV in the chairman's mark was a procedural foul.

First, when this language was previously introduced as legislation (H.R. 3035–106th Congress and H.R. 2488–107th Congress), it was referred solely to the Resources Committee. Its lack of success there is not because it did not have a strong champion or lacked exposure. It had both but has not passed the House.

Second, language this important and comprehensive deserves one or more hearings in this committee. It has had none.

Third, the language was inserted into the Chairman's mark and not exposed to the regular amendment process. We all know bill language is more easily adopted when it is included in the mark, rather than when it is added by amendment.

As to the substance of this legislation, it is important to note that the proponents of Title XIV and the language of the title have created confusion as to just what is the Utah Test and Training Range (UTTR). The UTTR and the adjacent Dugway Proving Grounds encompass approximately 1.7 million acres withdrawn from public use and under the administration of the Department of Defense. Title XIV speaks to not only these 1.7 million acres but to an additional six million acres of public lands and national forests administered by the Departments of the Interior and Agriculture that underlie military airspace for the UTTR.

We believe the following point must be made perfectly clear. There is no designated or proposed wilderness within the boundaries of the UTTR and the Dugway Proving Grounds. There are however, 25,000 acres of designated wilderness and several hundred thousand acres of Wilderness Study Areas (WSAs) on national forests and public lands beneath military airspace in Utah, and it is these lands as well as the millions of acres of adjacent public lands that would be adversely affected by Title XIV.

Even more troubling than that inconsistency and the procedure used to include Title XIV are the provisions themselves. The military use language of Title XIV is unprecedented and not found in any other law. Ironically, these provisions set a standard for wilderness management that would provide less protection to the wilderness areas designated by Title XIV than the protections avail-

able to non-designated public lands. Millions of acres of designated wilderness and millions more acres of public land underlie military airspace across the United States. None of these lands have or need the restrictive language that Title XIV would apply to wilderness and public lands in Utah.

Language in Title XIV would strip the authority of the Secretary of the Interior to determine where and whether facilities and equipment are placed on public lands within wilderness areas. Another provision allows the Secretary of the Air Force to unilaterally close or restrict access to wilderness and WSAs outside the boundaries of the UTTR and the Dugway Proving Grounds. These provisions are unprecedented, and no clear rationale has been given to warrant this change from existing law. Moreover, Title XIV creates a different standard for access and military use for land in Utah than is applicable to all other public land areas of the United States.

Furthermore, Title XIV requires the Secretary of the Interior to gain the prior concurrence of the Secretary of the Air Force and the commander-in-chief of the military forces of the State of Utah before developing, maintaining, or revising land use plans required by Federal law for millions of acres of public lands in Utah. Is it unwise policy, to say the least, for a Cabinet secretary's role to be subordinate to a service secretary and a state military commander.

The bottom line is two fold. All House members have a stake in preserving the committee process. House rules on committee jurisdiction exist for a reason, and we should abide by them absent some compelling exceptional justification. None has been provided here.

Second, it is wrong to ram through any committee contentious provisions of sweeping scope and substantive import. This wrong has been exacerbated in this case by the absence of committee hearings and the legislative legerdemain of embedding a previously unseen title of the bill in the chairman's mark.

We cannot sanction procedural and substantive transgressions of this magnitude.

IKE SKELTON.
ROBERT E. ANDREWS.
LANE EVANS.
ELLEN O. TAUSCHER.
MARTY MEEHAN.
VIC SNYDER.
JOHN SPRATT.
SUSAN A. DAVIS.
RICK LARSEN.
SILVESTRE REYES.
JAMES H. MALONEY.
JOHN B. LARSON.
LORETTA SANCHEZ.
BARON P. HILL.
TOM ALLEN.
ROBERT A. BRADY.
CYNTHIA MCKINNEY.
ADAM SMITH.
JIM LANGEVIN.
CIRO D. RODRIGUEZ.

ADDITIONAL VIEWS OF REPRESENTATIVE W. TODD AKIN

The Committee's recently drafted Fiscal Year 2003 National Defense Authorization bill contains a number of provisions and initiatives that will greatly benefit our service men and women. These include initial funding for a joint replacement aircraft for the EA–6B "Prowler" and funding to initiate a T–45 multi-year procurement contract.

We cannot move quickly enough to replace the EA–6B. Though the Prowler has served us well for nearly 30 years, all indications are that 2008 is the target date by which a replacement aircraft must enter the fleet. If a decision is made this summer, an EA–18 could readily meet that timeline and at a developmental cost of approximately $1.6 billion. On the other hand, the years of development necessary to develop the already-accelerated JSF and then develop a follow-on EA–JSF design indicate that a JSF variant would not be available until at least 2013, and only at much higher cost. Knowing this, and given the critical importance of our electronic warfare capabilities, we should not delay further a decision on replacing the Prowler.

Knowing this, the committee authorized $10 million to support preliminary risk reduction engineering for an EA–6B replacement. Given the sustained high operational tempo, and ongoing deterioration, of the Prowler fleet, we cannot move quickly enough toward a joint follow-on aircraft.

In addition, the committee included $10 million to support a possible multi-year procurement of the Navy's T–45 "Goshawk" jet trainer. This is an excellent idea. Given the need to complete modernization of the Navy's training fleet and the anticipated future-years funding shortfall in the Navy aviation budget, which becomes particular difficult beginning in fiscal year 2007, it makes excellent sense to initiate a three-year procurement contract for T–45s for fiscal years 2004–06. This would allow us to complete the Navy's requirement for 234 T–45s before 2007 and in the process purchase these aircraft at approximately 25 percent less per unit than if we did so through the annual budgeting process at eight aircraft per year.

W. TODD AKIN.

DISSENTING VIEW OF CONGRESSWOMAN CYNTHIA McKINNEY

The National Defense Authorization Act of 2002, H.R. 4546, represents the largest real increase to defense spending since 1966. This bill contains over $40 billion more spending than last year's defense authorization, which too was egregiously large. H.R. 4546 provides for over $383 billion in spending for the Department of Defense and the weapons programs of the Department of Energy. Unfortunately this new spending comes at the expense of many valuable and effective government programs. As the Bush Administration's tax cut enacted last year has reduced the ability of the federal government to fully fund many important programs, the massive increase in defense spending is accompanied by cuts to programs for job training, drug elimination in public housing, prescription drug benefits, conservation spending, and much more. Such one-sided spending indicates a misdirected view of our nation's true national security reflecting a belief that relies on warfighting capabilities and which neglects the domestic issues and quality of life that are also essential to a secure nation.

In addition to the singular focus of our national security attention, there are problems within the Pentagon that raise questions about such immense spending. On September 10, 2001, Defense Secretary Rumsfeld stated that "[a]ccording to some estimates, we cannot track $2.3 trillion in transactions." Such a lack of financial accountability not only undermines the integrity of the Pentagon, it causes severe inefficiencies that cause further financial loss, and undoubtedly leads to wasteful spending. If there were ever to be activities obscured from the public's eye, projects pursued without authorization, or other questionable action or spending, how could it ever be discovered when the level of unaccounted transactions is so high? In any other arena, either private sector or public, financial accountability would be insured prior to increasing expenditures, not the opposite.

Yet the basis for such a large increase in spending is wholly unjustified. The events of September 11, 2001 were a tragedy to the entire nation. However, the attacks in New York, Pennsylvania, and Virginia were not prompted by any failure of the United States military, but instead were the result of a breakdown in our intelligence community. In fact, just this week Yahoo News reported that CIA Deputy Director of Operation James Pavitt "dismissed charges the CIA was caught unaware by September 11 suicide attacks in the United States" and that "[t]he CIA knew the network led by Saudi-born militant Osama bin Laden was planning a major strike."

Similarly, a Washington Post article dated May 3, 2002 stated "[t]wo months before the suicide hijackings, an FBI agent in Arizona alerted Washington headquarters that several Middle East-

erners were training at a U.S. aviation school and recommended contacting other schools nationwide," and further that "[l]aw enforcement officials said in retrospect the FBI believes it should have accelerated the suggested check of U.S. flight schools." The intelligence community has received substantial increases in resources in order to address these shortcomings. As there was no apparent defense shortcoming, it appears that the increases contained in the defense authorization serve to increase the armed forces' ability to wage war in foreign nations, replace regimes such as Iraq, and accelerate the expansion of war on a worldwide scale.

The increased defense authorization also permits prodigal, unneeded, and archaic projects and weapons systems to proceed. One such weapons system is the Crusader, an artillery system originally intended to defeat Soviet tanks on a large battlefield. Though it is widely assumed that the U.S. will not confront such a battle environment, the Army has continued its drive to develop and procure this weapon. Logistically, this artillery system has been found to be difficult to transport, and at 40 tons for each the artillery system and the adjoining resupply vehicle, the Crusader would be difficult to adhere to the Army's evolving mobility goals. In considering the continued pursuit of the Crusader, it is important to note that the prime contractor for this weapon system, United Defense, is owned by the Carlyle Group, which in turn is chaired by Frank Carlucci, former Secretary of Defense under President Ronald Reagan, and which also employs former President George H.W. Bush.

Nonetheless, Deputy Secretary of Defense Paul Wolfowitz has been reported to be planning to cut this expensive and unnecessary weapon, thus saving the $475 million earmarked for the Crusader to be used for other expenditures. I would welcome such an announcement. However, contrary to reports, this defense authorization leads me to believe that the Crusader program will survive. Included in H.R. 4546 is language that "directs that there be no change to the Crusader development schedule, funding or procurement requirements, to include termination." It is unfortunate that, even when the Pentagon seeks to shelve needless and wasteful programs, this defense authorization and the defense industry are capable of keeping the Crusader and other questionable projects alive.

Furthermore, this defense authorization charts the course toward dangerous waters in terms of our nation's nuclear weapons policy, the development of missile defense, and environmental stewardship.

Section 1021 of the defense authorization bill details the proposed nuclear policy of the United States, which aptly calls for sharp reductions in the nation's nuclear weapons stock. However, the value of those reductions is lost on the fact that the policy also calls for the U.S. to "maintain a responsive force of non-deployed nuclear weapons for potential contingencies." It is difficult to conceive a contingency where the 1,700 nuclear weapons to which our stock would be reduced would be insufficient. The maintenance of such a ready reserve also provokes international concern and would incur significant future costs to the U.S. in terms of maintenance, stockpile stewardship and security. Sec. 1021 also encourages the

development of new nuclear weapons for the purpose of defeating hardened and deeply buried targets. This language is an affront to the Non-Proliferation Treaty that the U.S. has ratified. This provocative section also neglects the physical science that nuclear weapons would not serve to defeat such buried targets, would have significant radioactive fallouts, and would hinder U.S. personnel from conducting damage assessments. It was unfortunate that the Committee did not pass an amendment offered by Representatives Ellen Tauscher and Tom Allen that would have improved and removed this dangerous language.

Additionally, Section 1021 urges the Administration to develop a plan to be able to resume underground nuclear testing within one year of a decision to conduct such tests. Underground nuclear tests have not been conducted in the U.S. since September 1992, and when they have been conducted in other nations, the U.S. has responded with strong rebukes and sanctions. The development of such a resumption plan is unnecessary, is internationally inflammatory, and is likely not the desire of a majority of Americans. In sum, Section 1021 sets forth a nuclear weapons policy that is unlikely to insure greater safety for Americans and could result in encouraging other nations to further their own nuclear weapons programs.

With regard to missile defense, H.R. 4546 continues the road to development of this dangerous and unreliable system. This authorization provides $7.8 billion for missile defense, following on the nearly $8 billion that was authorized for missile defense last year. Not only is this an unusually high amount of money to be devoting to a weapon system of questionable reliability, the need for the missile shield being sought is not apparent. The CIA's own National Intelligence Estimate states that North Korea has the greatest and soonest likelihood of attacking the U.S. with a missile, but that they will be unable to do so before 2015; the same NIE states that attacks are much more likely using weapons of mass destruction (WMD) via other untraditional routes such as trucks, ships, or airplanes.

Rather than relying on a missile defense system, which may well lead America to a false sense of security, missile defense should be re-shelved, as it was in 1976. Cooperative international arms control and disarmament agreements will be far more effective in advancing peace and security in the years ahead and will cost far less than a Star Wars type missile shield.

Evidently, the current prevailing concept for missile defense, known as hit-to-kill, which had garnered the support of many in this Committee, is not as reliable as had been thought. It was reported a few weeks ago that the Secretary of Defense had given approval to proceed with the study of nuclear-tipped missile defense. Despite the fact that this concept had already been pursued in the 1960s and 1970s and correctly cancelled, nuclear-tipped missile defense has apparently risen from the dead. An amendment offered by Representative John Spratt would have prohibited the development of such a missile defense concept. However, the Committee unfortunately defeated this amendment. While debate in opposition to the amendment noted the need to provide the Pentagon as much latitude in pursuing missile defense options, the fact that the at-

mospheric nuclear explosion would cause enormously destructive electro-magnetic pulses to wreak havoc on both domestic and space-based electronics, not to mention the horrible human health impacts from the ensuing radiological fallout, were evidently ignored by a majority of the Committee. Nuclear tipped missile defense was pursued once, and was then cast aside when financial and other costs were observed to be greater than the benefits. The Committee should have considered this history when voting on the amendment, and I find it inevitable that nuclear-tipped missile defense will again find a similar fate.

For a multitude of reasons, the environmental provisions of this bill are inappropriate and disappointing. The Readiness Subcommittee included in their mark, language that will carve out special exemptions so that the Department of Defense will not have to adhere to the Endangered Species Act (ESA) and the Migratory Bird Treaty Act (MBTA). First, when the Subcommittee conducted hearings on these issues, only Administration officials were permitted to testify, and local and state officials and environmental organizations were not provided similar opportunities to share their viewpoints. With such contentious, wide-ranging, and important issues under consideration, these stakeholders should have been given an opportunity to be heard. Second, with regard to the Endangered Species Act, a provision already exists within the law that would permit the Secretary of Defense to request a waiver from compliance with the ESA for purposes of national security. The Defense Department has never made use of this provision, and with such an avenue for relief currently available, there is no reason that the law should be amended.

Finally, parliamentary rules of Congress provide for sequential referral to multiple committees for issues that span the jurisdiction of more than one committee for good reason. In this case, the Resources Committee has jurisdiction over these important environmental laws, and the opportunity for this committee to conduct hearings on these law changes should not have been circumvented.

In addition to the exemptions of these two important wildlife protection laws, Title XIV of the Chairman's mark is a very disappointing foray of the Armed Services Committee into the arena of public lands management. The Committee never conducted hearings on this specific provision. This section releases hundreds of thousands of acres from Wilderness Study Areas designation, permits unprecedented entry and activity in wilderness areas, cedes management authority of public lands to the Secretary of the Air Force and again denies the appropriate jurisdictional oversight of the Resources Committee. If the intent of Title XIV was to protect public land and insure emergency access for the military, there is undoubtedly a more democratic and comprehensive approach that could have been taken.

In an issue that was addressed by an amendment offered, and then withdrawn, by Representative Lindsey Graham, the Department of Energy has dangerously discarded the idea of immobilizing plutonium obtained through the dismantling of Russian and American nuclear weapons. The pursuit of the mixed-oxide (MOX) alternative, whereby the excess plutonium is not encased in a non-reactive, immobile matrix, but instead is processed into a fuel that en-

ergy companies can use in nuclear power generation is unwise. The safer and more sensible approach to this issue would have been for the DOE and the Savannah River Site to pursue the immobilization alternative, maintain a set of alternatives in case any proposed solution proves technically unfeasible, and not to provide a subsidy to the nuclear industry in the form of this MOX fuel.

As was the case with last year's authorization consideration, Representative Loretta Sanchez offered an amendment to permit service women and female military dependents to obtain privately funded abortions in overseas military hospitals. In this amendment medical practitioners in these hospitals who choose not to conduct such procedures would not have been required to conduct them. Though the Supreme Court has affirmed a woman's right to obtain an abortion, the Committee sees fit to maintain its own discretion of this constitutional right, and did not approve of this amendment. It is unfortunate that service women and female dependents must now choose between seeking abortions that can be unsafe or illegal in foreign nations, or otherwise forfeit their rights to privacy by the necessity of informing superior officers when seeking military transport to a location suitable for abortion procedures.

Though it deeply troubles me that one of the first acts of our President after declaring this War On Terrorism was to sign an Executive Order denying promised high deployment overtime pay to our service men and women, the overall mark that was reported from the Personnel Subcommittee is commendable. The bill provides for a 4.1 percent across-the-board pay raise that aptly recognizes the hard work and dedication of our nation's service personnel. This pay raise will also serve to aid in the recruitment and retention of personnel, as the increase is consistently above private sector pay increases. Additionally, the Personnel mark provides for higher raises for certain specialties and for non-commissioned officers, thereby improving force strength in essential fields and compensating many of tomorrow's leaders. Though I have dissented in this Act, I greatly respect the individual members of our armed services for their service and sacrifice in the name of our nation.

Additionally, the Personnel Subcommittee included language that will permit the payment of concurrent receipt for some retired military personnel who are also disabled veterans. For too long disabled veterans have been forced to choose between their retirement pay and their well-deserved disability benefits. Though H.R. 4546 provides only for immediate concurrent receipt to veterans who are rated 60 percent disabled or greater, I believe that the Committee has made an improvement from the previous ban on concurrent receipt and I hope that the program will continue to be expanded to provide concurrent receipt to all retired military personnel who are also disabled veterans. I doubt anyone would question that they have earned it.

CYNTHIA MCKINNEY.

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