Calendar No. 370

107TH CONGRESS
2d Session

SENATE

REPORT
107–151

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003

REPORT

[TO ACCOMPANY S. 2514]

ON

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 2003 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CONSTRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY, TO PRESCRIBE PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR FOR THE ARMED FORCES, AND FOR OTHER PURPOSES

TOGETHER WITH

ADDITIONAL AND MINORITY VIEWS

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

MAY 15 (legislative day, MAY 9), 2002.—Ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE
79–608 WASHINGTON : 2002

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(107th Congress, 2d Session)

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Calendar No. 370

107TH CONGRESS, 2d Session | SENATE | REPORT 107–151

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 2003 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CONSTRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY, TO PRESCRIBE PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR FOR THE ARMED FORCES, AND FOR OTHER PURPOSES

MAY 15 (legislative day, MAY 9), 2002.—Ordered to be printed

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

R E P O R T

together with

ADDITIONAL AND MINORITY VIEWS

[To accompany S. 2514]

The Committee on Armed Services reports favorably an original bill to authorize appropriations during the fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and recommends that the bill do pass.

PURPOSE OF THE BILL

This bill would:

(1) authorize appropriations for (a) procurement, (b) research, development, test and evaluation, (c) operation and maintenance and the revolving and management funds of the Department of Defense for fiscal year 2003;

(2) authorize the personnel end strengths for each military active duty component of the Armed Forces for fiscal year 2003;

(3) authorize the personnel end strengths for the Selected Reserve of each of the reserve components of the Armed Forces for fiscal year 2003;

(4) impose certain reporting requirements;

(5) impose certain limitations with regard to specific procurement and research, development, test and evaluation actions and manpower strengths; provide certain additional legislative authority, and make certain changes to existing law;

(6) authorize appropriations for military construction programs of the Department of Defense for fiscal year 2003; and

(7) authorize appropriations for national security programs of the Department of Energy for fiscal year 2003.

Committee overview and recommendations

The events following September 11, 2001, have once again shown that the U.S. military is the most capable fighting force in the world. The success of our forces in Afghanistan has been remarkable. Osama bin Laden—if he is alive at all—is on the run and in hiding. Many of his al Qaeda terrorists have been captured or killed. The Taliban regime that harbored them is no more, and a new government is in place. Nations around the world have been put on notice: America is determined to protect itself from more attacks and to bring terrorists to justice.

The excellence behind that success was not built in months. The success of our forces in Afghanistan is a tribute to the men and women of the Armed Forces and the investments in national defense that Congress and the Department of Defense have made over many years. Future success on the battlefield will likewise depend upon the success of Congress and the Department in preparing, training, and equipping our military for tomorrow's missions.

The administration's fiscal year 2003 budget request of $396.8 billion for national security activities includes an increase of $48.0 billion over the fiscal year 2002 level, the largest increase in defense spending in two decades. The committee will do all in its power, as it has done in the past, to ensure that our forces have the resources, tools and technologies that they need to deter and, if necessary, prevail in future conflicts.

At the same time, the committee has a responsibility to ensure that the resources our taxpayers provide for the national defense are spent wisely. More than a year into office, the administration has completed a Quadrennial Defense Review as required by law, but still has not complied with the statutory requirements to provide Congress with a National Security Strategy and an Annual Report outlining detailed plans for the size, structure, shape, or transformation of our military. In the absence of such planning, the committee is concerned that the Department of Defense will have difficulty establishing a clear vision for the future of our Armed Forces.

In the first 41 days of congressional session this year, the committee held 41 hearings to examine the administration's budget request and related issues. During the course of these hearings, the committee identified five priorities to guide its actions in developing the National Defense Authorization Act for Fiscal Year 2003:

(1) Continue the improvements in the compensation and quality of life of the men and women in the Armed Forces, retirees and their families.

(2) Sustain the readiness of the military services to conduct the full range of their assigned missions, including current and future operations against international terrorism.

(3) Improve the efficiency of Defense Department programs and operations and apply the savings toward high-priority programs.

(4) Improve the ability of the Armed Forces to meet nontraditional threats, including terrorism and weapons of mass destruction.

(5) Promote the transformation of the Armed Forces to meet the threats of the 21st century.

First and foremost, the committee recommendations would improve the compensation of our men and women in uniform by authorizing a 4.1 percent pay raise, with an additional targeted pay raise for the mid-career force. The committee recommendations would improve the conditions in which members of the Armed Forces live and work by authorizing $640.0 million above the budget request to improve and replace military facilities. In accordance with the Budget Resolution reported by the Senate Budget Committee, the committee also recommends a provision that would address a longstanding inequity in the compensation of military retirees by authorizing the concurrent receipt of military retired pay and veterans disability compensation by certain military retirees. Finally, the committee recommendations would authorize a new assignment incentive pay of up to $1,500 per month to reward military members who agree to serve in difficult-to-fill assignments.

The committee recommendations would take an important step to ensure the readiness of our military forces by setting aside $10.0 billion, as requested by the administration, to fund ongoing operations in the war against international terrorism during fiscal year 2003. The committee recommendations would also add funding to address shortfalls in a number of key readiness accounts. These funding increases include: $126.0 million for the improvement of military training ranges; $228.6 million for aircraft, ship, and Navy gun depot maintenance; $176.2 million for maintenance of Air Force flight line facilities and Army buildings; $45.0 million for ammunition to meet new training requirements and supplement war reserve stocks; and $55.0 million to address the Army's aviation training backlog. The committee recommendations would also help lessen the burden on some of the Department's high demand, low density assets by authorizing $110.0 million for the purchase of an additional EC–130J Commando Solo aircraft and $114.0 million for modifications to EA–6B electronic warfare aircraft.

Legislation enacted by the committee last year set a goal for the Department to achieve an additional $1.7 billion of savings in fiscal year 2003 by implementing improved management practices for the $50.0 billion spent annually on services contracts. The committee has built on this initiative by recommending a provision that would establish additional goals for increased competition and increased use of performance-based services contracting, a change which should result in additional savings in the future. The committee also recommends provisions that would improve the efficiency of DOD programs and operations by requiring the Department to develop a comprehensive financial management enterprise architecture; establishing a framework for the Department to develop a disciplined approach to evolutionary acquisition programs; addressing

recurring problems with the abuse of purchase cards and travel cards by military and civilian personnel; and requiring the Department to address longstanding problems in the development and acquisition of software.

The committee recommendations would take a significant step toward addressing nontraditional threats by providing in excess of $10.0 billion for combating terrorism initiatives, as requested by the Department. In addition, the committee recommendations include an increase of $199.7 million to enhance the security of our nuclear materials and nuclear weapons; an increase of $42.7 million in funding for the U.S. Special Operations Command; and an increase of $30.5 million for defense against chemical and biological weapons and other efforts to combat weapons of mass destruction (WMD). The committee also recommends legislative provisions that would require DOD to take a more comprehensive approach to installation preparedness for WMD attacks; authorize the Secretary to expand cooperative threat reduction activities beyond the countries of the Former Soviet Union; and authorize the use of National Guard personnel in State status to assist in border security.

Finally, the committee continued its effort to promote the transformation of the Armed Forces to meet the threats of the 21st century by adding more than $1.1 billion to the Navy's shipbuilding accounts to refuel a nuclear submarine and pay for advance procurement of an aircraft carrier, a *Virginia*-class submarine, a DDG–51 class destroyer, and an LPD–17 class amphibious transport dock. The committee recommendations would promote the transformation of the Army by adding $105.0 million of funding for research and development on the Army Future Combat System, adding more than $100.0 million for science and technology needed to help the Army achieve its Objective Force, and by providing $96.3 million for nine additional Blackhawk helicopters. The committee recommendations would advance the transformation of the Air Force by fully funding the $5.2 billion requested by the Department for the F–22, the $3.5 billion requested for continued research and development on the Joint Strike Fighter, and the more than $1.0 billion requested for unmanned aerial vehicles.

The committee also recommends a number of legislative initiatives to promote military transformation. These include: an initiative to address major shortcomings in the Department's test and evaluation infrastructure that have led to inadequate testing of major weapons systems; a technology transition initiative to ensure that new technologies developed in the Department's science and technology programs are rapidly fielded in weapons systems for our warfighters; and a nanotechnology initiative to ensure that the Department has a focused approach to this emerging area of technology. The committee recommendations would also add more than $170.0 million to the Department's science and technology budget, bringing the Department closer to the Secretary's goal of devoting 3 percent of all defense funds to the programs that promise to bring us the revolutionary technologies that will be needed to prevail in future conflicts.

Today, America's Armed Forces are capable and ready to help keep the peace, deter traditional and nontraditional threats to our security and our vital interests around the world, and win any conflict decisively. Working together, Congress and the executive

branch must build on the considerable strengths of our military forces and their record of success by preserving a high quality of life for U.S. forces and their families, sustaining readiness, and transforming the Armed Forces to meet the threats and challenges of tomorrow. The committee believes that the National Defense Authorization Act for Fiscal Year 2003 would take an important step in that direction.

Explanation of funding summary

The administration's budget request for the national defense function of the federal budget for fiscal year 2003 was $396.8 billion, of which $300.4 billion was for programs that require specific funding authorization. According to the estimating procedures used by the Congressional Budget Office (CBO), the amount requested was $396.3 billion. The funding summary table that follows uses the budget authority as calculated by CBO.

The following table summarizes both the direct authorizations and equivalent budget authority levels for fiscal year 2003 defense programs. The columns relating to the authorization request do not include funding for the following items: pay and benefits for military personnel, military construction authorizations provided in prior years, and other small portions of the defense budget that are not within the jurisdiction of this committee or that do not require an annual authorization.

Funding for all programs authorized in the bill is reflected in the columns related to the budget authority request and the total budget authority implication of the authorizations in this bill. The committee recommends funding authorizations totaling $393.3 billion in budget authority for fiscal year 2003.

The funding level recommended by the committee is within the budget authority level of $393.4 billion for the national defense function recommended in the Concurrent Resolution on the Budget for Fiscal Year 2003 reported by the Senate Committee on the Budget.

This funding level is $3.1 billion below the level requested by the administration in the fiscal year 2003 budget request using the CBO budget authority levels that were incorporated into the Concurrent Resolution on the Budget for Fiscal Year 2003 reported by the Senate Committee on the Budget.

This $3.0 billion adjustment reflects an increase of $516.0 million in mandatory spending to increase the military retirement benefits of retirees who also receive veterans disability benefits, and a decrease of $3.5 billion to reflect the proper accounting for civilian retirement and health benefits under current law. Both of these are discussed in detail elsewhere in this report.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003
In Thousands of Dollars

			BUDGET AUTHORITY IMPLICATION		
	Authorization Request	Senate Authorization	FY 2003 Request	Senate Change to Request	Senate Authorization
DIVISION A					
Title I -- PROCUREMENT					
Aircraft Procurement, Army	2,061,027	2,146,386	2,061,027	85,359	2,146,386
Missile Procurement, Army	1,642,296	1,653,150	1,642,296	10,854	1,653,150
Procurement of W&TCV, Army	2,248,558	2,242,882	2,248,558	-5,676	2,242,882
Procurement of Ammunition, Army	1,159,426	1,204,499	1,159,426	45,073	1,204,499
Other Procurement, Army	5,168,453	5,513,679	5,168,453	345,226	5,513,679
Aircraft Procurement, Navy	8,203,955	9,037,209	8,203,955	833,254	9,037,209
Weapons Procurement, Navy	1,832,617	2,505,820	1,832,617	673,203	2,505,820
Shipbuilding & Conversion, Navy	8,191,194	8,624,160	8,191,194	432,966	8,624,160
Procurement of Ammunition, Navy & Marine Corps	1,015,153	1,173,157	1,015,153	158,004	1,173,157
Other Procurement, Navy	4,347,024	4,516,500	4,347,024	169,476	4,516,500
Procurement, Marine Corps	1,288,383	1,341,219	1,288,383	52,836	1,341,219
Aircraft Procurement, Air Force	12,067,405	12,613,605	12,067,405	546,200	12,613,605
Missile Procurement, Air Force	3,575,162	3,258,162	3,575,162	-317,000	3,258,162
Proc. of Ammunition, Air Force	1,133,864	1,275,864	1,133,864	142,000	1,275,864
Other Procurement, Air Force	10,523,946	10,476,340	10,523,946	-47,606	10,476,340
Procurement, Defense-Wide	2,688,515	3,054,943	2,688,515	366,428	3,054,943
National Guard & Reserve Equipment	0	0	0		0
Defense Production Act Purchases	0	0	73,057		73,057
Coastal Defense Augmentation	0	0	0		0
Chemical Agents & Munitions Destruction, Army	1,490,199	0	1,490,199	-1,490,199	0
Chemical Agents & Munitions Destruction, Defense	0	1,490,199	0	1,490,199	1,490,199
Office of the Inspector General	2,000	2,000			0
Defense Health Program	278,742	278,742			0
Total PROCUREMENT	**68,917,919**	**72,408,516**	**68,710,234**	**3,490,597**	**72,200,831**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2003 Request	Senate Change to Request	Senate Authorization
Title II -- RESEARCH, DEVELOPMENT, TEST & EVALUATION					
RDT&E, Army	6,918,494	7,300,533	6,918,494	382,039	7,300,533
RDT&E, Navy	12,501,630	12,929,135	12,501,630	427,505	12,929,135
RDT&E, Air Force	17,601,233	18,603,684	17,601,233	1,002,451	18,603,684
RDT&E, Defense-Wide	16,613,551	17,181,373	16,613,551	567,822	17,181,373
Operational Test & Evaluation, Defense	222,054	361,554	222,054	139,500	361,554
Defense Health Program	67,214	67,214			0
Total RESEARCH, DEV, TEST & EVALUATION	**53,924,176**	**56,443,493**	**53,856,962**	**2,519,317**	**56,376,279**
Title III -- OPERATION AND MAINTENANCE					
Operation and Maintenance, Army	24,581,055	24,195,242	24,581,055	-385,813	24,195,242
Operation and Maintenance, Navy	29,028,813	29,368,961	29,028,813	340,148	29,368,961
Operation and Maintenance, Marine Corps	3,357,952	3,558,732	3,357,952	200,780	3,558,732
Operation and Maintenance, Air Force	27,304,623	27,448,764	27,304,623	144,141	27,448,764
Operation and Maintenance, Defense-Wide	14,515,304	14,492,266	14,515,304	-23,038	14,492,266
Operation and Maintenance, Army Reserve	1,923,330	1,962,610	1,923,330	39,280	1,962,610
Operation and Maintenance, Navy Reserve	1,165,961	1,233,759	1,165,961	67,798	1,233,759
Operation and Maintenance, Marine Corps Reserve	185,532	190,532	185,532	5,000	190,532
Operation and Maintenance, Air Force Reserve	2,190,917	2,165,004	2,190,917	-25,913	2,165,004
Operation and Maintenance, Army National Guard	4,136,822	4,506,267	4,136,822	369,445	4,506,267
Operation and Maintenance, Air National Guard	4,150,961	4,114,910	4,150,961	-36,051	4,114,910
Office of the Inspector General	163,440	155,165	165,440	-8,275	157,165
US Court of Appeals,Armed Forces	9,925	9,614	9,925	-311	9,614
Environmental Restoration, Army	395,900	395,900	395,900		395,900
Environmental Restoration, Navy	256,948	256,948	256,948		256,948
Environmental Restoration, Air Force	389,773	389,773	389,773		389,773

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2003 Request	Senate Change to Request	Senate Authorization
Environmental Restoration, Defense	23,498	23,498	23,498		23,498
Environmental Restoration, Formerly Used Defense Sites	212,102	252,102	212,102	40,000	252,102
Overseas Humanitarian, Disaster & Civic Aid	58,400	58,400	58,400		58,400
Drug Interdiction & Counter-Drug Activities, Defense	848,907	873,907	848,907	25,000	873,907
Payment to Kaho'olawe Island Func	25,000	25,000	25,000		25,000
Defense Health Program	14,360,271	14,202,441	14,706,227	-157,830	14,548,397
Cooperative Threat Reduction	416,700	416,700	416,700		416,700
Overseas Contingency Operations Transfer Fund	50,000	50,000	50,000		50,000
Support for International Sporting Competitions	19,000	19,000	19,000		19,000
Department of Defense Travel	0	-159,790		-159,790	-159,790
Foreign Currency Fluctuations	0	-615,200		-615,200	-615,200
Kaho'olawe Island Conv, Rm Env Re:	0	0	25,000		25,000
Restoration of Rocky Mountain Arsenal	0	0	4,000		4,000
Disposal of DoD Real Property	0	0	16,000		16,000
Lease of DoD Real Property	0	0	13,700		13,700
National Science Center, Army	0	0	30		30
DoD Overseas Military Facility Investment Recovery	0	0	1,300		1,300
Defense Burdensharing - Allies/NATO	0	0	210,000		210,000
Counter-Terrorism/WMD Defense	0	0	0		0
Subtotal OPERATION AND MAINTENANCE	**129,771,134**	**129,590,505**	**130,389,120**	**-180,629**	**130,208,491**
Defense Emergency Response Fund	20,055,000	0	20,055,000	-20,055,000	0
TOTAL O&M and DERF	**149,826,134**	**129,590,505**	**150,444,120**	**-20,235,629**	**130,208,491**
REVOLVING AND MANAGEMENT FUNDS					
National Defense Stockpile Transaction Fund	0	0	-150,000		-150,000

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2003 Request	Senate Change to Request	Senate Authorization
Pentagon Reservation Maintenance Rev. Fund	0	328,000	0	328,000	328,000
Defense Working Capital Funds	1,341,970	387,156	1,341,970	-954,814	387,156
National Defense Sealift Fund	934,129	934,129	934,129		934,129
Defense Commissary Working Capital Fund	996,789	969,200	996,789	-27,589	969,200
Total REVOLVING AND MGMT FUNDS	**3,272,888**	**2,618,485**	**3,122,888**	**-654,403**	**2,468,485**
MILITARY PERSONNEL	**0**	**94,352,208**	**94,295,658**	**56,550**	**94,352,208**
CONCURRENT RECEIPT (SEC. 641)	**0**	**356,000**	**0**	**356,000**	**356,000**
Title X -- GENERAL PROVISIONS					
Section 1003: Contingent Authorization, Cost of War	0	10,000,000	0	10,000,000	10,000,000
Section 1002: Transfer from Ballistic Missile Defense	0	-690,000		-690,000	-690,000
Section 1002: Transfer to shipbuilding programs	0	690,000		690,000	690,000
Total GENERAL PROVISIONS	**0**	**10,000,000**	**0**	**10,000,000**	**10,000,000**
DIVISION B					
MILITARY CONSTRUCTION					
Military Construction, Army	1,476,521	1,601,912	1,476,521	125,391	1,601,912
Military Construction, Navy	895,131	1,237,338	895,131	342,207	1,237,338
Military Construction, Air Force	644,090	1,055,310	644,090	411,220	1,055,310
Military Construction, Defense-Wide	687,535	721,959	740,535	34,424	774,959
Military Construction, Army National Guard	101,595	183,008	101,595	81,413	183,008
Military Construction, Air National Guard	53,473	204,059	53,473	150,586	204,059
Military Construction, Army Reserve	58,779	62,992	58,779	4,213	62,992
Military Construction, Naval Reserve	51,554	58,671	51,554	7,117	58,671

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2003 Request	Senate Change to Request	Senate Authorization
Military Construction, Air Force Reserve	31,900	59,883	31,900	27,983	59,883
Base Realginment & Closure, Army	149,878	0	149,878	-149,878	0
Base Realignment & Closure, Navy	258,940	0	258,940	-258,940	0
Base Realignment & Closure, Air Force	136,320	0	136,320	-136,320	0
Base Realignment & Closure, Defense	0	545,138	0	545,138	545,138
NATO Security Investment Program	168,200	168,200	168,200	0	168,200
Total MILITARY CONSTRUCTION	**4,713,916**	**5,898,470**	**4,766,916**	**1,184,554**	**5,951,470**
FAMILY HOUSING					
Family Housing Construction, Army	283,346	283,346	283,346	0	283,346
Family Housing Operations and Debt, Army	1,122,274	1,114,087	1,122,274	-8,187	1,114,087
Family Housing Construction, Navy & Marine Corps	375,700	375,700	375,700	0	375,700
Family Housing Operations & Debt, Navy & Marine Corps	867,788	865,136	867,788	-2,652	865,136
Family Housing Construction, Air Force	676,694	676,694	676,694	0	676,694
Family Housing Operations & Debt, Air Force	844,419	865,268	844,419	20,849	865,268
Family Housing Construction, Defense-Wide	5,480	5,480	5,480	0	5,480
Family Housing Operations & Debt, Defense-Wide	42,432	42,395	42,432	-37	42,395
Homeowners Assistance Fund, Defense	0	0	0		0
DoD Family Housing Improvement Fund	2,000	2,000	2,000	0	2,000
Total FAMILY HOUSING	**4,220,133**	**4,230,106**	**4,220,133**	**9,973**	**4,230,106**
TOTAL DIVISION B	**8,934,049**	**10,128,576**	**8,987,049**	**1,194,527**	**10,181,576**
Mandatory Programs	**0**	**0**	**-1,174,870**	**0**	**-1,174,870**
TOTAL DEPARTMENT OF DEFENSE (051)	**284,875,166**	**375,897,783**	**378,242,041**	**-3,273,041**	**374,969,000**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2003 Request	Senate Change to Request	Senate Authorization
DIVISION C					
National Nuclear Security Administration					
Weapons Activities	5,869,379	5,988,188	5,869,379	118,809	5,988,188
Defense Nuclear Nonproliferation	1,113,630	1,129,130	1,113,630	15,500	1,129,130
Naval Reactors	708,020	707,020	708,020	-1,000	707,020
Office of the Administrator	347,705	335,705	347,705	-12,000	335,705
Total National Nuclear Security Adminstration	**8,038,734**	**8,160,043**	**8,038,734**	**121,309**	**8,160,043**
					0
Defense Environmental Restoration & Waste Management	4,558,360	4,601,460	4,558,360	43,100	4,601,460
Defense Environmental Cleanup Reform	800,000	1,000,000	800,000	200,000	1,000,000
Defense Facilities Closure Projects	1,091,314	1,109,314	1,091,314	18,000	1,109,314
Defense Environmental Management Privatization	158,399	158,399	158,399	0	158,399
Other Defense Activities	472,156	489,883	472,156	17,727	489,883
Defense Nuclear Waste Disposal	315,000	215,000	315,000	-100,000	215,000
Total DOE/NNSA Discretionary Authorizations	**15,433,963**	**15,734,099**	**15,433,963**	**300,136**	**15,734,099**
					0
Energy Employees Compensation Admin Expenses	0	-2,000	107,000	-2,000	105,000
Energy Employees Illness Compensation	0	0	662,000		662,000
Total Department of Energy/NNSA	**15,433,963**	**15,732,099**	**16,202,963**	**298,136**	**16,501,099**
Defense Nuclear Facilities Safety Board	19,494	19,494	19,494		19,494
Formerly Used Sites Remedial Action Program	141,000	140,000	141,000	-1,000	140,000
Total Atomic Energy Defense Activities (053)	**15,594,457**	**15,891,593**	**16,363,457**	**297,136**	**16,660,593**
TOTAL DIVISION C	**15,594,457**	**15,891,593**	**16,363,457**	**297,136**	**16,660,593**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2003 Request	Senate Change to Request	Senate Authorization
OTHER DEFENSE ACTIVITIES					
Discretionary Programs			1,227,000		1,227,000
Mandatory Programs			494,000	-142,107	351,893
DEFENSE RELATED ACTIVITIES (054)	**0**	**0**	**1,721,000**	**-142,107**	**1,578,893**
TOTAL NATIONAL DEFENSE FUNCTION (050)	**300,469,623**	**391,789,376**	**396,326,498**	**-3,118,012**	**393,208,486**
NON-DEFENSE AUTHORIZATIONS					
Armed Forces Retirement Home (Sec. 303)	69,921	69,921	69,921		69,921
TOTAL AUTHORIZATIONS	**300,539,544**	**391,859,297**	**396,396,419**	**-3,118,012**	**393,278,407**

Accrual funding of civilian personnel benefits

The President's budget proposed shifting the financing obligation of various federal civilian employee health and retirement benefits from the Office of Personnel Management to the federal departments and agencies employing those civilians, including the Department of Defense, on an accrual basis. Although this proposal would not have affected the benefits due to federal employees and would not have purchased any additional defense capabilities, it resulted in a $3.3 billion increase in the budget authority requested for the Department of Defense in fiscal year 2003 compared to the funding that would have been required to implement the same defense programs under current law. For the entire national defense function, the accounting increase in fiscal year budget authority levels was $3.5 billion.

Implementation of the President's proposal requires enactment of legislation that is not in the jurisdiction of this committee. Such legislation has not yet been enacted. In addition, the Concurrent Resolution on the Budget reported by the Senate Committee on the Budget rejected the proposed shift to accrual funding for future retirement and health benefits for current federal employees, and reduced the discretionary funding for the national defense function by $3.5 billion. Similar reductions were made to the discretionary funding requests of non-defense agencies.

Therefore, the bill reported by the committee has adjusted the funding requested by the President for the national defense function for fiscal year 2003 by $3.5 billion in order to comply with the Budget Resolution. This adjustment would not reduce the amount of funding requested and available for defense programs in fiscal year 2003 net of this proposed accounting change, nor would it result in any reduction in benefits available to federal civilian employees of the Department of Defense, the Department of Energy, or other agencies.

The following table summarizes the adjustments made to specific accounts throughout this bill to continue funding these benefits under the procedures contained in current law.

SUMMARY OF ACCRUAL ACCOUNTING ADJUSTMENTS
(Dollars in Thousands)

DIVISION A - DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE	
Operation & Maintenance, Army	-612,382
Operation & Maintenance, Navy	-324,278
Oper. & Maint., Marine Corps	-47,210
Operation & Maintenance, Air Force	-531,055
Operation & Maintenance, Defense-Wide	-346,046
Office of the Inspector General	-8,275
Operation & Maintenance, Army Reserve	-43,220
Operation & Maintenance, Navy Reserve	-6,227
Operation & Maintenance, Air Force Reserve	-55,365
Operation & Maintenance, Army National Guard	-87,255
Operation & Maintenance, Air National Guard	-88,416
US Court of Appeals, Armed Forces	-311
Defense Health Program	-126,230
Total OPERATION AND MAINTENANCE	**-2,276,270**
RESEARCH, DEVELOPMENT, TEST & EVALUATION	
RDT&E, Army	-98,161
RDT&E, Navy	-5,565
RDT&E, Air Force	-36,249
RDT&E, Defense-Wide	-14,688
Total RESEARCH, DEVELOPMENT, TEST & EVALUATION	**-154,663**
MILITARY CONSTRUCTION	
Military Construction, Army	-26,083
Military Construction, Navy	-10,470
Total MILITARY CONSTRUCTION	**-36,553**
FAMILY HOUSING	
Family Housing Operations & Debt, Army	-3,267
Family Housing Operations & Debt, Defense-Wide	-37
Total FAMILY HOUSING	**-3,304**
REVOLVING AND MANAGEMENT FUNDS	
Defense Working Capital Fund, Army	-109,042
Defense Working Capital Fund, Navy	-373,228
Defense Working Capital Fund, Air Force	-122,365
Defense Working Capital Fund, Defense-Wide	-206,879
Defense Working Capital Fund, DECA	-27,589
Total REVOLVING AND MGMT FUNDS	**-839,103**
TOTAL DEPARTMENT OF DEFENSE	**-3,309,893**

DIVISION C -- ATOMIC ENERGY DEFENSE ACTIVITIES

National Nuclear Security Administration	
Weapons Activities	-2,000
Naval Reactors	-1,000
Office of the Administrator	-12,000
Total National Nuclear Security Adminstration	**-15,000**
Department of Energy	
Defense Environmental Restoration & Waste Management	-14,000
Other Defense Activities	-3,000
Energy Employees Compensation Administrative Expenses	-2,000
Total Department of Energy	**-19,000**
Formerly Used Sites Remedial Action Program	-1,000
Total Atomic Energy Defense Activities	**-35,000**
Total Armed Services Committee Jurisdiction	**-3,344,893**
CIA Retirement and Disability	-128,000
Mandatory Programs/Other Programs	-14,107
TOTAL NATIONAL DEFENSE FUNCTION (050)	**-3,487,000**

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Explanation of tables

The following tables provide the program-level detailed guidance for the funding authorized in title I of this Act. The tables also display the funding requested by the administration in the fiscal year 2003 budget request for procurement programs and indicate those programs for which the committee either increased or decreased the requested amounts. As in the past, the administration may not exceed the authorized amounts (as set forth in the tables or, if unchanged from the administration request, as set forth in the Department of Defense's budget justification documents) without a reprogramming action in accordance with established procedures. Unless noted in the report, funding changes to the budget request are made without prejudice.

Funds transferred to the accounts in this title from the Defense Emergency Response Fund (DERF) are displayed on the tables that follow as increases to the amount requested for those programs in the procurement accounts. Programs for which funds were transferred from the DERF are annotated to indicate that funds were originally requested in the DERF.

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Chemical agents and munitions destruction, Defense (sec. 106)

The budget request for the Army included $1.5 billion for the Chemical Agents and Munitions Destruction program: $974.2 million for operation and maintenance; $302.7 million for research and development; and $213.3 million for procurement. The request also included $167.6 million for military construction described elsewhere in this report. These funds were requested in an Army account, contrary to the requirements of current law.

The committee recommends a provision that would authorize the total requested level of funding, although only in the account required by law: Chemical Agents and Munitions Destruction, Defense.

Section 1521(f) of title 50, United States Code, requires that funds for this program shall not be included in the budget accounts for any military department. The committee is concerned that funds for chemical demilitarization have been requested in the Army budget accounts, contrary to the requirements of current law. The committee expects the Department of Defense to comply with the law by requesting chemical demilitarization funds in a Department of Defense account.

SUBTITLE B—ARMY PROGRAMS

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	AIRCRAFT PROCUREMENT, ARMY						
1	UTILITY F/W (MR) AIRCRAFT	0	0	0	0	0	0
2	UH-60 BLACKHAWK (MYP)	12	153,361	9	96,300	21	249,661
3	ADVANCE PROCUREMENT (CY)	0	26,859	0	0	0	26,859
4	HELICOPTER NEW TRAINING	0	0	0	0	0	0
	MODIFICATION OF AIRCRAFT						
5	GUARDRAIL MODS (TIARA)	0	9,229	0	5,000	0	14,229
	Guardrail Mods (TIARA) (Transfer from DERF)				[5,000]		
6	ARL MODS (TIARA)	0	20,873	0	0	0	20,873
7	AH-64 MODS	0	93,622	0	0	0	93,622
8	CH-47 CARGO HELICOPTER MODS	0	382,061	0	4,000	0	386,061
	COTS crashworthy crew seats				[4,000]		
9	ADVANCE PROCUREMENT (CY)	0	21,185	0	0	0	21,185
10	CH-47 ICH	0	0	0	0	0	0
11	UTILITY/CARGO AIRPLANE MODS	0	16,954	0	0	0	16,954
12	OH-58 MODS	0	460	0	0	0	460
13	AIRCRAFT LONG RANGE MODS	0	744	0	0	0	744
14	LONGBOW	0	865,781	0	0	0	865,781
15	ADVANCE PROCUREMENT (CY)	0	29,713	0	0	0	29,713
16	UH-1 MODS	0	0	0	0	0	0
17	UH-60 MODS	0	41,863	0	0	0	41,863
18	KIOWA WARRIOR	0	42,406	0	0	0	42,406

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
19	AIRBORNE AVIONICS	0	97,003	0	0	0	97,003
20	ASE MODS (SIRFC)	0	0	0	0	0	0
21	GATM	0	0	0	0	0	0
22	GATM ROLLUP	0	70,414	0	0	0	70,414
23	SPARE PARTS (AIR)	0	7,697	0	0	0	7,697
24	AIRCRAFT SURVIVABILITY EQUIPMENT	0	0	0	8,000	0	8,000
	Laser detecting sets				[8,000]		
25	ASE INFRARED CM	0	0	0	0	0	0
26	AIRBORNE COMMAND & CONTROL	0	27,738	0	-27,738	0	0
	Transfer to PE 64818A				[-10,000]		
	Reduction: system not ready for LRIP				[-17,738]		
27	AVIONICS SUPPORT EQUIPMENT	0	7,494	0	0	0	7,494
28	COMMON GROUND EQUIPMENT	0	18,091	0	5,000	0	23,091
	Aviator night vision system				[5,000]		
29	AIRCREW INTEGRATED SYSTEMS	0	15,215	0	0	0	15,215
30	AIR TRAFFIC CONTROL	0	64,410	0	0	0	64,410
31	INDUSTRIAL FACILITIES	0	704	0	0	0	704
32	LAUNCHER, 2.75 ROCKET	0	2,677	0	0	0	2,677
33	AIRBORNE COMMUNICATIONS	0	44,473	0	0	0	44,473
34	CLOSED ACCOUNT ADJUSTMENT	0	0	0	0	0	0

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
34a	Contract services savings				-5,203	0	-5,203
	TOTAL AIRCRAFT PROCUREMENT, ARMY		**2,061,027**		**85,359**		**2,146,386**
	MISSILE PROCUREMENT, ARMY						
1	PATRIOT SYSTEM SUMMARY	72	471,670	0	0	72	471,670
2	STINGER SYSTEM SUMMARY	160	30,893	0	0	160	30,893
3	AVENGER SYSTEM SUMMARY	0	0	0	0	0	0
4	HELLFIRE SYS SUMMARY	1,797	184,396	0	0	1,797	184,396
5	JAVELIN (AAWS-M) SYSTEM SUMMARY	1,725	250,506	0	0	1,725	250,506
6	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM	144	17,937	0	0	144	17,937
7	ADVANCE PROCUREMENT (CY)	0	0	0	0	0	0
8	MLRS ROCKET	0	0	0	0	0	0
9	GUIDED MLRS ROCKET (GMLRS)	108	29,698	0	15,000	108	44,698
10	MLRS REDUCED RANGE PRACTICE ROCKETS (RRPR)	5,646	15,924	0	0	5,646	15,924
11	MLRS LAUNCHER SYSTEMS	35	141,131	0	0	35	141,131
12	HIMARS LAUNCHER	34	128,402	0	0	34	128,402
13	ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM	0	9,050	0	0	0	9,050
14	ATACMS BLKII SYSTEM SUMMARY	0	49,687	0	0	0	49,687
	MODIFICATION OF MISSILES			0	0	0	0
15	PATRIOT MODS	0	151,307	0	0	0	151,307

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
16	STINGER MODS	0	1,492	0	0	0	1,492
17	AVENGER MODS	0	0	0	0	0	0
18	ITAS/TOW MODS	0	59,962	0	0	0	59,962
19	MLRS MODS	0	31,734	0	0	0	31,734
20	SPARES AND REPAIR PARTS	0	55,924	0	0	0	55,924
21	AIR DEFENSE TARGETS	0	3,408	0	0	0	3,408
22	ITEMS LESS THAN $5.0M (MISSILES)	0	907	0	0	0	907
23	MISSILE DEMILITARIZATION	0	4,895	0	0	0	4,895
24	PRODUCTION BASE SUPPORT	0	3,373	0	0	0	3,373
24a	Contract services savings				-4,146		-4,146
	TOTAL MISSILE PROCUREMENT, ARMY		**1,642,296**		**10,854**		**1,653,150**
	PROCUREMENT OF W&TCV, ARMY			0	0	0	0
1	ABRAMS TRNG DEV MOD	0	5,504	0	0	0	5,504
2	BRADLEY BASE SUSTAINMENT	0	397,053	0	0	0	397,053
3	ADVANCE PROCUREMENT (CY)	0	0	0	0	0	0
4	BRADLEY FVS TRAINING DEVICES	0	0	0	0	0	0
5	HAB TRAINING DEVICES	0	0	0	0	0	0
6	BRADLEY FVS TRAINING DEVICES (MOD)	0	8,532	0	0	0	8,532
7	ABRAMS TANK TRAINING DEVICES	0	12,061	0	0	0	12,061
8	INTERIM ARMORED VEHICLE (IAV) FAMILY	332	811,831	0	0	332	811,831
9	COMMAND & CONTROL VEHICLE	0	0	0	0	0	0

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	MODIFICATION OF TRACKED COMBAT VEHICLES						
10	CARRIER, MOD	0	60,305	0	0	0	60,305
11	FIST VEHICLE (MOD)	0	6,966	0	0	0	6,966
12	MOD OF IN-SVC EQUIP, FIST VEHICLE	0	692	0	0	0	692
13	BFVS SERIES (MOD)	0	35,033	0	0	0	35,033
14	HOWITZER, MED SP FT 155MM M109A6 (MOD)	0	17,361	0	0	0	17,361
15	FAASV PIP TO FLEET	0	2,944	0	0	0	2,944
16	IMPROVED RECOVERY VEHICLE (M88 MOD)	16	50,311	0	0	16	50,311
17	HEAVY ASSAULT BRIDGE (HAB) SYS (MOD)	0	0	0	0	0	0
18	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)	0	10,021	0	0	0	10,021
19	M1 ABRAMS TANK (MOD)	0	191,413	0	0	0	191,413
20	M1A1D RETROFIT	0	0	0	0	0	0
21	SYSTEM ENHANCEMENT PGM: SEP M1A2	31	123,697	0	0	31	123,697
22	ABRAMS UPGRADE PROGRAM	0	376,268	0	0	0	376,268
23	ADVANCE PROCUREMENT (CY)	0	0	0	0	0	0
24	ITEMS LESS THAN $5.0M (TCV-WTCV)	0	146	0	0	0	146
25	PRODUCTION BASE SUPPORT (TCV-WTCV)	0	9,900	0	0	0	9,900
26	ARMOR MACHINE GUN, 7.62MM M240 SERIES	2,217	21,334	0	0	2,217	21,334
27	MACHINE GUN, 5.56MM (SAW)	0	0	0	0	0	0
28	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	669	16,663	0	0	669	16,663
29	81MM MORTAR (ROLL)	138	9,821	0	0	138	9,821
30	M16 RIFLE	5,631	3,104	0	0	5,631	3,104

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
31	XM107, CAL. 50, SNIPER RIFLE	600	8,913	0	0	600	8,913
32	5.56 CARBINE M4	12,505	9,155	0	0	12,505	9,155
33	HOWITZER LT WT 155MM (T)	0	0	0	0	0	0
	MOD OF WEAPONS AND OTHER COMBAT VEH						
34	MARK-19 MODIFICATIONS	0	2,743	0	0	0	2,743
35	M4 CARBINE MODS	0	9,267	0	0	0	9,267
36	SQUAD AUTOMATIC WEAPON (MOD)	0	4,119	0	0	0	4,119
37	MEDIUM MACHINE GUNS (MODS)	0	0	0	0	0	0
38	HOWITZER, TOWED, 155MM, M198 (MODS)	0	0	0	0	0	0
39	M119 MODIFICATIONS	0	4,852	0	0	0	4,852
40	M16 RIFLE MODS	0	0	0	0	0	0
41	MODIFICATIONS LESS THAN $5.0M (WOCV-WTCV)	0	817	0	0	0	817
42	ITEMS LESS THAN $5.0M (WOCV-WTCV)	0	1,265	0	0	0	1,265
43	PRODUCTION BASE SUPPORT (WOCV-WTCV)	0	5,832	0	0	0	5,832
44	INDUSTRIAL PREPAREDNESS	0	3,246	0	0	0	3,246
45	SMALL ARMS (SOLDIER ENH PROG)	0	1,954	0	0	0	1,954
46	CLOSED ACCOUNT ADJUSTMENTS	0	0	0	0	0	0
47	SPARES AND REPAIR PARTS (WTCV)	0	25,435	0	0	0	25,435
47a	Contract services savings				-5,676		-5,676
	TOTAL PROCUREMENT OF W&TCV, ARMY		**2,248,558**		**-5,676**		**2,242,882**

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	PROCUREMENT OF AMMUNITION, ARMY			0	0	0	0
1	CTG, 5.56MM, ALL TYPES	0	89,870	0	9,305	0	99,175
	CTG, 5.56MM, All Types (Transfer from DERF)				[9,305]		
2	CTG, 7.62MM, ALL TYPES	0	15,975	0	2,199	0	18,174
	CTG, 7.62MM, All Types (Transfer from DERF)				[2,199]		
3	CTG, 9MM, ALL TYPES	0	13,508	0	0	0	13,508
4	CTG, .50 CAL, ALL TYPES	0	50,575	0	8,021	0	58,596
	.50 CAL SLAP				[4,000]		
	CTG, .50 CAL, All Types (Transfer from DERF)				[4,021]		
5	CTG, 20MM, ALL TYPES	0	0	0	0	0	0
6	CTG, 25MM, ALL TYPES	0	33,087	0	0	0	33,087
7	CTG, 30MM, ALL TYPES	0	9,795	0	0	0	9,795
8	CTG, 40MM, ALL TYPES	0	71,703	0	5,369	0	77,072
	CTG, 40MM, All Types (Transfer from DERF)				[5,369]		
9	60MM MORTAR, ALL TYPES	0	31,696	0	0	0	31,696
10	81MM MORTAR, ALL TYPES	0	3,582	0	0	0	3,582
11	CTG, MORTAR, 120MM, ALL TYPES	0	50,425	0	0	0	50,425
12	CTG TANK 105MM: ALL TYPES	0	14,100	0	0	0	14,100
13	120MM TANK TRAINING, ALL TYPES	0	154,963	0	0	0	154,963
14	CTG, TANK, 120MM TACTICAL, ALL TYPES	0	43,254	0	0	0	43,254
15	CTG ARTY 75MM BLANK M337A1	101	4,201	0	0	101	4,201

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
16	CTG ARTY 105MM DPICM M915	0	0	0	0	0	0
17	CTG ARTY 105MM M927	0	0	0	0	0	0
18	CTG ARTY 105MM ILLUM M314 SERIES	6	5,208	0	0	6	5,208
19	PROJ ARTY 155MM SMOKE WP M825	0	0	0	0	0	0
20	CTG ARTY 105MM HE M1 W/O FUZE	0	25,200	0	1,637	0	26,837
	CTG, ARTY 105MM HE M1 W/O Fuze (Transfer from DERF)				[1,637]		
21	PROJECTILE 155 MILLIMETER DP BASEBLED M864 P7	0	22,300	0	0	0	22,300
22	PROJ ARTY 155MM HE M795	0	0	0	0	0	0
23	REMOTE AREA DENIAL ARTILLERY MUNITION (RADAM)	0	0	0	0	0	0
24	PROJ ARTY 155MM HE M107	155	30,200	0	1,000	155	31,200
25	MODULAR ARTILLERY CHARGE SYSTEM (MACS), ALL T	0	122,411	0	0	0	122,411
26	ARTILLERY FUZES, ALL TYPES	0	69,180	0	0	0	69,180
27	MINE, TRAINING, ALL TYPES	0	12,661	0	0	0	12,661
28	MINE AT VOLCANO,: ALL TYPES	0	0	0	0	0	0
29	WIDE AREA MUNITIONS	0	12,466	0	-6,000	0	6,466
30	BUNKER DEFEATING MUNITION (BDM)	0	7,795	0	5,000	0	12,795
31	ROCKET, HYDRA 70, ALL TYPES	0	22,400	0	0	0	22,400
32	DEMOLITION MUNITIONS, ALL TYPES	0	28,001	0	4,000	0	32,001
	Modern demolition initiators				[4,000]		
33	GRENADES, ALL TYPES	0	37,552	0	3,221	0	40,773
	Grenades, All Types (Transfer from DERF)				[3,221]		

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
34	SIGNALS, ALL TYPES	0	11,935	0	946	0	12,881
	Signals, All Types (Transfer from DERF)				[946]		
35	SIMULATORS, ALL TYPES	0	3,942	0	0	0	3,942
36	AMMO COMPONENTS, ALL TYPES	0	7,953	0	0	0	7,953
37	NON-LETHAL AMMUNITION, ALL TYPES	0	5,890	0	0	0	5,890
38	CAD/PAD ALL TYPES	0	4,800	0	0	0	4,800
39	ITEMS LESS THAN $5 MILLION	0	8,739	0	302	0	9,041
	Items Less than $5 Million (Transfer from DERF)				[302]		
40	AMMUNITION PECULIAR EQUIPMENT	0	4,792	0	3,000	0	7,792
41	FIRST DESTINATION TRANSPORTATION (AMMO)	0	5,836	0	0	0	5,836
42	CLOSEOUT LIABILITIES	0	10,017	0	0	0	10,017
43	PROVISION OF INDUSTRIAL FACILITIES	0	42,655	0	0	0	42,655
44	LAYAWAY OF INDUSTRIAL FACILITIES	0	6,990	0	0	0	6,990
45	MAINTENANCE OF INACTIVE FACILITIES	0	9,082	0	0	0	9,082
46	CONVENTIONAL AMMO DEMILITARIZATION	0	50,030	0	10,000	0	60,030
47	ARMS INITIATIVE	0	4,657	0	0	0	4,657
47a	Contract services savings				-2,927		-2,927
	TOTAL PROCUREMENT OF AMMUNITION, ARMY		**1,159,426**		**45,073**		**1,204,499**

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	OTHER PROCUREMENT, ARMY						
	TACTICAL AND SUPPORT VEHICLES						
1	TACTICAL TRAILERS/DOLLY SETS	0	8,690	0	0	0	8,690
2	SEMITRAILERS, FLATBED:	0	39,095	0	0	0	39,095
3	SEMITRAILERS, TANKERS	0	7,862	0	0	0	7,862
4	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M129A2C	0	0	0	0	0	0
5	HI MOB MULTI-PURP WHLD VEH (HMMWV)	0	196,783	0	0	0	196,783
6	TRUCK, DUMP, 20T (CCE)	70	17,079	0	0	70	17,079
7	FAMILY OF MEDIUM TACTICAL VEH (FMTV)	0	681,373	0	0	0	681,373
8	FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIPMEN	0	21,047	0	0	0	21,047
9	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)	0	242,768	0	9,000	0	251,768
	Movement tracking system				[9,000]		
10	ARMORED SECURITY VEHICLES (ASV)	20	14,438	0	0	20	14,438
11	TRUCK, TRACTOR, LINE HAUL, M915/M916	0	50,829	0	0	0	50,829
12	TOWING DEVICE, 5TH WHEEL	40	2,005	0	0	40	2,005
13	TRUCK, TRACTOR, YARD TYPE, M878 (C/S)	50	4,884	0	0	50	4,884
14	HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV P	652	119,854	0	0	652	119,854
15	LINE HAUL ESP	0	0	0	0	0	0
16	MODIFICATION OF IN SVC EQUIP	0	73,320	0	0	0	73,320
17	ITEMS LESS THAN $5.0M (TAC VEH)	0	4,979	0	0	0	4,979
18	HEAVY ARMORED SEDAN	6	581	0	8,300	6	8,881
	Heavy Armored Sedan (Transfer from DERF)				[8,300]		

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
19	PASSENGER CARRYING VEHICLES	0	295	0	0	0	295
20	NONTACTICAL VEHICLES, OTHER	27	1,753	0	0	27	1,753
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT						
21	COMBAT IDENTIFICATION PROGRAM	0	0	0	0	0	0
22	JCSE EQUIPMENT (USREDCOM)	0	6,120	0	0	0	6,120
23	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPAC	0	89,806	0	0	0	89,806
24	SHF TERM	0	33,166	0	0	0	33,166
25	SAT TERM, EMUT (SPACE)	0	2,641	0	0	0	2,641
26	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE)	0	27,510	0	0	0	27,510
27	SMART-T (SPACE)	0	24,467	0	0	0	24,467
28	SCAMP (SPACE)	0	1,559	0	0	0	1,559
29	GLOBAL BRDCST SVC - GBS	0	11,402	0	0	0	11,402
30	MOD OF IN-SVC EQUIP (TAC SAT)	0	11,002	0	0	0	11,002
31	ARMY GLOBAL CMD & CONTROL SYS (AGCCS)	0	21,149	0	0	0	21,149
32	ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO)	0	74,835	0	10,000	0	84,835
	Enhanced position locating & reporting system (EPLRS)				[10,000]		
33	SINCGARS FAMILY	0	30,141	0	0	0	30,141
34	TRACTOR CAGE	0	4,112	0	0	0	4,112
35	JOINT TACTICAL AREA COMMAND SYSTEMS	0	869	0	0	0	869
36	ACUS MOD PROGRAM	0	75,905	0	25,000	0	100,905
	Warfighter information network (WIN-T)				[25,000]		
37	COMMS-ELEC EQUIP FIELDING	0	12,924	0	0	0	12,924

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
38	SOLDIER ENHANCEMENT PROGRAM COMM/ELECTRONICS	0	6,114	0	0	0	6,114
39	COMBAT SURVIVOR EVADER LOCATOR (CSEL)	1,186	16,879	0	0	1,186	16,879
40	MEDICAL COMM FOR CBT CASUALTY CARE (MC4)	0	4,975	0	0	0	4,975
41	CI AUTOMATION ARCHITECTURE	0	1,755	0	0	0	1,755
42	TSEC - ARMY KEY MGT SYS (AKMS)	0	10,150	0	0	0	10,150
43	INFORMATION SYSTEM SECURITY PROGRAM-ISSP	0	39,055	0	26,700	0	65,755
	Secure digital wireless devices (Transfer from DERF)				[3,000]		
	Intrusion Detection Systems (Transfer from DERF)				[1,700]		
	Firewalls and routers (Transfer from DERF)				[1,900]		
	Configuration management (Transfer from DERF)				[4,400]		
	COMSEC new equipment training (Transfer from DERF)				[15,700]		
44	TERRESTRIAL TRANSMISSION	0	2,040	0	0	0	2,040
45	BASE SUPPORT COMMUNICATIONS	0	36,725	0	0	0	36,725
46	ARMY DISN ROUTER	0	6,039	0	0	0	6,039
47	ELECTROMAG COMP PROG (EMCP)	0	461	0	0	0	461
48	WW TECH CON IMP PROG (WWTCIP)	0	2,991	0	0	0	2,991
49	INFORMATION SYSTEMS	0	279,592	0	215,000	0	494,592
	Alternate relocation sites (Transfer from DERF)				[215,000]		
50	DEFENSE MESSAGE SYSTEM (DMS)	0	26,829	0	0	0	26,829
51	LOCAL AREA NETWORK (LAN)	0	127,244	0	0	0	127,244
52	PENTAGON INFORMATION MGT AND TELECOM	0	14,501	0	0	0	14,501
53	FOREIGN COUNTERINTELLIGENCE PROG (FCI)	0	1,624	0	2,280	0	3,904

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
54	GENERAL DEFENSE INTELL PROG (GDIP)	0	20,258	0	5,994	0	26,252
	Classified (Transfer from DERF)				[5,994]		
55	ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)	0	57,886	0	0	0	57,886
56	JTT/CIBS-M (TIARA)	13	4,824	0	0	13	4,824
57	PROPHET GROUND (TIARA)	46	20,226	0	15,000	46	35,226
	Prophet Ground (TIARA) (Transfer from DERF)				[15,000]		
58	TUAV	12	84,290	0	11,000	12	95,290
	TUAV shelters/trailers (Transfer from DERF)				[9,500]		
	Hunter upgrades/interoperability (Transfer from DERF)				[1,500]		
59	ARMY COMMON GROUND STATION (CGS)	0	8,620	0	0	0	8,620
60	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIARA)	0	14,089	0	0	0	14,089
61	DRUG INTERDICTION PROGRAM (DIP) (TIARA)	0	0	0	0	0	0
62	TACT EXPLOITATION OF NATL CAPABILITIES (TIARA	0	0	0	0	0	0
63	TACTICAL EXPLOITATION SYSTEM (TIARA)	0	17,576	0	0	0	17,576
64	DISTRIBUTED COMMON GRND SYSTEM (DCGS) (JMIP)	0	2,617	0	9,000	0	11,617
	Distributed Common Ground System (DCGS) (Transfer from DERF)				[9,000]		
65	TROJAN (TIARA)	0	4,873	0	0	0	4,873
66	MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)	0	1,655	0	0	0	1,655
67	CI HUMINT INFO MANAGEMENT SYSTEM (CHIMS) (TIA	0	9,735	0	0	0	9,735
68	ITEMS LESS THAN $5.0M (TIARA)	0	3,675	0	4,500	0	8,175
	Items Less than $5 Million (TIARA) (Transfer from DERF)				[2,000]		
	Items Less than $5.0M (TIARA) (Transfer from DERF)				[2,500]		

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
69	SHORTSTOP	0	0	0	0	0	0
70	COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES	0	2,310	0	0	0	2,310
71	FAAD GBS	0	31	0	0	0	31
72	SENTINEL MODS	0	26,519	0	0	0	26,519
73	NIGHT VISION DEVICES	0	60,475	0	10,000	0	70,475
	AN / PVS-7				[10,000]		
74	LONG RANGE ADVANCED SCOUT SURVEILLANCE SYSTEM	105	49,927	0	0	105	49,927
75	LTWT VIDEO RECON SYSTEM (LWVRS)	476	14,318	0	0	476	14,318
76	NIGHT VISION, THERMAL WPN SIGHT	2,970	52,071	0	0	2,970	52,071
77	COMBAT IDENTIFICATION / AIMING LIGHT	0	0	0	0	0	0
78	ARTILLERY ACCURACY EQUIP	0	5,402	0	0	0	5,402
79	MOD OF IN-SVC EQUIP (MMS)	0	346	0	0	0	346
80	MOD OF IN-SVC EQUIP (MVS)	0	272	0	0	0	272
81	PROFILER	2	4,875	0	0	2	4,875
82	MOD OF IN-SVC EQUIP (TAC SURV)	0	33,283	0	0	0	33,283
83	FORCE XXI BATTLE CMD BRIGADE & BELOW (FBCB2)	1,783	65,294	0	0	1,783	65,294
84	LIGHTWEIGHT LASER DESIGNATOR/RANGEFINDER (LLD	35	8,962	0	0	35	8,962
85	COMPUTER BALLISTICS: MORTAR M-30	0	0	0	0	0	0
86	MORTAR FIRE CONTROL SYSTEM	113	29,794	0	0	113	29,794
87	INTEGRATED MET SYS SENSORS (IMETS) - TIARA	27	7,230	0	0	27	7,230
88	TACTICAL OPERATIONS CENTERS	0	42,332	0	0	0	42,332
89	ADV FA TAC DATA SYS / EFF CTRL SYS (AFATDS/EC	0	74,723	0	0	0	74,723

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
90	MOD OF IN-SVC EQUIP, AFATDS	0	2,976	0	0	0	2,976
91	LIGHT WEIGHT TECNICAL FIRE DIRECTION SYS (LWT	0	12,413	0	0	0	12,413
92	CMBT SVC SUPT CONTROL SYS (CSSCS)	139	24,989	0	0	139	24,989
93	FAAD C2	2	24,779	0	0	2	24,779
94	AIR & MSL DEFENSE PLANNING & CONTROL SYS (AMD	0	9,750	0	0	0	9,750
95	FORWARD ENTRY DEVICE / LIGHTWEIGHT FED (FED/L	0	15,125	0	0	0	15,125
96	STRIKER FAMILY	54	28,543	0	0	54	28,543
97	LIFE CYCLE SOFTWARE SUPPORT (LCSS)	0	924	0	0	0	924
98	LOGTECH	0	7,701	0	0	0	7,701
99	TC AIMS II	0	11,496	0	0	0	11,496
100	GUN LAYING AND POS SYS (GLPS)	0	159	0	0	0	159
101	ISYSCON EQUIPMENT	0	31,366	0	0	0	31,366
102	JOINT NETWORK MANAGEMENT SYSTEM (JNMS)	0	6,868	0	0	0	6,868
103	TACTICAL INTERNET MANAGER	0	11,842	0	0	0	11,842
104	MANEUVER CONTROL SYSTEM (MCS)	0	7,584	0	0	0	7,584
105	STAMIS TACTICAL COMPUTERS (STACOMP)	0	61,304	0	0	0	61,304
106	STANDARD INTEGRATED CMD POST SYSTEM	0	29,535	0	0	0	29,535
107	ARMY TRAINING MODERNIZATION	0	19,233	0	0	0	19,233
108	AUTOMATED DATA PROCESSING EQUIP	0	156,546	0	0	0	156,546
109	RESERVE COMPONENT AUTOMATION SYS (RCAS)	0	68,273	0	0	0	68,273
110	SPECIAL INFORMATION OPERATIONS (SIO) (TIARA)	0	0	0	0	0	0
111	AFRTS	0	2,523	0	0	0	2,523

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
112	ITEMS LESS THAN $5.0M (A/V)	0	5,756	0	0	0	5,756
113	ITEMS LESS THAN $5M (SURVEYING EQUIPMENT)	0	1,002	0	0	0	1,002
114	PRODUCTION BASE SUPPORT (C-E)	0	417	0	0	0	417
	OTHER SUPPORT EQUIPMENT						
115	SMOKE & OBSCURANT FAMILY: SOF (NON AAO ITEM)	0	25,953	0	0	0	25,953
116	TACTICAL BRIDGING	0	57,604	0	0	0	57,604
117	TACTICAL BRIDGE, FLOAT-RIBBON	0	51,237	0	0	0	51,237
118	DISPENSER, MINE M139	0	1,822	0	0	0	1,822
119	GRND STANDOFF MINE DETECTION SYSTEM (GSTAMIDS	0	17,425	0	0	0	17,425
120	WIDE AREA MUNITIONS (REMOTE CONTROL UNIT)	278	3,223	0	0	278	3,223
121	EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPMT)	0	10,965	0	0	0	10,965
122	ITEMS LESS THAN $5M, COUNTERMINE EQUIP	0	686	0	0	0	686
123	BN COUNTERMINE SIP	0	0	0	0	0	0
124	HEATERS AND ECU'S	0	14,824	0	0	0	14,824
125	LAUNDRIES, SHOWERS AND LATRINES	0	32,399	0	0	0	32,399
126	FLOODLIGHT SET, ELEC, TRL MTD, 3 LIGHTS	0	498	0	0	0	498
127	SOLDIER ENHANCEMENT	0	2,488	0	0	0	2,488
128	LIGHTWEIGHT MAINTENANCE ENCLOSURE (LME)	587	7,730	0	0	587	7,730
129	FORCE PROVIDER	0	0	0	0	0	0
130	AUTHORIZED STOCKAGE LIST MOBILITY SYSTEM (ASL	0	2,838	0	0	0	2,838
131	FIELD FEEDING EQUIPMENT	0	21,177	0	0	0	21,177
132	AIRDROP PROGRAM	0	0	0	0	0	0

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
133	CAMOUFLAGE: ULCANS	0	0	0	0	0	0
134	ITEMS LESS THAN $5.0M (ENG SPT EQ)	0	7,918	0	0	0	7,918
135	ITEMS LESS THAN $5.0M (CSS EQ)	0	0	0	0	0	0
136	FAMILY OF TANK ASSEMBLIES, FABRIC, COLLAPSIBL	0	0	0	0	0	0
137	QUALITY SURVEILLANCE EQUIPMENT	0	7,522	0	0	0	7,522
138	DISTRIBUTION SYSTEMS, PETROLEUM & WATER	0	35,280	0	0	0	35,280
139	INLAND PETROLEUM DISTRIBUTION SYSTEM	0	12,364	0	0	0	12,364
140	WATER PURIFICATION SYSTEMS	0	18,204	0	0	0	18,204
141	COMBAT SUPPORT MEDICAL	0	21,003	0	10,700	0	31,703
	Rapid intravenous infusion pumps				[5,700]		
	Deployable medical systems				[5,000]		
142	SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)	180	12,870	0	0	180	12,870
143	WELDING SHOP, TRAILER MTD	119	5,082	0	0	119	5,082
144	ITEMS LESS THAN $5.0M (MAINT EQ)	0	1,075	0	0	0	1,075
145	GRADER, ROAD MTZD, HVY, 6X4 (CCE)	0	3,854	0	0	0	3,854
146	SCRAPERS, EARTHMOVING	0	7,989	0	0	0	7,989
147	DISTR, WATER, SP MIN 2500G SEC/NON-SEC	0	0	0	0	0	0
148	MISSION MODULES - ENGINEERING	0	19,236	0	0	0	19,236
149	COMPACTOR	0	299	0	0	0	299
150	LOADERS	0	25,365	0	0	0	25,365
151	HYDRAULIC EXCAVATOR	0	300	0	0	0	300
152	DEPLOYABLE UNIVERSAL COMBAT EARTH MOVERS	0	299	0	0	0	299

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
153	TRACTOR, FULL TRACKED	0	14,950	0	0	0	14,950
154	CRANES	0	16,333	0	0	0	16,333
155	CRUSHING/SCREENING PLANT, 150 TPH	2	4,495	0	0	2	4,495
156	PLANT, ASPHALT MIXING	1	2,006	0	0	1	2,006
157	ARMORED COMBAT EARTHMOVER, M9 ACE	0	0	0	0	0	0
158	HIGH MOBILITY ENGINEER EXCAVATOR (HMEE)	16	5,014	0	0	16	5,014
159	CONST EQUIP ESP	0	9,567	0	0	0	9,567
160	ITEMS LESS THAN $5.0M (CONST EQUIP)	0	12,880	0	0	0	12,880
161	SMALL TUG	0	0	0	0	0	0
162	FLOATING CRANE, 100-250 TON	0	0	0	0	0	0
163	LOGISTIC SUPPORT VESSEL (LSV)	0	0	0	0	0	0
164	LOGISTICS SUPPORT VESSEL (ESP)	0	0	0	0	0	0
165	CAUSEWAY SYSTEMS	0	29,673	0	0	0	29,673
166	ITEMS LESS THAN $5.0M (FLOAT/RAIL)	0	3,563	0	0	0	3,563
167	GENERATORS AND ASSOCIATED EQUIP	0	79,180	0	0	0	79,180
168	ROUGH TERRAIN CONTAINER HANDLER (RTCH)	96	49,065	0	0	96	49,065
169	ALL TERRAIN LIFTING ARMY SYSTEM	148	21,963	0	0	148	21,963
170	MHE EXTENDED SERVICE PROGRAM (ESP)	12	2,304	0	0	12	2,304
171	ROUGH TERRAIN CONTAINER CRANE	0	0	0	0	0	0
172	ITEMS LESS THAN $5.0M (MHE)	0	495	0	0	0	495
173	COMBAT TRAINING CENTERS (CTC) SUPPORT	0	54,493	0	0	0	54,493

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
174	TRAINING DEVICES, NONSYSTEM	0	111,682	0	5,400	0	117,082
	Engagement skills trainer				[4,000]		
	Range instrumentation				[1,400]		
175	CLOSE COMBAT TACTICAL TRAINER	0	52,472	0	0	0	52,472
176	AVIATION COMBINED ARMS TACTICAL TRAINER (AVCA	0	35,915	0	0	0	35,915
177	FIRE SUPPORT COMBINED ARMS TACTICAL TRAINER	0	0	0	0	0	0
178	CALIBRATION SETS EQUIPMENT	0	16,366	0	0	0	16,366
179	INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)	0	59,596	0	0	0	59,596
180	TEST EQUIPMENT MODERNIZATION (TEMOD)	0	16,782	0	0	0	16,782
181	ARMY DIAGNOSTICS IMPROVEMENT PGM (ADIP)	0	7,982	0	0	0	7,982
182	RECONFIGURABLE SIMULATORS	0	0	0	0	0	0
183	PHYSICAL SECURITY SYSTEMS (OPA3)	0	227,402	0	4,500	0	231,902
	Physical Security System (Transfer from DERF)				[4,500]		
184	BASE LEVEL COM'L EQUIPMENT	0	12,297	0	0	0	12,297
185	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)	0	49,181	0	0	0	49,181
186	PRODUCTION BASE SUPPORT (OTH)	0	2,522	0	0	0	2,522
187	SPECIAL EQUIPMENT FOR USER TESTING	0	14,311	0	0	0	14,311
188	MA8975	0	4,256	0	39,100	0	43,356
	MA8975 (Transfer from DERF)				[39,100]		
189	CLOSED ACCOUNT ADJUSTMENTS	0	0	0	0	0	0
	SPARE AND REPAIR PARTS						
190	INITIAL SPARES - C&E	0	59,694	0	0	0	59,694

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
191	INITIAL SPARES - OTHER SUPPORT EQUIP	0	676	0	0	0	676
191a	Contract services savings				-13,048		-13,048
191b	Financial management savings				-53,200		-53,200
	TOTAL OTHER PROCUREMENT, ARMY		**5,168,453**		**345,226**		**5,513,679**
	CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY						
1	CHEM DEMILITARIZATION - O&M	0	974,238	0	-974,238	0	0
2	CHEM DEMILITARIZATION - RDT&E	0	302,683	0	-302,683	0	0
3	CHEM DEMILITARIZATION - PROC	0	213,278	0	-213,278	0	0
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY		**1,490,199**		**-1,490,199**		**0**

Pilot program on sales of manufactured articles and services of certain Army industrial facilities without regard to availability from domestic sources (sec. 111)

The committee recommends a provision that would extend the authorization for a single Army industrial facility to sell manufactured articles and services to commercial contractors providing weapons systems to the Department of Defense. The provision extends this pilot program through fiscal year 2004.

The intent of the pilot program is to allow Army industrial facilities to contract and team for additional workload, even if the products are available from commercial services, in order to utilize more fully the existing capacity at Army Ammunition Plants (AAPs). The committee understands that the pilot program has resulted in some increased revenue for AAPs ($16.1 million as of March 2002). The committee believes, however, that as revenue from commercial sources rises, the need for the Army to continue a directly appropriated subsidy to AAPs for underutilized capacity should decline. Therefore, the provision also includes a requirement that, once annual revenues from the pilot program exceed $20.0 million, 0.05 percent of the AAPs' Underutilized Plant Capacity budget shall be transferred to the following fiscal year's funding for demilitarization of conventional ammunition. Finally, the provision directs the Department of Defense Inspector General to review the pilot program and report to Congress on its utility.

Army Aircraft

UH–60 Blackhawk (multiyear procurement)

The budget request included $153.4 million for 12 UH–60L Blackhawk helicopters. At planned acquisition rates, the Army will not meet its required number of 1,680 Blackhawk helicopters until fiscal year 2011. The committee recommends an increase of $96.3 million for nine additional UH–60L helicopters to be fielded in accordance with Army priorities, a total authorization of $249.7 million.

CH–47 cargo helicopter modifications

The budget request included $382.1 million for modifications to the CH–47 heavy lift helicopters. The CH–47 Chinook helicopter is the Army's only active heavy cargo helicopter and is a key element in the contingency corps. This program extends the CH–47F airframe service life, introduces an open electronic architecture, and upgrades the aircraft engines. The committee notes that the Army's fiscal year 2003 budget request for CH–47 helicopter modernization did not include funds for crew safety enhancements such as crashworthy rotating and transversing crew seats. The committee notes that there is commercially available, off-the-shelf equipment to fulfill this immediate requirement. The committee recommends an increase of $4.0 million for crash-worthy seats for CH–47 modifications, a total authorization of $386.1 million.

Aircraft survivability equipment

The budget request included no funds for aircraft survivability equipment. Without fiscal year 2003 funding, the production line

for the AN/AVR–2A, the only laser detecting set in production for the Department of Defense, will be closed. The Army has an approved operational requirement for over 3,000 laser detecting sets, but to date only 1,058 have been purchased. Failure to fund additional laser detecting sets will result in increased risk for loss of aircrew and aircraft to proliferating threat laser-aided systems. The committee therefore recommends $8.0 million for the production of AN/AVR–2A laser detecting sets.

Airborne command and control

The budget request included $27.7 million for the Army Airborne Command and Control System (A2C2S). With this funding the Army intended to accelerate this critical program to enter into low-rate initial production toward the end of fiscal year 2003. The committee now understands that development and testing requirements will prevent such an ambitious schedule. Accordingly, the Army has requested that funding be transferred from procurement to research and development to fund those activities. The committee recommends the transfer of $10.0 million from Aircraft Procurement, Army to PE 64818 and a decrease of the remaining $17.7 million to Aircraft Procurement, Army.

Avionics support equipment

The budget request included $7.5 million for the Aviator's Night Vision Imaging System (ANVIS). The ANVIS is critical to the aviators' ability to operate at night and in low-light conditions. The fiscal year 2003 budget request would procure 694 systems, only two-thirds of the quantity procured in fiscal year 2002 and less than half of the quantity planned for fiscal year 2004. The committee notes an outstanding requirement for nearly 2,500 ANVIS and believes that the safety and effectiveness of Army aviators demand a higher procurement rate. Therefore, the committee recommends an increase of $5.0 million, a total authorization of $12.5 million.

Army Missiles

Guided Multiple Launch Rocket System rocket

The budget request included $29.7 million for the procurement of 108 Guided Multiple Launch Rocket System (GMLRS) rockets. The GMLRS replaces the current Multiple Launch Rocket System (MLRS) rockets, integrating a guidance and control package and a new rocket motor to achieve greater range and precision. The committee recommends an increase of $15.0 million for additional GMLRS rockets, a total authorization of $44.7 million.

Army Ammunition

50-caliber Saboted Light Armor Penetrator

The budget request included $4.4 million to procure .50-caliber Saboted Light Armor Penetrators (SLAPs), $4.1 million for the Army and $265,000 for the Marine Corps. The committee recommends an increase of $4.3 million to procure additional .50-caliber SLAP rounds, $4.0 million to support the Army's trans-

formation plan, and $300,000 to complete the Marine Corps' full approved acquisition objective (AAO).

155mm high explosive projectiles

The budget request included $30.2 million for high explosive projectiles fired from 155mm howitzers. The committee recommends an increase of $1.0 million to purchase additional rounds to augment war reserve stocks.

Wide Area Munition

The budget request included $12.5 million for procurement of 383 Hornet munitions. In an October 2001 report, the Department of Defense Inspector General (IG) found that: (1) the Wide Area Munition (WAM) program has experienced cost increases of 330 percent and schedule slips of more than five years; (2) performance requirements have been lowered and no longer meet user needs; (3) operational effectiveness has not been demonstrated; (4) the Army did not perform tests to ensure safety before producing and deploying the WAM; and (5) requirements were built on past threat assessments that are no longer valid. The Army reviewed the program in response to the IG's report and revalidated the need for the planned WAM fielding requirement.

The committee believes that the Army has failed to exercise adequate oversight of the WAM program, especially over WAM performance requirements and demonstrated effectiveness. The committee therefore recommends a reduction of $6.0 million for the WAM.

Bunker Defeat Munition

The budget request included $7.8 million to procure the Bunker Defeat Munition (BDM), a single-shot, portable, disposable munition used against earth and timber field fortifications. The committee recommends an increase of $5.0 million to procure additional BDMs in support of contingency operations and training.

Modern demolition initiators

The budget request included $28.0 million for modern demolition initiators (MDIs). MDIs are non-electric detonators that are used to initiate munitions and explosives. MDIs provide a safer, more reliable detonation system while decreasing time on target. The committee recommends an increase of $4.0 million to procure additional MDIs.

Special equipment for ammunition depots

The budget request included $4.8 million for unique, low density equipment items specifically designed and manufactured for use in ammunition depots. This funding represents a $4.0 million decrease from fiscal year 2002 levels. The committee believes that continued support for ammunition depot operations, including specialized equipment, is important for the continuation of ammunition production and demilitarization efforts. Therefore, the committee recommends an increase of $3.0 million for Ammunition Peculiar Equipment, Army.

Conventional ammunition demilitarization

The budget request included $50.0 million for the demilitarization of ammunition. The committee is concerned about the sizeable backlog of ammunition that must be demilitarized and therefore recommends an increase of $10.0 million to Procurement of Ammunition, Army for additional demilitarization.

Other Army Procurement

Family of Heavy Tactical Vehicles

The budget request included $242.8 million for the Family of Heavy Tactical Vehicles (FHTV), of which $34.3 million was for the Movement Tracking System (MTS). The Army needs a capability to track the location of vehicles, communicate with vehicle operators, and redirect movements based on battlefield requirements. MTS provides that critical capability. The committee notes that MTS is required immediately by Army Reserve units supporting the digitized Counter-Attack Corps, but MTS for those units will not be fielded for several more years. In light of the recent mobilization of numerous Army Reserve units, the committee believes that the time line should be shortened and recommends an additional $9.0 million, a total of $43.3 million for MTS, and a total allocation of $251.8 million for FHTV.

Heavy armored sedan

The budget request for the Defense Emergency Response Fund (DERF), Counter-Terrorism and Force Protection Activity, included $10.7 million for procurement of heavy armored sedans, including Heavy Armored Vehicles (HAV) and Light Armored Vehicles (LAV). The budget request also included $581,000 for the same program, reflecting a total request of $11.3 million. The Army identified an overlap of six vehicles between the budget request and the DERF. In addition, the Army stated that 15 of the vehicles would be applied to "as yet unidentified force protection threats and vehicle replacements due to anticipated damage OCONUS." The committee, based on a systematic assessment of requirements, does not believe that the Army has justified funding these 21 additional vehicles. Once justified, the committee will consider authorizing additional funding for additional vehicles. The committee therefore recommends a decrease of $2.4 million in this activity to reflect the overlap and unjustified requirement. The committee recommends that the remaining $8.9 million be transferred to Other Procurement, Army, Line 18.

Army data distribution system (data radio)

The budget request included $74.8 million for the Enhanced Position Location Reporting System (EPLRS). EPLRS is the critical mobile data radio required to establish the Army's tactical Internet and is a key enabler for network-centric warfare. The committee recommends an increase of $10.0 million for additional EPLRS, a total authorization of $84.8 million.

Area common user modification program

The budget request included $75.9 million for modifications to the Area Common User System (ACUS) and its migration to the Army's Warfighting Information Network. This program supports the downsizing of ACUS legacy systems through the procurement and fielding of the Single Shelter Switch (SSS) and the High Mobility Digital Group Multiplexer Assemblage (HMDA) systems. The budget request funded no SSSs nor HMDAs, leaving the Army well short of its requirements for these systems. Therefore, the committee recommends an increase of $25.0 million for the procurement of additional SSS and HMDA systems, a total authorization of $100.9 million.

Night vision devices

The budget request included $60.5 million for night vision devices. Of this amount, $7.3 million is for the procurement of the AN/PVS–7 night vision device and the AN/PVS–14 monocular night vision device (MNVD). The AN/PVS–7 and the AN/PVS–14 systems enable the individual soldier to see, understand, and act first during night and low-light conditions. These systems will support Army counterterrorism and force protection efforts while continuing to provide current forces with continued nighttime dominance. The committee recommends an increase of $10.0 million for additional AN/PVS–7 and AN/PVS–14 night vision devices, a total authorization of $70.5 million.

Combat support medical

The budget request included $21.0 million for field medical equipment and Deployable Medical Systems (DEPMEDS). The committee supports the Army's initiative to modernize its combat support medical capability for combat casualty care.

The Army's $21.0 million request included $8.3 million for field medical equipment which would modernize the medical equipment components for clinical diagnostic treatment and prevention. However, the committee notes that the Army's request does not include funds for the rapid intravenous (IV) infusion pumps. The rapid IV infusion pump is a miniature, portable, lightweight pump specifically designed for life-saving intravenous fluid resuscitation by a medic in the field to restore blood pressure of victims with severe blood loss or dehydration. The committee notes that this type of device is critical to soldier battlefield survivability.

The Army's $21.0 million request for combat support medical also included $12.7 million for DEPMEDS. DEPMEDS modernizes non-medical equipment such as temper tents and shelters, environmental control units, and water distribution systems for hospital platforms. The committee notes that the Army's fiscal year 2003 budget request includes a $1.3 million request for surgical medical temper tents, a 45 percent reduction from the fiscal year 2002 level. Surgical medical temper tents offer medical personnel and surgical teams shelter to provide medical and trauma care to soldiers in forward deployed sites.

The committee recommends an increase of $5.7 million for additional rapid IV infusion pumps and $5.0 million for additional DEPMEDS, a total authorization of $31.7 million.

Training devices, non-system

The budget request included $111.7 million for the Non-System Training Devices (NSTD) program. The NSTD program introduces realistic and effective simulative training devices into the individual and unit training setting. NSTD items include the multiple integrated laser engagement system (MILES), enhanced tower simulator (ETOS), and the engagement skills trainer (EST).

The EST is a marksmanship trainer and individual and crew-served weapons simulator. It is particularly suited to the training of Army National Guard and Army Reserve soldiers with limited access to live firing ranges and is a high priority for those components.

Fort Knox has a requirement for an instrumentation system and automated after-action review capability to evaluate training proficiency in a military operations on urbanized terrain (MOUT) environment. The committee notes that the current training system requires a large number of military observer controllers (OC) to observe and evaluate training. A range instrumentation system would instead allow many of these personnel to return to their primary duties, helping to alleviate the stress on Army operating tempo. The committee, therefore, recommends $4.0 million for the engagement skills trainer and $1.4 million for Fort Knox range instrumentation, a total authorization of $117.1 million.

SUBTITLE C—NAVY PROGRAMS

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	AIRCRAFT PROCUREMENT, NAVY						
1	AV-8B (V/STOL)HARRIER (MYP)	0	5,953	0	0	0	5,953
2	F/A-18E/F (FIGHTER) HORNET (MYP)	44	3,073,233	4	240,000	48	3,313,233
3	ADVANCE PROCUREMENT (CY)	0	86,259	0	0	0	86,259
4	V-22 (MEDIUM LIFT)	11	1,045,660	0	0	11	1,045,660
5	ADVANCE PROCUREMENT (CY)	0	60,298	0	-9,200	0	51,098
	Buy advance procurement for 11 aircraft in FY 04				[-9,200]		
6	AH-1W (HELICOPTER) SEA COBRA	0	0	0	0	0	0
7	UH-1Y/AH-1Z	0	0	0	0	0	0
8	MH-60S (MYP)	15	284,155	0	0	15	284,155
9	ADVANCE PROCUREMENT (CY)	0	88,000	0	0	0	88,000
10	MH-60R	0	86,871	0	5,000	0	91,871
	Airborne low frequency sonar (ALFS) nonrecurring costs				[5,000]		
11	ADVANCE PROCUREMENT (CY)	0	29,341	0	0	0	29,341
12	E-2C (EARLY WARNING) HAWKEYE (MYP)	5	267,851	0	0	5	267,851
13	ADVANCE PROCUREMENT (CY)	0	27,600	0	0	0	27,600
14	MH-60S (MYP)	0	0	0	0	0	0
15	ADVANCE PROCUREMENT (CY)	0	0	0	0	0	0
16	UC-35	0	0	0	0	0	0
17	C-40A	0	0	0	0	0	0
18	C-37	0	0	0	0	0	0
19	T-45TS (TRAINER) GOSHAWK	8	221,381	0	0	8	221,381

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
20	ADVANCE PROCUREMENT (CY)	0	0	0	0	0	0
21	JPATS	0	0	6	46,000	6	46,000
	Additional aircraft				[39,000]		
	Operational flight trainers				[7,000]		
22	KC-130J	0	0	4	334,000	4	334,000
	KC-130J (Transfer from DERF)				[334,000]		
	MODIFICATION OF AIRCRAFT						
23	EA-6 SERIES	0	223,527	0	114,000	0	337,527
	Wing center sections				[40,000]		
	Band 9/10 transmitters				[37,000]		
	USQ-113 communications jammers / receivers				[37,000]		
24	AV-8 SERIES	0	32,232	0	55,000	0	87,232
	Litening II targeting pods				[55,000]		
25	F-14 SERIES	0	3,712	0	0	0	3,712
26	ADVERSARY	0	10,475	0	0	0	10,475
27	F-18 SERIES	0	421,704	0	25,000	0	446,704
	ECP-583 upgrade for USMC F/A-18A aircraft				[25,000]		
28	H-46 SERIES	0	67,193	0	0	0	67,193
29	AH-1W SERIES	0	10,211	0	0	0	10,211
30	H-53 SERIES	0	22,517	0	0	0	22,517
31	SH-60 SERIES	0	15,419	0	0	0	15,419
32	H-1 SERIES	0	1,825	0	0	0	1,825

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
33	H-3 SERIES	0	0	0	0	0	0
34	EP-3 SERIES	0	26,061	0	22,500	0	48,561
	EP-3E COMINT/ ELINT Upgrades (Transfer from DERF)				[22,500]		
35	P-3 SERIES	0	102,698	0	14,000	0	116,698
	Additional anti-surface warfare improvement program (AIP) kit				[14,000]		
36	S-3 SERIES	0	45,130	0	0	0	45,130
37	E-2 SERIES	0	17,195	0	0	0	17,195
38	TRAINER A/C SERIES	0	2,844	0	0	0	2,844
39	C-2A	0	29,819	0	0	0	29,819
40	C-130 SERIES	0	6,263	0	0	0	6,263
41	FEWSG	0	606	0	0	0	606
42	CARGO/TRANSPORT A/C SERIES	0	3,819	0	0	0	3,819
43	E-6 SERIES	0	57,099	0	0	0	57,099
44	EXECUTIVE HELICOPTERS SERIES	0	10,157	0	6,000	0	16,157
	VH-3D/VH-60D Comm Upgrade (Transfer from DERF)				[6,000]		
45	SPECIAL PROJECT AIRCRAFT	0	0	0	4,000	0	4,000
	APEX GOLD (Transfer from DERF)				[4,000]		
46	T-45 SERIES	0	28,246	0	0	0	28,246
47	POWER PLANT CHANGES	0	13,673	0	0	0	13,673
48	COMMON ECM EQUIPMENT	0	28,006	0	0	0	28,006
49	COMMON AVIONICS CHANGES	0	63,228	0	0	0	63,228
50	V-22 (TILT/ROTOR ACFT) OSPREY	0	4,961	0	0	0	4,961

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
51	SPARES AND REPAIR PARTS	0	1,116,535	0	0	0	1,116,535
52	COMMON GROUND EQUIPMENT	0	442,330	0	-15,000	0	427,330
	Fleet aircrew simulator training				[-15,000]		
53	AIRCRAFT INDUSTRIAL FACILITIES	0	18,112	0	0	0	18,112
54	WAR CONSUMABLES	0	12,079	0	0	0	12,079
55	INDUSTRIAL FACILITIES	0	25,309	0	0	0	25,309
56	SPECIAL SUPPORT EQUIPMENT	0	62,725	0	0	0	62,725
57	FIRST DESTINATION TRANSPORTATION	0	1,643	0	0	0	1,643
58	CANCELLED ACCOUNT ADJUSTMENTS	0	0	0	0	0	0
58a	Contract services savings				-8,046		-8,046
	TOTAL AIRCRAFT PROCUREMENT, NAVY		**8,203,955**		**833,254**		**9,037,209**
	WEAPONS PROCUREMENT, NAVY						
1	TRIDENT II	12	585,916	0	0	12	585,916
2	ADVANCE PROCUREMENT (CY)	0	0	0	0	0	0
3	MISSILE INDUSTRIAL FACILITIES	0	1,318	0	0	0	1,318
4	TOMAHAWK	106	145,820	784	598,000	890	743,820
	Tomahawk Remanufacture (Transfer from DERF)				[598,000]		
5	ESSM	146	129,550	0	0	146	129,550
6	AMRAAM	100	50,937	0	0	100	50,937

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
7	SIDEWINDER	295	53,250	0	0	295	53,250
8	JSOW	363	139,537	0	0	363	139,537
9	SLAM-ER	120	83,781	0	0	120	83,781
10	STANDARD MISSILE	93	156,423	0	0	93	156,423
11	RAM	90	58,379	0	0	90	58,379
12	HELLFIRE	0	0	0	15,000	0	15,000
13	AERIAL TARGETS	0	70,332	0	0	0	70,332
14	DRONES AND DECOYS	0	0	0	0	0	0
15	OTHER MISSILE SUPPORT	0	12,039	0	0	0	12,039
16	SIDEWINDER MODS	0	595	0	0	0	595
17	HARM MODS	0	4,959	0	0	0	4,959
18	STANDARD MISSILES MODS	90	56,163	0	0	90	56,163
19	WEAPONS INDUSTRIAL FACILITIES	0	17,662	0	20,000	0	37,662
	Allegany Ballistics Lab facilities restoration				[20,000]		
20	FLEET SATELLITE COMM (MYP) (SPACE)	0	0	0	0	0	0
21	FLEET SATELLITE COMM FOLLOW-ON	0	0	0	0	0	0
22	ORDNANCE SUPPORT EQUIPMENT	0	5,422	0	0	0	5,422
22a	USMC Shadow Upgrades (Transfer from DERF)	0	0	0	15,000	0	15,000
23	ASW TARGETS	0	14,330	0	0	0	14,330
24	MK-46 TORPEDO MODS	0	38,783	0	0	0	38,783
25	MK-48 TORPEDO ADCAP MODS	0	62,124	0	0	0	62,124
26	QUICKSTRIKE MINE	0	2,025	0	0	0	2,025

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
27	TORPEDO SUPPORT EQUIPMENT	0	25,132	0	0	0	25,132
28	ASW RANGE SUPPORT	0	14,477	0	0	0	14,477
29	FIRST DESTINATION TRANSPORTATION	0	2,751	0	0	0	2,751
30	SMALL ARMS AND WEAPONS	0	2,856	0	7,000	0	9,856
	Coast Guard Small Arms Procurement (Transfer from DERF)				[3,000]		
	Physical Security Equipment (Transfer from DERF)				[4,000]		
31	AIRBORNE MINE NEUTRALIZATION SYSTEMS	0	1,539	0	0	0	1,539
32	CIWS MODS	0	32,226	0	5,000	0	37,226
	Additional CIWS Block IB upgrades				[5,000]		
33	GUN MOUNT MODS	0	8,351	0	15,000	0	23,351
	MK 45 gun rework for cruiser conversion program				[10,000]		
	MK 38 guns to support the Coast Guard				[5,000]		
34	CANCELLED ACCOUNT ADJUSTMENTS	0	0	0	0	0	0
35	CANCELLED ACCOUNT ADJUSTMENTS	0	0	0	0	0	0
36	CANCELLED ACCOUNT ADJ (89)	0	0	0	0	0	0
37	JUDGEMENT FUND	0	0	0	0	0	0
38	SPARES AND REPAIR PARTS	0	55,940	0	0	0	55,940
38a	Contract services savings				-1,797		-1,797
	TOTAL WEAPONS PROCUREMENT, NAVY		**1,832,617**		**673,203**		**2,505,820**

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	PROCUREMENT OF AMMO, NAVY & MARINE CORPS						
	NAVY AMMUNITION						
1	GENERAL PURPOSE BOMBS	0	243,395	0	61,300	0	304,695
	Laser Guided Bomb (LGB) kits (Transfer from DERF)				[25,000]		
	Laser Guided Bomb training kits (Transfer from DERF)				[36,300]		
2	JDAM	9,880	225,992	2,400	54,000	12,280	279,992
	JDAM Kits (Transfer from DERF)				[54,000]		
3	AIRBORNE ROCKETS, ALL TYPES	0	28,979	0	23,300	0	52,279
	2.75" Airborne Rockets (Transfer from DERF)				[23,300]		
4	MACHINE GUN AMMUNITION	0	26,375	0	4,500	0	30,875
	PGU-27/PGU-28 machine gun ammunition (Transfer from DERF)				[4,500]		
5	PRACTICE BOMBS	0	65,623	0	0	0	65,623
6	CARTRIDGES & CART ACTUATED DEVICES	0	26,355	0	0	0	26,355
7	AIRCRAFT ESCAPE ROCKETS	0	10,767	0	0	0	10,767
8	AIR EXPENDABLE COUNTERMEASURES	0	38,856	0	0	0	38,856
9	JATOS	0	4,536	0	0	0	4,536
10	5 INCH/54 GUN AMMUNITION	0	12,252	0	0	0	12,252
11	EXTENDED RANGE GUIDED MUNITIONS (ERGM)	0	4,022	0	0	0	4,022
12	76MM GUN AMMUNITION	0	8,342	0	0	0	8,342
13	OTHER SHIP GUN AMMUNITION	0	10,045	0	0	0	10,045
14	SMALL ARMS & LANDING PARTY AMMO	0	19,004	0	1,000	0	20,004
	Coast Guard Small Arms Ammunition (Transfer from DERF)				[1,000]		

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
15	PYROTECHNIC AND DEMOLITION	0	10,338	0	0	0	10,338
16	MINE NEUTRALIZATION DEVICES	0	2,725	0	0	0	2,725
17	AMMUNITION LESS THAN $5 MILLION	0	1,212	0	1,900	0	3,112
	MK-58 marine location markers (Transfer from DERF)				[1,900]		
18	CAWCF CLOSURE COSTS	0	0	0	0	0	0
	MARINE CORP AMMUNITION						
19	5.56 MM, ALL TYPES	0	31,600	0	0	0	31,600
20	7.62 MM, ALL TYPES	0	7,078	0	0	0	7,078
21	LINEAR CHARGES, ALL TYPES	0	40,623	0	0	0	40,623
22	.50 CALIBER	0	10,514	0	300	0	10,814
	.50 CAL SLAP				[300]		
23	40 MM, ALL TYPES	0	11,909	0	0	0	11,909
24	60MM, ALL TYPES	0	2,199	0	0	0	2,199
25	81MM, ALL TYPES	0	31,412	0	0	0	31,412
26	120MM, ALL TYPES	0	35,117	0	8,700	0	43,817
	120MM HEAT				[8,700]		
27	CTG 25MM, ALL TYPES	0	6,641	0	0	0	6,641
28	9 MM ALL TYPES	0	1,983	0	0	0	1,983
29	GRENADES, ALL TYPES	0	11,357	0	0	0	11,357
30	STINGER SLEP	0	1,577	0	0	0	1,577
31	ROCKETS, ALL TYPES	0	18,854	0	0	0	18,854

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
32	ARTILLERY, ALL TYPES	0	46,750	0	4,000	0	50,750
	155MM HE M795				[4,000]		
33	DEMOLITION MUNITIONS, ALL TYPES	0	4,089	0	0	0	4,089
34	FUZE, ALL TYPES	0	620	0	0	0	620
35	NON LETHALS	0	5,406	0	0	0	5,406
36	AMMO MODERNIZATION	0	6,990	0	0	0	6,990
37	ITEMS LESS THAN $5 MILLION	0	1,616	0	0	0	1,616
38	CAWCF CLOSURE COSTS	0	0	0	0	0	0
38a	Contract services savings				-996		-996
	TOTAL PROCUREMENT OF AMMO, NAVY & MARINE CORPS		**1,015,153**		**158,004**		**1,173,157**
	SHIPBUILDING & CONVERSION, NAVY						
1	CARRIER REPLACEMENT PROGRAM	0	0	0	0	0	0
2	ADVANCE PROCUREMENT (CY)	0	243,703	0	229,000	0	472,703
	Accelerate CVNX to original schedule				[229,000]		
3	VIRGINIA CLASS SUBMARINE	1	1,512,652	0	0	1	1,512,652
4	ADVANCE PROCUREMENT (CY)	0	706,309	0	415,000	0	1,121,309
	Additonal advance procurement to increase production rate				[415,000]		
5	SSGN CONVERSION	2	404,305	0	0	2	404,305
6	SSGN ADVANCE PROCUREMENT (CY)	0	421,000	0	0	0	421,000

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
7	CRUISER CONVERSION ADVANCE PROCUREMENT (CY)	0	0	0	0	0	0
8	CVN REFUELING OVERHAULS	0	0	0	0	0	0
9	ADVANCE PROCUREMENT (CY)	0	296,781	0	0	0	296,781
10	SUBMARINE REFUELING OVERHAULS	1	271,292	1	200,000	2	471,292
	Refuel rather than retire an SSN-688				[200,000]		
11	ADVANCE PROCUREMENT (CY)	0	88,257	0	0	0	88,257
12	DDG-51	2	2,295,502	0	0	2	2,295,502
13	ADVANCE PROCUREMENT (CY)	0	74,000	0	125,000	0	199,000
	Additional advance procurement				[125,000]		
14	LHD-1 AMPHIBIOUS ASSAULT SHIP	0	243,000	0	0	0	243,000
15	ADVANCE PROCUREMENT (CY)	0	10,000	0	-10,000	0	0
	Transfer to LHA[R] R&D -- RDN 127 (PE 64567N)				[-10,000]		
16	LPD-17	1	596,492	0	0	1	596,492
17	ADVANCE PROCUREMENT (CY)	0	8,000	0	150,000	0	158,000
	Additional advance procurement				[150,000]		
18	TAGOS SURTASS SHIPS	0	0	0	0	0	0
19	T-AKE-1	0	0	0	0	0	0
20	LCU(X)	0	6,756	0	0	0	6,756
21	OUTFITTING	0	300,608	0	0	0	300,608
22	LCAC SLEP	3	67,638	1	22,000	4	89,638
	SLEP an additional craft				[22,000]		
23	MINE HUNTER	0	0	0	0	0	0

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
24	COMPLETION OF PY SHIPBUILDING PROGRAMS	0	644,899	0	0	0	644,899
24a	Contract services savings				-8,034		-8,034
	SHIPBUILDING & CONVERSION, NAVY		**8,191,194**		**1,122,966**		**9,314,160**
	OTHER PROCUREMENT, NAVY						
	SHIPS SUPPORT EQUIPMENT						
1	LM-2500 GAS TURBINE	0	9,402	0	0	0	9,402
2	ALLISON 501K GAS TURBINE	0	13,710	0	0	0	13,710
3	SUBMARINE PROPELLERS	0	10,641	0	0	0	10,641
4	OTHER NAVIGATION EQUIPMENT	0	25,828	0	0	0	25,828
5	UNDERWAY REPLENISHMENT EQUIPMENT	0	1,460	0	0	0	1,460
6	SUB PERISCOPES & IMAGING EQUIP	0	31,401	0	0	0	31,401
7	FIREFIGHTING EQUIPMENT	0	21,534	0	0	0	21,534
8	COMMAND AND CONTROL SWITCHBOARD	0	7,377	0	0	0	7,377
9	POLLUTION CONTROL EQUIPMENT	0	67,502	0	0	0	67,502
10	SUBMARINE SUPPORT EQUIPMENT	0	18,195	0	0	0	18,195
11	SUBMARINE BATTERIES	0	13,996	0	0	0	13,996
12	STRATEGIC PLATFORM SUPPORT EQUIP	0	26,692	0	0	0	26,692
13	DSSP EQUIPMENT	0	21,215	0	0	0	21,215
14	LCAC	0	5,105	0	0	0	5,105

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
15	MINESWEEPING EQUIPMENT	0	3,865	0	0	0	3,865
16	ITEMS LESS THAN $5 MILLION	0	123,449	0	17,000	0	140,449
	Stainless steel sanitary spaces				[6,000]		
	Integrated condition assessment system (ICAS)				[11,000]		
17	SURFACE IMA	0	0	0	0	0	0
18	SUBMARINE LIFE SUPPORT SYSTEM	0	3,675	0	0	0	3,675
19	REACTOR POWER UNITS	0	336,500	0	0	0	336,500
20	REACTOR COMPONENTS	0	211,020	0	0	0	211,020
21	DIVING AND SALVAGE EQUIPMENT	0	7,726	0	0	0	7,726
22	STANDARD BOATS	0	33,832	0	0	0	33,832
23	OTHER SHIPS TRAINING EQUIPMENT	0	1,799	0	0	0	1,799
24	OPERATING FORCES IPE	0	17,134	0	0	0	17,134
25	NUCLEAR ALTERATIONS	0	128,543	0	0	0	128,543
26	DRUG INTERDICTION SUPPORT	0	0	0	0	0	0
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT						
27	RADAR SUPPORT	0	0	0	0	0	0
28	AN/SQQ-89 SURF ASW COMBAT SYSTEM	0	24,247	0	0	0	24,247
29	SSN ACOUSTICS	0	251,909	0	0	0	251,909
30	UNDERSEA WARFARE SUPPORT EQUIPMENT	0	3,775	0	0	0	3,775
31	SURFACE SONAR WINDOWS AND DOME	0	0	0	0	0	0
32	SONAR SWITCHES AND TRANSDUCERS	0	16,348	0	0	0	16,348
33	SUBMARINE ACOUSTIC WARFARE SYSTEM	0	21,686	0	0	0	21,686

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
34	FIXED SURVEILLANCE SYSTEM	0	62,090	0	0	0	62,090
35	SURTASS	0	20,639	0	0	0	20,639
36	ASW OPERATIONS CENTER	0	5,109	0	0	0	5,109
37	AN/SLQ-32	0	1,856	0	0	0	1,856
38	AIEWS	0	15,808	0	-15,808	0	0
	Program cancellation				[-15,808]		
39	INFORMATION WARFARE SYSTEMS	0	5,158	0	2,000	0	7,158
	Navy Cover and Deception Program (Transfer from DERF)				[2,000]		
40	SHIPBOARD IW EXPLOIT	0	77,066	0	10,000	0	87,066
	Electronic Warfare (EW) Readiness Support (Transfer from DERF)				[10,000]		
41	SUBMARINE SUPPORT EQUIPMENT PROG	0	89,508	0	0	0	89,508
42	NAVY TACTICAL DATA SYSTEM	0	0	0	0	0	0
43	COOPERATIVE ENGAGEMENT CAPABILITY	0	66,736	0	0	0	66,736
44	GCCS-M EQUIPMENT	0	55,188	0	0	0	55,188
45	NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)	0	46,818	0	0	0	46,818
46	ATDLS	0	7,608	0	0	0	7,608
47	MINESWEEPING SYSTEM REPLACEMENT	0	1,974	0	0	0	1,974
48	SHALLOW WATER MCM	0	0	0	0	0	0
49	NAVSTAR GPS RECEIVERS (SPACE)	0	11,402	0	0	0	11,402
50	ARMED FORCES RADIO AND TV	0	4,186	0	0	0	4,186
51	STRATEGIC PLATFORM SUPPORT EQUIP	0	21,353	0	0	0	21,353
52	OTHER SPAWAR TRAINING EQUIPMENT	0	1,001	0	0	0	1,001

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
53	OTHER TRAINING EQUIPMENT	0	15,430	0	0	0	15,430
54	MATCALS	0	14,318	0	0	0	14,318
55	SHIPBOARD AIR TRAFFIC CONTROL	0	7,815	0	0	0	7,815
56	AUTOMATIC CARRIER LANDING SYSTEM	0	17,447	0	0	0	17,447
57	NATIONAL AIR SPACE SYSTEM	0	20,000	0	0	0	20,000
58	AIR STATION SUPPORT EQUIPMENT	0	7,012	0	0	0	7,012
59	MICROWAVE LANDING SYSTEM	0	0	0	0	0	0
60	FACSFAC	0	4,356	0	0	0	4,356
61	ID SYSTEMS	0	32,633	0	0	0	32,633
62	SURFACE IDENTIFICATION SYSTEMS	0	0	0	0	0	0
63	TAC A/C MISSION PLANNING SYS(TAMPS)	0	6,597	0	0	0	6,597
64	TADIX-B	0	0	0	0	0	0
65	NAVAL SPACE SURVEILLANCE SYSTEM	0	2,062	0	0	0	2,062
66	DIMHRS	0	4,675	0	0	0	4,675
67	COMMON IMAGERY GROUND SURFACE SYSTEMS	0	52,432	0	0	0	52,432
68	RADIAC	0	8,015	0	0	0	8,015
69	GPETE	0	6,700	0	0	0	6,700
70	INTEG COMBAT SYSTEM TEST FACILITY	0	4,498	0	0	0	4,498
71	EMI CONTROL INSTRUMENTATION	0	5,409	0	0	0	5,409
72	ITEMS LESS THAN $5 MILLION	0	9,037	0	0	0	9,037
73	SHIP COMMUNICATIONS AUTOMATION	0	161,235	0	0	0	161,235
74	COMMUNICATIONS ITEMS UNDER $5M	0	16,307	0	0	0	16,307

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
75	SHORE LF/VLF COMMUNICATIONS	0	5,427	0	0	0	5,427
76	SUBMARINE COMMUNICATION EQUIPMENT	0	132,874	0	0	0	132,874
77	SATELLITE COMMUNICATIONS SYSTEMS	0	149,636	0	0	0	149,636
78	JCS COMMUNICATIONS EQUIPMENT	0	4,256	0	0	0	4,256
79	ELECTRICAL POWER SYSTEMS	0	1,270	0	0	0	1,270
80	NSIPS	0	12,281	0	0	0	12,281
81	JEDMICS	0	0	0	3,000	0	3,000
	Ensure engineering & tech data matches deployed systems				[3,000]		
82	NAVAL SHORE COMMUNICATIONS	0	96,592	0	0	0	96,592
83	INFO SYSTEMS SECURITY PROGRAM (ISSP)	0	78,473	0	11,400	0	89,873
	Secure Wireless Communications Equipment (Transfer from DERF)				[3,000]		
	Computer Network Defense (Transfer from DERF)				[4,600]		
	Enclave boundaries (Transfer from DERF)				[2,000]		
	Intrusion detection system (Transfer from DERF)				[1,800]		
84	SPECIAL DCP	0	0	0	0	0	0
85	CRYPTOLOGIC COMMUNICATIONS EQUIP	0	18,659	0	1,500	0	20,159
	Cryptologic Direct Support (Transfer from DERF)				[1,500]		
86	COAST GUARD EQUIPMENT	0	39,789	0	4,000	0	43,789
	Coast Guard Support Night Vision Devices (NVDs) (Transfer from DERF)				[4,000]		
87	OTHER DRUG INTERDICTION SUPPORT	0	0	0	0	0	0
	AVIATION SUPPORT EQUIPMENT						
88	SONOBUOYS - ALL TYPES	0	63,277	0	0	0	63,277

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
89	WEAPONS RANGE SUPPORT EQUIPMENT	0	7,733	0	0	0	7,733
90	EXPEDITIONARY AIRFIELDS	0	7,540	0	0	0	7,540
91	AIRCRAFT REARMING EQUIPMENT	0	11,894	0	0	0	11,894
92	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT	0	19,355	0	0	0	19,355
93	METEOROLOGICAL EQUIPMENT	0	27,085	0	0	0	27,085
94	OTHER PHOTOGRAPHIC EQUIPMENT	0	1,572	0	0	0	1,572
95	AVIATION LIFE SUPPORT	0	25,676	0	0	0	25,676
96	AIRBORNE MINE COUNTERMEASURES	0	19,499	0	0	0	19,499
97	LAMPS MK III SHIPBOARD EQUIPMENT	0	5,488	0	0	0	5,488
98	OTHER AVIATION SUPPORT EQUIPMENT	0	12,440	0	0	0	12,440
	ORDNANCE SUPPORT EQUIPMENT						
99	GUN FIRE CONTROL EQUIPMENT	0	27,108	0	10,000	0	37,108
	SPQ-9B solid state transmitter				[10,000]		
100	NAVAL FIRES CONTROL SYSTEM	0	5,690	0	0	0	5,690
101	NATO SEASPARROW	0	41,408	0	0	0	41,408
102	RAM GMLS	0	23,893	0	0	0	23,893
103	SHIP SELF DEFENSE SYSTEM	0	47,226	0	0	0	47,226
104	AEGIS SUPPORT EQUIPMENT	0	155,654	0	7,000	0	162,654
	Food service technology				[2,000]		
	Integrated bridge system				[5,000]		
105	SURFACE TOMAHAWK SUPPORT EQUIPMENT	0	53,614	0	0	0	53,614
106	SUBMARINE TOMAHAWK SUPPORT EQUIP	0	5,262	0	0	0	5,262

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
107	VERTICAL LAUNCH SYSTEMS	0	6,483	0	0	0	6,483
108	STRATEGIC PLATFORM SUPPORT EQUIP	0	0	0	0	0	0
109	STRATEGIC MISSILE SYSTEMS EQUIP	0	75,006	0	0	0	75,006
110	SSN COMBAT CONTROL SYSTEMS	0	46,319	0	10,000	0	56,319
	Accelerate older system replacement				[10,000]		
111	SUBMARINE ASW SUPPORT EQUIPMENT	0	7,538	0	0	0	7,538
112	SURFACE ASW SUPPORT EQUIPMENT	0	3,460	0	0	0	3,460
113	ASW RANGE SUPPORT EQUIPMENT	0	7,350	0	0	0	7,350
114	EXPLOSIVE ORDNANCE DISPOSAL EQUIP	0	7,806	0	0	0	7,806
115	ITEMS LESS THAN $5 MILLION	0	3,770	0	0	0	3,770
116	ANTI-SHIP MISSILE DECOY SYSTEM	0	27,976	0	10,800	0	38,776
	Additional NULKA decoys				[10,800]		
117	SURFACE TRAINING DEVICE MODS	0	6,557	0	0	0	6,557
118	SUBMARINE TRAINING DEVICE MODS	0	17,264	0	5,000	0	22,264
	Equipment for deployed training				[5,000]		
	CIVIL ENGINEERING SUPPORT EQUIPMENT						
119	ARMORED SEDANS	0	481	0	0	0	481
120	PASSENGER CARRYING VEHICLES	0	2,538	0	0	0	2,538
121	GENERAL PURPOSE TRUCKS	0	1,972	0	0	0	1,972
122	CONSTRUCTION & MAINTENANCE EQUIP	0	9,113	0	0	0	9,113
123	FIRE FIGHTING EQUIPMENT	0	6,284	0	0	0	6,284
124	TACTICAL VEHICLES	0	42,238	0	0	0	42,238

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
125	AMPHIBIOUS EQUIPMENT	0	47,193	0	0	0	47,193
126	DRUG INTERDICTION (BA 5)	0	0	0	0	0	0
127	POLLUTION CONTROL EQUIPMENT	0	20,734	0	0	0	20,734
128	ITEMS UNDER $5 MILLION	0	14,963	0	0	0	14,963
	SUPPLY SUPPORT EQUIPMENT						
129	MATERIALS HANDLING EQUIPMENT	0	9,504	0	0	0	9,504
130	OTHER SUPPLY SUPPORT EQUIPMENT	0	10,959	0	0	0	10,959
131	FIRST DESTINATION TRANSPORTATION	0	5,053	0	0	0	5,053
132	SPECIAL PURPOSE SUPPLY SYSTEMS	0	141,431	0	13,964	0	155,395
	Special Purpose Supply Equip. (Transfer from DERF)				[13,064]		
	Special Purpose Supply Equip. (Transfer from DERF)				[900]		
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT						
133	TRAINING SUPPORT EQUIPMENT	0	707	0	0	0	707
134	COMMAND SUPPORT EQUIPMENT	0	34,770	0	0	0	34,770
135	EDUCATION SUPPORT EQUIPMENT	0	7,095	0	0	0	7,095
136	MEDICAL SUPPORT EQUIPMENT	0	9,145	0	0	0	9,145
137	INTELLIGENCE SUPPORT EQUIPMENT	0	26,564	0	10,000	0	36,564
	Intelligence Support Equipment (Transfer from DERF)				[4,000]		
	Tactical Interoperability and Information Support Systems (Transfer from DERF)				[6,000]		
138	OPERATING FORCES SUPPORT EQUIPMENT	0	16,505	0	0	0	16,505
139	MOBILE SENSOR PLATFORM	0	5,946	0	0	0	5,946
140	ENVIRONMENTAL SUPPORT EQUIPMENT	0	19,978	0	0	0	19,978

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
141	PHYSICAL SECURITY EQUIPMENT	0	81,721	0	94,483	0	176,204
	Physical Security Eq. for the Mobile Security Force (Transfer from DERF)				[14,000]		
	Physical Security Equipment for Strategic Bases (Transfer from DERF)				[4,000]		
	Physical Security Equipment (Transfer from DERF)				[76,483]		
142	JUDGEMENT FUND REIMBURSEMENT	0	0	0	0	0	0
143	CANCELLED ACCOUNT ADJUSTMENTS	0	0	0	0	0	0
144	CANCELLED ACCOUNT ADJUSTMENT (87)	0	0	0	0	0	0
145	CANCELLED ACCOUNT ADJUSTMENT (88)	0	0	0	0	0	0
	SPARES AND REPAIR PARTS						
146	SPARES AND REPAIR PARTS	0	172,886	0	0	0	172,886
146a	Financial management savings				-20,600	0	-20,600
146b	Contract services savings				-4,263	0	-4,263
	OTHER PROCUREMENT, NAVY		**4,347,024**		**169,476**		**4,516,500**
	PROCUREMENT, MARINE CORPS						
1	AAV7A1 PIP	85	62,991	0	0	85	62,991
2	AAAV	1	14,718	0	0	1	14,718
3	LAV PIP	0	53,166	0	0	0	53,166
4	IMPROVED RECOVERY VEHICLE (IRV)	0	4,179	0	0	0	4,179
5	MODIFICATION KITS (TRKD VEH)	0	3,297	0	0	0	3,297

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
6	HIMARS	2	7,869	0	0	2	7,869
7	155MM LIGHTWEIGHT TOWED HOWITZER	34	62,643	0	0	34	62,643
8	MOD KITS (ARTILLERY)	0	4,890	0	0	0	4,890
9	MARINE ENHANCEMENT PROGRAM	0	8,145	0	0	0	8,145
10	WEAPONS AND COMBAT VEHICLES UNDER $5 MILLION	0	312	0	0	0	312
11	MODULAR WEAPON SYSTEM	0	24,352	0	0	0	24,352
12	OPERATIONS OTHER THAN WAR	0	1,531	0	0	0	1,531
13	EADS MOD	0	184	0	0	0	184
14	JAVELIN	0	1,049	0	0	0	1,049
15	PEDESTAL MOUNTED STINGER (PMS) (MYP)	0	1,565	0	0	0	1,565
16	ITEMS UNDER $5 MILLION	0	0	0	0	0	0
17	PREDATOR (SRAW)	445	36,484	0	0	445	36,484
18	MODIFICATION KITS	0	7,967	0	0	0	7,967
19	AUTO TEST EQUIP SYS	0	894	0	8,000	0	8,894
	Third echelon test sets				[8,000]		
20	GENERAL PURPOSE ELECTRONIC TEST EQUIP.	0	8,324	0	0	0	8,324
21	INTELLIGENCE SUPPORT EQUIPMENT	0	18,526	0	19,600	0	38,126
	TPC (Transfer from DERF)			11	[3,300]		
	TEG (Transfer from DERF)			27	[9,000]		
	TROJAN Lite (Transfer from DERF)			10	[5,700]		
	TACPHOTO (Transfer from DERF)			1,000	[1,600]		

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
22	MOD KITS (INTEL)	0	2,570	0	8,800	0	11,370
	TPCS (Transfer from DERF)			3	[8,300]		
	TCAC (Transfer from DERF)			7	[500]		
23	ITEMS UNDER $5 MILLION (INTELL)	0	1,843	0	2,400	0	4,243
	I-SURSS (Transfer from DERF)			20	[2,400]		
24	GENERAL PURPOSE MECHANICAL TMDE	0	4,565	0	0	0	4,565
25	NIGHT VISION EQUIPMENT	0	23,204	0	0	0	23,204
26	ITEMS UNDER $5 MILLION (COMM & ELEC)	0	16,097	0	2,500	0	18,597
	Secure Wireless (Transfer from DERF)				[800]		
	ISR (Transfer from DERF)				[1,700]		
27	COMMON COMPUTER RESOURCES	0	38,974	0	0	0	38,974
28	COMMAND POST SYSTEMS	0	33,512	0	0	0	33,512
29	RADIO SYSTEMS	0	25,528	0	5,000	0	30,528
	Lightweight multi-band satellite terminals				[5,000]		
30	COMM SWITCHING & CONTROL SYSTEMS	0	3,974	0	0	0	3,974
31	COMM & ELEC INFRASTRUCTURE SUPPORT	0	16,426	0	4,600	0	21,026
	Continuity of Intelligence (Transfer from DERF)				[2,000]		
	Computer Network Defense (Transfer from DERF)				[1,900]		
	Deployed Security Interdiction Devices (Transfer from DERF)				[700]		
32	MOD KITS MAGTF C41	0	31,470	0	3,000	0	34,470
	FLAMES/CESAS (Transfer from DERF)				[3,000]		
33	AIR OPERATIONS C2 SYSTEMS	0	6,525	0	0	0	6,525

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
34	INTELLIGENCE C2 SYSTEMS	0	22,362	0	0	0	22,362
35	FIRE SUPPORT SYSTEM	0	34,855	0	0	0	34,855
36	COMMERCIAL PASSENGER VEHICLES	28	861	0	0	28	861
37	COMMERCIAL CARGO VEHICLES	0	13,123	0	0	0	13,123
38	5/4T TRUCK HMMWV (MYP)	1,667	118,414	0	0	1,667	118,414
39	MEDIUM TACTICAL VEHICLE REPLACEMENT	1,405	347,578	0	0	1,405	347,578
40	ITEMS LESS THAN $5 MILLION	0	3,534	0	0	0	3,534
41	ENVIRONMENTAL CONTROL EQUIP ASSORT	0	2,709	0	0	0	2,709
42	BULK LIQUID EQUIPMENT	0	10,261	0	0	0	10,261
43	TACTICAL FUEL SYSTEMS	0	2,048	0	0	0	2,048
44	DEMOLITION SUPPORT SYSTEMS	0	0	0	0	0	0
45	POWER EQUIPMENT ASSORTED	0	8,898	0	0	0	8,898
46	COMMAND SUPPORT EQUIPMENT	0	0	0	0	0	0
47	AMPHIBIOUS RAID EQUIPMENT	0	22,295	0	0	0	22,295
48	PHYSICAL SECURITY EQUIPMENT	0	8,804	0	3,600	0	12,404
	Physical Security Upgrades (Transfer from DERF)				[3,600]		
49	GARRISON MOBILE ENGR EQUIP	0	2,608	0	0	0	2,608
50	MATERIAL HANDLING EQUIP	0	52,503	0	0	0	52,503
51	FIRST DESTINATION TRANSPORTATION	0	8,221	0	0	0	8,221
52	FIELD MEDICAL EQUIPMENT	0	10,452	0	0	0	10,452
53	TRAINING DEVICES	0	18,651	0	0	0	18,651
54	CONTAINER FAMILY	0	7,120	0	0	0	7,120

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
55	FAMILY OF CONSTRUCTION EQUIPMENT	0	14,709	0	0	0	14,709
56	RAPID DEPLOYABLE KITCHEN	0	21,505	0	0	0	21,505
57	MODIFICATION KITS	0	0	0	0	0	0
58	ITEMS LESS THAN $5 MILLION	0	5,772	0	0	0	5,772
59	SPARES AND REPAIR PARTS	0	23,326	0	0	0	23,326
59a	Financial management savings				-3,400	0	-3,400
59b	Contract services savings				-1,264	0	-1,264
	TOTAL PROCUREMENT, MARINE CORPS		**1,288,383**		**52,836**		**1,341,219**

Navy Aircraft

F/A–18E/F aircraft

The budget request included $3.2 billion to buy 44 F/A–18E/F aircraft under a multiyear procurement program.

The Navy structured the multiyear contract to permit variations in quantity within a specified quantity range. Last year the Navy bought 48 aircraft. Two years ago, the Navy had planned to buy 48 aircraft in fiscal year 2003.

The Navy wants to buy F/A–18E/F aircraft at higher rates than are supported in this budget in order to allow the retirement of F–14 fighters and S–3 aircraft that are being used primarily as tanker aircraft earlier than under current production plans. In fact, despite significant shortfalls in the fiscal year 2003 budget request in the ship recapitalization area, the Chief of Naval Operations (CNO) has recommended applying any additional resources to the F/A–18E/F program before building more ships.

The committee agrees with the CNO that recapitalizing aviation is a high priority. Further, the committee believes that greater efficiency can be maintained if the Navy were to continue buying F/A–18E/F aircraft at level rates until the Navy's inventory requirements are met. Therefore, the committee recommends an additional $240.0 million to buy four more F/A–18E/F aircraft, for a total production of 48 aircraft in fiscal year 2003.

V–22 Osprey aircraft advance procurement

The budget request included $60.3 million in advance procurement for 13 V–22 Osprey aircraft in fiscal year 2004. Section 123 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) restricts the procurement of V–22 Osprey aircraft to the minimum sustaining rate of 11 aircraft until the Secretary of Defense certifies to Congress that the Department of Defense has completed specific operational testing successfully. According to information provided to the committee, the Department will conduct an operational assessment in fiscal year 2003 but will not begin the operational evaluation until late fiscal year 2004, continuing into fiscal year 2005.

Since procurement of no more than 11 V–22 aircraft in fiscal year 2004 would be consistent with staying at the minimum sustaining rate until that testing is complete, the committee recommends a decrease of $9.2 million in advance procurement, a total authorization of $51.1 million.

Airborne low frequency sonar

The budget request included $86.9 million to pay for various nonrecurring charges and production support items for the MH–60R helicopter program. The budget does not include any such funding for the AN/AQS–22 airborne low frequency sonar (ALFS), a dipping sonar system that will be part of the MH–60R helicopter's equipment. The Navy competitively selected ALFS to outfit the MH–60R fleet.

The Navy intends to use the MH–60R to replace two helicopters: (1) the SH–60R, which currently fills needs for antisubmarine warfare capability on cruisers, destroyers and frigates; and (2) SH–

60F, which performs similar functions and provides other administrative support to aircraft carriers.

The Navy plans to begin production of the MH–60R helicopter in fiscal year 2004. There is a requirement for non-recurring funds in fiscal year 2003 to redesign circuit card assemblies to eliminate obsolete parts, upgrade power amplifiers, and qualify a second source for the ALFS cable. Such efforts could lead to significant reductions in total life cycle costs. Therefore, the committee recommends an increase of $5.0 million to pay for non-recurring activities to support ALFS production in fiscal year 2004.

Navy joint primary aircraft training system

The budget request included no funding for continued Navy procurement of the joint primary aircraft training system (JPATS) to support Navy training requirements. The budget also included no funding for JPATS trainers to allow the Navy to take fuller advantage of JPATS aircraft already bought.

The Navy had planned to buy JPATS aircraft throughout the Future Years Defense Program (FYDP). Last year, the Navy decided that its existing trainer, the T–34C, has sufficient service life remaining to allow the Navy to delay any additional JPATS procurement until later in the FYDP, specifically fiscal year 2007.

The Navy has been a partner in this joint program with the Air Force, although the Air Force began buying the aircraft five years before the Navy. The committee remains concerned that the Navy is willing to take such a course of action in a joint program, where its actions obviously force the Air Force to absorb greater costs than the Air Force had originally planned.

The Navy provided a report to Congress explaining the decision to interrupt JPATS production. The report indicated that: (1) they had not changed their position on the remaining useful life on the T–34C trainers; (2) the Navy would use JPATS trainers already bought to provide training services for the naval flight officer pipeline; and (3) the Navy still did not need to buy any more JPATS aircraft until later in the FYDP. Nevertheless, the Chief of Naval Operations (CNO) submitted a list of priority items that should be budgeted if additional funds were made available. The CNO's list ranked additional funding of JPATS trainer procurement as number seven on a list of 101 items. The CNO indicated that JPATS purchases now would "enable earlier transition out of aging T–34 aircraft."

The committee continues to believe that the improved aircrew survivability offered by the ejection seat-equipped JPATS aircraft is an important factor warranting continued purchases of the trainer by the Navy. The T–34C aircraft that would otherwise be used for training are aging and will be an increasing burden on operating and support costs for the Navy. The committee, therefore, recommends an increase of $39.0 million to buy six JPATS aircraft for the Navy. Continued purchases by the Navy would mean fielding a more efficient and safer primary aircraft training system. The committee also recommends an additional $7.0 million to buy operational flight trainers to support training operations using JPATS already procured, for a total authorization of $46.0 million.

EA–6B aircraft modifications

The budget request included $137.6 million for modifications to the EA–6B aircraft, including $60.3 million for buying and installing new wing center sections for 15 aircraft. The budget request did not include any funding to buy additional ALQ–99 band 9/10 transmitters or USQ–113 communications receivers/jammers. The EA–6B aircraft is one of the Department's principal high demand/low density (HD/LD) assets. This designation translates into a need to take special measures to ensure that the systems achieve higher readiness rates to increase their availability and reduce demands on already stressed maintenance support personnel.

The Navy has identified, through recent fatigue life inspection of EA–6B aircraft, the need to buy and install additional wing center section replacements. Until these modifications are completed, 51 of the fleet of 124 aircraft will be subject to restricted flight operations. The Navy has indicated that, with additional funds, they could modify and return an additional four aircraft to full operational flying envelope. Therefore, the committee recommends an additional $40.0 million to buy and install new EA–6B wing center sections.

The Navy would use additional ALQ–99 band 9/10 transmitters to replace older band 9 transmitters. The ALQ–99 Band 9/10 transmitter uses digital electronics while the older band 9 transmitters employ analog technology that is much less reliable. The newer band 9/10 transmitters would also extend the frequency coverage available compared to the band 9 transmitters. The Navy needs the expanded frequency ranges and capabilities of the ALQ–99 band 9/10 transmitters to counter the electronic protection techniques used in a wide variety of threat systems.

The Navy informs the committee that an additional $37.0 million would allow them to finish buying all of the ALQ–99 band 9/10 transmitters they need before the contractor closes the production line. Therefore, the committee recommends an increase of $37.0 million to buy ALQ–99 Band 9/10 transmitters.

The EA–6B aircraft use the USQ–113 communications receivers/jammers to monitor and jam communications in the very high frequency (VHF) and ultra high frequency (UHF) portions of the radio frequency spectrum. These systems allow the EA–6B to deny an enemy critical command and control capability and reduce an adversary's ability to maintain situational awareness. With additional funds, the Navy could buy additional USQ–113 V(3) versions of the system to outfit more of the fleet of aircraft and improve equipment maintainability and operational capability. Therefore, the committee recommends an increase of $37.0 million to buy additional USQ–113 V(3) communications receivers/jammers.

In total, the committee recommends an additional authorization of $114.0 million for the EA–6B program, recognizing that this HD/LD aircraft deserves special attention in keeping the fleet healthy while the Department decides how it intends to recapitalize this airborne electronic aircraft fleet.

In the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65), Congress provided an increase of $5.0 million to initiate a joint service (Navy/Air Force) analysis of alternatives to examine a replacement for the aging EA–6B aircraft. The com-

mittee is aware that the services will shortly present their preferred alternatives to the Under Secretary of Defense for Acquisition, Technology, and Logistics. The committee encourages the Department to move forward with a preferred alternative or alternatives to ensure that the vital capabilities that the EA–6B fleet currently provides will continue to be available to future combatant commanders.

AV–8B precision targeting pod

The budget request included $32.2 million for modifications to the AV–8B aircraft but included no funding for Litening II precision targeting pods. The Marine Corps began acquisition of these pods to provide the AV–8B with the ability to use precision-guided weapons. Although no funds were included in the budget request, the Marine Corps has identified buying additional Litening II pods as a high priority item to continue outfitting Marine Corps AV–8B squadrons with this capability. The committee recommends an increase of $55.0 million for the procurement of Litening II targeting pods, a total authorization for AV–8B aircraft modifications of $87.2 million.

F/A–18 aircraft modifications

The budget request included $421.7 million for modifications to the F/A–18 aircraft and $11.7 million for the engineering change proposal 583 (ECP–583) for the Marine Corps' F/A–18A aircraft. These funds were identified primarily for installation of kits procured in previous years.

ECP–583 is an upgrade package that consists of new avionics hardware allowing the older F/A–18A to process and utilize updated versions of F/A–18C/D software and accessories. This change gives these older aircraft capabilities comparable to Lot 17 F/A–18C aircraft, particularly the ability to perform precision strike missions.

Since the Marine Corps' F/A–18A aircraft are slated to remain in the inventory until replaced by the Joint Strike Fighter (JSF), the committee believes that the Marine Corps should upgrade more of the F/A–18A inventory with improved capability. Therefore, the committee recommends an increase of $25.0 million for the procurement of additional ECP–583 to continue the Marine Corps' F/A–18A aircraft modernization.

P–3 aircraft modifications

The budget request included $102.7 million for modifications to the P–3 aircraft, which included $72.4 million for the procurement of four anti-surface warfare improvement program (AIP) kits. The AIP modification has greatly expanded the capabilities of the P–3 aircraft, giving it particular capability to operate against surface targets in coastal regions. These upgrades include better ability to provide standoff surveillance and targeting. The AIP makes these aircraft very attractive to fleet and battle group commanders to supplement the capabilities offered by other high demand, low density (HD/LD) forces. The committee recommends an increase of $14.0 million for the procurement of one additional AIP kit for the P–3 aircraft.

Fleet aircrew simulator training

The budget request included $442.3 million in Navy aircraft common ground equipment, including $79.5 million for the fleet aircrew simulator trainer (FAST). These funds would be used to buy four high-fidelity, networked F/A–18C tactical flight trainers, to include: mission brief/debrief stations; instructor-operator stations; and commercial, off-the-shelf (COTS) software to enable sharing of common distributed databases. Since much of the tactically relevant training is done in two-ship formations, it would appear prudent to buy fewer stations and see whether the potential training payoff is realized before expanding the capability to simulate four-ship formations. The committee understands that, because there may be maintenance and other single station down times, buying a two-station suite could have limitations. Therefore, the committee recommends a decrease of $15.0 million in common ground equipment to buy a three-station FAST system. If this capability were to prove beneficial in operation, the committee would entertain a request to buy additional stations.

Navy Weapons

Hellfire missiles

The budget request included no funding for the procurement of AGM–114 Hellfire missiles. The Department of the Navy uses Hellfire missiles as a primary attack weapon for both the Marine Corps AH–1W attack helicopter and the Navy MH–60 helicopter. The committee understands that the fiscal year 2002 Hellfire inventory is only 54 percent of the inventory objective. Although no funds were included in the budget request, the Navy and Marine Corps have identified buying additional Hellfire missiles as a high priority item to mitigate against further erosion in the inventory level from training expenditures and from retirements due to shelf life expirations. The committee recommends an increase of $15.0 million for the procurement of AGM–114 Hellfire missiles.

Weapons industrial facilities

The budget request included $17.7 million for various activities at government-owned, contractor-operated weapons industrial facilities. The committee recommends an increase of $20.0 million to accelerate the facilities restoration program at the Allegany Ballistics Laboratory.

Close-in Weapons System modifications

The budget request included $32.2 million for modifications to the Close-in Weapons System (CIWS) for surface ship self-defense. The basic CIWS is an effective weapon for defense against antiship cruise missiles. An upgrade, called the "Block 1B" modification, enhances these capabilities, improves the reliability of the system, and expands the target set to include other threats, such as that posed by small boats. Because of the importance of providing these capabilities to the fleet, the committee recommends an increase of $5.0 million for procurement and installation of Block 1B modifications in CIWS mounts.

Gun mount modifications

The budget request included $8.4 million in gun mount modifications, including: (1) $3.7 million for the procurement and installation of modifications to surface ship five-inch, 54-caliber gun mounts; and (2) $2.0 million for procurement and installation of safety and reliability improvements for minor caliber guns including the 25-millimeter, MK–38 gun. The budget request included no funds for the procurement of additional 25-millimeter, MK–38 guns.

The five-inch gun provides the only gunfire support from the sea for the Marine Corps and comprises a part of the layered, ship self-defense system. The five-inch gun mount modification program provides gun safety updates, shock-hardens the gun and mount for future munitions, modifies five-inch, 54-caliber guns to 62-caliber, and develops a rotatable pool of gun mounts for the cruiser conversion and ship overhaul programs.

Additional funding for five-inch gun mount modifications would help prevent a break in production for procurement of modification kits for the cruiser conversion program and allow continuation of other ordnance alterations. The committee recommends an increase of $10.0 million for the five-inch gun mount modifications program.

The 25-millimeter, MK–38 gun is mounted on Navy and Coast Guard vessels to provide a gun capability against small boats. The Navy has identified a requirement for procurement of additional guns for the vessels providing port security for homeland defense. Therefore, the committee recommends an increase of $5.0 million for procurement and installation of 25-millimeter, MK–38 guns on Navy and Coast vessels, a total authorization for gun mount modifications of $23.4 million.

Navy and Marine Corps Ammunition

120mm High Explosive Anti-Tank cartridges

The budget request includes $23.2 million for the 120mm High Explosive Anti-Tank (HEAT) anti-tank and air defense multi-purpose round. The committee recommends an increase of $8.7 million for the Marine Corps to procure additional cartridges to meet war reserve shortfalls.

155mm High Explosive M795

The budget request included $23.7 million for purchases of the 155mm High Explosive (HE) M795 projectile for the Marine Corps, an extended range projectile to augment and ultimately replace current, shorter range cargo projectiles. The committee recommends an increase of $4.0 million to procure additional 155mm HE M795 projectiles.

Navy Shipbuilding and Conversion

Future aircraft carrier procurement

The budget request included $243.7 million for advance procurement of CVNX–1, the next generation nuclear powered aircraft carrier. The fiscal year 2001 budget request and the fiscal year 2002 amended budget request projected asking for full funding for this

ship in fiscal year 2006. This plan was based on an acquisition strategy that included using advance construction activities before fiscal year 2006. Congress approved the Navy's advance construction plan for CVNX–1 in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

The Navy's fiscal year 2003 budget request would result in a significant cost increase and at least a one-year delay in the delivery of CVNX–1 compared to previous plans.

After submitting the 2003 budget request, the Navy provided the committee with information that indicated that restoring fiscal year 2003 funding would enable the Navy to begin the work necessary to support the Navy's previous plan. The additional Navy information identifies a Future Years Defense Program (FYDP) funding profile which would result in savings of over $200.0 million for the total cost of the ship.

The committee believes that the Navy should take reasonable actions to save funds in the shipbuilding account. Additionally, restoring the delivery schedule of CVNX–1 would underscore the importance of the aircraft carrier. Aircraft carriers have, once again, demonstrated their vital importance to U.S. national security during Operation Enduring Freedom in Afghanistan. During the early days of that operation, up to three carriers were engaged and the operational commander in chief used one of these carriers as a platform for launching Special Operations missions into Afghanistan. The aircraft carriers responded quickly to the operational commander's requirements and conducted continuous joint combat operations as directed by the operational commander in chief. Therefore, the committee recommends an increase of $229.0 million to begin restoring the original delivery schedule for CVNX–1 at a total ship cost less than that presumed in the FYDP.

Submarine refueling overhauls

The budget request included $271.3 million for refueling a single Los Angeles-class attack submarine.

The 1999 "Attack Submarine Study" conducted by the Joint Chiefs of Staff concluded that the Navy needed to have a minimum of 68 attack submarines in fiscal year 2015 to meet requirements defined by the regional commanders in chief and the national intelligence community. The Navy is building new attack submarines at a rate of only one per year in the Future Years Defense Program (FYDP) and will need to accelerate that rate to meet requirements for the better capability that will be afforded by the new *Virginia*-class submarines.

In the near-term, the only action the Navy could take to sustain submarine force levels would be to refuel, rather than retire, *Los Angeles*-class attack submarines that have many years of useful service life remaining. The Navy has indicated that there is an additional *Los Angeles*-class attack submarine that is due for refueling in fiscal year 2003. The yards capable of conducting such a refueling will be unable to accept additional work in fiscal year 2004. Absent obtaining additional funding for fueling in fiscal year 2003, the Navy would be forced to scrap this boat. Therefore, the committee recommends an increase of $200.0 million to refuel an addi-

tional attack submarine in fiscal year 2003 and extend its useful life in the fleet.

Large deck amphibious ship replacement

The budget request included $10.0 million for advance procurement plans for LHD–9, a ship to replace an aging LHA–1 *Tarawa*-class amphibious assault ship. The budget documentation indicated that the Navy would seek authorization for LHD–9 in fiscal year 2008.

LHD–8, already under construction, is scheduled to replace one of the retiring *Tarawa*-class ships. The committee received testimony that the Navy will complete, in the next few months, an analysis of alternatives to determine the specifications for ships to replace the remaining four *Tarawa*-class ships that will reach 35 years of ship life between 2011 and 2015. The Navy's study activities are included in a program called the "LHA Replacement" or LHA(R) program.

The Navy identified a need for additional research and development funds to continue LHA(R) operational requirements and preliminary concept design activities. Therefore, the committee recommends a decrease of $10.0 million in LHD–1 advance procurement and an increase of $10.0 million in PE 64567N to continue LHA(R) operational requirements development and preliminary concept design activities.

Landing craft air cushion service life extension program

The budget request included $67.6 million for inducting three landing craft air cushion (LCAC) vehicles into a service life extension program (SLEP). This SLEP effort is designed to increase the life of the LCACs by 20 years and provide them with increased capability. This capability expansion includes enhanced command, control and navigation capabilities and increased operational range and lift capacity.

The Marine Corps has indicated that accelerating this program would be a high priority if additional funds were to be made available. Therefore, the committee recommends an increase of $22.0 million to induct another LCAC into the SLEP in fiscal year 2003.

Other Navy Procurement

Ship integrated condition assessment system

The budget request included no funds for procurement of integrated condition assessment systems (ICAS) for surface ships. ICAS remotely monitors the operating parameters of machinery throughout a ship, analyzes the collected data, and alerts operators to potential performance problems. ICAS has the potential to: (1) reduce the hours required to measure, analyze and report machinery operations; (2) reduce total operating costs; and (3) improve operational availability. ICAS has been installed in a number of surface ships and is performing well. The committee recommends an increase of $11.0 million for procurement and installation of ICAS in surface ships.

Stainless steel sanitary spaces

The budget request included $123.4 million for procurement and installation of various items of ship support equipment costing less than $5.0 million. The budget did not include funding specifically for providing stainless steel sanitary spaces for backfitting on existing Navy ships. The use of stainless steel sanitary spaces could result in lower life cycle costs and improved quality of life for sailors. Therefore, the committee recommends an increase of $6.0 million to accelerate the procurement and installation of the stainless steel sanitary spaces on Navy ships.

Electronic warfare program change

The budget request included $168.8 million for development, procurement and installation of the advanced integrated electronic warfare system (AIEWS). Of that amount, $25.9 million was included in PE 64757N for research and development; $15.8 million was included in Other Procurement, Navy (OPN) to buy and install one AIEWS in an active duty ship; and $127.2 million was included in Shipbuilding and Conversion, Navy (SCN) to buy and install eight AIEWSs in new construction ships.

The Navy recently terminated the AIEWS effort and announced a restructuring of surface ship electronic warfare programs. The Navy has decided to focus on upgrading the SLQ–32 systems presently installed in Navy ships rather than developing and procuring a new system. As part of that restructuring, the Navy has asked to transfer:

(1) $25.9 million within PE 64757N from AIEWS development to development of SLQ–32 system improvements as part of the shipboard electronic warfare system improvement program; and

(2) $1.6 million of the OPN funding to PE 64757N for the shipboard electronic warfare system improvement program.

The Navy has indicated that the remaining OPN funding is excess to current requirements. The Navy has taken no position on what should happen with the SCN funding.

An electronic countermeasures suite is vital to the layered defenses of surface combatants. Therefore, the committee directs the Secretary of the Navy to ensure that, for any new construction ships previously scheduled to receive the AIEWS, the Navy outfits those ships with a suitable replacement system of at least equal capability to that installed in other ships of the same ship class. Therefore, the committee authorizes: (1) an increase of $1.6 million in PE 64757N; (2) the requested realignment of $25.9 million within that program element from AIEWS to electronic warfare system improvement; and (3) a decrease of $15.8 million in OPN. In addition, the committee authorizes the Secretary of the Navy to apply the SCN funds to buy and install electronic warfare equipment as directed above.

Joint engineering data management information and control system

The budget request included no funding for the joint engineering data management information and control system (JEDMICS) program. JEDMICS is the joint Department of Defense (DOD) system

for permanently storing, managing and controlling digital engineering drawings and associated technical data. JEDMICS replaced labor-intensive, inefficient manual and semi-automated engineering drawing repositories with automated central repositories for all engineering and manufacturing information for DOD weapons systems.

The committee is concerned that, without additional funding, the Navy may not be able to ensure that engineering and technical data for weapons systems in JEDMICS are aligned with the exact configuration of weapons systems and their spare parts being used in the fleet. Therefore, the committee recommends an increase of $3.0 million to continue verification of the JEDMICS databases.

SPQ–9B radar

The budget request included $27.1 million in gunfire control equipment, including $14.4 million for procurement of SPQ–9B radars. The SPQ–9B provides surface ships with a gunfire control radar that also enhances ship self-defense capabilities. Developing and fielding a solid state transmitter has the potential to reduce life cycle costs and improve performance of this radar. Therefore, the committee recommends an increase of $10.0 million to design, build, test and integrate a solid state transmitter into the SPQ–9B radar.

Improving efficiency on ships through food service technology

The budget request included $9.8 million for procurement and installation of smart ship-type systems for AEGIS system ships. The aim of these systems is to improve the quality of service for personnel serving aboard ship.

The Navy has successfully tested a program to provide an advanced food service technology system aboard two non-combatant ships. The Navy is now testing the system on an AEGIS cruiser. The committee believes that the system has the potential to significantly reduce the time required for food service and reduce demands on personnel to support ship food service operations. Therefore, the committee recommends an increase of $2.0 million for procurement and installation of the advanced food service technology system.

Integrated bridge to improve ship situational awareness

The budget request included $14.8 million for procurement and installation of eight integrated bridge system upgrades for AEGIS system ships. The integrated bridge system, by automating navigation and ship control functions, improves situational awareness and provides continuous updates to displays which previously required manual updates. The committee recommends an increase of $5.0 million to accelerate the procurement and installation of the integrated bridge system.

Submarine combat control system

The budget request included $46.3 million for procurement and installation of various items of equipment to modernize submarine combat control systems. Upgrading submarines to a common com-

bat control system configuration should help improve fleet operational readiness and reduce life cycle costs. Such upgrades could also lead to improved war fighting capability. For example, replacing older weapons' launch control systems with newer equipment would help eliminate single points of failure for self-defense. The committee recommends an increase of $10.0 million to accelerate the procurement and installation of submarine combat control systems upgrades.

NULKA anti-ship missile decoy system

The budget request included $28.0 million for anti-ship missile decoy systems, including $12.3 million for procuring 40 new NULKA decoys. Procuring additional NULKA decoys would ensure that fleet installations remain on a reasonable schedule, would keep production rates above the minimum sustaining level, and would achieve more reasonable unit production costs. The committee recommends an increase of $10.8 million for the NULKA procurement program to purchase additional decoys.

Submarine training device modifications

The budget request included $17.3 million to procure submarine training device modifications. The Navy has critical training requirements to support submarines in the fleet and is beginning to use performance support systems that would enhance training quality opportunities. The committee understands that the Navy is using such systems to support operator training and diagnostics for submarine Tomahawk launch systems. The committee believes that the Navy could use these systems more extensively to provide on-the-job operation, maintenance and troubleshooting support normally provided by journeymen and advanced schoolhouse training. Therefore, the committee recommends an increase of $5.0 million to expand the use of performance support systems in conducting submarine training.

Marine Corps Procurement

Auto test equipment systems

The budget request included $0.9 million for the third echelon test system (TETS). TETS is a portable, automated tester that provides diagnostic testing and fault isolation capability for communications, electronic, and ground weapons systems, such as the tube-launched, optically-tracked, wire-guided missile (TOW); Light Armored Vehicle (LAV); and the target location designation and hand-off system. The committee understands that the Marine Corps has recently increased the requirement for TETS to support high-powered lasers and track/motorized vehicle platforms. However, the Marine Corps has not requested funding to buy the test equipment to meet this requirement. Therefore, the committee recommends an increase of $8.0 million for additional TETS to meet these new requirements.

Lightweight multi-band satellite terminals

The budget request included $1.0 million to continue purchasing lightweight multi-band satellite terminals for Marine Corps com-

munications battalions to support all combat echelons. Having these terminals would allow the communications battalions to provide reliable communications to highly mobile combat elements in addition to reducing operations and support costs. The committee recommends an increase of $5.0 million for buying additional lightweight multi-band satellite terminals.

SUBTITLE D—AIR FORCE PROGRAMS

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	AIRCRAFT PROCUREMENT, AIR FORCE						
1	F-22 RAPTOR	23	4,090,434	0	0	23	4,090,434
2	ADVANCE PROCUREMENT (CY)	0	530,634	0	0	0	530,634
3	F-15A	0	0	0	0	0	0
4	F-16A (MYP)	0	0	0	0	0	0
5	C-17A (MYP)	12	2,694,140	0	11,300	12	2,705,440
	Aircraft engine trainer (AET)				[9,200]		
	Software enhancements for existing trainers				[2,100]		
6	ADVANCE PROCUREMENT (CY)	0	391,890	0	0	0	391,890
7	C-17 ICS	0	612,452	0	-59,700	0	552,752
	Reduce unjustified growth in flexible sustainment				[-59,700]		
8	EC-130J	0	0	1	110,000	1	110,000
9	C-130H	0	18,672	0	0	0	18,672
10	C-130J	0	175,923	0	0	0	175,923
11	JPATS	35	211,848	0	0	35	211,848
12	V-22 OSPREY	0	90,904	0	0	0	90,904
13	ADVANCE PROCUREMENT (CY)	0	10,100	0	-10,100	0	0
	CV-22 - FY 04 procurement would exceed minimum sustaining rate				[-10,100]		
14	C-32B FEST/DEST AIRCRAFT	0	0	0	0	0	0
15	CIVIL AIR PATROL A/C	27	2,616	0	0	27	2,616
16	OPERATIONAL SUPPORT AIRCRAFT	0	0	0	0	0	0
17	TARGET DRONES	0	30,586	0	0	0	30,586

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
18	C-40 ANG	0	0	0	0	0	0
19	E-8C	1	279,268	0	0	1	279,268
20	ADVANCE PROCUREMENT (CY)	0	0	0	0	0	0
21	HAEUAV	2	63,861	1	65,000	3	128,861
	Global Hawk UAV (Transfer from DERF)				[65,000]		
22	ADVANCE PROCUREMENT (CY)	0	41,000	0	0	0	41,000
23	PREDATOR UAV	7	23,068	15	90,000	22	113,068
	Predator A (Transfer from DERF)				[68,000]		
	Pred SatCom Equip & Ground Control Station Equip (Transfer from DERF)				[14,000]		
	3rd Squadron Initial Spares (Transfer from DERF)				[8,000]		
	MODIFICATION OF INSERVICE AIRCRAFT						
24	B-2A	0	72,123	0	25,200	0	97,323
	Transfer from PE 64240F (RDAF 69) -- UHF SatCom				[25,200]		
25	B-1B	0	98,026	0	0	0	98,026
26	B-52	0	0	0	20,000	0	20,000
	ALQ-172 electronic countermeasures improvement (ECMI)				[20,000]		
27	F-117	0	21,079	0	0	0	21,079
28	A-10	0		0	0	0	21,775
29	F-15	0	232,500	0	0	0	232,500
30	F-16	0	265,007	0	60,000	0	325,007
	F100-PW-229 engines				[60,000]		
31	F22 RAPTOR	0	11,200	0	0	0	11,200

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
32	T/AT-37	0	81	0	0	0	81
33	C-5	0	86,008	0	-26,600	0	59,408
	Avionics modernization program - Transfer to RDAF 204 (PE 4119F)				[-26,600]		
34	C-9	0	1,346	0	0	0	1,346
35	C-17A	0	128,178	0	0	0	128,178
36	C-21	0	2,562	0	0	0	2,562
37	C-32A	0	26,684	0	0	0	26,684
38	C-37A	0	373	0	0	0	373
39	C-141	0	796	0	0	0	796
40	T-38	0	168,112	0	0	0	168,112
41	T-41 AIRCRAFT	0	90	0	0	0	90
42	T-43	0	2,183	0	0	0	2,183
43	KC-10A (ATCA)	0	14,176	0	0	0	14,176
44	C-12	0	400	0	12,000	0	12,400
	Classified - General Info Tech (Transfer from DERF)				[12,000]		
45	C-18	0	800	0	0	0	800
46	C-20 MODS	0	828	0	0	0	828
47	VC-25A MOD	0	12,171	0	68,000	0	80,171
	Passenger Data System (Transfer from DERF)				[68,000]		

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
48	C-130	0	138,533	0	38,000	0	176,533
	Traffic alert / collision avoidance system (TCAS)				[15,000]		
	T56 quick engine change (QEC) kits				[13,000]		
	Composite propeller system test				[10,000]		
49	C-135	0	108,670	0	95,500	0	204,170
	KC-135 boom operator weapons system trainer				[6,500]		
	Air Refueling (Transfer from DERF)				[89,000]		
50	DARP	0	150,123	0	6,000	0	156,123
	Rivet Joint QRC Sustainment (Transfer from DERF)				[1,000]		
	U-2 Airframe Repairs (Transfer from DERF)				[5,000]		
51	E-3	0	29,478	0	0	0	29,478
52	E-4	0	39,139	0	0	0	39,139
53	E-8	0	19,307	0	0	0	19,307
54	H-1	0	473	0	0	0	473
55	H-60	0	40,640	0	0	0	40,640
56	OTHER AIRCRAFT	0	54,653	0	0	0	54,653
57	PREDATOR MODS	0	10,532	0	0	0	10,532
58	CLASSIFIED PROJECTS	0	18,546	0	0	0	18,546
	SPARES AND REPAIR PARTS						
59	SPARES AND REPAIR PARTS	0	275,982	0	0	0	275,982
60	COMMON SUPPORT EQUIPMENT	0	180,943	0	0	0	180,943
61	A-10	0	0	0	0	0	0

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
62	B-1	0	1,969	0	0	0	1,969
63	B-2A	0	3,279	0	0	0	3,279
64	B-2A	0	33,484	0	0	0	33,484
65	C-130	0	10,922	0	0	0	10,922
66	E-4	0	0	0	0	0	0
67	F-15 POST PRODUCTION SUPPORT	0	7,512	0	0	0	7,512
68	F-16 POST PRODUCTION SUPPORT	0	14,200	0	0	0	14,200
69	INDUSTRIAL PREPAREDNESS	0	22,248	0	0	0	22,248
70	WAR CONSUMABLES	0	38,429	0	0	0	38,429
71	MISC PRODUCTION CHARGES	0	349,516	0	31,600	0	381,116
	Upgrade Litening targeting pods				[20,000]		
	Upgrade theater airborne reconnaissance systems (TARS) pods				[11,600]		
72	COMMON ECM EQUIPMENT	0	1,182	0	0	0	1,182
73	CANCELLED ACCOUNT PY ADJUSTMENTS	0	0	0	0	0	0
74	DARP	0	83,751	0	10,000	0	93,751
	U-2 Defensive System (Transfer from DERF)				[10,000]		
	TOTAL AIRCRAFT PROCUREMENT, AIR FORCE		**12,045,630**		**546,200**		**12,613,605**

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	PROCUREMENT OF AMMUNITION, AIR FORCE						
1	ROCKETS	0	40,909	0	0	0	40,909
2	CARTRIDGES	0	154,620	0	0	0	154,620
3	PRACTICE BOMBS	0	71,935	0	0	0	71,935
4	GENERAL PURPOSE BOMBS	0	108,589	0	25,000	0	133,589
	General Purpose Bombs (Transfer from DERF)				[25,000]		
5	CAWCF CLOSURE COSTS	0	0	0	0	0	0
6	SENSOR FUZED WEAPON	298	105,985	0	10,000	298	115,985
7	JOINT DIRECT ATTACK MUNITION	17,917	378,863	5,212	106,000	23,129	484,863
	JDAM Tail Kits (Transfer from DERF)				[106,000]		
8	WIND CORRECTED MUNITIONS DISP	4,959	71,165	0	0	4,959	71,165
9	CAD/PAD	0	19,816	0	0	0	19,816
10	EXPLOSIVE ORDINANCE DISPOSAL	0	2,727	0	0	0	2,727
11	SPARES AND REPAIR PARTS	0	3,008	0	0	0	3,008
12	MODIFICATIONS LESS THAN $5M	0	202	0	0	0	202
13	ITEMS LESS THAN $5,000,000	0	2,013	0	0	0	2,013
14	FLARES	0	131,967	0	1,000	0	132,967
	MJU-52B IR				[1,000]		
15	FUZES	0	37,705	0	0	0	37,705
16	SMALL ARMS	0	4,360	0	0	0	4,360
	TOTAL PROCUREMENT OF AMMUNITION, AIR FORCE		**1,133,864**		**142,000**		**1,275,864**

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	MISSILE PROCUREMENT, AIR FORCE						
1	MISSILE REPLACEMENT EQ-BALLIS	0	48,685	0	0	0	48,685
2	ADVANCED CRUISE MISSILE	0	0	0	0	0	0
3	JASSM	100	54,240	0	0	100	54,240
4	JOINT STANDOFF WEAPON	113	55,740	0	0	113	55,740
5	SIDEWINDER (AIM-9X)	286	56,964	0	0	286	56,964
6	AGM-130 POWERED GBU-15	0	0	0	0	0	0
7	AMRAAM	161	89,593	0	0	161	89,593
7a	Hellfire	0	0	200	10,000	200	10,000
	Missiles for Predator (Transfer from DERF)				[10,000]		
8	INDUSTRIAL FACILITIES	0	2,105	0	0	0	2,105
9	MISSILE REPLACEMENT EQ-OTHER	0	0	0	0	0	0
	MODIFICATION OF INSERVICE MISSILES						
10	ADVANCED CRUISE MISSILE	0	3,376	0	0	0	3,376
11	SIDEWINDER (AIM-9X)	0	0	0	0	0	0
12	MM III MODIFICATIONS	0	580,701	0	23,200	0	603,901
	Guidance replacement program (GRP)				[5,200]		
	Propulsion replacement program (PRP)				[5,200]		
	Containers				[12,800]		
13	AGM-65D MAVERICK	0	333	0	0	0	333

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
14	AIR LAUNCH CRUISE MISSILE	0	1,998	0	0	0	1,998
15	PEACEKEEPER (M-X)	0	0	0	0	0	0
16	MODIFICATIONS UNDER $5.0M	0	0	0	0	0	0
17	MISSILE SPARES & REPAIR PARTS	0	48,412	0	0	0	48,412
18	ADVANCED EHF ADVANCE PROCUREMENT (CY)	0	94,523	0	-94,500	0	23
	Slip in critical design review				[-94,500]		
19	WIDEBAND GAPFILLER SATELLITES	1	189,666	0	0	1	189,666
20	ADVANCE PROCUREMENT (CY)	0	0	0	0	0	0
21	SPACEBORNE EQUIP (COMSEC)	0	9,368	0	0	0	9,368
22	GLOBAL POSITIONING (SPACE)	0	206,470	0	0	0	206,470
23	ADVANCE PROCUREMENT (CY)	0	3,000	0	0	0	3,000
24	NUDET DETECTION SYSTEM	0	0	0	0	0	0
25	DEF METEOROLOGICAL SAT PROG(SPACE)	0	60,051	0	0	0	60,051
26	DEFENSE SUPPORT PROGRAM(SPACE)	0	114,382	0	2,100	0	116,482
	New display units for mobile DSP ground terminals				[2,100]		
27	DEFENSE SATELLITE COMM SYSTEM	0	20,669	0	0	0	20,669
28	TITAN SPACE BOOSTERS(SPACE)	0	335,303	0	-20,000	0	315,303
	Program execution delays				[-20,000]		
29	EVOLVED EXPENDABLE LAUNCH VEHICLE	1	158,867	0	14,500	1	173,367
	Mission assurance for wideband gapfiller satellite (WGS) program				[14,500]		
30	MEDIUM LAUNCH VEHICLE(SPACE)	0	48,208	0	0	0	48,208
31	DEFENSE SPACE RECONN PROGRAM	0	384,000	0	0	0	384,000

Title I - Procurement
(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
32	SPECIAL PROGRAMS	0	879,516	0	-252,300	0	627,216
33	SPECIAL UPDATE PROGRAMS	0	128,992	0	0	0	128,992
	TOTAL MISSILE PROCUREMENT, AIR FORCE		**3,575,162**		**-317,000**		**3,258,162**
	OTHER PROCUREMENT, AIR FORCE						
	VEHICULAR EQUIPMENT						
1	SEDAN, 4 DR 4X2	35	552	0	0	35	552
2	STATION WAGON, 4X2	28	476	0	0	28	476
3	BUSES	120	7,982	0	0	120	7,982
4	AMBULANCES	10	755	0	0	10	755
5	LAW ENFORCEMENT VEHICLE	70	1,910	0	0	70	1,910
6	ARMORED VEHICLE	2	465	0	0	2	465
7	TRUCK, CARGO-UTILITY, 3/4T, 4X4	0	9,681	0	0	0	9,681
8	TRUCK, CARGO-UTILITY, 3/4T, 4X2	0	5,162	0	0	0	5,162
9	TRUCK MAINT/UTILITY/DELIVERY	0	10,475	0	0	0	10,475
10	FAMILY MEDIUM TACTICAL VEHICLES	0	0	0	0	0	0
11	HIGH MOBILITY VEHICLE (MYP)	0	11,881	0	0	0	11,881
12	CAP VEHICLES	0	792	0	0	0	792
13	ITEMS LESS THAN $5,000,000	0	39,616	0	0	0	39,616
14	HMMWV, ARMORED	0	1,019	0	0	0	1,019

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
15	HMWWV, UP-ARMORED	0	3,629	0	0	0	3,629
16	TRACTOR, A/C TOW, MB-2	0	2,726	0	0	0	2,726
17	TRACTOR, A/C TOW, MB-4	0	6,143	0	0	0	6,143
18	TRACTOR, TOW, FLIGHTLINE	0	7,928	0	0	0	7,928
19	TRUCK HYDRANT FUEL	0	7,941	0	0	0	7,941
20	ITEMS LESS THAN $5,000,000	0	24,755	0	0	0	24,755
21	TRUCK CRASH P-19	0	0	0	0	0	0
22	ITEMS LESS THAN $5,000,000	0	10,023	0	0	0	10,023
23	TRUCK, F/L 10,000 LB	0	14,572	0	0	0	14,572
24	TUNNER LOADER	38	84,329	0	0	38	84,329
25	HALVERSEN LOADER	86	49,554	0	0	86	49,554
26	ITEMS LESS THAN $5,000,000	0	10,922	0	0	0	10,922
27	TRUCK, DUMP	0	0	0	0	0	0
28	RUNWAY SNOW REMOV AND CLEANIN	0	15,466	0	0	0	15,466
29	MODIFICATIONS	0	5,000	0	0	0	5,000
30	ITEMS LESS THAN $5,000,000	0	24,369	0	0	0	24,369
31	CANCELLED ACCOUNT ADJUSTMENTS	0	0	0	0	0	0
	ELECTRONICS AND TELECOMMUNICATION EQUIPMENT						
32	COMSEC EQUIPMENT	0	26,331	0	6,800	0	33,131
	Wireless Communications (Transfer from DERF)				[3,000]		
	Enclove and Network Tools (Transfer from DERF)				[2,000]		
	Intrusion Detection Systems (Transfer from DERF)				[1,800]		

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
33	MODIFICATIONS (COMSEC)	0	460	0	0	0	460
34	INTELLIGENCE TRAINING EQUIP	0	1,310	0	0	0	1,310
35	INTELLIGENCE COMM EQUIP	0	9,043	0	3,300	0	12,343
	Tactical Terminal (Transfer from DERF)				[3,300]		
36	AIR TRAFFIC CTRL/LAND SYS (AT	0	52,038	0	0	0	52,038
37	NATIONAL AIRSPACE SYSTEM	0	55,561	0	0	0	55,561
38	THEATER AIR CONTROL SYS IMPRO	0	16,713	0	0	0	16,713
39	WEATHER OBSERVE/FORECAST	0	29,071	0	0	0	29,071
40	STRATEGIC COMMAND AND CONTROL	0	23,889	0	0	0	23,889
41	CHEYENNE MOUNTAIN COMPLEX	0	17,588	0	0	0	17,588
42	TAC SIGINT SUPPORT	0	406	0	10,000	0	10,406
	Tactical Information Program (Transfer from DERF)				[10,000]		
43	DRUG INTERDICTION PROGRAM	0	0	0	0	0	0
44	GENERAL INFORMATION TECHNOLOGY	0	55,789	0	189,984	0	245,773
	Integrated Broadcast Service (Transfer from DERF)				[10,800]		
	Classified - General Info Tech (Transfer from DERF)				[176,584]		
	Commercial Imagery - General Info Tech (Transfer from DERF)				[2,600]		
45	AF GLOBAL COMMAND & CONTROL S	0	28,182	0	0	0	28,182
46	MOBILITY COMMAND AND CONTROL	0	9,735	0	0	0	9,735
47	AIR FORCE PHYSICAL SECURITY SYSTEMS	0	41,835	0	46,800	0	88,635
	AT/FP Equipment Enhance/Modernize (Transfer from DERF)				[7,200]		
	Base Physical Security Systems (Transfer from DERF)				[39,600]		

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
48	COMBAT TRAINING RANGES	0	17,242	0	0	0	17,242
49	MINIMUM ESSENTIAL EMERGENCY C	0	1,072	0	0	0	1,072
50	C3 COUNTERMEASURES	0	13,409	0	4,000	0	17,409
	Information Warfare Support (Transfer from DERF)				[2,000]		
	Computer Network Defense (Transfer from DERF)				[2,000]		
51	BASE LEVEL DATA AUTO PROGRAM	0	12,793	0	0	0	12,793
52	THEATER BATTLE MGT C2 SYS	0	56,202	0	0	0	56,202
53	BASE INFORMATION INFRASTRUCTURE	0	214,727	0	0	0	214,727
54	USCENTCOM	0	9,839	0	0	0	9,839
55	DEFENSE MESSAGE SYSTEM (DMS)	0	18,967	0	0	0	18,967
56	NAVSTAR GPS SPACE	0	13,110	0	0	0	13,110
57	NUDET DETECTION SYS (NDS) SPA	0	7,937	0	0	0	7,937
58	AF SATELLITE CONTROL NETWORK	0	45,063	0	0	0	45,063
59	SPACELIFT RANGE SYSTEM SPACE	0	108,281	0	9,500	0	117,781
	Recapitalization, including planning & scheduling systems and spares				[9,500]		
60	MILSATCOM SPACE	0	45,698	0	0	0	45,698
61	SPACE MODS SPACE	0	10,938	0	0	0	10,938
62	TACTICAL C-E EQUIPMENT	0	134,427	0	0	0	134,427
63	COMBAT SURVIVOR EVADER LOCATE	0	11,049	0	0	0	11,049
64	RADIO EQUIPMENT	0	8,801	0	0	0	8,801
65	TV EQUIPMENT (AFRTV)	0	2,620	0	0	0	2,620
66	CCTV/AUDIOVISUAL EQUIPMENT	0	3,259	0	0	0	3,259

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
67	BASE COMM INFRASTRUCTURE	0	202,900	0	0	0	202,900
68	CAP COM & ELECT	0	0	0	0	0	0
69	ITEMS LESS THAN $5,000,000	0	9,278	0	0	0	9,278
70	COMM ELECT MODS	0	68,894	0	0	0	68,894
	OTHER BASE MAINTENANCE AND SUPPORT EQUIP						
71	BASE/ALC CALIBRATION PACKAGE	0	13,809	0	0	0	13,809
72	PRIMARY STANDARDS LABORATORY	0	1,107	0	0	0	1,107
73	ITEMS LESS THAN $5,000,000	0	8,059	0	0	0	8,059
74	NIGHT VISION GOGGLES	0	3,814	0	8,100	0	11,914
	Panoramic night vision goggles				[8,100]		
75	ITEMS LESS THAN $5,000,000	0	9,312	0	0	0	9,312
76	MECHANIZED MATERIAL HANDLING	0	25,612	0	0	0	25,612
77	ITEMS LESS THAN $5,000,000	0	12,256	0	0	0	12,256
78	FLOODLIGHTS	0	11,023	0	0	0	11,023
79	ITEMS LESS THAN $5,000,000	0	6,201	0	0	0	6,201
80	BASE PROCURED EQUIPMENT	0	11,321	0	0	0	11,321
81	MEDICAL/DENTAL EQUIPMENT	0	13,992	0	0	0	13,992
82	ENVIRONMENTAL PROJECTS	0	817	0	0	0	817
83	AIR BASE OPERABILITY	0	5,700	0	0	0	5,700
84	PHOTOGRAPHIC EQUIPMENT	0	5,893	0	0	0	5,893
85	PRODUCTIVITY ENHANCING CAPITA	0	7,806	0	0	0	7,806
86	MOBILITY EQUIPMENT	0	102,990	0	0	0	102,990

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
87	AIR CONDITIONERS	0	9,593	0	0	0	9,593
88	ITEMS LESS THAN $5,000,000	0	16,131	0	0	0	16,131
89	INTELLIGENCE PRODUCTION ACTIVE	0	47,160	0	0	0	47,160
90	TECH SURV COUNTERMEASURES EQ	0	4,057	0	0	0	4,057
91	DARP RC135	0	13,123	0	0	0	13,123
92	DARP, MRIGS	0	115,777	0	0	0	115,777
93	SELECTED ACTIVITIES	0	8,098,917	0	-330,590	0	7,768,327
94	SPECIAL UPDATE PROGRAM	0	178,876	0	0	0	178,876
95	DEFENSE SPACE RECONNAISSANCE Activities (SPACE) (Transfer from DERF)	0	6,694	0	18,600 [18,600]	0	25,294
96	INDUSTRIAL PREPAREDNESS	0	0	0	0	0	0
97	MODIFICATIONS	0	201	0	0	0	201
98	FIRST DESTINATION TRANSPORT	0	9,767	0	0	0	9,767
	SPARES AND REPAIR PARTS						
99	SPARES AND REPAIR PARTS	0	41,358	0	0	0	41,358
99a	Financial management savings				-12,000	0	-12,000
99b	Contract services savings				-2,100	0	-2,100
	TOTAL OTHER PROCUREMENT, AIR FORCE		**10,523,946**		**-47,606**		**10,476,340**

C–130J aircraft program (sec. 131)

The committee recommends a provision that would authorize the Secretary of the Air Force to enter into a multiyear contract to purchase C–130J aircraft and variants of the C–130J, subject to the C–130J completing the process to achieve certification for worldwide over-water capability.

The Air Force has indicated that the recently announced overall airlift roadmap assumes approval of the Air Force's request to approve multiyear procurement authority for the C–130J. Such purchases would include purchases for the Marine Corps. The Air Force has estimated that buying 64 C–130Js (40 for the Air Force and 24 for the Marine Corps) under a multiyear contract would save more than $650 million.

The committee recognizes that the Air Force will not complete final C–130J operational test and evaluation until early in fiscal year 2004. The Air Force, however, is buying the C–130J as a commercial item. The aircraft has already achieved FAA certification. In addition, the delay in operational testing has been caused primarily by added requirements for defensive systems that were not part of the original program.

The C–130J has been performing well in interim operational assessments, and operational squadrons are already flying the aircraft successfully. Therefore, the committee believes that the possibility of achieving the promised savings outweighs any risk remaining in the testing program once over-water capability clearance is achieved.

Pathfinder programs (sec. 132)

The Air Force has designated a number of "pathfinder" pilot programs for spiral development and acquisition reform. Among those identified as pathfinders are large significant programs such as the Global Positioning System, the Space-based Radar and the Global Hawk Unmanned Aerial Vehicle. The committee encourages the Air Force to continually look for new ways to reduce the time that it takes to acquire weapons systems. However, the committee believes that certain minimum standards for oversight should apply to these programs.

Therefore, the committee recommends a provision that would require the Secretary of the Air Force to determine by February 1, 2003, which pathfinder programs the Air Force intends to conduct as spiral development programs. The committee directs the Secretary to submit a spiral development plan to the Secretary of Defense for each of the selected programs in accordance with the requirements of section 803. For the pathfinder programs that are not selected and approved for spiral development, the committee provision would require the Director of Operational Test and Evaluation, the Joint Requirements Oversight Council, the Under Secretary of Defense (Comptroller) and Under Secretary of Defense for Acquisition, Technology, and Logistics to assess the pathfinder program acquisition plans and report the results of these assessments to the committee no later than May 15, 2003.

Oversight of acquisition for defense space programs (sec. 133)

The committee recommends a provision that would direct the Office of the Secretary of Defense (OSD) to maintain oversight of space program acquisition and require the Secretary of Defense to submit to Congress by March 15, 2003 a detailed plan on how oversight by OSD and the Joint Staff will be accomplished. The Defense Department's space acquisition programs are among the most important programs in the Department because they are critical to maintaining and improving the surveillance, communications and situational awareness needed to support U.S. military forces.

Currently, however, a number of defense space programs are experiencing significant problems with cost growth and schedule slippage, and at least some of the problems appear to be connected with the oversight and management of the programs. For example, in December 2001 the Space-based Infrared System-High (SBIRS-High) program sustained a Nunn-McCurdy cost breach when the unit cost estimate for the program increased by more than 70 percent, indicating more than $2.0 billion in cost growth. The program has also experienced an 18- to 24-month schedule slip. An independent review team established by the Air Force found significant problems with the oversight and management of the SBIRS-High program, including less-than-optimal systems engineering and requirements development processes. The Advanced Extremely High Frequency (AEHF) program has also been experiencing delays and cost overruns.

In February 2002, the Under Secretary of Defense for Acquisition, Technology and Logistics delegated oversight authority over all major defense space programs to the Under Secretary of the Air Force. In testimony to the Strategic Subcommittee on March 20, 2002, the Under Secretary stated his intent to significantly alter most of the existing processes by which the OSD oversees space programs, including the Integrated Product Team and Defense Acquisition Executive Summary processes. The committee believes that the Office of the Secretary of Defense should maintain a strong oversight role for space programs because of their military importance and their inherently joint nature.

Leasing of tanker aircraft (sec. 134)

The Air Force has stated that it has a requirement for additional tanker aircraft but has not budgeted funds for the acquisition of such aircraft until fiscal year 2008. Section 8159 of the Department of Defense Appropriations Act for Fiscal Year 2002 gave the Secretary of the Air Force discretion to enter into leases for up to 100 Boeing 767 aircraft for use as tanker aircraft but provided no funds for that purpose.

Section 8159 required the Secretary to submit a report to the congressional defense committees outlining any plans for implementing the provision at least 30 days before entering into any lease arrangement under this authority. The Secretary indicated on February 12, 2002, that he would not take any action without first coming to both the authorization committees and the appropriations committees to have money authorized and appropriated.

The committee recommends a provision that would require the Secretary of the Air Force to submit the report required by section 8159 and obtain authorization and appropriation of funds necessary to enter a lease for such aircraft, in accordance with his publicly stated commitments to the Congress, before entering such a lease.

The committee reserves judgement on any particular lease of tanker aircraft, on the source of funding for such a lease, and on other specific issues regarding the lease until the Secretary decides whether to recommend a lease, submits the report required by section 8159, and seeks authorization and appropriation of funds necessary to enter the proposed lease in accordance with the requirements of this provision.

Air Force Aircraft

C–17 aircraft trainers

The budget request included $2.7 billion for buying C–17 aircraft and various support equipment. The budget, however, included no funding for maintenance training devices to support additional operating locations for the C–17 aircraft. To maintain core task proficiency, a minimum of three maintenance training devices is required:

(1) an aircraft maintenance systems trainer (AMST);

(2) a trainer evaluation performance aircraft training set (TEPATS); and

(3) an aircraft engine trainer (AET).

An AMST and TEPATS have been funded in recent years, but an AET is required to complete the set of maintenance training devices. The Air Force also needs to make software enhancements to the AMST and TEPATS devices. The committee recommends an increase of $11.3 million for C–17 aircraft modifications including $9.2 million for the procurement of an AET training device and $2.1 million for software enhancements.

C–17 aircraft interim contractor support

The budget request included $612.5 million for interim contractor support (ICS) for the C–17 aircraft. The C–17 flexible sustainment program provides ICS for the airframe, including material management for unique spares, a wartime surge capability, and a process to incorporate aircraft modifications rapidly into the program. With additional aircraft being delivered each year, the required funding for this support is increasing. The amount authorized and appropriated for fiscal year 2002 was approximately $71 million greater than that for fiscal year 2001. In fiscal year 2003, however, the budget request is for an increased amount that represents a growth of almost twice the fiscal year 2002 increase. Therefore, the committee recommends a decrease of $59.7 million to sustain the previously established growth in C–17 ICS, a total authorization of $552.8 million.

EC–130J aircraft program

The budget request included no funds to purchase EC–130J aircraft to support modernization of the Commando Solo aircraft

squadron whose mission is to engage in psychological operations activities. The Commando Solo aircraft is designed to jam local radio and television station broadcasts and inject programming from our psychological operations forces. Using the Commando Solo, our forces disseminate our message to the local population and prevent them from hearing only the word of an adversary. In testimony before the Subcommittee on Emerging Threats and Capabilities, the Commander in Chief, Special Operations Command, singled out this unit's contribution in Operation Enduring Freedom.

An Air National Guard unit operates the Commando Solo aircraft for the Special Operations Command. This unit has six EC–130 Commando Solo aircraft. The currently funded program includes providing the unit with three EC–130J Commando Solo aircraft, leaving the unit to operate a mix of three EC–130J and three EC–130E aircraft for at least six years.

While any such unit getting new equipment faces some overlap period, the longer the transition period stretches out, the greater the demand on training ground support personnel, pilots, operators and maintenance personnel. This situation is particularly difficult for the unit operating Commando Solo aircraft, because the aircraft have been heavily tasked and fit the definition of a "high demand/low density," or HD/LD unit.

The current Future Years Defense Program (FYDP) would provide newer EC–130J aircraft to replace the three remaining older EC–130E aircraft at a rate of one per year, starting in fiscal year 2006. Adding an EC–130J this year would permit the Air Force and SOCOM to accelerate this replacement by at least a year. This initiative fits with the committee's efforts to help alleviate the pressure on HD/LD units. Therefore, the committee recommends an increase of $110.0 million in Aircraft Procurement, Air Force to buy one C–130J aircraft and convert it to the EC–130J Commando Solo configuration.

CV–22 Osprey aircraft advance procurement

The budget request included $10.1 million in advance procurement for two CV–22 Osprey aircraft in fiscal year 2004. Section 123 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) restricts the procurement of V–22 Osprey aircraft to the minimum sustaining rate of 11 aircraft until the Secretary of Defense certifies to Congress that the Department of Defense has completed specific operational testing successfully. According to information provided to the committee, the Department will conduct an operational assessment in fiscal year 2003 but will not begin the operational evaluation until late in fiscal year 2004, continuing into fiscal year 2005.

Procuring more than 11 V–22 aircraft in fiscal year 2004 would be inconsistent with staying at the minimum sustaining rate until that testing is complete. The committee recommends advance procurement in Aircraft Procurement, Navy, to support buying 11 MV–22 aircraft in fiscal year 2004. Therefore, the committee recommends a decrease of $10.1 million, leaving no advance procurement funding for CV–22 aircraft.

B–2 Spirit bomber

The budget request included $72.1 million in funding for Aircraft Procurement, Air Force, line 24 for the B–2 bomber. The research and development request for the B–2 bomber inadvertently included $25.2 million that should have been included in the procurement account to buy Airborne Integrated Terminals (AIT) for UHF satellite communications. The committee recommends a $25.2 million decrease in B–2 research and development in PE 64240F and a corresponding increase in procurement for the B–2 in PE 11127F, a total authorization of $97.3 million.

B–52 bomber

The budget request for fiscal year 2003 contained no funding for procurement for the B–52 bomber. The committee recommends $20.0 million for PE 11113 for the B–52 for the Electronic Countermeasures Improvement (ECMI) program to continue the upgrades for the current ALQ–172 electronic countermeasures system. The ECMI provides better situational awareness, ground and in-flight reprogramming capability, and improved reliability and maintainability over the current system. The Air Force has not included funding for any of the ECMI kits in fiscal year 2003. Without funding for 2003, the production line would have to shut down for one year, which would result in increased per unit costs and would delay the ECMI by two years. The B–52 bomber, although the oldest bomber in the Air Force, once again demonstrated its value through its performance in Afghanistan. Only by a continued commitment to modernization and upgrade programs can the B–52 be relied upon for the next 35 years as planned.

F–16 aircraft modifications

The budget request included $265.0 million for modifications to the F–16 aircraft, but it included no funding for continuing a program to replace engines of block 42 F–16 aircraft with the F100–PW–229 engine. This re-engining program would enable Air National Guard units flying the block 42 F–16 aircraft to have comparable speed, thrust, and maneuverability with other F–16 aircraft, allowing full integration into the Expeditionary Air Force structure. Such a modification would also increase the reliability and maintainability of these aircraft. Therefore, the committee recommends an increase of $60.0 million for F100–PW–229 engines for block 42 F–16 aircraft, a total authorization of $325.0 million for F–16 aircraft modifications.

C–5 aircraft avionics modernization program

The budget request included $86.0 million in procurement for C–5 aircraft modifications, including $78.1 million for the avionics modernization program (AMP).

The budget request also included $277.8 million in PE 41119F for operational system development for the C–5 aircraft, including $41.7 million for AMP development.

After the Defense Department submitted the budget request, the service conducted an integrated risk assessment. That assessment concluded that the Air Force had underestimated the time required to complete development and testing and needed to restructure the

AMP effort. The Air Force has informed the committee that their restructuring plan includes a need to shift some of the procurement budget request for fiscal year 2003 to research and development to complete development and testing. Therefore, the committee recommends a decrease of $26.6 million in C–5 aircraft modification procurement and a corresponding increase of $26.6 million in PE 41119F for C–5 aircraft operational system development.

C–130 aircraft modifications

The budget request included $138.5 million for modifications to the C–130 aircraft. The committee recommends an overall increase of $38.0 million, a total authorization of $176.5 million.

The budget request included $18.4 million for the enhanced traffic alert and collision avoidance system (TCAS). This modification is required by the Air Force Navigation and Safety Master Plan and global air traffic management mandates. Meeting these requirements is essential for aircraft to maintain worldwide, unrestricted airspace access. Because of the essential contribution that TCAS can make to aircraft safety, the committee recommends an increase of $15.0 million to accelerate installation of TCAS for C–130s.

The budget request included no funding for quick engine change (QEC) kits for the T56 engines used in Air Force Special Operations Command (AFSOC) MC–130E, AC–130H, or AM–130P aircraft. AFSOC units currently face the difficulty of using and maintaining five different versions of T56 QECs across the AFSOC C–130 fleet. These versions are neither compatible nor interchangeable, greatly complicating the required logistics. These differences could be eliminated if the MC–130E and AC–130H aircraft received an oil cooler augmentation (OCA) and if the MC–130P aircraft received both the OCA and a generator modification. The committee, therefore, recommends an increase of $13.0 million to procure T56 QEC kits for the AFSOC C–130 fleet.

The budget request included no funding for prototyping and testing an eight-bladed propeller and a new electronic control system. The propeller system is designed to increase available thrust and improve reliability and maintainability. The Navy has invested $45.0 million in an eight-bladed propeller for the E–2 and C–2 aircraft, both of which have T56 engines similar to the C–130 fleet. Navy testing of an E–2 outfitted with this system is scheduled to finish later this year.

If the Air Force were to conduct a test with a C–130 aircraft using the new propeller system, they would have the basis upon which to decide whether to program the rest of the C–130 fleet for a propeller upgrade program. Such testing could evaluate claims of significant savings in operating and support costs. If these estimates are correct, the fact that the Air Force operates a large fleet of C–130 aircraft could translate into substantial benefits to the operating forces. Therefore, the committee recommends an increase of $10.0 million to conduct the prototyping and testing of an eight-bladed propeller and a new electronic control system for the C–130 aircraft.

KC–135 aircraft boom operator weapons system trainer

The budget request included $108.7 million for modifications to the C–135 aircraft, including modifications to the KC–135 air refueling aircraft. The budget did not include any funding for a new boom operator weapons system trainer (BOWST).

The Air Force has indicated that the current system for training boom operators is obsolete and unreliable. If it fails, the air crews would have to conduct this critical training on actual sorties. In addition, the Air Force expects that if they deploy the new BOWST, air crews will actually be able to supplant some of the actual training sorties that now provide training that is impossible to conduct on the current ground training equipment. For example, the Air Force expects that new boom operators will require only six actual aircraft sorties to achieve initial qualification instead of nine. The committee believes that these savings would be significant. Therefore, the committee recommends an increase of $6.5 million for the procurement of the BOWST, a total authorization of $115.2 million in C–135 aircraft modifications.

Upgrades to Air National Guard targeting pods

The budget request included $349.5 million for miscellaneous production charges related to Air Force aircraft but included no funding to modify existing Litening II precision targeting pods deployed in the Air National Guard F–16 fleet.

The Air National Guard has identified a candidate upgrade program that would install a new forward-looking infrared (FLIR) sensor in the Litening II pod. This upgraded FLIR would have higher reliability than current systems, thereby reducing the demands on maintenance personnel. The new FLIR would also yield capability improvements, including doubled detection range, automatic target tracking and multiple target tracking. The committee recommends an increase of $20.0 million for procurement of Litening II targeting pod improvements.

Air Force Ammunition

Sensor-fuzed weapon

The budget request included $106.0 million for the sensor-fuzed weapon, a cluster munition used against land combat vehicles. The committee recommends an increase of $10.0 million to achieve a more economic order quantity rate and to lower the overall unit cost.

MJU–52/B infrared countermeasures

The budget request did not include funding for MJU–52/B infrared (IR) countermeasures for F–15 aircraft. However, Air Combat Command has validated a compelling requirement to field an expendable countermeasure for F–15s as soon as possible. Therefore, the committee recommends an increase of $1.0 million to purchase additional MJU–52/B IR countermeasures. These countermeasures would provide Air Force F–15s with new defensive capabilities to deny sophisticated infrared missile-seekers, thereby increasing survivability.

Air Force Missiles

Minuteman III modifications

The budget request included $580.7 million in PE 11213F for modifications to the Minuteman III (MMIII) land-based Intercontinental Ballistic Missile (ICBM). The committee recommends an additional $23.2 million to ensure that the multi-part MMIII modernization program remains on track. Two elements of the modernization effort, the Guidance Replacement Program (GRP) and the Propulsion Replacement Program (PRP), must move in tandem. However, recent labor rate increases in the PRP and GRP have led to a mismatch in the tandem production rates of these two components.

The additional funds would also support the purchase of shipping and storage containers and container inserts to allow the Air Force to download the MMIII ICBMs to a single warhead configuration, consistent with the Nuclear Posture Review. The committee urges the Air Force to continue to download the MMIII ICBMs as quickly as possible so that all MMIII warheads are in a single warhead configuration by 2007.

Advanced Extremely High Frequency satellite program

The budget request included $94.5 million for Advanced Extremely High Frequency (AEHF) satellite procurement in PE 33604F. Due to the slip of the AEHF program's Critical Design Review schedule, however, the Air Force has indicated that the proposed fiscal year 2003 procurement funding will not be required to carry out the program in fiscal year 2003. Therefore, the committee recommends a reduction of $94.5 million in PE 33604F.

Defense Support Program mobile terminal displays

The Defense Support Program (DSP) satellites are the space component of the nation's current early warning system for ballistic missile launches. These satellites detect intercontinental ballistic missile launches against the U.S. and can also detect the launch of short-range ballistic missiles. The system provided early warning of Iraqi SCUD missile launches to soldiers and civilians during the Desert Storm conflict.

Currently, the more capable Space-based Infrared System-High (SBIRS-High) is in line to replace the DSP satellites, the first of which was launched in the 1970's. Significant cost and schedule problems with SBIRS-High, however, have called into question whether a replacement system for DSP will be ready on time.

In the meantime, the mobile ground terminal displays for DSP, which provide an important means to receive DSP missile warning data, have become obsolete and are no longer supportable. If any of the displays were to fail in the future, the nation's ability to detect and warn of ballistic missile launches would be degraded. Given the likelihood that DSP will be required to serve longer than anticipated because of the SBIRS-High problems, it is prudent to ensure DSP systems are adequately funded and modernized.

Therefore, the committee recommends an increase of $2.1 million for procurement of new display units for DSP mobile ground terminals.

Titan space boosters

The budget request included $335.3 million in Missile Procurement, Air Force for the Titan space booster. The committee recommends a reduction of $20.0 million as a result of program execution delays.

Evolved Expendable Launch Vehicle mission assurance

The budget request included $158.9 million for the Evolved Expendable Launch Vehicle (EELV). The EELV is a new, low-cost commercial-government partnership that will reduce the cost of launch by 25 to 50 percent. The Wideband Gapfiller Satellites (WGS) will be launched using the EELV and will provide critical and substantially improved communications services. The committee recommends an additional $14.5 million for mission assurance to support the WGS first-of-a-kind as recommended by the EELV broad area review.

Other Air Force Procurement

Spacelift range system (space)

The budget request contained $108.3 million in Other Procurement, Air Force for spacelift range system (space) to continue range modernization and recapitalization efforts, a $23.0 million decrease from the fiscal year 2002 level. In order to support the growing reliance of the United States on space systems and other systems that rely on the spacelift ranges, the Air Force must ensure that the ranges can meet the requirements for an automated and standardized spacelift range system. The committee is concerned that the modernization schedule has not been maintained as originally planned. Therefore, the committee recommends an additional $9.5 million for recapitalization and modernization efforts, including the planning and scheduling system and adequate spares. The committee recommends a total increase of $29.0 million for spacelift ranges for procurement, research and development, and operation and maintenance accounts.

Panoramic night vision goggles

The budget request included $3.8 million to procure night vision goggles but included no funding to begin buying the next generation device for aviators, the panoramic night vision goggles (PNVG). The Air Force has informed the committee that the tremendous improvement in field-of-view offered by PNVGs will greatly improve situational awareness, reduce aircrew spatial disorientation, and enable quicker, more accurate target identification. The improvements directly translate to greatly enhanced aircrew safety. With the funding Congress provided last year to complete development, the Air Force will be ready to begin buying the PNVGs in fiscal year 2003. Because of the tremendous potential for improved operational capability and safety for aviators using PNVGs, the committee recommends an increase of $8.1 million to buy PNVGs.

SUBTITLE E—OTHER MATTERS

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	PROCUREMENT, DEFENSE-WIDE						
1	MOTOR VEHICLES, WHS	0	0	0	0	0	0
2	MAJOR EQUIPMENT, OSD	0	84,964	0	29,000	0	113,964
	OSD Continuity of Operations (COOP)-Network improvements (Transfer from DERF)				[9,000]		
	Horizontal Fusion Analysis (Transfer from DERF)				[8,000]		
	Coalition-Intelligence Information Sharing (CENTRIX) (Transfer from DERF)				[12,000]		
3	MAJOR EQUIPMENT, WHS	0	18,452	0	304,358	0	322,810
	Classified (Transfer from DERF)				[304,358]		
	MAJOR EQUIPMENT, NSA			0	0	0	0
4	CONSOLIDATED CRYPTOLOGIC PROGRAM	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
	Mobile Secure Communications (Transfer from DERF)				[500]		
	Classified program				[3,000]		
5	INFORMATION SYSTEMS SECURITY PROGRAM	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
6	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
7	DEFENSE COUNTERDRUG INTELLIGENCE PROGRAM	0	0	0	0	0	0
	MAJOR EQUIPMENT, DISA						
8	INFORMATION SYSTEMS SECURITY	0	37,544	0	11,000	0	48,544
	Suite of Enclave Security Tools (Transfer from DERF)				[5,500]		
	Test Suite - Wireless NIPRNET Gateway (Transfer from DERF)				[500]		
	Intelligence Community Systems (Transfer from DERF)				[5,000]		
9	CONTINUITY OF OPERATIONS	0	3,325	0	0	0	3,325
10	DEFENSE MESSAGE SYSTEM	0	19,425	0	0	0	19,425

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
11	GLOBAL COMMAND AND CONTROL SYS	0	3,453	0	0	0	3,453
12	GLOBAL COMBAT SUPPORT SYSTEM	0	2,442	0	0	0	2,442
13	STANDARD TACTICAL ENTRY POINT	0	0	0	0	0	0
14	TELEPORTS	0	53,542	0	0	0	53,542
15	GLOBAL INFORMATION GRID	0	517,000	0	-108,500	0	408,500
	Bandwidth Expansion (Transfer from DERF)				[7,400]		
16	ITEMS LESS THAN $5M	0	25,474	0	6,900	0	32,374
	Secure Voice Teleconferencing System and Secure Telephone Equipment (Transfer from DERF)				[1,000]		
	Transportable Systems (Transfer from DERF)				[5,900]		
	MAJOR EQUIPMENT, DIA						
17	INTELLIGENCE AND COMMUNICATIONS	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
	Critical Database Backup (Transfer from DERF)				[10,000]		
18	INTELLIGENCE PLANNING AND REVIEW ACTIVITIES	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
19	HEADQUARTERS MANAGEMENT DIA	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
20	MAJOR EQUIPMENT, DLA	0	9,304	0	0	0	9,304
21	MAJOR EQUIPMENT/ITEMS LESS THAN $5.0M DCAA	0	1,500	0	0	0	1,500
22	MAJOR EQUIPMENT, TJS	0	31,836	0	25,000	0	56,836
	C4I Equipment and Connectivity (Transfer from DERF)				[15,000]		
	Physical Security Equipment (Transfer from DERF)				[10,000]		
23	PATRIOT PAC-3	0	0	0	0	0	0
24	C4I (BMDO)	0	0	0	0	0	0
25	PERSONNEL ADMINISTRATION (DHRA)	0	7,404	0	0	0	7,404

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
26	MAJOR EQUIPMENT, NIMA	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
	Major Equipment -NIMA Airborne Integration (Transfer from DERF)				[1,000]		
	IEC Workstations - Major Equipment NIMA (Transfer from DERF)				[2,000]		
	Libraries Communications - NIMA (Transfer from DERF)				[2,000]		
	Libraries Storage - Major equipment (NIMA) (Transfer from DERF)				[7,600]		
	Classified program				[-16,000]		
27	VEHICLES (DTRA)	0	80	0	0	0	80
28	OTHER MAJOR EQUIPMENT (DTRA)	0	36,896	0	0	0	36,896
29	OTHER MAJOR EQUIPMENT (DSCA)	0	0	0	0	0	0
30	MAJOR EQUIPMENT, AFIS	0	7,762	0	0	0	7,762
31	AUTOMATION/EDUCATIONAL SUPPORT AND LOGISTICS DODDEA	0	2,404	0	0	0	2,404
32	MAJOR EQUIPMENT (DCMA)	0	13,677	0	0	0	13,677
	SPECIAL OPERATIONS COMMAND						
33	SOF ROTARY WING UPGRADES	0	289,792	0	9,600	0	299,392
	Avionics enhanced situational awareness				[9,600]		
34	SOF TRAINING SYSTEMS	0	14,000	0	0	0	14,000
35	MC-130H COMBAT TALON II	0	8,148	0	0	0	8,148
36	CV-22 SOF MODIFICATION	0	58,540	0	0	0	58,540
37	AC-130U GUNSHIP ACQUISITION	0	65,502	2	60,000	2	125,502
	AC-130U Gunship Acquisition (Transfer from DERF)				[60,000]		
38	C-130 MODIFICATIONS	0	77,889	0	0	0	77,889

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
39	AIRCRAFT SUPPORT	0	101	0	2,200	0	2,301
	EC-130J Commando Solo spares				[2,200]		
40	ADVANCED SEAL DELIVERY SYS	0	21,804	0	5,500	0	27,304
	Purchase lithium ion batteries				[12,000]		
	Defer funding for purchasing boat #2				[-5,000]		
	Use excess FY 02 funds for FY 03 requirements				[-1,500]		
41	ADVANCE PROCUREMENT (CY)	0	34,730	0	-34,730	0	0
	Defer funding for purchasing boat #2				[-34,730]		
42	MK VIII MOD 1 - SEAL DELIVERY VEH	0	8,484	0	4,500	0	12,984
	SEAL delivery vehicle (SDV)				[4,500]		
43	SUBMARINE CONVERSION	0	0	0	0	0	0
44	SOF ORDNANCE REPLENISHMENT	0	28,628	0	0	0	28,628
45	CONVENTIONAL AMMO WORKING CAPITAL FUND	0	0	0	0	0	0
46	SOF ORDNANCE ACQUISITION	0	7,078	0	0	0	7,078
47	COMM EQUIPMENT & ELECTRONICS	0	28,827	0	5,000	0	33,827
	Multiband multimission radios				[5,000]		
48	SOF INTELLIGENCE SYSTEMS	0	8,166	0	0	0	8,166
49	SOF SMALL ARMS & WEAPONS	0	4,768	0	10,000	0	14,768
	Advanced lightweight grenade launcher				[3,000]		
	Low profile night vision goggles				[2,000]		
	Modular integrated communications helmets				[5,000]		
50	MARITIME EQUIPMENT MODS	0	650	0	0	0	650

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
51	SOF COMBATANT CRAFT SYSTEMS	0	6,285	0	8,000	0	14,285
	SOF riverine craft				[8,000]		
52	SPARES AND REPAIR PARTS	0	5,327	0	0	0	5,327
53	SOF MARITIME EQUIPMENT	0	3,155	0	0	0	3,155
54	DRUG INTERDICTION	0	0	0	0	0	0
55	MISCELLANEOUS EQUIPMENT	0	5,745	0	0	0	5,745
56	SOF PLANNING AND REHEARSAL SYSTEM	0	300	0	0	0	300
57	SOF OPERATIONAL ENHANCEMENTS	0	93,233	0	10,000	0	103,233
	Advanced night vision system				[4,000]		
	Classified program adjustments				[6,000]		
58	PSYOP EQUIPMENT	0	5,642	0	0	0	5,642
	CHEMICAL/BIOLOGICAL DEFENSES						
59	INDIVIDUAL PROTECTION	0	125,276	0	500	0	125,776
	M48 masks				[500]		
60	DECONTAMINATION	0	15,561	0	6,000	0	21,561
	M12 decon system upgrades				[6,000]		
61	JOINT BIOLOGICAL DEFENSE PROGRAM	0	143,233	0	0	0	143,233
62	COLLECTIVE PROTECTION	0	34,749	0	7,000	0	41,749
	Chem-bio protective shelters				[7,000]		
63	CONTAMINATION AVOIDANCE	0	116,912	0	0	0	116,912
999	CLASSIFIED PROGRAMS	0	599,506	0	10,100	0	609,606
63a	Financial management savings				-3,500	0	-3,500

Title I - Procurement
(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
63b	Contract services savings				-1,500	0	-1,500
	TOTAL PROCUREMENT, DEFENSE-WIDE		**2,688,515**		**366,428**		**3,054,943**
	NATIONAL GUARD & RESERVE EQUIPMENT						
	RESERVE EQUIPMENT						
	ARMY RESERVE						
1	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0
	NAVY RESERVE						
2	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0
	MARINE CORPS RESERVE						
3	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0
	AIR FORCE RESERVE						
4	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0
	NATIONAL GUARD EQUIPMENT						
	ARMY NATIONAL GUARD						
5	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0
	AIR NATIONAL GUARD						
6	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0
	TOTAL NATIONAL GUARD & RESERVE EQUIPMENT		**0**		**0**		**0**

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Request Qty	FY 2003 Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	CHEM AGENTS & MUNITIONS DESTRUCTION, DEFENSE					0	0
1	CHEM DEMILITARIZATION - O&M: Transfer from Army	0	0	0	974,238	0	974,238
2	CHEM DEMILITARIZATION - RDT&E: Transfer from Army	0	0	0	302,683	0	302,683
3	CHEM DEMILITARIZATION - PROC: Transfer from Army	0	0	0	213,278	0	213,278
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCTION, DEFENSE		**0**		**1,490,199**		**1,490,199**

Defense-Wide Programs

Global information grid

The budget request included $517.0 million for the Defense Information Services Agency (DISA) to begin the first year of a two-year program to build the global information grid (GIG) to expand existing bandwidth at key Department of Defense (DOD) sites. The committee supports the aim of the GIG to enhance DOD's ability to transmit greater quantities of information more rapidly around the world but is concerned that the planned execution of almost $1.0 billion over two years is overly ambitious. For example, efforts to expand information transmission capabilities in the past have been slowed because, upon attempting to insert new technology, DOD has discovered that the facilities to house those technologies are inadequate. The committee believes that similar challenges are likely to arise in a program of this magnitude. Therefore, the committee recommends a decrease of $115.9 million, reflecting the need for a more realistic execution schedule. The committee's recommendation for fiscal year 2003 totals $401.1 million to support expansion of the network backbone to the highest priority sites in the continental United States, Europe, and Pacific Command.

Avionics enhanced situational awareness

The budget request included $18.6 million in the Special Operations Forces (SOF) Rotary Wing Upgrades and Sustainment procurement account for purchasing, integrating, and installing Mission Processors (MPs), Multifunction Displays (MFDs), and Intelligence Broadcast Receivers (IBRs) in Army Special Operations aircraft. The MP and MFD replace obsolete equipment that is no longer supportable or upgradeable. The IBR allows the pilots to receive the latest intelligence data from national intelligence sources while conducting their worldwide missions. These three programs together form a large part of the rotary wing Common Avionics Architecture for Penetration (CAAP) Enhanced Situational Awareness (ESA) program. Given the fact that the MP and MFD functions are being handled by antiquated systems that will no longer be supportable in fiscal year 2004, that there is no IBR capability in current aircraft, and that the timetable for the MH47 Service Life Extension Program provides an opportunity to also execute the CAAP ESA program, the committee recommends an increase of $9.6 million in Procurement, Defense-Wide for SOF Rotary Wing Upgrades and Sustainment for purchasing, integrating, and installing six additional sets of MPs, MFDs, and IBRs.

EC–130J Commando Solo spares

The budget request did not include any funding for a set of spares for the EC–130J TV/radio broadcast equipment required for the Commando Solo psychological operations missions. These spare parts, including radios, TV converters, and media players, support the airborne special mission equipment package contained in the EC–130J. The committee recommends an increase of $2.2 million in Procurement, Defense-Wide for Special Operations Aircraft Support to purchase a set of spares for the EC–130J Commando Solo mission.

SEAL Delivery Vehicles

The budget request did not include funding for procurement of the SEAL Delivery Vehicle (SDV). The SDV is a wet submersible operated by a crew of two that can clandestinely transport up to four SEALs with their combat gear and mission equipment into hostile waters. The Special Operations Command considers SDVs a high priority requirement in order to conduct successful naval special operations. Additional funding would accelerate procurement of the SDVs required to meet the inventory objective. Therefore, the committee recommends an increase of $4.5 million in Procurement, Defense-Wide for the MK VIII MOD 1—SEAL Delivery Vehicle for an additional SDV.

Multiband Multimission Radios

The budget request included $6.0 million in the Special Operations Communications Equipment and Electronics procurement account for the Multiband Multimission Radio (MBMMR). This funding should ensure fielding of the radios to approximately 58 percent of the Special Operations Forces (SOF) who have a requirement for the radios. The MBMMR allows SOF teams to communicate on a user-selected frequency utilizing a single radio with embedded communications security. It reduces the communications combat load by approximately 37 pounds, augmenting or replacing other radios. The command has stated that, "MBMMR is required for SOF operations in the current war on global terrorism." Therefore, the committee recommends an increase of $5.0 million in Procurement, Defense-Wide for the Special Operations Communications Equipment and Electronics for the MBMMR.

Advanced Lightweight Grenade Launcher

The budget request included $3.7 million for the Special Operations Forces Small Arms and Weapons procurement account for the Advanced Lightweight Grenade Launcher (ALGL) systems for the Special Operations Command (SOCOM). The committee recommends an increase of $3.0 million in Procurement, Defense-Wide for Special Operations Forces Small Arms and Weapons to purchase additional ALGL systems, which provide first-round-hit capability on lightly armored vehicles at ranges beyond 1,500 meters. The ALGL procurement would provide special operators with an improved 40mm weapons system capability consisting of a lightweight 40mm grenade launcher, day/night fire control, and mount (ground and vehicle). The system would replace one that is twice as heavy, non-man portable, and less accurate.

Low Profile Night Vision Goggle

The budget request did not include funding for Low Profile Night Vision Goggles (LPNVG) for the Naval Special Warfare Command. The LPNVG is an image intensification system using folded optics to reduce the overall system profile. The current goggle system, whose optics are mounted more than two inches away from the front of the eye, puts undue strain on the user's neck when used in a high-sea state. The LPNVG system moves the center of gravity closer to the user's face, reducing fatigue and neck strain associated with long sea transit, and reduces mount failure. The LPNVG

also provides a superimposed day image and can accommodate a Heads-Up Display, which would allow the user to simultaneously view displays from a Global Positioning System (GPS), Maritime Forward Looking Infrared Radar (MARFLIR), or other instruments. The committee recommends an increase of $2.0 million in Procurement, Defense-Wide for Special Operations Forces Small Arms and Weapons Acquisition for the procurement of approximately 147 additional LPNVGs.

Modular Integrated Communications Helmet system

The budget request did not include funding for the Modular Integrated Communications Helmet (MICH) System. The MICH system provides the special operations forces with state-of-the-art ballistic and impact protection while providing an advanced communications capability, which allows Special Forces operators to connect to a wide range of radios and vehicle, boat and aviation intercoms. The communications portion of the helmet can also be used separately. The committee recommends an increase of $5.0 million in Procurement, Defense-Wide for Special Operations Forces Small Arms and Weapons to purchase approximately 4,250 MICH systems.

Special Operations Craft-Riverine

The budget request did not include any funding for Special Operations Craft-Riverine (SOC–R) procurement. The SOC–R is an air-transportable, armored craft that is capable of carrying special operations forces for insertion, extraction, and reconnaissance missions in riverine environments. SOC–R is more capable and supportable than existing Vietnam-era craft and, unlike the latter, fully meets operational requirements. Procurement of SOC–Rs would allow Special Operations Command to accelerate attainment of its total inventory objective. Therefore, the committee recommends an increase of $8.0 million in Procurement, Defense-Wide for Special Operations Forces Combatant Craft Systems to purchase approximately six SOC–R systems.

Advanced night vision system

The budget request included $1.9 million for advanced night vision goggles in the Special Operations Forces Operational Enhancements procurement program for a helmet-mounted goggle system that includes a state-of-the-art night vision capability, combining image intensification with thermal imagery. It also allows operators to direct fire on threats detected by thermal signatures and, in sum, provides the operator with a distinct battlefield advantage. The committee recommends an increase of $4.0 million in Procurement, Defense-Wide for Special Operations Forces Operational Enhancements for an advanced night vision system.

M48 protective masks

The budget request included $125.3 million in the Defense-wide procurement account for individual protection in the Chemical-Biological Defense Program for equipment and items to protect military personnel from exposure to chemical and biological agents. The request, however, did not include funding for the M48 mask

for AH–64 Apache helicopter crews. The committee recommends an increase of $500,000 to procure additional M48 masks for Apache crews.

M12 decontamination system

The budget request included $15.6 million in the Defense-wide procurement account for decontamination in the Chemical-Biological Defense Program for equipment to decontaminate personnel and equipment exposed to chemical or biological agents. The request did not include funds for upgrades to the M12 decontamination system, which will eventually be replaced by the Modular Decontamination System (MDS). The committee notes that production of the MDS is behind schedule. Therefore, the committee recommends an increase of $6.0 million to procure additional upgrades for the M12 decontamination system.

Chemical-Biological Protective Shelter

The budget request included $14.9 million in the Defense-wide procurement account for collective protection in the Chemical-Biological Defense Program to procure 27 Chemical-Biological Protective Shelters (CBPS). The CBPS is a highly mobile, rapidly deployable shelter system designed for forward medical treatment in contaminated battlefield environments. The committee recommends an increase of $7.0 million to procure additional Chemical-Biological Protective Shelters to meet the increasing threat of chemical and biological attack against U.S. military personnel.

OTHER ITEMS OF INTEREST

Abrams tank program

The budget request included $376.3 million to upgrade M1 Abrams tanks to the M1A2 System Enhancement Package (SEP) configuration and $123.7 million to continue the retrofit of M1A2 tanks to the M1A2 SEP configuration.

While retrofit of existing M1A2s to the SEP configuration will continue in the out-years, the fiscal year 2003 budget request represented the last year of funding for the Abrams upgrade program. As a result, after 2003, the United States will not be funding production of new or significantly upgraded main battle tanks for the first time since the end of World War II.

The committee strongly supports the Army's plan to acquire the Future Combat Systems for its transformation to the Objective Force. However, the committee is equally strong in its support for efforts to recapitalize and selectively modernize the heavy Counter-Attack Corps which will be the basis of the Army's warfighting capability for the next 10 to 20 years until the Objective Force systems are fielded in sufficient numbers to assume that responsibility.

Current Army plans are to retrofit only 419 of the remaining 627 M1A2 tanks to the SEP configuration. The resulting tank fleet will consist of 966 M1A2 SEP, 208 M1A2, and over 4,000 M1A1 tanks. Three years ago the Army strongly opposed a proposed plan that would have resulted in a similar mix of three separate tank configurations, arguing emphatically against the perceived operational

and logistical difficulties in supporting that mixture and urging the committee to ensure that the M1A2 tank fleet would consist of only the SEP configuration. Now the Army has apparently reversed its position with what the committee fears is little consideration of the Army's own former arguments against such a mixture.

The committee does not understand the rationale for maintaining 208 M1A2 tanks not modernized to the SEP configuration, nor does it understand the slow pace of the SEP retrofit program. The committee is also concerned with the limited funding being applied to the electronic obsolescence problem in the tank fleet and to continued updating of the digitization systems in the M1A2 SEP tanks.

The committee directs the Army to present to the congressional defense committees, no later than March 30, 2003, a plan to accelerate the SEP retrofit program, including the upgrade of the entire fleet of 627 M1A2 tanks by fiscal year 2009, and to establish an adequate obsolescence management and technology insertion program. This plan should consider all innovative acquisition means, including a multiyear procurement and modernization through spares of electronic modules.

Accelerated chemical demilitarization

The budget request included $1.5 billion for Chemical Agents and Munitions Destruction. This level of funding supports the schedule and cost estimated by the Defense Acquisition Board in 2001 for the chemical demilitarization program. Since that cost estimate, and since the fiscal year 2003 budget submission was finalized, the Department of Defense approved a new plan for accelerated destruction of chemical agents at the Aberdeen Chemical Agent Disposal Facility. In addition, the Army, which serves as the executive agent for chemical demilitarization, developed a proposal for accelerated destruction and reconfiguration at other chemical stockpile sites in order to reduce or eliminate the risk of a terrorist attack against them.

If fully implemented, accelerated destruction could reduce the schedule for destruction of chemical agents at some sites by an estimated three to five years and could produce life cycle cost savings estimated as high as $3.0 billion. Accelerated destruction could also permit the United States to meet its Chemical Weapons Convention destruction deadline for almost all of its stockpile sites instead of being five or more years out of compliance as is now projected.

The Department of Defense included a request for $300.0 million for accelerated chemical demilitarization in its fiscal year 2002 supplemental budget request to the Office of Management and Budget (OMB), but the proposed funding was not approved by OMB.

The committee believes that accelerated demilitarization of chemical weapons and agents is in the national security interest and urges the Department of Defense to identify funds to implement accelerated destruction, possibly through a reprogramming request or a supplemental budget request.

Chemical demilitarization secondary waste disposal

An important element of the chemical demilitarization program is the safe and efficient disposal of the contaminated by-products of the chemical weapons destruction process. By-products, other-

wise referred to as "secondary waste," include contaminated charcoal, haloginated plastics, brines, dunnage, and spent decontamination solution. The committee notes that States with chemical weapons stockpiles are working individually with the Department of the Army to resolve secondary waste disposal issues. As a result, the commencement and execution of the chemical demilitarization activities at several destruction sites are directly related to the selection of the means by which to dispose of secondary waste.

The safe and timely destruction of the chemical stockpile remains the primary goal of the chemical demilitarization program. Therefore, the committee urges the Department of the Army to continue to work with these States to identify and implement solutions for the disposal of secondary waste using appropriate processes.

Acquisition programs at the National Security Agency

The Senate report accompanying S. 1438 (S. Rept. 107–62) raised several concerns about acquisition programs at the National Security Agency (NSA). The report noted that the Director of the NSA has made progress in transforming the NSA. The report, however, expressed concern that more progress needs to be made in the NSA processes if the NSA is to achieve the capabilities that the Nation will require.

The statement of managers accompanying S. 1438 (Conf. Rpt. 107–333) identified a number of specific actions to help improve the situation at the NSA. The statement of managers also expressed the view that the NSA should seek the advice of independent, outside experts to assist in guiding its selection of technologies under this baselining effort. The statement of managers concluded that, unless the Office of the Secretary of Defense (OSD), the Community Management Staff (CMS), and the NSA complete the baselining by December 1, 2002, Congress would direct that the NSA's modernization effort be designated a major defense acquisition program, with milestone decision authority likely residing with the Under Secretary of Defense for Acquisition, Technology, and Logistics until initial operational capability (IOC) is achieved.

The committee believes that, although the NSA has been making some progress since last year, much remains to be done. The committee encourages the NSA, the OSD and the CMS to make greater progress before December 1, 2002.

Advanced Aviation Institutional Training Simulator

The budget request included $111.7 million for non-system training devices such as the Multiple Integrated Laser Engagement System 2000 and the Engagement Skills Trainer. In the National Defense Authorization Act for Fiscal Year 2002, Congress authorized $5.0 million for the procurement of Advanced Aviation Institutional Training Simulators (AAITS), yet the Army did not request funding for AAITS in the fiscal year 2003 budget request. The committee understands that AAITS provides full-motion, reconfigurable cockpit simulation for AH–64 Apache, UH–60 Blackhawk, and the OH–58C/D Kiowa Warrior helicopters. The committee believes that the Army should maximize the use of training simulators and encourages the Army to consider the AAITS as a training platform to improve aviator student safety upon transition to the actual aircraft.

Armored Security Vehicle

The budget request included $14.6 million for the Armored Security Vehicle (ASV). The Army has decided to terminate the ASV program after completion of the multiyear contract in fiscal year 2003. At that time, the Army will have approximately 100 ASVs, well short of the 602 required for the Counter-Attack Corps and the forward deployed units in Korea and Europe, and far from the total requirement of 1940.

By any standard, the ASV has been a success. The vehicle provides ample protection for soldiers in military police units from anti-personnel land mines and from small arms and crew-served weapons fire, a serious threat to a soldier standing in the unprotected turret of a High Mobility Multi-purpose Wheeled Vehicle, the Army's alternative military police vehicle. The ASV can protect the crew against anti-personnel mines; .50-caliber, armor-piercing machine gun fire; and 155-millimeter artillery fire at 15 meters. It is strategically mobile, able to deploy on a C–130 aircraft with 95 percent of its fuel and ammunition. Finally, the tactical mobility of the ASV is at least equal to, and in some aspects greater than, that of the Interim Armored Vehicle, a program on which the Army plans to spend over $6.0 billion.

The committee does not understand the Army's decision to terminate the ASV and directs the Chief of Staff of the Army to fully justify the Army's position to the congressional defense committees no later than March 30, 2003.

Hydra 70 rocket

The budget request included $22.4 million for the Hydra 70 rocket system, an 83 percent reduction from the fiscal year 2002 appropriated level. The Army directed this reduction in conjunction with the planned termination of the program in fiscal year 2004. The Army's intent is to replace the Hydra 70 rocket with the Advanced Precision Kill Weapon System (APKWS). The committee notes, however, that the APKWS, currently in research and development, is not scheduled to be available until 2008 at the earliest.

In the interim, the Army's plan is to decrease training to extend the existing Hydra 70 inventory until the APKWS becomes available. The full training requirements for Army units call for an annual expenditure of 179,000 rounds of Hydra 70; at this rate, the Army's Hydra 70 inventory would be depleted by 2004.

Compounding the risk associated with planned training shortfalls, the war on terrorism has further accelerated the draw on existing Hydra 70 stocks. During operations in Afghanistan, special forces and regular military units have relied heavily on the Hydra 70 rocket system to provide fire support to forces on the ground.

Given the importance of the Hydra 70 rocket to both training and warfighting, the committee does not understand the Army's plan to terminate the Hydra 70 program. The committee finds that the Army may be incurring a significantly high level of risk by this action. Therefore, the committee directs the Chief of Staff of the Army to fully justify the Army's position to the congressional defense committees no later than March 30, 2003.

Vessels for tactical sealift

The Army and Navy are leasing a commercially built, high-speed vessel for experiments and exercises which gather data and test the military utility and suitability of high-speed vessel concepts, sea-keeping, and tactics. The Marine Corps is leasing a similar vessel for intra-theater tactical lift in the Western Pacific. The Department of Defense will use information collected from all three of these efforts to assist in determining the requirements for tactical sealift vessels for the future.

These analyses could very well point toward the need to build some hull form never before constructed in a U.S. shipyard. If this were the case, the Department and the U.S. shipbuilding industry might need to use a different acquisition strategy in acquiring the vessels, including taking steps to develop the skilled trades required to design and build such vessels. If the Department were to decide on a hull form never before constructed in a U.S. shipyard, the committee would encourage the Army, Navy, and Marine Corps to consider a wider range of acquisition strategies that would reduce risk in acquiring a brand-new type of ship.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Explanation of tables

The following tables provide the program-level detailed guidance for the funding authorized in title II of this Act. The tables also display the funding requested by the administration in the fiscal year 2003 budget request for research, development, test and evaluation programs and indicate those programs for which the committee either increased or decreased the requested amounts. As in the past, the administration may not exceed the authorized amounts (as set forth in the tables or, if unchanged from the administration request, as set forth in the Department of Defense's budget justification documents) without a reprogramming action in accordance with established procedures. Unless noted in the report, funding changes to the budget request are made without prejudice.

Funds transferred to the accounts in this title from the Defense Emergency Response Fund (DERF) are displayed on the tables that follow as increases to the amount requested for those programs in the research and development accounts. Programs for which funds were transferred from the DERF are annotated to indicate that funds were originally requested in the DERF.

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

National Defense Authorization for Fiscal Year 2003
(Dollars in Thousands)

TITLE II Research, Development, Test & Evaluation	Authorization Request	Change	Recommended
Research, Development, Test & Evaluation, Army	6,918,494	382,039	7,300,533
Research, Development, Test & Evaluation, Navy	12,501,630	427,505	12,929,135
Research, Development, Test & Evaluation, Air Force	17,601,233	1,002,451	18,603,684
Research, Development, Test & Evaluation, Defense-Wide	16,613,551	-122,178	16,491,373
Operational Test & Evaluation, Defense	222,054	139,500	361,554
TOTAL	**53,856,962**	**1,829,317**	**55,686,279**

SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Basic seismic research program for support of national requirements for monitoring nuclear explosions (sec. 211)

The committee recommends a provision that would require the Secretary of the Air Force, through the Director of the Air Force Research Laboratory, to manage the Department of Defense program of basic seismic research to support U.S. national requirements for monitoring nuclear explosions. The provision would authorize $20.0 million for this research program.

The budget request included $37.6 million for Arms Control Technology in PE 63711BR, a reduction of $25.3 million from the previous year. The amount requested includes $4.0 million for the seismic research program, which is not sufficient funding to ensure mission accomplishment. The committee provision would authorize $20.0 million of this funding for the seismic research program needed to support the national requirement to monitor nuclear explosions.

For more than 50 years, the Air Force has had a unique mission requirement to monitor nuclear explosions around the world. This mission is assigned to the Air Force Technical Applications Center (AFTAC) at Patrick Air Force Base in Florida. Since the mid–1990s, newly validated national requirements have substantially lowered the mandated thresholds for detecting, locating, and identifying nuclear explosions. In order to meet these challenging requirements, AFTAC is currently implementing a program to build high frequency seismic arrays to monitor areas of national interest. This program will roughly double the size of the operational U.S. seismic network.

In order to meet the national requirement to monitor nuclear explosions, it is necessary to conduct basic seismic research to understand the geology and seismic characteristics of each region of concern. This understanding is essential in order to calibrate each seismic array so the data they receive can be interpreted correctly. For nearly 40 years, the Air Force has managed this basic seismic research program, which is conducted by numerous universities with geological and seismic expertise.

Since this program was transferred to the Department of Defense in fiscal year 1997, funding requests by the Department for this essential research have been insufficient, and the program has relied on additional funds provided by Congress to ensure that the mission could be accomplished adequately.

The committee believes $20.0 million is the proper level of funding to ensure mission accomplishment and urges the Department to program adequate and stable funding in the future to perform this essential seismic research mission supporting a critical national requirement.

Advanced SEAL Delivery System (sec. 212)

The budget request included $56.5 million for procurement associated with the Advanced SEAL Delivery System (ASDS), including $21.8 million for ASDS procurement and $34.7 million for ASDS

advance procurement. The ASDS is a miniature, combatant submarine being developed for the covert delivery of naval special operations forces. Unlike existing SEAL delivery vehicles, it transports Navy SEALs to longer ranges in a dry environment, enhancing the operators' ability to perform. The system includes the ASDS mini-sub and transport equipment.

Significant technical and financial problems continue to plague this program. The National Defense Authorization Act for Fiscal Year 2000 required the Department of Defense to review this program and consider elevating it to a higher level of acquisition review. The Department conducted a review and instituted a more rigorous oversight mechanism but has yet to conduct the overarching integrated product team review of the ASDS program, which had been scheduled for this year. The National Defense Authorization Act for Fiscal Year 2002 directed the Comptroller General to review the ASDS program. The Comptroller General's review of the program indicated that the ASDS program continues to experience problems associated with performance, technical issues, mission requirements, and cost and schedule, which, if not resolved, could lead to further cost growth, schedule delays, and an inability to meet program objectives.

The committee recognizes the technical challenges associated with developing and fielding this unique system and continues to support the overall effort to develop a mini-submarine, given the potential value of such a vehicle for naval special warfare missions. The committee is increasingly concerned, however, about the program's technological, cost, and scheduling problems. The committee does not believe that funding advance procurement items related to the second boat and procuring sonar for the second boat are justified until problems with the first boat are resolved.

Therefore, the committee recommends a decrease of $34.7 million in the ASDS advance procurement and a decrease of $5.0 million in the ASDS procurement. In addition, the program has yet to obligate the $13.7 million in fiscal year 2002 advance procurement for items associated with purchasing the second boat. Again, due to the fact that the program has not been able to resolve the problems associated with the first boat, the committee believes that there is no justification for spending fiscal year 2002 funds on procurement for the second boat. Therefore, the committee recommends a provision that would allow the Secretary of Defense to use funds that were authorized and appropriated for fiscal year 2002 for ASDS advance procurement, but are no longer needed for that purpose, for ASDS research and development in the Special Operations Tactical Systems Development program, PE 11644BB, and for ASDS procurement activities associated with the first boat; the use of these funds would be subject to an action in an appropriations act. The committee also recommends a reduction of the $12.2 million in the budget request for ASDS research and development in the Special Operations Tactical Systems Development program, PE 11644BB, and a $1.5 million reduction in the budget request for ASDS procurement to reflect the use of these funds available from fiscal year 2002.

In order to encourage development of a solution to these technical problems, especially those associated with the batteries, the

committee also recommends an increase of $12.0 million for ASDS procurement for purchase of a lithium ion battery set for the first boat. The committee believes, however, that the program requires more attention from the Commander in Chief, Special Operations Command; the Navy; and the Office of the Secretary of Defense. The committee, therefore, recommends that no more than 50 percent of the fiscal year 2003 ASDS procurement funding (excluding the amount of $12.0 million added for the battery set) be released before the Secretary of Defense conducts a complete review of the requirements, mission, management, and cost structure of the ASDS program and reports to the congressional defense committees on his findings.

Army experimentation program regarding design of the Objective Force (sec. 213)

Section 113 of the National Defense Authorization Act for Fiscal Year 2002 requires the Secretary of the Army to develop and provide resources for an experimentation program that will provide information on the design of the Objective Force and will include the formal linkage of the interim brigade combat teams to that experimentation. The committee considers such an experimentation program to be of critical importance to the successful transformation of the Army to the Objective Force and is concerned that the Secretary of the Army has not taken concrete steps to comply with that legislation. Therefore, the committee recommends a provision that would require the Secretary of the Army to submit a report to Congress on the details of the experimentation program no later than March 30, 2003, and to fund that experimentation program as a separate program element in the fiscal year 2004 budget request submission to Congress.

SUBTITLE C—MISSILE DEFENSE PROGRAMS

Annual operational assessments and reviews of ballistic missile defense program (sec. 221)

The Missile Defense Agency has discussed the possibility of "contingency deployments" of a number of ballistic missile defense systems in the 2004 time frame, including the Ground-based Midcourse, Sea-based Midcourse, Theater High Altitude Area Defense (THAAD), and Air-based Boost (or Airborne Laser) systems. The committee believes that before a decision on "contingency deployment" is made, the Department of Defense should have the best possible information on the potential operational effectiveness of the candidate system. Therefore, the committee recommends a provision that would require the Director of Operational Test and Evaluation (DOT&E) to conduct annual operational assessments of the ballistic missile defense systems discussed above and report the results of these assessments to the Secretary of Defense and Congress by January 15 of each year, beginning in 2003.

In testimony to the committee on March 7, 2002, the committee chairman asked each of the military service chiefs whether he had been consulted on the Department's missile defense budget for fiscal year 2003; each responded that he had not. The committee is concerned that under the new Missile Defense Agency organization,

the military services have not been afforded the opportunity to provide the proper guidance and advice on the missile defense budget. Therefore, this provision would direct the Joint Requirements Oversight Council (JROC) to review annually the cost, schedule and performance criteria for all Missile Defense Agency programs and assess the validity of the criteria in relation to military requirements. The provision would require the JROC to report the results of this review to the Secretary of Defense and Congress by January 15 of each year, beginning in 2003.

Report on Midcourse Defense program (sec. 222)

In a January 2, 2002 memorandum from the Secretary of Defense restructuring the Department's ballistic missile defense programs, the Secretary stated that the "special nature of missile defense development, operations, and support calls for non-standard approaches to both acquisition and requirements generation." As such, the Secretary has exempted missile defense programs from the Department's traditional acquisition directives and processes that require certain programmatic information be developed to assist in oversight of programs within the Department.

The committee is concerned that the exemption of missile defense programs from these acquisition processes has also resulted in the elimination of certain reports to Congress on missile defense programs. These reports are critical to congressional understanding and oversight for missile defense programs, and are required for all other major defense acquisition programs. One of the most important ballistic missile defense programs affected by the exemption is the Midcourse Defense program, which includes both the Ground-based national missile defense system and the Sea-based Midcourse system (formerly known as Navy Theater-Wide). The committee, therefore, recommends a provision that would require the Secretary of Defense to submit to Congress, by January 15, 2003, certain types of programmatic information for the Ground-based Midcourse program which are required by sections 2431 and 2432 of title 10 United States Code for all major defense acquisition programs and are critical to congressional review and oversight.

Until the fiscal year 2002 budget submission, all information required by sections 2431 and 2432 of title 10, United States Code had been submitted to Congress for all major ballistic missile defense programs. However, neither the fiscal year 2002 budget submission nor the fiscal year 2003 submission included such information. Both the Under Secretary of Defense for Acquisition, Technology and Logistics Pete Aldridge and the Director of the Missile Defense Agency Lieutenant General Ronald Kadish have testified to the committee that they intend to provide Congress with the information it needs. This committee provision, therefore, would establish the minimum congressional requirements for information on the Midcourse Defense program.

Section 2431 of title 10, United States Code requires the Secretary of Defense to submit to Congress, along with the budget justification, documentation regarding the development and procurement schedules for each weapons system for which funding is requested. The required documentation includes the following:

(1) the development schedule, including estimated annual costs until development is completed; and

(2) the planned procurement schedule, including the best estimate by the Secretary of Defense of the annual costs and units to be procured until procurement is completed.

This provision would require that this information be provided for the Midcourse Defense program.

Section 2432 of title 10, United States Code requires the Secretary of Defense to submit to Congress at the end of each quarter of each fiscal year a report on current major defense acquisition programs, including the current estimate of program acquisition unit costs, the reasons for any changes in that estimate, and the major contracts under the program together with the reasons for any changes in cost or schedule variances under those contracts. Additionally, section 2430 of title 10, United States Code defines major defense acquisition programs to include those acquisition programs estimated by the Secretary of Defense to require an eventual total expenditure for research, development, test and evaluation of more than $300.0 million. The budget request for the Midcourse Defense program exceeds $3.0 billion for fiscal year 2003 alone. Therefore, the committee provision would require that this information be provided for the Midcourse Defense program.

Finally, section 149 of title 10, United States Code establishes the Director of Operational Test and Evaluation (DOT&E) as the principal advisor to the Secretary of Defense and the Under Secretary of Defense for Acquisition, Technology and Logistics on operational test and evaluation. A primary function for the DOT&E is oversight of the development of the Test and Evaluation Master Plan (TEMP) for major defense acquisition programs in accordance with Department of Defense regulations. The committee provision would require that the TEMP for the Ground-based Midcourse program be developed in accordance with Departmental regulations and subsequently provided to Congress.

Report on Air-based Boost program (sec. 223)

The committee recommends a provision that would require the Secretary of Defense to submit to Congress, by January 15, 2003, certain types of programmatic information for the Air-based Boost (formerly known as the Airborne Laser) program which are required by sections 2431 and 2432 of title 10 of the United States Code for all major defense acquisition programs and are critical to congressional understanding and oversight.

The Air-based Boost program is a well established program which the Department of Defense has stated could be ready for "contingency deployment" within the next few years and for which almost $600.0 million has been requested in fiscal year 2003. No detailed information on the plans for this program has been submitted to Congress, however, in either the fiscal year 2002 or 2003 budget submissions. The information required by this provision for the Air-based Boost program would be the same as required by section 222 of the committee bill for the Midcourse Defense program.

Report on Theater High Altitude Air Defense (THAAD) program (sec. 224)

The committee recommends a provision that would require the Secretary of Defense to submit to Congress by January 15, 2003, certain types of programmatic information for the THAAD program which are required by sections 2431 and 2432 of title 10 of the United States Code for all major defense acquisition programs and are critical to congressional understanding and oversight. The information required by this provision for THAAD would be the same as required by section 222 for the Midcourse Defense program.

THAAD is a well established program which the Department of Defense has stated could be ready for "contingency deployment" within the next few years and for which more than $900.0 million has been requested in fiscal year 2003. No detailed information on the plans for this program, however, has been submitted to Congress in either the fiscal year 2002 or 2003 budget submissions.

Section 232 of the National Defense Authorization Act for Fiscal Year 2002 specifically required the Secretary of Defense to submit to Congress by February 1, 2002, the estimated total life cycle costs for each ballistic missile defense program which enters Engineering and Manufacturing Development (EMD). The Department has failed to provide such information for THAAD even though THAAD entered into EMD in calendar year 2000. In addition, the Department has failed to provide estimated total life cycle costs for THAAD despite repeated requests from Congress, including a letter to the Under Secretary of Defense for Acquisition, Technology and Logistics from the Committee on Armed Services chairman and the Strategic Subcommittee chairman requesting such information.

Therefore, the recommended provision would place a funding limitation on the THAAD program: no more than 50 percent of the amount authorized to be appropriated in fiscal year 2003 for THAAD may be expended until Congress has received the information required by the provision.

References to new name for Ballistic Missile Defense Organization (sec. 225)

In January 2002, the Secretary of Defense directed a reorganization of the Department's missile defense programs that included changing the name of the Ballistic Missile Defense Organization (BMDO) to the Missile Defense Agency (MDA). Therefore, the committee recommends a provision that would amend existing provisions of law to refer to the MDA vice the BMDO.

SUBTITLE D—IMPROVED MANAGEMENT OF DEPARTMENT OF DEFENSE TEST AND EVALUATION FACILITIES

The annual report of the Department of Defense (DOD) Director of Operational Test and Evaluation for fiscal year 2001 concludes that inadequate funding of DOD test and evaluation (T&E) infrastructure has led to inadequate testing of major weapons systems. The Director's report states:

> During the past decade while T&E infrastructure resources were being reduced, we witnessed an alarming

> trend of too many programs entering dedicated operational T&E (OT&E) without having completed sufficient developmental T&E (DT&E). As a result, the services have conducted OT&E on immature systems and the results reflect the consequences. In recent years, 66 percent of Air Force programs have stopped operational testing due to a major system or safety shortcoming. Since 1996, approximately 80 percent of Army systems tested failed to achieve reliability requirements during operational testing. * * * The acquisition process fails to deliver systems to the warfighter that meet reliability and effectiveness requirements.

In section 913 of the National Defense Authorization Act for Fiscal Year 2000, the committee required the Defense Science Board (DSB) to assess the resources and capabilities of the test and evaluation facilities of the Department of Defense. The DSB report, issued in December 2000, supports the Director's conclusion that the Department is no longer conducting adequate testing of weapon systems. The DSB report states:

> 1. Testing is not being conducted adequately—if systems are not adequately tested they enter the inventory with latent defects that can be very costly and can impact operational effectiveness.
> 2. A particularly shocking finding is that there is growing evidence that the acquisition system is not meeting expectations as far as delivering high quality, reliable and effective equipment to our military forces.
> 3. The lack of testing cannot be blamed on the lack of facilities; however, limited infrastructure is a contributor to the lack of interoperability testing.
> 4. There is an increasing incidence of test waivers.
> 5. The T&E process is not funded properly—in phasing or in magnitude
> a. Funds are not available early enough
> b. Corners are cut in the testing that is done[.]
> 6. There is not enough government oversight of testing done by industry. * * *
>
> It appears that we too often fail to carry out adequate testing. In those cases where the testing is adequate, we fail to take the corrective actions needed based on the results of that testing. In many cases, we allow our acquisition programs to proceed to their next phases, such as moving from development or technical testing to operational testing or moving from development into production and deployment with our combat forces, when the test results we have gathered clearly indicate the systems are not ready.

The committee believes that the Department of Defense has no greater duty than to ensure that the weapons systems that it puts in the hands of our soldiers, sailors, airmen and marines will operate as intended in combat situations. Adequate testing of weapons systems is not an abstract concept: lives depend upon it.

For this reason, the committee recommends a series of provisions to implement the recommendations of the Director of Operational Test and Evaluation and the report of the Defense Science Board task force on test and evaluation capabilities.

Department of Defense Test and Evaluation Resource Enterprise (sec. 231)

The committee recommends a provision that would establish a Department of Defense Test and Evaluation Resource Enterprise (T&E/RE), which shall report to the Director of Operational Test and Evaluation.

The Director of Operational Test and Evaluation stated in his annual report for fiscal year 2001:

> The current approach to managing the DOD T&E infrastructure is through centralized oversight by DOT&E and decentralized funding and management by the Military Departments and Defense Agencies. Funding and manpower levels for the individual ranges and centers are programmed by the owning service, even though the ranges may possess unique T&E capabilities which are used primarily by the other services and defense agencies. This approach has led to a reluctance by the owning service to fully fund and sustain some of these unique capabilities.

The Director noted that the establishment of a T&E/RE to address this problem was the "most significant recommendation" of the December 2000 report of the Defense Science Board task force on test and evaluation facilities. The task force explained this recommendation as follows:

> Extensive reduction in test facilities and personnel has been pursued during the last five years. Notwithstanding this necessary effort, unnecessary duplication of capabilities exists in all three services. * * *
>
> [The] unwillingness of the services to provide adequate resources for T&E [while] still maintain[ing] substantial redundant capabilities suggests that a change is needed.
>
> The fundamental concern of T&E facility managers is how [to] get enough money and manpower to continue their operations. They compete with other activities within their services for resources, and with other activities both within their Services and outside for "business" support. This does not lead to long-range business planning and, it is not possible for them to make investment decisions based on future utilization or business-like return on assets analyses. They have little control over the "business" they manage and are subject to highly variable budgeted support. * * * Centralized, consolidated management of T&E facilities within the Department of Defense could overcome many of these serious problems.

The provision recommended by the committee would implement the task force recommendation by establishing a centralized T&E/RE, which would report to the Director of Operational Test and Evaluation. Under this provision, funding for the investment, oper-

ation and maintenance, development and management of Major Range Test and Facility Base (MRTFB) facilities and resources would be transferred to the new T&E/RE. The T&E/RE would also be responsible for ensuring that test planning and test execution is conducted by the appropriate military service organizations. However, the day-to-day operation and management of the test ranges and facilities and the testing activities carried out at those ranges and facilities would remain in the hands of the military services.

The provision would require that the new T&E/RE be established within one year of the date of enactment. To ensure central oversight over investments in the MRTFB, the provision would require that the Director of Operational Test and Evaluation approve all investments of $500,000 or more during the one-year transition period.

Transfer of testing funds from program accounts to infrastructure accounts (sec. 232)

The committee recommends a provision that would transfer testing funds from the research and development programs of the military departments and defense agencies to the major test and evaluation investment accounts of the Department of Defense.

The Director of Operational Test and Evaluation stated in his annual report for fiscal year 2001:

> In the long run, increasing the tempo of testing will require a shift in our current practices for funding and managing test facilities and ranges. * * * At the present time, defense programs must bear both the cost of their tests and the overhead costs to maintain the ranges. This has proven to be a disincentive to testing. The cost to program managers has risen sharply over the past decade as they take on the overhead costs of the test ranges; as a result, program managers seek to minimize the amount (and therefore the cost) of testing. As they succeed, their success forces the price even higher for each test. * * *
>
> A recent analysis shows that about $2.4 billion in test costs (previously funded in the MRTFB [Major Range and Test Facility Base] institutional budgets) have been shifted to the users since FY90. Eighty-five percent of the shift occurred during the last five years.
>
> As institutional funds have fallen, the test ranges and centers have sought to recover more costs from users. The users, in turn, have reduced testing and accepted additional risk to remain within their budgets. Test adequacy has suffered as a consequence. In FY01, the MRTFB charged an estimated $250 million per year more to users than was charged to them prior to FY90. Effectively, this means that, although users in FY01 collectively paid the same amount as in FY90, they were doing less testing.

The committee provision would address this problem by shifting five-eighths of one percent of the budgets of the military departments and defense agencies for Demonstration and Validation, Engineering and Manufacturing Development, and Operational Sys-

tems Development (approximately $250.0 million) to the major test and evaluation investment accounts of the Department. The specific transfers would be as follows:

For the Army: from Demonstration and Validation to PE 64759A, $5.0 million; from Engineering and Manufacturing Development to PE 64759A, $18.0 million; from Operational Systems Development to PE 64759A, $6.0 million.

For the Navy: from Demonstration and Validation to PE 64759N, $15.0 million; from Engineering and Manufacturing Development to PE 64759N, $32.0 million; from Operational Systems Development to PE 64759N, $17.0 million.

For the Air Force: from Demonstration and Validation to PE 64759F, $9.0 million; from Engineering and Manufacturing Development to PE 64759F, $27.0 million; from Operational Systems Development to PE 64759F, $60.0 million.

For Defense-wide: from Demonstration and Validation to PE 64940D8Z, $37.0 million; from Engineering and Manufacturing Development to PE 64940D8Z, $8.0 million; from Operational Systems Development to PE 64940D8Z, $25.0 million.

The Committee expects that these transfers will not be implemented as an across-the-board reduction on programs undergoing demonstration and validation, engineering and manufacturing development, or operational development, but will instead be proportionally allocated to such programs on the basis of the projected test and evaluation costs to be paid by these programs.

The provision would also require the military services to change their funding policies to ensure that users of the MRTFB are charged only for the direct costs of testing and are no longer required to pay for overhead costs. The committee anticipates that the research and development programs of the Department should recover a significant portion of the funds transferred to the MRTFB investment accounts through lower overhead rates charged for testing at MRTFB facilities. However, any shortfall of funding resulting from this transfer should not be taken directly from testing budgets of the programs and shall not be used as a basis for reducing testing requirements for any system. On the contrary, the committee believes that the lower rates charged for testing at MRTFB facilities should lead to increased testing of Department of Defense systems.

The committee also recognizes that the elimination of indirect costs could lead to increased funding needs in test and evaluation accounts other than the investment accounts to which funds would be transferred by this provision. The committee urges the Department of Defense Comptroller, in consultation with the Director of Operational Test and Evaluation, to make any adjustments among the test and evaluation accounts of the Department of Defense and the military services that may be needed, pursuant to established procedures, to ensure that the test ranges and facilities of the Department are able to conduct required operations.

Increased investment in test and evaluation facilities (sec. 233)

The committee recommends a provision that would increase the amount authorized to be appropriated for the Central Test and

Evaluation Investment Program (CTEIP) of the Department of Defense (PE 64940D8Z) to $251.3 million, an increase of $128.0 million. The increase consists of $70.0 million transferred to the CTEIP program by section 232; $50.0 million added to the CTEIP program to increase the Department's overall level of investment in its test and evaluation facilities; and $8.0 million that would be made available for specific technology programs to support testing and evaluation, as described elsewhere in this report.

Overall, the $251.3 million total provided by the committee recommendations would more than double the amount of funding available in the CTEIP account and the transfers and increases made by this bill would more than double the funding available in the test and evaluation (T&E) investment accounts of the Department as a whole.

In his annual report for fiscal year 2001, the Director of Operational Test and Evaluation identified significant deficiencies in the Department's T&E infrastructure. The Director's report states:

> When the capabilities of the test ranges are compared with requirements for testing current and future systems, significant deficiencies are evident. They limit the ability to conduct adequate testing of weapons and support systems. Some of the more significant deficiencies are:
>
> Range infrastructure. * * * Miss distance and attitude measurement systems lack adequate fidelity. Instrumentation shortfalls include limited radar, telemetry, and optical equipment assets to support multiple simultaneous engagements and insufficient instrumentation to track multiple vehicles. There are no chemical-biological test chambers large enough to accommodate complete systems. A replacement for the self-defense test ship is needed to retain the capability to demonstrate surface ship cruise missile defense systems.
>
> Targets and threat representations. Generally, realistic targets are not available in sufficient numbers to support the various weapon systems under development. Representative targets for certain anti-ship cruise missile threats are not available. Deficiencies exist in the quantity and types of ballistic missile defense targets. Threat representation shortfalls have also been identified. Needs include a vector-scoring capability on full-scale targets and improved capability for testing infrared missile engagements.
>
> Realistic test environments. New-generation systems have much more extensive operating footprints than their predecessors and, therefore, need much larger test ranges to support full-scale operational scenarios. Space test capabilities are not sufficient to meet space mission area testing requirements. Shallow water ranges for undersea warfare testing are inadequate. Chemical and biological simulators and simulants are not representative of the threat. Generally, there is a lack of priority and funding for testing of weapon systems in the extremes of their natural operating environments.

> Interoperability. Interfaces with other systems are not included in many test plans. Many systems are tested only on an individual basis. The failure to test systems with complementary ones in combined scenarios precludes effective assessment of their compatibility and ability to operate together.

The committee believes that the increased funding levels for the CTEIP program and the test and evaluation investment and modernization accounts of the military services represent the minimum level needed to address the serious infrastructure problems identified in the Director's report. For this reason, the committee urges the Department to maintain these funding levels in future budget requests.

Uniform financial management system for Department of Defense test and evaluation facilities (sec. 234)

The committee recommends a provision that would require the Secretary of Defense to implement a single financial management and accounting system for all test and evaluation (T&E) facilities of the Department of Defense (DOD).

Section 907 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 required the Secretary to develop a plan, including a schedule, for establishing a cost-based management information system for DOD laboratories and test and evaluation centers.

Despite this requirement, the annual report of the Director of Operational Test and Evaluation for fiscal year 2001 states that cost comparisons between the test and evaluation facilities of military services are difficult "because there is no common financial management system among the services." The Defense Science Board (DSB) Task Force on Test and Evaluation Capabilities strongly supports this conclusion in its December 2000 report, which states:

> The Task Force found each of the Services uses different financial management methods to manage the affairs of their facilities and recommends that DOD implement a common financial management methodology for all T&E facilities. * * *
>
> Consistent financial management practices would ease the problem of interservice range utilization and make it possible to determine the value of making changes in facilities usage. It would also facilitate more efficient operations. At present we cannot measure either input or output values. * * * Each service has a different financial management system for T&E.

The provision recommended by the committee would implement a recommendation of the DSB Task Force by requiring that the Secretary establish a common financial management methodology for all T&E facilities. The provision would require that the new T&E financial management and accounting system be consistent with the financial management enterprise architecture developed by the Secretary pursuant to section 1006.

One of the objectives of the new financial management methodology would be to enable the Department of Defense to track the total cost of test and evaluation activities. The committee recognizes that this total cost includes costs incurred by activities outside the test and evaluation facilities of the Department of Defense. The committee believes that the financial management enterprise architecture developed by the Department should enable the Department to track such costs.

Test and evaluation workforce improvements (sec. 235)

The committee recommends a provision that would require the Under Secretary of Defense for Acquisition, Technology and Logistics to develop a plan to ensure that the test and evaluation (T&E) workforce of the Department of Defense (DOD) is of sufficient size and has the expertise needed to ensure that the testing of DOD systems identifies issues of military suitability and effectiveness in a timely and accurate manner.

The Director of Operational Test and Evaluation stated in his annual report for fiscal year 2001:

> Infrastructure is not limited to facilities, but also includes people and processes. The DSB [Defense Science Board] Task Force learned that the issue of human resources—how to attract and retain personnel with the motivation and skill to serve and lead in civilian and military capacities—is one of the most significant concerns of the T&E community.
>
> The demographics of T&E show that a large fraction of its community will soon be eligible to retire. Further, the downsizing over the last ten years has all but precluded the recruiting of new talent. As a result, the relationships established by our T&E community over the years with universities and the hiring of graduates with skills in new research areas have suffered.

The provision recommended by the committee would implement one of the recommendations of the DSB Task Force on Test and Evaluation Capabilities by requiring the Department to develop a strategic plan for future human resource requirements of the DOD test and evaluation community. The plan would establish the number and qualifications of military and civilian personnel needed to properly staff the test and evaluation community of the Department of Defense and develop specific milestones for achieving a workforce with the desired composition.

The committee expects the Department to conduct a thorough review of the personnel system to identify any enhanced personnel flexibility that may be needed to attract and retain quality test and evaluation personnel. The committee notes that section 4308 of the National Defense Authorization Act for Fiscal Year 1996 authorized the Department to establish an acquisition workforce demonstration project. This authority, which enables the Department to waive certain regulatory requirements and to utilize pay-banding approaches such as those recommended by the Director of Operational Test and Evaluation in his annual report, has been utilized only on a small scale to date.

Compliance with test and evaluation master plan requirements (sec. 236)

The committee recommends a provision that would prohibit unauthorized deviations from testing requirements.

The Director of Operational Test and Evaluation stated in his annual report for fiscal year 2001:

> The December 2000 Defense Science Board Report noted, "The systems below Acquisition Category (ACAT) I in the priority system are being fielded without adequate testing. Even for the ACAT I programs there is growing evidence that testing is not being done adequately." * * *
>
> One feature of current practice I seek to change is the services' ability to waive tests without DOT&E review and approval. The Defense Science Board strongly recommended that Secretary of the Navy Instruction 5000.2B be modified to rule out waivers as a unilateral action by the Service. The current policy allows waivers from criteria for certification of readiness for operational test (such as completion of the system safety program) and waivers for deviation from testing requirements directed by the Test and Evaluation Master Plan.

In fact, the Defense Science Board (DSB) Task Force on Test and Evaluation (T&E) Capabilities concluded, "The process of handling waivers seriously undermines the T&E process—and may have already had negative impact on weapons systems."

The provision recommended by the committee would implement a recommendation of the DSB Task Force by requiring that any deviation from the requirements of a Test and Evaluation Master Plan be either: (1) approved through the same procedures pursuant to which the Plan was established (including the approval of the Director of Operational Test and Evaluation); or (2) approved by the Secretary or Deputy Secretary of Defense. This provision is not intended to preclude the certifying official for operational test readiness from approving a test "limitation of scope" where testing to actual requirements would constitute a regulatory violation or a safety hazard.

Report on implementation of Defense Science Board recommendations (sec. 237)

The committee recommends a provision that would require the Secretary of Defense to report on the implementation of the recommendations of the December 2000 report of the Defense Science Board (DSB) Task Force on Test and Evaluation Capabilities.

In addition to the overarching recommendations that would be implemented by the provisions of this subtitle, the DSB Report contains a number of recommendations regarding specific test and evaluation investments. These include recommendations on frequency spectrum management, embedded instrumentation, investment in targets, and the use of training facilities and exercises for test and evaluation events. The committee believes that these recommendations merit detailed review by the Department.

SUBTITLE E—OTHER MATTERS

Pilot programs for revitalizing Department of Defense laboratories (sec. 241)

The committee recommends a provision that would re-authorize and expand a set of pilot programs aimed at improving the quality of the Department of Defense (DOD) laboratories and test and evaluation centers. In section 246 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 and section 245 of the National Defense Authorization Act for Fiscal Year 2000, Congress authorized the Secretary of Defense to establish pilot programs and, if necessary, waive regulations in order to attract the finest quality, highly trained technical talent to Department labs and test centers, enable these facilities to adopt more business-like practices to increase efficiency, and permit the establishment of new cooperative programs with the private sector to promote technological innovation. The provision would re-authorize these pilot programs for an additional three years.

The committee notes that support for these types of reforms exists throughout the Department. In testimony to the Emerging Threats and Capabilities subcommittee, the Director of Defense Research and Engineering noted that he had requested an extension of the pilot programs through Department channels. At the same hearing, representatives of the military services all highlighted the need to attract the best technical workforce possible for the Department's science and technology enterprise.

Despite this support, the committee notes with concern that the Department has made limited progress in exploiting these pilot programs. An Army briefing for the committee stated that, "Between the personnel and legal communities we have been effectively shut down."

An October 2000 Defense Science Board study highlighted a number of reasons that these pilot programs are critical for the vitality of the labs and test centers. It noted that "there is a clear relationship between the technical capabilities of the laboratories and the capabilities of future U.S. military forces." It concluded that "personnel practices of the Federal Civil Service System" are the primary cause for the defense labs' difficulty in recruiting and retaining high quality staff. The committee provision seeks to assist the Department in addressing these issues to support the revitalization of the labs.

The committee's provisions would expand the existing program so that the Secretary could make use of waivers to: assist the labs in retaining and shaping the best possible scientific and engineering workforce, enter into partnerships to promote the education of the next generation of defense technology specialists, and promote the defense technological industrial base. The provision would also require the Secretary to report on the barriers encountered in attempting to execute the existing pilot programs and progress being made to overcome the barriers. The committee directs the Secretary to coordinate these reports between the Office of the Undersecretary of Defense for Acquisition, Technology, and Logistics and the Office of the Undersecretary of Defense for Personnel and Readiness.

The committee directs the Comptroller General to review the implementation and execution of the pilot programs. The review shall examine the pilot programs and assess the extent of utilization of the authorities, effects of the executed programs in achieving stated revitalization goals, barriers to implementation and execution, and recommendations for follow-on actions or clarification of authorities.

Additionally, the provision would extend the authorities of the pilot programs to leverage some of the opportunities that arose during the limited implementation of the existing pilot programs. The provision would authorize the Secretary to establish a limited liability corporation as part of an expansion of public-private partnerships involving the labs and test centers. The committee believes that this type of partnership is in the best interest of the Department and will assist the labs and test centers in improving their technical capabilities.

Finally, the provision would authorize the Secretary to designate a total of no more than 30 scientific, technical, and engineering positions across the organizations participating in the pilot program as positions in the excepted service. This is intended to allow the labs to attract the finest, highly trained scientific and engineering talent available. In testimony to the Emerging Threats and Capabilities subcommittee, government officials contrasted the different approaches that the Department of Defense, Department of Energy, and National Nuclear Security Administration (NNSA) use to fill technical positions. The witnesses noted that NNSA has been authorized with a number of excepted service positions that they are using to bring additional expertise into the organization. This excepted service approach is already used by a number of DOD organizations, including the Defense Intelligence Agency and the service academies, and was recommended by the service organizations participating in the original pilot program.

Technology transition initiative (sec. 242)

The committee recommends a provision that would require the Secretary of Defense to carry out a technology transition initiative to facilitate the rapid transition of new technologies from science and technology programs of the Department of Defense into acquisition programs for the production of the technologies. The committee has had a long-standing concern about the Department's ability to effectively and efficiently transition technologies out of the laboratory and into the hands of the warfighter. Successful and rapid transition of revolutionary technologies into defense systems is one of the central aspects of military transformation.

The committee notes that, historically, technology transition has been stifled by three major issues: leadership, organizational cooperation, and funding. Aggressive leadership and championing of new technologies from the highest levels of the Department is necessary to overcome organizational and cultural barriers and effect real technological change. All technology transition depends on the coordination of technology developers, acquisition program managers, and military users. Successful technology transition is often associated with programs that have established innovative personnel and technical exchanges, have entered into formal coopera-

tive agreements, or have made extensive use of technology demonstrations and experimentation. Finally, it is critical that funding be available to transition science and technology programs that have achieved required technological maturity. Too often, the Department's budgeting process moves too slowly to take advantage of transition opportunities, even if those opportunities develop over a number of years and within funded Department science and technology programs.

The committee commends the Department for initiating a number of activities to support technology transition. The Navy's Future Naval Capabilities Integrated Product Teams, Air Force's Applied Technology Council, and the Advanced Concept Technology Demonstrations (ACTDs) are excellent examples of involving technology developers and users in the planning and funding of new technologies in order to promote transition. The Department's move toward spiral acquisition policies and growing use of technology readiness levels are also supportive of technology transition.

In testimony to the Emerging Threats and Capabilities subcommittee, the Director of Defense Research and Engineering highlighted the Department's ACTD program and Quick Reaction fund as the centerpiece of the DOD technology transition strategy. The committee supports these efforts, but notes that the majority of technologies developed both inside and outside of the Department cannot be transitioned through these limited efforts. Therefore, the committee's recommended provision is intended to broaden Departmental efforts at transition, establish high-level leadership, promote organizational cooperation, and provide funding for transition activities.

The provision requires the Secretary to (1) establish a council comprised of organizations critical for successful technology transition, in particular the science and technology executives, service acquisition executives, and operational users; (2) develop memoranda of agreement, joint funding agreements, and other cooperative arrangements for the transition of technologies into production; and (3) establish a technology transition fund to carry out jointly-funded technology transition projects with the military services.

The committee recommends that joint-funding of these projects should be contingent upon the development of a specific agreement between the science and technology, acquisition, and operational requirements communities which delineates technological maturity of the program, acquisition strategy of the relevant acquisition program, and a preliminary description of the concept of operational use of the technology under consideration.

The committee directs each of the military services to designate a senior official to serve as an advocate for technology transition within the military service and to work with the DOD Technology Transition Initiative Manager designated pursuant to this provision. The senior technology transition advocates in the military services should work to identify and transition both technologies that are developed within the DOD science and technology programs and technologies that are developed in the private sector. The committee recommends that the council meet at least semi-annually to review candidate proposals.

The committee encourages the Initiative Manager to work with the Assistant Secretary of Defense for Logistics, the Commander of the Joint Forces Command, and the Director of Operational Test and Evaluation as the council works to evaluate proposals and transition technologies. Each of these organization's areas of responsibility—logistics, experimentation, and test and evaluation—are important factors in developing a successful and rapid transition pathway. The committee also notes that the transition of critical logistical, sustainment and testing technologies are increasingly important to reducing costs and improving the efficiency of the Department of Defense.

Encouragement of small business and nontraditional defense contractors to submit proposals potentially beneficial for combating terrorism (sec. 243)

The committee recommends a provision that would create a Small Business Outreach panel to enhance the Department's ability to utilize small businesses and non-traditional defense contracts as it works to develop technologies for combating terrorism and weapons of mass destruction.

The committee notes that in the wake of the terrorist activities in 2001, an overwhelming number of technology developers have approached the Department of Defense, Office of Homeland Security, and Congress with proposals for research or technology in support of the war on terrorism. The Department's broad agency announcement relating to combating terrorism resulted in over 12,000 proposals, many of which have yet to be given a formal technical evaluation and response.

The provision would establish a panel consisting of government and private sector experts who would serve as the Department's screening committee for technology proposals to combating terrorism and weapons of mass destruction. The panel would screen and evaluate research and development proposals that it believes are likely to make a significant contribution to the government's efforts to combat terrorism at home and abroad. The committee understands that no panel can fairly be expected to review 12,000 proposals and expects the panel members to apply their professional expertise in screening proposals to determine which submissions merit in-depth review.

The panel would make recommendations to the Under Secretary of Defense for Acquisition, Technology, and Logistics on the technical merits of proposals, potential contract sponsors (military service or defense agency) within the Department, recommended funding levels, and transition pathways.

The committee directs the Department to use all available electronic commerce technology to carry out its activities, including proposal submission, review, response to proposers, and recommendations within the Department. This is consistent with the Department's efforts to streamline its procedures and make more use of electronic transactions in conducting Department business.

The committee also recommends that the Department increase its outreach efforts to small businesses and non-traditional contractors. This part of the industrial base can and should play a critical role in the development of technologies to fight terrorism at home

and overseas. This is evident in the success that the Department has achieved in using the Small Business Innovative Research (SBIR) program to fulfill some of its technology development needs. The Committee directs the Department to expand its outreach activities using web-based tools, conferences, and other informational activities to assist small innovative companies in understanding the Department's technology goals, funding opportunities and mechanisms, and management processes.

Vehicle fuel cell program (sec. 244)

The committee recommends a provision that would require the Secretary of Defense to carry out a cost-shared program to identify and support technological advances that are necessary to develop fuel cell technology for use in vehicles that would be used by the Department of Defense. The committee recommends $10.0 million to carry out the program and directs the Secretary to conduct the program in cooperation with the Secretary of Energy; other appropriate federal agencies, including the Army; and private industry. The committee directs the Secretary to ensure that at least half of the total cost of the program be borne by industry, either in cash or in kind.

The vehicle fuel cell program shall include development of vehicle propulsion technologies and fuel cell auxiliary power units as well as pilot demonstration of such technologies as appropriate. The program shall also include development of technologies necessary to address critical issues such as hydrogen storage and the need for a hydrogen fuel infrastructure.

Over the last decade, the Department of Defense has supported the development and utilization of fuel cell technology in three broad areas: stationary power applications, mobile applications, and other power applications. The committee believes that significant benefits could be gained from these existing programs that will have applications for vehicle fuel cell technology. Important objectives of the program established by this provision are to ensure that critical technology advances are shared among the varied fuel cell technology programs within the Department and other federal agencies, and to ensure the maximum leverage of federal funding for fuel cell technology development across this broad spectrum.

To facilitate cooperation with industry and to leverage the investments of both the federal government and the private sector, the Secretary shall consider establishment of a Defense Industry Fuel Cell Partnership. Significant advancements have been made in the development of fuel cell technology, but the committee believes that more could be accomplished if this work is done in cooperation with private industry.

The committee directs the Secretary to submit a report to the congressional defense committees no later than April 30, 2003, that describes how funding for the vehicle fuel cell program will be expended in fiscal year 2003 and how the program meets the objectives set forth in this provision.

Defense Nanotechnology Research and Development Program (sec. 245)

The committee recommends a provision that would establish a comprehensive program to organize and coordinate nanoscale research and development within the Department of Defense (DOD) and with appropriate civilian agencies. The committee recognizes the importance of advances in this field to the genesis of revolutionary military technologies and to military transformation.

The need for an integrated program in nanotechnology research is predicated on two major considerations. The first is the vast potential for new military capabilities to be derived from nanoscale research and development. The list of potentially transformative capabilities enabled by nanotechnology extends to numerous defense needs, including warfighter protection, mobility, information processing, communication, energy, and cost- and size-reduction of weapons systems. This potential makes the establishment of a dedicated program to advance the field, develop applications, and accelerate the transition of nanoengineered products into the services an imperative.

Secondly, the magnitude of DOD investment in nanoscale research and development has tripled since 1998, reaching over $200.0 million in the fiscal year 2003 budget request. This request mirrors investment trends across the entire government and internationally. Given the scale and scope of the DOD and federal commitment to nanotechnology, the committee feels that it is necessary to coordinate the various programs to ensure completeness, balance, and the minimization of redundancy within the nanotechnology research portfolio.

The provision directs the Department to establish a set of long-term challenges for nanotechnology research, which should be coordinated with and modeled after the Grand Challenges articulated by the National Nanotechnology Initiative. Specifically, the challenges should represent broad goals or capabilities related to national defense that are not yet attainable given the present state of nanotechnology, but which may be achieved within a time frame of several years to several decades. These challenges will provide the operating framework and benchmarks under which the program will be organized, funded, and evaluated.

The committee directs that each challenge be comprised of a set of specific technical goals, each with a lead service or defense agency charged with organizing and coordinating research and technology transition in that area. The committee directs the Department to execute, as appropriate, memoranda of agreement, joint funding agreements, and other cooperative arrangements in order to optimize coordination and accomplish program goals.

The provision requires an annual report to the Congress to describe the program's research and coordination activities. The report should review and assess the status and progress of the program with respect to the established challenges and technical goals; describe the funding levels for each service and defense agency participating in the program; describe the coordination between the research efforts within the program and with those of civilian agencies and the private sector; evaluate efforts at transitioning research, technologies, and concepts into military

products and uses; and recommend new initiatives, programs, mechanisms for coordination, or other activities that would facilitate the achievement of program purposes.

The committee also recognizes the important role that Information Analysis Centers (IAC) have played in data collection, analysis, and dissemination within specific areas of science and technology of relevance and interest to the defense community. The committee believes that the establishment of an IAC for defense nanotechnology would substantially support the activities of the program, and recommends that the Secretary of Defense consider instituting such a center.

ADDITIONAL MATTERS OF INTEREST

Science and technology initiatives

The committee supports Department of Defense efforts to transform itself to meet the emerging threats of the 21st century. The committee feels that a robust defense science and technology program is a requirement in order to develop the new systems and operational concepts that will enable transformation. Unmanned vehicles, satellite communications, and precision weapons are transforming today's military. In the same way, new systems based on nanotechnology, robotics, and artificial intelligence will transform the military of the future. To ensure that each wave of technological change is sustainable and can be expanded upon, however, it is critical to make the small but stable investments in fundamental and applied research that produce the capabilities of the future.

The committee fully supports the Department's stated goal of investing 3 percent of the defense budget into science and technology programs. The fiscal year 2003 budget request fell short of that goal. In fact, the budget request would decrease the percentage of the budget invested in science and technology each consecutive year, falling to 2.3 percent of the budget by 2007. The committee urges the Department and each of the military services to achieve the 3 percent goal as soon as practicable.

To support the transformation of the military, the committee recommendations would provide over $170.0 million for high priority science and technology programs above the amount requested in the fiscal year 2003 budget. This includes over $200.0 million in research to support the development of the Army's Objective Force, with new technologies such as unmanned ground vehicles, hybrid electric vehicles, and next generation weapons systems. The committee recommends adding $23.5 million to research programs to address corrosion problems in platforms, weapons systems, and installations. This research could eventually save the Department billions of dollars per year in corrosion maintenance and repair costs.

The committee recommendations would provide an additional $33.0 million for revolutionary research and technology to meet future cyberthreats. The funding would include extensive investments in scholarship programs to train the next generation of information security specialists. The committee notes that a limiting factor to technological transformation will be the ability to generate

and deliver power on demand to critical military assets. For this reason, the committee recommends an increase of $41.0 million in research and development on revolutionary power technologies.

The committee recommendations would also provide an additional $34.0 million for nanotechnology investments. This burgeoning scientific field has the promise to transform technologies ranging from power systems to aerospace materials to biological sensors. In addition, the committee recommendations increase Department investments in basic research by nearly $50.0 million. These fundamental research programs are often performed in collaboration with universities and national laboratories and help serve to train tomorrow's scientific leaders.

In addition to these investments, the committee continues to work to ensure that the Department gets the best return on investment on research dollars. The committee recommendations would provide an additional $25.0 million for the Department's technology transition activities as well as establish a new funding mechanism and coordinated process for rapid transition of technologies from the laboratory to the battlefield.

The recommendations for authorization of appropriations for fiscal year 2003 would continue the committee's tradition of strongly supporting the defense science and technology enterprise. By supporting strong research investments, strengthening our defense laboratories, and working to speed transition of technologies into operational systems, the committee hopes to continue and accelerate the transformation of the military.

Merit-based selection procedures

The committee notes that section 2304(j) of title 10, United States Code, states that it is the policy of Congress that any contract for a program, project, or technology identified in legislation be entered into through merit-based selection procedures. Section 2374 of title 10 establishes the same policy for the award of any new grant for research, development, test, or evaluation to a non-Federal Government entity. Each of these provisions states that the presumption in favor of competitive, merit-based awards may be overridden only by a provision of law that specifically refers to section 2304(j) or section 2374, specifically identifies the particular non-Federal Government entity involved, and specifically states that the award to that entity is required notwithstanding the policy favoring merit-based selection.

The committee is concerned that, despite the enactment of section 2304(j) and section 2374, the Department of Defense continues to award contracts and grants for research and development programs and projects to specific entities without the use of merit-based selection procedures. The committee directs the Department to use all applicable procedures in the award of any new contract, grant or other agreement entered into with funds authorized to be appropriated by this title.

The committee directs the Department to make use of memoranda of agreements, cost sharing, and other cooperative arrangements as necessary to ensure that the funds authorized to be appropriated by this title address defense technology development goals in the most cost effective and technically sound manner.

Army

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, ARMY			
0601101A	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	22,998		22,998
0601102A	2	DEFENSE RESEARCH SCIENCES	139,633	8,000	147,633
		Optical research		[3,000]	
		Animal modeling genetics research		[1,000]	
		Desert terrain analysis		[4,000]	
0601104A	3	UNIVERSITY AND INDUSTRY RESEARCH CENTERS	74,855	4,000	78,855
		Armor materials modeling & simulation		[2,500]	
		Ferroelectric materials nanofabrication		[1,500]	
0602105A	4	MATERIALS TECHNOLOGY	18,659	12,500	31,159
		Advanced materials processing		[4,000]	
		Electronic components reliability		[2,500]	
		Composite materials technology for FCS		[3,000]	
		Multifunctional composite materials		[3,000]	
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	5,000	36,884
		Short range air defense radar		[3,000]	
		Advanced composite chassis		[2,000]	
0602307A	10	ADVANCED WEAPONS TECHNOLOGY	11,208		11,208
0602308A	11	ADVANCED CONCEPTS AND SIMULATION	20,634	2,500	23,134
		Interactive training technology transition		[2,500]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0602601A	12	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	55,763	30,300	86,063
		Advanced coatings research		[1,500]	
		Fastening & joining research		[1,800]	
		21st Century Truck		[17,000]	
		Combat truck initiative (COMBATT) hybrid vehicle		[5,000]	
		Advanced manufacturing technology		[5,000]	
0602618A	13	BALLISTICS TECHNOLOGY	74,094		74,094
0602622A	14	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	3,675		3,675
0602623A	15	JOINT SERVICE SMALL ARMS PROGRAM	5,812		5,812
0602624A	16	WEAPONS AND MUNITIONS TECHNOLOGY	38,090	6,400	44,490
		Tungsten kinetic energy projectile		[1,000]	
		Warhead technology for FCS		[2,400]	
		Countermobility systems		[3,000]	
0602705A	17	ELECTRONICS AND ELECTRONIC DEVICES	27,448	2,000	29,448
		Portable hybrid electric power systems		[2,000]	
0602709A	18	NIGHT VISION TECHNOLOGY	22,333		22,333
0602712A	19	COUNTERMINE SYSTEMS	13,186	12,500	25,686
		Polymer-based landmine detection		[2,000]	
		Acoustic landmine detection		[3,000]	
		Airborne landmine detection		[7,500]	
0602716A	20	HUMAN FACTORS ENGINEERING TECHNOLOGY	17,415		17,415
0602720A	21	ENVIRONMENTAL QUALITY TECHNOLOGY	23,018	4,000	27,018
		Environmental restoration technology		[4,000]	
0602782A	22	COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	21,821		21,821
0602783A	23	COMPUTER AND SOFTWARE TECHNOLOGY	4,354		4,354

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0602784A	24	MILITARY ENGINEERING TECHNOLOGY	51,124	12,000	63,124
		Geosciences research		[2,000]	
		Stationary fuel cell initiative		[10,000]	
0602785A	25	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	14,335		14,335
0602786A	26	WARFIGHTER TECHNOLOGY	25,502	2,500	28,002
		Heavy precision airdrop technology		[2,500]	
0602787A	27	MEDICAL TECHNOLOGY	67,476		67,476
0602789A	28	ARMY ARTIFICIAL INTELLIGENCE TECHNOLOGY			
0602805A	29	DUAL USE SCIENCE AND TECHNOLOGY			
0603001A	30	WARFIGHTER ADVANCED TECHNOLOGY	50,262	41,000	91,262
		Personal navigation of the future warfighter		[5,000]	
		Warfighter position, location, & tracking sensor		[3,000]	
		Objective Force Warrior technologies		[33,000]	
0603002A	31	MEDICAL ADVANCED TECHNOLOGY	16,590		16,590
0603003A	32	AVIATION ADVANCED TECHNOLOGY	45,404	3,000	48,404
		UAV datalinks		[3,000]	
0603004A	33	WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	66,514		66,514
0603005A	34	COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	229,778	41,000	270,778
		Multi-fuel APU program		[3,000]	
		Imp Matls & Powertrain Arch for 21st Century Truck (IMPACT)		[3,000]	
		Networked standardized exchange of product data		[5,000]	
		Mobile parts hospital		[8,000]	
		Rapid prototyping		[2,000]	
		Hybrid electric vehicles		[7,500]	
		Unmanned ground vehicles (UGVs)		[5,000]	
		Active protection system		[7,500]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603006A	35	COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	4,826		4,826
0603007A	36	MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY	3,527	2,000	5,527
		Aircrew coordination training		[2,000]	
0603008A	37	ELECTRONIC WARFARE ADVANCED TECHNOLOGY (H)	28,254		28,254
0603009A	38	TRACTOR HIKE	18,069		18,069
0603017A	39	TRACTOR RED			
0603020A	40	TRACTOR ROSE	4,895		4,895
0603105A	41	MILITARY HIV RESEARCH			
0603122A	42	TRACTOR HIP			
0603125A	42a	Combating Terrorism, Technology Development		43,900	43,900
		Language translation (Transfer from DERF)		[7,300]	
		Blue force awareness suite (Transfer from DERF)		[10,000]	
		Remote observation & confirming sensors (Transfer from DERF)		[600]	
		Multi-function remote unattended ground sensor (Transfer from DERF)		[1,500]	
		Laser induced breakdown spectroscopy (Transfer from DERF)		[1,500]	
		Universal soldier sensor (Transfer from DERF)		[8,000]	
		CT echelon surveillance & reconnaissance (Transfer from DERF)		[15,000]	
0603238A	43	GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECHNOLOGY DEMONSTRATIOI	31,291		31,291
0603270A	44	EW TECHNOLOGY	11,600		11,600
0603313A	45	MISSILE AND ROCKET ADVANCED TECHNOLOGY	87,890	15,000	102,890
		Loiter attack munition		[15,000]	
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		6,013
0603654A	49	LINE-OF-SIGHT TECHNOLOGY DEMONSTRATION	28,283		28,283

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603710A	50	NIGHT VISION ADVANCED TECHNOLOGY	36,494	7,800	44,294
		Sensors for micro air vehicles		[5,000]	
		High speed target recognition		[2,800]	
0603728A	51	ENVIRONMENTAL QUALITY TECHNOLOGY DEMONSTRATIONS	8,980		8,980
0603734A	52	MILITARY ENGINEERING ADVANCED TECHNOLOGY	2,921	5,000	7,921
		Proton exchange membrane fuel cell demonstration		[5,000]	
0603772A	53	ADVANCED TACTICAL COMPUTER SCIENCE AND SENSOR TECHNOLOGY	21,674		21,674
0603305A	54	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION	27,887		27,887
0603308A	55	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	7,417	14,000	21,417
		Low-cost interceptor flight test demonstrations		[8,000]	
		Supercluster distributed memory technology (SDMT)		[4,000]	
		Family of systems simulators (FOSSIM)		[2,000]	
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	3,000	127,108
		Common remote stabilized sensor system		[3,000]	
0603713A	60	ARMY DATA DISTRIBUTION SYSTEM			
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	ENVIRONMENTAL QUALITY TECHNOLOGY DEM/VAL	9,331	1,000	10,331
		Army technology environmental enhancement		[1,000]	
0603782A	65	WARFIGHTER INFORMATION NETWORK-TACTICAL - DEM/VAL	60,809		60,809
0603790A	66	NATO RESEARCH AND DEVELOPMENT	8,773		8,773

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
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		11,419
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)			
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	-48,000	69,745
		Lack of internationally agreed-upon plan		[-48,000]	
	76a	Dem/val Test and Evaluation transfer		-5,000	-5,000
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	15,900	38,719
		Prophet block II-IV acceleration (Transfer from DERF)		[15,900]	
0604280A	81	JOINT TACTICAL RADIO	65,818		65,818
0604321A	82	ALL SOURCE ANALYSIS SYSTEM	42,322	12,300	54,622
		FALCON language translator (Transfer from DERF)		[8,000]	
		Analysis & control element (ACE) software development (Transfer from DERF)		[4,300]	
0604328A	83	TRACTOR CAGE	9,800		9,800
0604329A	84	COMMON MISSILE	29,919		29,919
0604601A	85	INFANTRY SUPPORT WEAPONS			
0604604A	86	MEDIUM TACTICAL VEHICLES	1,953		1,953
0604609A	87	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ENG DEV	8,153		8,153

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0604611A	88	JAVELIN	489	6,500	6,989
		Counteractive protection capability		[6,500]	
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)			
0604642A	93	LIGHT TACTICAL WHEELED VEHICLES	7,877		7,877
0604645A	94	ARMORED SYSTEMS MODERNIZATION (ASM)-ENG. DEV.	59,860	105,000	164,860
		Future combat system (FCS)		[105,000]	
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	3,000	27,230
		Common component workstation		[3,000]	
0604739A	102	INTEGRATED BROADCAST SERVICE			
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	4,000	15,839
		Digital source collector - health & monitoring system		[4,000]	
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
		Earth-penetrating warhead for TACMS (Transfer from DERF)		[55,000]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0604770A	109	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM	4,740		4,740
0604778A	110	POSITIONING SYSTEMS DEVELOPMENT (SPACE)			
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		41,758
0604804A	115	LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV	65,857		65,857
0604805A	116	COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV	82,238		82,238
0604807A	117	MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT - ENG DEV	12,625		12,625
0604808A	118	LANDMINE WARFARE/BARRIER - ENG DEV	128,992		128,992
0604814A	119	ARTILLERY MUNITIONS - EMD	70,888		70,888
0604817A	120	COMBAT IDENTIFICATION	1,995		1,995
0604818A	121	ARMY TACTICAL COMMAND & CONTROL HARDWARE & SOFTWARE	80,672	10,000	90,672
		Transfer from A2C2S procurement - APA 26		[10,000]	
0604819A	122	LOSAT	14,463		14,463
0604820A	123	RADAR DEVELOPMENT			
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
0605013A	127	INFORMATION TECHNOLOGY DEVELOPMENT	50,865		50,865
	127a	EMD Test and Evaluation transfer		-18,000	-18,000
0604256A	128	THREAT SIMULATOR DEVELOPMENT	15,251	3,000	18,251
		Multi-mode top attack threat simulators		[3,000]	
0604258A	129	TARGET SYSTEMS DEVELOPMENT	10,772		10,772
0604759A	130	MAJOR T&E INVESTMENT	53,797	29,000	82,797
		Transfer from acquisition programs		[29,000]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0605103A	131	RAND ARROYO CENTER	22,148	-5,000	17,148
		Army reports, studies, & analyses		[-5,000]	
0605301A	132	ARMY KWAJALEIN ATOLL	132,831		132,831
0605326A	133	CONCEPTS EXPERIMENTATION PROGRAM	22,627	3,000	25,627
		Battle Lab cooperative R&D		[3,000]	
0605502A	134	SMALL BUSINESS INNOVATIVE RESEARCH			
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			
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			
0603778A	152	MLRS PRODUCT IMPROVEMENT PROGRAM	57,825		57,825
0102419A	153	AEROSTAT JOINT PROJECT OFFICE	29,081	4,000	33,081
		Aerostat design & manufacturing (ADAM) program		[4,000]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0203610A	154	DOMESTIC PREPAREDNESS AGAINST WEAPONS OF MASS DESTRUCTION			
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	8,000	11,689
		Full authority digital engine controller (FADEC)		[5,000]	
		Liquid or light-end air (LOLA) boost pump		[3,000]	
0203758A	160	DIGITIZATION	28,968		28,968
0203759A	161	FORCE XXI BATTLE COMMAND, BRIGADE AND BELOW (FBCB2)	64,915		64,915
0203761A	162	FORCE XXI, WARFIGHTING RAPID ACQUISITION PROGRAM			
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	4,000	11,031
0303028A	169	SECURITY AND INTELLIGENCE ACTIVITIES	5,438	5,200	10,638
		Language training software		[5,200]	
0303140A	170	INFORMATION SYSTEMS SECURITY PROGRAM	14,844	3,500	18,344
		Integrated information security research		[3,500]	
0303141A	171	GLOBAL COMBAT SUPPORT SYSTEM	71,864		71,864
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

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0305204A	175	TACTICAL UNMANNED AERIAL VEHICLES	46,479	12,100	58,579
		Hunter ground control station (Transfer from DERF)		[12,100]	
0305206A	176	AIRBORNE RECONNAISSANCE SYSTEMS	4,882	3,000	7,882
		Signature-based unattended MASINT sensors (Transfer from DERF)		[3,000]	
0305208A	177	DISTRIBUTED COMMON GROUND SYSTEMS	15,683	21,700	37,383
		Wideband ISR network (Transfer from DERF)		[2,000]	
		MASINT tools (Transfer from DERF)		[2,000]	
		Integrate DCGS-A at EAC (Transfer from DERF)		[5,000]	
		Integrate common data link (CDL) into DCGS-A (Transfer from DERF)		[8,000]	
		MTI / MP-RTIP integration (Transfer from DERF)		[4,700]	
0708045A	178	END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	61,025	7,000	68,025
		Manufacturing technologies		[7,000]	
1001018A	179	NATO JOINT STARS	512		512
	179a	Civilian personnel accounting adjustment		-98,161	-98,161
	179b	Financial management savings		-17,700	-17,700
	179c	Contract services savings		-13,700	-13,700
	179d	Operational systems development T&E transfer		-6,000	-6,000
		TOTAL ARMY	**6,918,494**	**382,039**	**7,300,533**

Science and technology for the Objective Force

The Army's ability to meet an accelerated schedule to deploy Future Combat Systems, Objective Force Warrior, and other elements of the Objective Force depends on revolutionary technologies being developed through science and technology investments. The committee strongly supports the goals of Army transformation and therefore recommends an increase of over $200.0 million for science and technology investments to support Army transformation.

The committee recommends an additional $20.0 million in PE 63005A for revolutionary vehicle technologies. Of this amount, $7.5 million would be used to accelerate development of components for hybrid electric drives and hybrid electric vehicles, $5.0 million for robotic follower vehicles for logistics support missions, and $7.5 million for enhanced active protection systems for combat vehicles.

The committee recommends an additional $33.0 million in PE 63001A for Objective Force Warrior technologies. These funds will develop enabling technologies that would reduce the load and increase the lethality of the dismounted soldier. Technologies to be developed include power sources, new materials for body armor, head-mounted sensors, microrobotic vehicles, signature management systems, portable water purification technologies, communications systems, and lightweight weapons and ammunition.

The committee recommends an additional $7.8 million in PE 63710A for advanced night vision technologies. Of this amount, $5.0 million would be used for miniaturized sensors for micro air vehicles, and $2.8 million for enhancing target recognition capabilities of infrared sensor systems.

The committee recommends an additional $20.4 million for new munitions technologies for the Objective Force. Of this amount, $2.4 million would be added in PE 62624A for the development of smaller, lighter, longer range, more lethal warhead technologies, and $3.0 million would be added for the development of revolutionary countermobility systems. An additional $15.0 million would be added to PE 63313A for development of long range, loitering missile technology.

The committee recommends an additional $2.5 million in PE 62786A for new technologies to support heavy airdrop missions. The ability to deliver supplies and other payloads from high altitudes with great precision is a critical part of a lighter, rapidly deployable force.

The committee recommends an additional $7.5 million in PE 62712A for the development of airborne landmine detection systems. Low false alarm rate, airborne minefield detection systems would provide the speed and countermine capabilities necessary for a highly mobile ground force.

Finally, the committee notes that the transformation of the military will demand a transformed defense industrial base. The committee recommends an increase of $7.0 million in PE 78045A for new manufacturing technologies that will help affordably meet the Future Combat System's accelerated schedule. Technologies to be developed include manufacturing processes for low-cost, uncooled infrared sensors, advanced armor systems, microelectromechanical systems (MEMS), and new munitions technologies.

The committee has recommended a number of additional increases for science and technology projects that will support the development of the Objective Force. These are described elsewhere in the report.

The committee notes with concern that the acceleration in the schedule for the fielding of components of the Objective Force was not matched by increases in funding for supporting science and technology programs. The Army must fully fund these programs to ensure that transformation will not be limited, incremental, and unsustainable.

Fundamental research for Army transformation

The budget request included $139.6 million in PE 61102A for programs to perform the critical fundamental research that will provide the foundation for Army transformation. The committee recommends an additional $3.0 million for the development of novel optoelectronic materials and devices for future communication and display technologies; $1.0 million for genetics research using animal models to identify critical physiological differences in personnel that may affect mission performance; and $4.0 million for research on predicting terrain conditions in support of military operations.

The committee directs the Army to continue to support basic research efforts and protect research investments, even in the face of near-term incremental modernization needs and operational costs.

Materials research for the Objective Force

The budget request included $74.9 million in PE 61104A for university and industry research centers. The committee recommends an increase of $4.0 million in basic research to support the development of objective force technologies. Of this amount, $2.5 million would be used for research in modeling and simulation of armor materials design and laser-based materials processing, and $1.5 million would be used for the development of novel ferroelectric materials for miniaturized microwave electronic devices.

Applied materials research for the Objective Force

The budget request included $18.7 million in PE 62105A for applied research in materials technology. The committee recommends an increase of $12.5 million for materials research that would contribute to the development of the Objective Force.

Of this amount, $4.0 million would be used for advanced materials processing research in nanomaterials, polymer composites, metals, ceramics, and superalloys; $2.5 million for research on the reliability of electronic components in smart munitions and ground vehicles; $3.0 million for the development of new multifunctional composite materials and new simulation tools for use in Future Combat Systems; and $3.0 million for low-cost enabling processing technologies for multifunctional materials.

Army missile research

The budget request included $31.9 million in PE 62303A for applied research in missile technology. The committee recommends an increase of $5.0 million for the development of new technologies

for the next generation of Army missile systems. Of this amount, $3.0 million would be used for research on enhanced radar and command and control technologies to improve surveillance and fire control capabilities for short range air defense missions. The remaining $2.0 million would be used for development of lightweight composites for missile chassis to reduce weight and increase the range of future missile systems.

Interactive training technologies

The budget request included $20.6 million in PE 62308A for applied research on advanced concepts and simulation. The committee recommends an additional $2.5 million for the development of interactive technologies to support training and mission rehearsal exercises. The committee notes that this program represents an excellent technology transition opportunity building on the Army's work at the Institute for Creative Technologies.

Advanced coatings research

The budget request included $55.8 million in PE 62601A for applied research on automotive technologies. As part of an overall initiative in corrosion research and development, the committee recommends an increase of $1.5 million for fundamental research to study corrosion and to develop corrosion-resistant coatings.

Fastening and joining research

The budget request included $55.8 million in PE 62601A for applied research on combat vehicles and automotive technologies. The committee recommends an increase of $1.8 million to study and develop new fastening, adhesive, and bonding technologies for improving the safety, quality, and reliability of equipment and machinery in Army systems.

21st Century Truck

The budget request included no funding in PE 62601A for the 21st Century Truck program of the National Automotive Center (NAC). The committee recommends an increase of $22.0 million for this program.

Of this amount, $17.0 million would be provided for the 21st Century Truck base program, and $5.0 million would be provided for continuation of work on hybrid technology under the Commercially-Based Tactical Truck (COMBATT) program.

The 21st Century Truck program is one of several advanced technology programs that is carried out by the NAC and cost-shared with industry in support of the Army's transformation. The primary function of 21st Century Truck is to accelerate development and fielding of advanced, state-of-the-art information and mobility technologies into the military's land warfare systems.

The committee believes the 21st Century Truck program plays a key role in the Army's transformation because of its potential to reduce dramatically the fuel use and emissions of medium and heavy trucks while maintaining or enhancing safety and performance. Integration of advanced commercial technologies, including alternative propulsion technologies, into the Army's land warfare sys-

tems is a critical ingredient for success of the Army's transformation.

Because of the importance of advanced technology development to the Army's transformation and in order to provide a basis for future decisions, the committee directs the NAC to prepare a report that describes how its programs are integrated into the Army's transformation plan. The NAC shall submit the plan to the congressional defense committees by no later than April 30, 2003.

Advanced manufacturing technology

The budget request included $55.8 million in PE 62601A for applied research in combat vehicle and automotive technology. The committee recommends an increase of $5.0 million for research on the development of new automotive manufacturing technologies, including developing advanced materials and manufacturing processes, to support Objective Force vehicle goals.

Tungsten penetrators

The budget request included $38.1 million in PE 62624A for applied research in weapons and munitions technology. The committee recommends an increase of $1.0 million for research on tungsten penetrators for a variety of Future Combat Systems applications. The committee notes that tungsten penetrator materials have the potential to provide an alternative to depleted uranium penetrators without reducing the lethality of munitions.

Portable hybrid power systems

The budget request included $27.4 million in PE 62705A for applied research in electronics and electronic devices. The committee recommends an additional $2.0 million for the development of small, high energy density power systems that support development of personal soldier communications and hybrid electric vehicles. The committee believes that new power technologies are one of the fundamental drivers of Army transformation and are critical to the development of both Future Combat Systems and Objective Warrior technologies.

Landmine detection technologies

The budget request included $13.2 million in PE 62712A for applied research on countermine systems. The Army has a continuing mission to improve the speed and lower the false alarm rate of landmine detection systems. The committee urges the Army to continue to explore all possible technology approaches to landmine detection including acoustic, nuclear, and magnetic techniques. The committee recommends an increase of $2.0 million to develop polymer-based, low-cost, landmine detection systems, and an additional $3.0 million for acoustic technologies for landmine detection.

Environmental restoration technologies

The budget request included $23.0 million in PE 62720A for applied research to develop environmental technologies. The committee recommends an increase of $4.0 million for applied research on remediation technologies associated with recovered unexploded ordnance.

Geosciences and atmospheric research

The budget request included $42.9 million in PE 62784A for Military Engineering Technology. The committee recommends an increase of $2.0 million for research in the environmental sciences, including hydrometeorology, climatology, and remote sensing data fusion techniques. The committee notes that climate and terrain information resulting from geosciences and meteorological research has been critical during operations in Afghanistan.

Stationary fuel cell initiative

The budget request included $42.9 million in PE 62784A for Military Engineering Technology. The committee recommends an additional $10.0 million for the development of stationary fuel cell systems to accelerate the deployment of high efficiency, reliable, high-quality, environmentally benign power through distributed generation systems.

Personal navigation for the Objective Force warrior

The budget request included $50.3 million in PE 63001A for Warfighter Advanced Technology. The committee recommends an increase of $5.0 million to develop microelectromechanical systems (MEMS)-based combination inertial navigation systems and global positioning system (INS/GPS) precision location information systems to support soldiers operating in urban environments. The committee recommends an additional $3.0 million for the development of ultrawideband sensor systems for precise warfighter position and location tracking especially in urban environments.

Unmanned aerial vehicle data links

The budget request included $45.4 million in PE 63003A for Aviation Advanced Technology. The committee notes that recent operations have highlighted the need for better integration of unmanned vehicles into military operations, mobile command and control, and increased situational awareness. Therefore, the committee recommends an increase of $3.0 million to develop data links for unmanned aerial vehicles.

Multi-fuel auxiliary power units

The budget request included $229.8 million in PE 63005A for combat vehicles advanced technology development. The committee recommends an increase of $3.0 million for research to develop auxiliary power units capable of using a variety of military fuels to support the development of smaller, lighter vehicles. The committee notes that reducing the cost and logistical burden of providing power to the battlefield is a key component of Army transformation.

Combat vehicle technology

The budget request included $229.8 million in PE 63005A for Combat Vehicle and Automotive Advanced Technology. The committee recommends an increase of $8.0 million for research and development on advanced combat vehicle technologies to support the goals of Army transformation. Of this amount, $3.0 million would be used for research into corrosion control, lightweight steels,

weight and cost reduction, and vehicle architecture optimization. The remaining $5.0 million would be used for the expansion of the use of standardized product data sets for design and life cycle support activities.

Mobile parts hospital

The budget request included $229.8 million in PE 63005A for advanced automotive technologies. The committee recommends an increase of $8.0 million for the development of a self-contained, mobile manufacturing center that can produce spare parts at the point of need. The committee notes that this type of mobile maintenance and logistics support is critical to the transformation of the Army into a lighter, more rapidly deployable force.

Rapid prototyping

The budget request included $229.8 million in PE 63005A for combat vehicles advanced technology development. The committee recommends an increase of $2.0 million for research to develop new rapid prototyping techniques for the design, development and manufacturing of vehicle parts for future Army systems.

Aircrew coordination training

The budget request included $3.5 million in PE 63007A for advanced technologies for manpower, personnel, and training. The committee recommends an increase of $2.0 million for aircrew coordination training.

Echelon surveillance and reconnaissance

The Defense Emergency Response Fund request included $20.0 million in PE 63125A to demonstrate echelons of surveillance and reconnaissance via sensor suites. The committee recommends a decrease of $5.0 million to this account, reflecting a concern that this program is not part of the overall research and development effort underway by the Army and the Defense Advanced Research Projects Agency (DARPA) to develop Future Combat Systems technology. The committee recommends that counterterrorism and force protection activities to develop sensor networks be coordinated as part of broader joint and Army efforts.

Proton Exchange Membrane Fuel Cell Demonstration

The budget request included $2.9 million for advanced military engineering technologies. The committee recommends an increase of $5.0 million in PE 63734A for the Army Proton Exchange Membrane (PEM) Fuel Cell Demonstration program. New power sources, including fuel cells, are a necessary component of Army transformation.

Low-cost interceptor technology

Army theater air and missile defense long-range interceptors are very capable, but expensive. While some cruise missile threats are sophisticated, most are not, making it more cost effective to deploy large numbers of lower-cost, less capable interceptors for less sophisticated threats. The committee agrees that the Low Cost Interceptor (LCI) technology is necessary for theater air and missile de-

fense. Therefore, the committee recommends an additional $8.0 million for PE 63308A for the research and development of the LCI technology. The proposed funding would promote proof-of-concept LCI flight test demonstrations against a representative low-cost cruise missile threat.

Supercluster Distributed Memory Technology

The computational resources needed to support the Army's Theater Missile Defense (TMD) Computational Fluid Dynamics (CFD) simulations significantly exceed the availability and capability of existing supercomputers. Supercluster Distributed Memory Technology (SDMT) interconnects a number of commercial, high performance workstations into a parallel processing system that would be tailored to the performance requirements of modern CFD codes. CFD software codes have already been written for use with SDMT, which would have the same power as a traditional supercomputer at one-tenth the cost. The committee recognizes the importance of SDMT in the Army's TMD CFD simulations. Therefore, the committee recommends an increase of $4.0 million to PE 63308A for the development and research of SDMT.

Family of Systems Simulation

The budget request included no funding in PE 63308A for Army Family of System Simulation (FOSSIM). The committee understands that FOSSIM provides a common infrastructure for integrating simulation models for use in system level engineering analysis as well as a laboratory environment for simulations that support prototyping. As such, FOSSIM can improve the fidelity of modeling and simulations for Army theater air and missile defense systems and provide more thorough assessments to support both operational effectiveness and acquisition efficiency. To ensure the continuation of this important effort, the committee recommends an increase of $2.0 million for FOSSIM.

Advanced Tank Armament System

The budget request included $124.1 million in PE 63653A for Interim Armored Vehicle (IAV) design refinement efforts and for live fire test and evaluation, initial operational test and evaluation, and production qualification testing on the nuclear, biological and chemical reconnaissance vehicle and the mobile gun system. However, there was no funding requested for the Common Remote Sensor Suite (CRS3) for the reconnaissance vehicle and the fire support vehicle.

The current IAV cupola-mounted system limits the weapon field of fire and the mission equipment package field of view, requiring the soldier to operate both the primary weapon and the mission equipment package from an exposed position. The CRS3, however, allows the soldier to operate both the primary weapon and the mission equipment package from under armor and provides full 360-degree field of fire and field of view for each system. This is a critical capability for soldier protection and mission effectiveness.

Therefore, the committee recommends $3.0 million for the Common Remote Sensor Suite, a total authorization of $127.1 million.

Army technology for environmental enhancement

The budget request included $9.3 million in PE 63779A for demonstrations and validation of environmental quality technology. The committee recommends an additional $1.0 million to complete development and validation of the Managing Army Technologies for Environmental Enhancement (MANATEE) program, an integrated, environmental-monitoring, management and control system. The purpose of MANATEE is to manage facility capabilities to prevent hazardous waste spills and other environmental compliance problems.

Javelin

The budget request included $0.5 million in PE 64611A for Javelin Counter-Active Protection Systems (CAPS) software and hardware improvements. The committee recommends an increase of $6.5 million for the CAPS program, a total authorization of $7.0 million.

Armored systems modernization—engineering development

The budget request included $59.9 million in PE 64645A to begin system development and demonstration of the Future Combat Systems (FCS), the centerpiece of the Army's transformation effort to create the Objective Force. The committee believes that transformation should be the Army's highest priority and is concerned that the Army has not fully funded the necessary research and development effort needed to effect that transformation as quickly as possible. The committee fully supports the Army's attempt to field FCS earlier than previously envisioned, with a first unit equipped date of 2008 and an initial operational capability of 2010. The committee therefore recommends an additional $105.0 million for FCS, a total allocation of $164.9 million. This level of funding still leaves the Army FCS program with a $95.0 million unfunded research and development requirement for fiscal year 2003.

Joint Simulation System Core Program

The budget request included $24.2 million in PE 64738A for the Joint Simulation System (JSIMS), the next generation modeling and simulation tool to support training for the commanders in chief, their components, Joint Task Force staffs, other joint organizations, Department of Defense agencies, and the services. The committee notes that additional funding is required for further development of the Common Component Workstation and therefore recommends an increase of $3.0 million for the Common Component Workstation portion of the JSIMS Core Program, a total authorization of $27.2 million.

Automatic test equipment development

The budget request included $11.8 million in PE 64746A for the development of automatic test equipment, including $7.1 million for the Army Diagnostics Improvement Program (ADIP). ADIP is comprised of embedded diagnostics, the Health and Usage Monitoring System (HUMS), and anticipatory maintenance. HUMS enables self-diagnosis of an aviation platform and the automatic notification of platform degradation or failure to the commander and main-

tenance personnel. HUMS utilizes advances in electronics, sensors, and automation to improve the speed and accuracy of aviation equipment fault isolation resulting in increased savings over the current labor-intensive process. The Army has validated a potential for $1.1 billion in savings once HUMS is procured and fielded. The committee notes that there is a requirement for the HUMS program and urges the Army to accelerate the development of HUMS. Therefore, the committee recommends an increase of $4.0 million for the Health and Usage Monitoring System, a total authorization of $15.8 million.

Multi-mode top attack threat simulators

The budget request included $15.3 million in PE 64256A for threat simulator development. The committee recommends an additional $3.0 million for the development and fielding of realistic, top attack, indirect fire weapons system threat simulators and virtual threat simulations. The committee notes that advanced simulation technologies are critical for the complex technology development and training programs that are integral for Army transformation efforts.

Studies and analyses

The budget request included $22.1 million in PE 65103A for the RAND Arroyo Center. The committee recommends a decrease of $5.0 million to this account. The committee notes that the Army had over $100.0 million in unfunded science and technology requirements to support the development of the Objective Force. The committee believes that these investments should be a higher priority than further studies addressing the national security debate.

Battle Labs cooperative research

The budget request included $22.6 million in PE 65326A for the Concepts Experimentation Program. The committee recommends an increase of $3.0 million for collaboration with university researchers on the development of Future Combat Systems, unmanned robotics, and new and legacy vehicle technologies. The committee notes that collaboration between the Battle Labs and the science and technology community and early experimentation with new technologies and concepts of operation are critical for technology transition and to accelerate the transformation of the Army.

Aerostat for missile defense

Aerostat technology is used in the Joint Land Attack Cruise Missile Defense Elevated Netted Sensor (JLENS) system, an airborne sensor platform which would provide over-the-horizon detection and tracking for land attack cruise missile defense. However, the vulnerability of the JLENS aerostat in extreme climatic conditions is a significant problem for the system. The Aerostat Design and Manufacturing (ADAM) program advances the performance of the aerostat in extreme conditions while reducing costs. The committee agrees that ADAM is important to the JLENS program and recommends an increase of $4.0 million in PE 12419A for ADAM.

Aircraft engine component improvement program

The budget request included $3.7 million in PE 23752A to develop, test, and qualify improvements to aircraft engine components but included no funding to continue the work funded in fiscal year 2002 to further develop the Universal Full Authority Digital Engine Control (FADEC) and the Liquid-or-Light-Air (LOLA) Boost Pump.

The Universal FADEC would apply to all current and future Army turbine engines, significantly reducing procurement costs while enhancing engine and aircraft operability. The Army estimates that qualifying and installing the FADEC would result in cost savings exceeding $100.0 million. More importantly, it would greatly increase the safety of Army aviators through reduced pilot workload.

Similarly, installing the LOLA Boost Pump would increase the safety of Army aviators by preventing potential engine flame-outs and onboard or post-crash fires. Cost savings are estimated at $13.0 million for every $1.0 million invested.

Therefore, the committee recommends an increase of $5.0 million to continue the development and qualification of a Universal FADEC and an increase of $3.0 million to develop the LOLA Boost Pump, a total authorization of $11.7 million.

Technology for language training

The Army is deficient in language specialists for certain critical languages because many specialists are currently dedicated to intelligence functions and therefore are unavailable to interpret for operational personnel. Computer software is being developed to aid these operational personnel so that they can converse with inhabitants in the Central Asia region. The software would translate and develop the vocabulary of the operational personnel while they are deployed. The committee agrees that the ability to communicate effectively with people from Central Asian countries is imperative. Therefore, the committee recommends an increase of $5.2 million in PE 33028A for development of the technology for specialized field communication and language training for non-linguist personnel in Central Asian languages.

Information Systems Security

The budget request included $71.9 million in PE 33140A for the Information Systems Security program. The committee recommends an increase of $3.5 million for the development of information security systems which distribute, protect, and fuse Army digitized information.

Navy

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, NAVY			
0601152N	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	16,352		16,352
0601153N	2	DEFENSE RESEARCH SCIENCES	393,557	10,000	403,557
		Robotic countermine technologies		[3,000]	
		Marine mammal detection & mitigation		[2,000]	
		Corrosion R&D		[5,000]	
0602111N	3	AIR AND SURFACE LAUNCHED WEAPONS TECHNOLOGY			
0602114N	4	POWER PROJECTION APPLIED RESEARCH	76,612		76,612
0602121N	5	SHIP, SUBMARINE & LOGISTICS TECHNOLOGY			
0602122N	6	AIRCRAFT TECHNOLOGY			
0602123N	7	FORCE PROTECTION APPLIED RESEARCH	89,390	8,500	97,890
		Data fusion processor		[3,000]	
		Corrosion maintenance & airframe readiness technologies		[2,500]	
		Advanced power systems		[2,000]	
		Fiber reinforced polymer composites research		[1,000]	
0602131M	8	MARINE CORPS LANDING FORCE TECHNOLOGY	30,274		30,274
0602232N	9	COMMUNICATIONS, COMMAND AND CONTROL, INTELLIGENCE, SURVEILLANCE			
0602233N	10	HUMAN SYSTEMS TECHNOLOGY			
0602234N	11	MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY			
0602235N	12	COMMON PICTURE APPLIED RESEARCH	75,594		75,594
0602236N	13	WARFIGHTER SUSTAINMENT APPLIED RESEARCH	68,852	4,000	72,852
		Ceramic & carbon-based materials		[2,000]	
		Integrated bioenvironmental hazards research program		[2,000]	
0602270N	14	ELECTRONIC WARFARE TECHNOLOGY			

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0602271N	15	RF SYSTEMS APPLIED RESEARCH	56,263	12,500	68,763
		Wide bandgap silicon carbide semiconductor research initiative		[2,500]	
		High brightness electron sources		[3,000]	
		Silicon carbide research & technology		[2,500]	
		Advanced semiconductor research		[1,500]	
		Nanoscience & technology		[3,000]	
0602314N	16	UNDERSEA WARFARE SURVEILLANCE TECHNOLOGY			
0602315N	17	MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE			
0602435N	18	OCEAN WARFIGHTING ENVIRONMENT APPLIED RESEARCH	55,180		55,180
0602633N	19	UNDERSEA WARFARE WEAPONRY TECHNOLOGY			
0602747N	20	UNDERSEA WARFARE APPLIED RESEARCH	71,294	3,500	74,794
		Low acoustic signature motors & propulsors		[3,500]	
0602782N	21	MINE AND EXPEDITIONARY WARFARE APPLIED RESEARCH	56,813		56,813
0602805N	22	DUAL USE SCIENCE AND TECHNOLOGY PROGRAM			
0603114N	23	POWER PROJECTION ADVANCED TECHNOLOGY	78,247		78,247
0603123N	24	FORCE PROTECTION ADVANCED TECHNOLOGY	57,604	26,000	83,604
		Ship service fuel cell		[2,000]	
		Technology, unmanned surface vehicle (Transfer from DERF)		[24,000]	
0603217N	25	AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY			
0603235N	26	COMMON PICTURE ADVANCED TECHNOLOGY	37,753	7,000	44,753
		Command center visualization (Transfer from DERF)		[7,000]	
0603236N	27	WARFIGHTER SUSTAINMENT ADVANCED TECHNOLOGY	82,542	2,500	85,042
		Corrosion-resistant glass technologies		[2,500]	
0603238N	28	PRECISION STRIKE AND AIR DEFENSE TECHNOLOGY			
0603270N	29	ADVANCED ELECTRONIC WARFARE TECHNOLOGY			

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603271N	30	RF SYSTEMS ADVANCED TECHNOLOGY	65,098	2,000	67,098
		Multifunction antenna systems		[2,000]	
0603508N	31	SURFACE SHIP & SUBMARINE HM&E ADVANCED TECHNOLOGY		6,000	6,000
		Laser welding & cutting demonstration		[6,000]	
0603640M	32	MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)	51,606		51,606
0603706N	33	MEDICAL DEVELOPMENT			
0603707N	34	MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV			
0603712N	35	ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY		4,000	4,000
		National Surface Treatment Center		[4,000]	
0603727N	36	NAVY TECHNICAL INFORMATION PRESENTATION SYSTEM	97,872		97,872
0603729N	37	WARFIGHTER PROTECTION ADVANCED TECHNOLOGY	19,040		19,040
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
		Mine countermeasures		[3,000]	
0603792N	41	ADVANCED TECHNOLOGY TRANSITION			
0603794N	42	C3 ADVANCED TECHNOLOGY			
0603207N	43	AIR/OCEAN TACTICAL APPLICATIONS	32,549		32,549
0603216N	44	AVIATION SURVIVABILITY	7,486	4,000	11,486
		Aircrew modular helmet		[4,000]	
0603237N	45	DEPLOYABLE JOINT COMMAND AND CONTROL	39,772	7,500	47,272
		Fully fund DJCC centers (Transfer from DERF)		[7,500]	
0603254N	46	ASW SYSTEMS DEVELOPMENT	13,207		13,207
0603261N	47	TACTICAL AIRBORNE RECONNAISSANCE	1,922		1,922
0603382N	48	ADVANCED COMBAT SYSTEMS TECHNOLOGY	3,350		3,350

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603502N	49	SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	155,016		155,016
0603506N	50	SURFACE SHIP TORPEDO DEFENSE	3,244		3,244
0603512N	51	CARRIER SYSTEMS DEVELOPMENT	88,913		88,913
0603513N	52	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	243,111	10,000	253,111
		Electric start for gas turbine engines		[5,000]	
		COTS-style airbag technology for surface torpedo launch		[5,000]	
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	5,900	113,289
		Electromechanical actuator development		[1,900]	
		Electric motor brush technology		[4,000]	
0603562N	59	SUBMARINE TACTICAL WARFARE SYSTEMS	11,601		11,601
0603563N	60	SHIP CONCEPT ADVANCED DESIGN	5,820		5,820
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		40,464
0603609N	66	CONVENTIONAL MUNITIONS	22,445	-4,000	18,445
		Reduce unexplained warhead development		[-4,000]	
0603611M	67	MARINE CORPS ASSAULT VEHICLES	272,092		272,092
0603612M	68	MARINE CORPS MINE/COUNTERMEASURES SYSTEMS - ADV DEV	497		497

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603635M	69	MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	27,777	2,800	30,577
		Lightweight 155mm howitzer testing		[2,800]	
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	5,000	10,060
		Navy fuel cell technology program		[5,000]	
0603725N	75	FACILITIES IMPROVEMENT	2,124	2,500	4,624
		Continue ongoing demonstration of renewable energy use		[2,500]	
0603734N	76	CHALK CORAL	50,704	16,400	67,104
		Classified program (Transfer from DERF)		[5,000]	
		Classified program (Transfer from DERF)		[11,400]	
0603739N	77	NAVY LOGISTIC PRODUCTIVITY	13,023		13,023
0603746N	78	RETRACT MAPLE	212,506	64,000	276,506
		Classified program (Transfer from DERF)		[64,000]	
0603748N	79	LINK PLUMERIA	82,909		82,909
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		108,693
0603800N	86	JOINT STRIKE FIGHTER (JSF) - DEM/VAL			
0603851M	87	NONLETHAL WEAPONS - DEM/VAL	24,082	2,000	26,082
		Urban operations environmental research		[2,000]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
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			
0604707N	92	SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINEERING SUPPORT	31,623		31,623
	92a	Dem/val Test and Evaluation transfer		-15,000	-15,000
0603662N	93	FOREIGN COUNTER-INTELLEGENCE (FCI	[ ]	[ ]	[ ]
0603787N	94	SPECIAL PROCESSES	[ ]	[ ]	[ ]
0603831N	95	CLASSIFIED PROGRAMS	[ ]	[ ]	[ ]
0604212N	96	OTHER HELO DEVELOPMENT	31,123	1,500	32,623
		VH-3D/VH-60D comm upgrade (Transfer from DERF)		[1,500]	
0604214N	97	AV-8B AIRCRAFT - ENG DEV	18,565		18,565
0604215N	98	STANDARDS DEVELOPMENT	37,757		37,757
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	-12,000	69,475
		Reduce FORCEnet effort that duplicates other R&D activities		[-12,000]	
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		13,929
0604262N	107	V-22A	420,109		420,109
0604264N	108	AIR CREW SYSTEMS DEVELOPMENT	6,695		6,695
0604270N	109	EW DEVELOPMENT	74,742		74,742
0604280N	110	JOINT TACTICAL RADIO SYSTEM - NAVY (JTRS-NAVY)	20,373		20,373

Title II-RDT and E
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Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0604300N	111	SC-21 TOTAL SHIP SYSTEM ENGINEERING	717,397	3,000	720,397
		Power node control center (PNCC)		[3,000]	
0604307N	112	SURFACE COMBATANT COMBAT SYSTEM ENGINEERING	300,748	5,000	305,748
		DDG optimized manning initiative		[5,000]	
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	5,000	21,288
		Advanced optical correlator		[5,000]	
0604373N	117	AIRBORNE MCM	67,240		67,240
0604503N	118	SSN-688 AND TRIDENT MODERNIZATION	98,516		98,516
0604504N	119	AIR CONTROL	4,951		4,951
0604507N	120	ENHANCED MODULAR SIGNAL PROCESSOR	513		513
0604512N	121	SHIPBOARD AVIATION SYSTEMS	24,619		24,619
0604518N	122	COMBAT INFORMATION CENTER CONVERSION			
0604524N	123	SUBMARINE COMBAT SYSTEM			
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	20,000	33,975
		Upgrade combat control software to commercial architecture		[20,000]	
0604567N	127	SHIP CONTRACT DESIGN/LIVE FIRE T&E	184,545	8,100	192,645
		Unexplained increases in manpower & training studies		[-1,900]	
		LHA[R] -- Transfer from LHD-1 AP (SCN 15)		[10,000]	
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

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0604610N	131	LIGHTWEIGHT TORPEDO DEVELOPMENT	7,769	5,500	13,269
		Align lightweight & heavyweight torpedo baselines for comonality		[5,500]	
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	5,000	19,070
		Cooperative Outboard logistics update (COBLU) digital upgrade		[5,000]	
0604727N	137	JOINT STANDOFF WEAPON SYSTEMS	16,652		16,652
0604755N	138	SHIP SELF DEFENSE (DETECT CONTROL)	61,966	5,000	66,966
		Continue SEARAM ordnance alteration development		[5,000]	
0604756N	139	SHIP SELF DEFENSE (ENGAGE: HARD KILL)	19,528		19,528
0604757N	140	SHIP SELF DEFENSE (ENGAGE: SOFT KILL/EW)	28,064	11,845	39,909
		AIEWS cancellation - shift to EW improvement		[-25,855]	
		Shipboard electronic warfare improvement		[27,500]	
		NULKA decoy improvements		[9,200]	
		Radar tiles for reduced surface ship signatures		[1,000]	
0604771N	141	MEDICAL DEVELOPMENT	7,154	925	8,079
		Security equipment for medical labs (Transfer from DERF)		[475]	
		Site improvement for medical labs (Transfer from DERF)		[450]	
0604777N	142	NAVIGATION/ID SYSTEM	46,618		46,618
0604784N	143	DISTRIBUTED SURVEILLANCE SYSTEM	35,861		35,861
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

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0605013N	147	INFORMATION TECHNOLOGY DEVELOPMENT	43,213	7,000	50,213
		Human resource enterprise strategy		[7,000]	
0605014N	148	DEFENSE INTEGRATED MILITARY HUMAN RESOURCES SYSTEM (DIMHRS)	51,297		51,297
0605015N	149	JOINT COUNTER-INTELLIGENCE 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
	151a	EMD Test and Evaluation transfer		-32,000	-32,000
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	64,000	106,453
		Transfer from acquisition programs		[64,000]	
0605152N	155	STUDIES AND ANALYSIS SUPPORT - NAVY	4,071		4,071
0605154N	156	CENTER FOR NAVAL ANALYSES	45,435	-5,000	40,435
		Navy reports, studies, & analyses		[-5,000]	
0605155N	157	FLEET TACTICAL DEVELOPMENT	2,771		2,771
0605502N	158	SMALL BUSINESS INNOVATIVE RESEARCH			
0605804N	159	TECHNICAL INFORMATION SERVICES	929		929
0605853N	160	MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	50,787	2,000	52,787
		Combating terrorism wargaming & research		[2,000]	
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

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Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0605867N	168	SEW SURVEILLANCE/RECONNAISSANCE SUPPORT	12,120		12,120
0605873M	169	MARINE CORPS PROGRAM WIDE SUPPORT	12,208		12,208
0305885N	170	TACTICAL CRYPTOLOGIC ACTIVITIES			
0909998N	171	PROBLEM DISBURSEMENTS			
0909999N	172	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS			
0603660N	173	ADVANCED DEVELOPMENT PROJECTS	[ ]	[ ]	[ ]
0603661N	174	RETRACT VIOLET	[ ]	[ ]	[ ]
0604805N	175	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE			
0101221N	176	STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	40,278	69,900	110,178
		Maneuvering reentry vehicle demonstration (Transfer from DERF)		[30,000]	
		Solid rocket motor static test fire demonstrations (Transfer from DERF)		[7,500]	
		Guidance applications program (Transfer from DERF)		[14,400]	
		Radiation hardening program (Transfer from DERF)		[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	15,000	219,466
		F414 engine durability improvements		[15,000]	
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	5,000	99,265
		Precision terrain aided navigation		[5,000]	
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		31,421

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Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0204575N	187	ELECTRONIC WARFARE (EW) READINESS SUPPORT	6,731	31,000	37,731
		Virtual environment for warfighter (VIEW)		[2,000]	
		Retract Barley (Transfer from DERF)		[20,000]	
		Information warfare system (Transfer from DERF)		[9,000]	
0205601N	188	HARM IMPROVEMENT	60,758		60,758
0205604N	189	TACTICAL DATA LINKS	42,667		42,667
0205620N	190	SURFACE ASW COMBAT SYSTEM INTEGRATION	24,424		24,424
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			
0205675N	195	OPERATIONAL NUCLEAR POWER SYSTEMS	56,804		56,804
0206313M	196	MARINE CORPS COMMUNICATIONS SYSTEMS	174,664	12,800	187,464
		Technical control & analysis center (TCAC) (Transfer from DERF)		[2,500]	
		MANPACK secondary imagery dissem sys (SIDS) (Transfer from DERF)		[300]	
		Team portable collection system (TPCS) (Transfer from DERF)		[3,400]	
		I-SURSS (Transfer from DERF)		[2,500]	
		Radio reconnaissance equipment program (RREP) (Transfer from DERF)		[300]	
		COTS hardware / software for TENCAP (Transfer from DERF)		[1,500]	
		Tactical exploitation group (TEG) (Transfer from DERF)		[1,000]	
		ISR spares & software updates (Transfer from DERF)		[1,200]	
		Tactical photography equipment (Transfer from DERF)		[100]	
0206623M	197	MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	36,004	1,900	37,904
		Target location designation & hand-off system (TLDHS)		[1,900]	
0206624M	198	MARINE CORPS COMBAT SERVICES SUPPORT	21,041		21,041
0207161N	199	TACTICAL AIM MISSILES	1,957		1,957

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Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0207163N	200	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	8,124		8,124
0301303N	201	MARITIME INTELLIGENCE	[ ]	[ ]	[ ]
0301303N	202	COLLECTION MANAGEMENT	[ ]	[ ]	[ ]
0303109N	203	TECHNICAL RECONNAISSANCE AND SURVEILLANCE	[ ]	[ ]	[ ]
0303109N	204	SATELLITE COMMUNICATIONS (SPACE)	115,903		115,903
0303140N	205	INFORMATION SYSTEMS SECURITY PROGRAM	18,436		18,436
0304111N	206	SPECIAL ACTIVITIES	[ ]	[ ]	[ ]
0305160N	207	NAVY METEOROLOGICAL AND OCEAN SENSORS-SPACE (METOC)	19,801		19,801
0305188N	208	JOINT C4ISR BATTLE CENTER (JBC)	21,970	5,000	26,970
		Strategic interoperability initiative		[5,000]	
0305192N	209	JOINT MILITARY INTELLIGENCE PROGRAMS	6,709		6,709
0305204N	210	TACTICAL UNMANNED AERIAL VEHICLES	206,359	45,300	251,659
		Integrate Global Hawk into tactical control system (TCS)		[10,000]	
		Develop USMC Shadow (Adv) (Transfer from DERF)		[7,000]	
		ISR (BAMS UAV) / classified (Transfer from DERF)		[28,300]	
0305206N	211	AIRBORNE RECONNAISSANCE SYSTEMS	5,469		5,469
0305207N	212	MANNED RECONNAISSANCE SYSTEMS	11,166		11,166
0305208N	213	DISTRIBUTED COMMON GROUND SYSTEMS	4,482	3,000	7,482
		Joint service imagery processing system development (Transfer from DERF)		[3,000]	
0305927N	214	NAVAL SPACE SURVEILLANCE	9,548		9,548
0308601N	215	MODELING AND SIMULATION SUPPORT	7,783	4,700	12,483
		Modeling & simulation initiatives for interoperability		[4,700]	
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	4,000	13,943
		Maritime technology research		[4,000]	

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Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
	999	CLASSIFIED PROGRAMS	1,178,723		1,178,723
	218a	Civilian personnel accounting adjustment		-5,565	-5,565
	218b	Financial management savings		-25,600	-25,600
	218c	Contract services savings		-6,900	-6,900
	218d	Operational systems development T&E transfer		-17,000	-17,000
		TOTAL NAVY	**12,501,630**	**427,505**	**12,929,135**

Robotic countermine technology

The budget request included $393.6 million in PE 61153N for general research addressing naval applications. The committee recommends an additional $3.0 million for research specific to autonomous robotic countermine technology. This technology would support the development of effective countermine capabilities in very shallow water and in surf zones.

Marine mammal detection and mitigation

The budget request included $393.6 million in PE 61153N for basic research to support naval applications. The committee recommends an additional $2.0 million for basic research on a system that would detect the presence of marine mammals and take mitigating action to allow Navy sonar training in the open sea and littorals to continue. This research is critical in light of recent Navy studies that have indicated that active sonar training may have a negative effect on marine mammals.

Corrosion research

The committee notes the huge expense incurred by the Department of Defense annually to pay repair and maintenance costs due to the effects of corrosion on platforms, weapons systems, facilities, and other infrastructure. New research in corrosion prevention technologies, including new materials, paints, coatings, sensors for inspection and monitoring, and manufacturing technologies can help to reduce these costs for future systems and develop technologies that can be quickly transitioned into operational systems. Fundamental research on corrosion processes and corrosion mitigation technologies will also serve in developing technologies for use in the commercial sector as well as in training the next generation of corrosion engineers.

In order to support these efforts, and as part of the larger corrosion initiative described in Title III, the committee recommends an increase of $23.5 million across the Department of Defense in corrosion research. This includes an increase of $5.0 million to PE 61153N for fundamental research on corrosion processes and materials technologies to reduce corrosion; $2.5 million in PE 63236N for the development of glass technologies to improve the corrosion resistance of metals; $2.5 million in PE62123N for research on coating technologies and repair techniques to address corrosion maintenance and airframe readiness issues; and an additional $4.0 million in PE 63712N for the development of new technologies and coordination of information on surface coatings and their applications to naval systems.

The committee also recommends an additional $9.5 million in Army and Air Force corrosion and coating research as described elsewhere in the report.

Data fusion

The budget request included $89.3 million in PE 62123N for Force Protection Applied Research. The committee recommends an increase of $3.0 million for the development of a dedicated data fusion processor and its algorithms, which will lead to the ability to fuse hyperspectral and panchromatic data.

Advanced power systems

The budget request included $89.4 million in PE 62123N for applied research in force protection technologies. The committee recommends an additional $2.0 million for research on materials, including power semiconductors and superconductors, and control systems to support the development of the next generation of all-electric power systems for the Navy.

Polymer composites research

The budget request included $89.4 million in PE 62123N for applied research in force protection technologies. The committee recommends an additional $1.0 million for research on the design and manufacturing of fiber reinforced polymer composites for naval applications.

Bioenvironmental hazards research

The budget request included $68.9 million in PE 63236N for Warfighter Sustainment Applied Research. The committee recommends an increase of $2.0 million for bioenvironmental hazards research, including the development of biosensors and biomarkers.

Navy materials research

The budget request included $68.9 million in PE 62236N for applied research on warfighter sustainment technologies. The committee recommends an increase of $2.0 million for applied research on ceramic and carbon-based composite materials for use in strategic missiles and hypersonic vehicles.

Electronics research for naval applications

The budget request included $56.3 million in PE 62271N for applied research in radio frequency systems. The committee recommends an increase of $12.5 million for applied research in materials and electronics that will enable future naval technologies. Of this amount, $2.5 million would be used for research on wide bandgap semiconductor materials and devices for application in advanced power electronics, communications, and sensor systems; $3.0 million for research on high brightness electron sources for vacuum electronics applications; $2.5 million for silicon carbide materials and device research; $1.5 million for advanced semiconductor materials research for high power amplifiers; and $3.0 million for the development of nanoscale magneto-electric structures and devices for data storage and sensing applications.

Low acoustic signature motors and propulsors

The budget request included $71.3 million in PE 62747N for applied research to support the development of undersea warfare technologies. The committee recommends an increase of $3.5 million for research on high power battery systems, motors, propulsors, and power converters for torpedoes.

Ship service fuel cell technology

The budget request included $57.6 million in PE 63123N for Force Protection Advanced Technology. The committee supports the development of energy-efficient power plants for future use on

naval vessels to reduce costs. The committee recommends an increase of $2.0 million for the development of a ship service fuel cell power plant to be deployed on future surface combatants.

Unmanned surface vehicles

The budget request for the Defense Emergency Response Fund, Counter Terrorism/Force Protection activity included $36.0 million for unmanned surface vessels (USVs). These funds would be used to convert three existing rigid hull inflatable boats (RHIBs) into USVs. The Navy believes that such vehicles could be applied to force protection missions and intelligence, surveillance and reconnaissance (ISR) activities. The Navy also believes that such USVs could be outfitted with weapons to provide security functions in naval harbor and port facilities. Although the committee believes that these potential applications are worth exploring, it is not clear why the Navy needs to convert three RHIBs to USVs before developing the concepts of operations and employment and before conducting a more limited demonstration with a couple of such vessels. Therefore, the committee recommends a decrease of $12.0 million in this activity. The committee recommends that the remaining $24.0 million be transferred to PE 63123N, as requested by the Department.

Multifunction antenna systems

The budget request included $65.1 million in PE 63271N for advanced technologies for radio frequency systems. The committee recommends an additional $2.0 million for modeling and hardware to support integrated multifunction antenna technologies for current and future naval platforms.

Laser welding and cutting for ship manufacturing

The budget request included no funds in PE 63508N for demonstration and validation of laser welding and cutting to reduce the cost of building ships. A laser cutting technique was proven through the maritime technology program as a viable means of reducing the costs of preparing materials for naval ship construction welding. The Navy is in the process of taking the next step in applying laser cutting techniques to challenging shapes for components for naval ships.

Improvements in laser welding and cutting technology have the potential to reduce the cost of manufacturing the smaller ship components that require more precision than larger sheets of steel or aluminum. The current process that cuts small components out of I-beams creates an amount of useless scrap and is not precise. More effective use of laser welding and cutting has the potential to reduce the scrap and cut precise parts by cutting components from sheets of metal instead of I-beams. Therefore, the committee recommends an increase of $6.0 million in PE 63508N to continue the development and testing of laser welding and cutting to reduce the cost of ship construction.

Ocean modeling research for mine and expeditionary warfare

The budget request included $43.7 million in PE 63782N for various mine and expeditionary warfare advanced technology efforts, including ocean modeling and simulation to provide concept-based assessments for organic mine countermeasures. The committee recommends an increase of $3.0 million to expand the network of sensors and continue ocean modeling research. The Navy established a limited network of sensors for ocean modeling and simulation to collect key information including current and eddy flow, bottom contour and content, thermal layer behavior, and cold water phenomena. The Navy needs additional sensors to provide effective undersea and expeditionary warfare environmental information in the form of situational awareness predictions for regional commanders in chief (CINCs) and tactical commanders.

Aviation survivability

The budget request included $7.5 million in PE 63216N for aviation survivability but included no funding for developing the Navy's integrated common display helmet concept. This helmet concept would consist of a common inner helmet shell to which mission-specific equipment would attach, making it more efficient for the Navy to field newer technologies. Such a common helmet approach could help reduce stress on aircrews and make it easier for the Navy to field newer technologies more efficiently.

The committee recommends an increase of $4.0 million in PE 63216N for the development and flight evaluation of the Navy common display helmet, a total authorization of $11.5 million for aviation survivability. The committee also encourages the Navy to take Air Force requirements into account in this development to allow for joint service applications.

Gas turbine engine electric start to reduce ship maintenance

The budget request included no funds in PE 63513N for demonstration and validation of an electric start system for gas turbine engines on Navy ships. An electric start capability has the potential to reduce maintenance costs and provide a more flexible emergency start capability for gas turbine generators and propulsion engines. Therefore, the committee recommends an increase of $5.0 million in PE 63513N for the development and test of electric start for gas turbine generators and propulsion engines on Navy ships.

Surface vessel torpedo tubes

The budget request included no funds in PE 63513N for developing better torpedo tube technology for surface ships. The Navy has been managing a Small Business Innovative Research (SBIR) project to develop a modular, gas generator launch canister. This project is employing commercial, off-the-shelf (COTS), automobile-style air bags for launch energy. Employing such long shelf life COTS components could greatly reduce the maintenance burden of keeping air flask-based torpedo tubes in operational condition. Therefore, the committee recommends an increase of $5.0 million

in PE 63513N for the development of an improved launch capability for surface vessel torpedo tubes.

Electromechanical actuators

The budget request included no funds for continuing a Small Business Innovation Research (SBIR) initiative to replace maintenance-intensive, hydraulic valve actuators with electromechanical actuators. The SBIR program demonstrated the potential for electromechanical actuators to increase reliability, decrease maintenance, and reduce total operating costs for ships and submarines. Therefore, the committee recommends an increase of $1.9 million in PE 63561N to continue the SBIR initiative to replace hydraulic actuators with electromechanical actuators.

Reducing maintenance by improving brushes on electric motors

The budget request included $1.7 million in PE 63561N to install a set of advanced metal fiber brushes on a ship service motor generator set in a submarine. Metal fiber brushes have demonstrated, through a Navy-sponsored, phase II Small Business Innovative Research (SBIR) program, the capability to significantly enhance performance and reduce maintenance costs on Navy motors and generators. The systematic approach for certifying the technology requires certification for varying motor and generator capacities. Therefore, the committee recommends an increase of $4.0 million to test and certify advanced metal fiber brush technology to reduce maintenance and improve reliability of motors and generators.

Reducing unspecified development

The budget request included $17.7 million in PE 63609N for conventional fuze and warhead package improvements. Of this amount, $7.0 million is included to initiate unspecified conventional munitions advanced warhead developments. In addition to the efforts included in PE 63609N, conventional munitions warhead development is included in other procurement and research and development efforts for specific weapons authorized elsewhere in this bill.

Warhead improvements to fielded systems based on evolving threats and correction of reported problem areas are strongly supported by the committee. However, the committee is not inclined to support what appears to be funding that is duplicated elsewhere in the budget. Therefore, the committee recommends a decrease of $4.0 million in PE 63609N for unspecified warhead development.

Lightweight 155mm howitzer

The budget request included $11.6 million in PE 63635M for developing and testing the lightweight 155mm howitzer. The Marine Corps is developing this system on its own behalf and on behalf of the Army to provide greater firepower and mobility for its artillery forces.

The Marine Corps plans to begin low-rate initial production in fiscal year 2003, leading to operational testing of production guns in fiscal year 2004. The committee believes that the potential improvements promised by this howitzer program are important and

that the Marine Corps should conduct developmental testing to ensure a smooth transition to a successful operational evaluation. Such testing should include additional firings and other testing to demonstrate that endurance and other maintainability goals will be achieved. Therefore, the committee recommends an increase of $2.8 million in PE 63635M to conduct additional testing within the lightweight 155mm howitzer program.

Navy fuel cell technology demonstration

The budget request included $5.1 million in PE 63724N for the Navy Energy Program. The committee recommends an increase of $5.0 million for the development of proton exchange membrane (PEM) fuel cells. PEM fuel cell systems are highly efficient, low-temperature fuel cells that can operate on traditional hydrocarbon fuels using an electrochemical process that produces near-zero emissions. A residential PEM fuel cell system typically provides 5 kW of base load power, with a 10 kW peak load and a 15 kW surge, which is sufficient to run the electrical systems of a small building. These attributes make this technology well suited for placement at military sites and for serving remote or inaccessible locations.

The committee believes that demonstration of these fuel cell systems in stationary applications will also help to advance the state of technology development for transportation applications, particularly on vehicles that can run on diesel fuel for military applications.

Facilities improvement

The budget request included $2.1 million in PE 63725N for aircrew systems development but included no funding for developing renewable energy sources for major Navy installations. This program provides the Navy with new civil engineering capabilities that are required to overcome specific performance limitations of naval shore facilities while reducing the cost of sustaining the naval shore infrastructure. The program focuses available resources on satisfying facility requirements where: (1) the Navy is a major stakeholder; (2) there are no tested, validated commercial, off-the-shelf (COTS) solutions available; and (3) a timely solution will not emerge without a Navy-sponsored demonstration and validation. The committee understands that the Office of Naval Research has entered into a partnership to demonstrate solar energy as a source of electric power and conduct planning and design for research and demonstration of renewable energy, hydrogen, and fuel cells. From this partnership, the Navy hopes to derive recurring energy cost savings and to have a more reliable source of energy. Therefore, the committee recommends an increase of $2.5 million in PE 63725N to develop renewable energy sources for major Navy installations.

Urban operations environment research

The budget request included $24.1 million in PE 63851M for demonstration and validation of non-lethal weapons. The committee recommends an additional $2.0 million for demonstration and validation of environmental remediation capabilities to mini-

mize the environmental effects of the use of non-lethal weapons systems.

Duplication of research and development efforts

The budget request included $81.5 million in PE 64231N for upgrades to Navy command, control, communications, computers and intelligence (C4I) systems and processes. Included within that amount was $20.0 million to start a new program, Forcenet, to provide the architecture and building blocks to connect Navy systems electronically. The budget justification material indicates that the Navy intends for the program to attempt to create a "highly adaptive, human-centric, comprehensive system that operates from seabed to space, from sea to land." The new program appears to be overly ambitious in the ramp-up of funding for such a broadly described effort. It also appears to be premature based on the limited deployment of a Navy and Marine Corps intranet, the cooperative engagement concept programs, and the research and development still required for the seven projects requested in this program element and the naval fires network. Therefore, the committee recommends a decrease of $12.0 million in PE 64231N for the Forcenet program initiation.

Power node control centers

The budget request included no funds for the continued development of power node control centers (PNCC). PNCCs integrate shipboard power functions, including conversion, switching, distribution, and protection. The technology is applicable to all ship classes and will be a building block of the Navy transition to an all-electric ship. Therefore, the committee recommends an increase of $3.0 million in PE 64300N to install, test, and evaluate PNCCs.

Initiative to reduce destroyer life cycle costs

The budget request included no funds in PE 64307N for development, demonstration, and validation of new initiatives to reduce the manning on Arleigh Burke (DDG–51) class destroyers. Previous initiatives under the 1995 smart ship project fell short of expectations for reducing manning, but resulted in efficiencies which reduced the crews' workload.

The committee believes that the Navy could take steps to reduce the average crew size of 350 personnel by taking advantage of research and development activities already underway as part of the future destroyer program. Although reduction of crew size is a worthy goal, the development and backfit costs could negate the potential savings. For this reason, the Navy should carefully evaluate technologies for risk of development and payback in crew reduction prior to development. Therefore, the committee recommends an increase of $5.0 million in PE 64307N for the development and test of technologies to reduce destroyer life cycle costs by reducing assigned personnel.

Standard missile advanced optical correlator

The budget request included no funds for the standard missile advanced optical correlator. Optical correlation enhances the ability to recognize and track targets. This enhanced ability translates

into significantly better performance of ship self-defense systems. Therefore, the committee recommends an increase of $5.0 million in PE 64366N for continued development of an optical correlator to improve the standard missile performance.

Submarine combat systems modernization

The budget request included $14.0 million in PE 64562N to develop and integrate software upgrades to integrate improved weapons capabilities within the various submarine combat control systems (CCSs). This program also develops improvements to submarine hardware which has become increasingly difficult and costly to maintain.

The thrust of the CCS improvement program is the fleet introduction of an improved CCS system within which the Navy will converge multiple submarine combat system developments into a single effort to minimize submarine life cycle costs. Current plans include converging CCS systems for the SSN–688-class, the SSN–688I-class, and the SSBN–726-class.

Additional funding would allow the Navy to: (1) implement an engineering change proposal to incorporate into the CCS MK2 software architecture the capability to fire Tactical Tomahawk missiles; and (2) continue converting the CCS MK2 software architecture to a fully commercial design.

Therefore, the committee recommends an increase of $20.0 million in PE 64562N to achieve commonality in combat control systems sooner among all the various submarine classes and configurations within those classes.

Elimination of redundant studies

The budget request included $2.9 million in PE 64567N to commence manpower and training studies for an unspecified future ship. The Congress has authorized and appropriated significant funding in previous Navy budget requests for the DD–21 program, the CVN program, the new attack submarine program, the military sealift program, and the smart ship program. All of these programs included components that were supposed to investigate, test and install methods for reducing manpower and improving training on Navy ships. Interviews with program managers have revealed that the Navy does not have an adequate process by which the information gathered and the "lessons learned" from these efforts is made available to the managers of other ship programs. Although the committee has fully supported other manpower reduction and training improvement efforts included in this budget request, the unspecified effort included in this program element appears redundant to previous and ongoing efforts. Therefore, the committee recommends a decrease of $1.9 million in PE 64567N for unspecified manpower and training studies and directs the Secretary of the Navy to ensure that the Navy makes information on manpower reduction and improvements in training generated within specific programs available to other program offices with similar requirements.

Lightweight torpedo development

The budget request included $7.8 million in PE 64610N to design, integrate, and test the lightweight hybrid torpedo (MK–54 MOD 0). This torpedo would be comprised of hardware and software from the MK–46 torpedo, MK–50 torpedo, and MK–48 ADCAP torpedo. The Navy expects the lightweight hybrid torpedo to provide performance improvements in shallow water, littoral, and countermeasure-filled environments.

The committee believes that, with additional funding, the Navy could develop and test hardware and software design changes that would realign the lightweight and heavyweight torpedo baselines to achieve greater commonality. Such commonality could accelerate the process of implementing future block improvement changes and should reduce other operating and support costs. Therefore, the committee recommends an increase of $5.5 million in PE 64610N to achieve these objectives.

Outboard system improvements

The budget request included no funds in PE 64721N for development, demonstration, and validation of improvements to Outboard, the surface ship signals exploitation and information collection system. The cooperative Outboard logistics upgrade (COBLU) program was designed in 1995 using analog commercial, off-the-shelf-based (COTS-based) components. By developing digital enhancements, the Navy could take advantage of digital technology to permit Outboard to detect and exploit a wider range of signals. Therefore, the committee recommends an increase of $5.0 million in PE 64721N for the development, test, and rapid fielding of COBLU system digital enhancements.

SEARAM ship self-defense system

The budget request included no funds in PE 64755N for demonstration and validation of a ship self-defense system which would combine the capabilities of the close-in weapons system (CIWS) and the rolling airframe missile (RAM). On May 4, 2001, the Navy initiated an engineering change proposal (ECP) to upgrade the RAM-guided missile weapons system to a SEARAM configuration. The SEARAM configuration would combine the CIWS radar with an eleven-round RAM missile launching system. The SEARAM system would provide surface ships improved detection and kill capabilities against anti-ship missile threats. Therefore, the committee recommends an increase of $5.0 million in PE 64755N to continue the development and testing of the SEARAM ECP.

NULKA anti-ship missile decoy system

The budget request included $25.9 million for ship self-defense soft-kill systems development in PE 64757N, including $1.0 million to develop an improved capability to prevent loss of the technology through reverse engineering by developing anti-tamper capability for the NULKA payload.

The Navy has identified a series of development activities associated with the NULKA system that are required to understand and deal with emerging threats:

(1) an improved payload that would provide radio frequency coverage of more than one band of the spectrum to deal with anti-ship missiles;

(2) an expanded anti-tampering program effort;

(3) an improved guidance and propulsion system to allow more precise positioning of the decoy during operations;

(4) an effort to design an infrared payload to enable NULKA to deal with newer anti-ship missile homing technologies;

(5) an analysis of NULKA payload effectiveness when operating in a high electromagnetic interference environment against missile seekers employing low probability of intercept technologies; and

(6) systems engineering and software support for updating the NULKA launcher training, system evaluation and test facility.

The committee recommends an increase of $9.2 million for the NULKA development program to continue these efforts.

Radar absorbing tiles for ship self-defense

The budget request included no funds in PE 64757N for development, demonstration, and validation of applying radar-absorbing tiles to improve the self-defense capabilities of Navy ships. Radar-absorbing tiles could reduce the ships' detectability by radars, contributing to ship stealth and self-defense capability. Therefore, the committee recommends an increase of $1.0 million in PE 64757N for the development and test of radar-absorbing tiles for Navy ships.

Navy integrated human resources strategy

The budget request included $43.2 million in PE 65013N for information technology development. The committee recommends an additional $7.0 million to support development of architectures, processes, web-based tools, and the re-engineering of Navy legacy systems to improve information management within the Department of the Navy.

Navy studies and analyses

The budget request included $45.4 million in PE 65154N for the Center for Naval Analyses. The committee recommends a reduction of $5.0 million to this account. In addition, the committee notes that the Navy's science and technology budget was reduced with respect to the fiscal year 2002 budget request and appropriated levels. The committee recommends that the Navy place a higher priority on retaining a stable investment in science and technology than on studies and analyses programs.

Combating terrorism wargaming and research

The budget request included $50.8 million in PE 65853N for management, technical, and international support. The committee recommends an increase of $2.0 million to support the development of new wargaming techniques, research, and collaboration to support Navy activities in combating terrorism.

F/A–18E/F engine durability improvements

The budget request included no funds in PE 24136N for testing and validating improved components and advanced technologies in the F/A–18E/F engine, the F414. Such improvements in the F414 compressor and high-pressure turbine have the potential to increase engine durability and thrust. Increased durability would translate directly to operating and support savings. Increased thrust would improve current flying performance and provide an important hedge against future upgrades of the aircraft. Therefore, the committee recommends an increase of $15.0 million in PE 24136N to test core and high-pressure turbine improvements in the F414 engine.

Precision target aided navigation

The budget request included $94.3 million in PE 24229N for continued development of the Tomahawk weapons system but included no funding for developing an alterative guidance system called precision target aided navigation (PTAN). The Navy believes that the PTAN program could lead to a guidance capability that would be equal to the current system based on the global positioning system (GPS). Missiles using a PTAN-based approach would, however, not be vulnerable to an enemy who might be employing GPS jamming or spoofing defenses. The committee believes that further development of this PTAN capability would be a prudent hedge against such a possibility. Therefore, the committee recommends an increase of $5.0 million in PE 24229N to the PTAN development program.

Improving information provided to the warfighter

The budget request included $6.2 million in PE 24575N for development of information system technologies which directly support the mission planning for tactical commanders. The virtual integration environment for the warfighter uses commercial visualization and related information technologies interfaced with real-time databases to evaluate commercial information technology's integration with databases. Therefore, the committee recommends an increase of $2.0 million in PE 24575N for the virtual integration environment for the warfighter.

Marine Corps ground combat/supporting arms systems

The budget request included $36.0 million in PE 26623M for Marine Corps ground combat/supporting arms systems, including $14.6 million for the Marine Corps ground weaponry product improvement program (PIP). The target location designation and hand-off system (TLDHS) is a modular, man-portable equipment suite that will provide the ability to acquire targets in a wide range of weather conditions, day and night. The TLDHS should greatly improve the ability of Marine Corps operators to call for fire support from aviation, ground, and naval surface fire support assets. In fiscal year 2003, the Marine Corps expects to reach a fielding decision for the target hand-off system component of the TLDHS.

Although previous budgets for the ground weaponry PIP have included requests for the TLDHS program, the budget request for fiscal year 2003 included no funds for TLDHS. Additional funding in

fiscal year 2003 would permit the Marine Corps to undertake a number of important development tasks, including: (1) supporting additional development and testing of the naval surface fire support capability; and (2) incorporating additional close air support features. Therefore, the committee recommends an increase of $1.9 million in PE 26623M for the TLDHS, a total authorization of $37.9 million.

Interoperability support of the warfighter

The budget request included $3.3 million in PE 35188N for joint command, control, communications, computers, intelligence, and surveillance (C4ISR) projects for the joint battle center (JBC). The Navy established a project in fiscal year 2001 to improve interoperability through reducing total cost of ownership, using commercial innovations and services, and developing timely requirements relating to homeland security. The committee believes that the Navy should expand the initial project to support focused actions for the regional commanders in chief, including improving joint task force decision-making and rapidly applying new technology for interoperability. Therefore, the committee recommends an increase of $5.0 million for a strategic interoperability initiative that would allow the Navy to build upon the solid foundation of the work previously completed.

Unmanned Aerial Vehicle Tactical Control System

The budget request included $9.1 million for research and development of the Tactical Control System (TCS), which is being designed to receive, process and disseminate data from all current and future tactical and high-endurance Unmanned Aerial Vehicles (UAVs), such as Predator and Global Hawk. The TCS would also serve as a common command and control system for all UAVs.

The Navy is purchasing Global Hawk UAVs in fiscal year 2003 with the ultimate goal of integrating them into the TCS. The proposed fiscal year budget for TCS, however, does not fund such integration. Therefore, instead of using TCS to support the Global Hawks, the Navy now plans on using the existing, dedicated Global Hawk ground stations which are designed to work exclusively with Global Hawks.

The committee believes that integration of Global Hawk into the TCS should occur as soon as possible to ensure TCS commonality within the set of Navy UAVs and recommends that $10.0 million be added to PE 35204N for this purpose. Furthermore, the committee urges the Air Force to work with the Navy to support the Navy's TCS activities.

Modeling and simulation

The budget request included $7.8 million in PE 38601N for Navy modeling and simulation development activities. The Navy has been using modeling and simulation to provide important information to make smarter acquisition and program decisions, thereby reducing the research, development, test and evaluation costs for Navy programs. The Navy has found that they are able to eliminate a number of acquisition and program possibilities using com-

puter simulation based on validated models. Narrowing the range of possibilities has yielded proven cost savings.

The committee believes that the Navy could benefit from additional funding to expand these important activities. Therefore, the committee recommends an increase of $4.7 million in PE 38601N to continue enhancements to, and usage of, computer modeling and simulation in Navy research and development activities.

Maritime manufacturing technology

The budget request included $9.9 million in PE 78730N for maritime manufacturing technology. The committee recommends an additional $4.0 million for the development of advanced hardware, software, and engineering practices for new design and manufacturing technologies to support shipyard and industry needs.

Air Force

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
		RESEARCH, DEVELOPMENT, TEST & EVALUATION AIR FORCE			
0601102F	1	DEFENSE RESEARCH SCIENCES	219,144		219,144
0602102F	2	MATERIALS	75,272	14,500	89,772
		Metals affordability initiative		[3,000]	
		Free electron laser materials processing		[3,000]	
		Nanostructured protective coatings		[2,000]	
		Hybrid coatings for aircraft systems		[3,000]	
		Composite materials for UAVs		[2,500]	
		Closed cell foam material technology		[1,000]	
0602201F	3	AEROSPACE VEHICLE TECHNOLOGIES	78,789		78,789
0602202F	4	HUMAN EFFECTIVENESS APPLIED RESEARCH	66,000		66,000
0602203F	5	AEROSPACE PROPULSION	107,659	2,000	109,659
		Lithium ion batteries		[2,000]	
0602204F	6	AEROSPACE SENSORS	75,799	3,000	78,799
		Wireless ISR technology		[3,000]	
0602500F	7	MULTI-DISCIPLINARY SPACE TECHNOLOGY	53,592		53,592
		Space-based GMTI & AMTI capability (Transfer from DERF)		[43,000]	
		Space-based radar not S&T - Transfer to PE 63858F (RDAF 57)		[-43,000]	
0602601F	8	SPACE TECHNOLOGY	58,582	6,000	64,582
		Microsatellite cluster technology		[3,000]	
		Lightweight structures for space		[1,000]	
		Integrated control for autonomous space systems		[2,000]	
0602602F	9	CONVENTIONAL MUNITIONS	60,343		60,343
0602605F	10	DIRECTED ENERGY TECHNOLOGY	39,936		39,936

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0602702F	11	COMMAND CONTROL AND COMMUNICATIONS	70,951	8,000	78,951
		Information protection & authentication		[3,000]	
		Cyber security R&D		[5,000]	
0602805F	12	DUAL USE SCIENCE AND TECHNOLOGY PROGRAM	10,626		10,626
0603106F	13	LOGISTICS SYSTEMS TECHNOLOGY			
0603112F	14	ADVANCED MATERIALS FOR WEAPON SYSTEMS	21,138		21,138
0603202F	15	AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION			
0603203F	16	ADVANCED AEROSPACE SENSORS	50,589		50,589
0603205F	17	FLIGHT VEHICLE TECHNOLOGY			
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		85,650
0603227F	20	PERSONNEL, TRAINING AND SIMULATION TECHNOLOGY			
0603231F	21	CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	29,690	1,500	31,190
		Logistics technologies		[1,500]	
0603245F	22	FLIGHT VEHICLE TECHNOLOGY INTEGRATION		2,500	2,500
		Total atmospheric liquefaction system		[2,500]	
0603253F	23	ADVANCED SENSOR INTEGRATION			
0603270F	24	ELECTRONIC COMBAT TECHNOLOGY	23,350	4,000	27,350
		Test detect & avoid (DAA) technology for FAA approval		[4,000]	
0603302F	25	SPACE AND MISSILE ROCKET PROPULSION			
0603311F	26	BALLISTIC MISSILE TECHNOLOGY		4,900	4,900
		Improved guidance, navigation & controls (Transfer from DERF)		[4,900]	
0603333F	27	UNMANNED AIR VEHICLE DEV/DEMO	18,000		18,000
0603401F	28	ADVANCED SPACECRAFT TECHNOLOGY	42,315	10,000	52,315
		Thin film amorphous solar arrays		[10,000]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603410F	29	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS TECHNOLOGY			
0603436F	30	TRANSFORMATIONAL WIDEBAND MILSATCOM	195,000	-195,000	
		Engineering-level pre-acquisition effort premature		[-80,000]	
		Transfer to advanced wideband system (AWS) - PE 63845F (RDAF 52)		[-115,000]	
0603444F	31	MAUI SPACE SURVEILLANCE SYSTEM (MSSS)	6,472		6,472
0603500F	32	MULTI-DISCIPLINARY ADVANCED DEVELOPMENT SPACE TECHNOLOGY	50,538		50,538
0603601F	33	CONVENTIONAL WEAPONS TECHNOLOGY	38,001	7,000	45,001
		Low cost autonomous attack system (LOCAAS)		[7,000]	
0603605F	34	ADVANCED WEAPONS TECHNOLOGY	28,271		28,271
0603723F	35	ENVIRONMENTAL ENGINEERING TECHNOLOGY			
0603726F	36	AEROSPACE INFO TECH SYS INTEGRATION			
0603789F	37	C3I ADVANCED DEVELOPMENT	34,288		34,288
0603801F	38	SPECIAL PROGRAMS	97,300		97,300
0603876F	39	SPACE-BASED LASER			
0603260F	40	INTELLIGENCE ADVANCED DEVELOPMENT	4,545		4,545
0603319F	41	AIRBORNE LASER PROGRAM			
0603421F	42	NAVSTAR GLOBAL POSITIONING SYSTEM III	100,217		100,217
0603430F	43	ADVANCED EHF MILSATCOM (SPACE)	825,783	19,000	844,783
		Radiation hardening program (Transfer from DERF)		[19,000]	
0603432F	44	POLAR MILSATCOM (SPACE)	19,554		19,554
0603434F	45	NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL SATELLITE SYS (SPACE)	237,199		237,199
0603438F	46	SPACE CONTROL TECHNOLOGY	13,814		13,814
0603617F	47	COMMAND, CONTROL, AND COMMUNICATION APPLICATIONS			
0603742F	48	COMBAT IDENTIFICATION TECHNOLOGY	12,434		12,434

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603790F	49	NATO RESEARCH AND DEVELOPMENT	4,355		4,355
0603791F	50	INTERNATIONAL SPACE COOPERATIVE R&D	643		643
0603800F	51	JOINT STRIKE FIGHTER			
0603845F	52	ADVANCED WIDEBAND SYSTEM (AWS)	4,982	115,000	119,982
		Transfer from PE 63436F (RDAF 30) -- not S&T activity		[115,000]	
0603850F	53	INTEGRATED BROADCAST SERVICE (DEM/VAL)	19,870	19,200	39,070
		IBS smart pull technology (Transfer from DERF)		[6,600]	
		Fully fund IBS R&D shortfalls (Transfer from DERF)		[12,600]	
0603851F	54	INTERCONTINENTAL BALLISTIC MISSILE - DEM/VAL	63,025	7,500	70,525
		Solid rocket motor static test fire demonstrations (Transfer from DERF)		[7,500]	
0603854F	55	WIDEBAND GAPFILLER SYSTEM RDT&E (SPACE)	20,009		20,009
0603856F	56	AIR FORCE/NATIONAL PROGRAM COOPERATION (AFNPC)	8,829		8,829
0603858F	57	SPACE-BASED RADAR DEM/VAL	47,859	43,000	90,859
		Space-based radar not S&T - Transfer from PE 62500F (RDAF 7)		[43,000]	
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
	61a	Dem/val Test and Evaluation transfer		-9,000	-9,000
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)			
0604233F	67	SPECIALIZED UNDERGRADUATE PILOT TRAINING	1,909		1,909
0604239F	68	F-22 EMD	627,266		627,266

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0604240F	69	B-2 ADVANCED TECHNOLOGY BOMBER	225,327	33,000	258,327
		Transfer to B-2 procurement -- APAF 24		[-25,200]	
		LO maintenance improvements		[10,000]	
		Unexecutable programs		[-1,800]	
		B-2 radar frequency change (Transfer from DERF)		[50,000]	
0604251F	70	SPACE-BASED RADAR EMD			
0604270F	71	EW DEVELOPMENT	65,082	14,700	79,782
		Precision location & identification (PLAID)		[14,700]	
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	-100,000	714,927
		Restructured program with FY 07 first launch		[-100,000]	
0604442F	76	SPACE BASED INFRARED SYSTEM (SBIRS) LOW EMD			
0604479F	77	MILSTAR LDR/MDR SATELLITE COMMUNICATIONS (SPACE)	148,936		148,936
0604602F	78	ARMAMENT/ORDNANCE DEVELOPMENT	9,160		9,160
0604604F	79	SUBMUNITIONS	4,739		4,739
0604617F	80	AGILE COMBAT SUPPORT	6,318	8,500	14,818
		Deployable oxygen systems		[2,500]	
		Integrated medical information technology systems (IMITS)		[6,000]	
0604618F	81	JOINT DIRECT ATTACK MUNITION	16,594		16,594
0604703F	82	AEROMEDICAL/CHEMICAL DEFENSE SYSTEMS			
0604706F	83	LIFE SUPPORT SYSTEMS	925	6,500	7,425
		Fixed aircrew standardized seats (FASS)		[2,500]	
		Aircrew rescue signaling systems		[4,000]	
0604727F	84	JOINT STANDOFF WEAPONS SYSTEMS			

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0604731F	85	UNMANNED COMBAT AIR VEHICLE (UCAV)	40,000		40,000
0604735F	86	COMBAT TRAINING RANGES	13,524		13,524
0604740F	87	INTEGRATED COMMAND & CONTROL APPLICATIONS (IC2A)	226		226
0604750F	88	INTELLIGENCE EQUIPMENT	1,326		1,326
0604754F	89	TACTICAL DATA LINK INFRASTRUCTURE			
0604762F	90	COMMON LOW OBSERVABLES VERIFICATION SYSTEM (CLOVERS)	4,781	13,000	17,781
		Restructure EMD program to support FY 04 IOC		[13,000]	
0604779F	91	TACTICAL DATA LINK INTEROPERABILITY			
0604800F	92	JOINT STRIKE FIGHTER EMD	1,743,668		1,743,668
0604805F	93	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE			
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		19,871
0605306F	97	RANCH HAND II EPIDEMIOLOGY STUDY			
0207249F	98	PRECISION ATTACK SYSTEMS PROCUREMENT			
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
	102a	EMD Test and Evaluation transfer		-27,000	-27,000
0604256F	103	THREAT SIMULATOR DEVELOPMENT	30,351		30,351
0604759F	104	MAJOR T&E INVESTMENT	46,338	99,500	145,838
		Transfer from acquisition programs		[96,000]	
		Maglev upgrade program		[2,500]	
		Joint directed energy combat operations & employment		[1,000]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0605101F	105	RAND PROJECT AIR FORCE	25,462	-5,000	20,462
		Air Force reports, studies, & analyses		[-5,000]	
0605306F	106	RANCH HAND II EPIDEMIOLOGY STUDY	11,029		11,029
0605502F	107	SMALL BUSINESS INNOVATION RESEARCH			
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		16,237
0605864F	111	SPACE TEST PROGRAM (STP)	49,882		49,882
0804731F	112	GENERAL SKILL TRAINING	313		313
0909900F	113	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS			
0909980F	114	JUDGMENT FUND REIMBURSEMENT	20,000		20,000
1001004F	115	INTERNATIONAL ACTIVITIES	3,878		3,878
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			
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

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
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		37,008
0207217F	133a	PODDED RECONNAISSANCE SYSTEMS		13,600	13,600
		Upgrade theater airborne reconnaissance systems (TARS) pods		[13,600]	
0207247F	134	AF TENCAP	10,496	3,000	13,496
		GPS jammer detection & location (JLOC)		[3,000]	
0207248F	135	SPECIAL EVALUATION PROGRAM	110,080	3,200	113,280
		Classified program (Transfer from DERF)		[3,200]	
0207253F	136	COMPASS CALL	3,877		3,877
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	15,000	57,097
		Accelerate extended range JASSM (JASSM ER)		[15,000]	
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		230,218
0207433F	145	ADVANCED PROGRAM TECHNOLOGY	104,651	10,000	114,651
		Classified program (Transfer from DERF)		[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	238,000	429,089
		Accelerate MP-RTIP (Transfer from DERF)		[238,000]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0207581F	149	JOINT SURVEILLANCE AND TARGET ATTACK RADAR SYSTEM (JOINT STARS)	55,515		55,515
0207590F	150	SEEK EAGLE	16,972		16,972
0207591F	151	ADVANCED PROGRAM EVALUATION	220,088	17,000	237,088
		Classified program (Transfer from DERF)		[17,000]	
0207601F	152	USAF MODELING AND SIMULATION	21,895		21,895
0207605F	153	WARGAMING AND SIMULATION CENTERS	5,278		5,278
0207701F	154	FULL COMBAT MISSION TRAINING			
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			
0208060F	158	THEATER MISSILE DEFENSES			
0208160F	159	TECHNICAL EVALUATION SYSTEM	135,588	30,000	165,588
		Classified program (Transfer from DERF)		[30,000]	
0208161F	160	SPECIAL EVALUATION SYSTEM	41,518		41,518
0208889F	161	COUNTERDRUG USSOUTHCOM SUPPORT			
0301310F	162	NATIONAL AIR INTELLIGENCE CENTER	[ ]	[ ]	[ ]
030134F	163	COBRA BALL	[ ]	[ ]	[ ]
0301315F	164	MISSILE AND SPACE TECHNICAL COLLECTION	[ ]	[ ]	[ ]
0301324F	165	FOREST GREEN	[ ]	[ ]	[ ]
0301398F	166	MANAGEMENT HEADQUARTERS GDIP	[ ]	[-3,100]	[ ]
		Classified program		[-3,100]	
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)			
0303131F	170	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	2,423		2,423

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0303140F	171	INFORMATION SYSTEMS SECURITY PROGRAM	9,353	11,500	20,853
		Cyber security research		[7,500]	
		Accelerate toolsets development (Transfer from DERF)		[4,000]	
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	[ ]	[428,300]	[ ]
		Classified program		[405,000]	
		Defense Reconnaissance Support Activities (Space) (Transfer from DERF)		[23,300]	
0304311F	177	SELECTED ACTIVITIES	150,243	72,000	222,243
		Classified - special activities (Transfer from DERF)		[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 INTEGRATION	[ ]	[ ]	[ ]
0305144F	184	TITAN SPACE LAUNCH VEHICLES (SPACE)			
0305148F	185	AIR FORCE TACTICAL MEASUREMENT & SIGNATURE INTELLIGENCE (MASINT) SYSTEM	6,486	9,000	15,486
		ARGUS MASINT (Transfer from DERF)		[9,000]	
0305159F	186	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	42,076	122,000	164,076
		Classified program (Transfer from DERF)		[97,000]	
		Classified program (Transfer from DERF)		[25,000]	
0305160F	187	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	3,875		3,875

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
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	-30,000	294,098
		Cancel high-power option		[-40,000]	
		Add FY 03 launch		[10,000]	
0305172F	190	COMBINED ADVANCED APPLICATIONS	[ ]	[ ]	[ ]
0305182F	191	SPACELIFT RANGE SYSTEM (SPACE)	82,108	8,000	90,108
		Systems engineering / planning & scheduling / communications		[8,000]	
0305202F	192	DRAGON U-2 (JMIP)	17,442	13,500	30,942
		U-2 SIGINT sensor nonrecurring engineering (NRE) (Transfer from DERF)		[10,800]	
		U-2 SIGINT sensor demonstration unit (Transfer from DERF)		[2,700]	
0305205F	193	ENDURANCE UNMANNED AERIAL VEHICLES	309,743	45,000	354,743
		Predator B engineering & manufacturing development (Transfer from DERF)		[10,000]	
		Global Hawk defensive system (Transfer from DERF)		[30,000]	
		Global Hawk SIGINT (Transfer from DERF)		[5,000]	
0305206F	194	AIRBORNE RECONNAISSANCE SYSTEMS	66,810		66,810
0305207F	195	MANNED RECONNAISSANCE SYSTEMS			
0305208F	196	DISTRIBUTED COMMON GROUND SYSTEMS	20,708	26,200	46,908
		Commerical imagery upgrades (Transfer from DERF)		[2,400]	
		DCGS MASINT (Transfer from DERF)		[5,000]	
		Create geospatial laboratory (Transfer from DERF)		[3,800]	
		DCGS/U-2 SIGINT Network (Transfer from DERF)		[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

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
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	26,600	304,395
		Avionics modernization program - Transfer from APAF 33		[26,600]	
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			
0702207F	211	DEPOT MAINTENANCE (NON-IF)	1,340		1,340
0708011F	212	INDUSTRIAL PREPAREDNESS	37,581	2,000	39,581
		Bipolar wafer-cell NiMH aircraft battery		[2,000]	
0708012F	213	LOGISTICS SUPPORT ACTIVITIES	10,375		10,375
0708026F	214	PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN. PROG OFC (PRAMPO)	4,767		4,767
0708071F	215	JOINT LOGISTICS PROGRAM - AMMUNITION STANDARD SYSTEM			
0708611F	216	SUPPORT SYSTEMS DEVELOPMENT	35,813		35,813
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			
	999	CLASSIFIED PROGRAMS	5,019,286	425,200	5,444,486

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(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
	221a	Civilian personnel accounting adjustment		-36,249	-36,249
	221b	Financial management savings		-27,200	-27,200
	221c	Contract services savings		-45,200	-45,200
	221d	Operational systems development T&E transfer		-60,000	-60,000
		TOTAL AIR FORCE	**17,601,233**	**1,002,451**	**18,603,684**

Aerospace materials manufacturing and research

The budget request included $75.3 million in PE 62102F for applied materials research. The committee recognizes the critical role that materials research and materials processing technology play in extending the life of aging equipment, especially by addressing corrosion issues and in developing the new weapons systems and platforms that will transform the military. Therefore, the committee recommends an increase of $14.5 million in funding in this important research area.

Of this amount, $3.0 million would be used for improvements in the manufacturing of specialty aerospace materials; $3.0 million for the development and application of a high power, tunable, ultraviolet laser processing tool for the fabrication of micro-engineered components; $2.0 million for the development of wear-resistant, nanostructured materials that can protect mechanical parts and extend their operational lives; $3.0 million for the development of multifunctional, durable aircraft coating systems; $2.5 million for the development of low-cost composite materials for use on unmanned aircraft; and $1.0 million for the development of fire retardant polymer materials.

Lithium ion batteries for unmanned vehicles

The committee recommends an increase of $2.0 million in PE 62203F for applied research for the development of lithium ion batteries for use in unmanned air vehicles. The committee notes that lighter weight and lower cost batteries would provide unmanned air vehicles programs with many benefits, including increased mission time, increased payload capability, and support future systems enhancements and expansion.

Wireless ISR technology

The budget request included $75.8 million in PE 62204F for applied research on aerospace sensors. The committee recommends an increase of $3.0 million for the development of microelectromechanical systems (MEMS) wireless technology that enables detection, sensing, and monitoring of hostile threats.

Space technology research

The budget request included $58.6 million in PE62601F for applied research in space technology. The committee recommends an additional $6.0 million for this research, which includes $3.0 million for the development of clusters of microsatellites for defense operations; $1.0 million for the development of novel structural materials for large, lightweight space structures; and $2.0 million for the development of control systems for autonomous space systems.

Cyber security research

The committee notes that cyberattacks are an emerging threat to both our nation's defense systems and commercial infrastructure. The private sector has reported billions of dollars of annual losses to computer crimes. Network attacks from terrorists, foreign nations, and domestic hackers have compromised defense operations and threatened the lives of military personnel. The committee notes that a greater emphasis must be placed on the development

of security standards for both commercial and military information systems, including networks and software. This must be matched by strong support for the critical research needed to develop safer and more robust information systems. The committee also notes the critical need to train more information security specialists to design, operate, and maintain government and commercial information systems.

As a result of these threats and needs, the committee recommends an additional investment of $33.0 million in Department of Defense research and training programs in the area of information security. Of this amount, the committee recommends an additional $5.0 million in PE 62702F for applied research in information assurance and network security and $3.0 million for research toward securing national security information through techniques including steganography and digital watermarking. The committee urges the Air Force to robustly fund research in this critical technology area.

The budget request included $9.4 million in PE 33140F for information systems security. The committee notes the critical role that this type of research will play in combating global cyber-terrorist threats. Therefore, the committee recommends an increase of $7.5 million for research on computer system vulnerabilities and threats, including the transition of technology for operational use.

In addition to these programs, the committee also recommends an additional $17.5 million in cybersecurity research and training as described elsewhere in the report.

Aluminum aerostructures

The budget request included $32.7 million in PE 63112F for aerospace technology development and demonstration. The committee recommends an increase of $4.0 million for research on the use of aluminum aerostructures for aerospace components, which improve processing technologies and reduce installment and life cycle costs.

Crew systems and personnel research

The budget request included $29.7 million in PE 63231F for crew systems and personnel protection technology. The committee recommends an increase of $1.5 million to demonstrate new technologies that will enhance logistics and improve design, deployability, performance and support of current and future weapons systems. The committee recommends an additional $2.5 million for the development of systems that deliver nitrogen and oxygen for safe aircraft operation and reduce ground support requirements.

Unmanned Aerial Vehicles in controlled airspace

The committee is encouraged by the Department's substantial commitment to procure Unmanned Aerial Vehicles (UAVs) in fiscal year 2003 and in future years. In parallel with the procurement of UAVs, however, technologies and procedures need to be developed to harmonize the operation of UAVs with the operation of manned aircraft.

Currently, in order to operate UAVs in the National Air Space (NAS), the Department must obtain a Certificate of Authorization from the Federal Aviation Administration (FAA) through a process

that can be cumbersome and time consuming. A primary reason for FAA certification is the prevention of mid-air collisions: FAA rules require that UAVs provide a "see and avoid" capability comparable to that of a manned aircraft. Since UAVs are not currently equipped with an onboard "see and avoid" capability, chase planes are typically required to ferry UAVs through the NAS, thus complicating such flights.

The Department has begun development of Detect and Avoid (DAA) technology, which uses low-cost, lightweight optical sensors to automatically detect aircraft in the vicinity of a UAV, thereby enabling operator action to avoid a collision. The committee is encouraged by this effort and recommends an increase of $4.0 million to PE 63270F to fund continuation of DAA technology development, to demonstrate this technology on the Global Hawk UAV, and to implement an interim system for the Predator UAV that meets FAA standards for flight in the NAS without a chase aircraft.

In addition, the committee strongly supports the Department's efforts to work with the FAA on this issue and is aware of similar efforts underway at the National Air and Space Administration (NASA). Therefore, the Assistant Secretary of Defense for Command, Control, Communications and Intelligence should continue to support the joint Defense Department/FAA study on integrating remotely operated aircraft into civil airspace. In addition, the Secretary should broaden the study's membership to include representatives from NASA and industry and ensure that the study receives the resources required to expeditiously achieve the goal of flying UAVs through controlled airspace using the same quick and efficient procedures that are currently used for manned aircraft.

Advanced spacecraft technology

The budget request for the Air Force included $14.1 million in PE 63401F for advanced spacecraft technology research and development. The committee recommends an additional $10.0 million in PE 63401F for high specific power thin film multi-junction amorphous silicon solar arrays on flexible substrates for space applications. This technology has the potential to produce solar arrays that are ten times cheaper and 3 to 5 times lighter than current solar arrays. The committee further directs the Air Force to study the potential applications for this technology in ongoing and future space applications and to submit a report to the Committees on Armed Services of the Senate and the House of Representatives on the results of the study and to identify the potential future applications of this innovative and transformational technology.

Advanced Wideband System satellite program

The budget request included $195.0 million in PE 63436F and $5.0 million in PE 63845F for research and development for the Advanced Wideband System (AWS) satellite program. This new program is a groundbreaking effort to use laser communications technology in space, thereby increasing the bandwidth of satellite communications by orders of magnitude. The committee strongly supports this program, because the Department's reliance upon satellite communications is expected to continue to grow rapidly over the next decade. The committee is concerned, however, that

$200.0 million is a large amount of initial funding for a new program, regardless of its importance. Air Force documentation indicates that of this funding, $120.0 million is for concept development and for laser technology development and integration. An additional $80.0 million is for detailed engineering level pre-acquisition activities. The committee believes that it is not prudent to conduct detailed pre-acquisition activities for a program prior to completion of concept and technology development. Therefore, the committee recommends a reduction of $80.0 million in PE 63436F.

Furthermore, the committee notes that PE 63436F is an Air Force science and technology funding line. The funding in this program element, however, is clearly intended to develop a major satellite system. The committee believes it is not appropriate to categorize the program element as science and technology funding. Therefore, the committee recommends that the remaining $115.0 million in PE 63436F be transferred to PE 63845F, a Demonstration and Validation line.

Low-cost autonomous attack system

The budget request included $38.0 million in PE 63601F for conventional weapons technology, including $11.0 million for the low-cost autonomous attack system (LOCAAS). Fiscal year 2003 LOCAAS efforts include flight testing with a live warhead, safe aircraft separation, and continued development of automatic target recognition algorithms.

The committee believes that LOCAAS offers the potential to make significant improvements in warfighting capabilities. Therefore, the committee recommends an increase of $7.0 million in PE 63601F to accelerate LOCAAS development.

B–2 Spirit bomber

The budget request included $225.3 million in PE 64240F for research and development for the Air Force for the B–2 Spirit bomber. The Air Force has said $27.0 million is not executable. The committee recommends a $27.0 million decrease, of which $25.2 million is transferred to Aircraft Procurement, Air Force for the B–2 in line 24, to correct a funding mismatch.

The committee recommends a $10.0 million increase in PE 64240F for low-observability maintenance improvements, a total authorization of $208.3 million.

Precision location and identification program

The budget request included $65.1 million in PE 64270F for electronic warfare development, including $10.6 million for engineering and manufacturing development (EMD) for the precision location and identification (PLAID) program. The PLAID program is intended to lead to modernization of several families of radar warning receivers.

Under the previous schedule, the Air Force had planned to begin production of PLAID-derivative hardware in fiscal year 2003. However, delays in receiving funding, among others, have pushed operational testing into early fiscal year 2004. This has resulted in a requirement for additional EMD funding in fiscal year 2003 to conduct further risk reduction activities for PLAID. Because of the po-

tential for this system to contribute to aircrew and passenger protection in higher threat environments, the committee recommends an increase of $14.7 million in PE 64270F to fund additional risk reduction activities.

Space-based Infrared System-High component

The budget request included $814.9 million in PE 64441F for the Space-based Infrared System-High (SBIRS-High) system. SBIRS-High is the replacement for the nation's current space-borne early warning system for ballistic missile launches. This funding level almost doubles last year's appropriated funding level of $438.7 million.

The SBIRS-High program sustained a Nunn-McCurdy cost breach in December 2001 when the unit cost estimate for the program increased by more than 70 percent, indicating more than $2.0 billion in cost growth. The program has also experienced an 18- to 24-month schedule slip. An independent review team established by the Air Force found significant problems with the management of the SBIRS-High program, including less than optimal systems engineering and requirements development processes.

In compliance with the Nunn-McCurdy statute (10 U.S.C. 2433), the Department of Defense reviewed SBIRS-High and re-certified the program with a new overall program cost estimate. The required funding for fiscal year 2003 has not yet been agreed upon by the Department. The committee understands, however, that the Office of the Secretary of Defense's Cost Analysis and Improvement Group (CAIG) recommended re-certification of SBIRS-High assuming a fiscal year 2007 launch for the first satellite. The fiscal year 2003 cost to support such a launch date is approximately $100.0 million less than the amount requested in the budget for SBIRS-High. Therefore, the committee recommends a reduction of $100.0 million in PE 64441F for SBIRS-High.

Deployable oxygen systems

The budget request included $0.3 million in PE 64617F for developing deployable oxygen-generating systems for supporting aeromedical aircraft operations. Passenger aircraft that are used by medical support forces can consume larger quantities of oxygen. As the Armed Forces deploy onboard oxygen-generating systems (OBOGS) to most military aircraft, bases no longer need to maintain oxygen-generating capability for the fighting forces. In order to prevent the strategic airlift forces from having to spend scarce airlift resources carrying large, bulky oxygen-generating systems into theaters of operation just to support aeromedical aircraft operations, the Air Force needs to develop deployable oxygen systems. The committee, therefore, recommends an increase of $2.5 million in PE 64617F to accelerate development of a deployable oxygen-generating capability for supporting aeromedical aircraft operations.

Integrated medical information technology system

The budget request included no funding in PE 64617F to continue the integrated medical information technology system (IMITS). The IMITS development effort is intended to design a new

state-of-the-art clinical network architecture that supports electronic multimedia health records through the Air Force Medical Service. This would include a demonstration of the capability in the National Tele-radiology project and the Biomedical Surveillance project. The committee recommends an increase of $6.0 million in PE 64617F to accelerate IMITS development.

Fixed aircrew standardized seats

The budget request included $0.9 million in PE 64706F for the development of life support systems, but included no funding for the continuing development of fixed aircrew standardized seats (FASS). The FASS program develops modern, standardized aircrew seats capable of meeting the dynamic load standards required of commercial carriers. The Air Force is completing standardized seat design studies and has begun the development of prototype seats. Given the importance of maintaining acceptable safety standards in Air Force aircraft, the committee recommends an increase of $2.5 million in PE 64706F to continue the development of FASS.

Aircrew rescue signaling systems

The budget request included $0.9 million in PE 64706F for the development of life support systems but included no funding for developing systems to improve survivors' visibility to rescuers. The committee understands that the chances of a successful rescue can be greatly improved if air rescuers are given additional opportunities to see survivors.

The committee believes that the Air Force should investigate the potential for acquiring or developing improved capability for survivors to draw the attention of air rescuers, including such approaches as streamers, dye markers, and infrared markers. The committee recommends an increase of $4.0 million in PE 64706F for the Air Force to investigate these issues and conduct testing on potential candidate systems available on the commercial market.

Common low observable verification system

The budget request included $4.8 million in PE 64762F for continuing development of the common low observable verification system (CLOVerS). CLOVerS would provide maintenance personnel with a system to verify an aircraft's stealth capability on the flight line rather than having to rely only on flying an aircraft across an instrumented range. The system is designed to allow maintenance personnel to detect, locate, and resolve small surface defects that could degrade an aircraft's stealth capability.

During engineering and manufacturing development (EMD), the Air Force and the contractor team have realized increased risk in completing the EMD on schedule. The Air Force requires additional funding to restructure the program and complete the EMD program in time to begin low-rate initial production in fiscal year 2004. Therefore, the committee recommends an increase of $13.0 million in PE 64762F to maintain the CLOVerS development schedule.

Maglev upgrade program

The budget request included $46.3 million in PE 64759F for major test and evaluation investment. As part of the committee's overall initiative to support testing and evaluation in the Department of Defense, the committee recommends an additional $2.5 million for the continued development of high-speed test facilities for development and qualification testing, including flight testing and lethality impact testing.

Joint directed energy combat operations and employment

The budget request included $46.3 million in PE 64759F for test and evaluation support. As part of the committee's test and evaluation initiative, the committee recommends an additional $1.0 million for the development of a coordination plan for technology development and test range usage for testing directed energy weapons systems.

Air Force studies and analyses

The budget request included $25.5 million in PE 65101F for RAND Project Air Force. The committee recommends a decrease of $5.0 million to this account. The committee believes that accelerating the modernization of the Air Force by funding science and technology programs at stable levels is a higher priority than continued studies and analyses.

Theater airborne reconnaissance system improvements

The budget request included no funding for continuing a program to upgrade the F–16 theater airborne reconnaissance systems (TARS) capability. The Air Force has identified several improvements that would enhance the ability of the F–16 TARS aircraft to perform more effectively. These include providing a data link, replacing the current mission tape recorders with a solid state recorder, and expanding the ability to operate in adverse weather by integrating a synthetic aperture radar (SAR) into the TARS pod.

The Air Force received funding in fiscal year 2002 to acquire two new pods with solid state recorders and data link capability, one with electro-optical capability and one with a SAR sensor. However, the Air Force needs additional funding to pay for nonrecurring engineering (NRE) for the data link and ground station upgrades. The Air Force also could use additional funds to buy SAR-equipped pods to field an improved all-weather reconnaissance capability. The committee recommends an increase of $25.2 million for accelerating these TARS capability improvements, including $13.6 million in PE 27217F for data link and ground station NRE, and $11.6 million in Aircraft Procurement, Air Force to buy additional TARS pods equipped with SAR sensors.

Global Positioning System Jammer Detection and Location

Military personnel rely on the Global Positioning System (GPS) to support navigation, air control, precision approach and landing, time-critical targeting and precision engagement under all-weather conditions. Because of its dependence on GPS, the military must protect itself from enemy GPS jammers. The GPS Jammer Detection and Location System (JLOC) would identify the location of

enemy jammers in order to neutralize their jamming capabilities. JLOC has completed Phase II of development and is ready to begin the next phase. Therefore, the committee recommends an increase of $3.0 million to PE 27247F for the next phase of development for GPS–JLOC.

Joint air-to-surface standoff missile development

The budget request included $42.1 million in PE 27325F for continued development and testing of the joint air-to-surface standoff missile (JASSM). JASSM has entered low-rate initial production and is scheduled to complete initial operational testing and evaluation (IOT&E) in early fiscal year 2003. Testing to date has had impressive results.

The Air Force had planned to develop an extended range cruise missile (ERCM) to replace the conventional air-launched cruise missile (CALCM) which is available in only limited numbers. Two years ago, the Air Force asked for support in accelerating the ERCM program. Congress provided additional funding for the ERCM program, but for a number of reasons, the program did not move forward.

Now the Secretary of the Air Force has decided to proceed with an extended range version of the JASSM weapon, the JASSM ER, to meet the ERCM requirements. That decision is dependent on several factors, including: (1) successful completion of the JASSM IOT&E; (2) proven JASSM production capability; and (3) the JASSM prime contractor's development of an adequate business case for developing and producing a JASSM ER.

The committee believes that all of the above conditions should be met in early fiscal year 2003. Given the urgency of augmenting the current CALCM inventory, the committee believes that the Air Force should not wait until fiscal year 2004 or later to begin a program to do this. Therefore, the committee recommends an increase of $15.0 million in PE 27325F to begin JASSM ER development.

Multi-sensor command and control constellation

The budget request for the Defense Emergency Response Fund (DERF), Security, Communications and Information Operations activity included $488.0 million for the multi-sensor command and control constellation (MC2C) program. The budget request also included $191.1 million in PE 27449F for the same program, reflecting a total request of $679.1 million.

This is a new program effort that now includes the development of an improved radar system derived from the joint surveillance/target attack radar system (JSTARS) program. The new radar system is called the multi-platform radar technology insertion program (MP–RTIP). The Air Force intends to field this MP–RTIP sensor suite on a number of air vehicles, including the Global Hawk unmanned aerial vehicle (UAV). The Air Force conducted an analysis and concluded that the newer technology affords the opportunity to consolidate a number of battle management and intelligence, surveillance, and reconnaissance missions in a smaller number of platforms types than are currently in service.

The Air Force has concluded that, rather than buying additional JSTARS aircraft, they will transition the JSTARS mission to a

Boeing 767–400ER. The analysis indicates that this aircraft could accommodate the JSTARS ground moving target indicator (GMTI) mission and the airborne warning and control system (AWACS) air moving target indicator (AMTI) mission. The Air Force intends to pursue a spiral acquisition approach to fielding this MC2C capability, with the first spiral fielding GMTI capability and the second spiral fielding AMTI capability.

The DERF budget request included $150.0 million within the $488.0 million in the DERF requests to buy a test bed aircraft and $100.0 million to integrate MP–RTIP into the B–767 aircraft. The budget also included $15.0 million for deciding the configuration of the B–767 that would be common to any fleet of aircraft the Air Force would acquire. Based on Air Force documentation, however, this aircraft will have been delivered as much as two years before the MP–RTIP radar will be delivered and ready to begin aircraft integration, even with an accelerated MP–RTIP development schedule.

The committee believes that the Air Force should continue the accelerated development of MP–RTIP and the other aspects of developing the MC2C program, including deciding on a common configuration. However, the committee sees no reason to support funding to buy an aircraft or conduct MP–RTIP integration until the sensor development schedule indicates the aircraft and the integration effort need to be funded. Therefore, the committee recommends a decrease of $250.0 million in this activity. The committee recommends that the remaining $238.0 million be transferred to the new program element, PE 27449F, as requested by the Department.

Global Positioning System satellite program

The budget request included $324.1 million in PE 35165F for research and development for the Global Positioning System (GPS) satellite program. This funding included $50.0 million to increase the power level of the last six GPS Block IIF satellites, making it more difficult for an enemy to jam the GPS signal. Following the budget submission, however, the Department of Defense decided not to increase the overall power level of these satellites, but rather to add a capability to shift the existing available satellite power between different GPS signals. This, coupled with some modifications to the GPS user equipment, will provide similar anti-jam capability at less cost. Under this new plan, the full $50.0 million requested is no longer needed. Therefore, the committee recommends a reduction of $40.0 million in PE 35165F for Block IIF power level increases.

Furthermore, the impact of shifting the existing available power between different GPS signals on the full range of GPS users is still unclear. Therefore, the committee directs the Under Secretary of Defense for Acquisition, Technology and Logistics, in coordination with the Under Secretary of the Air Force, to assess the potential impacts of power shifting between GPS signals on the full range of GPS receivers, including those carried by ground troops and vehicles, naval and commercial vessels, and military and civilian aircraft.

The committee also understands that recent GPS satellite lifetime calculations have revealed the need to launch an extra GPS satellite in fiscal year 2003 to reduce the risk of the constellation dropping below the desired number of on-orbit satellites. Therefore, the committee recommends an increase of $10.0 million in PE 35165F for a fiscal year 2003 GPS launch, as requested by the Air Force.

Spacelift range system

The budget request included $82.1 million in PE 0305182F for the Air Force for the spacelift range system. The committee recommends an additional $8.0 million for systems engineering support, planning and scheduling systems, and communications systems.

Manufacturing technologies

The budget request included $37.6 million in PE 78011F for manufacturing technology programs. The committee recommends an additional $2.0 million for manufacturing technology development and testing of aircraft batteries. The committee notes that new manufacturing technologies and a robust defense technology industrial base are critical for both the national economy and for the rapid transition of new technologies for the military.

Defense-wide

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, DEFENSE-WIDE			
0601101D8Z	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,126		2,126
0601101E	2	DEFENSE RESEARCH SCIENCES	175,646	11,500	187,146
		University optoelectronic centers		[3,000]	
		Nanotechnology for advanced biomedical sensors & devices		[4,000]	
		Molecular electronics		[2,000]	
		Advanced photonic composite research		[2,500]	
0601103D8Z	3	UNIVERSITY RESEARCH INITIATIVES	221,610	14,000	235,610
		Advanced remote sensing		[2,000]	
		Optimization & enterprise sciences for military personnel management		[2,000]	
		Nanotechnology incentive fund		[10,000]	
0601105D8Z	4	FORCE HEALTH PROTECTION	9,973		9,973
0601108D8Z	5	HIGH ENERGY LASER RESEARCH INITIATIVES	12,082		12,082
0601111D8Z	6	GOVERNMENT/INDUSTRY COSPONSORSHIP OF UNIVERSITY RESEARCH	3,467		3,467
0601114D8Z	7	DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEAR	9,864		9,864
0601384BP	8	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	64,119		64,119
0602110E	9	NEXT GENERATION INTERNET			
0602173C	10	SUPPORT TECHNOLOGIES - APPLIED RESEARCH			
0602227D8Z	11	MEDICAL FREE ELECTRON LASER		8,000	8,000
		Medical free electron laser program		[8,000]	
0602228D8Z	12	HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) SCIENCE	13,970		13,970
0602234D8Z	13	LINCOLN LABORATORY RESEARCH PROGRAM	27,732		27,732
0602301E	14	COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	424,940	-5,000	419,940
		Bio-surveillance and genisys		[-5,000]	
0602302E	15	EMBEDDED SOFTWARE AND PERVASIVE COMPUTING	60,000		60,000

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Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0602383E	16	BIOLOGICAL WARFARE DEFENSE	133,000	11,250	144,250
		Anthrax therapeutic candidate technologies (Transfer from DERF)		[11,250]	
0602384BP	17	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	262,177	-300	261,877
		Nanoemulsions for decontamination		[5,000]	
		Nanosystem detection & deactivation of biowarfare agents		[2,000]	
		Detection of chemical, biological & pollutant agents in water		[5,000]	
		Nanoparticle responses to chemical & biological threats		[5,000]	
		Bioinformatics		[3,000]	
		Materials fabrication for bio sensors		[1,000]	
		Chemical agent exposure research		[1,200]	
		Nanotechnology biologial agent sensor		[2,500]	
		Chemical & biological research programs		[-25,000]	
0602702E	18	TACTICAL TECHNOLOGY	180,952	-10,000	170,952
		Hypersonics technology		[-10,000]	
0602708E	19	INTEGRATED COMMAND AND CONTROL TECHNOLOGY			
0602712E	20	MATERIALS AND ELECTRONICS TECHNOLOGY	440,500	-5,000	435,500
		Biologically-based materials & devices		[-5,000]	
0602715BR	21	NUCLEAR SUSTAINMENT & COUNTERPROLIFERATION TECHNOLOGIES			
0602716BR	22	WMD DEFEAT TECHNOLOGY	146,143	40,300	186,443
		Discrete particle method		[3,000]	
		Deep digger		[3,000]	
		CT information network (Transfer from DERF)		[5,500]	
		Vulnerability reduction technology measures (Transfer from DERF)		[9,800]	
		Hazard prediction & decision support tools (Transfer from DERF)		[5,000]	
		Hard target defeat characterization initiative (Transfer from DERF)		[7,000]	
		Enhanced blast weapons effects (Transfer from DERF)		[7,000]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0602717BR	23	STRATEGIC DEFENSE TECHNOLOGIES	131,199		131,199
0602787D8Z	24	MEDICAL TECHNOLOGY			
0602890D8Z	25	HIGH ENERGY LASER RESEARCH	39,310		39,310
0603002D8Z	26	MEDICAL ADVANCED TECHNOLOGY			
0603104D8Z	27	EXPLOSIVES DEMILITARIZATION TECHNOLOGY	8,935		8,935
0603121D8Z	28	SO/LIC ADVANCED DEVELOPMENT	13,800	9,000	22,800
		Special reconnaissance capabilities (Transfer from DERF)		[5,000]	
		Measurement & signatures information (Transfer from DERF)		[4,000]	
0603122D8Z	29	COMBATING TERRORISM TECHNOLOGY SUPPORT	49,015	74,600	123,615
		Blast mitigation testing		[5,000]	
		Entry point screening & perimeter protection (Transfer from DERF)		[11,000]	
		Reconnaissance Tool Kit (Transfer from DERF)		[19,500]	
		Super zoom digital camera (Transfer from DERF)		[6,000]	
		Combating terrorism BAA (Transfer from DERF)		[19,500]	
		Attribution CT tools & deployable communications (Transfer from DERF)		[5,600]	
		Detection of Bio agents in food (Transfer from DERF)		[3,000]	
		Alternate power sources for battery charging (Transfer from DERF)		[5,000]	
0603160BR	30	COUNTERPROLIFERATION ADVANCED DEVELOPMENT TECHNOLOGIES	77,389		77,389
0603173C	31	SUPPORT TECHNOLOGIES - ADVANCED TECHNOLOGY DEVELOPMENT			
0603174C	32	SPACE BASED LASERS (SBL)			
0603175C	33	BALLISTIC MISSILE DEFENSE TECHNOLOGY	121,751	23,700	145,451
		Wafer-scale planarization		[5,000]	
		Bottom anti-reflective coatings (BARC)		[5,000]	
		Nanophotonic systems fabrication facility		[3,700]	
		Wide-bandgap semiconductors		[10,000]	
0603225D8Z	34	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	25,420		25,420

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603232D8Z	35	AUTOMATIC TARGET RECOGNITION	7,404		7,404
0603285E	36	ADVANCED AEROSPACE SYSTEMS	246,000		246,000
0603384BP	37	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEVELOPMENT	249,842	300	250,142
		Biological process development facility		[7,000]	
		Electrostatic decontamination system		[5,000]	
		Chem-bio emergency response technologies		[2,300]	
		Vaccine stabilization		[3,000]	
		Weaponization of nanoparticles for the neutralization of facility threats		[3,000]	
		Agroterrorism prediction & risk assessment		[5,000]	
		Chemical & biological research programs		[-25,000]	
0603704D8Z	38	SPECIAL TECHNICAL SUPPORT	11,168		11,168
0603711BR	39	ARMS CONTROL TECHNOLOGY	37,646	3,000	40,646
		Advanced CBRNE sensor & info fusion (Transfer from DERF)		[3,000]	
0603712S	40	GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	25,451	10,000	35,451
		Vehicle fuel cell program		[10,000]	
0603716D8Z	41	STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	60,468	3,000	63,468
		UXO remediation technology development		[3,000]	
0603727D8Z	42	JOINT WARFIGHTING PROGRAM	9,610		9,610
0603728D8Z	43	AGILE PORT DEMONSTRATION			
0603738D8Z	44	COOPERATIVE DOD/VA MEDICAL RESEARCH			
0603739E	45	ADVANCED ELECTRONICS TECHNOLOGIES	150,400		150,400
0603750D8Z	46	ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	199,580		199,580
0603755D8Z	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

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603764E	51	LAND WARFARE TECHNOLOGY	162,100	8,000	170,100
		Wolfpack program for terrorist communications (Transfer from DERF)		[8,000]	
0603765E	52	CLASSIFIED DARPA PROGRAMS	275,899	19,000	294,899
		Chem / bio agent defense improvements (Transfer from DERF)		[19,000]	
0603769D8Z	53	DISTRIBUTED LEARNING ADVANCED TECHNOLOGY DEVELOPMENT	14,000		14,000
0603781D8Z	54	SOFTWARE ENGINEERING INSTITUTE	22,983		22,983
0603805S	55	DUAL USE APPLICATION PROGRAMS			
0603826D8Z	56	QUICK REACTION SPECIAL PROJECTS	25,430	25,000	50,430
		Technology transition initiative		[25,000]	
0603832D8Z	57	JOINT WARGAMING SIMULATION MANAGEMENT OFFICE	49,929	4,000	53,929
		Information technology for WMD medical response		[4,000]	
0603924D8Z	58	HIGH ENERGY LASER ADVANCED TECHNOLOGY PROGRAM	13,567		13,567
0605160D8Z	59	COUNTERPROLIFERATION SUPPORT	1,806	16,000	17,806
		SOF support defeat terrorist (Transfer from DERF)		[11,000]	
		Anti-biological weapon defeat device (Transfer from DERF)		[5,000]	
0603228D8Z	60	PHYSICAL SECURITY EQUIPMENT	33,553	10,000	43,553
		Classified program (Transfer from DERF)		[10,000]	
0603709D8Z	61	JOINT ROBOTICS PROGRAM	11,305		11,305
0603714D8Z	62	ADVANCED SENSOR APPLICATIONS PROGRAM	15,994		15,994
0603736D8Z	63	CALS INITIATIVE	1,647		1,647
0603851D8Z	64	ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM	28,334	5,000	33,334
		UXO remediation		[5,000]	
0603868C	65	NAVY THEATER WIDE MISSILE DEFENSE SYSTEM			
0603869C	66	MEADS CONCEPTS - DEM/VAL			
0603871C	67	NATIONAL MISSILE DEFENSE - DEM/VAL			

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603873C	68	FAMILY-OF SYSTEMS ENGINEERING AND INTEGRATION (FOS E&I)			
0603874C	69	BMD TECHNICAL OPERATIONS			
0603875C	70	INTERNATIONAL COOPERATIVE PROGRAMS			
0603876C	71	THREAT AND COUNTERMEASURES			
0603880C	72	BALLISTIC MISSILE DEFENSE SYSTEM SEGMENT	1,065,982	-332,000	733,982
		Systems engineering & integration (SE&I)		[-140,000]	
		Maintain T&E funding level		[30,000]	
		Duplication/lack of justification/execution		[-222,000]	
0603881C	73	BALLISTIC MISSILE DEFENSE TERMINAL DEFENSE SEGMENT	169,974	26,000	195,974
		Arrow		[40,000]	
		Program operations		[-14,000]	
0603882C	74	BALLISTIC MISSILE DEFENSE MIDCOURSE DEFENSE SEGMENT	3,195,104	-161,000	3,034,104
		High power discriminator radar development		[40,000]	
		Systems engineering & integration (SE&I)		[-45,000]	
		Small kill vehicle technology development		[10,000]	
		Concept development, studies & risk reduction		[-52,000]	
		SE&I -- non-system specific		[-50,000]	
		Program operations		[-64,000]	
0603883C	75	BALLISTIC MISSILE DEFENSE BOOST DEFENSE SEGMENT	796,927	-250,000	546,927
		Sea-based boost -- undefined, unexecutable experiment		[-55,000]	
		Space-based boost -- undefined, unexecutable experiment		[-30,000]	
		Airborne laser		[-135,000]	
		Space-based laser		[-10,000]	
		Program operations		[-20,000]	
0603884BP	76	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - DEM/VAL	144,790	2,600	147,390
		Miniature chemical analysis sys for detection of chembio agents in the chemlab (Transfer from DERF)		[2,600]	

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0603884C	77	BALLISTIC MISSILE DEFENSE SENSORS	373,447	-33,000	340,447
		Airborne infrared surveillance (AIRS) system		[22,000]	
		Russian-American observation satellite (RAMOS) solar array development		[10,000]	
		SBIRS-Low -- fund a single contractor		[-55,000]	
		Program operations		[-10,000]	
0603910D8Z	77a	Strategic Capability Modernization		125,000	125,000
		Hard & deeply buried target capabilities upgrades (Transfer from DERF)		[125,000]	
0603920D8Z	78	HUMANITARIAN DEMINING	13,355		13,355
0603923D8Z	79	COALITION WARFARE	12,444		12,444
0604722D8Z	80	JOINT SERVICE EDUCATION AND TRAINING SYSTEMS DEVELOPMENT			
0303191D8Z	81	JOINT ELECTROMAGNETIC TECHNOLOGY (JET) PROGRAM	5,085		5,085
0901585C	82	PENTAGON RESERVATION			
	82a	Dem/val Test and Evaluation transfer		-37,000	-37,000
0604384BP	83	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD	169,018		169,018
0604709D8Z	84	JOINT ROBOTICS PROGRAM - EMD	13,643		13,643
0604764K	85	ADVANCED IT SERVICES JOINT PROGRAM OFFICE (AITS-JPO)	28,393		28,393
0604771D8Z	86	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	10,797		10,797
0604861C	87	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - EMD	932,171	-40,000	892,171
		Missiles excess to the THAAD test program		[-40,000]	
0604865C	88	PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION - EMD			
0604867C	89	NAVY AREA THEATER MISSILE DEFENSE - EMD			
0605013BL	90	INFORMATION TECHNOLOGY DEVELOPMENT	3,938		3,938
0605013D8Z	91	PROTOTYPE ACCOUNTING SYSTEMS	700		700
0605014SE	92	INFORMATION TECHNOLOGY DEVELOPMENT			
0605015BL	93	INFORMATION TECHNOLOGY DEVELOPMENT-STANDARD PROCUREMENT SYSTEM (SPS)	10,427		10,427

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0605016D8Z	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
	98a	EMD Test and Evaluation transfer		-8,000	-8,000
0603858D8Z	99	UNEXPLODED ORDNANCE DETECTION AND CLEARANCE	1,185		1,185
0604943D8Z	100	THERMAL VICAR	7,058		7,058
0605104D8Z	101	TECHNICAL STUDIES, SUPPORT AND ANALYSIS	30,023	-5,000	25,023
		OSD reports, studies, & analyses		[-5,000]	
0605110BR	102	CRITICAL TECHNOLOGY SUPPORT	1,862		1,862
0605114E	103	BLACK LIGHT	5,000	10,000	15,000
		Classified program (Transfer from DERF)		[10,000]	
0605116D8Z	104	GENERAL SUPPORT TO C3I	14,979	4,900	19,879
		Tech demos & coordinated IT planning for homeland security (Transfer from DERF)		[2,000]	
		GIS-based maps for installation consequence management (Transfer from DERF)		[2,900]	
0605117D8Z	105	FOREIGN MATERIAL ACQUISITION AND EXPLOITATION	32,382	2,000	34,382
		Classified program		[2,000]	
0605123D8Z	106	INTERAGENCY EXPORT LICENSE AUTOMATION	10,702		10,702
0605124D8Z	107	DEFENSE TRAVEL SYSTEM	30,358		30,358
0605126J	108	JOINT THEATER AIR AND MISSILE DEFENSE ORGANIZATION	72,919		72,919
0605128D8Z	109	CLASSIFIED PROGRAM USD(P)			
0605130D8Z	110	FOREIGN COMPARATIVE TESTING	31,670		31,670
0605384BP	111	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	42,959		42,959
0605502C	112	SMALL BUSINESS INNOVATIVE RESEARCH - BMDO			
0605502E	113	SMALL BUSINESS INNOVATIVE RESEARCH			

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0605710D8Z	114	CLASSIFIED PROGRAMS - C3I	60,708	52,060	112,768
		Information security scholarships		[10,000]	
		Hard & deeply buried target analysis upgrades (Transfer from DERF)		[3,200]	
		National Infrastructure Protection Center (NIPC) Crucial Player (Transfer from DERF)		[1,600]	
		Space Policy activities supporting Operation Enduring Freedom (Transfer from DERF)		[4,500]	
		Collaborative planning tools (Transfer from DERF)		[32,760]	
0605790D8Z	115	SMALL BUSINESS INNOVATION RESEARCH/CHALLENGE ADMINISTRATION	2,103		2,103
0605798S	116	DEFENSE TECHNOLOGY ANALYSIS	5,201		5,201
0605799D8Z	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
0605804D8Z	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			
0604805D8Z	125	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE	10,320		10,320
0605127T	126	PARTNERSHIP FOR PEACE (PFP) INFORMATION MANAGEMENT SYSTEM	1,920		1,920
0208045K	127	C4I INTEROPERABILITY	43,199		43,199
0208052J	128	JOINT ANALYTICAL MODEL IMPROVEMENT PROGRAM	12,531		12,531
0300205R	129	INFORMATION TECHNOLOGY SYSTEMS	550		550

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0301011G	130	CRYPTOLOGIC ACTIVITIES	[ ]	[28,400]	[ ]
		Classified program		[-12,000]	
		Classified program		[-45,000]	
		Secure Bandwidth (Transfer from DERF)		[30,000]	
		Mobile Secure Communications (Transfer from DERF)		[20,400]	
		Classified - Cryptologic activities (Transfer from DERF)		[7,000]	
		NC-2 COMSEC (Transfer from DERF)		[10,000]	
		Coalition Interoperability and Coalition Information Security (Transfer from DERF)		[18,000]	
0301301L	131	GENERAL DEFENSE INTELLIGENCE PROGRAM	[ ]	[4,800]	[ ]
		Hard & deeply buried target intelligence support (Transfer from DERF)		[5,800]	
		Classified program		[-10,000]	
		Classified program (Transfer from DERF)		[9,000]	
0301398L	132	MANAGEMENT HEADQUARTERS GDIP, DIA	[ ]	[ ]	[ ]
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	4,000	398,257
		Information systems protection research		[4,000]	
0303149J	139	C4I FOR THE WARRIOR	10,190		10,190
0303149K	140	C4I FOR THE WARRIOR	20,536	4,500	25,036
		Improve network infrastructure (Transfer from DERF)		[4,500]	
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

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0304210BB	144	SPECIAL RECONNAISSANCE CAPABILITIES (SRC) PROGRAM			
0304345BQ	145	NATIONAL IMAGERY AND MAPPING PROGRAM	[ ]	[9,000]	[ ]
		Classified program		[9,000]	
0305102BQ	146	DEFENSE IMAGERY AND MAPPING PROGRAM	143,488	21,100	164,588
		Feature-level database development		[4,100]	
		Intelligent spatial technologies for smart maps		[1,000]	
		Broadcast-request imagery technology development (BRITE)		[4,000]	
		Integrate airborne information into collection manage & exploit system (Transfer from DERF)		[8,300]	
		Softcopy exploitation infrastructure acceleration (Transfer from DERF)		[1,000]	
		Increase storage capacity for command information libraries (Transfer from DERF)		[1,000]	
		Improve mensuration to support PGM accuracy needs (Transfer from DERF)		[1,700]	
0305127D8Z	147	FOREIGN COUNTERINTELLIGENCE ACTIVITIES	13,916	15,300	29,216
		Classified program		[15,300]	
0305127V	148	FOREIGN COUNTERINTELLIGENCE ACTIVITIES	474		474
0305146D8Z	149	DEFENSE JOINT COUNTERINTELLIGENCE PROGRAM (JMIP)	6,058	48,000	54,058
		Adv info systems & contractor support for critical asset protection (Transfer from DERF)		[48,000]	
0305190D8Z	150	C3I INTELLIGENCE PROGRAMS	75,682	38,800	114,482
		Hard & deeply buried target intelligence technology (Transfer from DERF)		[3,200]	
		Modernize electronic warfare capabilities (Transfer from DERF)		[25,000]	
		Develop & test systems for horizontal fusion analysis (Transfer from DERF)		[5,600]	
		Coalition-Intelligence Information Sharing (CENTRIX) (Transfer from DERF)		[5,000]	
0305191D8Z	151	TECHNOLOGY DEVELOPMENT	120,458	142,600	263,058
		Classified program (Transfer from DERF)		[110,500]	
		Classified program (Transfer from DERF)		[32,100]	
0305202G	152	DRAGON U-2 (JMIP)	3,353		3,353
0305206G	153	AIRBORNE RECONNAISSANCE SYSTEMS	11,934		11,934

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
0305207G	154	MANNED RECONNAISSANCE SYSTEMS	4,649		4,649
0305208BQ	155	DISTRIBUTED COMMON GROUND SYSTEMS	[ ]	[ ]	[ ]
0305208G	156	DISTRIBUTED COMMON GROUND SYSTEMS	[ ]	[ ]	[ ]
0305208L	157	DISTRIBUTED COMMON GROUND SYSTEMS	1,000		1,000
	158	INTELLIGENCE PLANNING AND REVIEW ACTIVITIES	[ ]	[ ]	[ ]
0305885G	159	TACTICAL CRYPTOLOGIC ACTIVITIES	113,159		113,159
0305889G	160	COUNTERDRUG INTELLIGENCE SUPPORT			
0305917D8Z	161	NATIONAL SECURITY SPACE ARCHITECT (NSSA)	11,185		11,185
0708011S	162	INDUSTRIAL PREPAREDNESS	13,072	5,000	18,072
		Laser additive manufacturing program		[5,000]	
0902298J	163	MANAGEMENT HEADQUARTERS (OJCS)	12,887		12,887
0902740J	164	JOINT SIMULATION SYSTEM			
1160279BB	165	SMALL BUSINESS INNOVATIVE RESEARCH/SMALL BUS TECH TRANSFER PILOT PROG			
1160401BB	166	SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT	6,741	5,000	11,741
		Advanced technologies for Spec Ops		[5,000]	
1160402BB	167	SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT	62,276		62,276
1160404BB	168	SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT	281,443	-10,400	271,043
		Use excess FY 02 funds for FY 03 requirements		[-12,200]	
		Joint threat warning system		[1,800]	
1160405BB	169	SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT	1,590	2,200	3,790
		Embedded integrated broadcast service (IBS) receivers		[2,200]	
1160407BB	170	SOF MEDICAL TECHNOLOGY DEVELOPMENT	1,962		1,962
1160408BB	171	SOF OPERATIONAL ENHANCEMENTS	77,308	9,100	86,408
		Classified program adjustments		[9,100]	
	999	CLASSIFIED PROGRAMS	2,534,247	62,200	2,596,447

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
	171a	Civilian personnel accounting adjustment		-14,688	-14,688
	171b	Financial management savings		-36,600	-36,600
	171c	Contract services savings		-25,200	-25,200
	171d	Operational systems development T&E transfer		-25,000	-25,000
		TOTAL DEFENSE WIDE	**16,613,551**	**-122,178**	**16,491,373**

Title II-RDT and E
(Dollars in Thousands)

Program Element	Line No	Program Title	FY2003 Request	Change	Recommended
		DEVELOPMENTAL TEST & EVALUATION, DEFENSE			
0604940D8Z	1	CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CTEIP)			
0605130D8Z	2	FOREIGN COMPARATIVE TESTING			
0605804D8Z	3	DEVELOPMENT TEST AND EVALUATION			
		TOTAL DEVELOPMENTAL TEST			
		OPERATIONAL TEST & EVALUATION, DEFENSE			
0603941D8Z	1	TEST & EVALUATION SCIENCE TECHNOLOGY	6,010	5,000	11,010
		Test & evaluation science & technology		[5,000]	
0604940D8Z	2	CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CTEIP)	123,276	128,000	251,276
		Central T&E improvement program		[50,000]	
		Transfer from acquisition programs		[70,000]	
		Digital video laboratory		[3,000]	
		Big Crow test support activities		[5,000]	
0605118D8Z	3	OPERATIONAL TEST AND EVALUATION	19,725		19,725
0605131D8Z	4	LIVE FIRE TESTING	10,102	6,500	16,602
		Live fire test & training program		[5,000]	
		Fire fighting training system		[1,500]	
0605804D8Z	5	DEVELOPMENT TEST AND EVALUATION	62,941		62,941
		TOTAL OPERATIONAL TEST	**222,054**	**139,500**	**361,554**

Defense Advanced Research Projects Agency fundamental research

The budget request included $175.6 million for basic research at the Defense Advanced Research Projects Agency (DARPA). Because of the importance of DARPA's fundamental research activities, the committee recommends an increase of $11.5 million for basic research at universities and in industry. Of this amount, $3.0 million shall be available for optoelectronics research, $4.0 million for nanotechnology research for advanced biomedical devices and sensors, $2.0 million for the development and modeling of nanotechnology-based logic circuits, and $2.5 million for photonic materials and device research.

Many of the technologies that have enabled our current economic prosperity and increased our national security have their roots in university research supported by the DARPA. For example, the Internet, graphical user interfaces, and global positioning systems are all the result of long-term, cutting-edge, university-based research, supported decades ago by DARPA. DARPA has been recognized as the high-risk, high-payoff defense agency ever since its inception. The committee, however, is concerned about recent trends in the agency-sponsored research that appear more shortsighted in their approach, particularly the emphasis on 12- and 18-month reviews in order to attempt to eliminate non-promising technologies.

The committee supports effective internal oversight and commends DARPA for pursuing truly innovative technologies. However, annual reviews may not be appropriate for all basic and applied defense-related research programs. Additionally, these reviews have a discouraging effect on the intended long-term payoff of the research and are especially inconsistent with the time frames and pace of university research. The committee is concerned that this near-term approach to basic and applied research will have detrimental consequences on the ability to develop innovative solutions to future threats. Therefore, the committee urges DARPA to re-evaluate its policies for reviewing and terminating awards in scientific and technical areas where the Department of Defense is dependent on DARPA's ability to do revolutionary research that requires some time to develop and mature.

The committee notes that the DARPA budget was significantly increased in the President's Budget Request and now represents approximately 25 percent of the overall defense science and technology program. The committee believes that this amount of funding and the critical role that DARPA now plays in transitioning new technologies, such as Future Combat Systems and Unmanned Combat Air Vehicles, to the services and in developing revolutionary new capabilities, for example in nanotechnology and artificial intelligence, demand extensive planning and coordination throughout the Department. In a 1999 report, the Defense Science Board recommended that DARPA "plan deliberately for the future", including establishing a "systemic approach to strategic planning that provides clear definition of long-term Agency objectives in support of evolving national defense threats." This is especially important in light of new Department activities supporting efforts in combating terrorism and homeland security.

The committee supports this recommendation and directs that DARPA develop a strategic plan and investment strategy as described by the Defense Science Board. The committee directs that DARPA communicate that plan to the Director of Defense Research and Engineering and the Joint Staff and provide a copy of the plan to Congress with the fiscal year 2004 budget request.

University research initiatives

The budget request included $221.6 million in PE 61103D8Z for university-based research programs. Fundamental research performed at universities provides the foundation for the next generation of defense technologies and trains the next generation of scientists, engineers, and technology entrepreneurs. Therefore, the committee recommends an additional $4.0 million to support university research in support of military transformation. The committee recommends an additional $2.0 million for the development of advanced remote sensing systems for environmental monitoring and analysis and an additional $2.0 million for the development of technologies for the optimization of military personnel management.

Nanotechnology incentive fund

The budget request included $175.6 million in PE 61103D8Z for university research initiatives. As part of the nanotechnology research and development program authorized in section 245, the committee recommends an additional $10.0 million in this account for use as a nanotechnology incentive fund to sponsor research performed at universities, in industry, and at government laboratories and test centers in support of meeting the challenges and goals established by the program.

The committee requires the Director of Defense Research and Engineering to use this funding for research projects in nanoscale science and technology. The incentive fund should be used to provide supplemental funding to services and agencies that collaborate on interagency research teams, projects, and activities in research areas central to the accomplishment of the challenges and goals of the program.

Medical free electron laser

The budget request included no funding in PE 62227D8Z for the medical free electron program due to a transfer of the program to the National Institutes of Health (NIH). This transfer occurred despite the fact that this program has been developing valuable technology for military medical applications for 18 years, and NIH did not request or recommend this programmatic change.

Laser medical research is not an area previously managed by NIH. The committee is concerned that NIH does not have the expertise or institutional culture to manage this unique and important program. The committee directs the Department of Defense to work with the National Institutes of Health (NIH) to ensure that future funding for this program is requested in the defense budget. Therefore, the committee recommends an increase of $8.0 million for continued work by the Department of Defense on medical free electron lasers.

Computing systems and communications technology

The budget request included $424.9 million in PE 62301E for computing systems and communications technology, which represents an increase of over $65.0 million to this account. The committee recommends a decrease of $5.0 million to this account. The committee believes that the Bio-Surveillance program is redundant with other efforts currently underway within the government. The committee also recommends that the new start in the Genisys database development program be reduced.

Chemical-Biological Defense Program funding

The budget request included $932.9 million for research, development, test and evaluation for the Chemical-Biological Defense Program (CBDP), including $262.2 million in PE 62384BP and $249.8 million in PE 63384BP. This represents an increase of $425.2 million, almost 85 percent above the fiscal year 2002 requested level. This significant funding increase for homeland security projects is planned for only one year, with planned funding returning to $503.4 million in fiscal year 2004 and dropping to $408.1 million by fiscal year 2007.

The committee recommends a number of specific adjustments to the chemical and biological defense program funding account. These adjustments would provide for an overall authorization of $932.9 million, the amount requested for Chemical-Biological Defense research and development in the budget request.

The committee is concerned that the one-year spike in requested funding will not be executable in one fiscal year, especially with no follow-on funding planned through the Future Years Defense Program (FYDP). Therefore, the committee recommends an overall reduction of $25.0 million in PE 62384BP for applied microbial threat assessment research and an overall reduction of $25.0 million in PE 63384BP for new homeland security projects for the biological counterterrorism research program. The committee also recommends that the Department of Defense adjust its spending plans to be better defined and more executable across future years.

The committee recommends an increase of $5.0 million in PE 602384BP for continued testing of non-toxic, non-corrosive, bio-defense nanoemulsion decontamination material that can act as a decontaminant for equipment, personnel, structures, terrain and humans to respond to the threat of biological warfare agents. Such decontaminants would be less caustic and damaging than current decontamination solutions.

The committee recommends an increase of $2.0 million in PE 62384BP for research on efforts to combine nanotechnology and micro-manufacturing to produce systems for effective detection and deactivation of biological warfare agents and an increase of $2.5 million to support continued Navy research on portable biological agent sensors based on nanotechnology. Such nanotechnology holds promise for wide application in chem-bio defense.

The committee recommends an increase of $5.0 million in PE 62384BP to support the Army's development of a rapid detection system to identify the presence of chemical or biological threat agents and other toxic pollutants in water. This system would help

ensure the safety of water for both military personnel and civilian populations.

The committee recommends an increase of $3.0 million in PE 62384BP for continued work on bioinformatics. This funding would continue an effort to integrate genomic and other biological data about high-priority pathogens, underlying scientific research and bioinformatics tools.

The committee recommends an increase of $1.0 million in PE 62384BP for materials fabrication to develop affordable, rapid and sensitive detectors for biological warfare agents.

The committee recommends an increase of $1.2 million in PE 62384BP for expanded research in diagnosing and treating the symptoms of exposure to organophosphorus compounds and nerve agents using ultra-sensitive ion-trap technology and biomarkers to analyze chemical agents.

The committee recommends an increase of $5.0 million in PE 62384BP to support Marine Corps efforts to develop, test and field nanoparticle-based countermeasures, decontamination agents, and protection technologies for chemical and biological threats.

The committee recommends an increase of $7.0 million in PE 63384BP for equipping and validating a biological process development facility using current Good Manufacturing Practices that can produce biological materials for Phase I and II clinical testing of candidate vaccines and therapeutic products to defend against biological warfare agents. Such a facility would help accelerate the testing of potential medical defenses to biological warfare.

The committee recommends an increase of $5.0 million in PE 63384BP to support continued rapid development and testing by the Combating Terrorism Technical Support Working Group of electrostatic decontamination system technology. This technology holds potential for rapid and man-portable decontamination of surfaces and sensitive equipment with a non-corrosive, non-toxic technology and could serve both military and non-military users.

The committee recommends an increase of $2.3 million to PE 63384BP to support continued Marine Corps efforts to develop and demonstrate emergency response technologies for use by first response units such as its Chem-Bio Incident Response Force (CBIRF). These technologies may also have utility to state and local first response units.

The committee recommends an increase of $3.0 million to PE 63384BP to develop more stable vaccines that are less susceptible to degradation from temperature and other environmental factors. Stabilized vaccines would be particularly useful in remote locations where environmental controls are lacking.

The committee recommends an increase of $3.0 million in 63384BP to support Marine Corps efforts for environmental testing, concept-of-operations development, and research and development to rapidly field operational systems utilizing nanotechnologies that are capable of clearing facilities of chemical and biological agent contamination.

Finally, the committee recommends an increase of $5.0 million to PE 63384BP for biological terrorism and agroterrorism risk assessment and prediction, including a comprehensive assessment of po-

tential biological agents that could be of interest to terrorists for human or agricultural attacks.

Tactical technology

The budget request included $181.0 million in PE 62702E for applied research in tactical technologies. The committee recommends a decrease of $10.0 million to this account and recommends that programs in hypersonics technology and aeronautics technology be reduced or delayed.

Materials and electronics technology

The budget request included $440.5 million in PE 62712E for applied research in materials and electronics technology, which represents an increase of nearly $100.0 million to this account. The committee recommends a decrease of $5.0 million to this account. The committee also recommends that new starts in biologically-based materials and devices and microelectronic device technologies be reduced.

Weapons of mass destruction defeat technology

The budget request included $146.1 million in PE 62716BR for applied research to develop weapons of mass destruction (WMD) defeat technologies. The committee recommends an increase of $3.0 million for research on enhancing the blast resistance of concrete and other structures against terrorist attack. The committee also recommends an increase of $3.0 million for the development and proof of concept demonstration of technology for penetrating and neutralizing hard and deeply buried targets such as command centers or weapons storage facilities for weapons of mass destruction.

Combating Terrorism Technology Support Working Group

The budget request included $49.0 million in PE 63122D8Z for the activities of the Combating Terrorism Technology Support Working Group (TSWG). The committee recommends an additional $5.0 million for blast mitigation testing, including the development of new materials for protecting buildings and other infrastructure and new testing techniques and technologies for the qualification of new structural designs.

The committee commends TSWG for its leadership in developing the leading-edge technologies that the Nation uses in the war against terrorism. TSWG's successful interagency coordination and rapid transition of technologies into the hands of warfighters, first responders, and other personnel should be models for the rest of the Department of Defense and the Federal Government.

The committee notes the key role the TSWG has played in attempting to find the best technology, including from small businesses and non-traditional defense contractors, available for use in the fight against terrorism. The committee commends TSWG's role in the very successful combating terrorism broad agency announcement of 2001 and urges the group to continue its efforts to evaluate and fund those proposals it deems meritorious. The committee notes that many of these proposals would be funded out of the Defense Emergency Response Fund.

Wafer-scale planarization technology

Future defense electronic systems require new methods to place more transistors on ever-shrinking silicon and gallium arsenide chips. Multiple technologies are being developed for this purpose, but advancement of planarization technology is not being adequately addressed. Therefore, the committee recommends an increase of $5.0 million to PE 63175C for research and development in wafer-scale planarization technology.

Bottom Anti-Reflective Coatings for circuit boards

Bottom Anti-Reflective Coatings (BARC) are used for ultra high-density circuits to reduce the feature size on circuit boards. If the BARC program is successful, printed circuit cards could be reduced in size by as much as 40 percent, ultimately allowing the size and weight of computers in missile defense components, such as interceptors, to be reduced commensurately. The committee recommends an increase of $5.0 million in PE 63175C for BARC.

Nanophotonics system fabrication facility

Nanophotonics is a combination of nanofabrication and photonics focused on the development of devices embedded in semiconductor chips that control photons, or light, at the nanometer level. Photonic hit indicators are used on ballistic missile defense test targets to determine precisely where the interceptor hits the target. The nanophotonics systems fabrication facility would focus on the development, integration, and packaging of devices for photonic systems, with methods based on those utilized in the integrated circuit industry. The committee believes in the potential of photonic systems and recommends an increase of $3.7 million in PE 63175C for the development of a nanophotonics systems fabrication facility.

Wide-bandgap semiconductor

There is an increasing need for semiconductors that can withstand high electricity and high temperature, especially for the compact, lightweight electronics required for ballistic missile defense systems. The wide-bandgap semiconductor program researches the use of Gallium Nitride, which can function at higher temperatures than conventional materials. The committee agrees on the importance of Gallium Nitride as a semiconductor for the projects within the Missile Defense Agency and in other areas. Therefore, the committee recommends an increase of $10.0 million in PE 63175C for the wide-bandgap semiconductor program.

Vehicle fuel cell program

The budget request included $25.5 million in PE 63712S for logistics technology demonstrations. As a component of the legislative initiative described elsewhere in this title, the committee recommends an additional $10.0 million to carry out a cost-shared program to identify and support technological advances that are necessary to develop fuel cell technology for use in vehicles. The committee directs that this program be coordinated with the Secretary of Energy, other appropriate federal agencies, and private industry. The committee also directs the Secretary of Defense to

ensure that at least half of the total cost of the program be borne by industry, either in cash or in kind.

The vehicle fuel cell program shall include continued development of fuel cell auxiliary power units and vehicle propulsion technologies as well as pilot demonstration of such technologies as appropriate. The program shall also include development of technologies necessary for a hydrogen fuel infrastructure.

Technology transition initiatives

The budget request included $25.4 million in PE 63826D8Z for Quick Reaction Special Projects. The committee supports the Department of Defense's attempts to establish innovative programs to rapidly transition technologies into operational systems. Section 242 of this title would add an additional $25.0 million in this account only for use as part of the Technology Transition Initiative authorized by that provision.

The committee directs the Director of Defense Research and Engineering to report to Congress on the execution of the Quick Reaction and Transition Initiative funds, document technology transition successes that resulted as a consequence of the funds, and make recommendations for new funding mechanisms to further promote rapid and efficient technology transition.

Instructional technologies for first responders

The budget request included $49.9 million in PE 63832D8Z for the Joint Wargaming Simulation Management Office. The committee recommends an additional $4.0 million for planning, designing, and developing a national network for delivering Weapons of Mass Destruction (WMD) training and to support research on simulation-based training systems that can improve WMD training.

The committee notes that preparing military medical personnel to respond effectively to incidents involving use of weapons of mass destruction is an essential part of a balanced response to new threats. The Department of Defense must be able to provide continuous training, as well as rapid training updates, to large numbers of globally distributed personnel, including medics and personnel in military hospitals. New information technologies are essential to serve this critical mission.

The committee recommends that the Director of Defense Research and Engineering direct and manage this program. The committee also recommends the formulation of a national strategy to develop and deliver training materials for this mission. The program's activities should leverage new information technologies and adapt to newly available capabilities as well as conform as appropriate to the best commercial and university practices available, both for the development of the content of the material and for the technical standards used. Due to recent acceleration of government-wide efforts in homeland security, the committee directs the Department to work closely with other agencies supporting WMD training to take advantage of their ability to provide training content and certification and to ensure interoperability of technologies employed.

Unexploded ordnance remediation

The budget request included $28.3 million in PE 63851D8Z for the Environmental Security Technical Certification Program. The committee recommends an increase of $5.0 million to develop technologies to remediate unexploded ordnance (UXO) and related constituents at active, inactive, closed, transferred, and transferring ranges.

The budget request included $60.5 million in PE 63716D8Z for the Strategic Environmental Research Program. The committee recommends an increase of $3.0 million for science and technology efforts to enhance UXO remediation capabilities.

Ballistic missile defense systems engineering

The budget request included $371.1 million in PE 63880C for ballistic missile defense systems engineering and integration, an 83 percent increase over last year's funding level. While the committee accepts the value of systems engineering, it is not clear why such a large increase is necessary over last year's level. Furthermore, despite repeated queries, the Missile Defense Agency has not adequately explained why such a high funding level is required for systems engineering and integration or what products are to be delivered with the funding.

Therefore, the committee recommends a reduction of $140.0 million in PE 63880C for systems engineering and integration. The remaining funding level of $231.0 million represents 10 percent growth from the current level.

Ballistic missile defense test and evaluation

The budget request included $382.0 million in PE 63880C for ballistic missile defense test and evaluation, a decrease of more than $40.0 million from the amount appropriated in fiscal year 2002. The Department of Defense, however, has decided to put a high priority on ballistic missile defense testing, which the committee strongly supports. It is not clear to the committee why the requested test and evaluation funding has decreased so substantially given this priority. Therefore, the committee recommends an increase of $30.0 million in PE 63880C for test and evaluation.

Arrow

The budget request included $66.0 million in PE 63881C for the Arrow ballistic missile defense system. The Arrow program is a U.S.-Israeli joint program critical to the defense of Israel against existing and growing regional ballistic missile threats. The system would also serve to protect U.S. forces in the region during a conflict and is intended to be interoperable with U.S. theater missile defense systems. Therefore, the committee recommends an increase of $40.0 million in PE 63881C for the Arrow program. The committee urges the Department to direct this extra funding toward Arrow capability and interoperability upgrades.

High power discriminator radar

For a number of years the Department of Defense has pursued two separate radar development efforts for the Navy Theater-Wide ballistic missile defense system, now called the Sea-based Mid-

course system. Both efforts, one focusing on X-band radar technology and the other on S-band technology, have lacked a coherent focus and plan. Congress has repeatedly requested that the Department provide the overall plan for Sea-based Midcourse radar development. Last year's committee report urged the Ballistic Missile Defense Organization, now the Missile Defense Agency (MDA), to focus the radar development efforts and funding on the radar technology that the MDA determines is best suited for ballistic missile defense. The report also discussed the unique value of X-band radar technology for ballistic missile defense and quoted Lieutenant General Ronald Kadish, Director of the Missile Defense Agency, who stated that "in order to do the [ballistic missile defense] countermeasure problem you are going to need the kind of fine discrimination capability afforded by the X-band."

Despite urging by Congress during fiscal year 2002, the Department did not focus on a single radar technology and instead continued to fund both S- and X-band efforts. Furthermore, the X-band effort was not funded at a level commensurate with making adequate progress. The X-band high power discriminator radar effort received only $12.0 million in fiscal year 2002, resulting in the termination of many of the engineers working on the program, despite the fact that the high power discriminator technology is mature enough to be installed and demonstrated on a ship.

The budget request for fiscal year 2003 included only $15.0 million in PE 63882C for X-band high power discriminator radar development. The committee believes that the X-band high power discriminator radar is essential to any robust near-term Sea-based Midcourse capability and is concerned that the proposed funding level is significantly lower than the level required to conduct prototype development and installation on a ship, the logical next step for the program. Therefore, the committee recommends an increase of $40.0 million in PE 63882C for X-band high power discriminator development, leading toward installation of a prototype X-band high power discriminator radar on an Aegis ship.

Midcourse systems engineering and integration

The budget request included $95.0 million in PE 63882C for Midcourse Defense Segment systems engineering and integration, more than double the amount appropriated in fiscal year 2002 for this activity. The committee finds it difficult to justify such a large increase in funding when more than $400.0 million of systems engineering and integration funding is already proposed for fiscal year 2003 in the Ballistic Missile Defense System Segment and within the individual programs which comprise the Midcourse Defense Segment. Furthermore, the fiscal year 2003 funding request would support the same activities that were funded in fiscal year 2002, so such a large increase seems unnecessary. Therefore, the committee recommends a reduction of $45.0 million in PE 63882C for Midcourse Defense Segment systems engineering and integration which would still provide a 10 percent increase, after inflation, for that activity.

Small kill vehicle technology development

The potential for enemy decoys and countermeasures poses a significant problem for ballistic missile defense systems. These decoy devices are often difficult to distinguish from the actual warheads themselves. However, by placing many small kill vehicles on a single interceptor missile, it may be possible to engage both the warhead and any decoys present; each small kill vehicle is designed to destroy a different object. To further the development of this concept, the committee recommends an increase of $10.0 million to PE 63882C for small kill vehicle technology development.

Sea-based boost defense

The budget request included $55.0 million in PE 63883C for a sea-based boost "critical experiment" in fiscal year 2003. However, the Missile Defense Agency could not identify the experiment, so it is unlikely that it would actually occur as early as fiscal year 2003. Therefore, the committee recommends a reduction of $55.0 million in PE 63883C for the undefined fiscal year 2003 experiment.

Space-based boost defense

The budget request included $30.0 million in PE 63883C for a space-based boost "critical experiment" in fiscal year 2003. However, the Missile Defense Agency could not identify the experiment, so it is unlikely that it would actually occur as early as fiscal year 2003. Therefore, the committee recommends a reduction of $30.0 million in PE 63883C for the undefined fiscal year 2003 experiment.

Airborne Laser

The budget request included $30.0 million in PE 63883C for purchase of the second Airborne Laser prototype aircraft. The committee notes, however, that the first Airborne Laser prototype aircraft is not scheduled to be tested until fiscal year 2005. Furthermore, the first prototype is only a half-power version, and the Missile Defense Agency is not yet able to determine when a full-power version will become available. Finally, the Airborne Laser program has experienced significant cost growth, with the cost of the first prototype aircraft rising to over $1.0 billion from an original estimated cost of less than half that amount.

The committee fully supports the research, development and testing of the first Airborne Laser aircraft, and believes that a fully-tested, full power version would be a truly revolutionary weapons system. The committee also believes, however, that the Missile Defense Agency should focus on test completion of the first prototype aircraft before buying the second prototype aircraft. Therefore, the committee recommends a reduction of $30.0 million in PE 63883C for the second Airborne Laser aircraft.

Airborne Infrared Surveillance system

The proposed Airborne Infrared Surveillance system (AIRS) would integrate a high-performance, infrared telescope and data collection system on a Global Hawk Unmanned Aerial Vehicle (UAV) or Gulfstream V high altitude aircraft to detect, track and

discriminate ballistic missile warheads in the midcourse phase of flight. The system would also provide infrared detection and detailed imaging of ground targets. The U.S. currently has no near-term plans to provide infrared tracking and discrimination data to missile defense systems. The Space-based Infrared System-Low (SBIRS-Low) satellite system will eventually perform that function; however, the data quality and resolution of SBIRS-Low may not be as high as that of AIRS. The Missile Defense Agency also recently delayed the planned deployment date for SBIRS-Low.

Furthermore, no systems currently provide intelligence data on the infrared signatures of foreign missile warheads in midcourse. Such data would be essential in helping predict the difference between an incoming warhead and the decoys surrounding it. Both the intelligence community and the Missile Defense Agency have commented on the severe shortage of infrared signature data on foreign warheads, and the Central Measurements and Signals Intelligence Organization has endorsed AIRS as a near-term solution to this problem.

The telescope and data collection systems for AIRS have already been successfully integrated and tested on a test aircraft, and they performed well during a recent Integrated Flight Test of the Ground-based Midcourse national missile defense system. Therefore, the committee recommends that $22.0 million be added to PE 63884C for engineering and concept studies for AIRS. The committee also urges the Missile Defense Agency to aggressively pursue this program.

Russian-American Observation Satellite (RAMOS) solar arrays

The committee recommends an additional $10.0 million in PE 63884C to further develop lightweight and flexible amorphous silicon alloy triple-junction thin film technology for lightweight, low-cost, radiation hardened solar arrays with a stainless steel substrate. The committee encourages the Department of Defense to conduct this effort as a joint U.S.-Russian partnership within the RAMOS program.

The committee also notes that of the $54.5 million appropriated for RAMOS in fiscal year 2002, only $2.0 million has been provided to Russia, primarily because of the lack of an official agreement to proceed between Russia and the United States. The committee urges the Department of Defense to work with Russia to sign the agreement with the Russian Federation on RAMOS as soon as possible so that this important joint program can continue to proceed toward the planned launch of two satellites in 2006.

Technical studies and analyses

The budget request included $30.0 million in PE 65104D8Z for technical studies, support and analysis. The committee recommends a reduction of $5.0 million to this account. The committee notes that the Department has requested that Congress substantially reduce reporting requirements. The committee also notes that the goal of defense transformation places modernization programs at a higher priority than studies and analyses.

Information security scholarship program

The budget request included $5.0 million in PE 65710D8Z, Research, Development, Test and Evaluation, Defense-Wide for the information assurance scholarship program. This program was established by section 922 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

The committee strongly supports moving forward with this program. Department of Defense officials have indicated that they fully support the intent of the program to bolster the number of, and training for, personnel in the Defense Department's information assurance career field. The committee believes that the Department is being too tentative in its implementation and that making more funds available would result in more near-term progress.

The committee recommends an additional $10.0 million to increase the number of grants and scholarships that the Department would be able to implement during fiscal year 2003.

Information security

The budget request included $394.3 million in PE 33140G for the Information Systems Security Program. The committee notes that the Nation's military and commercial information systems continue to be extremely vulnerable to attack; the capability for launching a catastrophic attack has spread throughout the world to nations, terrorist groups, and even private individuals. Therefore, the committee recommends an additional $33.0 million across the Department's research and development activities to enhance research and training to meet these emerging threats.

The committee also recommends an additional $4.0 million in PE 33140G to facilitate cooperation for protecting information and information systems so as to increase national awareness of the dynamic threat and strengthen common defense across the Nation.

National Imagery and Mapping Agency feature level database

The U.S. military increasingly relies on data from surveillance platforms such as Unmanned Aerial Vehicles and satellites. Data from these platforms is most useful to the military if it can be fused together. This enables each individual surveillance platform to be interoperable with the other platforms, greatly enhancing the usefulness and accuracy of the surveillance data. To support such interoperability, the National Imagery and Mapping Agency (NIMA) is developing a feature level database to enable the fusion of data from disparate surveillance platforms. The committee supports this effort and recommends an increase of $4.1 million in PE 35102BQ for feature level database development.

Intelligent spatial technologies

The budget request included $115.2 million in PE 35102BQ for the Defense Imagery and Mapping Program but did not include continued funding for intelligent spatial technologies for smart maps, a promising technology that will allow military operators and planners to better use and integrate geospatial data. The National Imagery and Mapping Agency (NIMA) has been very sup-

portive of this program, assessing it to be of high military value. However, competing priorities precluded NIMA from continuing funding for this important capability. The committee recommends an increase of $1.0 million in PE 35102BQ for the continued development of geospatial data integration technologies.

Broadcast-Request Imagery Technology Experiment

At the request of U.S. Special Operations Command (SOCOM), the National Reconnaissance Office (NRO) began development of the Broadcast-Request Imagery Technology Experiment (BRITE), a unique capability to disseminate timely, tailored imagery products to forward-deployed special operations elements via existing communications architectures. Once development of BRITE was completed, the NRO transferred responsibility for the program to the National Imagery Mapping Agency (NIMA) for fielding and sustainment. Now in use in Afghanistan, this system allows soldiers to view satellite imagery data in near real-time and has been a key asset in our continuing military effort in that region. Despite its effectiveness, NIMA has not yet funded the fielding of the BRITE system.

The committee strongly supports BRITE and recommends an increase of $4.0 million to PE 35102BQ to facilitate timely fielding of BRITE to operational elements. In addition, the committee urges NIMA to fund the fielding of this system in future budget submissions.

Laser additive manufacturing initiative

The budget request included $13.1 million in PE 78011S for manufacturing technology programs. The committee recommends an increase of $5.0 million to develop laser additive manufacturing technologies to produce high performance military and commercial titanium components.

Advanced technologies for special operations

The budget request included $6.7 million in PE 1160279BB for special operations technology development. In testimony to the Emerging Threats and Capabilities Subcommittee, Special Operations Command officials stated that, "Special Operations Forces depend on leading edge technology to provide the critical advantage and to support participation in a growing number of technologically complex missions and operations." Therefore, the committee recommends an increase of $5.0 million for the development of new technologies in established technology thrust areas including signature reduction, communications, unmanned systems, power systems, remote sensing, advanced training systems, bioengineering, and directed energy weapons.

The committee notes and commends the recent efforts of the U.S. Special Operations Command (SOCOM) to leverage the science and technology efforts of the military services and defense agencies. The committee also commends SOCOM on its success in rapidly transitioning new technologies from both inside and outside the Department of Defense into the hands of warfighters. This transition success may provide a useful model for many other organizations within the Department.

Joint Threat Warning System

The budget request included no funding for research and development on the Joint Threat Warning System (JTWS) in PE 116404BB. The JTWS is a system that provides force protection, integrated threat warning, and situational awareness equipment for Special Operations Forces (SOF). The system supports worldwide ground, maritime, and airborne missions, providing information to operators through the Integrated Broadcast System. The system will replace current, non-standard, sometimes unsupportable equipment serving air, maritime, and ground operations. Replacing the old systems with JTWS is a Special Operations Command priority. Therefore, the committee recommends an increase of $1.8 million for PE 116404BB for research and development of the JTWS.

Embedded Integrated Broadcast Service Receivers

The budget request included no funding for research and development on the embedded Integrated Broadcast Service (IBS) receivers. The embedded IBS receivers offer tactical, real-time intelligence broadcast data to warfighters for threat avoidance and situational awareness. The IBS receivers will replace the current Multi-mission Advanced Tactical Terminal (MATT) system, which is approaching the end of its service life due to aging design, parts obsolescence, producibility issues, and exposure to a harsh operating environment. Replacing the old system with these receivers is a Special Operations Command priority. Therefore, the committee recommends an increase of $2.2 million for PE 116405BB for Special Operations Intelligence Systems Development/Project S400.

Test and evaluation science and technology program

The budget request included $6.0 million in PE 63941D8Z for test and evaluation science and technology programs. As part of the committee's overall initiative to support testing and evaluation, the committee recommends an additional $5.0 million for the development of new technologies to support test and evaluation. This program will allow test technologies to keep pace with evolving weapons technology and is critical to ensuring the capability to test future weapons systems.

Central test and evaluation investment program

The budget request included $123.3 million for the central test and evaluation investment program (CTEIP). As a component of the test and evaluation initiative described in this title, section 233 would add $50.0 million and section 232 would transfer an additional $70.0 million to this critical program, which has developed a coordinated process for making test and evaluation investments that leverage service programs and encourage joint development and use of new test capabilities. The committee commends CTEIP for its efforts to develop new test technologies and instrumentation, improve interoperability between service efforts, integrate modeling and simulation into test activities, and provide resources to respond to near-term shortfalls in operational test capabilities.

In addition, the committee recommends an increase of $8.0 million for technology development to support test and evaluation. Of this amount, $3.0 million shall be used for the development of digital imagery motion tools to support testing activities.

The committee also recommends an additional $5.0 million to support the activities of the Big Crow program. The committee notes the important role that the Big Crow support aircraft played in recent operations in Afghanistan. The committee directs the Secretary of Defense to update Congress on Department plans for future funding of this important asset, so that it can be a test resource and operational electronic warfare platform for the services.

Live fire test and training

The budget request included $10.1 million in PE 65131D8Z for live fire testing. As part of the initiative to robustly fund testing and evaluation in the Department of Defense, the committee recommends an increase of $5.0 million for the Live Fire Test and Training Program. The committee recommends an additional $1.5 million for testing and development of fire fighting training systems.

OTHER ITEMS OF INTEREST

Crusader artillery system

The budget request included $475.6 million for the Crusader artillery system to complete program definition and risk reduction and begin system development and demonstration.

During the committee's markup of the National Defense Authorization Act for Fiscal Year 2003, the Secretary of Defense suddenly announced his decision to terminate the Crusader program. The Director of the Office of Management and Budget has informed the committee of the President's intention to amend the fiscal year 2003 budget request as it pertains to the Crusader program. The committee has not had an opportunity to review the reasons for the decision to terminate the Crusader program with Office of the Secretary of Defense officials or the impact of the decision on the Army's future modernization plans with Army officials.

The committee bill recommends $475.6 million for continued research and development of the Crusader, the amount requested in the fiscal year 2003 budget. The committee will carefully review the decision to terminate the Crusader program with the Secretary of Defense and the Chief of Staff of the Army in an upcoming hearing and will meet to determine whether to offer a committee amendment at the time this bill is debated on the Senate floor.

Future launch and spacelift concepts

The committee is aware that the Department of Defense has identified responsive, low-cost space launch as a key to meeting a variety of military needs. Recently, the Air Force completed the Operationally Responsive Spacelift Mission Need Statement, the first step in the formal requirements process for future launch and on-orbit systems. The Air Force believes that operationally responsive spacelift is the key enabler for conducting a broad range of future space missions.

Working together, the Air Force and the National Aeronautics and Space Administration (NASA) also completed a number of joint studies to help identify and define operational requirements and concepts and to develop a technology roadmap. Included in the technology concept study was a range of potential vehicle options to meet the range of future Air Force and NASA needs. One of the tasks of the study was to harmonize Air Force and NASA reusable launch vehicle technology programs against Air Force and NASA requirements and architectures. The study concluded that, although the needs of the two organizations differ, both can receive significant benefits by working together toward future launch requirements.

The committee directs the Secretary of the Air Force to continue the process of defining requirements for future operationally responsive spacelift and report back to this committee. The report shall be provided to the committee no later than February 15, 2003. In the report, the Secretary should assess whether any such requirement can be met with evolutions of the evolved expendable launch vehicle (EELV), the shuttle transport system, current generation light launch vehicles, and the current launch infrastructures. In carrying out the assessment, the Secretary should also look at the comparative maturity, utility, and potential development and operational costs of expendable and reusable launch vehicles alternatives with current launch vehicles. The comparative analysis should also include launch processes and infrastructure.

In conducting the review the committee directs the Secretary to continue the cooperative relationship with NASA and explore the possibility of a joint development project that could meet requirements of each organization. The committee would welcome a jointly funded proposal to begin such an effort for future spacelift requirements.

Hybrid engine military vehicles

The committee notes that the cost of delivery of fuel within theaters of operation is now estimated at $150 per gallon. The Defense Science Board has identified this problem as one that the Department of Defense needs to address in order to reduce fuel cost burdens, specifically through aggressive high-level leadership, development of incentives for production and acquisition, and advanced technology development.

Hybrid engine technology can significantly increase fuel economy and reduce pollution for military vehicles. Hybrid engine technology is also consistent with efforts to transform the military into a lighter, lethal, more deployable force. The committee notes that significant improvements have been made in hybrid technology, but the transition of this technology into operational systems is limited by economic factors, including the initial costs of developing new systems and replacing existing standard engines. The conversion to hybrid electric systems could benefit all of the services and will likely require the military to make initial investments.

In order to promote a Department-wide effort to develop military hybrid vehicle systems, the committee directs the Under Secretary of Defense for Acquisition, Technology and Logistics to conduct a study of the feasibility of (1) converting 10 percent of the non-com-

bat defense fleet to hybrid vehicles by fiscal year 2009; and (2) converting to an all-hybrid engine fleet for both non-combat and combat vehicles over a longer period. The feasibility study should include a projection of funding requirements, technical milestones and goals, and planned technology insertions, and should be submitted to Congress along with the fiscal year 2004 budget request.

Magdalena Ridge Observatory

The Magdalena Ridge Observatory is a facility supporting missile defense testing and evaluation. The facility is used to provide detailed imagery to understand lethality and kill mechanisms during intercept tests for the national missile defense, Theater High Altitude Area Defense, and Patriot Advanced Capability-3 missile systems at the White Sands Missile Range and Fort Wingate Launch Range. The committee is supportive of continued research and development on telescopes and other equipment to support these Department of Defense missions.

Patents and licensing

The ability of the private sector to license and exploit technologies developed internally by Department of Defense (DOD) research and engineering organizations has been a cornerstone of the nation's high-tech industry. The licensing agreements established under legislation such as the Bayh-Dole Act and the Stevenson-Wydler Act have helped fuel our nation's technical innovation and have produced many of the defense technologies that the military uses today.

The committee notes that a recent study by the Director of Defense, Research, and Engineering examined the value of licensing and patent marketing to DOD laboratories. The report concludes that licensing of DOD inventions provides three major benefits: new commercial products available to DOD, new working relationships with private industry, and revenue for DOD laboratories. In addition, royalty income can provide an excellent incentive to inventors at DOD laboratories and can stimulate technical innovation.

The study also concluded, however, that the Department of Defense does a poor job in managing and marketing its intellectual property. It notes that DOD receives less than $2.0 million annually from its licensing agreements as compared to the National Institutes of Health, which earns over $45.0 million in royalties annually. The study concludes that "with more aggressive patent marketing by the DOD laboratories that licensing could increase, leading to an increase in royalty income for the labs." This is particularly true for biomedical, advanced electronics, and computer technologies currently being developed by defense laboratories.

The committee directs the Department to develop a plan and to report to Congress on specific strategies for marketing its intellectual property more aggressively and for exploiting the findings of the Director of Defense Research and Engineering's report. The plan and subsequent report to the committee should include recommendations on staffing levels for appropriate intellectual property experts, discussion on the role of the Offices of Research and Technology Applications (ORTAs), descriptions of planned coopera-

tive activities with the private sector and other government agencies, and analyses of any regulatory or statutory barriers to fully marketing DOD intellectual property. The report should also forecast the potential for increased revenues to the Department's laboratories as a result of more aggressive marketing efforts.

National Consortium for Biodefense

The committee recognizes that the threat of bioterrorism and biowarfare is real and growing. Accordingly, the committee urges the Department of Defense (DOD) to study the feasibility of establishing, on a national basis, a university, public health, and industry consortium on biodefense research and analysis. The consortium would be intended to serve various functions: to evaluate the potential of various biological threat agents to humans, animals, and crops; to provide analysis of possible genetic engineering of biological agents; to evaluate possible production and deployment methods used by terrorists, including the signatures of possible production facilities; to conduct research in, but not limited to, the areas of medical microbiology, molecular biology, epidemiology, and immunological methods for the development of protection against biological agents; to research early detection, warning, and monitoring of biological outbreaks; to study disinfection of large contaminated areas or buildings; to evaluate technical countermeasures to biological aerosols and agents; and to undertake a program of strategy, policy, and management studies and public education and public health education and training for biodefense, including conflict analysis and resolution in biowarfare and bioterrorism. Such a feasibility study should include a projection of the costs that would be associated with establishing such a national consortium.

Patriot Advanced Capability-3

The committee is aware that the Department of Defense has considered requesting authority for a multiyear procurement of Patriot Advanced Capability-3 (PAC–3) missiles. Consistent with its long support for the deployment of robust theater missile defenses, the committee encourages the Department to develop a PAC–3 acquisition plan that will maximize production efficiencies and reduce acquisition costs in the future.

Rotorcraft external airbag protection system

Each year, Navy rotorcraft experience an average of 11.4 noncombat related mishaps, with an average of almost 20 fatalities per year. The Navy accident reviews have classified a large majority of these mishaps as "survivable," yet 84 percent of all fatalities occur in these potentially survivable mishaps. Mishaps over water are particularly deadly since rotorcraft landing gear provides no cushioning effect on water impact and water quickly envelops the fuselage.

The committee understands that one possible alternative for alleviating this situation is a promising technology that would position airbags on the underside of the rotorcraft. Such a device would activate in proximity to the ground or water when the aircraft is subjected to an emergency descent.

The committee believes the Navy should investigate using this technology approach to saving lives. The Navy should investigate whether: (1) the technology has the potential for reducing fatalities in "survivable" accidents; and (2) the costs and potential weight penalties would make this an affordable system. Since all military services operate rotorcraft, the Navy should share the results of its efforts with the other services.

Sensor instrumentation

Many weapons systems are dependent upon gas turbine engines for power and propulsion. In order to adequately monitor high temperature components of these systems, new instrumentation must be developed. The committee encourages the military services to explore the development of photonic sensor systems for gas turbine engines in order to increase efficiency, reliability, and performance.

Space-based Laser

The committee is aware that the Missile Defense Agency is finalizing its Affordable Concept Study for the development of Space-based Laser technologies. This study was undertaken after the cancellation of the Space-based Laser Integrated Flight Experiment (IFX) in the Department of Defense Appropriations Act for Fiscal Year 2002 (P.L. 107–117). The committee agrees that a thorough evaluation is necessary. The committee believes that any plan must include the preservation of high energy laser risk reduction activities and facilities which, if lost, would be costly to regenerate.

Treatment of decompression sickness

The budget request included no research and development funds for the investigation of treatments for decompression sickness experienced by submariners or Navy diving personnel when they are moved suddenly from one atmospheric pressure to another. Decompression sickness would most likely occur as a result of an emergency situation that would not allow for the slow decompression of gases in the blood and tissues. Current treatment for decompression sickness requires recompression followed by slow decompression in a special chamber. Preliminary results indicate that blood substitutes have the potential to prevent the adverse effects of sudden recompression, which include neurological injury, muscle and joint pains, circulatory disaster, heart attack, pulmonary dysfunction, and death. Therefore, the committee strongly supports and encourages Navy development, with private and public partners, of initiatives which could lead to better treatment and prevention of decompression sickness.

TITLE III—OPERATION AND MAINTENANCE

Explanation of tables

The following tables provide the program-level detailed guidance for the funding authorized in title III of this Act. The tables also display the funding requested by the administration in the fiscal year 2003 budget request for operation and maintenance (O&M) programs and indicate those programs for which the committee either increased or decreased the requested amounts. As in the past, the administration may not exceed the authorized amounts (as set forth in the tables or, if unchanged from the administration request, as set forth in the Department of Defense's budget justification documents) without a reprogramming action in accordance with established procedures. Unless noted in the report, funding changes to the budget request are made without prejudice.

The President's budget request included $20.1 billion in the operation and maintenance title for the Defense Emergency Response Fund (DERF). Of this amount, $10.1 billion was requested for specific programs and $10.0 billion was requested as unspecified contingency funding for continuing the war on terrorism into fiscal year 2003. The authorization for this unspecified $10.0 billion, which would fund the costs of ongoing military operations as well as the additional pay and benefits of mobilized guard and reserve personnel, thus involving multiple appropriation accounts, has been transferred to title X of this Act. Funds transferred to the accounts in this title from the DERF are displayed on the tables that follow as increases to the amount requested for those programs in the O&M accounts. Programs for which funds were transferred from the DERF are annotated to indicate that funds were originally requested in the DERF.

Of the specified $10.1 billion, approximately $4.3 billion was requested for programs that fall in the operation and maintenance title, including O&M and revolving fund accounts. The committee's recommended authorizations for those programs are included in this title. Authorizations reflecting the committee's actions on the balance of the $10.1 billion can be found in their respective titles of this Act.

The budget request also proposed to change the accounting structure for various health and retirement benefits of federal civilian employees to an accrual basis. As discussed elsewhere in this report, the committee did not agree with this proposed change. The operation and maintenance accounts in this title have been reduced by $2.3 billion to reflect the appropriate funding levels for defense programs under current accounting procedures. The authorizations for revolving and management funds in this title have been reduced by $839.1 million for this same reason. These reductions would not entail any change to the benefits of federal civilian em-

ployees funded by either direct appropriations or through the working capital funds.

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		Operation and Maintenance, Army			
	DIVI	**LAND FORCES**			
2020a	010		1,425,204		1,425,204
2020a	020	CORPS COMBAT FORCES	424,191		424,191
2020a	030	CORPS SUPPORT FORCES	361,001		361,001
2020a	040	ECHELON ABOVE CORPS SUPPORT FORCES	405,752		405,752
2020a	050	LAND FORCES OPERATIONS SUPPORT	1,115,776		1,115,776
		Combat training center improvements		1,200	1,200
		LAND FORCES READINESS			
2020a	060	FORCE READINESS OPERATIONS SUPPORT	1,529,998		1,529,998
		Battlefield mobility enhancers (M-Gators)		5,000	5,000
		Integrated training area management		15,700	15,700
		Live-fire range improvements		13,200	13,200
	60	Physical security equipment (Transfer from DERF)		76,900	76,900
	60	Alternate National Military Command Center (Transfer from DERF)		44,000	44,000
	60	CONUS support (Transfer from DERF)		2,000	2,000
	60	Information systems security program (Transfer from DERF)		5,000	5,000
2020a	070	LAND FORCES SYSTEMS READINESS	491,947		491,947
2020a	080	LAND FORCES DEPOT MAINTENANCE	808,666		808,666

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		LAND FORCES READINESS SUPPORT			
2020a	090	BASE OPERATIONS SUPPORT	3,207,409		3,207,409
2020a	100	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (OPERAT	1,146,516		1,146,516
2020a	110	MANAGEMENT & OPERATIONAL HEADQUARTERS	297,834		297,834
2020a	120	UNIFIED COMMANDS	83,961		83,961
	120	Counter terrorism/force protection personnel (Transfer from DERF)		9,400	9,400
2020a	130	MISCELLANEOUS ACTIVITIES	1,607,610		1,607,610
		TOTAL, BA 01: OPERATING FORCES	**12,905,865**	**172,400**	**13,078,265**
		MOBILITY OPERATIONS			
2020a	140	STRATEGIC MOBILIZATION	365,257		365,257
2020a	150	ARMY PREPOSITIONED STOCKS	158,237		158,237
2020a	160	INDUSTRIAL PREPAREDNESS	9,497		9,497
2020a	170	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (MOBILI	11,473		11,473
		TOTAL, BA 02: MOBILIZATION	**544,464**	**0**	**544,464**
		ACCESSION TRAINING			
2020a	180	OFFICER ACQUISITION	88,026		88,026
2020a	190	RECRUIT TRAINING	20,197		20,197
2020a	200	ONE STATION UNIT TRAINING	22,486		22,486
2020a	210	SENIOR RESERVE OFFICERS' TRAINING CORPS	209,550		209,550
2020a	220	BASE OPERATIONS SUPPORT (ACCESSION TRAINING)	89,214		89,214

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
2020a	230	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (ACCESS	56,754		56,754
		BASIC SKILL/ ADVANCE TRAINING			
2020a	240	SPECIALIZED SKILL TRAINING	365,041		365,041
	240	Army language program, Army TIARA (Transfer from DERF)		19,500	19,500
	240	Contract linguists-force protection, Army TIARA (Transfer from DERF)		9,400	9,400
	240	Contract linguists- interrogation detainees, Army TIARA (Transfer from DERF)		5,000	5,000
	240	Classified (Transfer from DERF)		2,300	2,300
2020a	250	FLIGHT TRAINING	402,481	55,000	457,481
2020a	260	PROFESSIONAL DEVELOPMENT EDUCATION	133,572		133,572
2020a	270	TRAINING SUPPORT	431,508		431,508
2020a	280	BASE OPERATIONS SUPPORT (BASIC SKILL/ADVANCED TRAINING)	1,006,102		1,006,102
2020a	290	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (BASIC S	351,864		351,864
		RECRUITING/OTHER TRAINING			
2020a	300	RECRUITING AND ADVERTISING	458,788		458,788
2020a	310	EXAMINING	87,568		87,568
2020a	320	OFF-DUTY AND VOLUNTARY EDUCATION	208,860		208,860
2020a	330	CIVILIAN EDUCATION AND TRAINING	99,193		99,193
2020a	340	JUNIOR RESERVE OFFICERS' TRAINING CORPS	97,512		97,512
2020a	350	BASE OPERATIONS SUPPORT (RECRUIT/OTHER TRAINING)	250,316		250,316
		TOTAL, BA 03: TRAINING AND RECRUITING	**4,379,032**	**91,200**	**4,470,232**

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		SECURITY PROGRAMS			
2020a	360	SECURITY PROGRAMS	572,013	47,500	619,513
	360	CONUS support (Transfer from DERF)		2,000	2,000
	360	Battle space characteristics (Transfer from DERF)		2,000	2,000
	360	Security and investigative activities (Transfer from DERF)		10,000	10,000
	360	Security and investigative activities (Transfer from DERF)		1,000	1,000
		LOGISTICS OPERATIONS			
2020a	370	SERVICEWIDE TRANSPORTATION	608,608		608,608
2020a	380	CENTRAL SUPPLY ACTIVITIES	547,994		547,994
2020a	390	LOGISTICS SUPPORT ACTIVITIES	356,424		356,424
		Anti-corrosion protective coatings		6,000	6,000
		Anti-corrosion product testing		1,000	1,000
2020a	400	AMMUNITION MANAGEMENT	311,789		311,789
		SERVICEWIDE SUPPORT			
2020a	410	ADMINISTRATION	638,845		638,845
	410	Critical infrastructure protection (Transfer from DERF)		600	600
2020a	420	SERVICEWIDE COMMUNICATIONS	655,796		655,796
	420	CONUS support (Transfer from DERF)		5,000	5,000
	420	Collaboration planning/enablers (Transfer from DERF)		2,500	2,500
	420	CONUS support (Transfer from DERF)		500	500
	420	Information systems security program (Transfer from DERF)		4,600	4,600

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
	420	Information systems security program (Transfer from DERF)		1,700	1,700
	420	Information systems security program (Transfer from DERF)		1,500	1,500
2020a	430	MANPOWER MANAGEMENT	245,901		245,901
2020a	440	OTHER PERSONNEL SUPPORT	204,749		204,749
2020a	450	OTHER SERVICE SUPPORT	623,408		623,408
2020a	460	ARMY CLAIMS	112,215		112,215
2020a	470	REAL ESTATE MANAGEMENT	54,282		54,282
2020a	480	BASE OPERATIONS SUPPORT (SERVICEWIDE SUPPORT)	1,298,623		1,298,623
		Utilities privatization		(8,936)	(8,936)
2020a	490	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (SERVICI	257,333	86,005	343,338
		SUPPORT OF OTHER NATIONS			
2020a	500	INTERNATIONAL MILITARY HEADQUARTERS	205,623		205,623
2020a	510	MISC. SUPPORT OF OTHER NATIONS	58,091		58,091
2020a	520	EXPANSION OF NATO			
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**6,751,694**	**162,969**	**6,914,663**
		Legislative provisions not proposed	0	(7,500)	(7,500)
		Civilian personnel accrual accounting adjustment		(612,382)	(612,382)
		Contract services		(192,500)	(192,500)
		Total Operation and Maintenance, Army	**24,581,055**	**(385,813)**	**24,195,242**

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		Operation and Maintenance, Navy			
		AIR OPERATIONS			
1804n	010	MISSION AND OTHER FLIGHT OPERATIONS	3,247,197		3,247,197
1804n	020	FLEET AIR TRAINING	1,030,024		1,030,024
1804n	030	INTERMEDIATE MAINTENANCE	69,945		69,945
1804n	040	AIR OPERATIONS AND SAFETY SUPPORT	109,072		109,072
1804n	050	AIRCRAFT DEPOT MAINTENANCE	785,052		785,052
1804n	060	AIRCRAFT DEPOT OPERATIONS SUPPORT	55,930		55,930
		SHIP OPERATIONS			
1804n	070	MISSION AND OTHER SHIP OPERATIONS	2,442,911		2,442,911
1804n	080	SHIP OPERATIONAL SUPPORT AND TRAINING	589,655		589,655
		Fleet training resource strategy		15,000	15,000
	80	Various (Transfer from DERF)		5,000	5,000
	80	Cryptologic direct support (Transfer from DERF)		2,000	2,000
1804n	090	INTERMEDIATE MAINTENANCE	406,251		406,251
1804n	100	SHIP DEPOT MAINTENANCE	3,536,452	89,995	3,626,447
1804n	110	SHIP DEPOT OPERATIONS SUPPORT	1,324,577		1,324,577
		COMBAT OPERATIONS/SUPPORT			
1804n	120	COMBAT COMMUNICATIONS	424,042		424,042
		Improved shipboard combat information center		8,000	8,000

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		Submarine broadcast support		1,000	1,000
1804n	130	ELECTRONIC WARFARE	15,485		15,485
1804n	140	SPACE SYSTEMS & SURVEILLANCE	205,001		205,001
1804n	150	WARFARE TACTICS	166,186		166,186
		Fleet range operations support		8,000	8,000
1804n	160	OPERATIONAL METEOROLOGY & OCEANOGRAPHY	273,412		273,412
1804n	170	COMBAT SUPPORT FORCES	767,833		767,833
	170	Various (Transfer from DERF)		2,000	2,000
	170	Various (Transfer from DERF)		2,000	2,000
	170	Classified (Transfer from DERF)		1,000	1,000
	170	SCI GCCS I3 (Transfer from DERF)		3,800	3,800
	170	GENSER GCCS I3 (Transfer from DERF)		5,400	5,400
	170	JDIS / LOCE / CENTRIX (Transfer from DERF)		5,300	5,300
	170	CMMA (Transfer from DERF)		1,500	1,500
	170	CMMA (Transfer from DERF)		22,500	22,500
	170	JWICS connectivity (Transfer from DERF)		5,500	5,500
	170	Intelligence analysts (Transfer from DERF)		3,000	3,000
1804n	180	EQUIPMENT MAINTENANCE	169,941		169,941
1804n	190	DEPOT OPERATIONS SUPPORT	1,676		1,676
		WEAPONS SUPPORT			
1804n	200	CRUISE MISSILE	162,185		162,185

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
1804n	210	FLEET BALLISTIC MISSILE	806,150		806,150
	210	Strategic security forces and technicians (Transfer from DERF)		7,000	7,000
1804n	220	IN-SERVICE WEAPONS SYSTEMS SUPPORT	43,314		43,314
1804n	230	WEAPONS MAINTENANCE	420,864		420,864
		Mark-45 overhauls		5,000	5,000
	230	Pioneer (Transfer from DERF)		6,000	6,000
		WORKING CAPITAL FUND SUPPORT			
1804n	240	NWCF SUPPORT			
		BASE SUPPORT			
1804n	250	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,153,732		1,153,732
	250	Site improvement (Transfer from DERF)		219,200	219,200
	250	Facilities sustainment, restoration and modernization (Transfer from DERF)		2,500	2,500
1804n	260	BASE SUPPORT	2,748,739		2,748,739
	260	Security forces and technicians (Transfer from DERF)		143,096	143,096
	260	Law enforcement (Transfer from DERF)		32,573	32,573
	260	Management and planning (Transfer from DERF)		1,712	1,712
	260	Shipyard security forces & technicians (Transfer from DERF)		28,000	28,000
	260	Base support services (Transfer from DERF)		38,500	38,500
		TOTAL, BA 01: OPERATING FORCES	**20,955,626**	**664,576**	**21,620,202**

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		READY RESERVE AND PREPOSITIONING FORCES			
1804n	270	SHIP PREPOSITIONING AND SURGE	528,795		528,795
		ACTIVATIONS/INACTIVATIONS			
1804n	280	AIRCRAFT ACTIVATIONS/INACTIVATIONS	3,432		3,432
1804n	290	SHIP ACTIVATIONS/INACTIVATIONS	156,037		156,037
		MOBILIZATION PREPAREDNESS			
1804n	300	FLEET HOSPITAL PROGRAM	25,561		25,561
	300	Medical operations (Transfer from DERF)		4,000	4,000
1804n	310	INDUSTRIAL READINESS	1,207		1,207
1804n	320	COAST GUARD SUPPORT	18,759		18,759
		TOTAL, BA 02: MOBILIZATION	**733,791**	**4,000**	**737,791**
		ACCESSION TRAINING			
1804n	330	OFFICER ACQUISITION	115,943		115,943
1804n	340	RECRUIT TRAINING	10,413		10,413
1804n	350	RESERVE OFFICERS TRAINING CORPS	83,461		83,461
		BASIC SKILLS AND ADVANCED TRAINING			
1804n	360	SPECIALIZED SKILL TRAINING	351,114		351,114
	360	Pre-deployment training (Transfer from DERF)		1,000	1,000
	360	Imagery training initiative (Transfer from DERF)		1,000	1,000

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
1804n	370	FLIGHT TRAINING	371,096		371,096
1804n	380	PROFESSIONAL DEVELOPMENT EDUCATION	137,801		137,801
1804n	390	TRAINING SUPPORT	218,765		218,765
		RECRUITING, AND OTHER TRAINING AND EDUCATION			
1804n	400	RECRUITING AND ADVERTISING	257,292		257,292
1804n	410	OFF-DUTY AND VOLUNTARY EDUCATION	102,643		102,643
1804n	420	CIVILIAN EDUCATION AND TRAINING	75,178		75,178
1804n	430	JUNIOR ROTC	35,358		35,358
		BASE SUPPORT			
1804n	440	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	224,764		224,764
	440	Site improvement (Transfer from DERF)		42,000	42,000
1804n	450	BASE SUPPORT	375,698		375,698
		TOTAL, BA 03: TRAINING AND RECRUITING	**2,359,526**	**44,000**	**2,403,526**
		SERVICEWIDE SUPPORT			
1804n	460	ADMINISTRATION	669,509		669,509
	450	Security forces and technicians (Transfer from DERF)		1,500	1,500
1804n	470	EXTERNAL RELATIONS	4,639		4,639
	170	Various (Transfer from DERF)		7,000	7,000
1804n	480	CIVILIAN MANPOWER & PERSONNEL MGT	119,785		119,785
1804n	490	MILITARY MANPOWER & PERSONNEL MGT	106,986		106,986

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
1804n	500	OTHER PERSONNEL SUPPORT	199,531		199,531
1804n	510	SERVICEWIDE COMMUNICATIONS	732,372		732,372
	510	Critical infrastructure protection		6,000	6,000
	0	Carry on cryptologic systems (Transfer from DERF)		500	500
	510	HQ management and planning (Transfer from DERF)		3,920	3,920
	510	HQ management and planning (Transfer from DERF)		1,600	1,600
	510	Computer network defense (Transfer from DERF)		3,800	3,800
	510	Enclave boundary (Transfer from DERF)		1,200	1,200
	510	Intrusion detection (Transfer from DERF)		1,140	1,140
1804n	520	MEDICAL ACTIVITIES			
		LOGISTICS OPERATIONS AND TECHNICAL SUPPORT			
1804n	530	SERVICEWIDE TRANSPORTATION	186,872		186,872
1804n	540	ENVIRONMENTAL PROGRAMS			
1804n	550	PLANNING, ENGINEERING & DESIGN	393,563		393,563
1804n	560	ACQUISITION AND PROGRAM MANAGEMENT	857,646		857,646
	560	Acquisition program management (Transfer from DERF)		11,000	11,000
1804n	570	AIR SYSTEMS SUPPORT	464,959		464,959
		Configuration management systems		13,500	13,500
1804n	580	HULL, MECHANICAL & ELECTRICAL SUPPORT	51,399		51,399
		Ambient temperature cure coating tests		2,000	2,000
		Anti-corrosion product testing		1,000	1,000
1804n	590	COMBAT/WEAPONS SYSTEMS	43,907		43,907

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
1804n	600	SPACE & ELECTRONIC WARFARE SYSTEMS	59,899		59,899
		SECURITY PROGRAMS			
1804n	610	SECURITY PROGRAMS	767,090	27,990	795,080
	610	Intel/security and investigative matters (Transfer from DERF)		3,500	3,500
	610	Various (Transfer from DERF)		2,000	2,000
	610	HUMINT (Transfer from DERF)		3,700	3,700
	610	Counter surveillance and law enforcement advance details (Transfer from DERF)		5,000	5,000
		SUPPORT OF OTHER NATIONS			
1804n	620	INTERNATIONAL HDQTRS & AGENCIES	9,349		9,349
		BASE SUPPORT			
1804n	630	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	99,406		99,406
	630	Site improvement (Transfer from DERF)		13,000	13,000
1804n	640	BASE SUPPORT	212,958		212,958
		CANCELLED ACCOUNTS			
1804n	650	CANCELLED ACCOUNT			
		PROBLEM DISBURSEMENTS			
1804n	660	PROBLEM DISBURSEMENTS			

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		JUDGMENT FUND			
1804n	670	JUDGMENT FUND			
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**4,979,870**	**109,350**	**5,089,220**
		Legislative provisions not proposed		(5,200)	(5,200)
		Civilian personnel accrual accounting adjustment		(324,278)	(324,278)
		Contract services		(152,300)	(152,300)
		Total Operation and Maintenance, Navy	**29,028,813**	**340,148**	**29,368,961**
		Operation and Maintenance, Marine Corps			
		EXPEDITIONARY FORCES			
1106n	010	OPERATIONAL FORCES	631,065		631,065
	10	Continuity of intelligence (Transfer from DERF)		1,000	1,000
	10	I-SURSS (Transfer from DERF)		700	700
	10	TRSS (Transfer from DERF)		1,000	1,000
	10	TCAC (Transfer from DERF)		500	500
	10	RREP (Transfer from DERF)		200	200
	10	TPC (Transfer from DERF)		700	700
	10	MCIA analytic support (Transfer from DERF)		2,400	2,400
	10	TEG (Transfer from DERF)		1,000	1,000
	10	TROJAN Lite (Transfer from DERF)		1,500	1,500

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
	10	ISR (Transfer from DERF)		2,900	2,900
	10	FLAMES/CESAS (Transfer from DERF)		2,000	2,000
	10	Computer network defense (Transfer from DERF)		2,000	2,000
	10	Secure wireless (Transfer from DERF)		800	800
	10	Deployed security interdiction devices (Transfer from DERF)		700	700
1106n	020	FIELD LOGISTICS	289,401		289,401
		Anti-corrosion product testing		1,000	1,000
1106n	030	DEPOT MAINTENANCE	138,576		138,576
1106n	040	BASE SUPPORT	907,624		907,624
	40	Physical security equipment (Transfer from DERF)		228,000	228,000
	40	CINC AT/FP staffs (Transfer from DERF)		3,200	3,200
	40	Physical security upgrades (Transfer from DERF)		10,000	10,000
		Training area management		1,590	1,590
		Exercise equipment maintenance		2,300	2,300
1106n	050	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	445,582		445,582
		USMC PREPOSITIONING			
1106n	060	MARITIME PREPOSITIONING	80,743		80,743
1106n	070	NORWAY PREPOSITIONING	3,813		3,813
		TOTAL, BA 01: OPERATING FORCES	**2,496,804**	**263,490**	**2,760,294**
		ACCESSION TRAINING			
1106n	080	RECRUIT TRAINING	10,516		10,516

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
1106n	090	OFFICER ACQUISITION	355		355
1106n	100	BASE SUPPORT	65,906		65,906
1106n	110	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	29,122		29,122
		BASIC SKILLS AND ADVANCED TRAINING			
1106n	120	SPECIALIZED SKILLS TRAINING	40,524		40,524
1106n	130	FLIGHT TRAINING	175		175
1106n	140	PROFESSIONAL DEVELOPMENT EDUCATION	8,912		8,912
1106n	150	TRAINING SUPPORT	112,202		112,202
1106n	160	BASE SUPPORT	80,141		80,141
1106n	170	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	30,144		30,144
		RECRUITING AND OTHER TRAINING EDUCATION			
1106n	180	RECRUITING AND ADVERTISING	121,345		121,345
1106n	190	OFF-DUTY AND VOLUNTARY EDUCATION	34,695		34,695
1106n	200	JUNIOR ROTC	13,312		13,312
1106n	210	BASE SUPPORT	15,137		15,137
	210	Site R (Transfer from DERF)		1,000	1,000
1106n	220	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	2,507		2,507
		TOTAL, BA 03: TRAINING AND RECRUITING	**564,993**	**1,000**	**565,993**
		SERVICEWIDE SUPPORT			
1106n	230	SPECIAL SUPPORT	198,890		198,890

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
1106n	240	SERVICEWIDE TRANSPORTATION	34,627		34,627
1106n	250	ADMINISTRATION	39,262		39,262
1106n	260	BASE SUPPORT	20,438		20,438
1106n	270	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	2,938		2,938
		CANCELLED ACCOUNT			
1106n	280	CANCELLED ACCOUNT			
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**296,155**	**0**	**296,155**
		Legislative provisions not proposed	0	(200)	(200)
		Civilian personnel accrual accounting adjustment		(47,210)	(47,210)
		Contract services		(16,300)	(16,300)
		Total Operation and Maintenance, Marine Corps	**3,357,952**	**200,780**	**3,558,732**
		Operation and Maintenance, Air Force			
		AIR OPERATIONS			
3400f	010	PRIMARY COMBAT FORCES	3,244,026		3,244,026
	10	Combat air patrol (Transfer from DERF)		380,000	380,000
	10	Predator O&M (Transfer from DERF)		9,000	9,000
3400f	020	PRIMARY COMBAT WEAPONS	336,234		336,234

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
3400f	030	COMBAT ENHANCEMENT FORCES	248,367		248,367
		Airspace control and information ops range improvements		2,100	2,100
	30	Computer network defense combat enhancement (Transfer from DERF)		3,500	3,500
3400f	040	AIR OPERATIONS TRAINING	1,250,537		1,250,537
		Joint training and deployment preparation exercises		23,500	23,500
		Joint Advanced Weapon Scoring System		300	300
		Improved targets		4,000	4,000
		Range residue removal and range infrastructure improvements		3,400	3,400
		Security sensor upgrades and facility repairs		3,200	3,200
3400f	050	DEPOT MAINTENANCE	1,382,953	78,628	1,461,581
3400f	060	COMBAT COMMUNICATIONS	1,465,273		1,465,273
3400f	070	BASE SUPPORT	2,357,450		2,357,450
		Land planning outreach and restoration		1,200	1,200
		Primary training range infrastructure		2,800	2,800
	70	AEF/ force protection certification training (Transfer from DERF)		10,200	10,200
3400f	080	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	960,912	80,000	1,040,912
		COMBAT RELATED OPERATIONS			
3400f	090	GLOBAL C3I AND EARLY WARNING	816,000		816,000
	90	GeoReach/GeoBase (Transfer from DERF)		25,800	25,800
	90	Defense reconnaissance support (Transfer from DERF)		68,630	68,630
3400f	100	NAVIGATION/WEATHER SUPPORT	187,671		187,671

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
3400f	110	OTHER COMBAT OPS SUPPORT PROGRAMS	425,618		425,618
	110	Nat'l Airborne Command Center (NAOC) ground network (Transfer from DERF)		10,000	10,000
	110	Aircraft communication mods (Transfer from DERF)		3,600	3,600
	110	UH-1 support, capital region (Transfer from DERF)		700	700
	110	Communications systems operators training (Transfer from DERF)		500	500
	110	Commercial imagery - other combat (Transfer from DERF)		2,000	2,000
		Information warfare support (Transfer from DERF)		5,000	5,000
3400f	120	JCS EXERCISES	39,406		39,406
3400f	130	MANAGEMENT/OPERATIONAL HEADQUARTERS	221,692		221,692
	130	CENTCOM PSD & forward HQs (Transfer from DERF)		700	700
	130	CINC AT/FP staff (Transfer from DERF)		5,500	5,500
	130	Management headquarters STRATCOM (Transfer from DERF)		1,250	1,250
	130	Information warfare support (Transfer from DERF)		0	
	130	Tactical deception (Transfer from DERF)		0	
	130	Management HQs STRATCOM (Transfer from DERF)		0	
	130	Management critical infrastructure protection (Transfer from DERF)		400	400
3400f	140	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	251,806		251,806
	140	Combat air intelligence systems (Transfer from DERF)		2,300	2,300
	140	Special purpose comms (Transfer from DERF)		2,000	2,000
	140	Tactical information program (Transfer from DERF)		5,000	5,000
	140	Special evaluation program (Transfer from DERF)		1,200	1,200
	140	DCGS architecture (Transfer from DERF)		3,000	3,000

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
	140	Integrated broadcast service smart pull technology (Transfer from DERF)		100	100
	140	Integrated broadcast service (Transfer from DERF)		100	100
		SPACE OPERATIONS			
3400f	150	LAUNCH FACILITIES	281,022		281,022
	150a	Range operations		11,100	11,100
3400f	160	LAUNCH VEHICLES	133,478		133,478
3400f	170	SPACE CONTROL SYSTEMS	244,626		244,626
3400f	180	SATELLITE SYSTEMS	60,989		60,989
3400f	190	OTHER SPACE OPERATIONS	251,191		251,191
		Defense reconnaissance support activities (SPACE) (Transfer from DERF)		10,000	10,000
3400f	200	BASE SUPPORT	493,528		493,528
	200	Weapons of Mass Destruction - 1st Responder (Transfer from DERF)		46,000	46,000
3400f	210	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	157,715		157,715
	210	AT/FP facility upgrades (Transfer from DERF)		99,585	99,585
		TOTAL, BA 01: OPERATING FORCES	**14,810,494**	**906,293**	**15,716,787**
		MOBILITY OPERATIONS			
3400f	220	AIRLIFT OPERATIONS	2,147,117		2,147,117
3400f	230	AIRLIFT OPERATIONS C3I	42,298		42,298
	230	Airlift operations critical infrastructure protection (Transfer from DERF)		1,800	1,800
3400f	240	MOBILIZATION PREPAREDNESS	175,023		175,023

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
3400f	250	DEPOT MAINTENANCE	312,552	60,000	372,552
3400f	260	PAYMENTS TO TRANSPORTATION BUSINESS AREA	470,700		470,700
3400f	270	BASE SUPPORT	527,755		527,755
	270	AEF/ force protection certification training (Transfer from DERF)		4,800	4,800
	270	Weapons of Mass Destruction - 1st Responder (Transfer from DERF)		21,850	21,850
3400f	280	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	159,896		159,896
	280	AT/FP facility upgrades (Transfer from DERF)		57,254	57,254
		TOTAL, BA 02: MOBILIZATION	**3,835,341**	**145,704**	**3,981,045**
		ACCESSION TRAINING			
3400f	290	OFFICER ACQUISITION	69,262		69,262
3400f	300	RECRUIT TRAINING	6,879		6,879
3400f	310	RESERVE OFFICER TRAINING CORPS (ROTC)	68,063		68,063
3400f	320	BASE SUPPORT (ACADEMIES ONLY)	73,180		73,180
3400f	330	FACILITIES SUSTAINMENT, RESTORATION & MOD. (ACADEMIES)	82,672		82,672
		BASIC SKILLS AND ADVANCED TRAINING			
3400f	340	SPECIALIZED SKILL TRAINING	307,625		307,625
3400f	350	FLIGHT TRAINING	663,762		663,762
3400f	360	PROFESSIONAL DEVELOPMENT EDUCATION	141,864		141,864
3400f	370	TRAINING SUPPORT	92,646		92,646
3400f	380	DEPOT MAINTENANCE	8,242		8,242

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
3400f	390	BASE SUPPORT (OTHER TRAINING)	573,464		573,464
	390	Weapons of Mass Destruction - 1st Responder (Transfer from DERF)		1,150	1,150
3400f	400	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (OTHER	160,638		160,638
	400	AT/FP facility upgrades (Transfer from DERF)		16,341	16,341
		RECRUITING, AND OTHER TRAINING AND EDUCATION			
3400f	410	RECRUITING AND ADVERTISING	152,289		152,289
3400f	420	EXAMINING	3,222		3,222
3400f	430	OFF DUTY AND VOLUNTARY EDUCATION	96,516		96,516
3400f	440	CIVILIAN EDUCATION AND TRAINING	107,151		107,151
3400f	450	JUNIOR ROTC	43,448		43,448
		TOTAL, BA 03: TRAINING AND RECRUITING	**2,650,923**	**17,491**	**2,668,414**
		LOGISTICS OPERATIONS			
3400f	460	LOGISTICS OPERATIONS	922,106		922,106
		Anti-corrosion product testing		1,000	1,000
3400f	470	TECHNICAL SUPPORT ACTIVITIES	429,543		429,543
3400f	480	SERVICEWIDE TRANSPORTATION	237,503		237,503
3400f	490	DEPOT MAINTENANCE	78,062		78,062
3400f	500	BASE SUPPORT	1,154,363		1,154,363
3400f	510	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	245,436		245,436

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		SERVICEWIDE ACTIVITIES			
3400f	520	ADMINISTRATION	224,882		224,882
3400f	530	SERVICEWIDE COMMUNICATIONS	376,841		376,841
	530	Modernization, sustainment, and development (Transfer from DERF)		0	
	530	Servicewide comm modernization and sustainment (Transfer from DERF)		1,700	1,700
	530	Intrusion detection systems (Transfer from DERF)		1,500	1,500
3400f	540	PERSONNEL PROGRAMS	184,558		184,558
3400f	550	RESCUE AND RECOVERY SERVICES	110,418		110,418
3400f	560	ARMS CONTROL	33,092		33,092
3400f	570	OTHER SERVICEWIDE ACTIVITIES	572,320		572,320
		Maintenance data collection and analysis		20,000	20,000
3400f	580	OTHER PERSONNEL SUPPORT	44,716		44,716
3400f	590	CIVIL AIR PATROL CORPORATION	19,668		19,668
3400f	600	BASE SUPPORT	276,338		276,338
	600	AEF/ force protection certification training (Transfer from DERF)		2,900	2,900
	600	Weapons of Mass Destruction - 1st Responder (Transfer from DERF)		4,600	4,600
3400f	610	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	23,816		23,816
	610	AT/FP facility upgrades (Transfer from DERF)		3,976	3,976
		SECURITY PROGRAMS			
3400f	620	SECURITY PROGRAMS	1,054,171	117,860	1,172,031
	620	Security and Investigative Activities (Transfer from DERF)		2,000	2,000
	620	Defense Security Service (DSS) (Transfer from DERF)		5,000	5,000

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		SUPPORT TO OTHER NATIONS			
3400f	630	INTERNATIONAL SUPPORT	20,032		20,032
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**5,987,833**	**160,536**	**6,168,401**
		Unspecified flying hour costs		(287,628)	(287,628)
		Utilities	0	(55,000)	(55,000)
		Legislative provisions not proposed	0	(800)	(800)
		Civilian personnel accrual accounting adjustment		(531,055)	(531,055)
		Contract services		(211,400)	(211,400)
		Total Operation and Maintenance, Air Force	**27,304,623**	**144,141**	**27,448,764**
		Operation and Maintenance, Defense-Wide			
		OPERATING FORCES			
0100d	010	JOINT CHIEFS OF STAFF	398,341		398,341
	10	Combating terrorism readiness initiatives fund (Transfer from DERF)		12,000	12,000
0100d	020	SPECIAL OPERATIONS COMMAND	1,531,330		1,531,330
		TOTAL, BUDGET ACTIVITY 1:	**1,929,671**	**12,000**	**1,941,671**
		MOBILIZATION			
0100d	050	DEFENSE LOGISTICS AGENCY	41,420		41,420
		TOTAL, BUDGET ACTIVITY 2:	**41,420**	**0**	**41,420**

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		TRAINING AND RECRUITING			
0100d	060	AMERICAN FORCES INFORMATION SERVICE	11,232		11,232
0100d	070	CLASSIFIED PROGRAMS	6,869		6,869
0100d	080	DEFENSE ACQUISITION UNIVERSITY	103,514		103,514
0100d	090	DEFENSE CONTRACT AUDIT AGENCY	4,865		4,865
0100d	100	DEFENSE FINANCE AND ACCOUNTING SERVICE	9,160		9,160
0100d	110	DEFENSE HUMAN RESOURCES ACTIVITY	89,161		89,161
		Joint recruiting and advertising		(24,250)	(24,250)
0100d	120	DEFENSE SECURITY SERVICE	9,889		9,889
0100d	130	DEFENSE THREAT REDUCTION AGENCY	1,292		1,292
0100d	140	SPECIAL OPERATIONS COMMAND	62,982		62,982
		SOCOM training		16,700	16,700
		TOTAL, BUDGET ACTIVITY 3:	**298,964**	**(7,550)**	**291,414**
		ADMIN & SERVICEWIDE ACTIVITIES			
0100d	150	AMERICAN FORCES INFORMATION SERVICE	98,564		98,564
0100d	160	CIVIL MILITARY PROGRAMS	97,006		97,006
0100d	170	CLASSIFIED PROGRAMS	5,864,228	1,060	5,865,288
	170	Critical database backup (Transfer from DERF)		5,000	5,000
	170	Intelligence support to hard and deeply buried targets (Transfer from DERF)		12,600	12,600
	170	Hard and deeply buried targets (Transfer from DERF)		2,300	2,300
	170	Hard and deeply buried targets (Transfer from DERF)		2,600	2,600

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
	170	DIA (Transfer from DERF)		15,000	15,000
	170	Airborne integration - NIMA (Transfer from DERF)		2,000	2,000
	170	IEC workstations - NIMA (Transfer from DERF)		1,000	1,000
	170	Libraries communication - NIMA (Transfer from DERF)		10,100	10,100
	170	PGM targeting workstations - NIMA (Transfer from DERF)		2,000	2,000
	170	CENTCOM - NIMA (Transfer from DERF)		1,000	1,000
	170	Commercial imagery - NIMA (Transfer from DERF)		33,670	33,670
	170	Geospatial data generation (Transfer from DERF)		32,800	32,800
	170	Classified - NISA (Transfer from DERF)		11,000	11,000
	170	U-2 support (Transfer from DERF)		1,300	1,300
	170	Global and theater guarding solutions (Transfer from DERF)		5,400	5,400
	170	Coalition-intelligence information sharing (CENTRIX) (Transfer from DERF)		14,000	14,000
0100d	180	DEFENSE CONTRACT AUDIT AGENCY	377,495		377,495
0100d	190	DEFENSE CONTRACT MANAGEMENT AGENCY	1,070,567		1,070,567
0100d	200	DEFENSE FINANCE AND ACCOUNTING SERVICE	2,282		2,282
	200	Financial operations (Transfer from DERF)		5,900	5,900
	200	Financial operations (Transfer from DERF)		500	500
0100d	210	DEFENSE HUMAN RESOURCES ACTIVITY	256,042		256,042
	210	Critical infrastructure protection (Transfer from DERF)		500	500
0100d	220	DEFENSE INFORMATION SYSTEMS AGENCY	956,644		956,644
	220	Secure voice teleconferencing system (Transfer from DERF)		2,500	2,500
	220	Defense conferencing enhancement program (Transfer from DERF)		8,900	8,900

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
	220	DISA continuity of operations (Transfer from DERF)		2,500	2,500
	220	Bandwidth expansion (Transfer from DERF)		7,600	7,600
	220	Information assurance (Transfer from DERF)		500	500
	220	White House communications (Transfer from DERF)		3,000	3,000
	220	On-site administrators for primary sites (Transfer from DERF)		3,400	3,400
	220	Info assurance, intell/coalition encryption (CWAN) (Transfer from DERF)		5,000	5,000
	220	Info assurance, intell/coalition encryption (CFBL) (Transfer from DERF)		1,600	1,600
	220	Information assurance computer network defense (Transfer from DERF)		3,500	3,500
	220	On-site administrators for primary sites (Transfer from DERF)		3,000	3,000
0100d	230	DEFENSE LOGISTICS AGENCY	201,171		201,171
		Procurement Technical Assistance Program		5,000	5,000
		Business process (logistics) reengineering		(2,000)	(2,000)
	230	Critical infrastructure protection (CIP) (Transfer from DERF)		600	600
0100d	240	DEFENSE LEGAL SERVICES AGENCY	14,385		14,385
0100d	250	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,616,135		1,616,135
	250	Enhanced force protection (Transfer from DERF)		18,000	18,000
	250	Enhanced force protection (Transfer from DERF)		6,000	6,000
	250	Enhanced force protection (Transfer from DERF)		200	200
0100d	260	DEFENSE POW /MISSING PERSONS OFFICE	15,974		15,974
0100d	270	DEFENSE SECURITY COOPERATION AGENCY	67,927		67,927
0100d	280	DEFENSE SECURITY SERVICE	170,447		170,447
	280	Critical infrastructure protection (Transfer from DERF)		500	500

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
0100d	290	DEFENSE THREAT REDUCTION AGENCY	273,510		273,510
0100d	300	OFFICE OF ECONOMIC ADJUSTMENT	14,740		14,740
0100d	310	OFFICE OF THE SECRETARY OF DEFENSE	499,943		499,943
		Range Enhancement Initiative Fund		20,000	20,000
		Legacy Resource Management Program		3,000	3,000
		Corrosion management		3,000	3,000
		Base information system		(10,000)	(10,000)
		Studies		(1,821)	(1,821)
		C3I Mission and Analysis Fund		(4,894)	(4,894)
	310	OSD continuity of operations (COOP) ops and sustainment (Transfer from DERF)		18,000	18,000
	310	National Capital Region continuity of operations (Transfer from DERF)		10,500	10,500
	310	National Infrastructure Protection Center (NIPC) Reserve support (Transfer from DERF)		4,000	4,000
	310	National Infrastructure Protection Center (NIPC) DoD detailees (Transfer from DERF)		4,000	4,000
	310	Hard and deeply buried targets (0902198D8Z) (Transfer from DERF)		3,050	3,050
	310	CIP – biological agent security (Transfer from DERF)		2,000	2,000
	310	CIP - nuclear security command and control (Transfer from DERF)		400	400
	310	CIP technology & consequence management (Transfer from DERF)		6,600	6,600
	310	Information operations (Transfer from DERF)		15,000	15,000
	310	Concept plan (Transfer from DERF)		0	0
	310	Information operations (Transfer from DERF)		22,000	22,000
	310	Information operations (Transfer from DERF)		1,500	1,500
	310	Information operations (Transfer from DERF)		6,000	6,000

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
	310	Horizontal fusion analysis (Transfer from DERF)		2,000	2,000
	310	Classified (Transfer from DERF)		9,500	9,500
0100d	320	SPECIAL OPERATIONS COMMAND	62,885		62,885
	320	Combat development activities (Transfer from DERF)		7,000	7,000
0100d	330	SPECIAL ACTIVITIES	68,000		68,000
0100d	340	JOINT CHIEFS OF STAFF	184,483		184,483
		Studies		(6,966)	(6,966)
	340	Other combating terrorism initiatives (Transfer from DERF)		1,459	1,459
	340	Vulnerability assessments, AT/FP requirements tracking & analysis (Transfer from DERF)		400	400
	340	CINC for Homeland Security (Transfer from DERF)		27,000	27,000
	340	Critical infrastructure protection (Transfer from DERF)		300	300
0100d	350	WASHINGTON HEADQUARTERS SERVICES	332,821		332,821
	350	Classified (Transfer from DERF)		28,000	28,000
		TOTAL, BUDGET ACTIVITY 4:	**12,245,249**	**400,558**	**12,645,807**
		Impact aid		30,000	30,000
		Impact aid for children with disabilities		5,000	5,000
		Commercial imagery		30,000	30,000
		Civilian personnel accrual accounting adjustment		(346,046)	(346,046)
		Contract services		(127,500)	(127,500)
		Financial management		(19,500)	(19,500)
		Total Operation and Maintenance, Defense-Wide	**14,515,304**	**(23,038)**	**14,492,266**

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		Operation and Maintenance, Army Reserve			
		LAND FORCES			
2080a	010	DIVISION FORCES	16,323		16,323
2080a	020	CORPS COMBAT FORCES	33,211		33,211
2080a	030	CORPS SUPPORT FORCES	281,583		281,583
2080a	040	ECHELON ABOVE CORPS FORCES	128,348		128,348
2080a	050	LAND FORCES OPERATIONS SUPPORT	461,173		461,173
		LAND FORCES READINESS			
2080a	060	FORCES READINESS OPERATIONS SUPPORT	115,962		115,962
		Information operations training and support		3,000	3,000
2080a	070	LAND FORCES SYSTEM READINESS	62,255		62,255
	70	Enhanced secure communications to Reserve Components (Transfer from DERF)		5,900	5,900
	70	Enhanced secure communications to Reserve Components (Transfer from DERF)		17,600	17,600
2080a	080	DEPOT MAINTENANCE	48,451		48,451
		LAND FORCES READINESS SUPPORT			
2080a	090	BASE SUPPORT	361,907		361,907
	90	Access control, vulnerability assessments (Transfer from DERF)		20,000	20,000
	90	Installation security (Transfer from DERF)		2,900	2,900
	90	Enhanced secure communications to Reserve Components (Transfer from DERF)		30,700	30,700
2080a	100	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	176,494		176,494

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
2080a	110	ADDITIONAL ACTIVITIES	2,712		2,712
		TOTAL, BA 01: OPERATING FORCES	**1,688,419**	**80,100**	**1,768,519**
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
2080a	120	ADMINISTRATION	48,752		48,752
2080a	130	SERVICEWIDE COMMUNICATIONS	34,842		34,842
	130	Enhanced secure communications to Reserve Components (Transfer from DERF)		2,400	2,400
2080a	140	PERSONNEL/FINANCIAL ADMINISTRATION (MANPOWER MANAGEMENT	50,044		50,044
2080a	150	RECRUITING AND ADVERTISING	101,273		101,273
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**234,911**	**2,400**	**237,311**
		Civilian personnel accrual accounting adjustment		(43,220)	(43,220)
		Total Operation and Maintenance, Army Reserve	**1,923,330**	**39,280**	**1,962,610**
		Operation and Maintenance, Navy Reserve			
		RESERVE AIR OPERATIONS			
1806n	010	MISSION AND OTHER FLIGHT OPERATIONS	398,320		398,320
1806n	030	INTERMEDIATE MAINTENANCE	18,003		18,003
1806n	040	AIR OPERATION AND SAFETY SUPPORT	2,268		2,268
	40	Management and planning (Transfer from DERF)		61	61
	40	Management and planning (Transfer from DERF)		187	187

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
1806n	050	AIRCRAFT DEPOT MAINTENANCE	129,532		129,532
	50	Physical security site improvement (Transfer from DERF)		68,777	68,777
1806n	060	AIRCRAFT DEPOT OPS SUPPORT	366		366
		RESERVE SHIP OPERATIONS			
1806n	070	MISSION AND OTHER SHIP OPERATIONS	68,219		68,219
1806n	080	SHIP OPERATIONAL SUPPORT AND TRAINING	558		558
1806n	090	INTERMEDIATE MAINTENANCE	11,712		11,712
1806n	100	SHIP DEPOT MAINTENANCE	80,272		80,272
1806n	110	SHIP DEPOT OPERATIONS SUPPORT	3,535		3,535
		RESERVE COMBAT OPERATIONS SUPPORT			
1806n	120	COMBAT SUPPORT FORCES	69,864		69,864
		RESERVE WEAPONS SUPPORT			
1806n	130	WEAPONS MAINTENANCE	5,668		5,668
		BASE SUPPORT			
1806n	140	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	66,599		66,599
1806n	150	BASE SUPPORT	146,119		146,119
		TOTAL, BA 01: OPERATING FORCES	**1,001,035**	**69,025**	**1,070,060**
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
1806n	160	ADMINISTRATION	12,023		12,023

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
1806n	170	CIVILIAN MANPOWER & PERSONNEL	2,161		2,161
1806n	180	MILITARY MANPOWER & PERSONNEL	32,479		32,479
1806n	190	SERVICEWIDE COMMUNICATIONS	111,766		111,766
	190	Reserve site C2, cryptologic COOP (Transfer from DERF)		5,000	5,000
1806n	200	COMBAT/WEAPONS SYSTEM	5,766		5,766
1806n	210	OTHER SERVICEWIDE SUPPORT	731		731
		CANCELLED ACCOUNTS			
1806n	220	CANCELLED ACCOUNTS			
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**164,926**	**5,000**	**169,926**
		Civilian personnel accrual accounting adjustment		(6,227)	(6,227)
		Total Operation and Maintenance, Navy Reserve	**1,165,961**	**67,798**	**1,233,759**
		Operation and Maintenance, Marine Corps Reserve			
		MISSION FORCES			
1107n	010	OPERATING FORCES	80,723		80,723
		Initial issue		5,000	5,000
1107n	020	DEPOT MAINTENANCE	12,571		12,571
1107n	030	BASE SUPPORT	29,473		29,473

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
1107n	040	TRAINING SUPPORT	20,641		20,641
1107n	050	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	10,785		10,785
		TOTAL, BA 01: OPERATING FORCES	**154,193**	**5,000**	**159,193**
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
1107n	060	SPECIAL SUPPORT	8,461		8,461
1107n	070	SERVICEWIDE TRANSPORTATION	500		500
1107n	080	ADMINISTRATION	9,977		9,977
1107n	090	BASE SUPPORT	4,130		4,130
1107n	100	RECRUITING AND ADVERTISING	8,271		8,271
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**31,339**	**0**	**31,339**
		Total Operation and Maintenance, Marine Corps Reserve	**185,532**	**5,000**	**190,532**
		Operation and Maintenance, Air Force Reserve			
		AIR OPERATIONS			
3740f	010	PRIMARY COMBAT FORCES	1,346,055		1,346,055
		Range residue removal		400	400
3740f	020	MISSION SUPPORT OPERATIONS	69,818		69,818
3740f	030	DEPOT MAINTENANCE	337,113		337,113
3740f	040	BASE SUPPORT	282,280		282,280

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
	40	Weapons of Mass Destruction - 1st Responder (Transfer from DERF)		14,950	14,950
3740f	050	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	48,463		48,463
	50	AT/FP facility upgrades (Transfer from DERF)		6,202	6,202
		TOTAL, BA 01: OPERATING FORCES	**2,083,729**	**21,552**	**2,105,281**
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
3740f	060	ADMINISTRATION	57,136		57,136
		Server consolidation		8,000	8,000
3740f	070	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	24,088		24,088
3740f	080	RECRUITING AND ADVERTISING	18,683		18,683
3740f	090	OTHER PERSONNEL SUPPORT	6,593		6,593
3740f	100	AUDIOVISUAL	688		688
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**107,188**	**8,000**	**115,188**
		Legislative provisions not proposed		(100)	(100)
		Civilian personnel accrual accounting adjustment		(55,365)	(55,365)
		Total Operation and Maintenance, Air Force Reserve	**2,190,917**	**(25,913)**	**2,165,004**
		Operation and Maintenance, Army National Guard			
		LAND FORCES			
2065a	010	DIVISIONS	592,730		592,730
		Personal gear		12,000	12,000

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
2065a	020	CORPS COMBAT FORCES	652,895		652,895
2065a	030	CORPS SUPPORT FORCES	313,967		313,967
2065a	040	ECHELON ABOVE CORPS FORCES	516,742		516,742
2065a	050	LAND FORCES OPERATIONS SUPPORT	48,443		48,443
		LAND FORCES READINESS			
2065a	060	FORCE READINESS OPERATIONS SUPPORT	75,746		75,746
2065a	070	LAND FORCES SYSTEMS READINESS	107,925		107,925
2065a	080	LAND FORCES DEPOT MAINTENANCE	178,733		178,733
		LAND FORCES READINESS SUPPORT			
2065a	090	BASE OPERATIONS SUPPORT	561,967		561,967
	90	Security (Transfer from DERF)		350,000	350,000
2065a	100	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	363,571		363,571
2065a	110	MANAGEMENT & OPERATIONAL HEADQUARTERS	420,329		420,329
2065a	120	MISCELLANEOUS ACTIVITIES	46,673		46,673
	120	Classified network (Transfer from DERF)		86,200	86,200
	120	Classified network (Transfer from DERF)		8,500	8,500
		TOTAL, BA 01: OPERATING FORCES	**3,879,721**	**456,700**	**4,336,421**
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
2065a	130	STAFF MANAGEMENT	104,409		104,409
2065a	140	INFORMATION MANAGEMENT	15,565		15,565

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
2065a	150	PERSONNEL ADMINISTRATION	52,259		52,259
2065a	160	RECRUITING AND ADVERTISING	84,868		84,868
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**257,101**	**0**	**257,101**
		Civilian personnel accrual accounting adjustment		(87,255)	(87,255)
		Total Operation and Maintenance, Army National Guard	**4,136,822**	**369,445**	**4,506,267**
		Operation and Maintenance, Air National Guard			
		AIR OPERATIONS			
3840f	010	AIRCRAFT OPERATIONS	2,637,374		2,637,374
		Range residue removal		6,600	6,600
		Range emitters		1,500	1,500
		Increased support for test and evaluation		2,000	2,000
3840f	020	MISSION SUPPORT OPERATIONS	341,385		341,385
		Medical equipment		350	350
		Personal gear		4,000	4,000
3840f	030	BASE SUPPORT	407,751		407,751
3840f	040	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	164,228		164,228
	40	AT/FP facility upgrades (Transfer from DERF)		38,015	38,015
3840f	050	DEPOT MAINTENANCE	565,224		565,224
		TOTAL, BA 01: OPERATING FORCES	**4,115,962**	**52,465**	**4,168,427**

Title III - Operation and Maintenance

Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		SERVICEWIDE ACTIVITIES			
3840f	060	ADMINISTRATION	24,871		24,871
3840f	070	RECRUITING AND ADVERTISING	10,128		10,128
		TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**34,999**	**0**	**34,999**
		Legislative provisions not proposed		(100)	(100)
		Civilian personnel accrual accounting adjustment		(88,416)	(88,416)
		Total Operation and Maintenance, Air National Guard	**4,150,961**	**(36,051)**	**4,114,910**
		TRANSFER ACCOUNTS			
0810a	010	ENVIRONMENTAL RESTORATION, ARMY	395,900		395,900
0810n	020	ENVIRONMENTAL RESTORATION, NAVY	256,948		256,948
0810f	030	ENVIRONMENTAL RESTORATION, AIR FORCE	389,773		389,773
0810d	040	ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	23,498		23,498
0811d	050	ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES	212,102	40,000	252,102
0105d	060	DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES	848,907		848,907
		National Guard counterdrug state plans		25,000	25,000
0118d	070	OVERSEAS CONTINGENCIES	50,000		50,000
		TOTAL, O&M, TRANSFER ACCOUNTS	**2,177,128**	**65,000**	**2,242,128**
		MISCELLANEOUS			
0107d	080	OFFICE OF THE INSPECTOR GENERAL	163,440		163,440

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Account	Line	Program	FY 2003	Senate Change	Senate Authorized
		Civilian personnel accrual accounting adjustment		(8,275)	(8,275)
0104d	090	U.S. COURT OF APPEALS FOR THE ARMED FORCES	9,925		9,925
		Civilian personnel accrual accounting adjustment		(311)	(311)
0838d	100	SUPPORT OF INTERNATIONAL SPORTING COMPETITIONS	19,000		19,000
0819d	110	OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AFFAIRS	58,400		58,400
1236n	120	PAYMENT TO KAHO'OLAWE ISLAND	25,000		25,000
0130d	140	DEFENSE HEALTH PROGRAM	14,360,271		14,202,441
		Civilian personnel accrual accounting adjustment		(126,230)	
		Financial management		(32,100)	
		Critical infrastructure protection - DHP (Transfer from DERF)		500	
0134d	150	FORMER SOVIET UNION THREAT REDUCTION	416,700		416,700
0839d	160	QUALITY OF LIFE ENHANCEMENTS			
0840d	170	OPPLAN 34A-35 P.O.W.			
0099d	180	COUNTER-TERRORISM/WMD DEFENSE			
		TOTAL, MISCELLANEOUS	**15,052,736**	**(166,416)**	**14,886,320**
		Travel	0	(159,790)	(159,790)
		Foreign currency fluctuation	0	(615,200)	(615,200)
		TOTAL OPERATION AND MAINTENANCE TITLE:	**129,771,134**	**(180,629)**	**129,590,505**
0833d	130	DEFENSE EMERGENCY RESPONSE FUND	20,055,000	(20,055,000)	
		Total O&M Including DERF	**149,826,134**	**(20,235,629)**	**129,590,505**

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Armed Forces Retirement Home (sec. 303)

The committee recommends a provision that would authorize the appropriation of $69.9 million from the Armed Forces Retirement Home Trust Fund for fiscal year 2003.

Range enhancement initiative fund (sec. 304)

The committee recommends a provision that would authorize $20.0 million for a Range Enhancement Initiative Fund that is described in more detail in the training range enhancement initiative section of this title. Amounts in this fund would be available to purchase restrictive easements, including easements entered into under agreements with private entities that would directly or indirectly enhance or protect military training operations. The committee has included a provision providing permanent authority to enter into such agreements in title XVIII of this act. Purchases of title to lands, as opposed to the purchase of easements, by the military departments for similar purposes would continue to be requested and authorized as military construction projects. The committee intends to evaluate the annual funding levels required for this fund in future years based on the experience with this fund in fiscal year 2003.

SUBTITLE B—ENVIRONMENTAL PROVISIONS

Enhancement of authority on cooperative agreements for environmental purposes (sec. 311)

The committee recommends a provision that would authorize the Secretary of Defense to enter into and fund cooperative agreements with Federal, State and local agencies, as well as Indian tribes, to obtain services to assist the Secretary in carrying out the Defense Environmental Restoration Program. This provision would extend to environmental cooperative agreements the authority granted in section 2410a of title 10, United States Code, to contract for severable services for a period that begins in one fiscal year and ends in the next fiscal year.

Modification of authority to carry out construction projects for environmental responses (sec. 312)

The committee recommends a provision that would require the Secretary of Defense to fund environmental restoration projects through the Environmental Restoration Accounts of the Department of Defense (DOD).

Since the beginning of the DOD environmental restoration program, restoration projects have been classified as repair and funded through the Department's Environmental Restoration Accounts. Earlier this year, the Department interpreted a provision of the National Defense Authorization Act for Fiscal Year 1998 to require that environmental restoration projects be classified as military construction. This new interpretation had the effect of imposing notification and funding requirements on environmental restoration projects that are likely to result in a backlog of projects and an in-

ability to meet legally enforceable deadlines applicable to such projects.

The committee directs DOD to fund environmental restoration projects through the Environmental Restoration Accounts, thereby reinstating the historic funding approach taken by the Department.

Increased procurement of environmentally preferable products and services (sec. 313)

The committee recommends a provision that would require the Secretary of Defense to establish a program for the acquisition of procurement items that are environmentally preferable or are made with recovered materials. At a minimum, the program would include three elements: (1) the establishment of goals for the increased purchase of procurement items that are environmentally preferable or are made with recovered materials; (2) a tracking system to enable the Department to monitor its progress in achieving these goals; and (3) training and education programs that the Secretary of Defense considers appropriate to ensure that Department of Defense (DOD) officials and contractors are aware of these goals.

Last year, the General Accounting Office (GAO) issued a report which criticized the performance of federal agencies, including the Department of Defense, in purchasing environmentally preferable products. The report concluded:

> Even today, many procuring officials and other federal purchasers either do not know about or implement the [requirements of the Resource Conservation and Recovery Act of 1976] for establishing affirmative procurement programs, particularly promotion and review and monitoring. * * *
>
> [Federal agencies] have not developed systems to track their purchases of such products, relying instead on inadequate estimates. Nor have they put programs in place to review and monitor progress. * * * [The Department of] Defense, the largest procuring agency, believes efforts to monitor and report on recycled-content product purchases conflict with the streamlining goals of procurement reform.

The committee recognizes that the review and monitoring of purchases of procurement items that are environmentally preferable or are made with recovered materials entails administrative costs but agrees with the GAO conclusion that an effective program requires such review and monitoring. For this reason, the goals and tracking system required by the provision recommended by the committee would apply only to direct DOD purchases of procurement items, not to products and services purchased by DOD contractors and subcontractors (even if they are incorporated into procurement items purchased by the Department). The committee understands that the administration has modified the Federal Procurement Data System to collect limited information on products and services purchased by contractors and subcontractors and encourages the administration to continue this effort.

The provision would also exclude credit card purchases and other local purchases that are made outside the Department's requisitioning system, because the committee understands that the De-

partment currently lacks the ability to track such purchases. The committee directs the Department to review its local purchasing practices and take appropriate steps to ensure compliance with the preference for procurement items that are environmentally preferable or are made with recovered materials.

In addition, the committee directs the Department to conduct a review of other DOD purchasing practices to determine the extent to which these practices are consistent with the objective of increasing the procurement of items that are environmentally preferable or are made with recovered materials. At a minimum, the Secretary should:

(1) review sample purchases of inventory items by the Defense Logistics Agency to determine the type of packaging being used for such items and the extent to which such packaging is made with recovered materials;

(2) review sample construction and renovation contracts to determine whether the contracts provide appropriate direction on the disposal and recycling of materials and/or any preference for the use of products that are made with recovered materials and other environmentally preferable products;

(3) review sample purchases of information technology products to determine the type of packaging being used for such items and the extent to which such packaging is made with recovered materials; and

(4) review sample fleet management contracts to determine the extent to which these contracts provide a preference for the use of re-refined motor oil.

The results of these reviews should be included in the Secretary's initial report required by subsection (d) of this provision.

Cleanup of unexploded ordnance on Kaho'olawe Island, Hawaii (sec. 314)

The committee recommends a provision that would require the Secretary of the Navy to continue cleanup activities on Kaho'olawe Island, Hawaii, until the Navy has inspected and assessed 100 percent of the island; cleared 75 percent of the island in accordance with Tier One standards; and cleared 25 percent of the island in accordance with Tier Two standards.

Title X of the Department of Defense Appropriations Act for Fiscal Year 1994 (Public Law 103–139) established the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund (the Kaho'olawe Trust Fund) to ensure the clearance and removal of unexploded ordnance from Kaho'olawe Island, Hawaii. Title X authorized the appropriation of $400.0 million to the Kaho'olawe Trust Fund to carry out the cleanup.

Finally, Title X provided for the Secretary of the Navy to retain control over the island "until either clearance and restoration are completed or within no more than ten years after the date of enactment of this Act, whichever comes first." The 10-year period established in Title X is scheduled to expire in fiscal year 2003.

Title X was implemented through a May 1994 Memorandum of Understanding between the United States Department of the Navy and the State of Hawaii (the MOU). Under the MOU, the Navy agreed to clear up to 25 percent of the surface of the island to a

Tier Two standard and 100 percent of the surface to a Tier One standard. Tier One and Tier Two standards are defined in the MOU.

Over the last nine years, Congress has appropriated $307.0 million to the Kaho'olawe Trust Fund. The Navy estimates that: (1) an additional appropriation of $75.0 million will be needed to achieve an optimum contractor cleanup effort before the agreement is closed out; and (2) such an appropriation would enable the Navy to inspect and assess 100 percent of the island, clear 75 percent of the island in accordance with Tier One standards, and clear 25 percent of the island in accordance with Tier Two standards before the scheduled deadline for completion of the cleanup.

The committee understands that when Title X was enacted in 1994, insufficient information was available to the Department of the Navy and the Congress to include a firm performance standard for completion of the cleanup effort. After nine years of investigation and remediation, however, the committee believes that a performance standard is now more appropriate than an arbitrary date as a standard for completion.

Accordingly, the provision recommended by the committee would override the deadline established in Title X and the MOU for completion of the cleanup. Instead, the committee recommends substituting a performance standard based on the Navy's estimate of what it should be able to accomplish over the next year, based on an optimum contractor cleanup effort.

The committee understands that the objectives established in this provision will be interpreted in the same manner as similar objectives in Title X and the MOU, to exclude areas determined to be inaccessible by the Navy and the Kaho'olawe Island Restoration Committee.

SUBTITLE C—DEFENSE DEPENDENTS' EDUCATION

Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees (sec. 331)

The committee recommends a provision that would authorize $30.0 million for continuation of the Department of Defense assistance program to local educational agencies that benefit dependents of service members and Department of Defense civilian employees.

Impact aid for children with severe disabilities (sec. 332)

The committee recommends a provision that would authorize $5.0 million for continuation of the Department of Defense assistance program to local educational agencies that benefit dependents with severe disabilities.

Options for funding dependent summer school programs (sec. 333)

The committee recommends a provision that would require the Secretary of Defense to provide dependent summer school programs on the same financial basis as programs offered during the regular school year. The recommended provision authorizes the Secretary

to charge reasonable fees for all or portions of such summer school programs to the extent that the Secretary deems appropriate.

Comptroller General study of adequacy of compensation provided for teachers in the Department of Defense Overseas Dependents' Schools (sec. 334)

The committee recommends a provision that would extend from May 1, 2002 to December 12, 2002 the date for the Comptroller General to report on a study on whether compensation for teachers in the Department of Defense dependents' education program is adequate for recruiting and retaining high quality teachers, and whether changes in the methodology for computing teacher pay are necessary. The recommended provision would also require the Comptroller General, in carrying out the study, to consider whether the process for setting teacher compensation is efficient and cost-effective.

SUBTITLE D—OTHER MATTERS

Use of humanitarian and civic assistance funds for reserve component members of Special Operations Command engaged in activities related to clearance of landmines (sec. 341)

The committee recommends a provision that would amend section 401(c) of title 10, United States Code, to allow up to 10 percent of the funding for a fiscal year for humanitarian and civic assistance to be expended for the pay and allowances of reserve component personnel of the Special Operations Command (SOCOM) performing duty in connection with training and activities related to the clearing of landmines for humanitarian purposes.

Special Operations Forces (SOF) are uniquely qualified to conduct humanitarian demining training, one of their collateral missions. However, in recent years humanitarian demining missions had to be cancelled as active duty SOF have been unavailable for assignment to conduct humanitarian demining missions, and the cost of reserve SOF participation in these missions could not be funded with humanitarian and civic assistance funds. Allowing humanitarian and civic assistance funds to cover the pay and allowances of reserve component SOCOM personnel would further the U.S. Government's foreign and defense policies and would support the readiness of SOCOM reserve component personnel by providing critical mission training in language and cultural skills.

Calculation of five-year period of limitation for Navy-Marine Corps Intranet contract (sec. 342)

The committee recommends a provision that would authorize the Department of Defense to modify the start date of the Navy-Marine Corps Intranet (NMCI) contract for the purposes of the law which limits multiyear contracts to five years. Under the provision, the five-year period would begin on the date that the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) and the Chief Information Officer (CIO) of the Department of Defense jointly approve ordering the "second increment" beyond the initial test population of additional NMCI work stations. In accord-

ance with the National Defense Authorization Act for Fiscal Year 2002, this approval is contingent upon successful completion of testing that has been independently validated and approved by the Institute for Defense Analyses.

The committee recognizes that the Navy may renegotiate the NMCI contract to take advantage of the authority provided by this section. The Committee expects that the Secretary of the Navy would not agree to any such modification unless he determines that the terms and conditions would be in the best interests of the Department of Defense.

Reimbursement for Reserve intelligence support (sec. 343)

The committee recommends a provision that would add a new section to Chapter 1003 of title 10, United States Code, to authorize the use of operation and maintenance funds of the military departments, combatant commands, and defense agencies to reimburse pay, allowances and other expenses when members of the National Guard and Reserve provide intelligence or counterintelligence support to such departments, commands or agencies.

Clarification of required core logistics capabilities (sec. 344)

In an October 2001 report, the General Accounting Office (GAO) recommended that Congress clarify the law with respect to the Department of Defense's non-maintenance core logistics policies to ensure that the Department maintains the full range of logistics capabilities necessary to support military weapons systems and equipment in both peacetime and war. The committee believes that logistics support functions are an integral part of the process of maintaining military equipment. Therefore, the committee recommends a provision to clarify that core logistics capabilities include acquisition logistics, supply management, system engineering, maintenance, and modification management. The committee is also concerned that existing Department policies on core logistics capabilities do not provide sufficient direction about the maintenance of future weapons systems. This limitation inhibits the ability of the public depot system to plan for future work. Current law requires the Department of Defense to determine the core logistics requirements for new weapons systems within four years after initial operational capability (IOC). The committee's provision would shorten this time period to two years. The committee believes that this change would improve the Department's planning for future workloads in the public and private logistics sectors and allow for better workload and workforce planning within the public depots.

Rebate agreements under the special supplemental food program (sec. 345)

The committee recommends a provision that would authorize the Secretary of Defense to enter into contracts for rebates with producers of food products for the exclusive right to provide food in Navy Exchange Markets as supplemental food for the Women, Infants, and Children (WIC) Overseas Program. The Secretary already has this authority for products sold in commissary stores. The recommended provision would also increase the maximum pe-

riod of these exclusive rights contracts from one year to three years.

ADDITIONAL MATTERS OF INTEREST

Anti-corrosion initiative

The committee continues to be concerned that the Department of Defense (DOD) is overlooking efficiencies and improvements to readiness by its lack of focus on prevention and mitigation of corrosion. Corrosion negatively affects readiness and drains scarce resources, which in turn cause further readiness shortfalls. Readiness impacts are obvious: the most recent Quarterly Readiness Report to the Congress (December 2001) stated that "corrosion is a primary degrader to the maintenance of Marine Corps vehicles," and that corrosion "contributes to increased maintenance costs * * * and to structural damage." A study conducted for the Navy found that corrosion was a key contributor to "tired wires" in the F–14 aircraft and that improvements would likely improve safety, increase the efficiency of other maintenance efforts, and dramatically increase aircraft material condition.

The readiness impact of corrosion on facilities has also been documented. A March 1999 study conducted by the Air Force Inspector General found buildings that had corroded so badly that they could not be used for munitions operations, further depleting scarce munitions storage space. At one overseas munitions storage area, trash cans covered corroded ventilator shafts to prevent moisture from entering the shelter.

The committee notes that the costs of corrosion are also significant. A recent study conducted for the Federal Highway Administration in accordance with the Transportation Equity Act for the 21st Century (Public Law 105–178) estimated that the Defense Department's annual cost of corroded equipment and infrastructure was $20.0 billion. The study also stated that corrosion is "the number one cost driver in life cycle costs." Another study conducted in 1996 by the DOD Inspector General found that the Air Force spent approximately $1 billion annually to repair and prevent corrosion damage on its aircraft alone. Corrosion prevention can make serious progress toward avoiding some of these costs. For example, one unit alone, the 3rd Force Service Support Group (3D FSSG) of the III Marine Expeditionary Force, saved $28.4 million over two years with the Corrosion Rehabilitation Facility it operates at Camp Kinser, Okinawa. The committee believes corrosion policies can be better coordinated within DOD. Therefore, the committee recommends a provision, discussed more fully in title IX, to establish a senior official responsible for anti-corrosion activities. The committee recommends an increase of $3.0 million for the Office of the Secretary of Defense to support these additional policy development and coordination responsibilities.

In addition, the committee recommends an increase of $12.0 million for current anti-corrosion programs, including $2.0 million for Operation and Maintenance, Navy to complete testing of ambient temperature cure glass coatings; $6.0 million for Operation and Maintenance, Army to continue applications of corrosion prevention and control coatings for vehicles; and $1.0 million in Operation and

Maintenance for each of the four military services to continue testing of promising anti-corrosion technologies.

The committee believes that the services should capitalize on the opportunities to coordinate existing corrosion treatment programs with research efforts ongoing in academia to make the best use of these funds. The committee feels strongly that anti-corrosion efforts are appropriate throughout the life cycle of facilities and equipment and recommends further increases of $23.5 million for research and development programs to support corrosion prevention throughout the development of new materials, coatings, and manufacturing techniques. These increases are discussed in greater detail in title II.

Enhanced secure communications to reserve components

The budget request for the Defense Emergency Response Fund included $199.3 million for the reserve components under the overall heading of Commander in Chief Homeland Security. The committee supports information technologies programs for the reserve components, including particularly secure interstate voice, video, and data transmission for classified traffic. The committee, nevertheless, does not believe that the full program as contained in the budget request can be executed within the next fiscal year. Accordingly, the committee recommends a reduction in funding for National Guard operation and maintenance by $40.0 million and Army Reserve operation and maintenance by $8.0 million.

Additionally, to facilitate future budget decisions, the committee requests the future combatant commander for homeland security to conduct a review of the level to which such secure voice, video, and data transmission needs to be extended for the National Guard and Army Reserve. The commander shall report the results of such review to the congressional defense committees no later than April 30, 2003.

Foreign currency fluctuation

The General Accounting Office has estimated that the Department of Defense's fiscal year 2003 budget request overestimates the amounts needed to cover foreign currency fluctuation by $615.2 million. Therefore, the committee recommends a decrease of $615.2 million.

Personal gear for service members

The committee recommends an increase of $12.0 million for the Army National Guard and $4.0 million for the Air National Guard to purchase individual combat clothing and equipment, including the Extended Cold Weather Clothing System (ECWCS). The committee believes that additional outerwear to protect soldiers and airmen from cold and/or wet weather would improve their morale and safety in the field.

Training range enhancement initiative

The committee is strongly committed to ensuring that U.S. military services receive the best possible training. The committee is concerned that funding to maintain and improve training ranges is scarce, despite numerous requirements. Therefore, the committee

recommends an increase of $126.0 million for training range enhancements.

Of this amount, the committee recommends an increase of $20.0 million to establish a Range Enhancement Initiative Fund within the Office of the Secretary of Defense (OSD). OSD would provide these funds to the military services as needed to support the purchase of easements for land near military installations, thereby improving combat training. This model has already proven successful at Fort Bragg, where, under terms of a cooperative agreement, the Army transferred $8.5 million to outside partners, who provided an additional $7.0 million in private matching funds. These funds were used to purchase critical conservation lands near Fort Bragg which the private partners manage and own. In return, the Army retains a permanent conservation easement and the right to conduct special forces and airborne training on the land.

The committee understands that many bases still face challenges ensuring adequate land for training and operations. To address one such challenge, the committee recommends that the Department of Defense purchase a restrictive easement that would protect operations at Campbell Army Airfield at Fort Campbell, Kentucky. The committee understands that up to $7.3 million would be required if no private funds were available. The committee further understands that the potential for partnerships similar to the one at Fort Bragg exists at other installations. The committee expects OSD to allocate resources from the Range Enhancement Initiative Fund to those installations which could realize the highest military value from such partnerships. The committee has included a provision in title XXVIII of this act that would provide permanent authorization for such partnerships. Because the partnerships must be negotiated with other entities, the committee believes funds appropriated for these purposes should be available for obligation for more than one year.

The remaining $106.0 million in operation and maintenance funds would support improvements to Army, Navy, Air Force, and Marine Corps training ranges. This includes:

$15.7 million for the Army's integrated training area management efforts;

$13.2 million for improvements to Army live fire ranges and targeting systems;

$1.2 million for improvements to the Army's combat training centers, including civilian support for exercises;

$15.0 million for the Navy to continue to develop and implement the fleet Training Resource Strategy;

$8.0 million for the Navy to increase fleet range operations support;

$23.5 million for Air Force joint training and deployment preparation exercises such as Red and Maple Flag and Cope Thunder;

$300,000 for the Air Force's Joint Advanced Weapon Scoring System;

$4.0 million for improved targets, including urban training, time critical targets, designs, etc.;

$1.2 million for land planning outreach and restoration for the Air Force;

$1.5 million for Air National Guard range emitters;

$2.1 million for Air Force airspace control and information operations range infrastructure improvements;

$10.4 million to remove range residue and repair supporting infrastructure ($3.4 million for the active Air Force, $400,000 for the Air Force Reserve, and $6.6 million for the Air National Guard);

$3.2 million for Air Force security sensor upgrades and facility repairs;

$2.8 million for primary Air Force range training infrastructure;

$1.6 million for the Marine Corps to improve the management, maintenance, and certification of training areas; and

$2.3 million to adequately maintain equipment for combined arms exercises at 29 Palms, California.

Travel

The budget request included $3.2 billion for the travel of Department of Defense (DOD) employees. The committee recommends a reduction of $159.8 million to return the DOD travel budget to fiscal year 2002 levels (adjusted for inflation).

Army

Battlefield mobility enhancers

The committee recommends an increase of $5.0 million to Army operation and maintenance accounts for lightweight tactical utility vehicles (M-Gators). The committee supports efforts by the Army to improve casualty evacuation and resupply.

Information operations

The budget request for the Defense Emergency Response Fund (DERF) included $28.1 million for at least six separate Army programs to improve both offensive and defensive information operations. While the committee supports increased information security, the committee finds these requests duplicative. Therefore, the committee recommends a decrease of $10.0 million to the Operation and Maintenance, Army account.

Aviation training backlog

The committee commends the Army for developing a comprehensive plan to transform its aviation units, including pilot training. This transformation is complicated by a current significant backlog in pilot training. In transitioning newer aircraft to the Reserves and National Guard, pilots must be retrained in the new aircraft. At the same time, the Aviation School has revised its flight school curricula to ensure that pilots arrive in their field units at higher readiness levels, having spent more time in their primary combat aircraft. Finally, the committee understands that maintenance challenges have resulted in fewer aircraft available for training new pilots, creating a short-term training backlog.

The committee recommends an increase of $55.0 million to fund increased training for pilots from those Reserve and National Guard units scheduled to transition in fiscal year 2003 and to en-

hance field unit readiness by increasing active duty pilots' experience in their combat aircraft and reducing the backlog of pilots awaiting training.

Utilities privatization

The budget request included $15.3 million to accelerate the Army's plan to complete privatization of all utility systems by September 30, 2003, a 141 percent increase over fiscal year 2002 levels. The committee understands that the Army's utilities privatization efforts have been proceeding more slowly than has been anticipated and believes that significant funding increases would not be needed. Therefore, the committee recommends a reduction of $8.9 million to the requested amount.

Facilities sustainment

The budget request included $257.3 million for sustainment, restoration, and modernization (SRM) of Army infrastructure, $8.5 million less than fiscal year 2002 levels. This reduction means that the Army will face even greater challenges as it attempts to sustain and repair its facilities. The reduction is even more troubling when viewed in conjunction with the decreases in military construction, which fell by $328.3 million between fiscal year 2002 and fiscal year 2003. The committee is concerned that this decrease would harm the quality of life and work for Army service members and would have negative effects on readiness. Therefore, the committee recommends an increase of $86.0 million to sustain and maintain existing Army infrastructure.

Navy

Ship depot maintenance

The budget request included $3.5 billion for maintenance of Navy ships. The committee understands that the ongoing war on terrorism has created additional maintenance needs that were not anticipated at the time the budget was developed. Therefore, the committee recommends an increase of $90.0 million for ship depot maintenance.

The committee recognizes that the Navy has a difficult challenge managing scheduled maintenance when funding is limited and emergent repairs and new requirements arise. For example, in fiscal year 2002, war-related requirements caused the Navy to shift the maintenance availability of the USS Scranton into fiscal year 2003. This caused the scheduled maintenance for the USS Annapolis to move into fiscal year 2004 and also moved planned work among private and public sector shipyards. In planning for depot maintenance activities for fiscal year 2003, the committee believes that the Navy should review the impact of past disruptions and work to enhance the ability of the public and private shipyards to be able to meet future workloads effectively.

Improved shipboard combat information center

The budget request included $424.0 million for Navy combat communications. The committee recommends an increase of $8.0 million for improvements to the combat information center (CIC).

The CIC integrates tactical data from shipboard sensors to provide critical, time-sensitive information for use by Tactical Action Officers. Improvements will provide a more user-friendly interface for computers, speed the transfer of tactical data, and allow the use of three dimensional targeting information.

Submarine broadcast support

The committee understands that in the past, some Navy communications antennas have been painted with contaminated paints. In order to prevent environmental contamination and return these antennas to operational status as quickly as possible, the committee recommends an increase of $1.0 million to accelerate paint removal from naval communications towers.

Mark-45 overhauls

The budget request did not include any funding for overhauls of the Mark-45 gun system, the Navy's primary battery on destroyers and cruisers. The committee recommends an increase of $5.0 million for maintenance overhauls of Mark-45 gun weapons systems, to improve their operational availability, readiness, and safety.

Critical infrastructure protection for Navy and Marine Corps

Implementation of the Department of the Navy's Critical Infrastructure Protection (CIP) plan raises the protection level in Navy and Marine Corps facilities, information processes, and weapons acquisition activities against terrorist and other attacks. The committee is aware of the requirement to accelerate and complete vulnerability assessments and remediation in the Navy's mission-critical infrastructures and in the sustaining infrastructures in the private sector. Therefore, the committee recommends an increase of $6.0 million to implement the next phase of the Navy's CIP plan.

Configuration management for Navy weapons systems

The committee understands that continued modifications and upgrades to weapons systems present a challenge for supporting logistics and maintenance systems. Managing changes in weapons configuration is critical to ensuring that adequate supplies and technical skills are available for continuous operation of critical ships and aircraft. Therefore, the committee recommends an increase of $13.5 million for data tracking of platforms and parts, integrating existing data systems, and improving the Navy's tracking techniques to enhance the overall readiness of naval weapons systems.

Air Force

Air Force flying hour program

The budget request included $6.2 billion in operation and maintenance funds for flying hours to support Air Force training. This amount includes a $450.0 million "wedge" to support unspecified cost increases for spare parts that the Air Force has little data to support. The committee recommends a decrease of $287.6 million and has reallocated these funds to other known, high-priority readiness deficiencies.

Since the mid-1990s, the Air Staff's process for determining costs per flying hour has systemically underestimated actual flying hour costs. In its fiscal year 2003 budget request, the Air Force assumed that it would continue to underestimate true flying hour costs by the past margin of error (9.7 percent, or $450.0 million). One draft study conducted for the Air Force found that 3.5 percent of the 9.7 percent growth may be due to higher costs from aging equipment. To explain the remaining 6.2 percent, the Air Staff hypothesized that higher-than-budgeted inflation accounted for an additional 3.3 percent and that 2.9 percent was due to unanticipated cost drivers such as safety modifications, expirations of warranties, and other factors.

The committee believes that the Air Force's explanation of this cost increase is oversimplified and insufficient. In particular, the committee sees no reason why the other services would not also experience similar inflation rates or be equally susceptible to unanticipated cost increases. Neither the Army nor the Navy, however, included similar unspecified funding requests in their training budgets.

Therefore, the committee recommends a decrease of 6.2 percent ($287.6 million) to the Air Force flying hour program to be allocated proportionately across aircraft type models in various training accounts. This reduction supports the 3.5 percent increase in flying hour costs that was based on analysis of empirical data but denies funding for the Air Force's inflation and "other" percentage increases. As stated above, the committee believes these increases lack sufficient justification and that the Air Force should devote greater attention to determining the causes of cost growth.

The committee recommends a reallocation of the flying hour wedge to programs that would improve the Air Force's understanding of cost drivers and meet actual, validated readiness requirements. This reallocation includes the following increases:

(1) $20.0 million to improve maintenance data collection systems to allow for empirical analyses of causes of cost growth;

(2) $138.6 million for critical shortfalls in depot maintenance to improve the reliability and equipment condition of current aircraft. Of this amount, the committee recommends that $60.0 million be devoted to repairs for KC–135 aircraft, $11.5 million be available for engine overhauls for Air Force Special Operations Command MH–53 helicopters, and the remaining $67.1 million directed to other high priority depot-level repairs;

(3) $80.0 million for sustainment, restoration and modernization of infrastructure that directly supports flying readiness, to include runways, hangars, and flight line maintenance facilities; and

(4) $49.0 million for improvements to Air Force training ranges as part of the training range enhancement initiative discussed elsewhere in this report.

Combat air patrols

The budget request for the Defense Emergency Response Fund (DERF) included $1.2 billion for the flying hour costs associated with continued combat air patrols (CAPs) over major U.S. cities. The Air Force based its estimate for fiscal year 2003 CAP missions

on a heightened alert posture that has since been reduced. At the new estimated alert level, the Air Force estimates that flying hour costs for fiscal year 2003 will be $380.0 million. Therefore, the committee recommends a reduction of $820.0 million from the request.

Spacelift range system

The budget request included $281.0 million for Operation and Maintenance, Air Force for launch facilities. The committee supports the range modernization program and recommends an increase of $11.1 million for metric tracking, for activation of the Western Range operations control center, and for maintenance issues at both Eastern and Western Ranges. Delays in the range modernization programs have resulted in increased operating costs for legacy systems that have to be maintained for longer periods of time than originally planned, even while the operations tempo has increased. Sustainment and operating costs necessary to ensure adequate levels of range safety have increased.

Utilities costs

The Air Force's fiscal year 2003 budget request included $392.6 million for utilities purchases, an increase of $61.9 million over inflation. None of the other services projected similar increases in utilities costs; the Army's utilities request decreased by $6.6 million, the Navy's increased by $6.2 million, and the Marine Corps' increased by only $1,000 over fiscal year 2002 levels. The committee recommends a reduction of $55.0 million to the Air Force operation and maintenance account to bring the growth in Air Force utilities costs more in line with those of the other services.

Defense-Wide

Joint recruiting and advertising

The budget request included $41.6 million for the Joint Recruiting and Advertising Program (JRAP), an increase of almost $25.0 million over historic execution levels. The committee is concerned about the execution of such a large increase and recommends a reduction of $24.3 million, returning the JRAP to fiscal year 2001 levels (adjusted for inflation). The committee fully supports the intent and activities of the JRAP but understands that the program has experienced consistent underexecution, a problem that may persist given the large increase in funding requested for fiscal year 2003.

The committee directs the Comptroller General of the United States to conduct a study of the Department of Defense's recruiting and advertising programs. The study should include an evaluation of: (1) the justification for each service's advertising budget request; (2) metrics used to determine the cost effectiveness of each of the advertising programs; (3) whether the advertising mediums are appropriate; and (4) the relationship of advertising budgets to recruiting outcomes. The committee directs the Comptroller General to submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the findings of this study and any recommendations no later than March 31, 2003.

Training and qualification shortfalls

The budget request did not include any funding to cover costs associated with increased training requirements and reorganization of training units to meet current Special Operations Forces (SOF) training needs. Current operational tempo and transformation programs have increased training requirements, which form the critical backbone of SOF readiness. The Special Operations Command has a requirement for increased funding for life cycle replacements for parachute, maritime, trauma resuscitation, and naval special warfare equipment, and improvements to Special Forces reconnaissance courses to increase the number of students obtaining training. The committee strongly supports increasing and improving training programs and equipment. Therefore, the committee recommends an increase of $16.7 million in Operation and Maintenance, Defense-Wide, Budget Activity 3 for SOF training and qualification shortfalls.

Procurement Technical Assistance Program

The budget request included $19.0 million for the Procurement Technical Assistance Program (PTAP). The committee has supported the PTAP program since its establishment in 1985. The program provides cost-effective technical assistance to small businesses in the industrial base supporting national defense. The committee recommends an increase of $5.0 million for the PTAP program.

Logistics reengineering

The budget request included $2.0 million for the Business Process Reengineering Center (BPRC), which supports the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)) in proposing process, organizational, and cultural changes in the Department of Defense. The budget request also included $7.5 million for the Change Management Center, which also reports to USD(AT&L) and conducts commercial practices training and enterprise change modeling. The committee finds these requests duplicative and recommends a reduction of $2.0 million in the Defense Logistics Agency budget to consolidate all reengineering efforts in the Office of the Secretary of Defense.

Cultural and historic activities

The budget request included $287,000 for cultural and historic preservation activities funded through the Legacy Resource Management Program. The committee recommends an increase of $3.0 million to expand the Department of Defense's efforts to preserve cultural and historic assets.

Base information system

The budget request included $15.0 million in the Defense-wide operation and maintenance account over fiscal year 2002 levels to increase funding for a base information system to gather data on the real property inventory of the Department of Defense (DOD). The committee understands that the data system to collect this information has been an ongoing effort within the Department and does not believe that DOD has provided sufficient rationale for

such a sizeable increase. Therefore, the committee recommends a decrease of $10.0 million and authorizes a $5.0 million increase for the base information system.

C3 and Intelligence Mission and Analysis Fund

The budget request included $4.9 million for a new initiative to provide planning, coordination, and assessments for the National Command Authority's computer network. The program would also support analyses of spectrum policy, information assurance policies, and joint intelligence capabilities.

The committee recommends a reduction of $4.9 million in the Office of the Secretary of Defense, Operation and Maintenance, Defense-Wide account for this initiative. The fiscal year 2003 budget request already included substantial resources for the many components of this fund: an additional $99.3 million over fiscal year 2002 levels for increased support for White House and National Command communications, networks, and network security; an additional $17.1 million for various spectrum-related initiatives, including support for a Department of Defense Spectrum Defense Office; and $163.6 million for information assurance initiatives ($18.5 million more than in fiscal year 2002). The fiscal year 2003 request for the Defense Emergency Response Fund included another $2.6 billion for White House communications and security, communications, and information operations enhancements.

The committee believes that the types of functions proposed to be carried out with funding from the Command, Control, Communications and Intelligence Mission and Analysis Fund are important to our national security and worthy of support. However, the committee believes that the funds already provided for the programs covered by this initiative are sufficient to support planning and oversight for these activities.

Psychological operations

The budget request for the Defense Emergency Response Fund (DERF) included $67.0 million to support the Joint Staff's Information Operations Task Force and other information operations activities. The committee recognizes the value of psychological operations and information/perception management activities in influencing foreign audiences and in shaping the information environment in ways that are favorable to U.S. objectives. These operations and activities are particularly important when U.S. forces are engaged in hostilities, as in Afghanistan.

The committee is concerned, however, by some of the activities that are contemplated under this heading, particularly those activities that have traditionally been conducted by other agencies of the U.S. Government. The committee believes that the Department of Defense should not seek to duplicate capabilities that are resident elsewhere in the government, nor should the Department be acquiring equipment for other departments and agencies of the government. Accordingly, the committee recommends a decrease of $30.0 million for the Office of the Secretary of Defense.

Commander in Chief for Homeland Security

The budget request for the Defense Emergency Response Fund (DERF) included $41.0 million to stand up a headquarters for the new Commander in Chief for Homeland Security. The committee supports the establishment of this new combatant command but notes that the justification materials provided by the Department of Defense only explained how $37.0 million of the $41.0 million would be used, failing to account for the remaining $4.0 million. The request also included $10.0 million to provide salaries for civilian personnel who would be employed by the new headquarters. The committee understands that the headquarters would be supported within planned reductions in headquarters staffs and that civilian employees would be transferred from other existing billets. Similarly, the committee expects the funds for the employees' salaries to be transferred from their current parent organizations. Therefore, the committee recommends a reduction of $14.0 million to the DERF request and recommends that the remaining $27.0 million be transferred to Operation and Maintenance, Defense-Wide for the Joint Staff.

Studies

The budget request included $21.1 million for the Office of the Secretary of Defense (OSD) Study Program and $22.8 million for studies by the Joint Staff. This funding represents an $8.8 million increase over fiscal year 2002 levels, despite the fact that the Department of Defense's major analytic effort, the Quadrennial Defense Review, concluded last year. Further, none of the services requested study program increases in fiscal year 2003; the Army's requested study budget remained constant, the Navy's decreased by $2.3 million, and the Air Force's decreased by $16.8 million. Therefore, the committee recommends a reduction of $1.8 million for OSD studies and $7.0 million for Joint Staff studies to return the OSD and Joint Staff study budgets to fiscal year 2001 levels (adjusted for inflation), a level of funding that should adequately support necessary analyses.

Commercial imagery to support military requirements

The committee continues to support the use of commercial sources to help meet the imagery requirements of United States and coalition forces and the geospatial requirements of the National Imagery and Mapping Agency (NIMA). Three high level commissions, the Space Commission, the National Reconnaissance Office (NRO) Commission, and the National Imagery and Mapping Agency Commission, have all stated that the Department of Defense needs to better utilize commercial imagery. The Space Commission Report recommended that the U.S. Government pay for a substantial portion of its national security related imagery requirements by purchasing services from the U.S. commercial remote sensing industry. NIMA officials have acknowledged that significant portions of their geospatial information requirements can be met by current generation satellites operated by U.S. commercial remote sensing entities and that considerably more of these requirements could be met by proposed second generation satellites.

The committee believes that a world-class commercial remote sensing industry is in the national interests of the United States. Accordingly, the committee reaffirms its guidance to NIMA, the Director of Central Intelligence, and the Department of Defense that a comprehensive commercial imagery strategy must be developed and implemented. The committee further believes significant progress has been made in the past year with respect to understanding the desirability of integrating commercial remote sensing into a comprehensive national imagery and geospatial architecture. Unfortunately, little progress has been made in developing a long-term strategy or in aggressively integrating commercial capabilities into a comprehensive architecture. In fact, the strategy that NIMA seemed to have adopted last year that was designed to assure the commercial remote sensing industry of the long-term commitment and reliability of the U.S. Government as a customer appears to have been abandoned in favor of a return to a "day-to-day, as needed" approach to commercial imagery purchases. Such indecision is not in the best interests of the U.S. commercial remote sensing industry or in the national security interests of the U.S. Government.

To help the U.S. commercial remote sensing industry succeed, the U.S. Government should become a reliable, consistent customer of this industry's products. Additionally, the U.S. Government must facilitate a regulatory framework for the sale of remote sensing products, services, and technologies that better serves U.S. national security interests.

In view of the above, the committee directs the Director of NIMA to develop and implement a comprehensive commercial imagery strategy that includes a budgeted, multi year spending plan and a contractual regime for the purchase of commercial imagery, imagery products, and services from the U.S. commercial remote sensing industry. To assure the reputation of the U.S. Government as a consistent, reliable customer the Director of NIMA is encouraged to consider multi year procurement authority and the establishment of "anchor-tenant" business relationships with the commercial remote sensing industry as this commercial imagery strategy is established. The conference report accompanying the National Defense Authorization Act for Fiscal Year 2002 directed the Secretary of Defense and Director of Central Intelligence to plan and carry out a program to purchase a significant portion of their non-time critical, low and medium resolution satellite imagery requirements from the U.S. commercial remote sensing industry by 2005. The committee reaffirms that requirement and encourages the Director of NIMA to establish a concrete plan as soon as possible that incorporates the anticipated role and contribution of commercial remote sensing capabilities in the overall Future Imagery Architecture (FIA). As NIMA moves toward these future capabilities, the committee encourages NIMA to establish a related goal that 25 percent of NIMA's geospatial information requirements be provided by U.S. commercial remote sensing entities by the beginning of fiscal year 2005.

The budget request, including the Defense Emergency Response Fund (DERF), included increased funding for the purchase of commercial imagery products. In order to implement a comprehensive commercial imagery strategy and to ensure that commercial im-

agery plays a key role in fulfilling the Department's imagery needs, the committee recommends an increase of $30.0 million in Operation and Maintenance, Defense-Wide for the purchase of commercial imagery, imagery products and services from U.S. commercial remote sensing entities. Considering the overall importance of commercial imagery activities to integrated U.S. intelligence and geospatial requirements, the committee strongly urges the Secretary of Defense and Director of NIMA to establish a new, separate budget line for commercial imagery activities within the Department of Defense budget request, beginning with the fiscal year 2004 budget submission.

Guard and Reserve Components

Army information operations

The budget request included $116.0 million for land forces readiness operations support for the Army Reserve. The committee recommends an increase of $3.0 million to increase the Army Reserve's support to the Department of Defense through information operations training, future threat assessment, and improved information attack response capabilities.

Antiterrorism/force protection access control

The budget request for the Defense Emergency Response Fund (DERF) included $33.8 million for access control and vulnerability assessments for six Army Reserve installations. The Army subsequently determined that it does not have a requirement for $13.8 million of the funding requested for this purpose. Therefore, the committee recommends a reduction of $13.8 million from the Operation and Maintenance, Army Reserve account.

Initial issue

The committee is concerned that the budget request would not adequately fund personal items for new members of the Marine Corps Reserve. Many of these items are important for the safety and comfort of our marines in the field. Therefore, the committee recommends an increase of $5.0 million for the Marine Corps Reserve to purchase individual combat clothing and equipment items, including polar fleece pullovers.

Air Force Reserve Command server consolidation

The Air Force Reserve Command (AFRC) aims to achieve greater efficiency and reduce total ownership costs by consolidating its servers. The committee therefore recommends an increase of $8.0 million for the AFRC to increase storage of backup data, better protect its information technology infrastructure, and improve the speed and reliability of its computer networks through server consolidation.

National Guard support for test and evaluation

The budget request included $2.6 billion for National Guard flying operations. These funds support flying hours for the Air National Guard (ANG), including Defense Support Evaluation (DSE) functions. The DSE program provides target aircraft support for

surface-to-air missile testing. The committee recommends an increase of $2.0 million to Operation and Maintenance, Air National Guard to train the ANG pilots that fly in support of missile tests and evaluation.

Air National Guard medical equipment

The committee understands that the Air National Guard plans to transition its medical service units from their current configuration into more rapidly deployable Expeditionary Medical Support (EMEDS) units. EMEDS units would provide a more flexible, responsive and robust medical capability in support of the Expeditionary Air Force and other critical missions, and the committee fully supports this reorganization. To help prepare Air National Guard personnel for this transition, the committee recommends an increase of $350,000 for the Air National Guard to begin purchasing medical equipment for training for future EMEDS missions.

MISCELLANEOUS ADDITIONAL ITEMS OF INTEREST

Formerly Used Defense Sites

The budget request included $212.1 million for Environmental Restoration, Formerly Used Defense Sites (FUDS). The committee recommends an increase of $40.0 million to the FUDS program.

The committee notes that, until this year, the Department of Defense had been providing a level of funding for the cleanup of FUDS sites that was intended to result in remedies in place by 2014. This year, the Department delayed the cleanup goal by six years, to 2020, in order to reduce funding requirements. At the same time, the committee understands that the Department of Defense does not expect to have remedies in place for unexploded ordnance problems on FUDS sites until 2089 at the earliest.

The committee does not support the six-year delay in the FUDS cleanup objective, and it does not view 2089 as an acceptable goal for addressing unexploded ordnance problems. The committee expects the Department to work with the states to prioritize FUDS sites and to develop a reasonable time line for the cleanup of such sites.

Drug interdiction and counterdrug activities

The budget request included $998.7 million for drug interdiction and counterdrug activities of the Department of Defense (DOD): $848.9 million in the central transfer account and $149.8 million in the operating budgets of the military services for authorized counterdrug operations.

The committee recommends the following fiscal year 2003 budget for the Department's counterdrug activities:

Drug Interdiction and Counterdrug Activities, Central Transfer Account

[In thousands of dollars—May not add due to rounding]

Fiscal Year 2003 Counterdrug Request	$848.9
Goal 1 (Educate America's youth)	27.1
Goal 2 (Increase safety of citizens)	81.8
Goal 3 (Reduce health and safety costs)	82.5
Goal 4 (Shield America's frontiers)	335.7

Drug Interdiction and Counterdrug Activities, Central Transfer Account—Continued

Goal 5 (Break drug sources of supply)	321.9
Increases:	
National Guard Support	25.0
Total Fiscal Year 2003 Counterdrug Funding	$873.9

National Guard State Plans

The committee believes that the National Guard makes an important contribution to the national counterdrug effort. Accordingly, the committee recommends an increase of $25.0 million for the National Guard State Plans, including the National Interagency Civil-Military Institute. As a result of insufficient funding for fiscal year 2002, the State Plans had to be significantly adjusted. In order to avoid even greater disruption, DOD reprogrammed $12.2 million and, in an unprecedented action, the Director of the Office of National Drug Control Policy (ONDCP) used his authority to transfer $5.0 million from ONDCP's High Intensity Drug Trafficking Areas program account to DOD and limited its availability to the Governor's State Plans.

OTHER ITEMS OF INTEREST

Aerial refueling fee-for-service

In fiscal year 2002, the Department of Defense directed the Navy to conduct a pilot program for aerial refueling including tanker aircraft. The Navy has contracted aerial refueling services using commercial aircraft configured for aerial refueling in the conduct of this pilot program.

In testimony before the Seapower Subcommittee of the Committee on Armed Services, the Navy Director of Air Warfare in the Office of the Chief of Naval Operations stated that this pilot program has been successful and has provided a beneficial service for air wings during inter-deployment training. The committee encourages the Department to continue to explore the benefits of using this type of fee-for-service model in aerial refueling to achieve potential savings and relieve the strain on the aerial refueling fleet.

Air Force supersonic ranges

The committee understands that the Air Force currently operates thirteen supersonic ranges, with varying restrictions on altitude. The committee believes that additional supersonic training opportunities may be needed and that the Air Force should evaluate its requirements in this area. The committee directs the Secretary of the Air Force to conduct a study of the costs and benefits of extending the Melrose flight training range outside Cannon Air Force Base to include supersonic capabilities and to report back to Congress no later than March 1, 2003.

Army ammunition plants

The committee is aware of Army proposals to pursue a consolidated procurement contract for the operation of four government-owned/contractor-operated ammunition plants. The committee notes that such consolidation may cause disruption of ammunition

production or cause compression of the Load, Assemble, and Pack (LAP) sector of ammunition manufacturing. Therefore, the committee directs the Army to submit a report to the congressional defense committees providing the details of the proposed strategy, an analysis of alternatives (to include long-term leasing), and an assessment of the impact on existing items manufactured at the plants.

C–130 aircraft force structure

The Air Force has recently completed a comprehensive mobility force structure plan. One of the elements of this plan includes upgrading a portion of the C–130 aircraft tactical airlift fleet, in both the active force and reserve components, to a standard C–130X configuration. The rest of the force would receive new C–130J aircraft. The C–130 aircraft is a crucial component of intra-theater airlift.

The committee supports the general approach of modernizing the portion of the C–130 aircraft fleet for which this makes economic sense and replacing the remainder with new C–130J aircraft. Nevertheless, the committee has questions about the specific plan that would lead to a reduced inventory objective for tactical airlift forces.

The Air Force has stated that there is an excess inventory of C–130s. The committee is concerned about what appears to be contradictory analysis. The Department completed the Mobility Requirements Study for fiscal year 2005 (MRS 05) last year. MRS 05 was based on assessing the capability to fight two, nearly simultaneous major theater wars (2 MTW). The study analyzed the requirements for both inter-theater and intra-theater airlift and concluded there would be shortfalls in both categories. Although the 2 MTW-goal is no longer the basis for deciding on force structure size or content, commanders in chief have testified that strategic airlift is still stressed and that the lift requirements derived in MRS 05 remain valid.

The committee notes that the Air Force intends to implement the first C–130 force structure realignment beginning in fiscal year 2004. To better understand the impact of any reductions in tactical airlift, the committee directs the Secretary of Defense to submit a report to the congressional defense committees, no later than March 31, 2003, that would: (1) determine the required amount of tactical airlift to execute the national military strategy; and (2) reconcile any differences between MRS 05 and subsequent Air Force analysis underpinning the mobility force structure plan.

Commissary benefit

The commissary benefit is one of the most significant components of the military compensation package and is highly valued by military members, retirees, and their families. In addition to providing significant monetary savings, commissaries foster a sense of community for military families.

Although efficient operation of commissaries is essential, the committee is concerned that proposed personnel and funding reductions for the Defense Commissary Agency may adversely affect the quality of service to customers. Beneficiary groups have expressed concern that the reductions will result in additional store closings,

reduced hours, longer cashier lines, and reduced stock on store shelves. These impacts would not be acceptable.

The committee directs the Department of Defense to monitor closely the impact of proposed personnel and funding reductions to ensure that appropriate levels of service in commissaries are maintained.

Department of Defense support to the Interallied Confederation of Reserve Officers and the Interallied Confederation of Medical Reserve Officers

The committee is aware that the Interallied Confederation of Reserve Officers (CIOR) and the Interallied Confederation of Medical Reserve Officers (CIORMR) Summer Congress is scheduled to be held in Washington, DC in July 2004. CIOR is chartered by the North Atlantic Treaty Organization (NATO) Military Committee to advise NATO and support NATO's political and military objectives in each of the member nations in the alliance. The committee notes that historically the Department of Defense has supported the Summer Congress. In anticipation of the 2004 Summer Congress, the committee urges the Secretary of Defense to fully support participation by Reserve Component personnel in the representational, liaison, education, training, and organizational activities of CIOR and CIORMR. In addition to personnel, this support should include facilities and logistics to carry out the activities of the 2004 Summer Congress.

Formerly Used Defense Site at Waikoloa and Waimea, Hawaii Island

The Army Corps of Engineers recently determined that a Formerly Used Defense Site (FUDS) at Waikoloa and Waimea, Hawaii Island has "a medium to high potential for human health and safety risk from unexploded ordnance (UXO)." The Army Corps of Engineers estimated that the minimum cost of addressing this problem would be in excess of $250.0 million.

The committee directs the Secretary of the Army to develop a comprehensive plan for addressing risks to human health and safety at the Waikoloa FUDS site and to report to the congressional defense committees no later than 60 days after the date of enactment of this bill. The Secretary's report should include specific milestones for addressing the UXO problem at the Waikoloa FUDS site and the Department's plans for funding the clean-up effort.

Funding for efforts to address environmental impacts of unexploded ordnance, discarded military munitions, and munitions constituents

Section 312 of the National Defense Authorization Act for Fiscal Year 2002 established a new program element for remediation of unexploded ordnance (UXO), discarded military munitions, and munitions constituents in each of the environmental restoration accounts of the Department of Defense. The purpose of this provision was to establish a consolidated account for all UXO-related environmental expenditures of the Department of Defense.

The committee has since learned that a substantial amount of funding for efforts to address environmental impacts of UXO, dis-

carded military munitions, and munitions constituents is provided through accounts other than the Department's environmental restoration accounts, and therefore could not be included in the new program elements. For example, six separate accounts provide funding for UXO-related environmental expenditures in the Army alone: the environmental restoration account; the operation and maintenance accounts of the Army and the National Guard; the Base Realignment and Closure account; the Formerly Used Defense Sites account; and the Army research, development, test and evaluation accounts.

The committee directs the Department to provide a consolidated exhibit with its budget submission in each of the next four fiscal years. The exhibit would detail all proposed funding, in all accounts of the Department, for efforts to address environmental impacts of UXO, discarded military munitions, and munitions constituents (including UXO-related research and development).

Improved justification of service training budgets

The committee is concerned about the military services' training budget requests and believes that additional progress is possible in relating funds to training and training to readiness. The reliability of the services' methods for relating funding to training outputs varies, complicating the committee's evaluations of whether requested funding is sufficient for requisite training. Further, the relationship between training levels and readiness also remains ambiguous. The committee understands the complexity involved in clarifying these relationships and appreciates the Department of Defense's efforts to further define them. The committee looks forward to seeing the results of these efforts reflected in future budget requests.

"Starship" repair plan

The committee is aware that the Army's 1970 Basic Combat Training complexes, known as "starships", require extensive structural, roof, and utility repairs. The Army's 2000 Installation Status Report rates these facilities at C–3 or below, meaning that their condition impairs mission performance. These facilities are used primarily for initial entry training, and their poor condition has a negative impact not only on the quality of training that recruits receive, but also on the recruits' initial impressions of quality of life in the military. The committee understands that the goal at Fort Sill is to repair one of its five "starships" annually, with Sustainment, Restoration, and Modernization (SRM) funds of no more than $11.0 million. Fort Jackson, which has six starships, spends almost $3.2 million annually for the most urgent repairs to these facilities. Fort Benning, which has eight starship complexes, faces similar challenges.

Since SRM fluctuates annually and is habitually underfunded, these installations cannot develop a comprehensive plan for the repair and maintenance of starship facilities. The committee directs the Secretary of the Army to provide a briefing to the congressional defense committees no later than March 30, 2003, to include the status of all existing starship complexes, the impact of their condition on the Army's training mission, cost estimates to complete nec-

essary repairs, and a long-term plan to ensure adequate maintenance of the facilities.

Status of the Uniform National Discharge Standards

The Uniform National Discharge Standards (UNDS) Program was established by section 325 of the National Defense Authorization Act for Fiscal Year 1996 to provide a comprehensive set of standards for controlling incidental discharges from vessels of the Armed Forces. The program provided the Secretary of Defense and the Administrator of the Environmental Protection Agency (EPA) joint regulatory authority on incidental discharges within the navigable waters of the United States and waters of the contiguous zone.

Phase I of this program identified 25 discharges that will require control based upon the potential for adverse environmental impacts. The committee is aware that the development of performance standards for controlling discharges under Phase II of the program requires extensive research and that the Navy and EPA have attempted to expedite this process. Unfortunately, the completion of Phase II is not expected until calendar year 2011.

The committee is concerned about the lack of progress in the development of performance standards under the UNDS program. Accordingly, the committee directs the Secretary of the Navy and Administrator of the EPA to submit a joint report on the status of the UNDS program and efforts to expedite the development of performance standards under that program to the congressional defense committees by no later April 1, 2003.

Training of Navy and Marine Corps units for the global war on terrorism and to support the global naval forces presence policy

The committee directs the Secretary of the Navy to provide a report to the congressional defense committees on the plans for joint task force, combined-arms training of carrier battle groups and amphibious ready groups during fiscal year 2003. This report should include a description of the locations where that training will be conducted, the use of live munitions during that training, and a description of the naval and military capabilities to be exercised during training.

The report should also describe the Secretary's progress regarding the identification of an alternate location or locations for the training range at Vieques. The committee directs the Secretary to provide this report no later than March 1, 2003. The committee understands that, until such time as a decision is made by the Secretary of the Navy in accordance with section 1049 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), Navy and Marine Corps training will continue at Vieques as it is currently.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

SUBTITLE A—ACTIVE FORCES

End strengths for active forces (sec. 401)

The committee recommends a provision that would authorize active duty end strengths for fiscal year 2003, as shown below:

	2002 authorization	Fiscal year—	
		2003 request	2003 recommendation
Army	480,000	480,000	480,000
Navy	376,000	375,700	375,700
Marine Corps	172,600	175,000	175,000
Air Force	358,800	359,000	359,000

The committee is concerned that the requested end strength may not be adequate to meet the number of missions the services are required to perform. If an increase in end strength is justified, the committee encourages the Secretary of Defense to use his authority to increase the authorized end strength by up to 2 percent to relieve personnel shortfalls, especially in high demand, low density military skills. In the longer term, the committee strongly encourages the Secretary of Defense to conduct a thorough review of force structure and to assign additional personnel to high demand, low density skill positions.

The committee is encouraged by the Department's recently developed human capital strategic plan to ensure that the right number of military personnel have the requisite skills, abilities, and motivation to effectively and efficiently execute assigned missions. The committee will closely monitor implementation of this plan.

Authority to increase strength and grade limitations to account for reserve component members on active duty in support of a contingency operation (sec. 402)

The committee recommends a provision that would authorize the Secretary of Defense to increase the limit on active duty end strength by the number of members of the reserve components serving on active duty, with their consent, in support of a contingency operation. The recommended provision would also authorize the Secretary of Defense to increase the limit on the number of members in pay grades E–8, E–9, 0–4, 0–5, 0–6 and general and flag officers by the number of reserve component members in those pay grades serving on active duty, with their consent, in support of a contingency operation.

Currently, reserve component members involuntarily ordered to active duty in support of a contingency operation are excluded from active duty end strength limitations. The recommended provision would remove the distinction between reserve component members

who consent to serve on active duty and those who are involuntarily ordered to active duty and would encourage the services to use volunteers to meet contingency operation requirements.

Increased allowance for number of Marine Corps general officers in grades above major general (sec. 403)

The committee recommends a provision that would authorize one additional Marine Corps general officer in a grade above major general. The recommended provision does not increase the total number of general officers in the Marine Corps.

Increase in authorized strengths for Marine Corps officers on active duty in the grade of colonel (sec. 404)

The committee recommends a provision that would increase by 40 the authorized strength for colonels on active duty in the Marine Corps.

SUBTITLE B—RESERVE FORCES

End strengths for Selected Reserve (sec. 411)

The committee recommends a provision that would authorize Selected Reserve end strengths for fiscal year 2003, as shown below:

	2002 authorization	Fiscal year—	
		2003 request	2003 recommendation
The Army National Guard of the United States	350,000	350,000	350,000
The Army Reserve	205,000	205,000	205,000
The Navy Reserve	87,000	87,800	87,800
The Marine Corps Reserve	39,558	39,558	39,558
The Air National Guard of the United States	108,400	106,600	106,600
The Air Force Reserve	74,700	75,600	75,600
The Coast Guard Reserve	8,000	9,000	9,000

End strengths for reserves on active duty in support of the Reserves (sec. 412)

The committee recommends a provision that would authorize the full-time support end strengths for fiscal year 2003, as shown below:

	2002 authorization	Fiscal year—	
		2003 request	2003 recommendation
The Army National Guard of the United States	23,698	23,768	24,492
The Army Reserve	13,406	13,588	13,888
The Navy Reserve	14,811	14,572	14,572
The Marine Corps Reserve	2,261	2,261	2,261
The Air National Guard of the United States	11,591	11,697	11,727
The Air Force Reserve	1,437	1,498	1,498

The committee recommends an increase of 300 in the Army Reserve, 724 in the Army National Guard, and 30 in the Air National Guard.

The committee is disappointed that the requested end strength for reserves on active duty in support of the Reserves does not in-

clude an increase of 300 in the Army Reserve and 724 in the Army National Guard for full-time support.

Full-time support has been identified as the top readiness issue of the reserve components. It directly impacts the ability to train, administer and prepare ready units and individuals for transition from a peacetime to a wartime posture. The Army has a plan to incrementally increase the Reserve Component Full-Time Support Program over 11 years to achieve a level of full-time support manning of 90 percent for units that deploy in less than 30 days; 80 percent for units that deploy between 30 and 75 days; 70 percent for units that deploy between 75 and 180 days; and 65 percent for units deploying after 180 days. This is the second year in a row that the requested end strength is less than required to execute the plan. Failure to budget for and request the planned-for increased end strength reflects less than full commitment to the needs of the reserve components. The recommended increase of 300 in the Army Reserve and 724 in the Army National Guard would bring the end strength up to the level in the Army's plan for fiscal year 2003.

The committee directs the Secretary of the Army to report, no later than February 1, 2003, to the Committees on Armed Services of the Senate and the House of Representatives, on whether the Army plan is still valid and on the Army's plans for the next five years to address full-time manning readiness requirements of the reserve components.

End strengths for military technicians (dual status) (sec. 413)

The committee recommends a provision that would authorize the minimum level of dual status technician end strengths for fiscal year 2003, as shown below:

	2002 authorization	Fiscal year—	
		2003 request	2003 recommendation
The Army Reserve	6,249	6,349	6,599
The Army National Guard of the United States	23,615	23,615	24,102
The Air Force Reserve	9,818	9,911	9,911
The Air National Guard of the United States	22,422	22,495	22,495

The committee is disappointed that the requested end strength for dual status military technicians does not include an increase of 487 dual status military technicians in the Army Reserve and 250 dual status military technicians in the Army National Guard for full-time support.

Full-time support has been identified as the top readiness issue of the reserve components. It directly impacts the ability to train, administer and prepare ready units and individuals for transition from a peacetime to a wartime posture. The Army has a plan to incrementally increase the Reserve Component Full-Time Support Program over 11 years to achieve a level of full-time support manning of 90 percent for units that deploy in less than 30 days; 80 percent for units that deploy between 30 and 75 days; 70 percent for units that deploy between 75 and 180 days; and 65 percent for units deploying after 180 days. This is the second year in a row that the requested end strength is less than required to execute the

plan. Failure to budget for and request the planned-for increased end strength reflects less than full commitment to the needs of the reserve components. The recommended increase of 250 dual status military technicians in the Army Reserve and 487 dual status military technicians in the Army National Guard would bring the end strength up to the level in the Army's plan for fiscal year 2003.

The committee directs the Secretary of the Army to report, no later than February 1, 2003, to the Committees on Armed Services of the Senate and the House of Representatives, on whether the Army plan is still valid and on the Army's plans for the next five years to address full-time manning readiness requirements of the reserve components.

Fiscal year 2003 limitation on non-dual status technicians (sec. 414)

The committee recommends a provision that would establish numerical limits on the number of non-dual status technicians who may be employed in the Department of Defense as of September 30, 2003, as follows: (1) Army National Guard of the United States, 1,600; (2) Air National Guard of the United States, 350; (3) Army Reserve, 995; and (4) Air Force Reserve, 0.

SUBTITLE C—AUTHORIZATION OF APPROPRIATIONS

Authorization of appropriations for military personnel (sec. 421)

The committee recommends a provision that would authorize a total of $94.4 billion for military personnel, an increase of $56.6 million over the budget request. This includes $32.9 million from the Defense Emergency Response Fund, $33.5 for increases to Army National Guard and Reserve full time support, $750 thousand for an increase to Air National Guard full time support, and a reduction of $10.6 million for programs included in the budget request but for which legislative authority is not recommended. An additional $13.9 million was also reduced from operation and maintenance accounts for the same reason.

TITLE V—MILITARY PERSONNEL POLICY

SUBTITLE A—OFFICER PERSONNEL POLICY

Extension of certain requirements and exclusions applicable to service of general and flag officers on active duty in certain joint duty assignments (sec. 501)

The committee recommends a provision that would extend to December 31, 2003: (1) the requirement that the service secretaries nominate officers for consideration for appointment to certain senior joint officer positions; (2) the exemption of officers serving in these positions in the grade of general or admiral from the limitation on officers serving on active duty in grades above major general or rear admiral; and (3) the authority of the Chairman of the Joint Chiefs of Staff to designate up to 12 general and flag officer positions that are joint duty assignments for exclusion from the limitation on the number of general and flag officers serving on active duty.

Extension of authority to waive requirement for significant joint duty experience for appointment as a chief of a reserve component or a National Guard director (sec. 502)

The committee recommends a provision that would extend from October 1, 2003 to December 31, 2003, the authority for the Secretary of Defense to waive the requirement that the Chairman of the Joint Chiefs of Staff determine that an officer recommended for appointment as a chief of a reserve component or a director of the Army National Guard or Air National Guard have significant joint duty experience.

The committee does not encourage routine waiver of the joint duty experience qualification for officers recommended for appointment as a chief of a reserve component or a National Guard director. Accordingly, the committee directs that the Secretary of Defense submit to the Committees on Armed Services of the Senate and the House of Representatives by May 1, 2003, a report indicating what steps have been taken to ensure that Reserve and Guard officers receive significant joint duty experience. The Secretary should also include in the report the date by which the waiver will no longer be required.

SUBTITLE B—RESERVE COMPONENT PERSONNEL POLICY

Time for commencement of initial period of active duty for training upon enlistment in reserve component (sec. 511)

The committee recommends a provision that would extend the time limit for commencement of an initial period of active duty for

training from 270 days to one year for non-prior service individuals who enlist 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.

The recommended provision would enable individuals to enlist prior to commencing their last year of high school or a new year of college and delay their required training until after completion of these studies.

Authority for limited extension of medical deferment of mandatory retirement or separation of reserve component officer (sec. 512)

The committee recommends a provision that would authorize the service secretaries to defer the mandatory retirement or separation of a reserve component officer for 30 days after completion of an evaluation requiring hospitalization or medical observation to determine the officer's entitlement to retirement or separation for physical disability.

SUBTITLE C—EDUCATION AND TRAINING

Increase in authorized strengths for the service academies (sec. 521)

The committee recommends a provision that would increase the authorized strengths of the military academies to 4,400 cadets or midshipmen. The provision would also clarify that the service secretary can permit a variance above that limitation by not more than 1 percent.

SUBTITLE D—DECORATIONS, AWARDS, AND COMMENDATIONS

Waiver of time limitations for award of certain decorations to certain persons (sec. 531)

The committee recommends a provision that would waive the statutory time limits for award of military decorations to certain individuals who have been recommended by the service secretaries for these awards.

Korea Defense Service Medal (sec. 532)

The committee recommends a provision that would require the service secretaries to issue a campaign medal, to be known as the Korea Defense Service Medal, to all military personnel who served in the Republic of Korea, or the adjacent waters, between July 27, 1954, and a termination date determined by the Secretary of Defense.

SUBTITLE E—NATIONAL CALL TO SERVICE

National call to service (sec. 541 and 542)

The committee recommends a provision that would authorize unique incentives to encourage individuals to volunteer to serve the nation through enlisting in the Armed Forces. Individuals who volunteer under this program would be required to serve on active duty for 15 months after completion of initial entry training and

could complete the remainder of their military service obligation by choosing service on active duty, in the Selected Reserve, in the Individual Ready Reserve, or in another national service program designated by the Secretary of Defense. Participants would be required to meet all eligibility requirements for military service and would elect one of the following incentives: (1) a $5000 bonus payable after completion of 15 months of active duty, (2) repayment of a qualifying student loan not to exceed $18,000, (3) an educational allowance at the monthly rate payable under the Montgomery GI Bill for 12 months, or (4) an educational allowance of two-thirds of the monthly rate payable under the Montgomery GI Bill for 36 months. National Service Plan participants who are otherwise qualified and volunteer to continue serving on active duty may be considered for reenlistment or extension on active duty and any additional benefits for which they may be eligible.

The recommended provision would also encourage and facilitate service by requiring institutions of higher education receiving assistance under the Higher Education Act of 1965 to provide military recruiters: (1) the same access to students and the institution as is provided to prospective employers, and (2) upon request, access to the names, addresses, and telephone listings of students, except for the information of students who have submitted a request that the information not be released without prior written consent.

SUBTITLE F—OTHER MATTERS

Biennial surveys on racial, ethnic, and gender issues (sec. 551)

The committee recommends a provision that would require the Secretary of Defense to conduct two separate biennial surveys, rather than a single annual survey, to identify and assess racial, ethnic, and gender issues and discrimination among members of the Armed Forces serving on active duty and the extent (if any) of "hate group" activity among such members. The recommended provision would require one survey every two years, a survey on racial and ethnic issues alternating with a survey on gender issues. The committee believes that these issues require the continued, focused attention of the military and civilian leadership of the Department of Defense and that these surveys play an important role in ensuring that such attention is provided.

Leave required to be taken pending review of a recommendation for removal by a board of inquiry (sec. 552)

The committee recommends a provision that would authorize the service secretaries to require an officer to take leave (including excess leave) while awaiting the secretary's action on a board of inquiry's recommendation that the officer not be retained on active duty. The officer would be afforded the opportunity to review and rebut the report of the board of inquiry prior to commencement of leave. The recommended provision also requires payment of accrued pay and allowances, reduced by other income received, if the board's recommendation is not approved by the secretary concerned.

Stipend for participation in funeral honors details (sec. 553)

The committee recommends a provision that would authorize service secretaries to provide transportation or a daily stipend to military retirees and members of veterans organizations or other approved organizations for service on funeral honors details.

OTHER ITEMS OF INTEREST

Career progression of military astronauts

Military officers who have been selected for astronaut duty with the National Aeronautics and Space Administration have, throughout the history of the space program, performed with distinction and made significant contributions to the national defense. Selection for both the Pilot Astronaut Program and Mission Specialist Program is extremely competitive, and only military officers with extraordinary personal qualifications and professional skills participate in these programs. The committee is concerned about career progression opportunities for officers who participate in the astronaut program and the obstacles they may encounter in advancing to higher rank due to the unique nature of the duty to which they are assigned.

The committee directs the Secretary of Defense, in consultation with the Administrator of the National Aeronautics and Space Administration, to submit a report to the Committees on Armed Services of the Senate and the House of Representatives no later than March 1, 2003, providing views on whether military astronauts should be awarded joint duty credit for astronaut duty or excepted from the requirement for joint duty assignment before consideration for promotion to general or flag officer and the rationale for these views. The report should also describe typical career patterns of officers selected for astronaut duties, including data about the promotion history of military astronauts from each of the Services, and provide recommendations regarding the management of this unique community of officers.

Human resources strategy and community support planning

The committee is pleased at the Department's progress in developing a human resources strategy and the concerted efforts it has made to plan for success in military and civilian personnel recruiting, retention, and career development. The human capital challenges confronting the Department demand a comprehensive plan aimed at ensuring that the personnel requirements of the armed services and the civilian employee workforce are met.

The committee supports the Department's commitment to a social compact aimed at strengthening the military community and, through this means, further improving the well being of military members and their families. In this regard, the committee urges the Department to continue to identify additional ways in which military personnel can nurture their strong familial relationships and better fulfill their irreplaceable roles as parents.

Integrated personnel readiness system

The committee is aware of initiatives in the Army to field an effective and efficient system for managing the readiness and deploy-

ment of individual soldiers and units. Some of these initiatives have already been developed and individually deployed at the operational level and have enhanced the readiness processing of personnel. The committee believes these initiatives could be brought together and managed as an integrated personnel readiness system.

The committee directs the Secretary of the Army to explore implementation of an integrated, secure, web-based system for mobilizing reserves and for deploying personnel. The following capabilities should be considered: (1) a computerized mobilization system for alerting and activating reservists and deploying personnel; (2) a readiness system to automate the process for determining the individual readiness of a soldier for deployment; (3) an in-transit visibility system to automate the tracking of personnel away from their home station, including a time audit of duty served; and (4) a personnel logistics system that facilitates common knowledge of mobilization actions and logistics support.

The committee directs the Secretary of the Army to submit a report on the potential implementation of such a system to the Committees on Armed Services of the Senate and the House of Representatives by June 30, 2003.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

SUBTITLE A—PAY AND ALLOWANCES

Increase in basic pay for fiscal year 2003 (sec. 601)

The committee recommends a provision that would authorize an across the board military pay raise of 4.1 percent and an additional targeted pay raise for certain experienced mid-career personnel. The targeted raise would increase the pay for members in pay grades: (1) E–5 to E–8, 5.5 to 6.5 percent; (2) E–9, 6 to 6.5 percent; (3) W–1 to W–3, 5.5 to 6 percent; (4) O–3, 5 percent; and O–4, 5.5 percent.

Rate of basic allowance for subsistence for enlisted personnel occupying single Government quarters without adequate availability of meals (sec. 602)

The committee recommends a provision that would authorize payment of an increased amount of basic allowance for subsistence to enlisted members who are assigned to single Government quarters without adequate availability of meals from a Government messing facility.

Basic allowance for housing in cases of low-cost or no-cost moves (sec. 603)

The committee recommends a provision that would extend to locations outside the United States the authority to pay the basic allowance for housing based on the member's former duty assignment when the member's reassignment is a low-cost or no-cost permanent change of station or permanent change of assignment. This authority currently applies only to assignments within the United States.

SUBTITLE B—BONUSES AND SPECIAL AND INCENTIVE PAYS

One-year extension of certain bonus and special pay authorities for reserve forces (sec. 611)

The committee recommends a provision that would extend until December 31, 2003, the authority to pay the Selected Reserve re-enlistment bonus, the Selected Reserve enlistment bonus, the special pay for enlisted members assigned to certain high priority units in the Selected Reserve, the Selected Reserve affiliation bonus, the Ready Reserve enlistment and re-enlistment bonus, and the prior service enlistment bonus.

One-year extension of certain bonus and special pay authorities for certain health care professionals (sec. 612)

The committee recommends a provision that would extend until December 31, 2003, the authority for repayment of education loans for health profession officers with wartime-critical medical skills serving in the Selected Reserve. The provision would also extend, until this same date, payment of the accession bonus to nurse officer candidates, the accession bonus for registered nurses, the special pay for nurse anesthetists, the special pay for Selected Reserve health professionals in critically short wartime specialties, and the accession bonus for dental officers.

One-year extension of special pay and bonus authorities for nuclear officers (sec. 613)

The committee recommends a provision that would extend until December 31, 2003, the authority for: special pay for nuclear-qualified officers extending their period of active service, the nuclear career accession bonus, and the nuclear career annual incentive bonus.

One-year extension of other bonus and special pay authorities (sec. 614)

The committee recommends a provision that would extend until December 31, 2003, the authority to pay 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.

Increased maximum amount payable as multiyear retention bonus for medical officers of the Armed Forces (sec. 615)

The committee recommends a provision that would increase to $25,000 the maximum amount of the multiyear retention bonus for certain medical officers.

Increased maximum amount payable as incentive special pay for medical officers of the Armed Forces (sec. 616)

The committee recommends a provision that would increase to $50,000 the maximum amount payable as special incentive pay for certain medical officers of the Armed Forces for service during any 12–month period beginning after fiscal year 2002.

Assignment incentive pay (sec. 617)

The committee recommends a provision that would authorize the service secretaries, with the concurrence of the Secretary of Defense, to pay a monthly incentive pay of up to $1,500 to members serving in designated assignments. The recommended provision requires an annual report on the administration of this authority, including an assessment of its utility. Unless extended, this authority would terminate three years after enactment of the National Defense Authorization Act for Fiscal Year 2003.

The committee expects the Secretary of Defense to implement assignment incentive pay so that it is equitable across the services and in such a manner that members receiving this pay who are not

exposed to hostile fire and imminent danger do not receive better compensation than members engaged in combat operations, taking into account all pays, allowances, and tax advantages.

Challenging living and working conditions and personal sacrifice are hallmarks of military service. This type of pay has significant potential to provide an incentive to members to volunteer for the most challenging duty stations and enhance the ability of the services to fill key billets with the best qualified personnel.

The committee urges the Department to consider the use of assignment incentive pay for military personnel assigned to duty in Korea. The committee has received testimony on the need for improved living conditions and additional incentives for members ordered to duty in Korea. The committee believes this new discretionary pay authority would provide such an incentive.

Increased maximum amounts for prior service enlistment bonus (sec. 618)

The committee recommends a provision that would increase the maximum amount of the prior service enlistment bonus for certain former enlisted members who enlist in the Selected Reserve to $8,000 for persons who enlist for six years; $4,000 for persons who enlist for three years; and $3,500 for persons who have already received a prior service enlistment bonus for a previous three-year enlistment period, but who reenlist or extend the enlistment for an additional three years.

SUBTITLE C—TRAVEL AND TRANSPORTATION ALLOWANCES

Deferral of travel in connection with leave between consecutive overseas tours (sec. 631)

The committee recommends a provision that would eliminate the one-year limitation on use of travel and transportation allowances provided in connection with leave between consecutive overseas tours.

Transportation of motor vehicles for members reported missing (sec. 632)

The committee recommends a provision that would authorize shipment of two privately owned motor vehicles when transportation of household and personal effects is authorized at government expense because the member is in a missing status.

Destinations authorized for Government-paid transportation of enlisted personnel for rest and recuperation upon extending duty at designated overseas locations (sec. 633)

The committee recommends a provision that would authorize enlisted personnel who agree to extend an overseas tour for a period of not less than one year the options of round-trip transportation to: (1) the nearest port in the 48 contiguous states, or (2) an alternative destination at the same or lesser cost.

Vehicle storage in lieu of transportation to United States territory outside Continental United States (sec. 634)

The committee recommends a provision that would authorize a member to elect to store a motor vehicle at government expense in lieu of transportation of the motor vehicle when laws, regulations, or other restrictions preclude transportation of the motor vehicle to the member's new duty station in Alaska, Hawaii, Puerto Rico, the Northern Mariana Islands, Guam, or any territory or possession of the United States.

SUBTITLE D—RETIREMENT AND SURVIVOR BENEFITS MATTERS

Phased-in authority for concurrent receipt of military retired pay and veterans' disability compensation for certain service-connected disabled veterans (sec. 641)

The committee recommends a provision that would authorize concurrent receipt of military retired pay and veterans' disability compensation by certain military retirees. To qualify, members must be eligible for non-disability retirement and for veterans' disability compensation for a service-connected disability rated at 60 percent or higher. The amount of retired pay would be phased in over a five-year period, beginning with 30 percent of the otherwise authorized retired pay in 2003 and increasing to 45 percent in 2004, 60 percent in 2005, 80 percent in 2006, and 100 percent in 2007.

The committee is pleased that the Budget Resolution reported by the Senate Budget Committee would provide the mandatory funding allocation to address the needs of military retirees with service-connected disabilities rated at 60 percent or higher. The recommended provision would allow these veterans to receive the full retired pay they earned in a career of service to the Nation.

Increased retired pay for enlisted reserves credited with extraordinary heroism (sec. 642)

The committee recommends a provision that would authorize a 10 percent increase in the retired pay of an enlisted member of a Reserve component when the member has been credited with extraordinary heroism in the line of duty. The amount of retired pay, including the 10 percent increase, shall not exceed 75 percent of the member's retired pay base. This is similar to the authority to increase the retired pay of enlisted members retired with a regular retirement.

Expanded scope of authority to waive time limitations on claims for military personnel benefits (sec. 643)

The committee recommends a provision that would authorize the Secretary of Defense to waive the statute of limitations for claims involving uniformed service members' pay, allowances, travel, transportation, payments for accrued leave, retired pay, and survivor benefits.

SUBTITLE E—OTHER MATTERS

Additional authority to provide assistance for families of members of the Armed Forces (sec. 651)

The committee recommends a provision that would make permanent the temporary authority to provide assistance to families of members of the Armed Forces serving on active duty to ensure that the children of such families obtain needed child care, education, and other youth services. The assistance would be directed primarily toward providing family support for children of service members who are deployed, assigned to duty, or ordered to active duty in connection with contingency operations.

Time limitation for use of Montgomery GI Bill entitlement by members of the Selected Reserve (sec. 652)

The committee recommends a provision that would extend from 10 to 14 years the maximum period that a member of the Selected Reserve can use educational benefits provided under the Montgomery GI Bill for the Selected Reserve.

Status of obligation to refund educational assistance upon failure to participate satisfactorily in Selected Reserve (sec. 653)

The committee recommends a provision that would treat an obligation to pay a refund to the United States for certain educational assistance as a debt to the United States when the obligation to pay the refund was incurred because the member failed to participate satisfactorily in the Selected Reserve.

Prohibition on acceptance of honoraria by personnel at certain Department of Defense schools (sec. 654)

The committee recommends a provision that would repeal a limited exemption from the ban on receipt of honoraria by military and civilian faculty members and students at the three military academies and certain Department of Defense professional schools. The exemption limits acceptance of honoraria to $2,000. The Supreme Court has determined that the ban on receipt of honoraria violates the First Amendment rights of executive branch employees. Because the ban itself is no longer effective, the exemption places a limitation on military school faculty members and students that does not apply to other Department of Defense employees.

OTHER ITEMS OF INTEREST

Reserve personnel compensation program review

The committee recognizes that the contributions of the reserve components have greatly increased in the past decade. In particular, there are certain mission-critical skills and units among reserve forces that have been recalled for contingency operations, placing stress upon the members and their families. The role of reserves is so integral in the total force that military operations involving major, extended missions are required to include reserve participation.

The committee is concerned that the pay and benefits of reserve personnel must appropriately compensate them for their service. Today's total force concept, which relies heavily on National Guard and Reserve forces for both day-to-day and contingency operations, differs from that envisioned by the designers of the reserve compensation and retirement system more than a half-century ago. Accordingly, the committee directs the Secretary of Defense to conduct a reserve personnel compensation review aimed at determining the extent to which personnel and compensation policies and statutes, including the retirement system that defers eligibility for retired pay to age 60, appropriately address the demands placed on guard and reserve personnel. Other topics that should be reviewed include the number of years of reserve service needed to qualify for retirement and the comparability and sufficiency of the Reserve Montgomery GI Bill and Reserve Survivor Benefit Plan programs. The Secretary should report the results of this review to the Committees on Armed Services of the Senate and the House of Representatives no later than August 1, 2003.

TITLE VII—HEALTH CARE

Eligibility of surviving dependents for TRICARE dental program benefits after discontinuance of former enrollment (sec. 701)

The committee recommends a provision that would authorize certain surviving dependents to enroll in the TRICARE dental plan. Eligible dependents include dependents who were either enrolled in the dental plan on the date of the death of the military member or who had previously discontinued enrollment because the member had been transferred to a duty station where dental care was provided.

Advance authorization for inpatient mental health services (sec. 702)

The committee recommends a provision that would remove the requirement for pre-admission authorization for inpatient mental health services when such services are payable under Medicare. The recommended provision would require the Secretary of Defense to authorize, in advance, continued inpatient mental health services when the services are no longer payable under Medicare.

Continued TRICARE eligibility of dependents residing at remote locations after departure of sponsors for unaccompanied assignments (sec. 703)

The committee recommends a provision that would authorize continued eligibility of family members for TRICARE Prime Remote when the sponsoring service member is transferred from a duty that qualified the family members for TRICARE Prime Remote, and the family members remain at the current duty location because they are not authorized to accompany the member to the new duty assignment.

Approval of Medicare providers as TRICARE providers (sec. 704)

The committee recommends a provision that would require that Medicare-approved health care providers also be considered as approved TRICARE providers.

Claims information (sec. 705)

The committee recommends a provision that would require the Secretary of Defense, in new managed care support contracts entered into under the TRICARE program on or after October 1, 2002, to adopt new claims requirements that are substantially the same as Medicare claims requirements.

Department of Defense Medicare-Eligible Retiree Health Care Fund (sec. 706)

The committee recommends a provision that would require that contributions to the Department of Defense Medicare-Eligible Retiree Health Care Fund (the Fund) be paid from military personnel funds. The recommended provision would also require the participation of all the uniformed services in the Fund.

Technical corrections relating to transitional health care for members separated from active duty (sec. 707)

The committee recommends a provision that would correct section 736 of the National Defense Authorization Act for Fiscal Year 2002 to provide transitional health care to the dependents of members separated from active duty who are eligible for transitional health care.

OTHER ITEMS OF INTEREST

Research on war-related illnesses

In nearly every U.S. conflict since the Civil War, significant numbers of military personnel have emerged with similar, poorly understood illnesses that have lacked a specific medical diagnosis.

The most recent manifestation of this is the "Gulf War Illness" exhibited by veterans of the Persian Gulf War. Thousands of military personnel returned from serving their country in the Gulf and reported a variety of symptoms for which no cause has been determined. These symptoms are similar to those of patients in the general population suffering from chronic fatigue syndrome, fibromyalgia, and multiple chemical sensitivity. Although environmental exposure in the Gulf War cannot be ruled out as a cause, many believe that deployment stress is a likely factor in causing or intensifying at least some Gulf War illnesses.

The committee believes that it is important for the Department of Defense to continue extensive research into the phenomenon of undiagnosed illness, especially how physical and psychological stress can trigger negative health impacts in the body. This research takes on additional importance in light of the current high rate of deployment of military personnel in support of several ongoing contingency operations.

Reserve health care

The committee is concerned about the dissemination of information about TRICARE to reserve force service members and their families. Guard and reserve members who are called to active duty, and their families, face many challenges in accessing both information about the military health care benefit and health care itself. Families are geographically dispersed, often not within driving distance of a military treatment facility or TRICARE Service Center. Some families live in different states and/or TRICARE regions from where the member's unit is based or from where the member is mobilized. In locations away from concentrated military populations, many health care providers are not familiar with TRICARE.

The multitude of types and lengths of call-ups creates confusion about family member eligibility for each of the TRICARE options and the reserve family health care demonstration. Therefore, conveying accurate information about benefits and options is critical. The committee is aware that some reservists have not received sufficient, accurate information on TRICARE program options, transitional health care benefits, and associated program and cost information necessary to make informed health care decisions.

The committee urges the Department, especially Lead Agents of the TRICARE regions, to make a renewed effort to ensure that reserve force members and their families receive timely and appropriate information about their health care options.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

SUBTITLE A—MAJOR DEFENSE ACQUISITION PROGRAMS

Buy-to-budget acquisition of end items (sec. 801)

The committee recommends a provision that would authorize the Department of Defense to make the best use of limited resources by conducting "buy-to-budget" acquisition. Under buy-to-budget acquisition, the Department would be permitted to acquire a higher quantity of an end item than the number specified in an authorization or appropriations law. The Department would be required to notify Congress of a decision to exercise this authority within 30 days of its exercise but would not be required to seek reprogramming authority. The purpose of the increased flexibility provided by this section is to enable the Department to take advantage of production efficiencies and other cost reductions.

Report to Congress on incremental acquisition of major systems (sec. 802)

The committee recommends a provision that would require the Secretary of Defense to submit to the congressional defense committees a report on how the Department of Defense plans to comply with applicable requirements of title 10, United States Code and Department of Defense regulations when it conducts programs for the incremental acquisition of major systems.

In testimony before the Readiness Subcommittee, Department of Defense witnesses stated that the Department is seeking to reduce weapons systems acquisition cycle time by using incremental acquisition and spiral development strategies.

The Assistant Secretary of the Air Force (Acquisition) testified that:

> All too often, our long cycle times and our program breakages have their roots in the way we conceive, plan and start our acquisitions. Our processes are too serial and allow each community involved to work too much in isolation. Too often, the warfighter decides a capability is needed and works for months or years to develop a 100 percent solution that is given to the acquisition community as a requirement. The acquirers then struggle to come up with an acquisition strategy that will meet the requirement within a limited budget. Because we are looking for a "big bang," all-at-once delivery of capability, the development time line—which drives both schedule and cost—is long and fraught with possibilities for things to go wrong * * *.

> There is a better way * * *. By delivering capability in increments, with a period for the warfighter to "use and learn" at each increment, we can incorporate what is learned in each new spiral. Because the spiral will be short, schedules and cost estimates will be more reliable and programs will be less subject to funding fluctuations. There will be many opportunities to rapidly inject new technology as a system develops as well as to look at requirements and re-prioritize as world events and threats change.

The Deputy Under Secretary of Defense for Acquisition, Technology and Logistics testified that:

> "Spiral development allows us to get capability to our warfighters [faster] and at less cost * * * by producing and deploying systems based on mature technologies. When deployed, the first increment of capability (or block) will meet many, but not all, of the systems' desired operational requirements. Subsequent blocks will incorporate new technologies that have matured as each block of capability is fielded. The series of blocks represent the "spirals" of increasing capability to the warfighter.

The committee supports the Department's effort to build more flexibility into the acquisition process and develop weapons systems in more manageable steps. At the same time, the committee believes that the Department must take a more disciplined approach to incremental acquisition and spiral development to avoid losing control over the acquisition process.

In the committee's view, the terms "incremental acquisition" and "spiral development" are not interchangeable. Incremental acquisition is an acquisition strategy of gradually improving a capability through a planned series of block upgrades, each of which is to be acquired and fielded. Spiral development is a strategy for achieving a new capability through the phased development of fieldable prototypes. The committee understands that it may take several development "spirals" before a system is ready for production and acquisition.

Section 802 would address incremental acquisition programs. The committee expects the Department to develop a disciplined approach to ensure that both the specific requirements and the key objectives of applicable laws and regulations will be met by all incremental acquisition programs. A separate section (sec. 803) would address spiral development programs.

Pilot program for spiral development of major systems (sec. 803)

The committee recommends a provision that would authorize the Secretary of Defense to conduct a pilot program for the spiral development of major systems. In testimony before the Readiness Subcommittee, witnesses for each of the three military services indicated that they were planning to adopt spiral development approaches in which new capabilities are achieved through the phased development of fieldable prototypes. The committee under-

stands that the Air Force alone is considering spiral development for thirteen different systems.

The committee believes that properly structured spiral development programs can play an important role in enabling the Department of Defense (DOD) to rapidly field new technologies. The General Accounting Office (GAO) has undertaken an extensive review of weapons systems acquisition issues at the request of the committee and has concluded that a "an evolutionary, or phased, approach to developing" weapons systems could lead to significantly improved outcomes.

At the same time, GAO has testified that, "Measures for success need to be defined for each stage of the development process so that decision-makers can be assured that sufficient knowledge exists about critical facets of the product before investment [of] more time and money." The committee believes that DOD must take a disciplined approach to spiral development to ensure that both Congress and the Department have the information they need to make acquisition and budget decisions.

To ensure that the Department develops a disciplined approach to spiral development, the provision recommended by the committee would authorize the Secretary of Defense to conduct spiral development programs on a pilot basis. Under this pilot approach, the Secretary would be required to issue guidance on how spiral development programs will be designed to meet key acquisition system objectives and to approve spiral development plans laying out the program strategy and the cost, schedule and performance goals for each spiral development program.

The committee expects that all spiral development programs for major systems will be conducted in accordance with the guidance issued by the Secretary pursuant to this section. The term "major system", as defined in section 2302(5) of title 10, includes any research and development program on which the total expenditures for research, development, test, and evaluation will exceed $115.0 million or on which the eventual total expenditure for procurement of the system will exceed $540.0 million (based on fiscal year 1990 constant dollars).

Improvement of software acquisition processes (sec. 804)

The committee recommends a provision that would require the secretary of each military department and the head of each defense agency that manages a major defense acquisition program with a substantial software component to establish a program to improve its software acquisition processes.

Many major defense acquisition programs are heavily reliant on the development of complex computer software. In a number of cases, mishandling of software acquisition has jeopardized an entire program. For example, the Navy Area missile defense program experienced such severe problems with software integration that the program was cancelled after years of development effort. Similarly, the V–22 and the Army's Maneuver Control system have experienced serious problems stemming from software development.

In a March 2001 report prepared for the committee, the General Accounting Office recommended that the Department of Defense address these problems by requiring components that are respon-

sible for systems/software development, acquisition, and engineering to implement software acquisition process improvement programs. The provision recommended by the committee would implement this recommendation.

Independent technology readiness assessments (sec. 805)

The committee recommends a provision that would require the Department of Defense (DOD) to justify any decision not to conduct an independent technology readiness assessment for a critical technology on a major defense acquisition program.

Section 804 of the National Defense Authorization Act for Fiscal Year 2002 (FY 2002 NDAA) required the Secretary of Defense to submit an annual report on the Department's compliance with the technology maturity requirements incorporated in DOD Instruction 5000.2. The committee report explained the need for this provision as follows:

> The DOD * * * frequently tries to move technologies to product development programs before they are mature. According to the [General Accounting Office (GAO)], the effort to field immature technologies almost always leads to schedule delays and cost increases:
>
> [Technology development problems need to be addressed] at a time when the product should be undergoing design and manufacturing development. As a result, the pace of technology advances outruns the time to develop a weapon system and some of the more mature components designed into a weapon system become obsolete before the weapon is manufactured. For example, the F–22 will have almost 600 obsolete components by fiscal year 2000 while the aircraft is still in development.

Paragraph 4.7.3.2.2.2 of DOD Instruction 5000.2 currently requires that the DOD science and technology components determine the technological maturity of each critical technology to be incorporated into a major defense acquisition program. If the Deputy Under Secretary of Defense for Science and Technology does not concur with the determination, an independent technology readiness assessment is required. These requirements are also stated in section C7.5 of DOD Regulation 5000.2–R.

Less than four months after the enactment of section 804, the Department's Business Initiative Council proposed to "streamline" these provisions to require such independent technology assessments only when "appropriate".

The committee believes that technological maturity requirements are the cornerstone of a sound acquisition process. For this reason, the committee recommends amending section 804 of the FY 2002 NDAA to require that the Department explain any decision not to conduct an independent technology readiness assessment for a critical technology on a major defense acquisition program.

Timing of certification in connection with waiver of survivability and lethality testing requirements (sec. 806)

The committee recommends a provision that would modify the authority of the Secretary of Defense to waive the requirement for survivability and lethality tests for major weapon programs.

Current law gives the Secretary the authority to waive such testing prior to the entry of a program into systems development and demonstration (known as Milestone B). However, under the Department's revised acquisition regulations, a program may now be initiated at Milestone B or even Milestone C (production and deployment), depending on the maturity of the program's technology. Under these circumstances, it may not be practical to make a waiver decision before the beginning of Milestone B.

In these special circumstances, the provision would give the Department the authority to make a waiver determination at the earliest possible point after the beginning of the first phase of the program (Milestone B or Milestone C). The amendment would not, however, change the basis for a waiver determination.

SUBTITLE B—PROCUREMENT POLICY IMPROVEMENTS

Performance goals for contracting for services (sec. 811)

The committee recommends a provision that would establish annual goals for the Department of Defense to increase the percentage of services contracts that are: (1) entered on the basis of competition; and (2) performance-based.

Section 802 of the National Defense Authorization Act for Fiscal Year 2002 established annual goals for Department of Defense savings to be achieved through improved management of the Department's $50.0 billion of services contracts. The statutory provisions establishing the management tools needed to achieve these savings were provided in Sections 801 and 803 of that Act and included the increased use of performance-based services contracting and increased competition for task orders under contracts for services.

The committee is concerned that some elements of the Department may have cut programs rather than utilizing contract management tools to achieve savings goals. Therefore, the provision recommended by the committee would establish specific targets for the use of these contract management tools, with the overall goal of ensuring that 80 percent of the Department's services contracts are both competitive and performance-based by 2011. This goal is comparable to what the Department achieved in implementing the Competition in Contracting Act of 1984 (enacted as Title VII of Division B of Public Law 98–369) in the 1980's and in adopting performance specifications for purchases of products in the 1990's.

Grants of exceptions to cost or pricing data certification requirements and waivers of cost accounting standards (sec. 812)

The committee recommends a provision that would require the Department of Defense (DOD) to issue guidance on grants of exceptions to cost or pricing data certification requirements and waivers of cost accounting standards. The provision would also require the Secretary of Defense to report to the congressional defense commit-

tees on certain exceptions to the Truth in Negotiations Act and waivers of the cost accounting standards.

Over the last ten years, the Truth in Negotiations Act and the Cost Accounting Standards have been substantially modified to provide DOD and other federal agencies additional flexibility to purchase commercial items without imposing burdensome requirements on contractors. The committee continues to believe that this flexibility plays an important role in ensuring that the Department has rapid access to high-technology products developed in the private sector.

At the same time, however, the committee is concerned that the Department has not always exercised this new flexibility in a responsible manner. Last year, the DOD Inspector General reviewed sample sole-source contracts valued at $652.0 million for which the Department did not obtain certified cost or pricing data. The Inspector General determined that contracting officials lacked valid exceptions from obtaining certified cost or pricing data in 32 percent of the contracting actions reviewed and failed to conduct adequate price analysis to support price reasonableness in 86 percent of the contracting actions reviewed.

Earlier this year, at the request of the committee, the General Accounting Office (GAO) reviewed waivers of certified cost or pricing data requirements for 20 contracts valued at $4.4 billion. The GAO determined that: (1) most of the waivers were based solely on a determination that sufficient information was available to determine the price to be fair and reasonable without the submission of cost or pricing data; and (2) in many of these cases, the Department was not obtaining sufficient data or conducting adequate price analysis to ensure price reasonableness. The GAO recommended that the Department develop guidance to better define when waivers should be used and how prices should be assessed in the event that they are used.

The committee has consistently taken the position that a determination that sufficient information is available to determine a price to be fair and reasonable without the submission of cost or pricing data is not alone sufficient to justify an "exceptional circumstances" waiver. The committee's view, as stated on page 775 of the conference report on the National Defense Authorization Act for Fiscal Year 2000 and page 690 of the conference report on the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999, is that such a waiver should be granted "only when a waiver is necessary to meet the needs of an agency, i.e. when the agency determines that it would not be able to obtain needed products or services from the vendor in the absence of a waiver."

The DOD Inspector General Report and the GAO report demonstrate that the Department's approach to "exceptional circumstance" waivers has led to higher prices and increased risks on DOD contracts. Accordingly, the provision recommended by the committee would require the Department to take additional steps to ensure that waivers to cost or pricing data requirements are granted only when properly justified and that DOD officials take appropriate steps to ensure price reasonableness when these requirements are waived.

Extension of requirement for annual report on defense commercial pricing management improvement (sec. 813)

The committee recommends a provision that would extend for three years the requirement in section 803(c)(4) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 that the Secretary of Defense submit to the congressional defense committees an annual report on price trend analyses for commercial items purchased by the Defense Logistics Agency (DLA) and the military departments.

This provision was enacted in response to testimony from the Department of Defense Inspector General indicating that DLA had paid undiscounted or marginally discounted catalog prices for commercial items, resulting in price increases of as much as 1,430 to 13,163 percent.

The Inspector General reported last year that DLA has implemented a successful price analysis program that the Defense Supply Center, Richmond has used to address unreasonable prices. Earlier this year, the Inspector General reported that DLA had successfully built a strategic supplier alliance with one of its key suppliers that will result in price reductions of $59.0 million, demonstrating the beneficial effects of aggressive price management. Unfortunately, the Inspector General report indicated that the Army, Navy, and Air Force programs have lacked the quantitative depth and analysis of the DLA effort.

The committee continues to believe that an aggressive price trend analysis program can play an important role in ensuring that prices paid on Department of Defense contracts are fair and reasonable.

Internal controls on the use of purchase cards (sec. 814)

The committee recommends a provision that would require the Secretary of Defense to establish enhanced internal controls for the use of purchase cards by Department of Defense (DOD) employees.

In response to a report of the General Accounting Office (GAO) last year, the committee directed the Department to ensure that appropriate internal controls were in place for purchase card purchases. This was the third consecutive year in which the committee report raised concerns about the potential misuse of purchase cards by DOD employees.

Earlier this year, the GAO issued another report, in which it concluded that "serious weaknesses" remain in the Department's internal controls for purchase card purchases. According to the GAO, these continued weaknesses "contributed to additional purchases during fiscal year 2001 that we believe are fraudulent, improper, abusive or otherwise questionable." Among the questionable purchases were purchases of designer briefcases, Lego robot kits, and high-cost computer bags that were given away by DOD employees.

On April 18, 2002, the Director of the Office of Management and Budget responded to the GAO's findings by directing the heads of all federal departments and agencies to prepare remedial action plans for their purchase card programs. These plans are to include a reexamination of the number of purchase cards issued by the department or agency and detail the internal controls that the de-

partment or agency plans to use to manage risk. The Department of Defense has established a task force to address the issue.

While the committee continues to support the use of credit cards, the Department must take strong action to institute effective internal controls and address inappropriate credit card purchases. The provision recommended by the committee would require the Department to implement controls including: requirements for independent, documented receipt and acceptance of goods and services and independent, documented review and certification of monthly purchase card statements; specific policies limiting the number of purchase cards to be issued and establishing credit limits for cardholders; specific criteria for ensuring the integrity of cardholders; accounting system changes to ensure that purchase card transactions are properly recorded in Department of Defense accounting records; and regular internal review of purchase card statements.

Assessment regarding fees paid for acquisitions under other agencies' contracts (sec. 815)

The committee recommends a provision that would require the Secretary of Defense to carry out an assessment to determine the amount paid by the Department of Defense (DOD) as fees for the acquisition of property and services under contracts entered by other federal departments and agencies and whether these amounts could be put to better use.

The committee is concerned that the Department continues to order excessive quantities of products and services under contracts entered by other federal departments and agencies. In many cases, the personnel of other departments and agencies have considerably less expertise in procurement in general, and in the specific products and services to be acquired, than DOD personnel. The committee believes that the assessment required by this provision is a necessary step to ensure that the Department has appropriate management control over purchases conducted through other federal departments and agencies.

Pilot program for transition to follow-on contracts for certain prototype projects (sec. 816)

The committee recommends a provision that would enable the Department of Defense to capitalize on successful prototype projects by bringing the prototypes into production under standard procurement contracts. The provision would establish a three-year pilot program to ease the transition of nontraditional defense contractors from prototype transactions to standard procurement contracts. Under the pilot program, the Department would be authorized to enter contracts of $20.0 million or less that would treat items or processes developed by nontraditional defense contractors under prototype transactions: (1) as commercial items subject to the streamlined contracting procedures established in Part 12 of the Federal Acquisition Regulation; and (2) as items or processes that are developed with mixed funds for the purpose of negotiating rights in technical data under section 2320 of title 10, United States Code.

Waiver authority for domestic source or content requirements (sec. 817)

The committee recommends a provision that would provide the Secretary of Defense the authority to waive the application of statutory domestic source requirements and domestic content requirements, provided that: (1) application of the requirements would impede the reciprocal procurement of defense items under a Memorandum of Understanding between the United States and another country; and (2) the other country does not discriminate against items produced in the United States to a greater degree than the United States discriminates against items produced in that country. This proposed standard is consistent with the standard previously adopted by the committee for products covered by the domestic content restrictions in section 2534 of title 10, United States Code.

SUBTITLE C—OTHER MATTERS

Extension of the applicability of certain personnel demonstration project exceptions to an acquisition workforce demonstration project (sec. 821)

The committee recommends a provision that would extend certain authorities associated with the acquisition workforce pilot program established in section 4308 of the National Defense Authorization Act for Fiscal Year 1996. In particular, the provision recommended by the committee would extend until 2007 the exception authorized in section 4308 to otherwise applicable limitations on the size and duration of the pilot program.

Moratorium on reduction of the defense acquisition and support workforce (sec. 822)

The committee recommends a provision that would establish a moratorium on further cuts in the acquisition workforce for three years. The Secretary of Defense would be authorized to waive this prohibition upon certification to Congress that any reductions to the workforce would not negatively impact the ability of the workforce to efficiently and effectively carry out its legally required functions.

Twelve consecutive years of downsizing have left the Department of Defense (DOD) with a workforce that is smaller (by 51 percent), older (with an average age of 46.7 years), more senior (with an average of 20.2 years of service), higher grade, and rapidly approaching retirement. In August 2000, the then-Under Secretary of Defense for Acquisition, Technology, and Logistics wrote a memorandum in which he stated:

> I recommend that DOD not have any further mandated acquisition workforce reductions as a goal after FY 2001. By any terms, the DOD acquisition workforce has been drastically reduced while, at the same time the number of DOD procurement and contracting actions has increased * * *. We have gone as far as we can in mandating acquisition workforce reductions without causing significant adverse impacts on the DOD acquisition system.

The committee believes that no further cuts should be made until the Department is prepared to address shortcomings in the acquisition workforce on a comprehensive basis.

Extension of contract goal for small disadvantaged businesses and certain institutions of higher education (sec. 823)

The committee recommends a provision that would extend section 2323 of title 10, United States Code, for three years. Section 2323 establishes a five percent goal for Department of Defense contracting with small disadvantaged businesses and certain institutions of higher education.

Mentor-protege program eligibility for HUBZone small business concerns and small business concerns owned and controlled by service-disabled veterans (sec. 824)

The committee recommends a provision that would expand the list of entities eligible to participate as proteges in the Department of Defense mentor-protege program to include small business concerns owned and controlled by service-disabled veterans and qualified HUBZone small business concerns.

Repeal of requirements for certain reviews by the Comptroller General (sec. 825)

The committee recommends a provision that would repeal statutory requirements for certain reviews by the General Accounting Office (GAO) that are no longer needed.

The committee notes that the authority provided by sections 912, 5312, and 5401 of the National Defense Authorization Act for Fiscal Year 1996 has never been utilized. For this reason, the required reports on the manner in which this authority has been used are unnecessary.

The committee directs the Department of Defense to make a recommendation to the congressional defense committees as to whether the authority to conduct programs pursuant to these sections is likely to be needed in the future or should be repealed.

Multiyear procurement authority for purchase of dinitrogen tetroxide, hydrazine, and hydrazine-related products (sec. 826)

The committee recommends a provision that would authorize the Secretary of Defense to enter contracts for periods of up to 10 years for dinitrogen tetroxide, hydrazine, and hydrazine-related products if the contracts are in support of either United States national security programs or the United States space program. The Department of Defense has informed the committee that this authority is needed to ensure a reliable domestic industrial base for fuels that are a prerequisite of assured access to space.

Multiyear procurement authority for environmental services for military installations (sec. 827)

The committee recommends a provision that would amend section 2306c of title 10, United States Code, to cover environmental remediation services for an active military installation, an installa-

tion being closed or realigned under base realignment and closure procedures, or a formerly used defense site.

The Department of Defense proposed a legislative provision that would authorize a demonstration project using multiyear contracts for environmental remediation. The new authority would have been used to test the feasibility of using fixed-price multiyear contracts with incremental funding to obtain environmental remediation services.

Section 802 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 contained a new section 2306c of title 10, which creates permanent authority for multiyear contracts for the acquisition of services. Because permanent authority for multiyear service contracts is already available under section 2306c, the committee does not believe that a demonstration program is necessary.

The provision recommended by the committee would clarify that the authority provided in section 2306c extends to contracts for environmental remediation services. The committee encourages the Department to use this authority to issue competitive, performance-based task orders containing firm, fixed prices for specific tasks to be performed in accordance with the policy set forth in section 821 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

OTHER ITEMS OF INTEREST

Consolidation of Contract Requirements

Sections 411 through 413 of the Small Business Reauthorization Act of 1997 (Public Law 105–135) require federal agencies to conduct market research to assess the potential impact of "bundled contracts" and to proceed with such contracts only if the benefits of bundling substantially exceed the benefits of proceeding with separate contracts.

Unfortunately, it appears that these statutory provisions have not always had the intended effect of requiring the Department of Defense and other agencies to carefully weigh the impact of bundled contracts. For example, the Small Business Reauthorization Act defined bundling to include only those consolidated contracts that are "likely to be unsuitable for award to a small business concern." The General Accounting Office recently concluded that a contract cannot be considered unsuitable for award to a small business concern if a team of contractors, including small business concerns, could bid on the contract. Since a team of contractors could bid on virtually any requirement, this interpretation would appear to exclude virtually all contracts from the application of the bundling provisions.

The committee believes that there are circumstances in which the consolidation of contracts can enable the Department to leverage its market power or otherwise obtain better products or services at better prices. At the same time, however, individual small businesses that previously performed work for the Department may be adversely affected even in cases where a team of other small businesses is able to bid on the consolidated requirement. The Department should consolidate contracts only when the benefits of

consolidation significantly outweigh the benefits of proceeding with separate contracts.

For this reason, the committee directs the Department to conduct market research into a variety of alternative approaches and assess the costs and benefits of any consolidation of contract requirements in excess of $5.0 million, regardless of whether the consolidation constitutes "bundling" under the definitions provided in the Small Business Reauthorization Act. The Department should make appropriate changes to applicable regulations and guidance to ensure that the required analysis is carried out.

By requiring the Department to analyze the impact of a wider range of consolidated contracts, the committee does not intend to alter statutory reporting and review provisions that are applicable only to "bundled" contracts.

Management of electromagnetic spectrum in the acquisition process

The committee is concerned with the manner in which the Department of Defense (DOD) currently addresses electromagnetic radio frequency spectrum requirements during the development and acquisition of new weapons systems. Nearly all new military equipment requires access to the spectrum and operates in electromagnetic environments that may adversely affect its use. In addition, all electronic systems produce electromagnetic emanations that can adversely affect other systems.

The statement of managers accompanying the National Defense Authorization Act for Fiscal Year 2001 expresses the concern that DOD has pursued the development of weapons systems utilizing portions of the radio frequency spectrum not designated for military use, which can lead to unintended interference between those systems and commercial systems licensed to use the same spectrum. The conferees noted that the Department was developing new procedures to address interference problems and directed the General Accounting Office (GAO) to review those procedures and their implementation. In May 2001, GAO reported that it was too early to evaluate the effectiveness of the new procedures.

The committee continues to believe that spectrum issues will play a key role in the development of new DOD weapons systems. Accordingly, the committee directs the GAO to update its May 2001 report. The GAO review should also address the effectiveness of the Department's efforts to manage spectrum issues (including host nation supportability and the impact of electromagnetic environmental effects) in the acquisition process.

Polyacrylonitrile carbon fibers

Polyacrylonitrile (PAN) carbon fibers are used in a variety of defense and space applications such as aircraft, missiles, launch vehicles, and helicopters. The Department of Defense (DOD) currently restricts the procurement of PAN carbon fiber to domestic sources. Two years ago, DOD projected that the market for PAN carbon fiber would grow in the future with increased demand for defense and commercial applications. On this basis, the Department decided to phase out the domestic source restriction over a five-year period ending May 31, 2005. The phase-out period was designed to

give domestic suppliers time to adjust to market conditions and to give DOD the flexibility to adjust its policy if projected circumstances did not materialize.

Domestic suppliers of PAN carbon fibers believe that the market projections on which the DOD decision was based are no longer valid. The committee directs the Secretary of Defense to review the Department's previous report on PAN carbon fibers and report to the congressional defense committees by February 1, 2003 on: (1) whether the findings of that report remain valid; and (2) whether the PAN carbon fiber domestic source restriction should be maintained or discontinued.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Time for submittal of report on quadrennial defense review (sec. 901)

The committee recommends a provision that would amend section 118 of title 10, United States Code, to change the submission date of the report on each quadrennial defense review to the Committees on Armed Services of the Senate and the House of Representatives. Section 118 would no longer require submission of the report on September 30 of the year in which the review is conducted; the report shall instead be submitted no later than the date in the following year on which the President submits the budget for the next fiscal year to Congress.

Increased number of deputy commandants authorized for the Marine Corps (sec. 902)

The committee recommends a provision that would authorize an increase in the number of deputy commandants for the Marine Corps from five to six.

The committee supports this provision in order to establish the position of Deputy Commandant (Marine Corps Combat Development Command) as an additional duty for the Commanding General, Marine Corps Combat Development Command, to assist the Commandant in executing his responsibilities for developing Marine Corps warfighting concepts and determining associated required capabilities. The position would remain at Marine Corps Base Quantico, Virginia and will not require an increase in the number of lieutenant generals authorized for the Marine Corps.

Base operating support for Fisher Houses (sec. 903)

The committee recommends a provision that would require the service secretaries to provide base operating support for Fisher Houses associated with health care facilities. Currently, only the Navy is required to provide such support. The recommended provision includes all of the military services.

Prevention and mitigation of corrosion (sec. 904)

As discussed in title III, the committee believes that efforts to prevent and mitigate corrosion can be better coordinated within the Department of Defense (DOD). The Senate report on the fiscal year 2002 National Defense Authorization Act (S. Rept. 107–62) directed DOD to establish a single office to coordinate and direct anti-corrosion policies and standards; the House report (H. Rept. 107–194) contained similar direction. The General Accounting Office reports that no such office has been established.

Each of the military services makes ongoing efforts to reduce or mitigate corrosion. However, these efforts tend to be small, nar-

rowly focused, and uncoordinated within and among the services. Further, to the extent that anti-corrosion programs have been supported, they have focused on equipment when the problem also seriously impacts facilities.

The committee continues to see a need for a centralized direction within the Office of the Secretary of Defense to coordinate the Department's corrosion prevention and mitigation programs, policies, and strategies. Therefore, the committee recommends a provision directing the Secretary of Defense to designate a senior official responsible for developing policies, reviewing the services' budgets to ensure proper resources are being devoted to corrosion prevention efforts, and ensuring that anti-corrosion options are considered and inserted at the appropriate points throughout the life cycle of facilities and equipment, from initial design to retirement.

The provision further requires DOD to develop a long-term strategy to include: expanding the emphasis on corrosion prevention, establishment of common criteria for the military services when testing and evaluating new technologies, data collection on the effects and costs of corrosion on military assets, distribution of useful information about corrosion prevention, identification of specific corrosion-related programs worthy of pursuit in future budgets, and establishment of a coordinated research and development program to help transition new technologies into operational systems and current facilities.

TITLE X—GENERAL PROVISIONS

SUBTITLE A—FINANCIAL MATTERS

Transfer authority (sec. 1001)

The committee recommends a provision that would provide for the transfer of funds authorized in Division A of this Act to unforeseen higher priority needs in accordance with normal reprogramming procedures.

Reallocation of authorizations of appropriations from ballistic missile defense to shipbuilding (sec. 1002)

The committee recommends a provision that would transfer $690.0 million from ballistic missile defense items to shipbuilding programs. The committee believes that the proposed fiscal year 2003 budget does not provide adequate resources to maintain the Navy's surface fleet or attack submarine force levels. The committee has received ample testimony from Department of Defense (DOD) witnesses and numerous DOD and Navy reports indicating that the Navy should be building eight to 10 ships per year and investing $10.0 to $12.0 billion per year in shipbuilding to recapitalize the current fleet. A number of Navy witnesses, including the Chief of Naval Operations, have indicated that they believe the Navy should be building to a fleet with as many as 375 ships in order to meet the requirements the Navy faces today. The current shipbuilding plan would buy five ships and invest $8.6 billion in fiscal year 2003, including one ship and $0.4 billion from the National Defense Sealift Fund for a T–AKE dry cargo/ammunition ship. Two years ago, the Navy's shipbuilding plan called for 23 ships between 2003 and 2005; this year's plan calls for only 17.

Recognizing these deficiencies in the current plan, the committee believes that a much higher priority must be given to recapitalizing the Navy fleet. Therefore, the committee recommends adding $690.0 million to shipbuilding accounts as follows:

(1) an increase of $415.0 million for advance procurement for a *Virginia*-class attack submarine;

(2) an increase of $125.0 million for advance procurement for a DDG–51 destroyer; and

(3) an increase of $150.0 million for advance procurement for an LPD–17 amphibious transport dock.

Although these funds would not buy an additional ship in fiscal year 2003, they are logical steps that should be taken to support the Navy's acceleration of the procurement of ships that would otherwise be bought later in the Future Years Defense Program (FYDP) or to increase the current rate at which we are buying ships.

For example, the advance procurement for the *Virginia*-class attack submarine would buy an additional shipset of nuclear propul-

sion equipment in fiscal year 2003. This shipset of equipment would support procurement of an additional *Virginia*-class submarine in fiscal year 2005, increasing the rate in the FYDP from the current level of one per year. The Navy will need to accelerate the submarine construction rate to meet requirements identified in the 1999 "Attack Submarine Study" conducted by the Joint Chiefs of Staff. The study concluded that the Navy needs to have a minimum of 68 attack submarines in fiscal year 2015 to meet requirements defined by the regional commanders in chief and the national intelligence community. Increasing the current production rate in the fiscal year 2005 time frame is the only way the Navy will ever achieve that level.

The committee supports research and development of ballistic missile defense, but it believes that the proposed fiscal year 2003 ballistic missile defense budget contains a substantial amount of funding that is not required in fiscal year 2003 to further the development of effective missile defenses. Therefore, the committee recommends a reduction of $690.0 million in ballistic missile defense funding lines as distributed below. These reductions are in addition to the ballistic missile defense reductions recommended elsewhere in this report.

The budget request included $1.1 billion in the Ballistic Missile Defense (BMD) System program element, PE 63880C, an increase of $258.0 million over the current funding level. The major purpose of this program element is to develop an integrated architecture of BMD systems. While the committee believes this is an important goal, the committee notes that most of the systems that will comprise the BMD architecture are years away from being deployed, thus making development and definition of a detailed BMD architecture impossible at this point. After providing more than $800.0 million for this program element in fiscal year 2002, the Missile Defense Agency has yet to provide to Congress an indication of what the overall BMD architecture might be. A substantial increase was requested in Battle Management/Command and Control, BMD System Communications, Production Manufacturing and Technology, BMD System Program Operations and BMD Systems Engineering and Integration for this program element for fiscal year 2003, yet no compelling justification for such an increase was provided. Therefore, in addition to the $140.0 million reduction to BMD Systems Engineering and Integration recommended elsewhere in this report, the committee recommends a reduction of $222.0 million in PE 63880C, to be taken from among the following areas: Battle Management/Command and Control, BMD System Communications, Production Manufacturing and Technology, BMD System Program Operations, and BMD Systems Engineering and Integration.

The budget request included $3.2 billion in the Midcourse Defense program element, PE 63882C. The committee recommends a reduction of $166.0 million in this program element as follows:

(1) a reduction of $52.0 million to the budget request of $147.9 million for Sea-based Midcourse concept development, studies and risk reduction. More than $90.0 million would remain in this program element for such concept development work, which is a substantial level of funding given that no de-

velopment plan or path forward has yet been established for this system. Sea-based Midcourse test program funding would remain at the budget request level to continue the current set of Aegis Leap Intercept flight tests.

(2) A reduction of $50.0 million for Midcourse Systems Engineering and Integration (SE&I) not associated with a specific BMD system. This reduction is in addition to the reduction of $45.0 million discussed elsewhere in this report. These reductions would leave more than $170.0 million of SE&I funding elsewhere in this program element, which is a substantial amount of funding, especially considering the basic architecture for midcourse defense has yet to be defined.

(3) A reduction of $64.0 million for Midcourse Program Operations, which is the requested funding level. According to the fiscal year 2003 budget justification documentation, this funding "provides management and support for overhead/indirect fixed costs such as civilian payroll, travel, rents and utilities and supplies." More than $150.0 million of government program management and operations funding is requested in the individual BMD systems' budget lines in this program element, which is where such funding is ordinarily accounted for. The committee believes this is an adequate level of funding for such activities.

The budget request included $796.9 million in the Boost Defense program element, PE 63883C, an increase of $197.0 million over the current funding level. The committee recommends a reduction of $135.0 million in this program element, as follows:

(1) a reduction of $105.0 million for detailed design of the second Airborne Laser (ABL) aircraft to the budget request of $598.0 million for the ABL. Detailed design of a second ABL is premature; the first aircraft is experiencing technical difficulties and schedule slips and is not scheduled to be tested until 2005.

(2) A reduction of $10.0 million to the budget request of $34.8 million for Space-based Laser (SBL). More than $24.0 million would remain in this program element for SBL program definition and risk reduction, which the committee believes is adequate in the absence of a plan on how to proceed with this program.

(3) A reduction of $20.0 million for Boost Defense Program Operations, which is the requested funding level. According to the fiscal year 2003 budget justification documentation, this funding "provides management and support for overhead/indirect fixed costs such as civilian payroll, travel, rents and utilities and supplies." More than $60.0 million of government program management and operations funding is requested in the individual BMD systems' budget lines in this program element, which is where such funding is ordinarily accounted for. The committee believes this is an adequate level of funding for such activities.

The budget request included $117.7 million in PE 63869A for the Medium Extended Air Defense System (MEADS), a joint program involving the United States, Germany and Italy. The budget request represents an increase of $48.0 million over the current fund-

ing level. Since there is currently no internationally agreed-upon plan for MEADS, it would be premature to substantially increase program funding. Therefore, the committee recommends a reduction of $48.0 million in PE 63869A for MEADS, leaving $70.0 million in this program element to continue funding MEADS at the current level.

The budget request included $170.0 million in the Terminal Defense program element, PE 63881C. The committee recommends a reduction of $14.0 million for Terminal Program Operations, since no funding for this overhead function was requested last year and there was no justification provided for initiating such funding in fiscal year 2003.

The budget request included $934.7 million in the Theater High Altitude Air Defense (THAAD) program element, PE 64861C, including $40.0 million for 10 extra THAAD missiles. These missiles are not required for the THAAD test program, and if bought now they would be untested and unproven since THAAD flight testing is not scheduled to begin until fiscal year 2004. The committee believes it would be premature to fund extra THAAD missiles prior to the completion of successful flight testing, and recommends a reduction of $40.0 million in PE 64861C for these missiles.

The budget request included $373.4 million in the Sensors program element, PE 63884C, an increase of $39.0 million over the current funding level. The committee recommends a reduction of $65.0 million in this program element, as follows:

(1) A reduction of $55.0 million to the budget request of $294.0 million for Space-based Infrared System, Low component (SBIRS-Low). Subsequent to the budget submission, SBIRS-Low was restructured to maintain only one contractor instead of two in fiscal year 2003. The recommended reduction reflects the savings obtained in 2003 by only funding a single contractor.

(2) A reduction of $10.0 million for Sensors Program Operations, which is the requested funding level. According to the fiscal year 2003 budget justification documentation, this funding "provides management and support for overhead/indirect fixed costs such as civilian payroll, travel, rents and utilities and supplies." More than $20.0 million of government program management and operations funding is requested in the individual BMD systems' budget lines in this program element, which is where such funding is ordinarily accounted for.

Authorization of appropriations for continued operations for the war on terrorism (sec. 1003)

The committee recommends a provision that would authorize the appropriation of $10.0 billion for the conduct of operations in continuation of the war on terrorism in accordance with the Authorization for the Use of Military Force (P.L. 107–40), subject to certain conditions.

This money was expressly requested by the President to fund continued operations for the war on terrorism. As the Secretary of Defense explained in a March 14, 2002, letter to the committee:

> Consistent with our assumptions, the $10.0 billion is targeted at increased operating and transportation costs, spe-

cial pays, reserve/guard call-up, enhanced intelligence efforts, and other costs related to the war on terrorism.

The committee believes that there is no more important purpose to which this funding could be dedicated than the continuation of the war on terrorism. However, the Department is not yet in a position to state how long the war on terrorism will continue, or in what form, or to specify the specific programs for which the requested funds would be used.

For this reason, the provision recommended by the committee would authorize for appropriation the $10.0 billion requested by the President upon receipt of a budget request which: (1) designates the requested amount as being essential to the continued war on terrorism; and (2) specifies how the administration proposes to use the requested funds, consistent with the Authorization for the Use of Military Force.

Authorization of emergency supplemental appropriations for fiscal year 2002 (sec. 1004)

On March 21, 2002, the President submitted to Congress a request for $27.1 billion in supplemental appropriations for fiscal year 2002. Of that amount, $14.0 billion was for the Department of Defense and the intelligence community to continue to prosecute the global war on terrorism, including Operations Enduring Freedom and Noble Eagle. The committee recommends a provision that would authorize supplemental appropriations for the Department of Defense for fiscal year 2002.

The committee believes that supplemental appropriations for fiscal year 2002 are necessary for, and should be provided for, the purposes specified in the Authorization for Use of Military Force (Public Law 107–40). The committee also believes that these funds, and any future appropriations for such purposes, should be transferred to specific accounts within the Department of Defense for obligation, rather than being obligated directly from the Defense Emergency Response Fund. The committee believes that this would improve the efficiency and accountability of the expenditure of these funds and notes that the President has also recommended this change in his supplemental request.

United States contribution to NATO common-funded budgets in fiscal year 2003 (sec. 1005)

The resolution of ratification for the Protocols to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary and the Czech Republic contained a provision (section 3(2)(c)(ii)) that requires a specific authorization for U.S. payments to the common-funded budgets of the North Atlantic Treaty Organization (NATO) for each fiscal year, beginning in fiscal year 1999, in which U.S. payments exceed the fiscal year 1998 total. The committee recommends a provision to authorize the U.S. contribution to NATO common-funded budgets for fiscal year 2003, including the use of unexpended balances from prior years.

Development and implementation of financial management enterprise architecture (sec. 1006)

The committee recommends a provision that would require the Secretary of Defense to develop a comprehensive financial management enterprise architecture for all budgetary, accounting, finance and data systems of the Department of Defense (DOD). The provision would also prohibit significant expenditures on financial system improvements that would be inconsistent with the new architecture.

The committee understands that the Department has already initiated an effort to develop a comprehensive enterprise architecture by March 2003 as required by this provision. At a hearing of the Readiness Subcommittee, the Comptroller General of the United States testified that the Department should limit the additional business systems development that it undertakes before a new enterprise architecture has been approved. The DOD Comptroller agreed and stated that he has already taken some steps to limit spending on business systems development until the proposed architecture and transition plan have been completed.

The provision recommended by the committee would condition any obligation of more than $1.0 million for a defense financial system improvement upon a determination of compliance with the new architecture. Until the new architecture has been developed, expenditures would be limited to those that are necessary to address critical national security requirements or prevent significant adverse effects on ongoing projects.

Departmental accountable officials in the Department of Defense (sec. 1007)

The committee recommends a provision that would authorize the Secretary of Defense to designate certain Department of Defense employees and members of the Armed Forces as departmental accountable officials. A departmental accountable official could be held pecuniarily liable for illegal, improper, or incorrect payments when the official who certified payment relied on information provided through fault or negligence of the departmental accountable official.

Department-wide procedures for establishing and liquidating personal pecuniary liability (sec. 1008)

The committee recommends a provision that would authorize any officer of the Armed Forces or any civilian employee of the Department of Defense designated by regulation to act on reports of survey and vouchers pertaining to the loss, spoilage, unserviceability, unsuitability, destruction of, or damage to, property of the United States under the control of the Department of Defense. Currently, reports of survey procedures apply only to the Army and Air Force.

The recommended provision would also make members of all services liable for damage or cost of repairs caused by the members to any arms or equipment. Currently, only members of the Army and Air Force are so liable.

Travel card program integrity (sec. 1009)

The committee recommends a provision that would authorize direct payment to the issuer of a Defense travel card of official travel or transportation expenses charged on the Defense travel card by a Department of Defense employee or member. The recommended provision would also authorize withholding or deduction from the pay of a Department of Defense employee or member of the Armed Forces funds for payment of delinquent travel card charges when the employee or member is delinquent in the payment and does not dispute the amount of the delinquency.

SUBTITLE B—NAVAL VESSELS AND SHIPYARDS

Number of Navy surface combatants in active and reserve service (sec. 1021)

The committee recommends a provision which would require the Secretary of the Navy to report to Congress:

(1) within 90 days after enactment of this Act, if the number of surface combatants is below the 116 vessels described as the current force in the September 30, 2001 Quadrennial Defense Review Report (2001 QDR); or

(2) in the future, at least 90 days prior to reducing the number of active duty and reserve force surface combatants any further whenever the number of surface combatants is below 116 surface combatant vessels.

In either case, the report would have to include a risk assessment that uses the 2001 QDR assumptions.

In addition, the Secretary would be required to retain on the Naval Vessel Register a sufficient number of ships which could be reactivated within 120 days notice to provide a surge capability to regain the level of 116 surface combatants described in the 2001 QDR.

The Navy budget request recommends reducing the surface combatant force structure to 108, a number that would be eight fewer than the number in the current force described in the 2001 QDR. The 2001 QDR states that the current force of 116 surface combatants "were judged as presenting moderate operational risk, although certain combinations of warfighting and smaller scale contingency scenarios present high risk."

The committee received no information on the risk assessment associated with reducing the force structure below that noted in the 2001 QDR. Therefore, the committee concludes that the risk resulting from the Navy's proposed force structure would be higher than that noted in the 2001 QDR.

Previously, the Navy has sold, leased, and granted ships with remaining service life shortly after decommissioning those ships. Prior to the completion of an analysis of attack submarine force structure, the Navy decommissioned a number of attack submarines due to budget constraints, only to find out later that the analysis had indicated a requirement for having a higher number of attack submarines.

The committee concludes that it is not prudent to risk repeating the same mistake the Navy made with reducing attack submarines. Therefore, the provision would require the Secretary of the Navy

to: (1) provide a risk assessment prior to reducing the force structure; and (2) maintain the capability to reconstitute the force on short notice, if needed.

Plan for fielding the 155-millimeter gun on a surface combatant (sec. 1022)

The committee recommends a provision that would require the Secretary of the Navy to submit a plan for fielding the Navy's 155mm gun in a Navy ship on an expedited schedule, but no later than fiscal year 2006. That plan's attributes would have to include assurances of safe operation while providing the Marine Corps fire support.

The committee received testimony which indicated that the 155mm gun is the only weapons system in development that would be capable of providing the Marine Corps the required fire support from the sea. Unfortunately, the Navy budget request recommends another significant delay in providing the Marine Corps the 155mm gun capability.

The *Spruance*-class destroyers were designed to accommodate an eight-inch naval gun. Another factor in the committee's consideration is that the Navy intends to produce an engineering development model of the 155mm gun within the advanced gun system program. With the Navy's planned early retirement of some of the ships in the class, it would appear that there may be an opportunity to use a *Spruance*-class destroyer as the test ship for the advance gun system.

This approach would provide a rapid prototype gun that could be used in a contingency operation while testing the feasibility of backfitting *Spruance*-class destroyers with a version of the advanced gun system. Such an approach would also be in keeping with the Department's avowed interest in transformation and spiral development while making use of ships with useful service life remaining.

Most important, however, would be the fact that the application of the advanced gun system to the *Spruance*-class destroyer could provide, until DD(X) destroyers are fielded in numbers, the Marine Corps the fire support capability that has been missing since the decommissioning of the battleships in the early 1990s.

Report on initiatives to increase operational days of Navy ships (sec. 1023)

The committee recommends a provision that would require the Assistant Secretary of Defense for Acquisition, Technology and Logistics to report to the congressional defense committees, with submission of the President's budget request for fiscal year 2004, on the feasibility and projected impact of initiatives to maximize ship operational days.

The Chairman and Ranking Member of the Subcommittee on Seapower sent a letter to the Secretary of the Navy and the Chief of Naval Operations requesting the Navy to explore, at least, the following four focus areas to determine whether additional operational days could be made available to the regional commanders in chief without increasing the number of ships and without increasing the length of six-month deployments:

(1) Assign additional ships and submarines to homeports closer to their areas of operation. This is sometimes referred to as forward homeporting.

(2) Assign a ship to remain in a forward area of operations and rotate crews. Although not typically rotated in forward operating areas, the dual-crewing or "blue" and "gold" crews on ballistic missile submarines (SSBNs) are an example of such a concept.

(3) Retain ships to the end of their full service life by investing in the support funding needed to keep them. For example, keeping DD–963s in active service might make sense for the capabilities they provide (such as presence and antisubmarine warfare capability), rather than retiring them because they are not adequate to meet certain threats (because they do not have the very latest anti-air warfare systems).

(4) Preposition additional ships in forward operating areas that would be maintained by very small crews during normal circumstances. This concept would be analogous to the manner in which certain Ready Reserve Force (RRF) ships are kept ready to begin operations in just a few days.

The Seapower Subcommittee followed that letter with a hearing on the subject. The Navy witness in that hearing testified that some of the suggestions will be tested later this year because the Navy believes they will be productive. However, that testimony also led members to conclude that the Navy does not intend to investigate all of the focus areas suggested in the letter. This conclusion raised concerns that were amplified when it was revealed in written testimony that the Navy ship acquisition plan may be understated regarding requirements because the Navy is using an estimated ship service life of 35 years for planning but is executing a 20 to 22 years-of-age ship life decommissioning plan for destroyers and frigates.

According to the Congressional Research Service, the difference in estimated ship service life would cause the Navy to face an additional 15-ship backlog just between now and fiscal year 2007. That additional backlog would result in the requirement to build 15.5 new construction ships each year, starting in fiscal year 2008, merely to keep the force structure at about 300 battle force ships.

The Congressional Budget Office Study, "Increasing the Mission Capability of the Attack Submarine Force" validates the potential for one of the above focus areas.

Therefore, the committee concludes that: (1) there may be other means of increasing operational days for the regional commanders in chief; and, (2) all the possible alternatives should be thoroughly investigated and, when appropriate, tested.

SUBTITLE C—REPORTING REQUIREMENTS

Repeal and modification of various reporting requirements applicable with respect to the Department of Defense (sec. 1031)

The committee recommends a provision that would repeal or modify 28 obsolete or superceded reporting requirements presently

imposed by statute upon the Department of Defense (DOD). The reports recommended for repeal include:

(1) Prohibition on Certain Civilian Personnel Management Constraints (10 U.S.C. 129);

(2) Advisory Committees of the Department of Defense: Annual Report (10 U.S.C. 183);

(3) Amounts for Declassification of Records (10 U.S.C. 230);

(4) Authorized Strength: General and Flag Officers on Active Duty (10 U.S.C. 526(c));

(5) General and Flag Officers: Limitations on Appointments, Assignments, Details Outside an Officer's Own Service (10 U.S.C. 721(d));

(6) Health Care Services Recovered on Behalf of Covered Beneficiaries: Collection from Third-Party Payers (10 U.S.C. 1095(g));

(7) Child Care Services and Youth Program Services for Dependents: Financial Assistance for Survivors (10 U.S.C. 1798(d));

(8) Child Care Services and Youth Program Services for Dependents: Participation by Children and Youth Otherwise Ineligible (10 U.S.C. 1799(d));

(9) Performance Based Management: Acquisition Programs (10 U.S.C. 2220);

(10) Cooperative Research and Development Projects-subsection (g) (10 U.S.C. 2350a(g)(4));

(11) Procurement of Communications Support and Related Supplies and Services (10 U.S.C. 2350f(c));

(12) Armed Forces Relocation in Foreign Nation Report (10 U.S.C. 2350k(d));

(13) Federally Funded Research and Development Center Workload Effort (10 U.S.C. 2367(d));

(14) Military Base Reuse Studies and Community Planning Assistance (10 U.S.C. 2391(c));

(15) Department of Defense Technology and Industrial Base Policy (10 U.S.C. 2504);

(16) Asia-Pacific Center for Security Studies: Acceptance of Foreign Gifts and Donations (10 U.S.C. 2611);

(17) Leases: Non-excess Property of Military Departments (10 U.S.C. 2667(d)(3));

(18) Acquisition of Existing Facilities in Lieu of Authorized Construction-Notice (10 U.S.C. 2813(c));

(19) Relocation of Military Family Housing Units (10 U.S.C. 2827(b));

(20) Sale of Electricity from Alternate Energy and Cogeneration Production Facilities (10 U.S.C. 2867(c));

(21) Academy of Health Sciences: Admission of Civilians in Physician Assistant Training Program (10 U.S.C. 4416(f));

(22) Temporary Promotions in Certain Navy Lieutenants: Limitation on Number of Eligible Positions (10 U.S.C. 5721(f));

(23) Prohibition on Imposition of Additional Charges of Fees for Attendance at Certain Academies (P.L. 103–337; 108 Stat. 2772; 10 U.S.C. 6951 note);

(24) Weapons Development and Procurement Schedules (P.L. 104–106; 110 Stat. 229, 231; 10 U.S.C. 2431 note).

In addition to those reports to be repealed in full, the committee recommends repeal after 2004 of the report, Contracted Properties and Services: Prompt Payment of Vouchers (P.L. 106–398 Appendix; 114 Stat. 1654A–247; 10 U.S.C. 2226 note). The committee also recommends that section 483 of title 10, United States Code, be repealed two years after enactment of the present provision. The Secretary of Defense currently submits to the congressional defense committees reports on funding transfers from high-priority readiness items. The committee notes that the Department of Defense provides various other detailed reports to Congress, including the rebaseline report, reprogramming requests, and monthly execution status reports; these reports also provide information on funding transfers from high-priority readiness items. The committee is concerned, however, that DOD has not provided any reports that include funding transfers on high-priority readiness items to the committee in a consistent and timely manner. The committee makes this recommendation with the understanding that DOD will provide all reports which include funding transfers on high-priority readiness items to the committee in accordance with statutory requirements.

In addition to various repeals, the committee recommends that certain required reports be modified to reflect the most current and relevant reporting requirements. Sections 2486 (b) and 2492 (c) of title 10, United States Code, would be amended to no longer require annual submission of these various commissary reports. In section 2486 (b), the provision would require submission of the report only when changes are proposed or made to merchandise categories proposed to be made for sale in commissaries. Similarly, in section 2492(c), the provision would require submission of the report only when changes are proposed or made to host nation laws or conditions in host nations that affect restrictions on commissary purchasing in stores located outside of the U.S.

The committee carefully reviewed the Department's request to repeal these various reports. The criterion for the review was to relieve the Department of the burden of preparing a report whenever possible, consistent with the committee's oversight and legislative responsibilities. The committee notes, however, that there are a number of important reporting requirements for which either no report or only an interim report has been received. Foremost among such reports is the Secretary of Defense's annual report to the President and to Congress as required by section 113(c) of title 10, United States Code. The Secretary's annual report, which traditionally incorporates a number of other statutory reports, is a major source of important information for Congress. The committee also notes the continuing absence of a National Security Strategy, required to be submitted by the President in the annual national security strategy report under section 108 of the National Security Act of 1947 as added by the Goldwater-Nichols Department of Defense Reorganization Act of 1986. Without these important reports, Congress cannot gain a clear understanding of the Administration's national security strategy or its long-term plans for our Armed Forces. The Committee looks forward to receipt of the Secretary's annual report to the President and to Congress and the President's national security strategy.

Annual report on hardened and deeply buried targets (sec. 1032)

The committee recommends a provision that would require the Secretary of Defense, in conjunction with the Secretary of Energy and the Director of Central Intelligence, to submit a report on the research and development activities under their respective jurisdictions during the preceding fiscal year to develop a weapon to defeat hardened and deeply buried targets. The report would be submitted no later than April 1 of each year.

The committee is concerned that each of the three agencies is spending substantial amounts of money for a wide variety of hardened and deeply buried target-related activities within each agency. The committee is concerned that there is no central coordination or even any centralized knowledge of these many programs and their scope and cost. Dealing with the issue of hardened and deeply buried targets is a significant technical challenge, but it is not a new one. The issue has, however, come to the forefront as a result of the recent actions in Afghanistan. The committee is concerned that these programs do not appear to be well coordinated. The committee believes this report will be useful to ensure that this issue is addressed in a coordinated way to meet established requirements and that the funds are spent efficiently.

Revision of date of annual report on counterproliferation activities and programs (sec. 1033)

The committee recommends a provision that would revise the submission date for the annual report of the Counterproliferation Program Review Committee (CPRC) from February 1 of each year to May 1 of each year. This later date was the original date by which the CPRC annual report was required. In fiscal year 2000, Congress revised the submission date to February 1, but the Department of Defense has not submitted the CPRC annual reports until May of each year. The committee understands that the annual report is prepared after the budget request is submitted each year in order to make use of funding figures from the Future Years Defense Program (FYDP); the report therefore cannot be submitted along with the budget request. The committee believes that an achievable report deadline is preferable to an unachievable one. The committee recommends this change with the expectation that the Department of Defense will provide briefings to the congressional defense committees on the updated elements of the annual report, such as the Areas for Capability Enhancements (ACEs), when they have been decided by the CPRC. The committee directs the Department to notify the congressional defense committees each year when the CPRC has decided these elements prior to submission of the final report.

Quadrennial quality of life review (sec. 1034)

The committee recommends a provision that would require the Secretary of Defense to conduct a quadrennial quality of life review to examine the quality of life of members of the Armed Forces. The review would alternate with the quadrennial defense review so that one of these reviews would occur every two years. The recommended provision requires the Secretary of Defense to submit a

report on each quadrennial quality of life review to the Committees on Armed Services of the Senate and the House of Representatives no later than September 30 of the year in which the review is conducted.

SUBTITLE D—HOMELAND DEFENSE

Homeland security activities of the National Guard (sec. 1041)

The committee recommends a provision that would add a new section to title 32, United States Code, to authorize the Governor of a State, at the request of the head of a federal law enforcement agency and with the concurrence of the Secretary of Defense, to order personnel of the National Guard of a State to perform full-time National Guard duty for the purpose of carrying out homeland security activities. The intent would be to temporarily provide trained and disciplined personnel to a federal law enforcement agency until that agency is able to recruit and train sufficient personnel to perform the homeland security activities. The duration of the use of the National Guard of a State would be 179 days, but the Governor of a State could, with the consent of the Secretary of Defense, extend the period for an additional 90 days to meet extraordinary circumstances. The Secretary of Defense would provide funds to the State Governor to fund the costs of the use of the National Guard personnel and would require the head of the federal law enforcement agency receiving the support to reimburse the Department of Defense. Finally, the Secretary of Defense and the Governor of a State would enter into a memorandum of agreement, with each federal agency involved, covering specified matters including certifications by appropriate state officials as to the authorization under state law of the performance by the National Guard of the State of the homeland security activities involved.

The committee is aware that the Department of Defense has detailed approximately 1,600 personnel of the National Guard under their title 10, United States Code, federal status to several federal law enforcement agencies to perform homeland security activities along the borders of the United States. The National Guard personnel involved are under the overall supervision of, and perform duties under the direction and control of, the federal law enforcement agencies to which they are detailed. The Department of Defense and the federal agencies involved consider this arrangement to be consistent with the Posse Comitatus Act (18 U.S.C. 1385).

The committee believes that it is preferable to use National Guard personnel under their title 32, United States Code, status and under the authority of the State Governor, as has been the practice for more than a decade in connection with counterdrug activities authorized under the provisions of section 112 of title 32, United States Code.

Conditions for use of full-time reserves to perform duties relating to defense against weapons of mass destruction (sec. 1042)

The committee recommends a provision that would amend section 12310(c)(3) of title 10, United States Code, to strike a ref-

erence to the Department of Defense Consequence Management Program Integration Office (COMPIO). This amendment reflects the fact that the Deputy Secretary of Defense disestablished COMPIO on February 14, 2001, directing that its functions be integrated into existing Department of Defense organizations and processes to ensure greater effectiveness and oversight of programs.

The amended paragraph would authorize reserve personnel to perform duties described elsewhere in the section only while assigned to a reserve component Weapons of Mass Destruction-Civil Support Team in the United States, its territories, the District of Columbia and the Commonwealth of Puerto Rico.

Weapon of mass destruction defined for purposes of the authority for use of Reserves to perform duties relating to defense against weapons of mass destruction (sec. 1043)

The committee recommends a provision that would change the definition of the term "weapon of mass destruction" in sections 12304 and 12310 of title 10, United States Code, so as to include any large conventional explosive that is designed to produce catastrophic loss of life or property.

Report on Department of Defense homeland defense activities (sec. 1044)

Studies conducted by the Comptroller General over the last year and testimony from Department of Defense (DOD) officials have indicated that the Department still needs to clarify the structure, strategy, roles and responsibilities, and relationships among the various DOD entities that carry out the missions related to combating terrorism, homeland security, and homeland defense.

The committee believes that, in light of the proposed changes to the Unified Command Plan, expected changes to the structure of the Office of the Secretary of Defense, and the continued lack of clarity concerning the relationship between the Defense Department and other agencies or offices of the federal government responsible for homeland security or defense, a deeper examination of the Department's role in and capabilities for fulfilling its homeland defense mission is needed. Therefore, the committee recommends a provision that would direct the Secretary to submit a detailed report on how DOD should be and is fulfilling its homeland defense mission.

Strategy for improving preparedness of military installations for incidents involving weapons of mass destruction (sec. 1045)

A Department of Defense (DOD) study of the Installation Pilot Program, mandated by the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (PL 106–398), revealed a lack of preparedness of military installations to manage the consequences of a weapon of mass destruction (WMD) incident. The study demonstrated that standards, priorities and implementation schedules varied from service to service and from installation to installation. In a follow-up study, mandated by the National Defense Authorization Act for Fiscal Year 2002 (PL 107–333), the Comptroller General found that DOD does not have an overall manage-

ment framework to improve WMD preparedness at military installations and that overall funding of WMD preparedness at military installations lacks visibility. The study concluded that without a clear WMD preparedness strategy for military installations there is a potential for duplication, inappropriate allocation of resources, and reduction or loss of preparedness. In addition, without a performance plan that includes goals, objectives, and performance measures, Congress and DOD managers cannot measure the results of programs and identify funding levels and priorities. The Comptroller General recommended that DOD prepare a comprehensive strategy and plan for improving the preparedness of military installations in responding to attacks involving weapons of mass destruction.

Therefore, the committee recommends a provision that would direct the Secretary of Defense to develop a comprehensive plan to improve the preparedness of military installations for incidents involving weapons of mass destruction (WMD). The plan would: (1) include a strategy identifying long-term objectives and resource requirements; (2) describe how local, regional and national military response capabilities will be developed and used and how DOD will coordinate the use of military capabilities with local, regional, and national civilian capabilities, including private industry, where appropriate; (3) include a performance plan designed to achieve the objectives of the strategy, as well as a timetable for implementation; and (4) establish measurable goals, describe the process and resources required to attain those goals, identify performance measures required to attain those goals, and describe the process for evaluating results.

The plan would be submitted to the congressional defense committees no later than 180 days after this legislation comes into effect. No later than 60 days after the Secretary submits the plan to Congress, the Comptroller General would be required to review it and submit a report assessing the plan to the congressional defense committees.

The Secretary would be directed to inform Congress of progress under and updates to the plan for a total of three years in the materials the Secretary submits to Congress in support of the President's annual budget request.

SUBTITLE E—OTHER MATTERS

Continued applicability of expiring governmentwide information security requirements to the Department of Defense (sec. 1061)

The committee recommends a provision that would continue the applicability of expiring governmentwide information security requirements to the Department of Defense (DOD).

Subtitle G of Title X of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 enacted a new Government Information Security Reform Act (GISRA), addressing the responsibilities of the Office of Management and Budget and federal agencies (including DOD) in the area of information security. These provisions are scheduled to expire later this year.

The DOD Inspector General's annual report to Congress recommends that the expiring requirements of GISRA be extended. The report states:

> Although implementing GISRA has been difficult, the OIG, DOD, believes that its mandatory reporting requirements have refocused the Department's attention on this critical area. Until it was passed, we were very concerned that information security was a declining priority. * * *
>
> [W]e believe that the information assurance threat is greater than ever, and mandatory self assessments, with independent review, serve the Department's best interest. Therefore we recommend continuation of the core GISRA requirements.

The provision recommended by the committee would implement the Inspector General's recommendation.

Acceptance of voluntary services of proctors for administration of Armed Services Vocational Aptitude Battery (sec. 1062)

The committee recommends a provision that would authorize the service secretaries to accept voluntary services of secondary school faculty and other personnel to serve as proctors for the administration of the Armed Services Vocational Aptitude Battery.

Extension of authority to sell aircraft and aircraft parts for use in responding to oil spills (sec. 1063)

The committee recommends a provision that would extend until September 30, 2006, the authority in section 740 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (P.L. 106–181) to the Secretary of Defense to sell excess aircraft and aircraft parts to a person or entity that provides oil spill response services.

Amendments to impact aid program (sec. 1064)

The committee recommends a provision that would authorize continued eligibility of certain local education agencies for impact aid during temporary reductions in qualified students during the conversion of military housing units to private housing.

Additional Matters of Interest

Improved management of Department of Defense contracting for services

On June 22, 2001, the Secretary of Defense launched a Business Initiative Council to bring about better business practices and achieve savings within the Department of Defense (DOD). Testifying before this Committee on June 28, 2001, the Secretary stated:

> We have an obligation to taxpayers to spend their money wisely. Today we're not doing that. * * * Mr. Chairman, I have never seen an organization, in the private or public sector, that could not, by better management, operate at least five percent more efficiently if given the freedom to do so. Five percent of the DOD budget is over $15 billion!

The Secretary testified that $15.0 billion of savings from management efficiencies could be used to: increase ship procurement from six to nine ships a year; procure several hundred additional aircraft annually, rather than 189; meet the target of a 67-year facility replacement rate; and increase defense-related science and technology funding from 2.7 percent to 3 percent of the DOD budget.

The committee is disappointed that, to this date, the Business Initiative Council has identified only an estimated $121.0 to $132.0 million of the $15.0 billion annual savings projected by the Secretary. Despite the largest proposed increase in defense spending in 20 years, the budget request would fund just five ships and 166 aircraft, replace facilities at a 122-year rate, and leave the rate of defense-related science and technology funding unchanged at just 2.7 percent of the DOD budget. The committee concludes that, despite the proposed $48.0 billion increase in defense spending, management efficiencies are needed now more than ever to ensure that the taxpayers' money is wisely spent.

Section 802 of the National Defense Authorization Act for Fiscal Year 2002 (FY 2002 NDAA) established annual goals for Department of Defense savings to be achieved through improved management of the Department's $50.0 billion of services contracts. The Secretary of Defense was required to report to the congressional defense committees no later than March 1, 2002, on the Department's progress toward this goal. Unfortunately, this report, which was not submitted until May 1, 2002, states that the Department is unable to provide the required information.

Sections 801 and 803 of the FY 2002 NDAA established the management tools needed to achieve these savings, including the increased use of performance-based services contracting; required competition for task orders under contracts for services; enhanced data collection, program review, and spending analyses; and an improved management structure for services contracts. These tools would be enhanced by section 811 of this Act, which establishes specific goals for competitive contracting and performance-based contracting.

The statutory goal for fiscal year 2003 is a savings of 4 percent, or $1.7 billion. The budget request does not provide for any of these savings. While $1.7 billion is far less than the Secretary's goal of $15.0 billion in annual savings for management efficiencies, the committee believes that this level of savings should be achievable in fiscal year 2003. To ensure that the military services and defense agencies have an incentive to achieve these savings, the committee bill would permit them to retain half of the required savings.

Accordingly, Titles I, II and III of the bill include reductions totaling $850.0 million, to be achieved through improved management of the Department's services contracts. The specific reductions reflected in these titles are as follows:

Army Procurement Accounts—$31.0 million;
Navy Procurement Accounts—$24.4 million;
Air Force Procurement Accounts—$2.1 million;
Defense-Wide Procurement Accounts—$1.5 million;
Research and Development, Army—$13.7 million;

Research and Development, Navy—$6.9 million;
Research and Development, Air Force—$45.2 million;
Research and Development, Defense-wide—$25.2 million;
Operation and Maintenance, Army—$192.5 million;
Operation and Maintenance, Navy—$152.3 million;
Operation and Maintenance, Air Force—$211.4 million;
Operation and Maintenance, Marine Corps—$16.3 million;
Operation and Maintenance, Defense-Wide—$127.5 million.

The Committee expects the Department to distribute these reductions across budget activities and programs within the relevant appropriations accounts, based on the dollar value of contracts within those budget activities and programs to which improvements may be appropriately applied.

Information technology investments for functional area applications

Less than a year ago, the Department of Defense (DOD) initiated an ambitious effort to address shortcomings in the Department's financial management systems, operations, and controls. The Department's time line called for the development of a comprehensive enterprise architecture and a transition plan for implementing the proposed architecture by March 2003. The proposed architecture would then be implemented over a period of four years or more.

The committee strongly supports the Department's efforts to address shortcomings in its financial systems on a comprehensive basis. The committee shares the Department's view that problems with the reliability of financial and feeder systems data and interfaces between these systems must be addressed in order to ensure proper accountability and control over its physical assets, proper accounting for the costs of operations, and proper recording and reconciling of disbursements.

The committee also recognizes that the implementation of a new enterprise architecture for DOD financial management, accounting, and feeder systems will require substantially increased funding on such systems over the course of the Future Years Defense Plan. Until the proposed architecture has been developed, however, excessive spending on such systems is likely to be wasteful.

The Comptroller General of the United States testified before the Readiness Subcommittee that the Department should limit the additional business systems development that the Department undertakes before a new enterprise architecture has been approved. The DOD Comptroller testified that he agreed with this statement and that he had already taken some steps to limit spending on business systems development until the proposed architecture and transition plan have been completed.

Section 1006 would help enforce these limitations by requiring that any such expenditures be approved in advance by the Department's Financial Management Modernization Executive Committee. In accordance with the testimony of the Comptroller General and the DOD Comptroller, this provision would limit expenditures to those that are necessary to address critical national security requirements or prevent significant adverse effects on ongoing projects.

The budget request included more than $2.0 billion for information technology investments for functional area applications, an amount that is barely reduced from the $2.1 billion provided in fiscal year 2002. This amount includes funding for a large number of programs that may require fundamental restructuring depending on the outcome of the Department's current financial management review and the system architecture that the Department develops.

For example, the budget request included $196.5 million for the Defense Logistics Agency (DLA) business systems modernization program, which is expected to cost more than $1.0 billion by the time that it is completed. The General Accounting Office (GAO) reported last year that this program is being conducted "without having either a DLA enterprise architecture or a DOD-wide logistics management enterprise architecture." The GAO report concluded that

> By allowing the services and DLA * * * to proceed separately with new logistics management systems in the absence of a DOD-wide enterprise architecture, DOD will not be in a position to optimize logistics operations and system performance across the department, and thus is unlikely to successfully meet its strategic logistics management goals.

Similarly, the budget request included $128.4 million for Defense Finance and Accounting Service (DFAS) development modernization, $439.4 million for Army functional area application development modernization, $367.4 million for Navy functional area application development modernization, and $229.8 million for Air Force functional area application development modernization. These expenditures are the leading edge of a much larger investment, which, the DOD Inspector General concluded earlier this year, is unlikely to lead to properly integrated systems. The Inspector General's report concludes:

> DOD continues to develop [the DFAS Corporate Database (DCD)] and other financial management systems, which will not establish an integrated financial management system. Specifically,
>
> > The Defense Logistics Agency stated its $1 billion supply chain management system could not work with DCD and other standard systems;
> >
> > The Army and Navy did not determine whether their $975 million financial management systems could work with DCD and other standard systems.
> >
> > The Defense Finance and Accounting Service Denver personnel want to develop a $16 million Air Force-specific financial management system to replace DCD.
>
> As a result, DOD components are spending more than $2 billion to develop systems with no assurance that the financial portions of the systems will function as an integrated financial management system.

The committee shares the concern of the DOD Inspector General that DOD components are requesting more than $2.0 billion to develop new financial systems with no assurance that these systems will function as an integrated financial management system. For

this reason, the committee believes that the level of funding provided for functional area applications in advance of the development of a comprehensive system architecture is excessive.

Accordingly, the committee recommends reductions in Titles I, II and III of the bill totaling $400.0 million, in proportion to proposed spending on information technology development modernization for functional area applications in each accounts. The specific reductions reflected in these titles are as follows:

Other Procurement, Army—$53.2 million;
Other Procurement, Navy—$20.6 million;
Other Procurement, Air Force—$12.0 million;
Procurement, Marine Corps—$3.4 million;
Other Procurement, Defense-Wide—$3.5 million;
Research and Development, Army—$17.7 million;
Research and Development, Navy—$25.6 million;
Research and Development, Air Force—$27.2 million;
Research and Development, Defense-Wide—36.6 million;
Defense Health Programs—$32.1 million;
Defense Working Capital Fund Operations—$148.6 million;
Operation and Maintenance, Defense-Wide—$19.5 million.

The committee expects the Department to achieve these reductions by implementing the requirements of section 1006 and restricting the development of Department of Defense business systems until the Department has completed its proposed architecture and transition plan and is in a position to ensure that business system expenditures will be consistent with that architecture and plan.

Defense Emergency Response Fund

The President's budget request included $20.1 billion in the operation and maintenance title for the Defense Emergency Response Fund (DERF) for fiscal year 2003. Of this amount, $10.1 billion was requested for specific programs and $10.0 billion was requested as unspecified contingency funding for continuing the war on terrorism into fiscal year 2003.

The decision to appropriate funding to, and obligate funding directly from, the DERF in fiscal year 2002 was well intentioned and unavoidable under the unique circumstances that prevailed in the fall of 2001. However, the committee is concerned that obligation of funds directly from the DERF in fiscal year 2002 has reduced management oversight and accountability of those funds without any significant offsetting benefits, such as greater efficiency.

The $10.1 billion that was requested for specific programs in the DERF represented funding that normally appears throughout the defense authorization bill, including the procurement, research and development, operation and maintenance, military personnel, and military construction accounts. The committee believes that these programs should be funded and executed in their normal accounts. The committee found no compelling reason to authorize funding for programs through the DERF in fiscal year 2003 and recommends that all funding requested for specific programs in the DERF be transferred to the traditional appropriations accounts.

The committee's action with respect to the unspecified $10.0 billion contingency fund, which would be available to fund the costs

of ongoing military operations as well as the additional pay and benefits of mobilized guard and reserve personnel, is discussed separately in this section of the report. The committee believes that any subsequent appropriation of all or part of this $10.0 billion contingency should make such funds available for transfer to the traditional appropriation accounts before they are obligated.

The table that follows details the committee's action with respect to the DERF. The table lists each program for which funding was requested in the DERF, the amount the committee has authorized for that program, if any, and the account in which the funds have been authorized.

The report language following the table discusses those programs requested in the DERF for which no funds were authorized. Report language describing changes to other programs requested in the DERF can be found under the heading of the account to which the funds were transferred.

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Counter-Terrorism/ Force Protection	Base Pay	963		963	Military Personnel, Army
Counter-Terrorism/ Force Protection	RPA	264		264	Military Personnel, Army
Counter-Terrorism/ Force Protection	FICA	73		73	Military Personnel, Army
Counter-Terrorism/ Force Protection	Perimeter Security	100,000		100,000	Military Construction, Army
Counter-Terrorism/ Force Protection	Force Protection	31,000		31,000	Reserve Personnel, Army
Counter-Terrorism/ Force Protection	Counter Terrorism/Force Protection Personnel	9,400		9,400	Operation & Maintenance, Army
Counter-Terrorism/ Force Protection	Access Control, Vulnerability Assessments	33,800	(13,800)	20,000	Operation & Maintenance, Army Reserve
Counter-Terrorism/ Force Protection	Heavy Armored Sedan	10,700	(2,400)	8,300	Other Procurement, Army
Counter-Terrorism/ Force Protection	SINCGARS Family	22,100	(22,100)	0	Other Procurement, Army
Counter-Terrorism/ Force Protection	Physical Security System	4,500		4,500	Other Procurement, Army
Counter-Terrorism/ Force Protection	Language translation	7,300		7,300	RDT&E, Army
Counter-Terrorism/ Force Protection	Blue Force awareness suite	10,000		10,000	RDT&E, Army
Counter-Terrorism/ Force Protection	Remote observation & confirming sensors	600		600	RDT&E, Army
Counter-Terrorism/ Force Protection	Physical Security Equipment	76,900		76,900	Operation & Maintenance, Army
Counter-Terrorism/ Force Protection	Installation Security	2,900		2,900	Operation & Maintenance, Army Reserve
Counter-Terrorism/ Force Protection	Security	350,000		350,000	Operation & Maintenance, Army National Guard
Counter-Terrorism/ Force Protection	Multi-function remote unattended ground sensor	1,500		1,500	RDT&E, Army
Counter-Terrorism/ Force Protection	Laser induced breakdown spectroscopy	1,500		1,500	RDT&E, Army
Counter-Terrorism/ Force Protection	Universal soldier	8,000		8,000	RDT&E, Army
Counter-Terrorism/ Force Protection	CT echelon surveillance & reconnaissance	20,000	(5,000)	15,000	RDT&E, Army
Counter-Terrorism/ Force Protection	Security Forces and Technicians	143,096		143,096	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	Law Enforcement	32,573		32,573	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	Management and Planning	1,712		1,712	Operation & Maintenance, Navy

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Counter-Terrorism/ Force Protection	Security Forces and Technicians	1,500		1,500	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	Strategic Security Forces and Technicians	7,000		7,000	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	Site Improvement	219,200		219,200	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	Site Improvement	42,000		42,000	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	HQ Management and Planning	3,920		3,920	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	Site Improvement	13,000		13,000	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	Intel/Security and Investigative Matters	3,500		3,500	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	HQ Management and Planning	1,600		1,600	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	Management and Planning	61		61	Operation & Maintenance, Navy Reserve
Counter-Terrorism/ Force Protection	Management and Planning	187		187	Operation & Maintenance, Navy Reserve
Counter-Terrorism/ Force Protection	Shipyard Security Forces & Technicians	28,000		28,000	Operation & Maintenance, Navy
Counter-Terrorism/ Force Protection	Physical Security Site Improvement	68,777		68,777	Operation & Maintenance, Navy Reserve
Counter-Terrorism/ Force Protection	Physical Security Equipment	228,000		228,000	Operation & Maintenance, Marine Corps
Counter-Terrorism/ Force Protection	CINC AT/FP Staffs	3,200		3,200	Operation & Maintenance, Marine Corps
Counter-Terrorism/ Force Protection	Physical Security Upgrades	10,000		10,000	Operation & Maintenance, Marine Corps
Counter-Terrorism/ Force Protection	Security Forces Technicians	600		600	Military Personnel, Marine Corps
Counter-Terrorism/ Force Protection	Physical Security Site Improvement	183,100		183,100	Military Construction, Navy
Counter-Terrorism/ Force Protection	Design of Physical Security Site Improvement	17,630		17,630	Military Construction, Navy
Counter-Terrorism/ Force Protection	Physical Security Site Improvement	6,740		6,740	Military Construction, Navy Reserve
Counter-Terrorism/ Force Protection	Design of Physical Security Site Improvement	377		377	Military Construction, Navy Reserve
Counter-Terrorism/ Force Protection	Physical Security Equipment for the Mobile Security Force	14,000		14,000	Other Procurement, Navy
Counter-Terrorism/ Force Protection	Physical Security Equipment for Strategic Bases	4,000		4,000	Other Procurement, Navy
Counter-Terrorism/ Force Protection	Physical Security Equipment	76,483		76,483	Other Procurement, Navy

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Counter-Terrorism/ Force Protection	Coast Guard Support Night Vision Devices (NVDs)	4,000		4,000	Other Procurement, Navy
Counter-Terrorism/ Force Protection	Coast Guard Small Arms Procurement	3,000		3,000	Weapons Procurement, Navy
Counter-Terrorism/ Force Protection	Coast Guard Small Arms Ammunition	1,000		1,000	Procurement of Ammunition, Navy & Marine Corps
Counter-Terrorism/ Force Protection	Physical Security Upgrades	3,600		3,600	Procurement, Marine Corps
Counter-Terrorism/ Force Protection	Technology, Unmanned Surface Vehicle	36,000	(12,000)	24,000	RDT&E, Navy
Counter-Terrorism/ Force Protection	Security Equipment for Medical Labs	475		475	RDT&E, Navy
Counter-Terrorism/ Force Protection	Site Improvement for Medical Labs	450		450	RDT&E, Navy
Counter-Terrorism/ Force Protection	CENTCOM PSD & Forward HQs	700		700	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	CINC AT/FP Staff	5,500		5,500	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	AT/FP Equipment Enhance/Modernize	7,200		7,200	Other Procurement, Air Force
Counter-Terrorism/ Force Protection	Base Physical Security Systems	39,600		39,600	Other Procurement, Air Force
Counter-Terrorism/ Force Protection	AEF/Force Protection Certification Training	10,200		10,200	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	AEF/Force Protection Certification Training	4,800		4,800	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	AEF/Force Protection Certification Training	2,900		2,900	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	AT/FP Facility Upgrades	99,585		99,585	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	AT/FP Facility Upgrades	57,254		57,254	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	AT/FP Facility Upgrades	16,341		16,341	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	AT/FP Facility Upgrades	3,976		3,976	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	AT/FP Facility Upgrades	29,631		29,631	Family Housing Operations & Debt, AF
Counter-Terrorism/ Force Protection	AT/FP Facility Upgrades	6,202		6,202	Operation & Maintenance, Air Force Reserve
Counter-Terrorism/ Force Protection	AT/FP Facility Upgrades	38,015		38,015	Operation & Maintenance, Air National Guard
Counter-Terrorism/ Force Protection	AT/FP Military Construction	185,597		185,597	Military Construction, Air Force
Counter-Terrorism/ Force Protection	AT/FP Military Construction	6,076		6,076	Military Construction, Air Force Reserve

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Counter-Terrorism/ Force Protection	AT/FP Military Construction	8,933		8,933	Military Construction, Air National Guard
Counter-Terrorism/ Force Protection	Weapons of Mass Destruction - 1st Responder	46,000		46,000	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	Weapons of Mass Destruction - 1st Responder	21,850		21,850	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	Weapons of Mass Destruction - 1st Responder	1,150		1,150	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	Weapons of Mass Destruction - 1st Responder	4,600		4,600	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	Weapons of Mass Destruction - 1st Responder	14,950		14,950	Operation & Maintenance, Air Force Reserve
Counter-Terrorism/ Force Protection	GeoReach/GeoBase	25,800		25,800	Operation & Maintenance, Air Force
Counter-Terrorism/ Force Protection	Financial Operations	5,900		5,900	Operation & Maintenance, Defense-Wide
Counter-Terrorism/ Force Protection	Security Guards	1,910		1,910	Defense Working Capital Fund, Defense
Counter-Terrorism/ Force Protection	Contract Security Guards	230		230	Defense Working Capital Fund, Defense
Counter-Terrorism/ Force Protection	Contract Security Guards	60		60	Defense Working Capital Fund, Defense/Stockpile
Counter-Terrorism/ Force Protection	Vulnerability Assessments	300		300	Defense Working Capital Fund, Defense
Counter-Terrorism/ Force Protection	Consequence Mgmt Training	300		300	Defense Working Capital Fund, Defense
Counter-Terrorism/ Force Protection	Access Control Systems	1,880		1,880	Defense Working Capital Fund, Defense
Counter-Terrorism/ Force Protection	Intrustion Detection Systems	545		545	Defense Working Capital Fund, Defense
Counter-Terrorism/ Force Protection	Barriers	50		50	Defense Working Capital Fund, Defense
Counter-Terrorism/ Force Protection	Fragment Retention Film	25		25	Defense Working Capital Fund, Defense
Counter-Terrorism/ Force Protection	Enhanced Force Protection	18,000		18,000	Operation & Maintenance, Defense-Wide
Counter-Terrorism/ Force Protection	Enhanced Force Protection	6,000		6,000	Operation & Maintenance, Defense-Wide
Counter-Terrorism/ Force Protection	Enhanced Force Protection	6,300		6,300	Military Construction, Defense-Wide
Counter-Terrorism/ Force Protection	Enhanced Force Protection	200		200	Operation & Maintenance, Defense-Wide

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Counter-Terrorism/ Force Protection	Advanced CBRNE Sensor & Info Fusion	3,000		3,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	CT Info Network	5,500		5,500	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Vulnerability Reduction Technology Measures	9,800		9,800	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Hazard Prediction and Decision Support Tools	5,000		5,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Hard Target Defeat Characterization Initiative	7,000		7,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Enhanced Blast Weapons Effects	7,000		7,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	SOF Support Defeat Terrorist	11,000		11,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Anti-Biological Weapon Defeat Device	5,000		5,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Combating Terrorism Readiness Initiatives Fund	12,000		12,000	Operation & Maintenance, Defense-Wide
Counter-Terrorism/ Force Protection	Other Combating Terrorism Initiatives	1,459		1,459	Operation & Maintenance, Defense-Wide
Counter-Terrorism/ Force Protection	Vulnerability Assessments, AT/FP requirements tracking & analysis	400		400	Operation & Maintenance, Defense-Wide
Counter-Terrorism/ Force Protection	Physical Security Equipment	10,000		10,000	Procurement, Defense-Wide
Counter-Terrorism/ Force Protection	Entry Point Screening & Perimeter Protection	11,000		11,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Reconnaissance Tool Kit	19,500		19,500	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Super Zoom Digital Camera	6,000		6,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Combating Terrorism BAA	19,500		19,500	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Attribution CT Tools and Deployable Communications	5,600		5,600	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Detection of Bio Agents in Food	3,000		3,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Alternate Power Sources for Battery Charging	5,000		5,000	RDT&E, Defense-Wide
Counter-Terrorism/ Force Protection	Stand Off Surveillance Camera	2,000	(2,000)	0	RDT&E, Defense-Wide

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Counter-Terrorism/ Force Protection	Miniature Chemical Analysis Sys for Detection of Chembio agents in the Chemlab	2,600		2,600	RDT&E, Defense-Wide
	Subtotal Counter-Terrorism/Force Protection	**2,680,200**	**(57,300)**	**2,622,900**	
Guantanamo Bay, Cuba Operations	Base Support Services	38,500		38,500	Operation & Maintenance, Navy
Guantanamo Bay, Cuba Operations	Facilities Sustainment, Restoration and Modernization	2,500		2,500	Operation & Maintenance, Navy
Guantanamo Bay, Cuba Operations	Medical Operations	4,000		4,000	Operation & Maintenance, Navy
	Subtotal Guantanamo Operations	**45,000**		**45,000**	
CINC Homeland Security	Enhanced Secure Communications to Reserve Components	5,900		5,900	Operation & Maintenance, Army Reserve
CINC Homeland Security	Classified Network	86,200		86,200	Operation & Maintenance, Army National Guard
CINC Homeland Security	Classified Network	48,500	(40,000)	8,500	Operation & Maintenance, Army National Guard
CINC Homeland Security	Enhanced Secure Communications to Reserve Components	25,600	(8,000)	17,600	Operation & Maintenance, Army Reserve
CINC Homeland Security	Enhanced Secure Communications to Reserve Components	30,700		30,700	Operation & Maintenance, Army Reserve
CINC Homeland Security	Enhanced Secure Communications to Reserve Components	2,400		2,400	Operation & Maintenance, Army Reserve
CINC Homeland Security	Information Systems Security Program - ISSP	15,700		15,700	Other Procurement, Army
CINC Homeland Security	CINC for Homeland Security	41,000	(14,000)	27,000	Operation & Maintenance, Defense-Wide
CINC Homeland Security	Facility Refurbishment	25,000		25,000	Military Construction, Defense-Wide
CINC Homeland Security	C4I Equipment and Connectivity	15,000		15,000	Procurement, Defense-Wide

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
	Subtotal CINC Homeland Security	**296,000**	**(62,000)**	**234,000**	
Combat Air Patrol	**Combat Air Patrol**	**1,200,000**	**(820,000)**	**380,000**	Operation & Maintenance, Air Force
Preferred Munitions	Tomahawk Remanufacture	598,000		598,000	Weapons Procurement, Navy
Preferred Munitions	Physical Security Equipment	4,000		4,000	Weapons Procurement, Navy
Preferred Munitions	JDAM Kits	54,000		54,000	Procurement of Ammunition, Navy & Marine Corps
Preferred Munitions	Laser Guided Bomb (LGB) Kits	25,000		25,000	Procurement of Ammunition, Navy & Marine Corps
Preferred Munitions	JDAM Tail Kits	106,000		106,000	Procurement of Ammunition, Air Force
Preferred Munitions	General Purpose Bombs	25,000		25,000	Procurement of Ammunition, Air Force
	Subtotal Preferred Munitions	**812,000**		**812,000**	
Training Munitions	CTG, 5.56MM, All Types	9,305		9,305	Procurement of Ammunition, Army
Training Munitions	CTG, 7.62MM, All Types	2,199		2,199	Procurement of Ammunition, Army
Training Munitions	CTG, .50 CAL, All Types	4,021		4,021	Procurement of Ammunition, Army
Training Munitions	CTG, 40MM, All Types	5,369		5,369	Procurement of Ammunition, Army
Training Munitions	CTG, ARTY 105MM HE M1 W/O Fuze	1,637		1,637	Procurement of Ammunition, Army
Training Munitions	Grenades, All Types	3,221		3,221	Procurement of Ammunition, Army
Training Munitions	Signals, All Types	946		946	Procurement of Ammunition, Army
Training Munitions	Items Less than $5 Million	302		302	Procurement of Ammunition, Army
Training Munitions	Laser Guided Bomb Kits	36,300		36,300	Procurement of Ammunition, Navy & Marine Corps
Training Munitions	Procure Training Munitions	23,300		23,300	Procurement of Ammunition, Navy & Marine Corps

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Training Munitions	Procure Training Munitions	4,500		4,500	Procurement of Ammunition, Navy & Marine Corps
Training Munitions	Procure Training Munitions	1,900		1,900	Procurement of Ammunition, Navy & Marine Corps
	Subtotal Training Munitions	**93,000**		**93,000**	
Continuity of Ops	Alternate National Military Command Center	44,000		44,000	Operation & Maintenance, Army
Continuity of Ops	CONUS Support	2,000		2,000	Operation & Maintenance, Army
Continuity of Ops	CONUS Support	5,000		5,000	Operation & Maintenance, Army
Continuity of Ops	CONUS Support	2,000		2,000	Operation & Maintenance, Army
Continuity of Ops	Information Systems	215,000		215,000	Other Procurement, Army
Continuity of Ops	Distributed Common Ground System (DCGS)	9,000		9,000	Other Procurement, Army
Continuity of Ops	Items Less than $5 Million (TIARA)	2,000		2,000	Other Procurement, Army
Continuity of Ops	Information Systems Security Program - ISSP	3,000		3,000	Other Procurement, Army
Continuity of Ops	Various	2,000		2,000	Operation & Maintenance, Navy
Continuity of Ops	Various	5,000		5,000	Operation & Maintenance, Navy
Continuity of Ops	Various	7,000		7,000	Operation & Maintenance, Navy
Continuity of Ops	Various	2,000		2,000	Operation & Maintenance, Navy
Continuity of Ops	Continuity of Intel	1,000		1,000	Operation & Maintenance, Marine Corps
Continuity of Ops	Site R	1,000		1,000	Operation & Maintenance, Marine Corps
Continuity of Ops	Reserve Site C2, Cryptologic COOP	5,000		5,000	Operation & Maintenance, Navy Reserve
Continuity of Ops	Radio Bn MILCON	20,000		20,000	Military Construction, Navy
Continuity of Ops	Continuity of Intelligence	2,000		2,000	Procurement, Marine Corps
Continuity of Ops	Secure Wireless Communications Equipment	3,000		3,000	Other Procurement, Navy

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Continuity of Ops	Intelligence Support Equipment	4,000		4,000	Other Procurement, Navy
Continuity of Ops	VH-3D/VH-60D Comm Upgrade	1,500		1,500	RDT&E, Navy
Continuity of Ops	VH-3D/VH-60D Comm Upgrade	6,000		6,000	Aircraft Procurement, Navy
Continuity of Ops	Combat Air Intelligence Systems	2,300		2,300	Operation & Maintenance, Air Force
Continuity of Ops	Wireless Communications	3,000		3,000	Other Procurement, Air Force
Continuity of Ops	National Airborne Command Center (NAOC) Ground Network and Senior Level	10,000		10,000	Operation & Maintenance, Air Force
Continuity of Ops	Aircraft Communication Mods	3,600		3,600	Operation & Maintenance, Air Force
Continuity of Ops	Special Purpose Comms	2,000		2,000	Operation & Maintenance, Air Force
Continuity of Ops	UH-1 support, capital region	700		700	Operation & Maintenance, Air Force
Continuity of Ops	Tactical Information Program	5,000		5,000	Operation & Maintenance, Air Force
Continuity of Ops	Tactical Information Program	10,000		10,000	Other Procurement, Air Force
Continuity of Ops	Defense Reconnaissance Support Activities (SPACE)	10,000		10,000	Operation & Maintenance, Air Force
Continuity of Ops	Communications Systems Operators Training	500		500	Operation & Maintenance, Air Force
Continuity of Ops	Critical Database Backup	5,000		5,000	Operation & Maintenance, Defense-Wide
Continuity of Ops	Critical Database Backup	10,000		10,000	Procurement, Defense-Wide
Continuity of Ops	Secure Bandwidth	30,000		30,000	RDT&E, Defense-Wide
Continuity of Ops	Mobile Secure Communications	20,400		20,400	RDT&E, Defense-Wide
Continuity of Ops	Mobile Secure Communications	500		500	Procurement, Defense-Wide
Continuity of Ops	Secure Voice Teleconferencing System	2,500		2,500	Operation & Maintenance, Defense-Wide
Continuity of Ops	Secure Voice Teleconferencing System and Secure Telephone Equipment	1,000		1,000	Procurement, Defense-Wide
Continuity of Ops	Defense Conferencing Enhancement Program	8,900		8,900	Operation & Maintenance, Defense-Wide
Continuity of Ops	DISA Continuity of Operations	2,500		2,500	Operation & Maintenance, Defense-Wide

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Continuity of Ops	Bandwidth Expansion	7,600		7,600	Operation & Maintenance, Defense-Wide
Continuity of Ops	Bandwidth Expansion	7,400		7,400	Procurement, Defense-Wide
Continuity of Ops	Information Assurance	500		500	Operation & Maintenance, Defense-Wide
White House Communications	White House Communications	3,000		3,000	Operation & Maintenance, Defense-Wide
Continuity of Ops	OSD Continuity of Operations (COOP) Operations and Sustainment of critical systems.	18,000		18,000	Operation & Maintenance, Defense-Wide
Continuity of Ops	OSD Continuity of Operations (COOP)-Network improvements	9,000		9,000	Procurement, Defense-Wide
Continuity of Ops	National Capital Region Continuity of Operations (NCR COOP)	10,500		10,500	Operation & Maintenance, Defense-Wide
Continuity of Ops	National Infrastructure Protection Center (NIPC) Reserve Support	4,000		4,000	Operation & Maintenance, Defense-Wide
Continuity of Ops	National Infrastructure Protection Center (NIPC) DoD Detailees	4,000		4,000	Operation & Maintenance, Defense-Wide
Continuity of Ops	National Infrastructure Protection Center (NIPC) Crucial Player	1,600		1,600	RDT&E, Defense-Wide
Continuity of Ops	DERIS	2,000		2,000	RDT&E, Defense-Wide
	Subtotal Continuity of Operations	**537,000**		**537,000**	
Pentagon Accel./Virtual Pentagon	Pentagon Acceleration	114,000		114,000	Pentagon Reservation Maintenance Revolving Fund
Pentagon Accel./Virtual Pentagon	Command Communications Survivability Project (Virtual Pentagon)	214,000		214,000	Pentagon Reservation Maintenance Revolving Fund
	Subtotal Pentagon Acceleration	**328,000**		**328,000**	

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Unmanned Aerial Vehicles	Predator A	68,000		68,000	Aircraft Procurement, Air Force
Unmanned Aerial Vehicles	Pred SatCom Equip & Ground Control Station Equip	14,000		14,000	Aircraft Procurement, Air Force
Unmanned Aerial Vehicles	3rd Squadron Initial Spares	8,000		8,000	Aircraft Procurement, Air Force
Unmanned Aerial Vehicles	Hellfire Missiles for Predator	10,000		10,000	Missile Procurement, Air Force
Unmanned Aerial Vehicles	Predator A & B	10,000		10,000	RDT&E, Air Force
Unmanned Aerial Vehicles	Predator A & B	5,000		5,000	Military Construction, Air Force
Unmanned Aerial Vehicles	Predator O&M	9,000		9,000	Operation & Maintenance, Air Force
Unmanned Aerial Vehicles	Global Hawk UAV	65,000		65,000	Aircraft Procurement, Air Force
	Subtotal Unmanned Aerial Vehicles	**189,000**		**189,000**	
VC-25	Passenger Data System	**68,000**		**68,000**	Aircraft Procurement, Air Force
B-2 Radar	B-2 Radar	**50,000**		**50,000**	RDT&E, Air Force
AC-130/C-130J Aircraft	**AC-130U Gunship Acquisition**	**60,000**		**60,000**	Procurement, Defense-Wide
KC-130/135 Aviation Support	Air Refueling	89,000		89,000	Aircraft Procurement, Air Force
KC-130/135 Aviation Support	KC-130J	334,000		334,000	Aircraft Procurement, Navy
	Subtotal KC-130/KC-135	**423,000**		**423,000**	
Nuclear Posture Review	Info Sys Security Program	15,000	(10,000)	5,000	Operation & Maintenance, Army

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Nuclear Posture Review	Brilliant Anti-Armor Submunition	55,000		55,000	RDT&E, Army
Nuclear Posture Review	Navy Cover and Deception Program	2,000		2,000	Other Procurement, Navy
Nuclear Posture Review	Power Projection Applied Research	7,300	(7,300)	0	RDT&E, Navy
Nuclear Posture Review	Chalk Coral	5,000		5,000	RDT&E, Navy
Nuclear Posture Review	GPS Enhancement for SLBM	30,000		30,000	RDT&E, Navy
Nuclear Posture Review	Retract Barley	20,000		20,000	RDT&E, Navy
Nuclear Posture Review	Information Warfare System	9,000		9,000	RDT&E, Navy
Nuclear Posture Review	Reentry Vehicle Sustainment Tech	7,500		7,500	RDT&E, Navy
Nuclear Posture Review	Reentry Vehicle Sustainment Tech	14,400		14,400	RDT&E, Navy
Nuclear Posture Review	Reentry Vehicle Sustainment Tech	18,000		18,000	RDT&E, Navy
Nuclear Posture Review	Management Headquarters STRATCOM	1,250		1,250	Operation & Maintenance, Air Force
Nuclear Posture Review	Information Warfare Support	5,000		5,000	Operation & Maintenance, Air Force
Nuclear Posture Review	Information Warfare Support	4,000	(4,000)	0	Operation & Maintenance, Air Force
Nuclear Posture Review	Tactical Deception	1,000	(1,000)	0	Operation & Maintenance, Air Force
Nuclear Posture Review	Management HQs STRATCOM	1,000	(1,000)	0	Operation & Maintenance, Air Force
Nuclear Posture Review	Security and Investigative Activities	2,000		2,000	Operation & Maintenance, Air Force
Nuclear Posture Review	Information Warfare Support	2,000		2,000	Other Procurement, Air Force
Nuclear Posture Review	Multi-disciplinary Space Technology	43,000	(43,000)	0	RDT&E, Air Force
Nuclear Posture Review	Space-Based Radar	0	43,000	43,000	RDT&E, Air Force
Nuclear Posture Review	Aerospace Propulsion	5,700	(5,700)	0	RDT&E, Air Force
Nuclear Posture Review	Ballistic Missile Technology	4,900		4,900	RDT&E, Air Force
Nuclear Posture Review	Aerospace Propulsion and Power Technology	4,400	(4,400)	0	RDT&E, Air Force
Nuclear Posture Review	Advanced EHF	19,000		19,000	RDT&E, Air Force

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Nuclear Posture Review	Intercontinental Ballistic Missile DEM/VAL	7,500		7,500	RDT&E, Air Force
Nuclear Posture Review	Advanced Program Technology	10,000		10,000	RDT&E, Air Force
Nuclear Posture Review	Technical Evaluation System	30,000		30,000	RDT&E, Air Force
Nuclear Posture Review	Information Systems Security Program	4,000		4,000	RDT&E, Air Force
Nuclear Posture Review	Advanced Program Evaluation	17,000		17,000	RDT&E, Air Force
Nuclear Posture Review	Defense Reconnaissance Support Activities (Space)	120,300	(23,300)	97,000	RDT&E, Air Force
Nuclear Posture Review	Defense Reconnaissance Support Activities (Space)	0	23,300	23,300	RDT&E, Air Force
Nuclear Posture Review	Support to Homeland Security	8,000		8,000	RDT&E, Defense-Wide
Nuclear Posture Review	Biological Warfare Defense	11,250		11,250	RDT&E, Defense-Wide
Nuclear Posture Review	Intelligence Support to Hard and Deeply Buried Targets	12,600		12,600	Operation & Maintenance, Defense-Wide
Nuclear Posture Review	Intelligence Support to Hard and Deeply Buried Targets	5,800		5,800	RDT&E, Defense-Wide
Nuclear Posture Review	Hard and Deeply Buried Targets	2,300		2,300	Operation & Maintenance, Defense-Wide
Nuclear Posture Review	Hard and Deeply Buried Targets	2,600		2,600	Operation & Maintenance, Defense-Wide
Nuclear Posture Review	Strategic Capability Modernization	125,000		125,000	RDT&E, Defense-Wide
Nuclear Posture Review	Hard and Deeply Buried Targets (0902198D8Z)	3,050		3,050	Operation & Maintenance, Defense-Wide
Nuclear Posture Review	Hard and Deeply Buried Targets (0901598D8Z)	3,750	(3,750)	0	Procurement, Defense-Wide
Nuclear Posture Review	Hard and Deeply Buried Targets	3,200		3,200	RDT&E, Defense-Wide
Nuclear Posture Review	Hard and Deeply Buried Targets	3,200		3,200	RDT&E, Defense-Wide
Nuclear Posture Review	NPR-IO-21	25,000		25,000	RDT&E, Defense-Wide
Nuclear Posture Review	NPR-IO-14	9,000	(9,000)	0	RDT&E, Defense-Wide

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Nuclear Posture Review	Special Reconnaissance Capabilities	5,000		5,000	RDT&E, Defense-Wide
	Subtotal Nuclear Posture Review	**685,000**	**(46,150)**	**638,850**	
Security, Comms & Info Operations	Army Language Program, Army TIARA	19,500		19,500	Operation & Maintenance, Army
Security, Comms & Info Operations	Contract Linguists-Force Protection, Army TIARA	9,400		9,400	Operation & Maintenance, Army
Security, Comms & Info Operations	Contract Linguists-Interrogation Detainees, Army TIARA	5,000		5,000	Operation & Maintenance, Army
Security, Comms & Info Operations	Classified	2,300		2,300	Operation & Maintenance, Army
Security, Comms & Info Operations	Battle Space Charactertics	2,000		2,000	Operation & Maintenance, Army
Security, Comms & Info Operations	Critical Infrastructure Protection	600		600	Operation & Maintenance, Army
Security, Comms & Info Operations	Security and Investigative Activities	10,000		10,000	Operation & Maintenance, Army
Security, Comms & Info Operations	Security and Investigative Activities	1,000		1,000	Operation & Maintenance, Army
Security, Comms & Info Operations	Collaboration Planning/Enablers	2,500		2,500	Operation & Maintenance, Army
Security, Comms & Info Operations	CONUS Support	500		500	Operation & Maintenance, Army
Security, Comms & Info Operations	Information Systems Security Program	4,600		4,600	Operation & Maintenance, Army
Security, Comms & Info Operations	Information Systems Security Program	1,700		1,700	Operation & Maintenance, Army
Security, Comms & Info Operations	Information Systems Security Program	1,500		1,500	Operation & Maintenance, Army
Security, Comms & Info Operations	Guardrail Mods (TIARA)	5,000		5,000	Aircraft Procurement, Army
Security, Comms & Info Operations	Information Systems Security Program - ISSP	1,700		1,700	Other Procurement, Army
Security, Comms & Info Operations	Information Systems Security Program - ISSP	1,900		1,900	Other Procurement, Army
Security, Comms & Info Operations	Information Systems Security Program - ISSP	4,400		4,400	Other Procurement, Army
Security, Comms & Info Operations	Prophet Ground (TIARA)	15,000		15,000	Other Procurement, Army
Security, Comms & Info Operations	Items Less than $5.0M (TIARA)	2,500		2,500	Other Procurement, Army

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Security, Comms & Info Operations	MA8975	39,100		39,100	Other Procurement, Army
Security, Comms & Info Operations	Tactical Unmanned Aerial Vehicles (TUAV)	9,500		9,500	Other Procurement, Army
Security, Comms & Info Operations	Tactical Unmanned Aerial Vehicles (TUAV)	1,500		1,500	Other Procurement, Army
Security, Comms & Info Operations	Classified	5,994		5,994	Other Procurement, Army
Security, Comms & Info Operations	Electronic Warfare	15,900		15,900	RDT&E, Army
Security, Comms & Info Operations	All Source System Analysis	8,000		8,000	RDT&E, Army
Security, Comms & Info Operations	Distributed Common Ground Systems (JMIP)	2,000		2,000	RDT&E, Army
Security, Comms & Info Operations	Distributed Common Ground Systems (JMIP)	2,000		2,000	RDT&E, Army
Security, Comms & Info Operations	Distributed Common Ground Systems (JMIP)	5,000		5,000	RDT&E, Army
Security, Comms & Info Operations	Airborne Reconnaissance Advanced Deveopment	3,000		3,000	RDT&E, Army
Security, Comms & Info Operations	Distributed Common Ground Systems (JMIP)	8,000		8,000	RDT&E, Army
Security, Comms & Info Operations	All Source System Analysis	4,300		4,300	RDT&E, Army
Security, Comms & Info Operations	Distributed Common Ground Systems (JMIP)	4,700		4,700	RDT&E, Army
Security, Comms & Info Operations	Hunter ground control station	12,100		12,100	RDT&E, Army
Security, Comms & Info Operations	APEX GOLD	4,000		4,000	Aircraft Procurement, Navy
Security, Comms & Info Operations	EP-3E COMINT/ ELINT Upgrades	22,500		22,500	Aircraft Procurement, Navy
Security, Comms & Info Operations	Various	2,000		2,000	Operation & Maintenance, Navy
Security, Comms & Info Operations	Classified	1,000		1,000	Operation & Maintenance, Navy
Security, Comms & Info Operations	Intelligence Analysts	3,000		3,000	Operation & Maintenance, Navy
Security, Comms & Info Operations	SCI GCCS I3	3,800		3,800	Operation & Maintenance, Navy
Security, Comms & Info Operations	GENSER GCCS I3	5,400		5,400	Operation & Maintenance, Navy
Security, Comms & Info Operations	JDIS / LOCE / CENTRIX	5,300		5,300	Operation & Maintenance, Navy
Security, Comms & Info Operations	CMMA	1,500		1,500	Operation & Maintenance, Navy

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Security, Comms & Info Operations	Cryptologic Direct Support	2,000		2,000	Operation & Maintenance, Navy
Security, Comms & Info Operations	CMMA	22,500		22,500	Operation & Maintenance, Navy
Security, Comms & Info Operations	JWICS connectivity	5,500		5,500	Operation & Maintenance, Navy
Security, Comms & Info Operations	Pioneer	6,000		6,000	Operation & Maintenance, Navy
Security, Comms & Info Operations	Pre-Deployment Training	1,000		1,000	Operation & Maintenance, Navy
Security, Comms & Info Operations	Imagery Training Initiative	1,000		1,000	Operation & Maintenance, Navy
Security, Comms & Info Operations	HUMINT	3,700		3,700	Operation & Maintenance, Navy
Security, Comms & Info Operations	Carry on Cryptologic Systems	500		500	Operation & Maintenance, Navy
Security, Comms & Info Operations	Computer Network Defense	3,800		3,800	Operation & Maintenance, Navy
Security, Comms & Info Operations	Enclave Boundary	1,200		1,200	Operation & Maintenance, Navy
Security, Comms & Info Operations	Intrusion Detection	1,140		1,140	Operation & Maintenance, Navy
Security, Comms & Info Operations	Counter surveillance and law enforcement advance details	5,000		5,000	Operation & Maintenance, Navy
Security, Comms & Info Operations	I-SURSS	700		700	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	TRSS	1,000		1,000	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	TCAC	500		500	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	RREP	200		200	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	TPC	700		700	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	MCIA Analytic Support	2,400		2,400	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	TEG	1,000		1,000	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	TROJAN Lite	1,500		1,500	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	ISR	2,900		2,900	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	FLAMES/CESAS	2,000		2,000	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	Computer Network Defense	2,000		2,000	Operation & Maintenance, Marine Corps

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Security, Comms & Info Operations	Secure Wireless	800		800	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	Deployed Security Interdiction Devices	700		700	Operation & Maintenance, Marine Corps
Security, Comms & Info Operations	Electronic Warfare (EW) Readiness Support	10,000		10,000	Other Procurement, Navy
Security, Comms & Info Operations	Cryptologic Direct Support	1,500		1,500	Other Procurement, Navy
Security, Comms & Info Operations	Information Systems Security Program	4,600		4,600	Other Procurement, Navy
Security, Comms & Info Operations	Information Systems Security Program	2,000		2,000	Other Procurement, Navy
Security, Comms & Info Operations	Information Systems Security Program	1,800		1,800	Other Procurement, Navy
Security, Comms & Info Operations	Tactical Interoperability and Information Support Systems	6,000		6,000	Other Procurement, Navy
Security, Comms & Info Operations	Special Purpose Supply Equip.	13,064		13,064	Other Procurement, Navy
Security, Comms & Info Operations	Computer Network Defense	1,900		1,900	Procurement, Marine Corps
Security, Comms & Info Operations	Deployed Security Interdiction Devices	700		700	Procurement, Marine Corps
Security, Comms & Info Operations	Secure Wireless	800		800	Procurement, Marine Corps
Security, Comms & Info Operations	I-SURSS	2,400		2,400	Procurement, Marine Corps
Security, Comms & Info Operations	TPCS	8,300		8,300	Procurement, Marine Corps
Security, Comms & Info Operations	TCAC	500		500	Procurement, Marine Corps
Security, Comms & Info Operations	TPC	3,300		3,300	Procurement, Marine Corps
Security, Comms & Info Operations	TEG	9,000		9,000	Procurement, Marine Corps
Security, Comms & Info Operations	TROJAN Lite	5,700		5,700	Procurement, Marine Corps
Security, Comms & Info Operations	ISR	1,700		1,700	Procurement, Marine Corps
Security, Comms & Info Operations	TACPHOTO	1,600		1,600	Procurement, Marine Corps
Security, Comms & Info Operations	FLAMES/CESAS	3,000		3,000	Procurement, Marine Corps
Security, Comms & Info Operations	Common Picture Advanced Technology	7,000		7,000	RDT&E, Navy
Security, Comms & Info Operations	Deployable Joint Command and Control	7,500		7,500	RDT&E, Navy

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Security, Comms & Info Operations	Distributed Common Ground Systems	3,000		3,000	RDT&E, Navy
Security, Comms & Info Operations	TCAC	2,500		2,500	RDT&E, Navy
Security, Comms & Info Operations	MANPACK SIDS	300		300	RDT&E, Navy
Security, Comms & Info Operations	TPCS	3,400		3,400	RDT&E, Navy
Security, Comms & Info Operations	I-SURSS	2,500		2,500	RDT&E, Navy
Security, Comms & Info Operations	RREP	300		300	RDT&E, Navy
Security, Comms & Info Operations	TENCAP	1,500		1,500	RDT&E, Navy
Security, Comms & Info Operations	TEG	1,000		1,000	RDT&E, Navy
Security, Comms & Info Operations	ISR	1,200		1,200	RDT&E, Navy
Security, Comms & Info Operations	TACPHOTO	100		100	RDT&E, Navy
Security, Comms & Info Operations	Develop USMC Shadow (Adv)	7,000		7,000	RDT&E, Navy
Security, Comms & Info Operations	ISR (BAMS UAV)/Classified	28,300		28,300	RDT&E, Navy
Security, Comms & Info Operations	Procure USMC Shadow Upgrades	15,000		15,000	Weapons Procurement, Navy
Security, Comms & Info Operations	Retract Maple	64,000		64,000	RDT&E, Navy
Security, Comms & Info Operations	Chalk Coral	11,400		11,400	RDT&E, Navy
Security, Comms & Info Operations	Acquisition Program Management	11,000		11,000	Operation & Maintenance, Navy
Security, Comms & Info Operations	Special Purpose Supply Equip.	900		900	Other Procurement, Navy
Security, Comms & Info Operations	767 RDT&E Testbed Aircraft	488,000	(250,000)	238,000	RDT&E, Air Force
Security, Comms & Info Operations	Rivet Joint QRC Sustainment	1,000		1,000	Aircraft Procurement, Air Force
Security, Comms & Info Operations	U-2 Defensive System	10,000		10,000	Aircraft Procurement, Air Force
Security, Comms & Info Operations	U-2 Airframe Repairs	5,000		5,000	Aircraft Procurement, Air Force
Security, Comms & Info Operations	U-2 SIGINT	2,700		2,700	RDT&E, Air Force
Security, Comms & Info Operations	Special Evaluation Program	1,200		1,200	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Special Evaluation Program	3,200		3,200	RDT&E, Air Force

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Security, Comms & Info Operations	DCGS Architecture	3,000		3,000	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Integrated Broadcast Service Smart Pull Technology IBS Smart Pul	6,600		6,600	RDT&E, Air Force
Security, Comms & Info Operations	Integrated Broadcast Service Smart Pull Technology	100		100	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Computer Network Defense	3,500		3,500	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Critical Infrastructure Protection	400		400	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Critical Infrastructure protection	1,800		1,800	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Computer Network Defense	4,600	(4,600)	0	Other Procurement, Air Force
Security, Comms & Info Operations	Moderization, Sustainment, and Development	4,900	(4,900)	0	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Enclove and Network Tools	2,000		2,000	Other Procurement, Air Force
Security, Comms & Info Operations	Moderization and Sustainment	1,700		1,700	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Intrusion Detection Systems	1,800		1,800	Other Procurement, Air Force
Security, Comms & Info Operations	Intrusion Detection Systems	1,500		1,500	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Defense Security Service (DSS)	5,000		5,000	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Integrated Broadcast Service	100		100	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Integrated Broadcast Service	10,800		10,800	Other Procurement, Air Force
Security, Comms & Info Operations	Defense Reconnaissance Support	68,630		68,630	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Activities (SPACE)	18,600		18,600	Other Procurement, Air Force
Security, Comms & Info Operations	Defense Space Reconnaissance Program	25,000		25,000	RDT&E, Air Force
Security, Comms & Info Operations	Commercial Imagery	2,000		2,000	Operation & Maintenance, Air Force
Security, Comms & Info Operations	Commercial Imagery	2,600		2,600	Other Procurement, Air Force
Security, Comms & Info Operations	Classified	176,584		176,584	Other Procurement, Air Force
Security, Comms & Info Operations	Commerical Imagery	2,400		2,400	RDT&E, Air Force
Security, Comms & Info Operations	Computer Network Defense	2,000		2,000	Other Procurement, Air Force

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Security, Comms & Info Operations	Integrated Broadcast Service	12,600		12,600	RDT&E, Air Force
Security, Comms & Info Operations	Tactical Terminal	3,300		3,300	Other Procurement, Air Force
Security, Comms & Info Operations	Global Hawk Defensive Sys	30,000		30,000	RDT&E, Air Force
Security, Comms & Info Operations	Global Hawk SIGINT	5,000		5,000	RDT&E, Air Force
Security, Comms & Info Operations	DCGS MASINT	5,000		5,000	RDT&E, Air Force
Security, Comms & Info Operations	ARGUS MASINT	9,000		9,000	RDT&E, Air Force
Security, Comms & Info Operations	U-2 SIGINT	10,800		10,800	RDT&E, Air Force
Security, Comms & Info Operations	AF DCGS Geospatial Services & Information	3,800		3,800	RDT&E, Air Force
Security, Comms & Info Operations	DCGS/U-2 SIGINT Network	15,000		15,000	RDT&E, Air Force
Security, Comms & Info Operations	Classified	72,000		72,000	RDT&E, Air Force
Security, Comms & Info Operations	Classified	12,000		12,000	Aircraft Procurement, Air Force
Security, Comms & Info Operations	Biological Warfare Defense	19,000		19,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	BLACK LIGHT	10,000		10,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	FINANCIAL OPERATIONS	500		500	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Crticial Infrastructure Protection	500		500	Defense Health Program
Security, Comms & Info Operations	Critical Infrastructure Protection	500		500	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	DIA	15,000		15,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	DIA	9,000		9,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	On-site administrators for primary sites (15 contractors @$200K each)	3,400		3,400	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Transportable Systems	5,900		5,900	Procurement, Defense-Wide
Security, Comms & Info Operations	Interoperability certification tests	4,500		4,500	RDT&E, Defense-Wide
Security, Comms & Info Operations	IA, Intell/Coalition Encrp (CWAN)	5,000		5,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	IA, Intell/Coalition Encrp (CFBL)	1,600		1,600	Operation & Maintenance, Defense-Wide

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Security, Comms & Info Operations	Information Assurance Computer Network Defense	3,500		3,500	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Suite of Enclave Security Tools	5,500		5,500	Procurement, Defense-Wide
Security, Comms & Info Operations	Test Suite - Wireless NIPRNET Gateway	500		500	Procurement, Defense-Wide
Security, Comms & Info Operations	On-site administrators for primary sites (15 contractors @$200K each)	3,000		3,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Intelligence Community Systems	5,000		5,000	Procurement, Defense-Wide
Security, Comms & Info Operations	Critical Infrastructure Protection (CIP)	600		600	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Critical Infrastructure Protection	500		500	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Airborne Integration	8,300		8,300	RDT&E, Defense-Wide
Security, Comms & Info Operations	Airborne Integration	1,000		1,000	Procurement, Defense-Wide
Security, Comms & Info Operations	Airborne Integration	2,000		2,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	IEC Workstations	1,000		1,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	IEC Workstations	2,000		2,000	Procurement, Defense-Wide
Security, Comms & Info Operations	IEC Workstations	1,000		1,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Libraries Communications	2,000		2,000	Procurement, Defense-Wide
Security, Comms & Info Operations	Libraries Communication	10,100		10,100	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Libraries Storage	1,000		1,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	Libraries Storage	7,600		7,600	Procurement, Defense-Wide
Security, Comms & Info Operations	PGM Targeting Workstations	1,700		1,700	RDT&E, Defense-Wide
Security, Comms & Info Operations	PGM Targeting Workstations	2,000		2,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	CENTCOM	1,000		1,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Commercial Imagery	33,670		33,670	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Geospatial Data Generation	32,800		32,800	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Classified	11,000		11,000	Operation & Maintenance, Defense-Wide

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Security, Comms & Info Operations	Classified	7,000		7,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	NC-2 COMSEC	10,000		10,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	Coalition Interoperability and Coalition Information Security	18,000		18,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	U-2 Support	1,300		1,300	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Global and Theater Guarding Solutions & Coalition Wide Area Networks	5,400		5,400	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Critical Infrastructure Protection	300		300	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Combat Development Activities	7,000		7,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	CIP – Biological Agent Security	2,000		2,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	CIP-Nuclear Security Command and Control	400		400	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	CIP Technology & Consequence Management	6,600		6,600	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	CIP-Technology & Consequence Management	2,900		2,900	RDT&E, Defense-Wide
Security, Comms & Info Operations	Measures and Signatures Information	4,000		4,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	Information Operations	25,000	(10,000)	15,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Concept Plan	10,000	(10,000)	0	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Information Operations	32,000	(10,000)	22,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Information Operations	1,500		1,500	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Information Operations	6,000		6,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Intel-IO-21	4,500		4,500	RDT&E, Defense-Wide
Security, Comms & Info Operations	Horizontal Fusion Analysis	2,000		2,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Horizontal Fusion Analysis	8,000		8,000	Procurement, Defense-Wide
Security, Comms & Info Operations	Horizontal Fusion Analysis	5,600		5,600	RDT&E, Defense-Wide
Security, Comms & Info Operations	Security-	10,000		10,000	RDT&E, Defense-Wide

DEFENSE EMERGENCY RESPONSE FUND
(Dollars in Thousands)

Category	Program	Amount Requested	Committee Change	Amount Transferred	Account to which transferred
Security, Comms & Info Operations	Collaborative Planning Tools	32,760		32,760	RDT&E, Defense-Wide
Security, Comms & Info Operations	Counter Intelligence	48,000		48,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	Coalition-Intelligence Information Sharing (CENTRIX)	14,000		14,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Coalition-Intelligence Information Sharing (CENTRIX)	12,000		12,000	Procurement, Defense-Wide
Security, Comms & Info Operations	Coalition-Intelligence Information Sharing (CENTRIX)	5,000		5,000	RDT&E, Defense-Wide
Security, Comms & Info Operations	Classified	9,500		9,500	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Classified	110,500		110,500	RDT&E, Defense-Wide
Security, Comms & Info Operations	Classified	32,100		32,100	RDT&E, Defense-Wide
Security, Comms & Info Operations	Classified	28,000		28,000	Operation & Maintenance, Defense-Wide
Security, Comms & Info Operations	Classified	304,358		304,358	Procurement, Defense-Wide
	Subotal Security/Comm, Information Operations	**2,588,800**	**(289,500)**	**2,299,300**	
	Subtotal DERF, Specific Programs	**10,055,000**	**(1,274,950)**	**8,780,050**	
Continuing the War on Terrorism	Continuing the War on Terrorism	10,000,000		10,000,000	Section 1003
	Total Defense Emergency Response Fund	**20,055,000**	**(1,274,950)**	**18,780,050**	

Modernization of strategic systems

The Defense Emergency Response Fund request included a $7.3 million increase to PE 62114N for accelerating technology to modernize strategic systems. The committee recommends a decrease of $7.3 million in this account to reflect the limited value that applied research in this area will have on currently approved Future Naval Capabilities thrust areas. The committee recommends that the Navy develop a coordinated plan for the role that basic and applied research programs will play in the overall modernization strategy for the Navy's strategic systems.

Stand off surveillance camera

The Defense Emergency Response Fund request included $2.0 million in PE 63750D8Z for stand off surveillance camera technology. The committee recommends a decrease of $2.0 million to this account to reflect a concern that this technology is commercially available, is not appropriate for a science and technology program, and does not fit well into an Advanced Concept Technology Demonstration.

Aerospace propulsion research

The Defense Emergency Response Fund (DERF) request included a $5.7 million increase to PE 62203F and a $4.4 million increase to PE 63216F for research support to the Department of Defense's Technology for the Sustainment of Strategic Systems effort, as part of the Nuclear Posture Review. The committee recommends a decrease of $5.7 million in PE 62203F and a decrease of $4.4 million in PE 63216F. The committee recommends that the Department develop a coordinated research plan for monitoring the aging of solid rocket propulsion materials and systems. The committee notes that technology development on strategic systems is already funded in the budget request and the DERF in the Ballistic Missile Technology account.

Air Force defensive information operations

The budget request included an increase of $26.8 million over fiscal year 2002 levels for Air Force defensive information operations: $6.8 million for engineering installation support for a program to detect and respond to network intrusions; $15.0 million for a program to sustain information assurance and allow for dynamic detection of network intrusions; and $5.0 million for a program to develop automated tools to detect network intrusions.

The fiscal year 2003 Defense Emergency Response Fund (DERF) request also included $9.5 million ($4.6 million for procurement and $4.9 million for operation and maintenance) to acquire the latest technology, equipment, and software for computer network defenses, including development of new tools for exploitation and denial of enemy intrusions while protecting critical information systems.

The committee finds these requests duplicative. Therefore, the committee recommends a reduction to the DERF request of $9.5 million.

SINCGARS family of radios

The budget request for the Defense Emergency Response Fund (DERF), Counter-Terrorism and Force Protection Activity, included $22.1 million to purchase the Single Channel Ground-to-Air Radio System (SINCGARS) family of radios for the Weapons of Mass Destruction-Civil Support Teams (WMD–CSTs). The budget request also included $30.1 million for SINCGARS, reflecting a total request of $52.2 million. The committee recommends a decrease of $22.1 million to this activity because the WMD–CSTs already have the capability that the SINCGARS would provide. Each of the teams has a Unified Command Suite (UCS) as their primary communications vehicle. The UCS contains several radio systems, including the PRC–117F, which have the SINCGARS capability. According to the Department of Defense, "There is not a shortfall of SINCGARS for the WMD–CST program."

Major equipment for hardened and deeply buried targets

The budget request for the Defense Emergency Response Fund (DERF) included $3.8 million in Procurement, Defense-Wide for Major Equipment in PE 91598D8Z. The committee recommends no funds for this line in the DERF because the justification for the request failed to identify what, if any, specific items will be procured. The justification for this procurement request included with the budget stated, "Specific procurement items cannot be identified at this time." While the committee generally supports work on hardened and deeply buried targets, the committee notes that the DERF includes over $400.0 million in funding for hardened and deeply buried targets. When there is a decision made as to what items would be required, the committee would consider a reprogramming request if necessary to buy needed equipment.

C3I Intelligence programs

The Defense Emergency Response Fund (DERF) included $9.0 million for Research, Development, Testing and Evaluation, Defense-wide for C3I Intelligence programs. This request, according to the Department of Defense justification documents for the DERF, "will provide analysis of the potential for wars, their deterrence, dissuasion, and termination courses of action to include: modeling of economic, political and social vulnerabilities to peace * * *". The committee believes these actions are already being performed by the Intelligence Community and recommends a reduction of $9.0 million, the amount of the request in this line, DERF PE 35190D8Z.

Management and organizational headquarters

The request included $1.0 million in the Defense Emergency Response Fund (DERF) for management and organizational headquarters Strategic Command. This line appears to be a duplicate request. The committee, therefore, recommends no funds for this activity in this line.

Air Force tactical deception personnel

The budget request for the Defense Emergency Response Fund (DERF) included $1.0 million to provide military deception per-

sonnel at selected Air Force units. These personnel would integrate military deception into Air Force operational planning. The committee understands that funds requested for the DERF are intended to support activities associated with the global war on terrorism. The committee does not understand, however, why military deception, an integral part of planning any military operation, is a new requirement. Therefore, the committee recommends a reduction of $1.0 million in the Operation and Maintenance, Air Force account.

OTHER ITEMS OF INTEREST

Comptroller General study of Special Operations Command forces language requirements, training and proficiencies

The committee directs the Comptroller General to study and provide a report to the Congress on Special Operations Forces (SOF) language requirements, training, and means of achieving and retaining proficiencies. The report shall include an evaluation of the process of developing and meeting language requirements and retaining the required language skills among SOF individuals and units. The report should also examine how the Special Operations Command could make better use of other national assets to anticipate future language needs and maintain a dynamic requirements and training strategy in order to meet these needs.

The committee also directs the Comptroller General to include within the report recommendations for improvements to SOF language training, if necessary, and an assessment of the resources required to make any such improvements. The report should be submitted to Congress no later than March 5, 2003.

Department of Defense STARBASE Program

The Department of Defense STARBASE Program is a very effective community outreach program for youths ages six through 18 that is aimed at improving math and science skills. It also addresses drug use prevention, health, self-esteem, and life skills and exposes youth, parents, and teachers to the value of military service. It currently operates at 39 locations associated with active, guard, and reserve commands throughout the United States. At least seven additional locations are seeking STARBASE programs.

The committee commends the Department's efforts to ensure that each STARBASE academy adheres to established program guidelines to meet the program's mission and objectives but is concerned about reports of failure to obligate STARBASE funds in a timely manner and of efforts to use STARBASE funding for other programs. The committee directs the Department to strengthen its oversight of the STARBASE program to improve training, standardization, and compliance with program guidelines.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL POLICY

Extension of authority to pay severance pay in a lump sum (sec. 1101)

The committee recommends a provision that would extend from October 1, 2003 to October 1, 2006 the authority of the Secretary of Defense and the service secretaries to pay severance pay in a lump sum.

Extension of voluntary separation incentive pay authority (sec. 1102)

The committee recommends a provision that would extend from September 30, 2003 to September 30, 2006, the authority of the Secretary of Defense to pay voluntary separation incentive pay to civilian employees.

Extension of cost sharing authority for continued FEHBP coverage of certain persons after separation from employment (sec. 1103)

The committee recommends a provision that would extend for three years the authority to permit certain Department of Defense civilian employees who are separated due to a reduction in force to elect continued health care coverage under the Federal Health Care Plan program. The recommended provision would require the separation to occur before October 1, 2006, or before February 1, 2007, if specific notice of the separation is given before October 1, 2006.

Eligibility of nonappropriated funds employees to participate in the Federal Employees Long-Term Care Insurance Program (sec. 1104)

The committee recommends a provision that would authorize nonappropriated funds employees to participate in the Federal Employees Long-Term Care Insurance Program.

Increased maximum period of appointment under the experimental personnel program for scientific and technical personnel (sec. 1105)

The committee recommends a provision that would authorize the Secretary to extend from four to five years the initial terms of appointments made under a previously authorized experimental hiring program. The committee notes that the Defense Advanced Research Projects Agency has made excellent use of these authorities to bring in senior technical talent in high level positions. The committee also notes that the authority has been granted to the military services' laboratories, although they have shown very limited progress in implementing the program.

The extension in the terms of appointment authorized by the program addresses a concern that the four-year appointments resulted in a discontinuity in retirement and health benefits for the employees involved. The ability to offer attractive retirement and health insurance benefits will enable defense agencies and laboratories to better compete for the highly trained technical personnel that are required to meet mission needs.

Qualification requirements for employment in Department of Defense professional accounting positions (sec. 1106)

The committee recommends a provision that would authorize the Secretary of Defense to require Department of Defense civilian employees in professional accounting positions to be certified public accountants. The recommended provision would exempt from this requirement employees currently employed in professional accounting positions.

Housing benefits for unaccompanied teachers required to live at Guantanamo Bay Naval Station, Cuba (sec. 1107)

The committee recommends a provision that would require the Navy to make excess military family housing at Guantanamo Bay Naval Station, Cuba, available for lease to Department of Defense Education Activity teachers assigned to teach at that station. The recommended provision would require payment of a housing allowance to teachers who lease such housing.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

SUBTITLE A—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Specification of Cooperative Threat Reduction programs and funds (sec. 1201)

The committee recommends a provision that would define the Cooperative Threat Reduction (CTR) programs, define the funds as those authorized to be appropriated in section 301 of this act, and authorize the CTR funds to be available for obligation for three fiscal years.

Funding allocations (sec. 1202)

The committee recommends a provision that would authorize $416.7 million, the amount included in the budget request, for the Cooperative Threat Reduction (CTR) programs. The provision would also establish the funding levels for each of the program elements of the CTR program and provide limited authority to vary the amounts authorized for specific program elements.

The committee continues to support the CTR program and believes it is one of the most important national security efforts to reduce the threats posed by offensive nuclear weapons and delivery systems, weapons grade plutonium and uranium, and chemical and biological weapons and materials in states of the Former Soviet Union.

Authorization of use of Cooperative Threat Reduction funds for projects and activities outside the Former Soviet Union (sec. 1203)

The committee recommends a provision that would authorize the Secretary of Defense to conduct Cooperative Threat Reduction (CTR) programs outside of the countries of the Former Soviet Union (FSU) to address critical and emerging proliferation issues. The Secretary would be able to conduct these activities using fiscal year 2003 CTR funds or CTR funds for a fiscal year prior to 2003 that remain available to be obligated as of the date of enactment of the National Defense Authorization Act for Fiscal Year 2003. The amount that may be obligated may not exceed $50.0 million in any fiscal year. The provision would also direct the Secretary to use funds from a range of CTR program accounts if the new authority were exercised. The provision also directs the Secretary to seek, in the following year's CTR budget request, sufficient funds in the CTR program to pay back those funds used for countries outside of the FSU. The Secretary could obligate the CTR funds outside of the FSU 30 days after providing notice of his intended actions to the congressional defense committees. In the event the action is an emergency, the Secretary could obligate the funds immediately and

provide the congressional defense committees notice within 72 hours after obligating the funds.

In the event the Secretary uses the expanded CTR authority in any two fiscal years, the Secretary shall submit to Congress a report on the advisability of establishing one or more new CTR programs. The committee believes that there may be opportunities to expand the scope of the CTR program to include countries outside of the FSU. This authority would allow the Secretary to conduct a test program to determine if there are new cooperative opportunities to reduce the threats from proliferation of weapons of mass destruction knowledge, weapons, and materials.

Waiver of limitations on assistance under programs to facilitate Cooperative Threat Reduction and nonproliferation (sec. 1204)

The committee recommends a provision, that would provide the President with permanent authority to waive the annual certifications required for both the Cooperative Threat Reduction (CTR) programs and the Freedom Support Act nonproliferation programs, as requested by the administration. The provision would amend section 1203 of the Cooperative Threat Reduction Act of 1993 (22 U.S.C. 5952) and section 502 of the Freedom Support Act (22 U.S.C. 5852) and provide the President the authority to waive the restrictions in any given fiscal year for any given country if such a waiver is important to the national security interests of the United States.

If the President chooses to exercise the waiver for either the Cooperative Threat Reduction Act or Freedom Support Act preconditions, this waiver would be effective only when the President submits to Congress a report describing the activity or activities that prevent the President from making the certification or certifications required by the Act, and the strategy, plan, or policy of the President to promote the relevant State's future commitment to the preconditions.

ADDITIONAL MATTERS OF INTEREST

Cooperative Threat Reduction with the States of the Former Soviet Union

The budget request for the Cooperative Threat Reduction (CTR) program included $40.0 million to initiate a new effort, the Weapons of Mass Destruction Proliferation Prevention program. The committee supports this new effort aimed at providing equipment and training to improve border control capabilities to all Former Soviet Union (FSU) countries other than Russia. Nevertheless, the committee is concerned that there may be potential for duplication of efforts with other similar programs within the Department of Defense (DOD), as well as with the Department of Energy's National Nuclear Security Administration (NNSA) activities. The committee urges the Department of Defense to coordinate this new effort with all existing programs within the Department, the Department of Energy, the Department of State, the U.S. Customs Service, the Federal Bureau of Investigation, and the U.S. Coast Guard. The committee also expects DOD to coordinate with the NNSA in

the area of weapons of mass destruction detection technology. The committee directs DOD to report to the committee the results of this coordination and to present a strategic and budgetary plan describing how this new effort will complement, rather than duplicate, any similar ongoing efforts.

Pilot program for scientific exchange with the countries of the Former Soviet Union

The committee has been supportive of the work that the Department of Energy (DOE) and the Department of Defense (DOD) have done to engage the former biological and chemical weapons scientists in the countries of the Former Soviet Union (FSU) but believes that more can be done. Therefore, the committee directs the Secretary of Energy and Secretary of Defense to establish one or more pilot programs that would bring former biological and chemical weapons scientists from the FSU to the United States and bring U.S. scientists to the Former Soviet Union's chemical, biological, veterinary, and medical institutes. Each Department could establish a separate pilot program, or the two agencies could work together to establish a joint pilot program. The committee believes that there are significant, mutual, civil-scientific benefits that could be gained from long-term cooperative joint research projects and exchange programs. The committee believes that this exchange program is a logical next step to the current threat reduction programs in DOE and DOD. The committee urges the Secretaries to work closely with universities, industries, the national laboratories and other relevant federal and state agencies to establish the pilot program.

The committee directs the Secretaries to report to the congressional defense committees, no later than January 15, 2004, on the status of the pilot program or programs and the feasibility of establishing a permanent exchange program, including the funding requirement and any statutory or regulatory hurdles to implementing a permanent program.

SUBTITLE B—OTHER MATTERS

Administrative support and services for coalition liaison officers (sec. 1211)

In the future, the United States Armed Forces are likely to conduct operations as part of coalitions involving the military forces of allies and friends. Operation Enduring Freedom (OEF), the first major operation of the 21st century, illustrates this point. As General Tommy Franks, Commander in Chief, U.S. Central Command, who is leading this operation, noted during his testimony before the committee on February 12, 2002, the OEF "coalition has grown to more than 50 nations, with 27 nations having representatives at our headquarters." The nations involved in the coalition are assisting by providing military forces and capabilities; basing, staging and overflight rights; search and rescue; and planning, logistics, and intelligence support.

Accordingly, the committee recommends a provision that would authorize the Secretary of Defense to provide administrative services and support to coalition liaison officers while they are tempo-

rarily assigned to the headquarters of a combatant command, component command, or subordinate operational command in connection with the planning for, or conduct of, a coalition operation. Additionally, the Secretary would be authorized to pay the travel, subsistence, and similar personal expenses of a liaison officer of a developing country in connection with the assignment of that liaison officer to the headquarters of a combatant command if the assignment is requested by the commander of the combatant command. The Secretary would be authorized to provide the services and support with or without reimbursement.

Use of Warsaw Initiative funds for travel of officials from partner countries (sec. 1212)

The committee recommends a provision that would amend section 1051 of title 10, United States Code, to authorize the Secretary of Defense to pay for the travel-related expenses of personnel from a developing country participating in the North Atlantic Treaty Organization's (NATO) Partnership for Peace (PfP) program. This provision specifically addresses those travel-related expenses incurred when such personnel travel to the territory of any of the countries participating in the PfP program or any of the NATO member countries to attend a bilateral or regional conference, seminar, or similar meeting.

Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities (sec. 1213)

The committee recommends a provision that would extend, through fiscal year 2003, the authority of the Department of Defense to support United Nations-sponsored inspection and monitoring efforts to ensure Iraqi compliance with its international obligations to destroy its weapons of mass destruction programs and associated delivery systems. The provision would limit the assistance that could be provided by the Secretary of Defense to $15.0 million for fiscal year 2003.

Arctic and Western Pacific environmental cooperation program (sec. 1214)

The committee recommends a provision that would authorize the Secretary of Defense to conduct a cooperative program with countries in the Arctic and Western Pacific regions. The Secretary, with the concurrence of the Secretary of State, may provide cooperative assistance or provide assistance on environmental matters in the Arctic and Pacific regions, with certain exceptions. The primary focus of the program would be on technology projects and activities related to radiological threats and contamination. To reflect this focus the provision limits the availability of program funds to no more than 20 percent of such funds on non-radiological matters. The provision would also require the Secretary to submit an annual report on the program that would include a discussion of the activities, the funding, the life cycle costs of any projects, the participants, and any contributions from other agencies or countries. The committee urges the Secretary of Defense to work with the Secretary of State to obtain an agreement with cooperating partners as soon as possible to facilitate program implementation.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Explanation of funding tables

Division B of this Act authorizes funding for military construction projects of the Department of Defense. It includes funding authorizations for the construction and operation of military family housing and military construction for the reserve components, the defense agencies, and the North Atlantic Treaty Organization (NATO) Security Investment program. It also provides authorization for the base closure account that funds environmental cleanup and other activities associated with the implementation of previous base closure rounds.

The following tables provide the project-level authorizations for the military construction funding authorized in Division B of this Act and summarize that funding by account. The tables also display the funding requested by the administration in the fiscal year 2003 budget for military construction and family housing projects.

Funds transferred to the accounts in this title from the DERF are displayed on the tables that follow as increases to the amount requested for those programs in the military construction accounts. Programs for which funds were transferred from the DERF are annotated to indicate that funds were originally requested in the DERF.

As noted earlier in this report, the amounts requested for national defense were decreased by $3.5 billion to reflect the accounting adjustment necessary to fund federal civilian retirement and health benefits under current law, rather than under the accrual basis requested in the administration's budget. The following tables include a reduction of $39.9 million to reflect that portion of this accounting change included in the military construction and family housing accounts.

Summary of FY03 Military Construction Authorizations
(Dollars in Thounsands)

	FY03 Auth Request	Senate Change	Senate Authorized
Military Construction			
Military Construction, Army	1,476,521	125,391	1,601,912
Military Construction, Navy	895,131	342,207	1,237,338
Military Construction, Air Force	644,090	411,220	1,055,310
Military Construction, Defense-Wide	687,535	34,424	721,959
Military Construction, Army National Guard	101,595	81,413	183,008
Military Construction, Air National Guard	53,473	150,586	204,059
Military Construction, Army Reserve	58,779	4,213	62,992
Military Construction, Naval Reserve	51,554	7,117	58,671
Military Construction, Air Force Reserve	31,900	27,983	59,883
Base Realignment & Closure, Defense	545,138	0	545,138
NATO Security Investment Program	168,200	0	168,200
Total Military Construction	4,713,916	1,184,554	5,898,470
Familiy Construction			
Family Housing Construction, Army	283,346	0	283,346
Family Housing Operations & Debt, Army	1,122,274	-8,187	1,114,087
Family Housing Construction, Navy & Marine Corps	375,700	0	375,700
Family Housing Operations & Debt, Navy & Marine Corps	867,788	-2,652	865,136
Family Housing Construction, Air Force	676,694	0	676,694
Family Housing Operations & Debt, Air Force	844,419	20,849	865,268
Family Housing Construction, Defense-Wide	5,480	0	5,480
Family Housing Operations & Debt, Defense-Wide	42,432	-37	42,395
DoD Family Housing Improvement Fund	2,000	0	2,000
Total Family Housing	4,220,133	9,973	4,230,106
Total FY03 Authorizations	8,934,049	1,194,527	10,128,576

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Alabama	Army	Anniston Army Depot	Ammunition Containerization Doors	1,900		1,900
Alabama	Army	Ft. Rucker	UH-60 Parking Apron		3,050	3,050
Alabama	Army	Ft. Rucker	Physical Fitness Center		3,500	3,500
Alabama	Army National Guard	Gadsen	Add/Alter Readiness Center	1,781		1,781
Alaska	Army	Fort Richardson	Barracks Complex - D Street, Phase II	21,000		21,000
Alaska	Army	Fort Wainwright	Infantry Platoon Battle Course	24,000		24,000
Alaska	Army	Fort Wainwright	Automated Sniper Field Fire Range	1,600		1,600
Alaska	Army	Fort Wainwright	Mission Support Training Facility	50,000		50,000
Alaska	Army (Transfer from DERF)	Fort Wainwright	Mylar Window Glazing		910	910
Alaska	Army	Fort Wainwright	Battalion Headquarters	18,000		18,000
Alaska	Army	Fort Wainwright	Vehicle Maintenance Facility	16,500		16,500
Alaska	Army	Ft. Richardson	Community Center		15,000	15,000
Alaska	Air Force	Clear AFS	Upgrade Power Plant	14,400		14,400
Alaska	Air Force	Eielson AFB	Central Heat Plant Bag Houses	21,600		21,600
Alaska	Air Force	Eielson AFB	Blair Lakes Range Maintenance Complex		19,500	19,500
Alaska	TRICARE	Elmendorf AFB	Hospital Construction Claim Payment	10,400		10,400
Alaska	TRICARE	Fort Wainwright	Hospital Replacement, Phase IV	-		0
Arizona	Navy	MCAS Yuma	Combat Aircraft Loading Apron, Phase II	3,000		3,000
Arizona	Air Force	Davis-Monthan AFB	Dormitory (120 Rm)	9,110		9,110
Arizona	Air Force	Davis-Monthan AFB	HH-60 Apron/Taxiway D Shoulder	3,720		3,720
Arizona	Air Force	Davis-Monthan AFB	HH-60 Maintenance Hanger	6,440		6,440
Arkansas	Army	Pine Bluff Arsenal	Non-Stockpile Ammunition Demolition Shop	18,937		18,937
Arkansas	Air Force	Little Rock AFB	C-130J Maintenance Hanger	12,900		12,900
Arkansas	Air Force	Little Rock AFB	C-130J Engine/Propeller Storage Facility	2,100		2,100
Arkansas	Air Force	Little Rock AFB	Add/Alter C-130J Aircrew Fuselage Trainer	2,500		2,500
Arkansas	Air Force	Little Rock AFB	C-130J Maintenance Training Facility	8,100		8,100
Arkansas	Air National Guard	Little Rock AFB	Operations and Training Facility		5,100	5,100
Arkansas	Air National Guard	Ft. Smith MAP	Operations and Training Facility		7,900	7,900
California	Navy	Camp Pendleton	Aviation Armament Shop	6,610		6,610
California	Navy	Camp Pendleton	AAAV Training Complex	28,810		28,810
California	Navy	Camp Pendleton	Fire Protection Pipeline	5,320		5,320
California	Navy (Transfer from DERF)	Camp Pendleton	Force Intelligence Operations Center		20,000	20,000
California	Navy	Camp Pendleton	Bachelor Enlisted Quarters	23,230		23,230
California	Navy	Camp Pendleton	Water Treatment, Reservoir & Distribution	12,000		12,000
California	Navy	NAS Lemoore	Aircraft Parking Apron	8,450		8,450

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
California	Navy	NAS Lemoore	Air Passenger Terminal	8,070		8,070
California	Navy (Transfer from DERF)	NAS Lemoore	Security Upgrades		19,335	19,335
California	Navy	MCAS Miramar	High Explosive Magazine	3,160		3,160
California	Navy	MCAS Miramar	Construction Equipment Shop	5,540		5,540
California	Navy	NAWC Point Mugu	Extend Aircraft Parking Apron	6,760		6,760
California	Navy	NAS San Diego	Replace Pier (San Clemente Island)	6,150		6,150
California	Navy (Transfer from DERF)	NPS Monterey	Replace Perimeter Security Fence		2,020	2,020
California	Navy (Transfer from DERF)	NS San Diego	Perimeter Security Lighting		1,580	1,580
California	Navy	NS San Diego	Pier 2 Electrical Upgrade	3,530		3,530
California	Navy (Transfer from DERF)	NS San Diego	Security Lights, Piers and Quaywalls		7,100	7,100
California	Navy	MAGTFC Twentynine Palms	Bachelor Enlisted Quarters	25,770		25,770
California	Navy	Port Hueneme NCTC	Seabee Training Facility		6,957	6,957
California	Navy	MCB Camp Pendleton	Child Development Center		8,230	8,230
California	Air Force	Beale AFB	Global Hawk Squadron Ops/Maint Facility	3,670		3,670
California	Air Force	Beale AFB	Global Hawk Upgrade Maintenance Dock	4,600		4,600
California	Air Force	Beale AFB	Global Hawk Dining Facility	3,470		3,470
California	Air Force	Travis AFB	Electrical System Replacement & Supporting Infrastructure		11,300	11,300
California	Air Force	Travis AFB	Aircraft Parts Store		8,000	8,000
California	Air Force	Travis AFB	Simulator Facility		4,600	4,600
California	Air Force	Vandenberg AFB	Upgrade Water Distribution System, Phase II	7,400		7,400
California	Air Force	Vandenberg AFB	Install Stormwater Drainage	3,100		3,100
California	DLA	Travis AFB	Replace Bulk Fuel Storage Tanks	16,000		16,000
California	Army National Guard	Moreno Valley	Readiness Center (ADRS)	12,044		12,044
California	Army National Guard	San Diego	OMS (ADRS)	6,774		6,774
California	Army Reserve	Vallejo	OMS/Marine/AMSA	6,501		6,501
California	Air National Guard	Sepulveda ANGS	Communications and Electronics Training Facility		7,000	7,000
California	Air Force Reserve	March AFB	Alter General Maintenance Shops		2,000	2,000
California	Air Force Reserve	March AFB	Add/Alter Squadron Operations		1,700	1,700
California	Air Force Reserve	March AFB	Alter Life Support		3,000	3,000
Colorado	Army	Fort Carson	Truck Loading/Unloading Docks	1,100		1,100
Colorado	Army	Fort Carson	Barracks Complex - Nelson Blvd, Phase II	42,000	0	42,000
Colorado	Army	Pueblo Depot	Ammunition Demilitarization Facility, Phase IV	38,000		38,000
Colorado	Air Force (Transfer from DERF)	USAF Academy	Perimeter Fence, Cadet Area, Phase I		4,200	4,200
Colorado	Air Force	Buckley AFB	Add/Alter SBIRS Mission Control Station	6,900		6,900

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Colorado	Air Force	Buckley AFB	Wing Headquarters/Administrative Facility	10,800		10,800
Colorado	Air National Guard	Buckley AFB	Control Tower		5,900	5,900
Delaware	Air National Guard	New Castle County AP	Parking Apron/Taxiway		10,800	10,800
Colorado	Air Force (Transfer from DERF)	Peterson AFB	NORAD Battle Management Center		3,500	3,500
Colorado	Air Force (Transfer from DERF)	Peterson AFB	AT/FP Site Improvements		2,000	2,000
Colorado	Air Force (Transfer from DERF)	Schriever AFB	Visitors Center/Entry Control Gates		5,700	5,700
Connecticut	Navy (Transfer from DERF)	NSB New London	Gate 1 Security Improvements		4,080	4,080
Connecticut	Navy (Transfer from DERF)	NSB New London	Gate 7 Truck Access Security		3,800	3,800
District of Columbia	Army (Transfer from DERF)	Walter Reed AMC	Electric Switch Station		7,400	7,400
District of Columbia	Army (Transfer from DERF)	Walter Reed AMC	Physical Security, Forest Glenn		2,550	2,550
District of Columbia	Navy	MCB Washington, D.C.	Site Improvements	3,700		3,700
District of Columbia	Navy (Transfer from DERF)	ND Washington, D.C	O Street Visitor Processing Center		2,690	2,690
District of Columbia	Air Force (Transfer from DERF)	Bolling AFB	Security Forces Operations Facility		3,500	3,500
District of Columbia	Air Force (Transfer from DERF)	Bolling AFB	Perimeter Wall, North Gate		1,500	1,500
District of Columbia	DIA	Bolling AFB	Analysis Center	121,958		121,958
District of Columbia	Defense (WHS)	District Of Columbia	Parking Garage	2,500		2,500
Florida	Navy	Eglin AFB	Advanced Explosive Ordnance Disposal Tng Fac	6,350		6,350
Florida	Navy (Transfer from DERF)	NAS Jacksonville	Birmingham Gate Security Improvements		1,890	1,890
Florida	Navy (Transfer from DERF)	NAS Jacksonville	Commercial Gate Security Improvements		2,680	2,680
Florida	Navy (Transfer from DERF)	NAS Jacksonville	Yorktown Gate Security Improvements		2,200	2,200
Florida	Navy (Transfer from DERF)	NAS Mayport	Perimeter Security Upgrades		1,900	1,900
Florida	Navy	NAS Pensacola	Runway Approach Lights	990		990
Florida	Navy	Panama City	Naval Special Warfare Facility		10,700	10,700
Florida	Air Force (Transfer from DERF)	Eglin AFB	Barriers and Intrusion Detection System		1,050	1,050
Florida	Air Force (Transfer from DERF)	Eglin AFB	Security Fencing		3,200	3,200
Florida	Air Force	Hurlburt Field	Dormitory (144 Rm)	9,000		9,000
Florida	Air Force (Transfer from DERF)	Hurlburt Field	Force Protection, HQ AFSOC, Phase I		3,500	3,500
Florida	Air Force (Transfer from DERF)	Hurlburt Field	Force Protection, HQ 16 SOW, Phase II		2,500	2,500
Florida	Air Force (Transfer from DERF)	MacDill AFB	AT/FB Gates		7,000	7,000
Florida	SOCOM	Hurlburt Field	Add/Alter Command & Operations Facility	9,000		9,000
Florida	SOCOM	Hurlburt Field	Alter Facilities for CV-22	2,100		2,100
Florida	Air Force Reserve (Transfer from DERF)	Homestead ARS	Perimeter Fence		1,100	1,100
Georgia	Army (Transfer from DERF)	Fort Benning	Access Control Points		8,000	8,000
Georgia	Army	Fort Benning	Barracks Complex - Main Post, Phase I	45,000		45,000
Georgia	Army	Fort Benning	Urban Assault Course	3,250		3,250

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Georgia	Army	Fort Stewart	Saber Hall Complex	26,000		26,000
Georgia	Air Force	Warner-Robins AFB	Corrosion Control Depaint Facility		24,000	24,000
Georgia	Navy (Transfer from DERF)	NSB Kings Bay	Stimson Gate Security Improvements		1,580	1,580
Georgia	Air Force (Transfer from DERF)	Robins AFB	Base Entrance/Visitors Facility		5,400	5,400
Georgia	Naval Reserve	Atlanta	Bachelor Enlisted Quarters	6,730		6,730
Georgia	Naval Reserve	Savannah	Marine Corps Reserve Center	5,900		5,900
Georgia	Air National Guard (Transfer from DERF)	Savannah IAP	Relocate Base Entrance		1,450	1,450
Georgia	Air Force Reserve (Transfer from DERF)	Dobbins ARB	Visitor Center		2,000	2,000
Hawaii	Army	Schofield Barracks	Barracks Complex - Capron Ave, Phase I	49,000		49,000
Hawaii	Army	Schofield Barracks	Barracks Complex - Quad C	42,000		42,000
Hawaii	Army	Pohakuloa Training Area	Saddle Road Access, Phase II		13,000	13,000
Hawaii	Navy	MCB Hawaii	Religious Ministry Facility		9,500	9,500
Hawaii	Navy	Ford Island	Electrical System Upgrade		19,400	19,400
Hawaii	Navy	NS Pearl Harbor	Recapitalize Bravo Wharfs	10,490		10,490
Hawaii	Navy (Transfer from DERF)	NS Pearl Harbor	Security Lighting		4,200	4,200
Hawaii	Air Force (Transfer from DERF)	Hickam AFB	Flightline Security Fencing and Gates, Phase I		1,350	1,350
Hawaii	Msl Defense Agency	Kauai	THAAD Test Facility	23,400		23,400
Hawaii	TRICARE	Hickam AFB	Life Skills Clinic Replacement	2,700		2,700
Hawaii	Army National Guard	Barbers Point	Administrative Building, Add/Alter, Phase I	22,473		22,473
Idaho	Air National Guard	Gowen Field	Air Support Squadron Beddown		6,800	6,800
Illinois	Navy (Transfer from DERF)	NTC Great Lakes	Commercial Truck Inspection Station		1,620	1,620
Illinois	Navy (Transfer from DERF)	NTC Great Lakes	Intrusion Resistent Gates		6,470	6,470
Illinois	Navy	NTC Great Lakes	Recruit Barracks	43,360		43,360
Illinois	Navy	NTC Great Lakes	Recruit Barracks	41,740		41,740
Indiana	Army	Newport Army Ammunition Plant	Ammunition Demilitarization Facility, Phase V	61,494		61,494
Indiana	Air Force Reserve	Grissom ARB	Add/Alter Aircraft Maintenance Hangar		6,000	6,000
Iowa	Air National Guard	Sioux Gateway Airport	KC-135 Upgrade Aircraft Maint Hangar & Shops	6,900		6,900
Iowa	Air National Guard	Sioux Gateway Airport	KC-135 Upgrade Shops & Ops Facility	4,800		4,800
Iowa	Air National Guard	Des Moines	Upgrade Airfield Facilities		9,200	9,200
Kansas	Army (Transfer from DERF)	Fort Leavenworth	Access Control Points		3,150	3,150
Kansas	Army (Transfer from DERF)	Fort Riley	Access Control Gates		6,000	6,000
Kansas	Army	Fort Riley	Barracks Complex - Infantry Drive East	41,000		41,000
Kansas	Army	Fort Riley	Combined Arms Collective Training Facility, Phase I		13,800	13,800
Kansas	Army National Guard	Fort Riley	OMS Add/Alter (ADRS)	770		770
Kansas	Army National Guard	Kansas City	OMS Add/Alter (ADRS)	771		771

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Kansas	Army National Guard	Topeka	Armed Forces Reserve Center	14,607		14,607
Kentucky	Army	Blue Grass Army Depot	Railyard Infrastructure	5,500		5,500
Kentucky	Army	Blue Grass Army Depot	Ammunition Demilitarization Facility, Phase III	10,300		10,300
Kentucky	Army	Blue Grass Army Depot	Ammunition Demilitarization Support, Phase III	8,300		8,300
Kentucky	Army	Fort Campbell	Barracks Complex - Range Road, Phase I	49,000		49,000
Kentucky	Army	Ft. Knox	Child Development Center		6,800	6,800
Louisiana	Army	Fort Polk	Digital Mulit-Purpose Training Range	31,000		31,000
Louisiana	Air Force	Barksdale AFB	Dormitory (168 Rm)	10,900		10,900
Louisiana	Air Force	Barksdale AFB	Replace Parking Ramp		12,000	12,000
Louisiana	DLA	NASJRB New Orleans	Replace Bulk Fuel Storage Tanks	9,500		9,500
Louisiana	Naval Reserve	NAS JRB New Orleans	Engine Maintenance Shop Addition	1,500		1,500
Louisiana	Naval Reserve	NAS JRB New Orleans	Hazardous Material Storage	2,690		2,690
Louisiana	Naval Reserve (Transfer from DERF)	NAS JRB New Orleans	Perimeter Road and Fencing		1,510	1,510
Louisiana	Naval Reserve	New Orleans	Runway And Taxiway Extension	14,600		14,600
Louisiana	Air National Guard	NASJRB New Orleans	Replace Vehicle Maint/Aircraft Spt Equip Complex		5,500	5,500
Maine	Navy	Portsmouth NSY	AT/FP Improvements	11,600		11,600
Maine	Navy	NAS Brunswick	Air Traffic Control Tower		9,830	9,830
Maine	Navy (Transfer from DERF)	Portsmouth NSY	Gate 1 Security Improvements		3,600	3,600
Maryland	Army	Aberdeen Proving Ground	Ammunition Demilitarization Facility, Phase V	30,600		30,600
Maryland	Army	Fort Detrick	Barracks Complex - Porter Street South	16,000		16,000
Maryland	Army	Fort Detrick	Community Support Center	3,700		3,700
Maryland	Navy	Andrews AFB	BEQ Replacement	9,680		9,680
Maryland	Navy	NSWC Carderock Division	National Maritime Tech Information Center		12,900	12,900
Maryland	Air Force (Transfer from DERF)	Andrews AFB	AT/FP Vehicle Gates		4,100	4,100
Maryland	Air Force (Transfer from DERF)	Andrews AFB	AT/FP improvements Harbor Gate		5,500	5,500
Maryland	NSA	Fort Meade	Operations Bldg 1 Stair Tower	2,588		2,588
Maryland	NSA	Fort Meade	Perimeter Security	1,896		1,896
Massachusetts	Air Force	Hanscom AFB	Add/Alter Fitness Center	7,700		7,700
Massachusetts	Air Force	Fourth Cliff, Scituate	Erosion Control and Retaining Wall		9,500	9,500
Michigan	Army National Guard	Lansing	Multi-Unit Readiness Center		16,928	16,928
Michigan	Air National Guard	Selfridge ANGB	Joint Dining Facility		8,500	8,500
Minnesota	Air National Guard	Duluth	Composite Maint Facility Modernization, Phase II		15,000	15,000
Michigan	Air National Guard (Transfer from DERF	Selfridge ANGB	Add Security Fence		1,000	1,000
Minnesota	Naval Reserve (Transfer from DERF)	NRC Cheyenne	Harden NRC Building		1,450	1,450
Mississippi	Navy	NCBC Gulfport	Communications/Instruction Facility	5,460		5,460

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Mississippi	Navy	NS Pascagoula	Construct New Navy Channel	4,160		4,160
Mississippi	Navy	NS Pascagoula	BEQ Shipboard Ashore, Phase I		12,800	12,800
Mississippi	Navy	NAS Meridian	Replace Control and Beacon Tower		2,850	2,850
Mississippi	Air Force	Keesler AFB	Student Dormitory (200 Rm)	22,000		22,000
Mississippi	Air National Guard	Jackson IAP	C-17 Replace Fuel Cell Hangar/Shops	25,000		25,000
Mississippi	Air National Guard	Jackson IAP	C-17 Construct Maintenance Training Facility	4,100		4,100
Mississippi	SOCOM	Stennis Space Center	SOF Training Range		5,000	5,000
Missouri	Army	Fort Leonard Wood	Tactical Vehicle Simulator Building	15,500		15,500
Missouri	Army National Guard	Ft. Leonard Wood	Army Aviation Support Facility		14,767	14,767
Missouri	Air National Guard	Lambart-St. Louis IAP	Upgrade Facilities		5,000	5,000
Montana	Naval Reserve	Billings	Reserve Center/Land Acquisition	5,905		5,905
Montana	Air National Guard	Great Falls IAP	Munitions Load Crew Training Facility		3,500	3,500
Nebraska	Air Force	Offutt AFB	Fire/Crash Rescue Station		11,000	11,000
Nebraska	Army National Guard	Lincoln	Readiness Center Add/Alter (ADRS)	757		757
Nebraska	Army National Guard	Norfolk	Organizational Maintenance Shop (ADRS)	3,666		3,666
Nebraska	Army Reserve	Lincoln	AR Center/OMS/Unheated Storage	8,732		8,732
Nevada	Air Force	Nellis AFB	Land Acquisition	15,000		15,000
Nevada	Air Force	Nellis AFB	F-22 Munitions Maintenance Facility	3,170		3,170
Nevada	Air Force	Nellis AFB	Dormitory (144 Rm)	12,280		12,280
Nevada	Air Force	Nellis AFB	Land Acquisition		19,500	19,500
New Hampshire	Air National Guard	Pease ANGB	Fire Station		4,450	4,450
Nevada	Air Force (Transfer from DERF)	Nellis AFB	Explosive Ordance Disposal Facility		6,900	6,900
New Jersey	Air Force	McGuire AFB	C-17 Flightline Operations Facilities	24,631		24,631
New Jersey	Navy	Lakehurst NAWC	Fire Rescue Station		5,200	5,200
New Mexico	Air Force	Kirtland AFB	Visiting Airmen/Officers Quarters		8,400	8,400
New Mexico	Air Force	Holloman AFB	Survival Equipment Shop		4,650	4,650
New Jersey	Navy (Transfer from DERF)	NWS Earle	Water Front Main Gate Security Improvements		5,600	5,600
New Mexico	Air Force (Transfer from DERF)	Cannon AFB	Replace Security Forces Operations Facility		4,650	4,650
New Mexico	Air Force (Transfer from DERF)	Kirtland AFB	Upgrd Munitions Maint Storage Complex Security		11,000	11,000
New Mexico	Air Force (Transfer from DERF)	Kirtland AFB	Relocate Truman gate		2,500	2,500
New York	Army	Fort Drum	Shoot House	1,500		1,500
New York	DODEA	West Point	West Point ES Classroom Addition	3,898		3,898
New York	DODEA (DERF)	West Point	West Point ES Classroom Addition		449	449
New York	Army Reserve	Oswego	Reserve Center/OMS/Unheated Storage	5,492		5,492
New York	Naval Reserve	Syracuse	Vehicle Maintenance Facility	2,030		2,030

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New York	Air Force Reserve	Niagara Falls ARS	Visiting Airmen Quarters, Phase 1		9,000	9,000
North Carolina	Army	Fort Bragg	Barracks Complex - Butner Road, Phase III	50,000		50,000
North Carolina	Army	Fort Bragg	Barracks Complex - Armistead Street	50,000		50,000
North Carolina	Army	Fort Bragg	Consolidated Fuel Facility	17,500		17,500
North Carolina	Army (Transfer from DERF)	Fort Bragg	Force Protection Plan, Phase II		18,000	18,000
North Carolina	Navy	Camp Lejeune	Fitness Center Addition	5,370		5,370
North Carolina	Navy	MCAS Cherry Point	T-56 Test Cell	6,040		6,040
North Carolina	Navy	MCAS New River	Property Control Facility	6,920		6,920
North Carolina	Air Force	Pope AFB	Dormitory (144 Rm)	9,700		9,700
North Carolina	Air Force	Seymour Johnson AFB	Fire/Crash Rescue Station		10,600	10,600
North Carolina	DODEA	Camp Lejeune	Berkeley Manor ES Replace School	10,884		10,884
North Carolina	DODEA (DERF)	Camp Lejeune	Berkeley Manor ES Replace School		1,254	1,254
North Carolina	DODEA	Fort Bragg	Butner ES Classroom Addition	900		900
North Carolina	DODEA (DERF)	Fort Bragg	Butner ES Classroom Addition		104	104
North Carolina	DODEA	Fort Bragg	McNair ES Classroom Addition	925		925
North Carolina	DODEA (DERF)	Fort Bragg	McNair ES Classroom Addition		107	107
North Carolina	SOCOM	Fort Bragg	SOF Weapons Training Facility	19,200		19,200
North Carolina	SOCOM	Fort Bragg	SOF Renovate Bryant Hall	11,600		11,600
North Carolina	Army National Guard	Elizabeth City	Motor Vehicle Storage Compound (ADRS)	208		208
North Carolina	Air National Guard (Transfer from DERF	Charlotte/Douglas Iap	Relocate Road and Gate House		2,500	2,500
North Carolina	Army Reserve	Fort Bragg	Add/Alter Reserve Center	1,624		1,624
North Dakota	Air Force	Minot AFB	CALCM Storage Facility		18,000	18,000
Ohio	Air Force	Wright-Patterson AFB	Dormitory (144 Rm)	10,400		10,400
Ohio	Air Force	Wright-Patterson AFB	AFIT Graduate Facility Upgrade		13,000	13,000
Ohio	Air Force (Transfer from DERF)	Wright-Patterson AFB	Small Arms Range Complex		12,000	12,000
Ohio	DLA	Columbus	Physical Fitness Facility	5,021		5,021
Ohio	Naval Reserve (Transfer from DERF)	NMCRC Columbus	Harden NRC Building		1,040	1,040
Ohio	Air Force Reserve (Transfer from DERF)	Youngstown Air Reserve Station	Visitors Center		2,500	2,500
Oklahoma	Army	Ft. Sill	Consolidated Maintenance Complex, Phase I		10,000	10,000
Oklahoma	Air Force	Altus AFB	Consolidated Base Engineer Complex, Phase I		7,700	7,700
Oklahoma	Air Force	Vance AFB	Elam Road Repair		4,800	4,800
Oregon	Air National Guard (Transfer from DERF	Klamath Falls Apt-Kingsley Field	Replace Cantonment Area Fence		1,000	1,000
Oregon	Air Force Reserve	Portland IAP	Consolidated Training, Phase I	1,609		1,609
Oregon	Air Force Reserve	Portland IAP	Alter Maintenance Shops	2,650		2,650
Oregon	Air Force Reserve	Portland IAP	Hydrant Refueling System, Phase I	6,400		6,400

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Oregon	Air Force Reserve	Portland IAP	Alter Maintenance Hangar	525		525
Pennsylvania	Army	Letterkenny Army Depot	Ammunition Road Infrastructure	1,550		1,550
Pennsylvania	Air National Guard	Pittsburgh IAP	Add/Alter Squadron Operations and Support Facilities		7,700	7,700
Rhode Island	Navy	NS Newport	Police/Security/Fire/Gate		9,030	9,030
Pennsylvania	Air National Guard (Transfer from DERF	Ft Indiantown Gap AGS	Base Entrance/Relocate Road/Fencing		2,300	2,300
South Carolina	Army	Fort Jackson	Basic Combat Training Complex, Phase III	39,000		39,000
South Carolina	Navy	MCAS Beaufort	Aircraft Acoustical Enclosure	13,700		13,700
South Carolina	Navy	MCRD Parris Island	All Weather Training Facility	7,410		7,410
South Carolina	Navy	MCRD Parris Island	Recruit Training Facility Addition	3,080		3,080
South Carolina	Air Force	Shaw AFB	Fighter Squadron Maintenance Facility		6,500	6,500
South Carolina	Air National Guard	McEntire ANGB	Replace Operations and Training Facility		10,200	10,200
South Carolina	Navy (Transfer from DERF)	NWS Charleston	Security Facilities Consolidation		5,740	5,740
South Carolina	DODEA	Fort Jackson	Hood St ES Classroom Addition	865		865
South Carolina	DODEA (DERF)	Fort Jackson	Hood St ES Classroom Addition		100	100
South Carolina	DODEA	Fort Jackson	Pierce Terrace ES Classroom Addition	1,382		1,382
South Dakota	Air Force	Ellsworth AFB	37th Bomb Squadron Operations Facility		13,200	13,200
South Dakota	Army National Guard	Camp Rapid	Barracks/Dining /Admin and Parking Complex Phase I		10,593	10,593
South Carolina	DODEA (DERF)	Fort Jackson	Pierce Terrace ES Classroom Addition		159	159
Texas	Army (Transfer from DERF)	Fort Hood	Access Control Buildings/Security Fencing		24,000	24,000
Texas	Army	Fort Hood	Barracks Complex - Clear Creek Road	45,000		45,000
Texas	Navy	NAS Kingsville	Upgrade Airfield Lighting And Controls	6,210		6,210
Texas	Navy	NS Ingleside	Mine Warfare Training Center Addition		5,480	5,480
Texas	Air Force	Lackland AFB	Student Dormitory (200 Rm)	18,500		18,500
Texas	Air Force (Transfer from DERF)	Lackland AFB	Mil Operations in Urban Terrain Site		13,000	13,000
Texas	Air Force (Transfer from DERF)	Lackland AFB	Mil Operations in Urban Terrain Site (Camp Bullis)		6,000	6,000
Texas	Air Force (Transfer from DERF)	Lackland AFB	Visiting Quarters (Camp Bullis)		4,000	4,000
Texas	Air Force	Sheppard AFB	Dormitory (144 Rm)	10,000		10,000
Texas	Air Force	Sheppard AFB	Euro-NATO Joint Pilot Training Flight Simulator	6,000		6,000
Texas	Air Force	Goodfellow AFB	Wing Support Complex		10,600	10,600
Texas	Air National Guard	Ft. Bliss	Base Defense Training Center		8,700	8,700
Texas	Army Reserve	Grand Prairie	Army Reserve Center/OMS/DSGS	9,113		9,113
Texas	Naval Reserve (Transfer from DERF)	NAS JRB Ft. Worth	Base Pass/ID/Visitor's Center		1,500	1,500
Texas	Naval Reserve	Waco	Vehicle Maintenance/Supply Storage Facility	4,140		4,140
Utah	Air Force	Hill AFB	Consolidated Software Support Facility		16,500	16,500
Vermont	Army National Guard	South Burlington	Readiness Center		11,241	11,241

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Virginia	Navy (Transfer from DERF)	NAB Little Creek	Fleet Information Warfare Center		5,370	5,370
Virginia	Navy (Transfer from DERF)	NAB Little Creek	New Truck Access Gate		4,400	4,400
Virginia	Navy	NSWC Dahlgren	Theater Warfare Integration Center	9,230		9,230
Virginia	Navy (Transfer from DERF)	NSWC Dahlgren	Chemical/Biological Det Facility Addition		6,600	6,600
Virginia	Navy	NS Norfolk	Upgrade Electrical Distribution, Phase III	25,160		25,160
Virginia	Navy	NS Norfolk	Aircraft Recap, Phase III	11,290		11,290
Virginia	Navy	NS Norfolk	Aircraft Maintenance Facilities	34,450		34,450
Virginia	Navy	NS Norfolk	BEQ, Shipboard Ashore, Phase I	37,310		37,310
Virginia	Navy	NS Norfolk	Shoreline Security Fencing	2,030		2,030
Virginia	Navy	NS Norfolk	Pier Replacement, Phase II	33,520		33,520
Virginia	Navy (Transfer from DERF)	NS Norfolk	Main Gate Improvements		2,200	2,200
Virginia	Navy (Transfer from DERF)	NS Norfolk	Gate 3A Security Improvements		4,005	4,005
Virginia	Navy (Transfer from DERF)	NS Norfolk	Gate 2 Security Improvements		4,400	4,400
Virginia	Navy (Transfer from DERF)	NSA Norfolk	Gate 5 Security Imrovements		2,260	2,260
Virginia	Navy	NAS Oceana	Airfield Approach Lighting	2,000		2,000
Virginia	Navy (Transfer from DERF)	NAS Oceana	Airfield Perimeter Security		10,500	10,500
Virginia	Navy (Transfer from DERF)	NAS Oceana	Post 1 Security Improvements		3,990	3,990
Virginia	Navy	NSY Portsmouth	AT/FP Improvements	19,660		19,660
Virginia	Navy	MCCDC Quantico	Armory/Fleet Weapons Support Facility	4,234		4,234
Virginia	Navy	MCCDC Quantico	BEQ (OCS)	10,280		10,280
Virginia	Navy	MCCDC Quantico	BEQ Addition, SNCO	5,040		5,040
Virginia	Navy	NWS Yorktown	BEQ Replacement	15,020		15,020
Virginia	Navy	Norfolk NSY	Ship Components Service Facility		16,810	16,810
Virginia	Air Force (Transfer from DERF)	Langley AFB	ACC Operations Support Center		24,000	24,000
Virginia	Air Force	Langley AFB	F-22 Squadron Ops/AMU	20,800		20,800
Virginia	Air Force	Langley AFB	F-22 Flight Simulator	8,120		8,120
Virginia	Air Force	Langley AFB	Dormitory (96 Rm)	8,320		8,320
Virginia	Air Force	Langley AFB	F-22 Infrastructure And Utilities	10,700		10,700
Virginia	Army National Guard	Ft. Pickett	Maneuver and Training Equipment Site, Phase II		8,957	8,957
Virginia	Defense (WHS)	Arlington	Land Acquisition	18,000		18,000
Virginia	DLA	Def Distribution Depot Richmond	Renovate Operations Center	5,500		5,500
Virginia	DTRA	Fort Belvoir	Headquarters Relocation	50,188		50,188
Virginia	DODEA	Quantico	Ashurst ES Classroom Addition	1,272		1,272
Virginia	DODEA (DERF)	Quantico	Ashurst ES Classroom Addition		146	146
Virginia	SOCOM	Little Creek	SOF Operations Trainer	4,400		4,400

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Virginia	SOCOM	Little Creek	SOF Seal Team Operations Facility	9,900		9,900
Virginia	Army Reserve	Fort Story	Readiness Center,OMS,AMSA,Storage	12,385		12,385
Virginia	Naval Reserve	Norfolk	Reserve Center Addition	4,770		4,770
Washington	Army	Fort Lewis	Combined Arms Collective Training Facility	29,800		29,800
Washington	Army	Fort Lewis	Battle Simulation Center	24,000		24,000
Washington	Army	Fort Lewis	Barracks Complex - 17th & B Street, Phase III	50,000		50,000
Washington	Navy	SWFP Bangor	Missiles Spares Storage Building	7,340		7,340
Washington	Navy (Transfer from DERF)	NSB Bangor	Small Arms Training Center		16,410	16,410
Washington	Navy	NSB Bangor	Relocate Encumbered Waterfront Shops	5,900		5,900
Washington	Navy	NS Bremerton	BEQ Shipboard Ashore	35,120		35,120
Washington	Navy (Transfer from DERF)	NS Bremerton	Ship Movements Office with Control Tower		2,200	2,200
Washington	Navy	NS Bremerton	Waterfront Revitalization	8,550		8,550
Washington	Navy	NM Port Hadlock	Ammunition Wharf Improvements	4,030		4,030
Washington	Navy	NSY Puget Sound	Industrial Waste Treatment Facility	11,390		11,390
Washington	Navy	NSY Puget Sound	Waterfront Support Facilities	21,072		21,072
Washington	Navy	NSY Puget Sound	AT/FP Improvements	21,670		21,670
Washington	Navy	NAS Whidbey Island	Aircraft Direct Refueling Facility	9,180		9,180
Washington	Army National Guard	Spokane	Combined Readiness Center		11,598	11,598
Washington	Navy (Transfer from DERF)	NAS Whidbey Island	Ault Field Security Fencing		8,400	8,400
West Virginia	Army National Guard	Summersville	Readiness Center	6,800		6,800
West Virginia	Army National Guard	Lewisburg	Readiness Center		5,624	5,624
West Virginia	Air National Guard	Martinsburg	Site Improvements & Utilities		12,200	12,200
Wisconsin	Army National Guard	Camp Williams	United States Prop. & Fiscal Office Warehouse	6,045		6,045
Wisconsin	Army National Guard	Madison	United States Property And Fiscal Office	5,245		5,245
Wisconsin	Army Reserve	Fort McCoy	Battalion Dining Facility	5,117		5,117
Wisconsin	Army Reserve	Ft. McCoy	Battle Simulation Center		3,863	3,863
Wyoming	Air Force	F.E. Warren AFB	Storm Drainage System, Phase I		10,000	10,000
Wyoming	Naval Reserve (Transfer from DERF)	Cheyenne	Harden NRC Building		1,240	1,240
Conus Various	JCS (Transfer from DERF)	Unspecified Worldwide Locations	CINC HQ for Homeland Defense		25,000	25,000
Bahrain	Navy	NSA Bahrain	Installation Service Support Center	25,970		25,970
Belgium	Army	SHAPE HQ	Barracks Complex - Chievres	13,600		13,600
Belgium	DODEA	Mons	SHAPE ES Classroom Addition	1,410		1,410
Belgium	DODEA (DERF)	Mons	SHAPE ES Classroom Addition		163	163
Cuba	Navy (Transfer from DERF)	NS Guantanamo	Security Upgrades		4,280	4,280

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Germany	Army	Bamberg	Child Development Center	7,000		7,000
Germany	Army	Bamberg	Barracks Complex - Warner Bldg 7002	10,200		10,200
Germany	Army (Transfer from DERF)	Cambell Barracks	Window Replacement		8,300	8,300
Germany	Army (Transfer from DERF)	Coleman Barracks	Upgrade Access Cotrol/Perimeter Security		1,350	1,350
Germany	Army	Darmstadt	Modified Record Fire Range, Automated	3,500		3,500
Germany	Army	Grafenwoehr	Brigade Complex-Site Preparation	10,000		10,000
Germany	Army	Grafenwoehr	Brigade Complex - Utilities Infrastructure	46,666		46,666
Germany	Army	Grafenwoehr	Brigade Complex-Barracks	13,200		13,200
Germany	Army (Transfer from DERF)	Landstuhl Hospital	Upgrade Access Control/Facilities		1,100	1,100
Germany	Army (Transfer from DERF)	Landstuhl Hospital	Upgrade Access Control/Perimeter Security		1,300	1,300
Germany	Army	Mannheim	Barracks Complex - Coleman Bldg 18	42,000		42,000
Germany	Army	Schweinfurt	Central Vehicle Wash Facility	2,000		2,000
Germany	Air Force (Transfer from DERF)	Ramstein AB	Large Vehicle Security Inspection Station		1,600	1,600
Germany	Air Force	Ramstein AB	Combined Fleet Service/In-Flight Kitchen	7,500		7,500
Germany	Air Force	Ramstein AB	KMC Center Support	21,300		21,300
Germany	Air Force	Ramstein AB	Passenger Terminal Annex	17,683		17,683
Germany	Air Force	Ramstein AB	Ramp 1, Phase 1	23,700		23,700
Germany	DODEA	Kaiserlautern AB	Ramstein ES Classroom Addition	858		858
Germany	DODEA (DERF)	Kaiserlautern AB	Ramstein ES Classroom Addition		99	99
Germany	DODEA	Spangdahlem AB	Spangdahlem ES Classroom Addition	894		894
Germany	DODEA (DERF)	Spangdahlem AB	Spangdahlem ES Classroom Addition		103	103
Germany	TRICARE	Spangdahlem AB	Hospital Replacement	39,629		39,629
Greece	Navy	Larissa	BEQ And Support Facility	14,800		14,800
Guam	Air Force	Andersen AFB	Fitness Center	16,000		16,000
Guam	Air Force (Transfer from DERF)	Andersen AFB	Replace Base Water Supply System		15,000	15,000
Guam	DLA	Andersen AFB	Replace Hydrant Fuel System, Phase IV	17,586		17,586
Iceland	Navy	NAS Keflavik	Combined Dining Facility	14,920		14,920
Italy	Army	Vicenza	Child Development Center	3,700		3,700
Italy	Army	Vicenza	Barracks Complex-Camp Ederle	31,000		31,000
Italy	Navy (Transfer from DERF)	NAS Sigonella	Off Base Access Road Improvements		11,300	11,300
Italy	Navy	NAS Sigonella	QOL Support II	33,530		33,530
Italy	Navy	NAS Sigonella	Parking Garage And Perimeter Security Upgrade	19,560		19,560
Italy	Air Force (Transfer from DERF)	Aviano Bachelor Housing Annex #1	Consolidate Area A1 & Area A2 for FP		5,000	5,000
Italy	Air Force (Transfer from DERF)	Aviiano AB	Large Vehicle Inspection Station		1,600	1,600
Italy	DODEA	Vicenza	Vicenza ES Classroom Addition	1,898		1,898

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Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Italy	DODEA (DERF)	Vicenza	Vicenza ES Classroom Addition		219	219
Italy	TRICARE	Naples	Medical/Dental Facility Replacement	41,449		41,449
Japan	Air Force (Transfer from DERF)	Kadena AB	Visitor & Traffic Control Fac & Security Fencing		6,000	6,000
Japan	DLA	Yokota AB	Bulk Fuel Storage Tanks	23,000		23,000
Korea	Army	Camp Carroll	Barracks Complex	20,000		20,000
Korea	Army	Camp Castle	Physical Fitness Training Center	6,800		6,800
Korea	Army	Camp Hovey	Barracks Complex	25,000		25,000
Korea	Army	Camp Humphreys	Barracks Complex	36,000		36,000
Korea	Army	Camp Walker	Barracks Complex	10,200		10,200
Korea	Army (Transfer from DERF)	Camp Tango	Communications and Commo Hardening		12,600	12,600
Korea	Army	K-16 Airfield	Barracks Complex	40,000		40,000
Korea	Air Force	Osan AB	Dormitory (156 Rm)	15,100		15,100
Korea	DODEA	Seoul	Seoul MS Replacement	28,409		28,409
Korea	DODEA (DERF)	Seoul	Seoul MS Replacement		3,274	3,274
Mariana Islands	Navy	Guam	BEQ Replacement	13,400		13,400
Mariana Islands	DLA	Guam	Marine Loading Arms	6,000		6,000
Portugal	DLA	Def FSP Lajes Field Azores	Replace Hydrant Fuel System	19,000		19,000
Portugal	DODEA	Lajes AB	Lajes ES Classroom Addition	1,069		1,069
Portugal	DODEA (DERF)	Lajes AB	Lajes ES Classroom Addition		123	123
Qatar	Army	Qatar	Unaccompanied Personnel Housing	8,600		8,600
Spain	Navy	Torrejon AB	NEX/MWR Facility	2,890		2,890
Spain	Navy (Transfer from DERF)	NS Rota	Security Complex		18,700	18,700
Spain	Air Force	NS Rota	Aircraft Parking Apron, Phase I	31,818		31,818
Spain	DLA	NS Rota	Hydrant Fuel System	23,400		23,400
Turkey	Air Force (Transfer from DERF)	Incirlik AB	Large Vehicle Security Inpsection Station		1,550	1,550
United Kingdom	Navy	NSF Diego Garcia	Physical Readiness Center	8,370		8,370
United Kingdom	Navy	NSF Diego Garcia	Waterfront Operations Support Facility	2,720		2,720
United Kingdom	Air Force	Diego Garcia	B-2 Aircraft Parking Apron, Phase I	17,100		17,100
United Kingdom	Air Force	RAF Fairford	B-2 Maintenance Hangar/Apron	19,000		19,000
United Kingdom	Air Force	RAF Lakenheath	Mobility Processing Facility	2,600		2,600
United Kingdom	Air Force	RAF Lakenheath	Add To And Alter Fitness Center	10,800		10,800
United Kingdom	DLA	RAF Fairford	Replace Hydrant Fuel System	17,000		17,000
Wake Island	Air Force	Wake Island	Repair Airfield Pavement, Phase II	24,900		24,900
Worldwide	OSD	Base Realignment & Closure, Defense	Base Closure Activities - Army	149,878	-149,878	0

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Worldwide	OSD	Base Realignment & Closure, Defense	Base Closure Activities - Navy	258,940	-258,940	0
Worldwide	OSD	Base Realignment & Closure, Defense	Base Closure Activities - Air Force	136,320	-136,320	0
Worldwide	OSD	Base Realignment & Closure, Defense	Base Realignment & Closure, Defense	-	545,138	545,138
Worldwide	Army	Unspecified Worldwide Locations	Classified Project	4,000		4,000
Worldwide	Army	Unspecified Worldwide Locations	Unspecified Minor Construction	20,500		20,500
Worldwide	Army	Unspecified Worldwide Locations	Planning and Design	119,824		119,824
Worldwide	Army (Transfer from DERF)	Unspecified Worldwide Locations	Planning And Design		5,340	5,340
Worldwide	Army	Unspecified Worldwide Locations	Host Nation Support	23,700		23,700
Worldwide	Army	Unspecified Worldwide Locations	Foreign Currency Fluctuations		-13,676	-13,676
Worldwide	Army	Unspecified Worldwide Locations	Civilian Personnel Accural Accounting Adjustment		-26,083	-26,083
Worldwide	Navy	Unspecified Worldwide Locations	Unspecified Minor Construction	23,262		23,262
Worldwide	Navy	Unspecified Worldwide Locations	Planning and Design	68,573	3,600	72,173
Worldwide	Navy (Transfer from DERF)	Unspecified Worldwide Locations	Planning And Design		17,630	17,630
Worldwide	Navy	Various Worldwide Locations	Host Nation Infrastructure	1,000		1,000
Worldwide	Navy	Unspecified Worldwide Locations	Foreign Currency Fluctuations		-1,340	-1,340
Worldwide	Navy	Unspecified Worldwide Locations	Civilian Personnel Accural Accounting Adjustment		-10,470	-10,470
Worldwide	Air Force	Classified Location	Classified Milcon Project	1,993		1,993
Worldwide	Air Force	Classified Location	C-17 Various Facilities	30,569	-30,569	0
Worldwide	Air Force	Classified Location	Various Facilities/Utilities/Infrastructure	23,000		23,000
Worldwide	Air Force	Various Worldwide Locations	Unspecified Minor Construction	11,500		11,500
Worldwide	Air Force	Various Worldwide Locations	Planning and Design	41,496	18,123	59,619
Worldwide	Air Force	Unspecified Worldwide Locations	Foreign Currency Fluctuations		-10,281	-10,281
Worldwide	Air Force (Transfer from DERF)	Various Worldwide Locations	Planning And Design		16,797	16,797
Worldwide	Air Force (Transfer from DERF)	Various Worldwide Locations	Planning And Design (Predator Bedown)		5,000	5,000
Worldwide	Chem Bio Defense Prgm	Unspecified Worldwide Locations	Planning and Design	5,000		5,000
Worldwide	Energy Cons Invest Prgm	Unspecified Worldwide Locations	Energy Conservation Improvement Program	49,531	1,000	50,531
Worldwide	DFAS	Unspecified Worldwide Locations	Unspecified Minor Construction	1,500		1,500
Worldwide	JCS	Unspecified Worldwide Locations	Unspecified Minor Construction	6,430		6,430
Worldwide	OSD (Contingency)	Unspecified Worldwide Locations	Contingency Construction	10,000		10,000
Worldwide	OSD (Minor Construction)	Unspecified Worldwide Locations	Unspecified Minor Construction	3,000		3,000
Worldwide	OSD (Planning & Design)	Unspecified Worldwide Locations	Planning and Design	20,000		20,000
Worldwide	SOCOM	Unspecified Worldwide Locations	Unspecified Minor Construction	2,000		2,000
Worldwide	SOCOM	Unspecified Worldwide Locations	Planning and Design	4,932	100	5,032
Worldwide	TRICARE	Unspecified Worldwide Locations	Unspecified Minor Construction	3,363		3,363
Worldwide	TRICARE	Unspecified Worldwide Locations	Planning and Design	14,200		14,200

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Worldwide	OSD	Unspecified Worldwide Locations	Foreign Currency Fluctuations		-2,976	-2,976
Worldwide	Army National Guard	Unspecified Worldwide Locations	Unspecified Minor Construction	4,930		4,930
Worldwide	Army National Guard	Unspecified Worldwide Locations	Planning and Design	14,724	1,705	16,429
Worldwide	Air National Guard	Unspecified Worldwide Locations	Unspecified Minor Construction	4,400		4,400
Worldwide	Air National Guard	Unspecified Worldwide Locations	Planning and Design	8,273	8,203	16,476
Worldwide	Air National Guard (Transfer from DERF)	Unspecified Worldwide Locations	Planning And Design		683	683
Worldwide	Army Reserve	Unspecified Worldwide Locations	Unspecified Minor Construction	2,850		2,850
Worldwide	Army Reserve	Unspecified Worldwide Locations	Planning and Design	6,965	350	7,315
Worldwide	Naval Reserve	Unspecified Worldwide Locations	Unspecified Minor Construction	780		780
Worldwide	Naval Reserve	Unspecified Worldwide Locations	Planning and Design	2,509		2,509
Worldwide	Naval Reserve (Transfer from DERF)	Unspecified Worldwide Locations	Planning And Design		377	377
Worldwide	Air Force Reserve	Unspecified Worldwide Locations	Judgment Fund Payment	11,900		11,900
Worldwide	Air Force Reserve	Unspecified Worldwide Locations	Unspecified Minor Construction	5,160		5,160
Worldwide	Air Force Reserve	Unspecified Worldwide Locations	Planning and Design	3,656	207	3,863
Worldwide	Air Force Reserve (Transfer from DERF)	Unspecified Worldwide Locations	Planning And Design		476	476
Worldwide	NATO Sec Invest Prgm	NATO Security Investment Program	NATO Security Investment Program	168,200		168,200
						0
			Total Military Construction	4,713,916	1,184,554	5,898,470
Alaska	Army	Fort Wainwright	Replace Family Housing (38 Units)	17,752		17,752
Arizona	Army	Yuma Proving Ground	Replace Family Housing (33 Units)	6,100		6,100
Arizona	Air Force	Luke AFB	Replace Family Housing, Phase II2 (140 Units)	18,954		18,954
California	Navy	NAS Lemoore	Replace Family Housing (178 Units)	40,981		40,981
California	Navy	MAGTFC Twentynine Palms	Replace Family Housing (76 Units)	19,425		19,425
California	Air Force	Travis AFB	Replace Family Housing, Phase III (110 Units)	24,320		24,320
Colorado	Air Force	Peterson AFB	Construct Family Housing, Phase I (2 Units)	959		959
Colorado	Air Force	U.S. Air Force Academy	Replace Family Housing, Phase I (71 Units)	12,424		12,424
Connecticut	Navy	NSB New London	Replace Family Housing (100 Units)	24,415		24,415
Delaware	Air Force	Dover AFB	Replace Family Housing, Phase II (112 Units)	19,615		19,615
Florida	Navy	NS Mayport	New Construction (1 Unit)	329		329
Florida	Air Force	Eglin AFB	Replace Family Housing, Phase IIA (134 Units)	15,906		15,906
Florida	Air Force	Eglin AFB	Housing Management Facility	597		597
Florida	Air Force	Macdill AFB	Replace Family Housing, Phase V (96 Units)	18,086		18,086

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Hawaii	Navy	MCB Kaneohe Bay	Replace Family Housing (65 Units)	24,797		24,797
Hawaii	Air Force	Hickam AFB	Replace Family Housing, Phase II (96 Units)	29,050		29,050
Idaho	Air Force	Mountain Home AFB	Replace Family Housing, Phase IV (95 Units)	24,392		24,392
Kansas	Air Force	McConnell AFB	Construct Mfh Maint Bldg & Roads	1,514		1,514
Maryland	Air Force	Andrews AFB	Replace Family Housing, Phase IA (53 Units)	9,838		9,838
Maryland	Air Force	Andrews AFB	Replace Family Housing, Phase IB (52 Units)	8,807		8,807
Mississippi	Navy	NAS Meridian	Replace Family Housing (56 Units)	9,755		9,755
Mississippi	Air Force	Columbus AFB	Mfh Management Office	412		412
Mississippi	Air Force	Keesler AFB	Replace Family Housing, Phase I (117 Units)	16,505		16,505
Missouri	Air Force	Whiteman AFB	Replace Family Housing, Phase III (22 Units)	3,977		3,977
Montana	Air Force	Malmstrom AFB	Replace Family Housing, Phase VIA (18 Units)	4,717		4,717
New Mexico	Air Force	Holloman AFB	Replace Family Housing (101 Units)	20,161		20,161
North Carolina	Navy	Camp Lejeune	Tarawa Terrace, Phase II Replace	43,650		43,650
North Carolina	Air Force	Pope AFB	Replace Housing Maintenance Bldg	991		991
North Carolina	Air Force	Seymour Johnson AFB	Replace Family Housing, Phase VII (126 Units)	18,615		18,615
North Dakota	Air Force	Grand Forks AFB	Replace Family Housing, Phase F (150 Units)	30,140		30,140
North Dakota	Air Force	Minot AFB	Replace Family Housing, Phase VIII (112 Units)	21,428		21,428
North Dakota	Air Force	Minot AFB	Replace Family Housing, Phase IX (102 Units)	20,315		20,315
Oklahoma	Air Force	Vance AFB	Replace Family Housing, Phase I (59 Units)	11,423		11,423
Pennsylvania	DLA	Def Distribution Depot New Cumberland	Whole House Revitalization	5,430		5,430
South Dakota	Air Force	Ellsworth AFB	Replace Family Housing, Phase II (22 Units)	4,794		4,794
South Dakota	Air Force	Ellsworth AFB	Housing Maintenance Facility	447		447
Texas	Air Force	Dyess AFB	Replace Family Housing, Phase III (85 Units)	14,824		14,824
Texas	Air Force	Randolph AFB	Replace Family Housing, Phase I (112 Units)	14,311		14,311
Texas	Air Force	Randolph AFB	Mfh Housing Maint Office	447		447
Virginia	Navy	MCAF Quantico	Replacement Housing, Phase III (290 Units)	41,843		41,843
Virginia	Air Force	Langley AFB	Const Housing Management Office	1,193		1,193
Germany	Army	Stuttgart	Replace Family Housing (1 Unit)	990		990
Germany	Air Force	Ramstein AB	Replace Family Housing (19 Units)	8,534		8,534
Greece	Navy	Larissa	New Construction (2 Units)	1,232		1,232
Korea	Army	Yongsan	Replace Family Housing (10 Units)	3,100		3,100
Korea	Air Force	Osan AB	Construct Family Housing, Phase I (113 Units)	35,705		35,705
Korea	Air Force	Osan AB	Replace Furnishings Mgt Whse	834		834
United Kingdom	Navy	St Mawgan	New Construction (62 Units) Family Housing Office	18,524		18,524
United Kingdom	Air Force	RAF Lakenheath	Family Housing Management Facility	2,203		2,203

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Worldwide	Army	Unspecified Worldwide Locations	Construction Improvements	239,751		239,751
Worldwide	Army	Unspecified Worldwide Locations	Planning and Design	15,653		15,653
Worldwide	Army	Unspecified Worldwide Locations	Management Account	91,567		91,567
Worldwide	Army	Unspecified Worldwide Locations	Services Account	41,846		41,846
Worldwide	Army	Unspecified Worldwide Locations	Furnishings Account	48,673		48,673
Worldwide	Army	Unspecified Worldwide Locations	Miscellaneous Account	1,321		1,321
Worldwide	Army	Unspecified Worldwide Locations	Utilities Account	212,432		212,432
Worldwide	Army	Unspecified Worldwide Locations	Leasing	215,251		215,251
Worldwide	Army	Unspecified Worldwide Locations	Maintenance Of Real Property	485,257		485,257
Worldwide	Army	Unspecified Worldwide Locations	Servicemen's Mortgage Insurance Premium	1		1
Worldwide	Army	Unspecified Worldwide Locations	Privatization Support Costs	25,926		25,926
Worldwide	Army	Unspecified Worldwide Locations	Foreign Currency Fluctuations		-4,920	-4,920
Worldwide	Army	Unspecified Worldwide Locations	Civilian Personnel Accrual Accounting Adjustment		-3,267	-3,267
Worldwide	Navy	Unspecified Worldwide Locations	Construction Improvements	139,468		139,468
Worldwide	Navy	Unspecified Worldwide Locations	Planning and Design	11,281		11,281
Worldwide	Navy	Unspecified Worldwide Locations	Furnishings Account	30,344		30,344
Worldwide	Navy	Unspecified Worldwide Locations	Management Account	82,114		82,114
Worldwide	Navy	Unspecified Worldwide Locations	Miscellaneous Account	913		913
Worldwide	Navy	Unspecified Worldwide Locations	Services Account	62,583		62,583
Worldwide	Navy	Unspecified Worldwide Locations	Utilities Account	174,219		174,219
Worldwide	Navy	Unspecified Worldwide Locations	Leasing	129,085		129,085
Worldwide	Navy	Unspecified Worldwide Locations	Maintenance Of Real Property	381,388		381,388
Worldwide	Navy	Unspecified Worldwide Locations	Svcm's Mortgage Insurance Premium	71		71
Worldwide	Navy	Unspecified Worldwide Locations	Privatization Support Costs	7,071		7,071
Worldwide	Navy	Unspecified Worldwide Locations	Foreign Currency Fluctuations		-2,652	-2,652
Worldwide	Air Force	Unspecified Worldwide Locations	Construction Improvements	226,068		226,068
Worldwide	Air Force	Unspecified Worldwide Locations	Planning and Design	34,188		34,188
Worldwide	Air Force	Unspecified Worldwide Locations	Furnishings Account	35,619		35,619
Worldwide	Air Force	Unspecified Worldwide Locations	Management Account	48,473		48,473
Worldwide	Air Force	Unspecified Worldwide Locations	Services Account	25,178		25,178
Worldwide	Air Force	Unspecified Worldwide Locations	Utilities Account	132,945		132,945
Worldwide	Air Force	Unspecified Worldwide Locations	Miscellaneous Account	1,511		1,511
Worldwide	Air Force	Unspecified Worldwide Locations	Leasing	103,690		103,690
Worldwide	Air Force	Unspecified Worldwide Locations	Maintenance of Real Property	476,485		476,485
Worldwide	Air Force	Unspecified Worldwide Locations	Servicemen's Mortgage Insurance Premium	36		36

FY2003 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY03 Auth Request	Senate Change	Senate Authorized
Worldwide	Air Force	Unspecified Worldwide Locations	Privatization Support Costs	20,482		20,482
Worldwide	Air Force	Unspecified Worldwide Locations	Foreign Currency Fluctuations		-8,782	-8,782
Worldwide	Air Force (Transfer from DERF)	Unspecified Worldwide Locations	AT/FP Facility Upgrades		29,631	29,631
Worldwide	DIA	Unspecified Worldwide Locations	Furnishings Account	3,689		3,689
Worldwide	DIA	Unspecified Worldwide Locations	Leasing	26,220		26,220
Worldwide	DLA	Unspecified Worldwide Locations	Furnishings	26		26
Worldwide	DLA	Unspecified Worldwide Locations	Services Account	76		76
Worldwide	DLA	Unspecified Worldwide Locations	Utilities Account	410		410
Worldwide	DLA	Unspecified Worldwide Locations	Management Account	308		308
Worldwide	DLA	Unspecified Worldwide Locations	Maintenance of Real Property	510		510
Worldwide	DLA	Unspecified Worldwide Locations	Civilian Personnel Accrual Accounting Adjustment		-37	-37
Worldwide	NSA	Unspecified Worldwide Locations	Construction Improvements	50		50
Worldwide	NSA	Unspecified Worldwide Locations	Furnishings Account	120		120
Worldwide	NSA	Unspecified Worldwide Locations	Management Account	15		15
Worldwide	NSA	Unspecified Worldwide Locations	Miscellaneous Account	58		58
Worldwide	NSA	Unspecified Worldwide Locations	Services Account	339		339
Worldwide	NSA	Unspecified Worldwide Locations	Utilities Account	407		407
Worldwide	NSA	Unspecified Worldwide Locations	Leasing	9,643		9,643
Worldwide	NSA	Unspecified Worldwide Locations	Maintenance of Real Property	611		611
Worldwide	Family Housing Improvement Fund	Unspecified Worldwide Locations	Family Housing Improvement Fund	2,000		2,000
			Total Family Housing	4,220,133	9,973	4,230,106
			Total Military Construction/Family Housing	8,934,049	1,194,527	10,128,576

FISCAL YEAR 2003 AUTHORIZATION OF APPROPRIATIONS FOR MILITARY CONSTRUCTION

TITLE XXI—ARMY

Summary

The Army requested authorization of $1,476.5 million for military construction and $1,405.6 million for family housing for fiscal year 2003. The committee recommends authorization of $1,602.0 million for military construction and $1,397.4 million for family housing for fiscal year 2003.

The amounts authorized for military construction and family housing reflect a reduction of $18.6 million to be achieved from savings in the foreign currency account and $29.4 million from accrual accounting adjustments. This reduction shall not cancel any military construction authorized by title XXI of this bill.

Authorized Army construction and land acquisition projects (sec. 2101)

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 the binding list of the specific projects authorized at each location.

Family housing (sec. 2102)

This section would authorize new construction and planning and design of family housing units for the Army for fiscal year 2003. It would also authorize funds for facilities that support family housing, including housing management offices and housing maintenance and storage facilities.

Improvements to military family housing units (sec. 2103)

This section would authorize improvements to existing Army family housing units for fiscal year 2003.

Authorization of appropriations, Army (sec. 2104)

This section would authorize specific appropriations for each line item contained in the Army's military construction and family housing budget for fiscal year 2003. This section also provides an overall limit on the amount the Army may spend on military construction projects.

Modification of authority to carry out certain fiscal year 2002 projects (sec. 2105)

The committee recommends a provision that would amend sections 2101 and 2104 of the Military Construction Act for Fiscal Year 2002 (division B of Public Law 107–107) to increase the fund-

ing authorization for barracks projects at Fort Carson, Colorado and Fort Jackson, South Carolina by a total of $4.0 million.

Modification of authority to carry out certain fiscal year 2000 project (sec. 2106)

The committee recommends a provision that would amend section 2401 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65) to increase the project authorization for a chemical demilitarization facility at Blue Grass Army Depot, Kentucky, by $36.3 million.

Modification of authority to carry out certain fiscal year 1999 project (sec. 2107)

The committee recommends a provision that would amend the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261) to increase the total project authorization for a chemical demilitarization facility at Newport Army Depot, Indiana by $102.3 million.

Modification of authority to carry out certain fiscal year 1997 project (sec. 2108)

The committee recommends a provision that would amend section 2401 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201), as amended, to increase the total project authorization for the Chemical Weapons and Munitions Destruction facility at Pueblo Chemical Activity, Colorado by $57.5 million.

TITLE XXII—NAVY

Summary

The Navy requested authorization of $895.1 million for military construction and $1,243.5 million for family housing for fiscal year 2003. The committee recommends authorization of $1,237.3 million for military construction and $1,240.8 million for family housing for fiscal year 2003.

The amounts authorized for military construction and family housing reflect a reduction of $4.0 million to be achieved from savings in the foreign currency account and $10.5 million from accrual accounting adjustments. This reduction shall not cancel any military construction authorized by title XXII of this bill.

Authorized Navy construction and land acquisition projects (sec. 2201)

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 the binding list of the specific projects authorized at each location.

Family housing (sec. 2202)

This section would authorize new construction and planning and design of family housing units for the Navy for fiscal year 2003. It would also authorize funds for facilities that support family housing, including housing management offices and housing maintenance and storage facilities.

Improvements to military family housing units (sec. 2203)

This section would authorize improvements to existing Navy and Marine Corps family housing units for fiscal year 2003.

Authorization of appropriations, Navy (sec. 2204)

This section would authorize specific appropriations for each line item in the Navy's military construction and family housing budget for fiscal year 2003. This section also provides an overall limit on the amount the Navy may spend on military construction projects.

Modification of authority to carry out certain fiscal year 2000 projects (sec. 2205)

The committee recommends a provision that would amend the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107) to increase the total project authorization for the projects at Naval Station, Norfolk, Virginia by $280,000. The provision would also correct the number of housing units authorized for a project at Quantico, Virginia from 60 units to 39 units.

The committee notes that the table on page 755 of the star print of the statement of managers accompanying the National Defense Authorization Act for Fiscal Year 2002 (H. Rept. 107–333) contained a similar error on the number of units. That table also incorrectly stated the number of units of family housing to be constructed at Marine Corps Base Kaneohe, Hawaii as 212 units rather than the 172 units authorized in section 2202.

In addition, the reference in that table to housing construction at "NCBC Gulfport" in Mississippi should have read "Naval Station, Pascagoula". Section 2202 of that act was so modified by section 1003 of the Department of Defense and Emergency Supplemental Appropriations for Recovery from and Response to Terrorist Attacks on the United States Act, 2002 (Public Law 107–117).

TITLE XXIII—AIR FORCE

Summary

The Air Force requested authorization of $644.1 million for military construction and $1,521.1 million for family housing for fiscal year 2003. The committee recommends authorization of $1,055.3 million for military construction and $1,542.0 million for family housing for fiscal year 2003.

The amounts authorized for military construction and family housing reflect a reduction of $19.1 million to be achieved from savings in the foreign currency account. This reduction shall not cancel any military construction authorized by title XXIII of this bill.

Authorized Air Force construction and land acquisition projects (sec. 2301)

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 the binding list of the specific projects authorized at each location.

Family housing (sec. 2302)

This section would authorize new construction and planning and design of family housing units for the Air Force for fiscal year 2003. It would also authorize funds for facilities that support family housing, including housing management offices and housing maintenance and storage facilities.

Improvements to military family housing units (sec. 2303)

This section would authorize improvements to existing Air Force family housing units for fiscal year 2003.

Authorization of appropriations, Air Force (sec. 2304)

This section would authorize specific appropriations for each line item in the Air Force's budget for fiscal year 2003. This section would also provide an overall limit on the amount the Air Force may spend on military construction projects.

OTHER ITEMS OF INTEREST

Training facilities for military operations in urban terrain

The committee understands and has supported the construction of facilities to train our forces for military operations in urban terrain (MOUT) at the combat training centers as well as for home-station training. The fiscal year 2003 budget request for the Defense Emergency Response Fund included $19.0 million for two MOUT facilities at Lackland Air Force Base.

The committee recommends authorization of these projects but directs that no funds be obligated for the construction of these projects until the Secretary of Defense submits a report describing the requirement for MOUT facilities. The report would include the desired distribution and total number of such facilities, the extent to which MOUT facilities can be shared among the military departments and active and reserve components, and whether such facilities are required at installations, such as Lackland Air Force Base, conducting basic and advanced training in addition to operational units.

TITLE XXIV—DEFENSE AGENCIES

Summary

The defense agencies requested authorization of $687.5 million for military construction and $49.9 million for family housing for fiscal year 2003. The committee recommends authorization of $722.0 million for military construction and $49.9 million for family housing in fiscal year 2003.

The amounts authorized for military construction and family housing reflect a reduction of $3.0 million to be achieved from savings in the foreign currency account. This reduction shall not cancel any military construction authorized by title XXIV of this bill.

Authorized defense agencies construction and land acquisition projects (sec. 2401)

This section contains the list of authorized defense agency 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 the binding list of the specific projects authorized at each location.

Improvements to military family housing units (sec. 2402)

This section would authorize improvements to existing defense agency family housing units for fiscal year 2003.

Energy conservation projects (sec. 2403)

This section would authorize the Secretary of Defense to carry out energy conservation projects. The committee recommends an increase of $1.0 million to the budget for this program for the integration of photovoltaic power systems into new construction or facility renovation projects. The committee directs the Department of Defense to study which locations and facilities offer the greatest potential for incorporating photovoltaic projects and to select those projects and technologies that offer the best performance and reliability.

Authorization of appropriations, defense agencies (sec. 2404)

This section would authorize specific appropriations for each defense agency military construction program for fiscal year 2003. This section also would provide an overall limit on the amount that may be spent on such military construction projects.

OTHER ITEMS OF INTEREST

Bio-defense research laboratory facility at Fort Detrick

The budget request included $5.0 million in the Defense-wide military construction account for planning and design of a new

Center for Biological Counterterrorism Research at Fort Detrick, Maryland as part of the Chemical-Biological Defense Program (CBDP). This proposed new center, which would begin with one-year additional funding in the CBDP to address homeland security concerns, is intended to take advantage of the world-class scientific and technical expertise at the U.S. Army Medical Research Institute of Infectious Diseases (USAMRIID) located at Fort Detrick. According to the budget request, the Office of Homeland Security envisions that the center would conduct biological threat assessment research, investigate countermeasures to those threats, and perform biological forensics in support of the Department of Defense and other national requirements.

The committee directs the Army to expand its planning and design effort to include consideration of a possible new USAMRIID facility that would permit USAMRIID to accomplish its full range of assigned missions in support of the warfighter and to accomplish additional missions assigned in light of the terrorist attacks of 2001. In addition, the committee directs the Department of Defense and the Army to explore collaboration and cooperation with the Department of Health and Human Services and the National Institutes of Health (NIH) and the Office of Homeland Security to determine whether a single new facility at Fort Detrick could meet the needs of each agency for its biological defense research and development requirements.

Following the anthrax mail attacks on the Senate and elsewhere in 2001, USAMRIID played a critical role in the Nation's response. It analyzed the anthrax that was sent to the Senate, determined which antibiotics would work against the anthrax illness, and analyzed more than 16,600 samples of suspicious materials that may have contained biological warfare agents. This work was managed in conjunction with USAMRIID completing its assigned missions to support U.S. Armed Forces. This predicament caused difficult space and personnel conditions.

In the conference report to accompany H.R. 3338, the Department of Defense Appropriations Act for Fiscal Year 2002 (H. Rept. 107–350), the Army was required to conduct a feasibility study to finalize the mission of USAMRIID and determine the infrastructure requirements and associated costs needed to accommodate USAMRIID's expanded role. The Army is completing this study but has not submitted it to Congress as of May 9, 2002. The committee is aware that USAMRIID has already outgrown its existing facilities and is in need of expanded and modernized facilities to accomplish its critical mission. This situation will be exacerbated should USAMRIID's workload and space requirements be increased. There are some 14 vaccines under development, each of which will require testing, in addition to a growing number of therapeutics and new technologies being developed or investigated.

Rather than planning for two or more new or expanded facilities for USAMRIID and for an additional NIH facility at Fort Detrick, the committee believes it would be better for both agencies to collaborate and try to design one facility that could meet their combined needs.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INVESTMENT PROGRAM

Summary

The Department of Defense requested authorization of $168.2 million for the North Atlantic Treaty Organization (NATO) Security Investment Program for fiscal year 2003. The committee recommends an authorization of $168.2 million for fiscal year 2003.

Authorized North Atlantic Treaty Organization construction and land acquisition projects (sec. 2501)

This section would authorize the Secretary of Defense to make contributions to the North Atlantic Treaty Organization (NATO) Security Investment Program in an amount equal to the sum of the amount specifically authorized in section 2502 of this title and the amount of recoupment due to the United States for construction previously financed by the United States.

Authorization of appropriations, North Atlantic Treaty Organization (sec. 2502)

This section would authorize appropriations of $168.2 million for the United States' contribution to the North Atlantic Treaty Organization (NATO) Security Investment Program for fiscal year 2003.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Summary

The Department of Defense requested a military construction authorization of $297.3 million for fiscal year 2003 for National Guard and Reserve facilities. The committee recommends authorizations for fiscal year 2003 of $568.6 million to be distributed as follows:

Army National Guard	$183,000,000
Air National Guard	204,000,000
Army Reserve	63,000,000
Air Force Reserve	59,900,000
Naval and Marine Corps Reserve	58,700,000
Total	568,600,000

Authorized Guard and Reserve construction and land acquisition projects (sec. 2601)

This section would authorize appropriations for military construction for the National Guard and Reserve by service components for fiscal year 2003. The state list contained in this report is the binding list of the specific projects authorized at each location.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Expiration of authorizations and amounts required to be specified by law (sec. 2701)

This section would provide that authorizations for military construction projects, repair of real property, land acquisition, family housing projects, contributions to the North Atlantic Treaty Organization infrastructure program, and National Guard and Reserve military construction projects would 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 projects for which appropriated funds have been obligated before the later of October 1, 2005, or the date of enactment of an act authorizing funding for military construction for fiscal year 2006.

Extension of authorizations of certain fiscal year 2000 projects (sec. 2702)

This section would extend the authorizations for certain fiscal year 2000 military construction projects until October 1, 2003, or the date of enactment of an act authorizing funds for military construction for fiscal year 2004, whichever is later.

Extension of authorizations of certain fiscal year 1999 projects (sec. 2703)

This section would extend the authorizations for certain fiscal year 1999 military construction projects until October 1, 2003, or the date of enactment of an act authorizing funds for military construction for fiscal year 2004, whichever is later.

Effective date (sec. 2704)

This section would provide that titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of this act shall take effect on October 1, 2002, or the date of enactment of this act, whichever is later.

TITLE XXVIII—GENERAL PROVISIONS

SUBTITLE A—MILITARY CONSTRUCTION PROGRAM AND MILITARY FAMILY HOUSING CHANGES

Lease of military family housing in Korea (sec. 2801)

The committee recommends a provision that would amend section 2828(e) of title 10, United States Code, to increase, from 800 to 1,175 units, the number of family housing units the Secretary of the Army may lease in Korea for which the maximum annual lease cost per unit is $25,000. The provision would also newly authorize the Secretary to lease no more than 2,400 family housing units for which the maximum annual lease cost is $35,000 per unit. Further, the provision would make certain conforming changes.

The committee directs the Secretary of the Army, as executive agent for housing in Korea, and the Commander, United States Forces Korea, to ensure that these additional leased housing units are allocated in order to make additional housing available for commands or military units that are currently significantly under the authorized 10 percent level of accompanied tours.

Repeal of source requirements for family housing construction overseas (sec. 2802)

The committee recommends a provision that would repeal section 803 of the Military Construction Authorization Act, 1984 (Public Law 98–115), which requires the use of housing manufactured or fabricated in the United States in family housing constructed in foreign countries.

SUBTITLE B—REAL PROPERTY AND FACILITIES ADMINISTRATION

Agreements with private entities to enhance military training, testing, and operations (sec. 2811)

The committee recommends a provision that would authorize the Secretary of Defense or the secretaries of the military departments to enter into agreements with private entities that would enhance or protect military training. These entities would acquire interests in lands adjacent to military installations that would serve to limit development or preserve habitat.

This authority would be used to enter into agreements intended to enhance or protect military training and operations by making additional lands available either for training directly on such lands or as buffer zones between military training or operating areas and the surrounding civilian population. Such buffer zones may in some cases also serve to create or preserve habitat that would reduce the burden on military installations to provide such habitat. These authorities are not intended to be used broadly to acquire interests

in lands for any and all land use needs that military installations might have; rather, they should be used to protect training and other military operations or to provide habitat that is compatible with environmental requirements and military training operations.

The committee has included a separate provision that would authorize $20.0 million for a Range Enhancement Initiative Fund that would be available to finance the cost of agreements entered into under this authority in a separate provision in title III of this act. The committee intends that funds in this account would be used primarily to purchase restrictive easements on property adjacent to military installations rather than to acquire the lands to be owned and managed by the military departments. The committee directs the Department of Defense to use this authority, and the funding in the Range Enhancement Initiative Fund, to implement those agreements that have the highest potential to enhance or protect military training.

Conveyance of surplus real property for natural resource conservation (sec. 2812)

The committee recommends a provision that would authorize the secretaries of the military departments to convey surplus real property to State or local governments or to private entities who have as their primary purpose the conservation of open space or natural resources. Property would be conveyed under this authority under the condition that it be used to preserve open space or the natural resources on such property. Any property conveyed that was no longer being used for such purposes would revert to the United States.

Real property would be eligible for conveyance under this authority if it is suitable for natural resource conservation; surplus property for purposes of title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.); and has been available for public benefit conveyance for a sufficient period of time. The real property may be conveyed only if the conveyee agrees that the property will be used and maintained for natural resource conservation. Any subsequent conveyance would be subject to written secretarial approval, prior notification to Congress, and to the condition that the property be maintained for natural resource conservation in perpetuity. Any property that was no longer being maintained in accordance with these provisions would revert to the United States.

Modification of demonstration program on reduction in long-term facility maintenance costs (sec. 2813)

The committee recommends a provision that would amend section 2814 of the Military Construction Act for Fiscal Year 2002 (division B of Public Law 107–107) to authorize the Department of Defense to expand the number of demonstration projects on reduction of long-term facility maintenance costs from three to 12. The provision would amend the Act to expand the program to the Department of the Navy and the Department of the Air Force while providing for the continuation of ongoing Army demonstration projects.

SUBTITLE C—LAND CONVEYANCES

Conveyance of certain lands in Alaska no longer required for National Guard purposes (sec. 2821)

The committee recommends a provision that would authorize the Secretary of the Army to convey lands that are under the jurisdiction of the Department of the Army in the State of Alaska to the State, any local government entity, Native Corporation, or Indian tribe in the State of Alaska, as the Secretary determines to be in the public interest.

The Secretary may convey any property in the State of Alaska if he determines that the real property is any of the following: (1) currently under the jurisdiction of the Department of the Army; (2) was under the jurisdiction of the Department of the Army for use of the Alaska National Guard before December 2, 1980; (3) is located in a unit of the National Wildlife Refuge System designated in the Alaska National Interest Lands Conservation Act (94 Stat. 2371: 16 U.S.C. 1301 note); (4) is excess to the needs of the Alaska National Guard and Department of Defense; and (5) the cost of retaining the property exceeds the value of the property or such property is unsuitable for retention by the United States. The provision would authorize the Secretary to convey the property with or without consideration. Any amounts received in consideration could be used, subject to appropriations, to pay any costs associated with the conveyance.

Land conveyance, Fort Campbell, Kentucky (sec. 2822)

The committee recommends a provision that would authorize the Secretary of the Army to convey, without consideration, to the City of Hopkinsville, Kentucky, a parcel of real property consisting of approximately 50 acres and containing an abandoned railroad spur at Fort Campbell, Kentucky. The purpose of the conveyance would be for storm water management, recreation, transportation, and other public purposes. As a condition of the conveyance, the City would be required to pay all associated costs.

Modification of authority for land transfer and conveyance, Naval Security Group Activity, Winter Harbor, Maine (sec. 2823)

The committee recommends a provision that would amend section 2845 (b) of the Military Construction Act for Fiscal Year 2002 (division B of Public Law 107–107) to modify the authority of the Secretary of the Navy to convey 485 acres located at the former Naval Security Group Activity, Winter Harbor, Maine. The provision would authorize the Secretary to convey to the State of Maine, political subdivision of the State, or any tax-supported agency in the State, without consideration, approximately 50 acres known as the Corea Operating Site and approximately 23 acres comprising three parcels containing family housing. The provision would further authorize the Secretary to convey approximately 404 acres of the Corea site to the Secretary of the Interior for inclusion in the National Wildlife Refuge System.

The committee further recommends that the conveyance be exempt from the requirement to screen the property for further fed-

eral use pursuant to section 2696 of title 10, United States Code. The committee recommends this exemption only because this property has already been screened for purposes of carrying out the underlying provision that this provision would modify. The conveyance of part of this property to the Secretary of the Interior under this section reflects the interest expressed by the Department of the Interior under that screening.

Land conveyance, Westover Air Reserve Base, Massachusetts (sec. 2824)

The committee recommends a provision that would authorize the Secretary of the Navy to convey, without consideration, to the City of Chicopee, Massachusetts, property consisting of 30.4 acres, including 188 housing units and other improvements that are no longer required for defense purposes, located at Westover Air Reserve Base, Massachusetts. The property would be used by the city for economic development. The provision would authorize the Secretary to require the City of Chicopee to reimburse the Navy for the administrative costs related to the conveyance.

Land conveyance, Naval Station Newport, Rhode Island (sec. 2825)

The committee recommends a provision that would authorize the Secretary of the Navy to convey to the State of Rhode Island, or any political subdivision thereof, a parcel of real property consisting of approximately 34 acres, together with any improvements thereon, known as the Melville Marina site. The conveyance would be by sale for fair market value.

Land exchange, Buckley Air Force Base, Colorado (sec. 2826)

The committee recommends a provision that would authorize the Secretary of the Air Force to convey to the State of Colorado property consisting of approximately 72 acres, including improvements, known as the Watkins Communication Site in Arapahoe County, Colorado. In exchange, the State would convey to the Air Force real property consisting of approximately 41 acres, including improvements, that is contiguous to Buckley Air Force Base, Colorado. The property conveyed to the Air Force would be used to build additional housing and would not be subject to general land laws, including mining and mineral and geothermal leasing laws. The provision would authorize additional terms and conditions, which may include a payment by one party to the other to reflect the difference in the value of the two parcels of property. Because the acquisition of this land has not yet received the approval normally required by the Office of the Secretary of Defense, the provision specifies that this exchange would require the concurrence of the Secretary of Defense.

Land acquisition, Boundary Channel Drive Site, Arlington, Virginia (sec. 2827)

The committee recommends a provision that would authorize the Secretary of Defense, using amounts authorized to be appropriated by section 2401, to acquire approximately 7.2 acres of real property

in Arlington County, Virginia, known as the Boundary Channel Drive Site. The provision would direct that, upon the purchase of the site, the property shall be included in the Pentagon Reservation as defined in section 2674 (f)(1) of title 10, United States Code.

Land conveyances, Wendover Air Force Base Auxiliary Field, Nevada (sec. 2828)

The committee recommends a provision that would authorize the Secretary of the Interior to convey, without consideration, to the City of West Wendover, Nevada two parcels of real property that are no longer required. The purpose of the conveyance would be to establish a runway protection zone and to develop an industrial park. The provision would also provide for a separate conveyance of the portion of these lands that lie in Utah to Tooele County, Utah for a runway protection and aircraft accident prevention zone.

SUBTITLE D—OTHER MATTERS

Transfer of funds in lieu of acquisition of replacement property for National Wildlife Refuge system in Nevada (sec. 2841)

The committee recommends a provision that would authorize the Secretary of the Air Force to transfer $15.0 million in funds appropriated for the acquisition of land at Nellis Air Force Base, Nevada that are authorized to be appropriated in this Act to the Secretary of Interior, on behalf of the United States Fish and Wildlife Service, to fulfill the Air Force's obligations to replace National Wildlife Refuge lands that were withdrawn for use by the Air Force in section 3011 of the Military Lands Withdrawal Act of 1999 (Title XXX of the National Defense Authorization Act for Fiscal Year 2000, Public Law 106–65). This provision would allow the Air Force to fulfill its obligations under the Memorandum of Agreement between the Air Force and the Fish and Wildlife Service dated July 26, 2000.

OTHER ITEMS OF INTEREST

Accompanied tours in Korea

General Thomas Schwartz, Commander of United States Forces, Korea, has stated a goal of significantly increasing the supply of family housing for United States military forces stationed in the Republic of Korea to allow the percentage of personnel stationed in Korea on accompanied tours to increase from the 10 percent level currently authorized to 25 percent within 10 years.

While the committee believes that such an initiative has the potential to improve retention, improve quality of life and morale, and reduce turbulence in the personnel system, such benefits would require a significant expenditure of resources. The committee believes the costs of such a proposal must be understood in advance so that the Department of Defense and Congress can weigh the costs and benefits.

Therefore, the committee directs the Under Secretary of Defense for Personnel and Readiness to report to the congressional defense committees, no later than March 1, 2003, on the additional costs

of providing the facilities and services necessary to support accompanied tours for 25 percent of our forces in Korea, including family housing, medical and child care facilities and services, and force protection. The report should also contain the Secretary's views on such a proposal, a discussion of a schedule for implementing any proposal the Secretary endorses, and a discussion of the cost-sharing of any such proposal between the United States and the Republic of Korea.

Aircraft carrier basing plans

The Committee notes that the Navy is considering extending the life of the USS Constellation beyond its scheduled decommissioning in fiscal year 2003 to meet operational requirements and stabilize rotation schedules. This and other possible extensions, the completion of the USS Ronald Reagan, and the development and construction of CVNX–1 raise the possibility that the Navy will have more than the current twelve aircraft carriers in service at one time in the coming years. Given the cost of manning, operating, maintaining and basing aircraft carriers, the committee directs the Chief of Naval Operations to report to the congressional defense committees within 180 days of enactment of this bill on the Navy's basing plans for aircraft carriers through the year 2015.

Availability of excess lands for school construction

In some cases, military installations may have excess land that could be used by State or local governments for the construction of public schools, including the construction of charter schools, as evidenced at the Naval Air Station Joint Reserve Base, Belle Chasse, Louisiana. The committee requests that the Department of Defense study the feasibility and advisability of supporting local communities by identifying any excess property at military installations that could be transferred to the Secretary of Education for conveyance to state and local school districts for the construction of new schools.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

SUBTITLE A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

Atomic energy defense activities

Title XXXI authorizes appropriations for the atomic energy defense activities of the Department of Energy for fiscal year 2003, including: the purchase, construction, and acquisition of plant and capital equipment; research and development; nuclear weapons; naval nuclear propulsion; environmental restoration and waste management; operating expenses; and other expenses necessary to carry out the purpose of the Department of Energy Organization Act (Public Law 95–91). The title would authorize appropriations in five categories: National Nuclear Security Administration (NNSA); defense environmental management; defense environmental management privatization; other defense activities; and defense nuclear waste disposal.

The budget request for fiscal year 2003 for atomic energy defense activities totaled $15.4 billion, a 4.4 percent increase over the adjusted fiscal year 2002 level. Of the total amount requested: $8.2 billion was for NNSA; $6.4 billion was for defense environmental management activities; $158.4 million was for defense environmental management privatization; $479.6 million was for other defense activities; and $315.0 million was for defense nuclear waste disposal.

The committee recommends $15.7 billion for atomic energy defense activities, an increase of $300.1 million to the budget request. The committee recommends $8.1 billion for the National Nuclear Security Administration (NNSA), an increase of $121.3 million to the budget request. The amount authorized for NNSA is as follows: $6.0 billion for weapons activities, an increase of $118.8 million to the budget request; $1.1 billion for defense nuclear nonproliferation, an increase of $15.5 million to the budget request; $707.0 million for naval reactors, a reduction of $1.0 million below the budget request; and $335.7 million for the Office of the Administrator, a reduction of $12.0 million below the budget request. The committee further recommends $6.9 billion for defense environmental management, including defense facility closure projects, an increase of $261.1 million to the budget request. The committee recommends $158.4 million for defense environmental management privatization, the amount of the budget request. The committee recommends $489.9 million for other defense activities, an increase of $17.7 mil-

lion to the budget request; and $215.0 million for defense nuclear waste disposal, a reduction of $100.0 million to the budget request.

The following table summarizes the budget request and the committee recommendations:

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Atomic Energy Defense Activities (053)				
National nuclear security administration				
Weapons activities	5,531,746	5,869,379	118,809	5,988,188
Defense nuclear nonproliferation	993,780	1,113,630	15,500	1,129,130
Naval reactors	688,045	708,020	-1,000	707,020
Office of the administrator	312,596	347,705	-12,000	335,705
Total, National nuclear security administration	**7,526,167**	**8,038,734**	**121,309**	**8,160,043**
Environmental and other defense activities:				
Defense environmental restoration and waste management	5,230,372	4,558,360	43,100	4,601,460
Defense environmental cleanup reform	——	800,000	200,000	1,000,000
Defense facilities closure projects	1,092,878	1,091,314	18,000	1,109,314
Environmental management privatization	153,537	158,399	——	158,399
Other defense activities	497,544	472,156	17,727	489,883
Defense nuclear waste disposal	280,000	315,000	-100,000	215,000
Total Department of Energy/NNSA	**14,780,498**	**15,433,963**	**300,136**	**15,734,099**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
National Nuclear Security Administration:				
Weapons Activities				
Directed stockpile work				
Stockpile research and development	357,014	467,149	(15,500)	451,649
Stockpile maintenance	347,963	401,157		401,157
Stockpile evaluation	174,391	197,184		197,184
Dismantlement/disposal	26,342	24,378		24,378
Production support	132,250	137,706		137,706
Field engineering, training and manuals	6,270	6,893		6,893
Total, Directed stockpile work	**1,044,230**	**1,234,467**	**-15,500**	**1,218,967**
Campaigns				
Science campaigns				
Primary certification	50,848	47,159		47,159
Dynamic materials properties	90,282	87,594		87,594
Advanced radiography				
Operations and maintenance	82,343	52,925		52,925
Secondary certification and nuclear systems margins	42,439	47,790		47,790
Total, Science campaigns	**265,912**	**235,468**	—	**235,468**
Engineering campaigns				
Enhanced surety	32,197	37,713		37,713
Weapons system engineering certification	25,726	27,007		27,007

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Nuclear survivability	21,902	23,394		23,394
Enhanced surveillance	73,685	77,155		77,155
Advanced design and production technologies	68,432	74,141		74,141
Total, Engineering campaigns	**221,942**	**239,410**	—	**239,410**
High energy density physics campaign				
Operations and maintenance	260,373	237,748	10,694	248,442
Construction:				
96-D-111 National ignition facility (NIF), LLNL, Livermore, CA	245,000	214,045	10,000	224,045
Total, High energy density physics campaign	**505,373**	**451,793**	**20,694**	**472,487**
Advanced simulation and computing				
Operations and maintenance	662,792	669,527		669,527
Construction:				
01-D-101 Distributed information systems laboratory, SNL, Livermore, CA	8,400	13,305		13,305
00-D-103, Terascale simulation facility, LLNL, Livermore, CA	22,000	35,030		35,030
00-D-107 Joint computational engineering laboratory, SNL, Albuquerque, NM	13,377	7,000		7,000
Total, Construction	**43,777**	**55,335**	—	**55,335**
Total, Advanced simulation and computing	**706,569**	**724,862**	—	**724,862**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Pit manufacturing and certification	194,461	194,484	5,000	199,484
Readiness campaigns				
Stockpile readiness	46,315	61,027		61,027
High explosives manufacturing and weapons assembly/disassembly readiness	6,722	12,093	-1,000	11,093
Non-nuclear readiness	17,857	22,398	-2,000	20,398
Materials readiness	1,188	——		
Tritium readiness				
Operations and maintenance	41,584	56,134		56,134
Construction:				
98-D-125 Tritium extraction facility, Savannah River plant, Aiken, SC	81,125	70,165		70,165
Total, Tritium readiness	**122,709**	**126,299**	——	**126,299**
Total, Readiness campaigns	**194,791**	**221,817**	**-3,000**	**218,817**
Total, Campaigns	**2,089,048**	**2,067,834**	**22,694**	**2,090,528**
Readiness in technical base and facilities				
Operations of facilities	903,221	949,920	40,000	989,920
Program readiness	192,305	208,089		208,089
Special projects	51,155	37,744	6,900	44,644
Material recycle and recovery	94,268	98,816		98,816

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Containers	7,990	17,721		17,721
Storage	10,398	14,593		14,593
Nuclear weapons incident response	88,923	91,000		91,000
Subtotal, Readiness in technical base and facilities	**1,348,260**	**1,417,883**	**46,900**	**1,464,783**
Construction:				
03-D-101 Sandia underground reactor facility SURF, SNL, Livermore, CA	—	2,000		2,000
03-D-103 Project engineering and design various locations	—	15,539	2,300	17,839
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	22,647	27,245	-2,300	24,945
02-D-105 Engineering technology complex upgrade (ETCU), LLNL, Livermore, CA	4,674	10,000		10,000

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
02-D-107 Electrical power systems safety communications and bus upgrades, Nevada Test Site	3,451	7,500		7,500
01-D-103 Project engineering and design (PE&D), various locations	16,379	6,164		6,164
01-D-107 Atlas relocation and operations Nevada Test Site	3,300	4,123		4,123
01-D-108 Microsystem and engineering science applications (MESA), SNL, Albuquerque, NM	63,500	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	7,700	8,650		8,650
01-D-800 Sensitive compartmented information facility, LLNL	12,993	9,611		9,611
99-D-103 Isotope sciences facilities, LLNL, Livermore, CA	4,400	4,011		4,011
99-D-104 Protection of real property (roof				

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
reconstruction-Phase II), LLNL, Livermore, CA	300	5,915		5,915
99-D-127 Stockpile management restructuring initiative, Kanas City plant, Kansas City, MO	22,200	29,900		29,900
99-D-128 Stockpile management restructuring initiative, Pantex plant, Amarillo, TX	3,300	407		407
98-D-123 Stockpile management restructuring initiative, Tritium factory modernization and consolidation, Savannah River plant, SC	13,700	10,481		10,481
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations	2,900	1,000		1,000
Total, Construction	**181,444**	**270,346**	**——**	**270,346**
Total, Readiness in technical base and facilities	**1,529,704**	**1,688,229**	**46,900**	**1,735,129**
Facilities and infrastructure recapitalization program	196,800	242,512		242,512
Secure transportation asset				
Operations and equipment	101,640	100,863	1,715	102,578
Program direction	44,428	54,505		54,505
Total, Secure transportation asset	**146,068**	**155,368**	**1,715**	**157,083**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Safeguards and security				
Operations and maintenance	545,281	501,054	65,000	566,054
Construction:				
99-D-132 SMRI nuclear material safeguards and security upgrade project, LANL, Los Alamos, NM	9,600	8,900		8,900
Total, Safeguards and security	**554,881**	**509,954**	**65,000**	**574,954**
Subtotal, Weapons Activities	**5,560,731**	**5,898,364**	**120,809**	**6,019,173**
Adjustments				
Less security charge for reimbursable work	-28,985	-28,985		(28,985)
Civilian personnel accrual accounting adjustment			-2,000	(2,000)
Total, Weapons Activities	**5,531,746**	**5,869,379**	**118,809**	**5,988,188**
Defense Nuclear Nonproliferation				
Nonproliferation and verification R&D				
Operation and maintenance	286,500	283,407	15,500	298,907
Total, Nonproliferation & verification R&D	**286,500**	**283,407**	**15,500**	**298,907**
Nonproliferation and international security	75,741	92,668		92,668
Nonproliferation programs with Russia				
International nuclear materials protection and cooperation	293,000	233,077		233,077

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Russian transition initiatives	57,000	39,334		39,334
HEU transparency implementation	13,950	17,229		17,229
International nuclear safety	20,000	14,576		14,576
Elimination of weapons-grade plutonium production program	——	49,339		49,339
Fissile materials disposition				
U S surplus materials disposition	135,089	194,000		194,000
Russian surplus materials disposition	61,000	98,000		98,000
Construction:				
01-D-407 Highly enriched uranium (HEU) blend down, Savannah River, SC	29,340	30,000		30,000
99-D-141 Pit disassembly and conversion facility, Savannah River, SC	11,000	33,000		33,000
99-D-143 Mixed oxide fuel fabrication facility, Savannah River, SC	65,993	93,000		93,000
Total, Construction	**106,333**	**156,000**	——	**156,000**
Total, Fissile materials disposition	**302,422**	**448,000**	——	**448,000**
Total, Nonproliferation programs with Russia	**762,113**	**894,223**	——	**894,223**
Program direction	3,000	——		0
Subtotal, Defense Nuclear Nonproliferation	**1,051,613**	**1,177,630**	**15,500**	**1,193,130**
Adjustments:				

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Use of prior year balances	-57,833	-64,000		(64,000)
Total, Defense Nuclear Nonproliferation	**993,780**	**1,113,630**	**15,500**	**1,129,130**
Naval reactors development				
Operation and maintenance	652,245	671,290		671,290
Construction:				
03-D-201 Cleanroom technology facility	——	7,200		7,200
01-D-200 Major office replacement building, Schenectady, NY	9,000	2,100		2,100
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID	4,200	2,000		2,000
Total, Construction	**13,200**	**11,300**	——	**11,300**
Total, Naval reactors development	**665,445**	**682,590**	——	**682,590**
Program direction	22,600	25,430	-1,000	24,430
Total, Naval Reactors	**688,045**	**708,020**	**-1,000**	**707,020**
Office Of The Administrator	**312,596**	**347,705**	**-12,000**	335,705
Total, National Nuclear Security Administration	**7,526,167**	**8,038,734**	**121,309**	**8,160,043**

Defense Environmental Restoration & Waste Management

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Site/project completion				
Operation and maintenance	927,620	779,706		779,706
Construction:				
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID	3,152	1,119		1,119
02-D-420 Plutonium packaging and stabilization, Savannah River, SC	20,000	2,000		2,000
01-D-414 Preliminary project, engineering and design (PE&D), various locations	4,244	5,125		5,125
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA		——	6,000	6,000
	762			
Total, Construction	**28,158**	**8,244**	**6,000**	**14,244**
Total, Site/project completion	**955,778**	**787,950**	**6,000**	**793,950**
Post 2006 completion				
Operation and maintenance	2,062,755	1,702,241	2,100	1,704,341
Uranium enrichment D&D fund contribution	420,000	——		
Construction:				
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC	6,754	14,870		14,870

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Office of river protection				
Operation and maintenance	319,881	226,256		226,256
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	665,000	619,000		619,000
97-D-402 Tank farm restoration and safe operations, Richland, WA	33,473	25,424		25,424
94-D-407 Initial tank retrieval systems, Richland, WA	6,844	20,945		20,945
Total, Construction	**705,317**	**671,732**	——	**671,732**
Total, Office of river protection	**1,025,198**	**897,988**	——	**897,988**
Total, Post 2006 completion	**3,514,707**	**2,615,099**	**2,100**	**2,617,199**
Science and technology	249,782	92,000		92,000
Excess facilities	4,874	1,300		1,300
Multi-Site activities				
Uranium enrichment D&D fund contribution	——	442,000	-1,000	441,000
Other activities	——	37,871	-37,871	0
Total, Multi-Site activities	——	**479,871**	**-38,871**	**441,000**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Safeguards and security	213,821	228,260	50,000	278,260
Program direction	355,761	358,227	37,871	396,098
Subtotal, Defense environmental restoration and waste management	**5,294,723**	**4,562,707**	**57,100**	**4,619,807**
Use of prior year balances	-58,960	——		0
Civilian personnel accrual adjustment			-14,000	(14,000)
Less security charge for reimbursable work	-5,391	-4,347		(4,347)
Total, Defense Environmental Restoration And Waste Management	**5,230,372**	**4,558,360**	**43,100**	**4,601,460**
Environmental Management Cleanup Reform				
Environmental management cleanup reform	——	800,000	200,000	1,000,000
Defense Facilities Closure Projects				
Site closure	1,038,903	1,054,153		1,054,153
Safeguards and security	53,975	37,161	18,000	55,161
Total, Defense Facilities Closure Projects	**1,092,878**	**1,091,314**	**18,000**	**1,109,314**
Defense Environmental Management Privatization				
Privatization initiatives, various locations	**153,537**	**158,399**		158,399
Total, Defense Environmental Management	**6,476,787**	**6,608,073**	**261,100**	**6,869,173**
Other Defense Activities				
Energy security and assurance				

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Energy security	—	23,411	-23,411	0
Program direction	—	4,275	-4,275	0
Total, Energy security and assurance	**—**	**27,686**	**(27,686)**	**0**
Office of Security				
Nuclear safeguards and security	120,000	91,102	65,000	156,102
Security investigations	44,927	45,870		45,870
Program direction	79,000	50,246		50,246
Chief information officer				
Corporate management information program	10,000	—		0
Total, Office of Security	**253,927**	**187,218**	**65,000**	**252,218**
Intelligence	40,844	41,559	2,000	43,559
Counterintelligence	46,000	46,083	2,000	48,083
Independent oversight and performance assurance	14,904	22,615		22,615
Environment, safety & health				
Environment, safety and health (defense)	95,688	81,892	5,000	86,892
Program direction	22,000	18,018		18,018
Total, Environment, safety and health	**117,688**	**99,910**	**5,000**	**104,910**
Worker and community transition				
Worker and community transition	18,000	22,965		22,965
Program direction	2,000	2,809		2,809
Total, Worker and community transition	**20,000**	**25,774**	**—**	**25,774**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
National security programs administration support	22,000	25,587	-25,587	0
Office of hearings and appeals	2,893	3,136		3,136
Subtotal, Other defense activities	**518,256**	**479,568**	**20,727**	**500,295**
Adjustments:				
Use of prior year balances	-20,000	-6,700		(6,700)
Civilian personnel accrual adjustment			-3,000	(3,000)
Less security charge for reimbursable work	-712	-712		(712)
Total, Adjustments	**-20,712**	**-7,412**	**-3,000**	**-10,412**
Total, Other Defense Activities	**497,544**	**472,156**	**17,727**	**489,883**
Defense Nuclear Waste Disposal				
Defense nuclear waste disposal	280,000	315,000	-100,000	215,000
Total, Environmental and Other Defense Activities	**7,254,331**	**7,395,229**	**178,827**	**7,574,056**
TOTAL, Atomic Energy Defense Activities	**14,780,498**	**15,433,963**	**300,136**	**15,734,099**

National Nuclear Security Administration (sec. 3101)

The committee recommends a provision that would authorize $8.2 billion to be appropriated to the Department of Energy (DOE) for fiscal year 2003 for the National Nuclear Security Administration (NNSA) to carry out programs necessary to national security.

Weapons activities

The committee recommends $6.0 billion for weapons activities, a $118.8 million increase above the amount requested for fiscal year 2003. The amount authorized is for the following activities: $1.2 billion for directed stockpile work, a decrease of $15.5 million to the budget request; $2.1 billion for campaigns, an increase of $22.7 million above the request; $1.7 billion for readiness in the technical base, an increase of $46.9 million above the request; $157.1 million for secure transportation assets, an increase of $1.7 million above the request; $575.0 million for safeguards and security, an increase of $65.0 million above the request; and $242.5 million for facilities and infrastructure, the amount of the request. The amounts authorized are reduced by $30.0 million, an offset for security charges for reimbursable work and $1.0 for civilian personnel accrual.

Directed stockpile work

The committee recommends $1.2 billion for directed stockpile work, a reduction of $15.5 million to the budget request. The directed stockpile account supports work directly related to weapons in the stockpile, including day-to-day maintenance as well as research, development, engineering, and certification activities to support planned life extension programs. It also includes fabrication and assembly of weapons components, weapons dismantlement and disposal, training, and support equipment. The committee recommends no funds for the Robust Nuclear Earth Penetrator.

The committee believes that as the reductions in operationally deployed nuclear warheads occur, as announced in the December 2001 Nuclear Posture Review (NPR), there will be an increased demand for weapons dismantlement associated with the W–62 warhead, which is being retired from the Minuteman III land based Intercontinental Ballistic Missile, and there may be additional increases in demand in the future. The NNSA has indicated that the capacity at the Pantex plant in Texas is fully utilized with the planned life extension programs and the planned W–79 and W–56 dismantlement efforts. This NNSA plan anticipates that all weapons in the stockpile as of today, with the exception of the W–62, will require life extension. The plan also assumes the direction in the NPR that no warheads will be taken out of the stockpile with the exception of the W–62.

The committee directs NNSA to study alternatives to existing facilities at Pantex for dismantlement. The Nevada Test Site has a new modern facility that was completed in the early 1990s to support nuclear weapons testing before the United States imposed a unilateral moratorium on underground nuclear weapons testing. This facility has capabilities similar to those of the Pantex plant. The facility, known as the Device Assembly Facility (DAF), is substantially underutilized. Its current mission is to deal with damaged nuclear weapons and to support subcritical experiments; how-

ever, DAF has the potential to be the main weapons dismantlement facility, thus relieving some of the pressure on the Pantex facility cited in the NPR. The DAF also has the potential to conduct the stockpile surveillance mission, either by taking over the surveillance mission or by supplementing the Pantex capabilities.

The committee directs the Administrator to conduct a study on the full range of potential uses for DAF, including dismantlement and surveillance, and report to the congressional defense committees on the result of this study no later than March 1, 2003. In looking at the DAF the Administrator should take into consideration the security, transportation, personnel and other costs of dismantlement at the DAF, as well as the cost of additional facilities that would be needed at Pantex. The Administrator should also make sure that no program added to the DAF will delay our test readiness capabilities, nor should the Administrator make the DAF unsuitable for ongoing subcritical tests.

Campaigns

The committee recommends $2.1 billion for campaigns, an increase of $22.7 million above the amount requested. The campaigns focus on science and engineering efforts involving the three weapons laboratories, the Nevada Test Site, and the weapons plants. Each campaign is focused on a specific activity to support and maintain the stockpile without underground nuclear weapons testing. These efforts maintain and enhance the safety, security, and reliability of the existing stockpile. The campaigns are divided into three major categories: science campaigns, readiness campaigns, and engineering campaigns.

The committee recommends $7.0 million, a $5.0 million increase, for the pit manufacturing and certification campaign to allow the Environmental Impact Statement (EIS) for a new pit facility to go forward. The EIS work can begin now because it is needed to support analysis for a number of facility options and facility sizes. The committee notes that the only validated pit requirement is for a small number of W–88 pits, which could be produced at the Los Alamos National Laboratory. Moreover, the committee urges NNSA to ensure that the requirements are well understood for this $2–$4 billion facility.

The committee urges NNSA and Department of Defense (DOD) to establish a valid annual pit requirement. The NNSA should not begin construction activities on this billion-dollar facility until there is a valid requirement that has been approved by DOE and DOD.

The committee recommends a reduction of $1.0 million in the high explosives campaign and a reduction of $2.0 million in the non-nuclear readiness campaigns. These reductions are available as some of the planned work in these campaigns is not adequately linked to requirements in the February 2001 NNSA stockpile life extension plan.

The committee recommends an increase of $10.7 million in the High Energy Density Physics (HEDP) campaign to keep the cryogenic target and National Ignition Facility (NIF) diagnostics on schedule with the planned NIF ignition schedule and to provide for the petawatt laser initiative.

Finally, the committee notes that no funding was requested for the High Average Power Laser (HAPL) program. The HAPL is a promising laser program that has both energy and defense potential. The hybrid nature of the HAPL is one of the reasons that it is not funded in either DOE science programs or NNSA. The committee urges the DOE to review the potential national value of the HAPL and to determine if there is an overriding national interest in funding the HAPL through a joint program or project office.

The committee provides an additional $10.0 million in the NIF construction line item to account for a funding reduction taken in the program two years ago.

Readiness in the technical base

The committee recommends $1.7 billion in readiness in the technical base and facilities (RTBF), an increase of $46.9 million. This account funds facilities and infrastructure in the weapons complex to ensure the operational readiness of the complex and includes construction funding for new facilities.

The budget request included $10.0 million in the operations of facilities sub-account in RTBF for the Center for Combating Terrorism. The committee recommends an increase of $40.0 million for the Center. This center serves as a test bed for a variety of technologies and will allow the unique capabilities of NNSA to be brought to bear on one of the nation's most urgent priorities. One of the results of NNSA center and work, in conjunction with DOD, was the successful testing of the thermobaric bomb.

The budget request included $37.7 million in the special projects sub-account in RTBF. The committee recommends an increase of $6.9 million to allow NNSA to make the annual payment to the Los Alamos Foundation established by section 3167(a) of the 1998 National Defense Authorization Act, to support schools in the Los Alamos, New Mexico area.

The budget request included two project engineering and design lines (PE&D) in the RTBF. The NNSA uses these accounts to fund project engineering and design activities that support conceptual design work for construction projects before funding is requested in a specific construction line item. Each year there is a new PE&D account request that would provide funds for design work planned to begin in the year requested.

The budget request included two projects in the fiscal year 2002 PE&D account, 02–D–103, that would begin in fiscal year 2003. The committee recommends a reduction of $2.3 million in construction line 02–D–103 and an increase of $2.3 million in construction line 03–D–103 to reflect the transfer of these two projects to the fiscal year 2003 PE&D account. The committee directs DOE and NNSA to include in a PE&D for any fiscal year only those projects that would receive initial funding in that year.

The committee also notes that there are a substantial number of very large construction projects that are included in the PE&D accounts for fiscal years 2002 and 2003. The committee is concerned that the out-year costs of all of these projects may be unaffordable. Moreover, these projects would increase the overall size of the NNSA complex at a time when Congress has been supportive of NNSA efforts to reduce the number of buildings in the complex and

catch up on years of deferred maintenance. Almost none of the projects in the PE&D accounts explain how the costs of tearing down current buildings to make way for the new buildings will be covered.

The committee is concerned that the large number of the new projects that are requested, without any plan to tear down the buildings that are being replaced, will place NNSA in a never-ending maintenance backlog cycle. The committee directs NNSA to include the costs of tearing down the facilities that are being replaced in the costs of all new projects. The committee also directs the Administrator to submit a report to the congressional defense committees certifying that the new buildings planned in the fiscal year 2002 and 2003 PE&D accounts are fully funded in the NNSA future years budget plan. The report should also include a plan for a net reduction of the square footage of buildings under the control of the NNSA.

The committee is also concerned about the Microsystems Engineering and Science Applications (MESA) complex. The budget request includes $75.0 million to support construction of all five phases of the full MESA complex. An established requirement exists for the first three phases: the utilities upgrades, the retooling of the Microelectronics Development Laboratory (MDL), and the Microsystems Fabrication building, which is the replacement for the older Compound Semiconductor Research Laboratory. There is no approved requirement for the remaining two phases, the Microsystems Laboratory and the Weapons Integration Facility.

The committee directs that before NNSA commits to the 391,000-square-foot full MESA project at a cost of $504.0 million dollars, the NNSA Administrator shall certify that the full complex is required for the Stockpile Life Extension Program outlined in the February 2001 NNSA Stockpile Life Extension Plan.

Secure transportation asset

The committee recommends $157.1 million for the secure transportation asset, a $1.7 million increase above the amount requested. The secure transportation asset is responsible for transportation of nuclear weapons, weapons materials and components, and other materials requiring safe and secure transport. The committee has provided an additional $1.7 million to maintain increased security for this most important mission. This increase is part of an overall $199.7 million increase recommended by the committee to ensure that security is adequately funded and maintained at DOE. The committee is concerned that, as discussed in recent press reports, there are significant and serious shortfalls in security funding at DOE.

Safeguards and security

The committee recommends $575.0 million for weapons safeguards and security, an increase of $65.0 million above the request. The weapons safeguards and security account provides funding for all safeguards and security at all the NNSA complex sites. As a result of the attacks of September 11, NNSA is working on a new design basis threat (DBT) against which to design its security posture of the future. In the meantime, however, the fiscal year 2003 budg-

et request funds only a pre-September 11 level of security. The committee recommends the additional $65.0 million to maintain at least the level of security maintained in 2002, until the new DBT is in place and to provide improvements to NNSA's cyber-security posture. This $65.0 million increase is part of the overall $199.7 million increase for security.

Facilities and Infrastructure

The committee recommends $242.5 million for the facilities and infrastructure activities, the amount of the request. The committee notes that NNSA has recently established standards and criteria to begin to address the real property maintenance backlog in the NNSA complex. The committee supports this much needed effort. NNSA must also work to ensure that the NNSA complex does not continue to have a maintenance backlog in the future. In order to prevent this situation, NNSA is establishing a strong cadre of professional facilities managers to ensure that the real property assets of NNSA are adequately maintained. The committee supports NNSA and urges it to expand its efforts in this area.

Defense Nuclear Nonproliferation

The committee recommends $1.1 billion for Defense Nuclear Nonproliferation, a $15.5 million increase above the amount of the budget request. The Office of Defense Nuclear Nonproliferation provides management and oversight for the nonproliferation programs in the National Nuclear Security Administration (NNSA). The amount authorized would fund the following activities: $298.9 million for nonproliferation and verification research and development; $92.7 million for nonproliferation and international security; and $894.2 million for nonproliferation programs with Russia and the states of the Former Soviet Union, including $233.1 million for international nuclear materials protection and cooperation, $39.3 million for the Russian transition initiatives, $17.2 million for Highly Enriched Uranium (HEU) transparency, $14.6 million for international nuclear safety, $49.3 million for the elimination of weapons grade plutonium production, and $448.0 million for fissile materials disposition.

Of the amount recommended for nonproliferation and verification research and development, the committee includes $15.5 million for research to develop a new generation of radiation detectors for homeland defense missions.

Of the amount recommended for the Russian transition initiative, the committee recommends $16.7 million for the Nuclear Cities Initiative (NCI) program, the amount of the request. The committee supports both of the programs under the Russian transition initiatives but believes that they serve different missions in support of the same goal. The committee urges NNSA to set aside a portion of the Initiatives for Proliferation Prevention (IPP) program funds to be used for specific IPP commercialization projects in the Russian cities under the NCI program. On the other hand, the committee believes that the NCI program should focus on working with the Russian cities to support broader economic development missions that are not within the purview of the IPP program. In carrying out the NCI program, the committee urges NNSA to work

with other federal agencies with expertise in economic development and with local communities to further the ongoing Sister Cities efforts between U.S. and Russian cities.

Naval Reactors

The committee recommends $707.0 million for Naval Reactors, a reduction of $1.0 million below the amount of the request.

Office of Administrator

The committee recommends $335.7 million for program direction for the National Nuclear Security Administration a reduction of $12.0 million below the amount of the request. This account includes program direction funding for all elements of the National Nuclear Security Administration with the exception of the Naval Reactors Program and the Secure Transportation Asset.

Defense Environmental Management (sec. 3102)

The committee recommends a provision that would authorize $6.7 billion to be appropriated to the Department of Energy (DOE) for fiscal year 2003 for environmental management activities, an increase of $261.1 million above the amount requested. This amount includes a reduction of $14.0 million to reflect the civilian personnel accrual adjustment.

The amount requested is for the following activities: $793.9 million for site and projection completion, an increase of $6.0 million above the amount of the request; $2.6 billion for post 2006 completion, an increase of $2.1 million above the amount of the request, and including $897.9 million for the Office of River Protection; $92.0 million for science and technology, the amount of the request; $1.3 million for excess facilities, the amount of the request; $441.0 million for multi-site activities, a reduction of $38.9 million below the amount of the request; $278.3 million for safeguards and security, an increase of $50.0 million above the amount of the request; $396.1 million for program direction, an increase of $37.9 million above the request; $1.0 billion for environmental management cleanup reform, an increase of $200.0 million above the request; and $1.1 billion for defense closure projects, an increase of $18.0 million above the amount of the request.

Closure projects

The committee recommends $1.1 billion for closure projects, an increase of $18.0 million above the request. The closure projects account provides funds for the cleanup of those sites that will complete cleanup and close by the end of 2006. The committee recommends the additional funds to cover additional security costs that may be needed at the Rocky Flats site if there is any delay in shipping plutonium to the Savannah River Site. The committee notes that the Rocky Flats plant may be closed as early as 2005 and supports the effort to accelerate closure.

Site and projection completion

This account funds those projects that will be completed by 2006 at sites that will continue to be DOE sites beyond 2006. The committee recommends $793.9 million for site and project completion,

an increase of $6.0 million above the request. Last summer the Office of Environmental Management completed a new modern hazardous waste storage building at Lawrence Livermore National Laboratory (LLNL). This new building will house both hazardous and radioactive waste. LLNL submitted the safety basis documents needed to operate the facility in June 2001. Because the DOE Office of Environmental Management has not yet finished its review of the documents, the waste remains stored outside. The budget request for fiscal year 2003 fails to provide the needed funds to complete the safety basis review process and move the waste into the new buildings. The committee recommends the additional $6.0 million in the construction line for the facility 86–D–103, in order to complete the necessary documents and move the radioactive and hazardous waste into the building. Continuing to store the waste outside is contrary to safety, environmental, and security best practices.

Post 2006 completion

The committee recommends $2.6 billion for post 2006 completion, an increase of $2.1 million above the budget request. This account funds cleanup projects that will require funding beyond 2006. The committee recommends an additional $2.1 million to support the continuing process to transfer excess land at the Los Alamos National Laboratory to the community.

Included in the post 2006 completion account is a sub-account for the Office of River Protection. The Office of River Protection provides funds to treat the tank waste and ultimately close the tanks at the Hanford, Washington site. The committee recommends $897.9 million for the Office of River Protection, the amount of the request.

Science and technology

The committee recommends $92.0 million for science and technology for environmental management, the amount of the request. This account supports research and development to develop new or improved technologies for cleanup and waste treatment. The funding level contained in the budget request is significantly less than the fiscal year 2002 appropriated level of $247.8 million. The committee is concerned that DOE has underfunded this account to the long-term detriment of the cleanup process. Many of the sites continue to have cleanup challenges for which the current technology is either too expensive or not available. The committee urges DOE to revisit the approach to research and development over the course of the coming year.

Excess facilities

The committee recommends $1.3 million for excess facilities, the amount of the request. This account provides funds to stabilize facilities that are being transferred by other DOE programs to the Office of Environmental Management for future disposal.

Safeguards and security

The committee recommends $278.3 million for safeguards and security, an increase of $50.0 million. The committee recommends

this increase as part of the overall increase of $199.7 million for DOE to ensure that the security of weapons and materials is maintained. The Office of Environmental Management has responsibility for a wide range of material that includes weapons grade materials as well as other hazardous and radioactive materials. The committee is concerned that the amount of funding included in the fiscal year 2003 budget request for security for environmental management is not adequate to maintain the post-September 11 level of security at environmental sites and facilities.

Multi-site/Uranium enrichment decontamination and decommissioning fund

The committee recommends $441.0 million for the contribution to the uranium decontamination and decommissioning fund, a reduction of $38.9 million. The committee recommends $37.9 million for multi-site activities be transferred to program direction "to provide management and direction for various crosscutting initiatives, establish and implement national and departmental policy; and to conduct analyses and integrate activities across the DOE complex." The committee believes that these are the same functions that are carried out in the program direction account and sees no reason why there should be two separate accounts.

Environmental management cleanup reform

The committee recommends $1.0 billion for environmental management cleanup reform, an increase of $200.0 million. This account is a new account to supplement the site and project base funding after new or amended cleanup agreements are reached with state and federal regulators. The committee is concerned that DOE has substantially underfunded the cleanup accounts and is at risk of violating several of the cleanup agreements. In section 3131 of this Act, the committee recommends a provision that would establish criteria for this account before funds from it could be obligated.

Program direction

The committee recommends $396.1 million for program direction, an increase of $37.9 million transferred from multi-site activities as discussed above.

Other Defense Activities (sec. 3103)

The committee authorizes $489.9 million for other defense activities, an increase of $17.7 million to the budget request.

Energy Security and Assistance

The fiscal year 2003 budget request included $27.7 million for Energy Security and Assistance. The committee recommends no funds for these activities. The activities contained in this request are largely ongoing activities that are part of the non-defense activities of the Department of Energy (DOE). While the committee shares the view that energy security is important, the activities that would be funded in this account include: the development of a national strategy for energy assurance, attendance at energy assurance-related forums, the maintenance of energy-related data-

bases, and monitoring the national energy supply. The committee believes these activities should continue to be funded out of the Energy, non-defense accounts at DOE, particularly when the defense-related security accounts are substantially underfunded. The committee notes that the program is fully authorized at $25.0 million for fiscal year 2003 in section 1261 of H.R. 4, as amended, the Senate Energy bill.

Office of Security

The budget request included $187.2 million for the Office of Security. The committee notes that this amount is a 30 percent reduction from the fiscal year 2002 appropriated level. The committee recommends an additional $65.0 million for nuclear safeguards and security. This request is part of an overall increase of $199.7 million for DOE and NNSA for nuclear security. The committee is very concerned that the budget request for security is significantly lower than the fiscal year 2002 appropriated level. This concern is heightened by the recent press reports that DOE had requested, but was denied by the Office of Management and Budget, approximately $300 million in additional funding for fiscal year 2002. The committee understands that of this additional $300.0 million requested, about $198.0 million was for defense facilities. It is clear that the amount requested for fiscal year 2003 is inadequate to maintain the current fiscal year 2002 level of security funding, which, apparently, does not even provide adequate protection.

Intelligence

The committee recommends $43.6 million for Intelligence, an increase of $2.0 million above the amount of the budget request.

Counterintelligence

The committee recommends $48.0 million for counterintelligence, an increase of $2.0 million above the amount of the request. The committee notes that a portion of the funding for the Office of Counterintelligence in the National Nuclear Security Administration (NNSA) is funded from this account. While it is important that the DOE and NNSA offices of counterintelligence work closely, the committee believes that the funding for the two offices should be separate. The committee directs the Secretary of Energy to transfer the $5.0 million that is contained in this account for NNSA directly to the Administrator at the beginning of the fiscal year, to be obligated by the NNSA office of counterintelligence. The committee directs that in the future the NNSA Office of Counterintelligence be adequately funded in the NNSA accounts.

Independent oversight and performance assurance

The committee recommends $22.6 million for Office of Independent Oversight, the amount of the request. The committee supports the work of the office and believes that it plays a valuable role in ensuring the safety and security of DOE and NNSA facilities.

Environment safety and health

The committee recommends $104.9 million for environment, safety and health, an increase of $5.0 million above the amount requested. The committee recommends $2.5 million to continue pollution prevention efforts, formerly conducted by the Office of Environmental Management, to identify ways to reduce the amount of waste generated by the DOE complex. The committee also recommends $2.5 million for enhanced medical screening of current and former workers at DOE nuclear facilities, including the three gaseous diffusion plants. The committee believes DOE should take the steps necessary to ensure that medical screening, including the use of advanced techniques for early lung cancer detection, is made available to the current and former workers. The committee encourages the DOE to request sufficient funds in the future to conduct the medical screening on all current and former workers who wish to have the screening.

Worker and community transition

The committee recommends $25.8 million for worker and community transition, the amount of the budget request.

National nuclear security administrative support

The budget request included $25.6 million for national security programs administrative support. The committee recommends no funds for national security administrative support. For the second year in a row, DOE has failed to provide any justification materials for this request. The committee believes that the NNSA program direction adequately supports NNSA.

Defense environmental management privatization (sec. 3104)

The committee recommends $158.4 million for environmental management privatization, the amount of the budget request.

Defense Nuclear Waste Disposal (sec. 3105)

The committee recommends a provision that would authorize $215.0 million for defense nuclear waste disposal, a $100.0 million reduction below the budget request of $315.0 million. Recent delays in the program have deferred the requirements for the defense contribution to the waste fund this year.

SUBTITLE B—RECURRING GENERAL PROVISIONS

Reprogramming (sec. 3121)

The committee recommends a provision that would prohibit the reprogramming of funds in excess of 115 percent of the amount authorized for the program or in excess of $5.0 million above the amount authorized for the program, whichever is less, until: (1) the Secretary of Energy submits a report to the congressional defense committees; and (2) a period of 30 days has elapsed after the date on which the report is received. The committee recommends reinstating reprogramming authority for the Department of Energy. The committee notes that the threshold level for reprogramming actions had been $10.0 million prior to 1995 when it was reduced

to $1.0 million in the National Defense Authorization Act for Fiscal Year 1995. The committee believes that $5.0 million is a realistic reprogramming threshold.

Limits on minor construction projects (sec. 3122)

The committee recommends a provision that would authorize the Secretary of Energy to carry out minor construction projects using operation and maintenance funds or facilities and infrastructure funds if the total estimated cost of the minor construction project does not exceed $5.0 million. In addition, the provision would require the Secretary to submit an annual report identifying each minor construction project undertaken during the previous fiscal year. The committee directs the Secretary to submit this report at the same time the Secretary submits the Department of Energy budget request for fiscal year 2004, or as soon thereafter as possible.

Limits on construction projects (sec. 3123)

The committee recommends a provision that would permit any construction project to be initiated and continued only if the estimated cost for the project does not exceed, by 25 percent, the higher of either the amount authorized for the project or the most recent total estimated cost presented to Congress as justification for such a project. The Secretary of Energy may not exceed such limits until 30 legislative days after the Secretary submits to the congressional defense committees a detailed report setting forth the reasons for the increase. This provision would also specify that the 25 percent limitation would not apply to projects estimated to be a minor construction project under $5.0 million.

Fund transfer authority (sec. 3124)

The committee recommends a provision that would permit funds authorized by this Act to be transferred to other agencies of the government for performance of work for which the funds were authorized and appropriated. The provision would permit the merger of such transferred funds with the authorizations of the agency to which they are transferred. The provision would also limit, to no more than 5 percent of the account, the amount of funds authorized by this Act that may be transferred between authorization accounts within the Department of Energy.

Authority for conceptual and construction design (sec. 3125)

The committee recommends a provision that would limit the Secretary of Energy's authority to request construction funding until the Secretary has completed a conceptual design. This limitation would apply to construction projects with a total estimated cost greater than $5.0 million. If the estimated cost to prepare the construction design exceeds $600,000, the provision would require the Secretary to obtain a specific authorization to obligate such funds. If the estimated cost to prepare a conceptual design exceeds $3.0 million, the provision would require the Secretary to request funds for the conceptual design before requesting funds for construction. The provision would further require the Secretary to submit to Congress a report on each conceptual design completed under this

provision. The provision would also provide an exception to these requirements in the case of an emergency.

Authority for emergency planning, design, and construction activities (sec. 3126)

The committee recommends a provision that would permit the Secretary of Energy to perform planning and design with any funds available to the Department of Energy pursuant to this title, including those funds authorized for advance planning and construction design, 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. The provision would require the Secretary of Energy to submit to Congress a report on each construction project to be completed under this provision prior to exercising the authority that would be provided by this provision.

Funds available for all national security programs of the Department of Energy (sec. 3127)

The committee recommends a provision that would authorize, subject to section 3121 of this Act and appropriations acts, 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.

Availability of funds (sec. 3128)

The committee recommends a provision that would authorize amounts appropriated for operating expenses or for plant and capital equipment for the Department of Energy to remain available until expended. Program direction funds would remain available until the end of fiscal year 2004.

Transfer of defense environmental management funds (sec. 3129)

The committee recommends a provision that would provide the manager of each field office of the Department of Energy with limited authority to transfer up to $5.0 million in fiscal year 2003 defense environmental management funds from one program or project, including site project and completion and post 2006 completion funds. Each manager would be able to use this authority up to three times in a fiscal year. Each transfer shall not exceed $5.0 million, and the transfers shall not be aggregated.

Transfer of weapons activities funds (sec. 3130)

The committee recommends a provision that would provide the manager of each Department of Energy/National Nuclear Security Administration (DOE/NNSA) office with limited authority to transfer up to $5.0 million in fiscal year 2003 weapons activities funds from one program or project under the manager's jurisdiction to another. Each manager would be able to use this authority up to three times in a fiscal year. Each transfer shall not exceed $5.0 million, and the transfers shall not be aggregated.

SUBTITLE C—PROGRAM AUTHORIZATIONS, RESTRICTIONS, AND LIMITATIONS

Availability of funds for environmental cleanup reform (sec. 3131)

The Department of Energy (DOE) budget request for fiscal year 2003 included $800.0 million for a new initiative, the environmental cleanup reform account. The committee recommends an additional $200.0 million for the account. According to the DOE budget justification material, the purpose of the new account is "to enable the Department, the States and the American taxpayer to begin realizing the benefits immediately of alternative cleanup approaches that will produce more real risk reduction, accelerate cleanup, or achieve much needed cost and schedule improvements." While the committee supports the goal of faster cleanup, DOE has not provided any details as to how this goal will be achieved by the creation of this new account or how the money that would be in the account will be spent, nor have they identified the "alternative cleanup up approaches" that would be funded by the account.

The committee recommends a provision that would require the Secretary of Energy to establish and publish selection criteria for the environmental management cleanup reform account. The provision would also provide the Secretary of Energy authority to dissolve the account, in the event the Secretary opts not to establish selection criteria, and redistribute the funds in the account to the sites and projects on a pro rata basis according to fiscal year 2002 funding levels.

The overall budget request for fiscal year 2003 for Environmental Management for DOE is $6.6 billion, slightly higher than the $6.5 billion appropriated for fiscal year 2002. To create the cleanup reform account within an essentially flat budget, the DOE reduced almost all of the DOE cleanup site budgets below their fiscal year 2002 appropriated levels. DOE plans to have the various sites, in essence, compete for the funds in the cleanup reform account. How the sites would do this, or on what time table this would happen, is not clear. DOE has provided no guidance or direction to Congress, the States, or the sites on how this competition is to occur or to be judged.

Most of the DOE cleanup effort is required by agreements between DOE and the various host States or the Environmental Protection Agency (EPA). In some instances DOE, the State, and the EPA are all parties to the agreements. These agreements establish cleanup schedules and standards for each site. These agreements also include provisions that require that DOE and its operating contractors pay fines and penalties if the schedule for work required by the agreements is not met. By under-funding each site, DOE is potentially at risk of violating a number of these agreements.

The committee supports the idea of DOE, the States, and the EPA reviewing the various agreements to ensure that the cleanup at each site is being conducted as efficiently as possible. On the other hand, the committee does not support any effort to reduce the cleanup standards and potentially put at risk the health and safety

of communities or the DOE workers in order to reduce cleanup costs.

The committee notes that the cleanup effort at Rocky Flats in Colorado was a successful partnership among the State, the community, the DOE, and the EPA, to accelerate cleanup significantly ahead of the original schedule. This accelerated cleanup will save money in the long run, as the total cost of cleanup will be significantly reduced. Rocky Flats is a success story because substantial additional funds were provided to the site to accelerate the cleanup, not because funds were withheld from the site.

The committee supports innovative approaches to accelerate cleanup and reduce costs. Providing additional funds for the sites may, in fact, generate the accelerated cleanup sought by DOE. The committee is concerned that the approach announced by the Department may be premature.

The committee supports the general idea of providing the possibility of additional funds to accelerate cleanup. In providing the funds however, DOE must spell out clearly, and with input from the States, the communities, and the regulators, how the funds will made available. The provision recommended by the committee would require such criteria be established before funds from the cleanup reform account could be obligated.

In the event that the idea of the cleanup reform account is premature for fiscal year 2003, then the Secretary could dissolve the account and transfer the money to the sites and projects based on the level of funding the sites and projects received in fiscal year 2002. The committee encourages DOE to continue to explore the idea of providing additional funds to accelerate cleanups at as many sites as possible.

Robust Nuclear Earth Penetrator (sec. 3132)

The committee recommends a provision that would require the Secretary of Defense, in consultation with the Secretary of Energy, to submit a report to the congressional defense committees no later than February 3, 2003, on the Robust Nuclear Earth Penetrator (RNEP) that sets forth (1) the military requirements for the RNEP; (2) the nuclear weapons employment policy for the RNEP; (3) the detailed categories or types of targets that the RNEP is designed to hold at risk; and (4) an assessment of the ability of conventional weapons to address the same types of categories of targets that the RNEP is designed to hold at risk.

The budget request included $15.5 million for the RNEP. The committee recommends no funds for the RNEP.

Database to track notification and resolution phases of significant finding investigations (sec. 3133)

The committee recommends a provision that would establish at the national laboratories of the National Nuclear Security Administration (NNSA) a database to track the notification and resolution phases of significant finding investigations (SFIs). The provision would require the Administrator of NNSA to develop and implement a laboratory-wide database to monitor the laboratories' progress on resolving SFIs. The Department of Energy's Inspector General (DOE–IG) recommended a central SFI tracking system in

a December 2001 report. The DOE–IG determined that DOE was plagued with a system that frequently missed self-imposed time frames for initiating and conducting investigations of defects and malfunctions in nuclear weapons. The committee believes that DOE should place a high priority on correcting this problem.

Requirements for specific request for new or modified nuclear weapons (sec. 3134–3135)

The committee recommends a provision that would require the Secretary of Energy specifically to request funds before beginning research and development and engineering and production activities to support any new or modified nuclear weapon. The committee also recommends a provision that would require a specific authorization for these funds before they, or any other national security program funds or activities under the Atomic Energy Act of 1954, could be obligated or expended.

The provision would apply to new weapons and to modifications to existing weapons to meet a new military requirement. The provision would require a specific request in a specific line item or items at two distinct points in time for any new or modified nuclear weapon. This requirement is consistent with past practices at the Department of Energy (DOE) and similar to current acquisition practices for major weapons systems at the Department Defense (DOD), and similar to the way DOE budgets for construction projects.

A new weapon would be defined by the provision as any weapon that contains a pit or secondary which is not in the stockpile or not in production on the date of enactment of this Act. Development of nuclear weapons is conducted using a formal phased acquisition process. This process was developed jointly by the Atomic Energy Commission, the predecessor to DOE, and DOD in a memorandum of understanding signed in 1953. There are eight phases (numbered 1, 2, 2A, 3, 4, 5, 6 and 7) in the development process starting with the first phase, which is concept development, and ending in phase 7, which is warhead retirement or storage.

Under the provision recommended by the committee, the requirement for specific authorization for the first phase of a new nuclear weapon would apply to research and development activities leading to and including phase 1 and 2, the concept development phase. A specific request and authorization would also be required before engineering and manufacturing activities could begin to support phase 2A and beyond, development and engineering.

Modifications to nuclear weapons use a similarly phased acquisition process. In the process applicable to weapons modifications, the phase begins with phase 6, which is quantity production and stockpile, and overlays phases 1–7 onto phase 6. Thus, when modifications are made to existing nuclear weapons, the first phase would be phase 6.1, the concept development phase, and would continue through phase 6.6, for an existing weapon.

Under the provision recommended by the committee, a specific request for funds would have to be received from the Secretary of Energy and a specific authorization would have to be provided by Congress for activities to support work leading to and including phase 6.1 and 6.2, concept development for modifications, and

again for phase 6.3 and beyond, development and engineering for modifications to existing nuclear weapons.

The specific line item for the work leading to and including phase 1 and 2 and phase 6.1 and 6.2 would be analogous to the current practice with respect to planning, engineering, and design money for construction activities. The line items for the work for phases 2A and beyond, and 6.2A and beyond, would be analogous to construction line items for individual construction projects. The committee expects each individual weapon would have a dedicated line item when it moves to phase 2A or 6.2A.

The provision would not apply to the stockpile life extension programs (SLEPs) that are scheduled for each of the weapons that will remain in the stockpile. In February 2002, the Administrator of the National Nuclear Security Administration (NNSA) submitted the Comprehensive Stockpile Life Extension Program plan to Congress. This plan lays out the refurbishment schedule for the existing nuclear weapons stockpile. Under this plan, NNSA and DOD have identified detailed schedules and activities for each of the weapons in the stockpile through 2025.

The provision would not be construed to modify, repeal, or in any way affect the provisions of section 3136 of the National Defense Authorization Act for Fiscal Year 1994.

Limitation on availability of funds for program to eliminate weapons grade plutonium production (sec. 3136)

The committee recommends a provision that would limit the amount of money that could be obligated or expended for the program to eliminate weapons grade plutonium production before an agreement with Russia is signed. The provision would prohibit the Administrator of the National Nuclear Security Administration from obligating or expending more than $100.0 million until 30 days after the Administrator submits a copy of the agreement to the congressional defense committees.

SUBTITLE D—PROLIFERATION MATTERS

Administration of program to eliminate weapons grade plutonium production in Russia (sec. 3151)

The committee recommends a provision that would direct the transfer of the program to eliminate weapons grade plutonium in Russia from the Department of Defense (DOD) to the Department of Energy (DOE). The provision would also direct that the funds, which had been previously appropriated to DOD, be transferred to and merged with DOE funds. In addition, the provision would allow DOE to spend the funds for the program without regard to the restrictions that had been placed on the funds when DOD managed the program.

The program to eliminate weapons grade plutonium production in Russia would shut down the remaining three plutonium producing reactors in Russia. The program was originally created to modify the reactor cores so they would not produce plutonium. Due to technical difficulties in changing the reactor cores and the age of the reactors, the program shifted from converting the reactor cores to building alternative power sources. The three reactors, in

addition to producing plutonium, also produce energy for the communities in which they are located. In order to shut down the reactors, an alternative power supply must be provided.

The 2003 budget request transferred this program from DOD to the DOE National Nuclear Security Administration (NNSA) as a result of concern in Congress that this program should not be a DOD program, but rather a DOE effort. In order to implement the program at DOE, the various restrictions that were put on the program at DOD must be removed. This provision would allow NNSA to carry out the program without the funding limitations and restrictions placed on the program when it was a DOD program.

The committee notes that this program is a very complicated program to implement, involving substantial financial contributions and coordination with the Russian government. There are many unresolved issues that NNSA will have to resolve with Russia before any actual construction activities can begin. The committee directs the Secretary of Energy and the Administrator of NNSA not to begin any construction work on the alternative power sources until there is an agreement or agreements in place with Russia that include a firm commitment to shut down the reactors and a firm schedule for Russian actions that support the shutdown, including the portions of the program that must be completed by Russia before the reactors can be shut down.

A related aspect of this program is an ongoing NNSA program to upgrade the reactors until they can be shut down. The reactor upgrade program was an NNSA program already underway and is not part of the transfer from DOD. The committee remains concerned that any upgrades to the reactors be for short-term safety improvements and will not extend the life of these reactors.

Security of nuclear materials and facilities worldwide (sec. 3152)

The committee recommends a provision that would express the sense of Congress that the Secretary of Energy, in consultation with the Secretaries of State and Defense, should work to develop a program of activities, with Russia, other G–8 countries, and allies, to encourage all countries to secure stockpiles of highly enriched uranium (HEU) and plutonium and to adhere to or adopt standards equivalent to the International Atomic Energy Agency standards on the Physical Protection of Nuclear Materials and Nuclear Facilities. The provision would also direct the Secretary of Energy, acting through the Administrator of the National Nuclear Security Administration (NNSA), to conduct a study to determine the feasibility and advisability of developing a program to secure radiological materials outside the United States, other than HEU and plutonium, that present a threat to U.S. national security and to submit a report to Congress on the review one year after the date of enactment. Finally, the provision would direct the Secretary of Energy, in consultation with the Chairman of the Nuclear Regulatory Commission, to conduct a study on the feasibility and advisability of various actions to reduce risks associated with terrorist attacks on nuclear power plants outside the United States. The Secretary would be required to submit to Congress a report on the

results of this study nine months after the date of enactment of the National Defense Authorization Act for Fiscal Year 2003.

Repeal of requirement for reports on obligation of funds for programs on fissile materials in Russia (sec. 3153)

The committee recommends a provision that would repeal the semi-annual report on the Department of Energy fissile Materials Protection, Control and Accounting (MPC&A) program required by section 3131 of the National Defense Authorization Act for Fiscal Year 1996. This report is no longer needed as the information is included in the annual MPC&A report.

Expansion of annual reports on status of nuclear Materials Protection, Control and Accounting program (sec. 3154)

The committee recommends a provision that would amend the annual reporting requirement for the Department of Energy (DOE) Materials Protection, Control and Accounting (MPC&A) program to include countries other than Russia. The DOE MPC&A program works to protect weapons grade nuclear materials in the countries of the Former Soviet Union, including Russia. The provision would also amend the MPC&A report to require the Secretary of Energy to identify the nature of the work performed in each country outside of Russia, the amount of material secured, the amount of material remaining to be secured, and the total amount spent by country.

Export Control Operations program

The budget request included $92.7 million for the Nonproliferation and International Security program. This request included $15.5 million for the Export Control Operations program in the Office of the Deputy Administrator for Defense Nuclear Nonproliferation. The program conducts proliferation reviews of U.S. dual-use export licenses, regulates U.S. nuclear technology transfers, plays a leading role in implementing multilateral export control regimes, and works with governments worldwide by providing assistance and training to develop effective and enforceable national systems of nuclear export control. Because of the terrorist attacks of September 11, 2001, and heightened concerns that countries that support terrorism are increasing efforts to acquire dual-use technologies and nuclear materials, the committee is very concerned that weak export control systems and ineffective enforcement worldwide pose a danger to U.S. national security. Therefore, the committee recommends that the Export Control Operations program accelerate its efforts to promote the use of nonproliferation export controls with emerging supplier states and regions of concern, work with transit states to train and equip experts in identifying illicit transfers of controlled nuclear and other weapons of mass destruction-related exports, and strengthen the National Nuclear Security Administration's role in the technical evaluation of proliferation threats and of exports and imports reviewed by U.S. Customs. The committee recommends an additional $3.0 million above the budget request to be used to support these efforts.

SUBTITLE E—OTHER MATTERS

Indemnification of Department of Energy contractors (sec. 3161)

The committee recommends a provision that would amend section 170d(1)(A) of the Atomic Energy Act of 1954 to allow the Department of Energy to continue to enter into contracts for indemnification for an additional 10 years, through August 1, 2012.

Worker health and safety rules for Department of Energy facilities (sec. 3162)

The committee recommends a provision that would amend section 234B of the Atomic Energy Act of 1954 (42 U.S.C. 2282b) to require the Secretary of Energy to impose fines and penalties against contractors and subcontractors of the Department of Energy (DOE) who violate DOE construction health and safety regulations that the Secretary is required to promulgate. The regulations must be promulgated pursuant to the Administrative Procedure Act not later than 270 days from the date of enactment of this Act. The regulations would take effect one year from the date they are promulgated. The Secretary may provide in the regulations variances or exemptions to the extent necessary to avoid serious impairment of the national security of the United States. The provision would also require the Secretary to establish a process under which the variance or waiver would be granted. In enforcing the regulations on the structures, buildings facilities or other improvements that are being closed, demolished or transferred, the Secretary shall evaluate on a case by case basis whether they should or should not be brought into conformance. The committee includes this direction to the Secretary to prevent improvements to such facilities. In making any such determination the decision shall not diminish or effect the worker health and safety regulations applicable to the surveillance, decontamination or demolition work on such facilities. Penalties may be assessed up to $0.1 million per day per violation. The provision provides that a non-profit or not-for-profit entity shall not be assessed fines and penalties, that, when aggregated with all other fines and penalties, would exceed the amount of the contract fee.

One-year extension of authority of Department of Energy to pay voluntary separation incentive payments (sec. 3163)

The committee recommends a provision that would amend section 3161(a) of the National Defense Authorization Act for Fiscal Year 2000 to provide a one-year extension of the Department of Energy (DOE) authority to make voluntary separation incentive payments. The committee is aware that DOE would like to extend the ability to encourage voluntary separations and avoid any future need to conduct a reduction in force. This provision would allow DOE to do long-term planning for reductions as a result of future reorganizations.

Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico (sec. 3164)

The committee recommends a provision that would authorize $6.9 million to be paid by the Department of Energy (DOE) to the Los Alamos Education Foundation in fiscal year 2003. The committee recommends an additional $6.9 million in readiness in the technical base, special projects, for this payment. The foundation was established by section 3167(a) of the National Defense Authorization Act for Fiscal Year 1998. The foundation provides for educational support to students and schools in the Los Alamos area.

The budget request for the National Nuclear Security Administration (NNSA) includes $8.0 million for the Los Alamos Public Schools to offset the cost of living for school teachers teaching in the public schools. The contract between NNSA and the Los Alamos schools, pursuant to which this annual payment is made, expires at the end of fiscal year 2003. The provision would also amend section 3136 of the National Defense Authorization Act for Fiscal Year 2002 to allow NNSA to extend the current contract with the Los Alamos Public Schools to provide for cost of living adjustments for the school teachers through fiscal year 2013. This amendment is necessary to allow NNSA to include the annual payment in its fiscal year 2004 budget request and in subsequent years budget requests.

SUBTITLE F—DISPOSITION OF WEAPONS-USABLE PLUTONIUM AT SAVANNAH RIVER, SOUTH CAROLINA

Disposition of weapons-usable plutonium at Savannah River, South Carolina (sec. 3181–3183)

The committee supports the ability of the United States to meet its obligations under the Plutonium Disposition Agreement with Russia, signed in September 2000. The United States and Russia agreed to dispose of 34 metric tons each of excess weapons grade plutonium, all of which the Department of Energy has planned to dispose of by 2019 through the conversion of the plutonium to a mixed oxide (MOX) fuel for use in commercial nuclear reactors. This conversion would take place at the Savannah River Site's MOX plutonium conversion facility at Aiken, South Carolina. Because of the importance of the MOX facility for plutonium disposition, the committee has created a detailed set of certifications, plans, corrective processes, and, if necessary, monetary payments to be made by the Secretary of Energy to ensure the effective functioning of the MOX facility. The provision also defines the term "MOX production objective" as production at the MOX facility at the Savannah River Site of MOX fuel from defense plutonium and defense plutonium materials at an average rate equivalent to not less than one metric ton of MOX fuel per year. This average rate would be based on measurements of production at the MOX facility from the date on which the Nuclear Regulatory Commission (NRC) declares the MOX facility operational through the date of assessment.

The committee included a section that would direct the Secretary of Energy, no later than February 1, 2003, to submit to Congress a plan for the construction and operation of a MOX plutonium facil-

ity at the Savannah River Site. The committee recommends that the plan include a schedule for construction and operations to ensure that as of January 1, 2009, and thereafter, the production of MOX fuel and that production of one metric ton of MOX fuel is achieved by December 31, 2009. This schedule must also ensure the delivery of 34 metric tons of defense plutonium and defense plutonium materials to the Savannah River Site to be processed into MOX fuel by January 1, 2019.

To ensure that the MOX fuel construction and operation schedule as mandated is on-time and on-budget, the committee recommends that, starting in 2004, not later than February 15 of each year, and continuing for as long as the MOX facility at the Savannah River Site is in use, the Secretary of Energy shall submit to Congress a report on the implementation of the plan described above. For those reports submitted to Congress under this section before the year 2010, the Secretary must include an assessment of compliance with the schedule contained in the plan and a certification by the Secretary that the MOX production objective can be met by January 2009. For each report after 2009, the Secretary must address whether MOX production objectives have been met and also the status of U.S. obligations under the Plutonium Management and Disposition Agreement with the Russian Federation. For reports submitted after 2017, the Secretary must continue to include assessments of compliance with the MOX production objective, and if for any reason compliance with the production objective is not met, the Secretary must supply a plan for compliance with the MOX production objective and the removal of all remaining defense plutonium and defense plutonium materials from the State of South Carolina.

Due to the unique nature and obvious benefits of the MOX facility, the committee recommends a process for corrective actions taken if any of the reports due before January 1, 2009, indicate that construction or operation of the MOX facility is behind the planned schedule by 12 months or more. In such a circumstance, the section directs the Secretary to submit to Congress, no later than August 15 of the year in which the report is submitted, a plan to be implemented that will ensure that the MOX facility is capable of meeting the MOX production objective by January 1, 2009. If the plan submitted is in any year after 2008, it must include corrective actions to be implemented by the Secretary ensuring that the MOX production objective is met. Any such plan for corrective action must also include established milestones for compliance with MOX production goals.

If before January 1, 2009, the Secretary determines that MOX milestones as set forth by the Secretary's corrective action plan will not be met by 2009, all transfers of defense plutonium and defense plutonium materials must be suspended until the schedule risk is addressed by the Secretary and the Secretary certifies that MOX production objectives can be met by 2009. If after January 1, 2009, the Secretary determines that milestones under the Secretary's corrective action plan have been slipped and the MOX production objective cannot be met, the Secretary must suspend further transfers of defense plutonium and defense plutonium materials until the Secretary can certify that the MOX production objective can be

met. In either case, either before or after January 1, 2009, if the Secretary makes such determinations, then the Secretary must submit to Congress a plan specifying options for the removal from the State of South Carolina an amount of defense plutonium or defense plutonium materials equal to the amount of such materials transferred to the State of South Carolina after April 15, 2002. These reports must be specific in setting forth options, including the costs and schedules of implementation for each of the options examined, and any consideration of requirements for removal under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and commensurate with the submittal, any analyses which may be required under the National Environmental Policy Act of 1969 must also be initiated.

In the eventuality that the MOX production schedule is not met, and the Secretary makes any of the determinations under this section that would require removal of defense plutonium and defense plutonium materials from the State of South Carolina in compliance with the National Environmental Policy Act of 1969 and any other applicable laws, the committee recommends several requirements for that removal process. If the MOX production objective is not met by January 1, 2009, the Secretary must remove, no later than January 1, 2011, no less than one metric ton of all defense plutonium and defense plutonium materials from the State of South Carolina, and no later than January 1, 2017, the amount of defense plutonium or defense plutonium materials transferred to the Savannah River Site between April 15, 2002, and January 1, 2017, but not yet processed at the MOX facility.

If the MOX production objective is not met on January 1, 2011, the committee has included a section that would require the Secretary to make payments to the State of South Carolina each year, starting on or after that date, until 2016, in order to assist with the economic impact on the State of not meeting the MOX production objective. The amount of the payment is $1.0 million per day until the passage of 100 days in such a year, the MOX production objective is achieved, or the Secretary has removed from the State of South Carolina in such a year at least 1 metric ton of defense plutonium or defense plutonium materials. If the MOX production objective has not been met by January 1, 2017, the Secretary will make payments to the State of South Carolina each year, beginning on or after that date, through 2024 of $1.0 million per day until the passage of 100 days in such a year, the MOX production objective is achieved, or the Secretary has removed an amount of defense plutonium or defense plutonium materials from the State of South Carolina equal to the amount of defense plutonium or defense plutonium materials transferred to the Savannah River Site between April 15, 2002 and January 1, 2017, but not yet processed by the MOX facility. All payments made according to this section would be from amounts authorized to be appropriated to the Department of Energy.

In case any injunctions obtained by the State of South Carolina would prevent the Department of Energy from taking actions necessary under these sections, the committee recommends that any deadlines specified be extended for the period of time during which the court-ordered injunction is in effect.

If on July 1 of each year, beginning in the year 2020, and continuing for as long as the MOX facility at the Savannah River Site is in use, the planned plutonium disposition obligation under the agreement with the Russian Federation of 34 metric tons is not met through processing at the MOX facility, the Secretary must submit to Congress a plan for the complete processing of the full 34 metric tons of defense plutonium and defense plutonium materials at the MOX facility or the removal of all such material from the State of South Carolina in an amount equal to all such material transferred to the Savannah River Site after April 15, 2002, but not yet processed into MOX fuel.

The committee further directs that if after one year of the date on which the MOX facility ceases operation any MOX fuel remains at the Savannah River Site, the Secretary must submit to Congress a report detailing when such fuel would be transferred for use in commercial nuclear reactors or a plan for its removal from the State of South Carolina.

Engineering, construction, and project management

The committee continues to support the Department of Energy (DOE) and National Nuclear Security Administration (NNSA) efforts to improve project management. The Office of Engineering and Construction Management (OECM) within DOE and the Office of Project Management (OPM) within NNSA have been integral to the progress that DOE has made in the last several years in significantly improving project and construction management. The management discipline these two offices have brought to both construction and other types of projects, such as NNSA approach to weapons pit manufacturing and certification, have enabled DOE and NNSA to manage costs and schedules better and to improve long-term planning. The committee notes that the close working relationship of the two offices has been key to the overall success of each.

More remains to be done however. The committee believes that each office could benefit from a small amount of additional resources. The committee urges the Administrator of NNSA to provide at least $5.0 million for the NNSA OPM to allow the OPM to continue its own project oversight work but also to provide training and mentoring programs to improve the skills of DOE project managers. The committee believe this training should include training for key DOE managers so that they can become certified project managers.

Disposition of special nuclear material from the Rocky Flats Site

The committee is concerned about possible delays in removing Special Nuclear Material (SNM) from the Department of Energy (DOE) Rocky Flats Site. These delays could ultimately threaten the scheduled closure of the Rocky Flats Site by December 15, 2006. The committee directs the Secretary of Energy to provide a report describing how the DOE proposes to remove all SNM from the Rocky Flats Site on a schedule to enable the closure of the Rocky Flats Site by December 15, 2006. The report shall be submitted to the congressional defense committees 90 days after the date of en-

actment of this Act. The report shall be initiated and developed within the Department of Energy by the Assistant Secretary of Environmental Management.

This report shall include:

(1) an assessment by the Secretary of the current cost and schedule for the closure of the Rocky Flats Site and whether the project to close the Site is on track to complete closure by December 15, 2006, and what steps, if any, are needed to keep the project on schedule to close Rocky Flats by December 15, 2006.

(2) an assessment by the Secretary of the cost and schedule impacts, if any, to the effort to close the Rocky Flats Site by December 15, 2006 that are the result of delays in removing SNM from Rocky Flats.

(3) the DOE strategy and schedule for removing all SNM from the Rocky Flats Sites to achieve closure of the Rocky Flats Site by December 15, 2006, including the destination of all SNM removed from the Rocky Flats Site, the short and long term plan and schedule for disposition of the SNM removed from the Rocky Flats Site, and any additional funding that may be needed to achieve closure of Rocky Flats Site by December 15, 2006.

(4) a strategy and schedule for closure of the Rocky Flats Site at the earliest possible date in the event the Secretary determines that it is not possible to close the Rocky Flats Site by December 15, 2006, and funds that would be need to achieve closure by the revised date.

The Secretary shall provide to the congressional defense committees updates to this report, every 60 days, until the Rocky Flats Site is closed. The updates shall include cost and schedule impacts from delays in removing the SNM from the Rocky Flats Sites, any changes to the SNM disposition plans and schedules, and any additional funds that would be needed at the Rocky Flats Sites or elsewhere to address any schedule or cost differences.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Defense Nuclear Facilities Safety Board (sec. 3201)

The committee recommends $19.5 million, the amount of the fiscal year 2003 request, for the Defense Nuclear Facilities Safety Board (DNFSB).

Authorization of appropriations for the Formerly Used Sites Remedial Action Program in the Corps of Engineers (sec. 3202)

The committee recommends $141.0 million for the Formerly Used Sites Remedial Action (FUSRAP) program in the Corps of Engineers for fiscal year 2003, the amount requested.

LEGISLATIVE REQUIREMENTS

Departmental Recommendations

By letter dated April 19, 2002, the General Counsel of the Department of Defense forwarded to the President of the Senate proposed 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." The transmittal letter and proposed legislation were officially referred as Executive Communication 6576 to the Committee on Armed Services on April 25, 2002. Executive Communication 6576 is available for review at the committee. Senators Levin and Warner introduced this legislative proposal as S. 2225, by request, on April 23, 2002.

Committee Action

In accordance with the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, there is set forth below the committee vote to report the National Defense Authorization Act for Fiscal Year 2003.

In favor: Senators Levin, Kennedy, Byrd, Lieberman, Cleland, Landrieu, Reed, Akaka, Nelson of Florida, Nelson of Nebraska, Carnahan, Dayton, Bingaman, Thurmond, McCain, Collins, and Bunning.

Opposed: Senators Warner, Smith, Inhofe, Santorum, Roberts, Allard, Hutchinson, and Sessions.

Vote: 17–8.

The roll call votes on amendments to the bill which were considered during the course of the markup have been made public and are available at the committee.

Congressional Budget Office Cost Estimate

It was not possible to include the Congressional Budget Office cost estimate on this legislation because it was not available at the time the report was filed. It will be included in material presented during floor debate on the legislation.

Regulatory Impact

Paragraph 11(b) of rule XXVI of the Standing Rules of the Senate requires that a report on the regulatory impact of the bill be included in the report on the bill. The committee finds that there is no regulatory impact in the case of the National Defense Authorization Bill for Fiscal Year 2003.

Changes in Existing Law

Pursuant to the provisions of paragraph 12 of rule XXVI of the Standing Rules of the Senate, the changes in existing law made by certain portions of the bill have not been shown in this section of the report because, in the opinion of the committee, it is necessary to dispense with showing such changes in order to expedite the business of the Senate and reduce the expenditure of funds.

ADDITIONAL VIEWS OF SENATOR CARNAHAN

Upon considerable reflection and advice from fellow members of the Committee, I have decided to vote against the Santorum amendment to strike measures pertaining to "core logistics capabilities." I have thoroughly reviewed the provision at issue in light of claims that it would divert work from the private sector to Department of Defense Depot Maintenance facilities.

However, having consulted with other members of the Committee as well as the professional Committee staff, I determined that this provision does not require any reductions in private sector jobs in the areas of acquisition logistics, supply management, systems engineering, maintenance, and modifications management.

The provision at issue requires the Secretary of Defense, in consultation with the Joint Chiefs of Staff, to consider a broader, more explicit set of functions when determining which services shall be considered "core logistics capabilities" than currently exists under the law. It is my understanding that in spite of this authorization, this Administration is not likely to expand the type of logistical work conducted at the military's depot facilities.

I intend to continue consulting my constituents on this matter following completion of mark-up of the Fiscal Year 2003 National Defense Authorization Bill. I may reconsider my position if it becomes clear that work conducted by logistics and maintenance contractors in Missouri would be jeopardized.

JEAN CARNAHAN.

ADDITIONAL VIEWS OF SENATOR MCCAIN

Overall, the Senate Armed Services Committee has produced a bill which is supportive of the outstanding servicemen and women in our armed forces—in terms of training, pay, family quality-of-life benefits, and providing modern equipment and weapon systems. Building upon evaluations and recommendations regarding growing readiness and modernization problems throughout the services, the Committee has done an admirable job of addressing some of the more pressing issues contributing to the multiple problems that have been brought to its attention over the past several years.

On most issues, I support the Committee's recommendation in drafting of the FY 2003 defense authorization bill. However, I have additional views on several issues addressed in this bill.

LEASING BOEING 767 AERIAL REFUELING TANKER AIRCRAFT

I forcefully endorse the Committee's inclusion of an amendment that will direct the Secretary of the Air Force to obtain specific authorization and appropriation to lease 100 Boeing 767 tanker aircraft that was previously approved by the Department of Defense Appropriations Act of Fiscal Year 2002. However, I am disappointed that the Report language accompanying this legislative provision was drafted in such a way as to not adequately reflect the full discussion during the mark-up of this critical issue.

Specifically, a majority of the members present felt as I do, that the payment of leasing of major weapon systems—aircraft, vessels, and combat vehicles—should not come from critical funds providing for readiness spending, such as training, spare parts, flying hours, and maintenance of weapons systems and barracks. There appeared to be a sense of agreement that any lease for major weapon systems should instead be funded from the procurement accounts.

During posture hearings, the Service Secretaries and Chiefs confirmed that readiness unfunded requirements still exist and submitted lists to meet their readiness requirements. Robbing "Peter to pay Paul" so that the Air Force can modernize their tanker fleet is questionable at best and several recent reports by the GAO, OMB and CBO bear this out. I regret that the Chairman and Ranking Member did not reflect this in the Report, despite the fact that considerable debate occurred related to the lease in question.

BALLISTIC MISSILE DEFENSE (BMD) FUNDING

The Committee failed to provide full funding of President Bush's missile defense program—cutting $812 million. Particularly disturbing is the fact that Republicans attempted several times to restore critical funding in the ballistic missile defense programs but were opposed by the Chairman and his colleagues. In an age of missile proliferation, we need a fully funded and vigorous missile

defense program, the deployment of which becomes more urgent as each year passes.

NATIONAL SERVICE PLAN (CALL TO SERVICE ACT)

I fully support the Committee's unanimous inclusion of the "National Call to Service Act," which provides for strong incentives to encourage young Americans to enlist in the Armed Services.

The Committee adopted provision is the military component of the "Call to Service Act," introduced by Senator Evan Bayh (D-IN) and myself, which also expands civilian service opportunities in AmeriCorps and SeniorCorps and in other service organizations.

This is a very significant boost to a bill that will give Americans concrete opportunities to serve in causes greater than self interest. By encouraging more military enlistments, this legislation could greatly assist our war against terror.

Under the National Call to Service Act, individuals who volunteer to serve under this new program would be required to serve on active duty for 15 months in the Armed Services after completion of initial entry training and could complete the remainder of their military service obligation by choosing service on active duty, in the Selected Reserve or in the Individual Ready Reserve. The reserve obligation could also be fulfilled by serving in a civilian national service program such as the Peace Corps or AmeriCorps.

In return for service, the legislation provides the choice of incentives including a $5,000 bonus, repayment of a student loan up to $18,000, an educational allowance under the Montgomery GI Bill.

The measure also encourages and facilitates military service by requiring federally funded institutions of higher learning to provide the same access to military recruiters as is provided to other employers.

At this time of national challenge, Americans are yearning for opportunities to serve. I hope Congress will expeditiously take action on this entire legislation to create more options in both the areas of military and civilian service.

INCREASE IN AUTHORIZED END STRENGTHS FOR THE SERVICE ACADEMIES

I applaud the Committees recommendation that would increase the authorized end strengths to 4,400 midshipmen or cadets at the military academies: U.S. Naval Academy, U.S. Military Academy and U.S. Air Force Academy. The provision would also clarify that the service secretary can permit a variance above that limitation by 1 percent. This provision along with the National Service Plan program should open more opportunities for young Americans to serve their country in military service.

FORCE MODERNIZATION

It is odd to me that although the President added $48 billion to the defense budget the Navy would buy only 5 ships in 2003. The Navy is struggling to maintain a fleet of 300 ships, down from over 500 in the early 1990s. The Future Years' Defense Plan will not support a Navy of even 200 ships. The Marine Corps saves money in spare parts by retreading light trucks and Humvees, so as to af-

ford small arms ammunition for forward deployed Marines. The list goes on and on, but what must be recognized is the scale of these very serious modernization problems in the Navy and Marine Corps that continue to grow and must be reversed if this nation's ability to execute major operations in the future is to be assured. I support the Committee's recommendation to add funding for 4 additional F/A–18s and in shipbuilding, particularly CVN(X), DDG–51, LPD–17 and LHA(R).

Funding LHA(R) was accomplished by redirecting money from LHD–9 advance procurement after it was discovered that the DOD Comptroller mistakenly deleted the funding for LHA(R) RDT&E and added it to the LHD–9 shipbuilding and construction account. After considerable testimony from the CNO, Marine Corps Commandant, and other senior Navy and Marine Corps officials, the Committee was able to amend the defense bill to correct this unfortunate mistake. I strongly support this provision.

MEMBER-ADDS NOT REQUESTED BY THE DEFENSE DEPARTMENT

As usual, this year's defense bill emerged from committee with a large number of programs totaling more than $2 billion that were not requested by the Defense Department. This number is $1 billion more than last year's bill. In the past, there has been an increasing tendency to manipulate the process by which the services produce their unfunded priorities lists—lists which are important to the Committee's ability to allocate funds added by Congress to the Administration's budget request. In addition to questionable Member-adds that are reflected on those lists, there continue to be too many programs added to the bill that were neither requested nor included on those lists.

In my view, the Congress should stop compelling the military to pursue research programs that do not meet their requirements. Spending nearly $55 million for "21st Century Truck," previously known as James Bond's "Smart Truck" is an unconscionable waste of taxpayer dollars. These kinds of programs should be funded by private industry. Even Detroit's automotive industry can afford to pursue these purely scientific, high-tech, endeavors that the consumer will only pay for later on the dealer showroom.

I would like to mention one further example of wasteful spending. For the last several years, Congress has added money for Cultural and Historic Preservation Activities, which is funded through a program call the Legacy Resource Management Program, fancy terminology for pork. The fiscal year 2003 defense authorization bill will add $3.3 million to this program. Last year, the Senate Armed Services Committee added $8 million principally for recovery and preservation of the C.S.S. Virginia, which ran aground near Craney Island near the James and Elizabeth Rivers and was set on fire after being abandoned in May 1862. I enjoy reading history, especially Civil War history, but there are more pressing readiness and modernization issues than raising Civil War ironclads.

PERSONNEL INITIATIVES: PAY RAISE, RECRUITMENT, RETENTION, AND RETIREMENT BENEFITS

The bill contains a package of benefits for servicemembers and their families that would go a long way toward addressing the readiness problems facing all the services. It includes a 4.1 percent across-the-board pay raise for all active and reserve servicemembers, with an additional targeted pay raise ranging from 5.5% to 6.5% for sergeants, petty officers and chiefs.

Military pay, by almost all accounts, has fallen considerably behind civilian pay. Arguments can be made as to the precise pay differential, and at which pay grades and mission areas the gap is greatest, but there is no credible argument as to whether or not we need to address the issue of compensation.

Additionally, the Committee approved a provision that would authorize a new assignment incentive pay of up to $1,500 per month to encourage servicemembers to serve in difficult-to-fill assignments, like Korea or the Persian Gulf region.

The Committee approved a significant legislative provision directing the Secretary of Defense to review personnel compensation laws and policies, including the Reserve retirement system, to determine how well they address the needs of Guard and Reserve servicemembers. This provision is particularly noteworthy since the Secretary of Defense recalled nearly 95,000 Reserve Component servicmembers for Operations Enduring Freedom and Noble Eagle. Often times the collective memory of our active duty, including active duty reserve servicemembers, is short and a comprehensive examination of reserve force policies, if done right, will help address waning retention of reservists and continued support by employers of reservists.

CONCURRENT RECEIPT

It is tremendously important to me that the committee included language in the defense authorization bill and report that would authorize payment of retired pay and disability pay for military retirees with disabilities rated at 60% or more—a practice known as "concurrent receipt." For the past 11 years, I have offered legislation on this issue. This matter is of great significance to many of our country's military retirees, because it would reverse existing, unfair regulations that strip retirement pay from military retirees who are also disabled, and costs them any realistic opportunity for post-service earnings. I am pleased that the committee, for the first time, has included an authorization to begin to address a longstanding inequity in the compensation of military retirees' pay over previous attempts in the past.

We must do more to restore retirement pay for those military retirees who are disabled. I have stated this before, and I am compelled to reiterate now—retirement pay and disability pay are distinct types of pay. Retirement pay is for service rendered through 20 years of military service. Disability pay is for physical or mental pain or suffering that occurs during and as a result of military service. In this case, members with decades of military service receive the same compensation as similarly disabled members who

served only a few years; this practice fails to recognize their extended, more demanding careers of service to our country.

This is patently unfair, and I will continue to work with the Committee to diligently correct this inequity for all career military servicemembers who are disabled.

Enacting this provision is yet another step forward to ensuring that we recognize the military service of those military retirees who by no fault of their own become disabled during their career military service.

MILITARY CONSTRUCTION PROJECTS

Military construction continues to fall victim to funding gimmicks and undue Congressional management. Congress, once again, promptly added a number of military construction projects, totaling around $640 million, that are not priority items for the Department of Defense. This practice of Congressional adds is detrimental to the budget process and continues to make a mockery of other earnest attempts to save and wisely spend our taxpayers' dollars.

F–16 ENGINE FIXES

The recent spate of F–16 crashes has focused attention on vital safety issues involving that aircraft. The Department of the Air Force identified specific engine component failures based on shoddy work and defective materials discovered an aviation depot at Tinker Air Force Base. In addition, its investigation revealed that certain F–16 components common throughout the fleet had a high probability to fail. The Air Force has researched the cost and schedule of fixing or replacing these components, and has outlined a required funding profile.

The F–16 is the Air Force's front line fighter. The total Air Force F–16 inventory is over 1,400 aircraft, of which a number are currently deployed to Afghanistan. Additionally, F–16s continue to enforce both the southern and northern no-fly zones over Iraq and have been one of the mainstay aircraft of every conflict since Desert Storm. I continue to support all efforts to identify and fix the engine problems being experienced by our F–16 fleet. I firmly believe that the safety of our aircrew and the combat readiness of our Air Force are top priority concerns that require our immediate attention. For that reason, the Committee's decision to add $60 million in funding for F–16 engine modifications is essential to maintain that aircraft's readiness.

"BUY AMERICA" RESTRICTIONS

I support the Committee's recommendation submitted by the Administration to waive certain "Buy America" restrictions. The Committee authorized the Secretary of Defense to waive domestic source or content requirements for close defense allies that provide reciprocal treatment for our defense products. "Buy America" restrictions divert necessary funds to ensure our military is properly equipped. An additional $5 billion can be saved per year by eliminating "Buy America" restrictions that are protected by the Berry Amendment that only undermine U.S. competitiveness overseas.

Every dollar we spend on archaic procurement policies, like "Buy America," is a dollar we cannot spend on training our troops, keeping personnel quality of life at an appropriate level, maintaining force structure, replacing old weapons systems, and advancing our military technology.

SUMMARY

In closing, it should be reemphasized that the Committee continues to try to address extremely serious near-and long-term readiness and modernization problems within an exceptionally constrained budgetary environment. While the tendency of Members to continue business-as-usual practices of adding programs and earmarking for parochial reasons needs to be curtailed, vitally important retention issues have been addressed that will aid immeasurably in reversing a very serious decline in the services' ability to retain skilled personnel. For that, the Committee should be commended.

JOHN MCCAIN.

MINORITY VIEWS OF SENATORS WARNER, SMITH OF NEW HAMPSHIRE, INHOFE, SANTORUM, ROBERTS, ALLARD, HUTCHINSON, AND SESSIONS

For the second consecutive year, the Senate Armed Services Committee has divided along party lines, primarily over the issue of missile defense. Sincere, good-faith efforts were made by Republican Members to find common ground and compromise on this issue, but these efforts were voted down. The National Defense Authorization Bill for Fiscal Year 2003, as reported to the Senate for floor action, in our view fundamentally alters the President's national security priorities and fails to send a clear message, on the issue of missile defense, to America's allies and adversaries that the Congress will provide the resources necessary to protect our homeland, our troops deployed overseas and our allies and friends from all known threats—including the very real and growing threat of missile attack.

The world as we knew it changed forever on September 11. We lost not only many lives and much property that day, but we also lost our uniquely American feeling of invulnerability; our feeling of safety within our shores and borders. But from our darkest hour, our nation has emerged stronger and more united than ever. Our President has rallied our country and many nations around the world to fight the evil of terrorism. As we complete committee deliberations on the National Defense Authorization Bill for Fiscal Year 2003, our nation is at war. U.S. soldiers, sailors, airmen and marines, together with their coalition partners, are engaged on the front lines in the global war against terrorism, with a mission to root out terrorism at its source in the hopes of preventing future attacks. Our armed forces have responded to the call of duty in the finest traditions of our nation.

Homeland security is now, without a doubt, our top priority. We have a solemn obligation to protect our nation and our citizens from all known and anticipated threats—whatever their source or means of delivery. As a candidate and as President, George W. Bush promised our nation that homeland security was his most urgent priority. Missile defense is an integral part of the overall defense of our homeland and our deployed troops.

Accordingly, our President submitted a responsible, prioritized budget request for fiscal year 2003 that addresses our most important security needs. The request for missile defense was reasonable. It was a request that represented no increase over last year's funding level, and that was less than two percent of the defense budget. As a nation, we have the wealth, the talent, and the technology to protect ourselves. We must use these resources to move forward now, without artificial limitations—either fiscal or legislative—on the ability of our nation to develop and deploy adequate defenses.

The National Defense Authorization Bill for Fiscal Year 2003 contains a drastic reduction, of over $800 million, from the President's request for missile defense programs, including over $400 million in reductions to theater missile defense programs. In addition, the bill contains a number of restrictions and excessive reporting requirements that will further hamper the rapid development of missile defenses. According to Lieutenant General Ronald Kadish, USAF, Director, Missile Defense Agency, the reductions contained in this bill, "* * * fundamentally undermine the Administration's transformation of missile defense capabilities * * *" and "* * * eliminate the opportunity for earliest-possible contingency against medium range ballistic missiles abroad." One clear and immediate consequence will be to further delay the fielding of theater missile defenses our troops needed over a decade ago in the Persian Gulf War.

Many in the Senate—including the undersigned—have long been in the forefront of efforts to develop missile defenses to protect our nation from limited ballistic missile attacks. It has been a long and arduous struggle, but we are on the threshold of success. In June, the United States will formally withdraw from the thirty-year-old Anti-Ballistic Missile (ABM) Treaty, which has hampered the U.S. missile defense program. With this action, all artificial restraints will be removed from the ability of the United States to research, develop and deploy effective missile defense systems. Congress should not now apply new limitations on the rapid, cost-effective development of defenses to protect our nation and deployed troops from missile attack. The funding reductions and program constraints contained in the bill reported out of committee are a significant step backward in our efforts to improve the security of our nation.

We strongly endorse the President's missile defense program. The threat of missile attack is real and growing. According to the January 2002 national intelligence estimate (NIE) on the missile threat, "The probability that a missile with a weapon of mass destruction will be used against U.S. forces or interests is higher today than during most of the Cold War, and will continue to grow as the capabilities of potential adversaries mature." Dozens of nations already have short- and medium-range ballistic missiles in the field that threaten U.S. interests, military forces, and allies; and others are seeking to acquire similar capabilities, including missiles that could reach the United States. Before September 11, who would have predicted that civilian airliners would be turned into missiles, aimed at thousands of innocent civilians? We must be prepared for the expected and unexpected.

We are also concerned with other key areas in the bill, particularly the level of funding for shipbuilding. Shipbuilding was severely underfunded in the President's budget request. While additional funds are contained in this bill for important programs that were not adequately funded in the request, the committee missed an important opportunity to add more money and key acquisition authorities for building ships that would have ultimately saved the U.S. taxpayers millions of dollars. A shipbuilding restoration initiative proposed by Republican Committee Members was rejected on a straight party-line vote. We are all aware that we are not cur-

rently building enough ships to maintain an adequate Navy for the future. Ultimately, there will be a high price to pay if this trend is not quickly reversed.

In addition, we note that this bill contains an assortment of across-the-board reductions, which could well have a negative impact on programs and readiness. These include an $850.0 million cut to services contracting, and a $250.0 million tax on research and development programs to fund a test and evaluation initiative. At this point, it is impossible to predict the specific impact of such large reductions on individual weapon systems or on the readiness of our force. In the case of services contracting, the bill imposes a tax, mainly in the readiness accounts, for so-called "savings" that are to be achieved through services contracting reform in fiscal year 2003. These savings simply cannot be achieved next year. The Department of Defense is just beginning reform in this area and it will be many years before the Department will be in a position to reap any savings from improved services contracting. As a result, the Department will be forced to tax important readiness programs to pay for these "savings." If the committee chooses to fund needed priorities through "savings" initiatives, it would be better to give the Secretary of Defense the discretion to identify real managerial efficiencies, as we did last year, that can be executed in the coming fiscal year rather than illusory ones.

Aside from these important concerns, we support much of what is contained in this bill. The National Defense Authorization Act for Fiscal Year 2003 contains the largest defense increase in over 20 years—an increase of $45.0 billion. In line with the request of the President, the bill significantly increases all major defense accounts, including, military personnel, procurement, research and development, and operations and maintenance. The bill also sets aside a $10.0 billion reserve fund, as requested by the Administration, to pay for ongoing and future military operations in the global war on terrorism. The threats to our nation and the on-going war on terrorism demand this increased investment in national security, both now and in the future.

In addition, the bill contains many key provisions which we support to improve the quality of life of our men and women in uniform, our retirees, and their families, including, a 4.1% pay raise for our uniformed personnel; additional funding for facilities and services that will greatly improve the quality of life for our service personnel and their families, at home and abroad; and the phased repeal of the prohibition on concurrent receipt of non-disability retired military pay and veterans disability pay for our military retirees with disabilities rated at 60% or higher. The committee also approved a committee amendment, which will be considered by the full Senate, to repeal fully and immediately the prohibition on concurrent receipt, a step which will allow all non-disability retired veterans with VA disability ratings to collect the full amount they have earned.

Despite the positive aspects of this legislation, we cannot support the Fiscal Year 2003 Defense Authorization Bill in its current form. We will continue to work closely with our colleagues in the Senate during the course of floor consideration and as we move to a conference with the House of Representatives, to support the Presi-

dent's defense priorities and to ensure that our most important capabilities are adequately funded. The American people and the men and women who serve in uniform to protect them deserve no less.

JOHN W. WARNER.
RICK SANTORUM.
WAYNE ALLARD.
TIM HUTCHINSON.
JEFF SESSIONS.
JIM INHOFE.
BOB SMITH.
PAT ROBERTS.

MINORITY VIEWS OF SENATOR ALLARD

I am again disappointed in the outcome of this year's defense mark. As the ranking member on the Strategic Subcommittee, I am worried that some very good provisions may be at risk due to the serious concerns with this bill.

One of my particular interests for several years has been the use of commercial imagery to help meet the nation's geospatial and imagery requirements. I do not believe that the Department of Defense has been aggressive enough either in crafting a strategy or in providing funding for this purpose. I am gratified that the Chairman's mark includes a substantial increase for commercial imagery acquisition, and some very helpful words in report language that I expect will drive the Department toward establishing a sound relationship with the commercial imagery industry.

I also appreciate the support of the new Department of Energy environmental cleanup reform initiative that will incentivize cleanup sites to do their important work faster and more efficiently. The accelerated cleanup initiative will reduce risk to the workers, communities and the environment, shorten the cleanup schedule by decades, and save tens of billions of dollars over the life of the cleanup. The bill added $200 million to this cleanup initiative and I expect DOE will make tremendous strides. In addition, the bill added $200 million for the safeguard and security accounts in order to address the many security issues which have arisen since September 11th.

I was also encouraged by the Committee's support for the Thurmond/Allard mixed oxide fuel amendment. I believe that by accepting this amendment, the Committee is showing the state of South Carolina their commitment to the MOX program.

Early in the process, I made it very clear that one of my top priorities was to assure that ballistic missile defense programs are adequately funded. I was deeply disappointed that the majority is proposing a net reduction to missile defense programs of over $800 million. This represents a 12 percent decrease to the missile defense request for fiscal year 2003, a request that was already less than was appropriated for fiscal year 2002. I believe that reductions of this magnitude are unjustified and will do extraordinary harm to the effort to develop and deploy effective missile defenses as efficiently as we can.

I must also note that more than half of the missile defense reductions can be reasonably described as pertaining to defense against shorter range missiles. Reductions to THAAD, MEADS, ABL, Navy Midcourse, terminal defense segment program operations, and SBIRS Low will all damage our theater missile defense effort, as will the reduction to the BMD System program element. I know this is an area where the Majority have said they support stronger

efforts, yet these reductions seem to be inconsistent with that support.

In the wake of the events of September 11, I believe that missile defense is more important than ever. As the Director of Central Intelligence George Tenet testified before our committee, we don't have the luxury of choosing the threats to which we respond, and missile threats have a way of developing faster than we expect. I strongly urge that these proposed missile defense reductions be restored. I want to assure my chairman that I am more than willing to work with him to find an acceptable solution and I hope we can reach that compromise. But I believe these reductions do deep and fundamental harm to our efforts to develop and deploy effective missile defenses.

Senator Warner, Senator Collins and I offered reasonable compromises which would have moved the $690 million back to missile defense while adding $1 billion to the shipbuilding accounts, which would have added over $210 million more for shipbuilding than the chairman's mark. I believe that the rejection of this amendment proves that this is not missile defense versus shipbuilding, but rather a strident ideology which opposes missile defense at all costs, even at the expense of shipbuilding.

I honestly believe that unless there is some compromise, this bill will have a very difficult time getting off the floor and through conference.

WAYNE ALLARD.

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