PRESS RELEASE



United States Senate Committee on Armed Services

Carl Levin, Michigan Chairman

SR-228 Russell Senate Office Building, Washington, DC 20510 202-224-3871

MEDIA CONTACT: Tara Andringa Senator Levin's office 202-224-1471 FOR IMMEDIATE RELEASE December 12, 2001

Carter Cornick Senator Warner's office 202-224-6290

SENATE AND HOUSE COMPLETE CONFERENCE ON NATIONAL DEFENSE AUTHORIZATION BILL FOR FISCAL YEAR 2002

Senator Carl Levin (D-MI) and Senator John Warner (R-VA), Chairman and Ranking Member of the Senate Armed Services Committee, announced today that the Senate and House conferees have reached agreement on the National Defense Authorization Bill for Fiscal Year 2002. The bill authorizes funding for the Department of Defense and the national security programs of the Department of Energy.

"The conferees have produced a good, balanced bill that will strengthen our national security," Senator Levin said. "The U.S. military is the most capable fighting force in the world today. This bill ensures it will remain so, which is particularly important during a time when the military is actively engaged in fighting the war against terrorism."

"Here in Congress - and across America - there is the strongest support for the men and women of the United States Armed Forces," said Senator Warner. "Never has that support been more important than now, a time of conflict when those in uniform and their families are facing all the dangers and unknowns of war," added Warner. "The conferees have stepped up to meet the challenges and to provide our Commander-in-Chief, President Bush, what is needed at this critical time in America's history - an all out war against terrorism."

CONFERENCE REPORT HIGHLIGHTS

- ? Authorized \$343.3 billion in budget authority, the amount requested by the President. In addition, the conferees authorized the \$21.2 billion in emergency supplemental appropriations requested by the President to respond to the terrorist attacks against the United States.
- ? Authorized another round of base closure in 2005 and established criteria, based on actual and potential military value, that the Secretary of Defense must use to determine which bases to recommend for closure.
- Provided a targeted military pay raise effective January 1, 2002, ranging from 5 to 10 percent, with the greatest increases going to NCOs and junior officers.
- ? Authorized the services to permit service members with critical skills to transfer up to 18 months of unused Montgomery GI Bill benefits to family members.
- ? Authorized an education savings plan which allows the services to provide savings bonds to personnel with critical skills who reenlist for at least six additional years.
- ? Approved several provisions that enhance the ability of military personnel and their families to vote in Federal, state and local elections.
- ? Authorized the active duty end strengths requested by the President, including an increase of 3358 personnel in the Navy and 1800 personnel in the Air Force.
- ? Increased full time manning, the top readiness issue for the National Guard and Reserve, by 298 Army Reservists and 724 Army National Guardsmen on active duty, and by 487 military technicians in the Army Reserve and 250 military technicians in the Army National Guard.
- ? Authorized \$561.3 million for Unmanned Aerial Vehicles (UAVs) in the military services, including an increase of \$26.0 million for procurement of Predator UAVs.
- ? Approved the requested funding of \$3.0 billion for three DDG-51 Arleigh Burke-class destroyers, \$2.3 billion for one SSN-774 Virginia-class attack submarine, and \$370.8 million for one T-AKE auxiliary cargo and ammunition ship.
- ? Approved the requested advance procurement funding of \$688.6 million for the LPD-17 amphibious transport dock and the LHD-8 amphibious assault ship.
- ? Approved more than \$3 billion in requested funding for 15 C-17 strategic airlift aircraft, and added authority for the Department to enter into a multiyear procurement contract for future C-

17 purchases.

- ? Authorized an increase of \$178.0 million for converting four Trident ballistic missile submarines (SSBNs) to carry Tomahawk cruise missiles (SSGN), instead of the two requested in the budget.
- ? Provided the full request of over \$1.5 billion for the Joint Strike Fighter program.
- ? Authorized the request of \$3.9 billion for the F-22, including procurement funding for 13 aircraft, and removed the current legislative cost cap on the F-22 engineering and manufacturing development (EMD) program.
- ? Made a general reduction of \$1.3 billion to the \$8.3 billion requested for ballistic missile defense programs, but authorized the use of the \$1.3 billion for whichever of the following two purposes the President determines is in our national security interests: 1) research, development, test and evaluation of missile defense programs; and 2) DOD activities to combat terrorism.
- ? Authorized the use of R&D funds for construction only of facilities necessary for the missile defense test bed in Alaska, including Fort Greely.
- ? Provided the requested new program elements for missile defense, and required information and program reviews to ensure adequate oversight and transparency.
- ? Authorized \$10.5 billion for military construction and family housing programs, an increase of \$528.7 million to the budget request.
- ? Authorized an increase of \$15.0 million for an accelerated, cost-shared development program with industry for hybrid vehicles under the National Automotive Center Commercially-Based Tactical Truck (COMBATT) program.
- ? Included a requirement for the Department of Defense to purchase additional hybrid electric vehicles for its fleet of light duty trucks beginning in fiscal year 2005.
- ? Added \$20.0 million to accelerate the development of hybrid electric drive for the Interim Armored Vehicle.
- ? Approved the Defense Department budget request of \$403.0 million for the Nunn-Lugar Cooperative Threat Reduction (CTR) program, including funding for destruction of chemical weapons in Russia and closing of Russian plutonium producing reactors, subject to meeting certain conditions.

- ? Added \$21.2 million to Department of Energy programs to prevent the proliferation of weapons of mass destruction and related expertise, and added \$38.0 million for nonproliferation and verification research and development.
- ? Canceled the referendum on live fire training at Vieques, and provided that the Secretary of the Navy may close the Vieques training range if the Secretary certifies that alternative equivalent or superior training facilities exist.
- ? Repealed the statute prohibiting the retirement or dismantlement of certain U.S. nuclear forces until START II enters into force.
- ? Ensured that the Department of Defense, rather than Federal Prison Industries (FPI), is responsible for determining whether FPI products meet the Department's needs, and authorized the Department to seek competitive bids on products produced by FPI.
- ? Authorized approximately \$4.0 billion for DOD Environmental Programs, which includes an increase of \$40.0 million for cleanup of Formerly Used Defense Sites.

SUBCOMMITTEE ON PERSONNEL

The Personnel Subcommittee focused on quality of life for military personnel and their families as a key to enhanced recruiting and retention. To address these issues, the conferees:

- Approved a targeted military pay raise ranging from 5 percent to 10 percent, effective January 1, 2002. NCOs and junior officers will receive the largest pay raises.
- ? Authorized the active duty end strengths requested by the President, including an increase of 3358 personnel in the Navy and 1800 personnel in the Air Force.
- ? Increased Full Time Manning, the top readiness issue for the Guard and Reserve, by 298 Army Reservists and 724 Army National Guardsmen on active duty, and by 487 military technicians in the Army Reserve and 250 military technicians in the Army National Guard.
- ? Authorized the services to permit service members with critical skills to transfer up to 18 months of unused Montgomery GI Bill benefits to family members.
- ? Authorized an education savings plan which allows the services to provide savings bonds as a retention tool to military personnel with critical skills who reenlist for at least six additional years.

- ? Approved several provisions that enhance the ability of military personnel and their families to vote in Federal, state and local elections. These include:
 - ? Improvements to DOD voting assistance programs
 - ? Guarantee of residency for military personnel
 - ? Simplification of voter registration and absentee ballot application procedures
 - ? An electronic voting demonstration project for absent military voters in the 2002 Federal elections
- ? Authorized payment of a temporary housing allowance to members in pay grades E-4 and below in a leave or travel status between permanent duty stations.
- ? Authorized payment of an accession bonus to new officers in critical skills.
- ? Authorized an increase in per diem rates for official travel.
- ? Authorized an increase in weight allowance of household goods for junior enlisted personnel.
- ? Authorized concurrent receipt of military retired pay and veterans' disability compensation if legislation offsetting the costs is enacted. Until that offsetting legislation is enacted, the Conference Agreement enhances special compensation for retirees with service-connected disabilities rated at 60 per cent or above.
- ? Authorized payment of Survivor Benefit Plan benefits to surviving spouses of service members who die in the line of duty.
- ? Authorized payment of \$36.0 million in impact aid to schools supporting DOD family members.
- ? Authorized hostile fire pay for Federal civilian employees.
- ? Authorized retention and use of frequent flyer miles by most Federal employees, military personnel, and family members.
- ? Authorized greater flexibility in setting pay rates for Pentagon security personnel.
- ? Authorized health care improvements, including:
 - Prohibiting DOD from forcing retirees to choose between DOD and VA health care programs.
 - ? Authorized Federal agencies to pay both employer and employee shares of FEHBP

premiums for activated reservists.

- ? Enhanced long-term care benefits for DOD beneficiaries
- ? Extended transitional health care benefits for reservists when released from active duty and required the Comptroller General to study and report on health care coverage of members of the Guard and Reserve.
- ? Required the Comptroller General to study and report on the adequacy and quality of health care for women under the DOD Health Program.
- ? Required secondary schools receiving federal aid to grant military recruiters access to schools and to student directory information.

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

The Readiness Subcommittee oversees military readiness issues including training and exercises, depots, shipyards and other industrial operations, military construction, and environmental programs as well as policies and procedures related to the reform of management practices at DOD. The conferees emphasized supporting the readiness of U.S. forces, improving the quality of facilities where servicemembers live and work, and increasing the efficiency of Department of Defense operations.

The conferees authorized a new round of base realignment and closure (BRAC) in 2005 for the Department of Defense. In addition, the conferees directed the Secretary of Energy to provide an infrastructure plan for the nuclear weapons complex no later than the date on which the budget request for fiscal year 2004 is submitted.

The conferees added funds to improve readiness, including:

- ? \$30.1 million for personal gear for military members to improve their safety and comfort in the field.
- ? \$14.0 million for improvements to live-fire training and space ranges.
- ? \$27.0 million for equipment and testing to prevent the corrosion of military equipment.
- ? \$36.0 million for various systems to improve accounting for spare parts inventories and streamline maintenance processes.
- ? \$14.5 million for improvements and overhauls of propulsion and gun systems.

The conferees also included numerous legislative provisions to improve management and oversight of the Department of Defense. The provisions:

- ? Were designed to achieve \$1.3 billion in savings through management efficiencies.
- ? Provided for improved contract management and greater competition for the \$50 billion of service contracts awarded by the Department each year.
- ? Addressed the Department's inability to produce reliable financial information or auditable financial statements.

The conferees also:

- ? Ensured that the Department of Defense, rather than Federal Prison Industries (FPI), is responsible for determining whether FPI products meet the Department's needs, and authorizing the Department to seek competitive bids on products produced by FPI.
- ? Directed the Department of Defense to develop a comprehensive plan for addressing environmental problems caused by unexploded ordnance on current and former military facilities.
- ? Enhanced the ability of defense industrial facilities to form partnerships with private sector defense industries.
- ? Enacted an events-driven implementation of the Navy-Marine Corps Intranet, to ensure that the program is fully tested and proven as it is introduced into Navy and Marine field units.
- ? Included a requirement for the Department of Defense to purchase additional hybrid electric vehicles for its fleet of light duty trucks beginning in fiscal year 2005.

The conferees repealed the requirement in current law for a referendum to determine whether the Navy would be able to continue training on the island of Vieques, Puerto Rico. Instead, the Secretary of the Navy would be authorized to close the training range once the Secretary certified that an alternative site or sites were available to provide an equivalent level of training.

MILITARY CONSTRUCTION

For military construction, the conferees:

? Authorized \$10.5 billion for military construction and family housing programs, an increase of \$528.7 million to the budget request.

- ? Authorized the construction of a memorial at or near the Pentagon to the victims of the September 11 terrorist attack on the Pentagon.
- ? Authorized the expansion of the Army's National Training Center at Fort Irwin, California.
- ? Endorsed the proposal to move the Air Force Memorial from the Arlington Ridge site to a site on the current Naval Annex property near the Pentagon.
- ? Authorized the transfer of 12 acres of land from Section 29 of Arlington Cemetery from the Department of Interior to the Department of the Army for additional burial sites at the Cemetery and directed the preservation of the Arlington Ridge Tract as open space.
- 2. Extended the authority for the Department of Defense housing privatization program by another eight years, to 2012.

STRATEGIC SUBCOMMITTEE

The Strategic Subcommittee has jurisdiction over the national security space programs, strategic forces, ballistic and cruise missile defense programs, intelligence, surveillance and reconnaissance programs, and Department of Energy (DOE) nuclear and environmental programs.

In order to allow for further reductions in nuclear forces, the conferees repealed the statute that prohibits the U.S. from retiring or dismantling certain strategic nuclear forces until START II enters into force. As part of this effort, the conferees increased funding for the retirement of the Peacekeeper ICBM.

The conferees also provided additional funds to modernize the strategic bomber forces to enhance their conventional capabilities. Specifically, the conferees:

- Added \$164.4 million to keep the B-1B Lancer bomber in the National Guard until the DOD completes the Quadrennial Defense Review, the Nuclear Posture Review, and a study on the B-1B future fleet size and basing structure; and
- Added \$62.5 million in bomber upgrades for the B-2.

The conferees established a facilities and infrastructure fund to begin to fix the aging facilities in the nuclear weapons complex, established a principal deputy administrator at the National Nuclear Security Administration, and provided \$779.4 million above the budget request for DOE environmental cleanup programs and nuclear weapons activities.

The conferees made a general reduction of \$1.3 billion to the \$8.3 billion request for missile defense, but authorized the use of the \$1.3 billion for whichever of the following two purposes the President determines is in our national security interests: 1) research, development, test and evaluation of missile defense programs; and 2) DOD activities to combat terrorism. The conferees also:

- ? Authorized an additional \$53.0 million for the joint U.S.-Israeli Arrow missile defense development program for performance and interoperability upgrades.
- ? Authorized \$10.0 million for evaluating development of a mobile Tactical High Energy Laser with Israel.
- ? Authorized the use of R&D funds for construction only of facilities necessary for the missile defense test bed in Alaska, including Fort Greely.
- ? Provided the requested new program elements for missile defense, and required information and program reviews to ensure adequate oversight and transparency.
- ? Funded all ballistic missile defense programs in the Ballistic Missile Defense Organization, rather than transferring some of them to the military services.

The conferees continued the effort begun in previous years to enhance the capabilities of unmanned aerial vehicles by providing additional funds for programs in each of the military services. Specifically, the conferees:

- Added \$6.2 million for the Navy unmanned combat aerial vehicle;
- Added \$26.0 million for the Air Force Predator unmanned aerial vehicle;
- Added \$7.3 million for the Army unmanned aerial vehicle.

In addition, the conferees:

- Added \$12.8 million to the NUDET detection system to improve the ability of the U.S. to detect nuclear detonations. The increase would be used to put the NUDET sensor on the GPS II-F satellites and process the existing sensor data.
- ? Added \$8.8 million to upgrade the Air National Guard Senior Scout program, which outfits radio signal monitoring sensor packages to C-130 aircraft.
- ? Authorized designation of the Rocky Flats National Wildlife Refuge upon completion of the first environmental cleanup and closure of a major former defense nuclear weapons facility.

? Fully funded the President's request for intelligence programs.

SUBCOMMITTEE ON SEAPOWER

The Subcommittee on Seapower has jurisdiction over all Navy and Marine Corps programs, including aviation programs. In this area the conferees:

- ? Approved the requested funding of \$3.0 billion for three DDG-51 Arleigh Burke-class destroyers, \$2.3 billion for one SSN-774 Virginia-class attack submarine, and \$370.8 million for one T-AKE auxiliary cargo and ammunition ship.
- ? Approved the requested advance procurement funding of \$688.6 million for the LPD-17 amphibious transport dock and the LHD-8 amphibious assault ship.
- ? Approved the requested \$312.2 million for the Marine Corps Medium Tactical Vehicle Replacement.
- ? Approved more than \$3 billion in requested funding for 15 C-17 strategic airlift aircraft, and added authority for the Department to enter into a multiyear procurement contract for future C-17 purchases.
- ? Authorized additional funding for Navy transformation programs, including:
 - ? A net increase of \$178.0 million for converting four Trident ballistic missile submarines (SSBNs) to carry Tomahawk cruise missiles (SSGN), instead of the two requested in the budget;
 - ? \$25.0 million for submarine combat systems modernization to develop common combat control systems for all submarines; and
 - ? \$10.0 million to improve the way the Navy upgrades submarine tactical control information systems.
- ? Added funding to sustain readiness, including
 - ? \$9.8 million for a C-17 maintenance trainer;
 - ? \$10.0 million for sonobuoys to support peacetime training usage;

12

- ? \$5.0 million for improved shipboard navigation radars;
- ? \$5.0 million to integrate a submarine radar into the tactical data system to preclude the need for keeping paper navigation charts;
- ? \$57.0 million to provide increased funding for a nuclear aircraft carrier overhaul;
- ? \$12.0 million to purchase digital modular radios to improve communications capability;
- ? \$17.0 million for improving Marine Corps construction equipment; and
- ? \$4.0 million to upgrade ships with ring laser gyroscope navigation systems.
- ? Authorized additional funding to improve the ability of the Navy and Marine Corps to meet non-traditional threats, including:
 - ? \$15.0 million for modifications to the capability of the P-3 aircraft to support operations in littoral environments, shifting emphasis from blue water threats;
 - ? \$15.0 million for tooling equipment to help accelerate purchases of the Tactical Tomahawk missile;
 - ? \$20.0 million for Hellfire missiles to provide Navy and Marine Corps helicopters better capability to engage threats on land and small boats and other threats at sea;
 - ? \$5.0 million for upgrades to the Close-in Weapons System (CIWS) to permit ships to defend themselves better against small boat and helicopter threats;
 - ? \$5.0 million for accelerating the shipboard infrared search and track system to provide the Navy better capability to detect and engage low-flying cruise missiles in near-shore engagements;
 - ? \$7.5 million to provide better situational awareness for Military Sealift Command ships by installing thermal imaging systems;
 - ? \$10.0 million for buying improved night vision systems for the Marine Corps; and
 - ? \$10.0 million for buying more decoys that will enable Navy vessels to defend against challenging cruise missile threats.
- ? Provided authority for the Navy to extend its purchases of submarine components under

economic order quantity buys to allow the Navy to achieve additional savings.

SUBCOMMITTEE ON AIRLAND

The Subcommittee on Airland has jurisdiction over the policies and programs for the Army and the Air Force. The conferees endeavored to accelerate Army transformation, while also promoting the readiness of the Army and of the aviation components of the other services to respond to near and mid-term threats. The conferees:

- ? Approved the requested funding for a number of major weapon systems, including:
 - **S** \$3.2 billion for the F/A-18E/F Super Hornet;
 - **S** \$3.9 billion for the F-22 Raptor;
 - **S** \$563.1 million for the Joint Surveillance and Target Attack Radar System (JSTARS);
 - **S** \$487.6 million for the Crusader artillery system;
 - **S** \$817.5 million for Abrams tank procurement programs;
 - **S** \$662.6 million for Interim Armored Vehicles; and
 - **S** \$467.4 million for Family of Medium Tactical Vehicles.
- ? Provided the full request of over \$1.5 billion for the Joint Strike Fighter program.
- ? Authorized significant additional funding above the budget request for Army transformation programs, service readiness, and non-traditional capabilities. These included:
 - ? \$28.3 million for development of the Comanche communications suite;
 - ? \$20.0 million to accelerate the development of hybrid electric drive for the Interim Armored Vehicle;
 - ? \$7.0 million for additional Enhanced Position Location Reporting System radios;
 - ? \$102.5 million for 10 additional Black Hawk helicopters;
 - ? \$25.0 million for 15 TH-67 training helicopters;
 - ? \$10.0 million for Apache attack helicopter recapitalization needs;
 - ? \$10.0 million for Army helicopter engine component improvements;
 - ? \$25.0 million for Army digital communications network upgrades;

- ? \$31.5 million for 7 additional Navy Joint Primary Aircraft Training System aircraft;
- ? \$25.0 million to accelerate a mission computer upgrade to the Navy's E-2C surveillance aircraft;
- ? \$25.0 million for F-15 engines;
- ? \$30.0 million for F-16 engines;
- ? \$25.0 million for EA-6B Band 9/10 digital jamming transmitters;
- ? \$72.0 million for an additional C-130J aircraft for the Air Force training activity;
- ? \$14.8 million for aging aircraft landing gear life extension;
- ? \$30.0 million for Litening II targeting pods for USMC AV-8B aircraft;
- ? \$13.0 million for the F-18 integrated defensive electronic countermeasures system;
- ? \$10.0 million for the F-18 joint helmet mounted cueing systems; and
- ? \$13.3 million for the precision location and identification program to modernize several families of radar warning receivers.
- ? Added \$60.0 million for upgrades to Bradley Fighting Vehicles in the Army National Guard.
- Provided authority for the Navy to enter into a multiyear procurement contract for purchasing F/A-18E/F engines.
- ? Removed the current legislative cost cap on the F-22 engineering and manufacturing development (EMD) program. The conferees removed the EMD cost cap to ensure that there is no reason to curtail or modify required developmental and operational testing.
- ? Granted the Secretary of Defense the authority to waive, subject to certain certifications, that portion of section 113 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, which required the Secretary of the Army to conduct a comparative cost and operational effectiveness evaluation of the interim armored vehicles (IAV) selected for the Interim Brigade Combat Team (IBCT) with the infantry troop-carrying medium armored vehicles currently in the Army inventory.

- ? Directed the Secretary of the Army to conduct an operational evaluation of the initial Interim Brigade Combat Team, to include deployment to the evaluation site and the execution of combat missions across the full spectrum of potential threats and operational scenarios.
- ? Directed the Secretary of the Army to develop and resource an experimentation program that will inform the design of the Objective Force, including a formal linkage of the Interim Brigade Combat Teams to that experimentation.

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

The Subcommittee on Emerging Threats and Capabilities oversees programs and policies for countering emerging national security threats. The subcommittee also focuses on enhancing the defense technology base for the U.S. military to meet the challenges of the 21st century. In this area, the conferees:

- ? Authorized the use of \$1.3 billion for whichever of the following two purposes the President determines is in our national security interests: 1) research, development, test and evaluation of missile defense programs; and 2) DOD activities to combat terrorism.
- ? Added approximately \$250.0 million for science and technology programs, moving the Department closer to the Secretary's goal of a 3% level of investment in the development of future defense capabilities, including:
 - ? \$47.0 million to combat asymmetric threats, including terrorism and chemical and biological warfare threats; and
 - ? \$52.0 million to help transform the US military into a more agile, lethal and survivable force.
- ? Added \$38.2 million for the Department of Energy to develop technology for the detection, identification, and measurement of Weapons of Mass Destruction agents.
- ? Added \$17.4 million to procure additional protective equipment for chemical and biological agents.
- ? Authorized an increase of \$15.0 million for an accelerated, cost-shared development program with industry for hybrid vehicles under the National Automotive Center Commercially-Based Tactical Truck (COMBATT) program.
- ? Added \$10.0 million to the Chairman of the Joint Chiefs of Staff's Combating Terrorism Readiness Initiative Fund to help fund high-priority needs identified by the combatant commanders to defend

against emerging threats.

- ? Approved the request of \$820.4 million for Defense Department Counter-Drug programs.
- ? Added \$21.2 million to Department of Energy programs to prevent the proliferation of weapons of mass destruction and related expertise. As part of this increase, the conferees:
 - ? Added \$16.2 million for the Initiatives for Proliferation Program and the Nuclear Cities Initiative in the former Soviet Union to reduce the risk of "brain drain" of weapon scientists, and assist in creating non-weapons work at Russia's nuclear weapons cities;
 - ? Added \$4.0 million for disposition of Russian surplus nuclear fissile materials; and
 - ? Added \$5.0 million for DOE's Materials Protection, Control and Accounting program to improve the security and accounting of nuclear materials in the former Soviet Union.
- ? Approved the budget request of \$403.0 million for the Defense Department's Nunn-Lugar Cooperative Threat Reduction (CTR) program, including funding for the destruction of chemical weapons in Russia and closing of plutonium producing reactors in Russia, subject to meeting certain conditions.
- ? Approved the budget request of approximately \$1.2 billion for chemical weapons demilitarization in the United States.
- ? Added \$10 million for enhancements to U.S. special forces capabilities.
- ? Added \$3.5 million to continue development of the DOD information assurance scholarship program, an initiative started in the 2001 Defense Department Authorization Act.
- ? Approved the budget request of \$118.8 million for U.S. Joint Forces Command to conduct the first major joint field experiment in fiscal year 2002.
- ? Included a provision providing a two-year extension of the Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction (the Gilmore Commission).