

# United States Senate

Committee on Armed Services

WASHINGTON, DC 20510

For Immediate Release  
May 4, 2006

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## **ARMED SERVICES COMMITTEE COMPLETES MARKUP OF FY07 NATIONAL DEFENSE AUTHORIZATION BILL**

Today Senator John W. Warner, R-Va., the Chairman of the Senate Armed Services Committee, and Senator Carl Levin, D-Mich., the Committee's Ranking Minority Member, announced that the Committee has completed its markup of the National Defense Authorization Bill for Fiscal Year 2007, the annual legislation authorizing funds for the Department of Defense and the national security programs of the Department of Energy.

This year, the committee recommended funding \$467.7 billion in budget authority for defense programs in fiscal year 2007, an increase of \$26.2 billion – or 4.1% in real terms – above the amount authorized by the Congress last year.

The committee also recommended \$50.0 billion in emergency supplemental funding for fiscal year 2007 for activities in support of operations in Iraq, Afghanistan, and the global war on terrorism.

Chairman Warner said, "I am pleased that Committee members have come together once again in a bipartisan way to agree on legislation that will provide the resources to our men and women in uniform, and their families, as they stand guard the world over – in some 60 countries – and fight the war on terror in Iraq and Afghanistan. Our forces are protecting us here at home, and those of us on the Committee have a very sacred and special trust to take care of them, and their families."

Senator Levin said, "This bill provides our armed forces the equipment and support they need at a time when they are engaged in combat in Afghanistan and Iraq, forward deployed throughout the world, or training at home to hone the skills necessary to carry out whatever missions are assigned to them. I am particularly pleased that this bipartisan bill was reported out of Committee on a unanimous vote since this is Senator Warner's last year as Committee Chairman."

A full summary of the bill can be found below and at <http://armed-services.senate.gov/press.htm>.

Now passed by the Senate Armed Services Committee, the bill will be taken up for consideration by the full Senate as early as the end of this month. Once the Senate passes the legislation, it needs to be reconciled with the version passed by the House of Representatives, and then approved by both chambers and signed by the President to become law.

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## **FY07 NATIONAL DEFENSE AUTHORIZATION BILL SUMMARY**

The Senate Armed Services Committee, under the leadership of Chairman John W. Warner, R-Va., and Ranking Member Carl Levin, D-Mich., completed its annual markup of the National Defense Authorization bill today. Following is a summary of the bill as approved by the Committee.

### **FUNDING LEVELS**

The Committee authorized \$517.7 billion for defense, including \$50.0 billion in emergency supplemental funding for activities in support of operations in Iraq, Afghanistan, and the global war on terrorism. The authorized amount represents a 4.1% real increase over last year's authorized level and emphasizes the priorities of combating terrorism, homeland defense, enhanced protection for deployed forces, and quality of life improvements for members of the Armed Forces and their families.

Specifically, the committee recommended funding of \$467.7 billion in budget authority for Department of Defense and Department of Energy non-emergency programs in fiscal year 2007, an increase of \$26.2 billion – or 4.1% in real terms – above the amount authorized by the Congress for fiscal year 2006. The committee authorized \$85.9 billion in procurement funding, a \$3.0 billion increase above the President's budget; \$74.2 billion in funding for research, development, test and evaluation, a \$1.0 billion increase over the requested level; and \$112.0 billion for military personnel, a \$1.3 billion increase over the requested level. The committee also recommended \$50.0 billion in emergency supplemental funding for fiscal year 2007 for activities in support of operations in Iraq, Afghanistan, and the global war on terrorism.

### **MARKUP HIGHLIGHTS**

The committee addressed a number of defense priorities in this year's bill. Specifically, the committee included provisions:

In the areas of personnel and force levels, notably:

- Approving a 2.2 percent pay raise for all military personnel effective January 1, 2007, and targeted pay raises for mid-career and senior enlisted personnel and warrant officers effective April 1, 2007.
- Authorizing active-duty end strength of 512,400 for the Army, 340,700 for the Navy, 180,000 for the Marine Corps, and 334,200 for the Air Force for fiscal year 2007. End strength levels are funded through the regular budget, rather than through emergency supplemental appropriations.
- Authorizing end strength for the Army National Guard at 350,000 providing that, in the event the National Guard is unable to recruit up to the 350,000 level, unused personnel funds may only be used to procure Army National Guard equipment.
- Prohibiting increases in TRICARE Prime enrollment fees in FY 2007 and directing the Comptroller General to conduct a comprehensive analysis of DOD health care costs and savings proposals.
- Repealing provisions of the Survivor Benefit Plan (SBP) that require offset of military retirement annuity payments by amounts received for Dependency and Indemnity Compensation, and authorizing acceleration of the effective date of the "paid up" provision from October 1, 2008 to October 1, 2006 for retirees who reach age 70 and have paid SBP premiums for 30 years.

To address the Quadrennial Defense Review (QDR) priorities of strengthening interagency operations and providing greater flexibility in the U.S. government's ability to partner directly with nations in fighting terrorism, including:

- A provision requiring the President to develop a plan to establish interagency operating procedures for federal agencies to plan and conduct stabilization and reconstruction operations.
- A provision providing the heads of all executive branch agencies the same authorities the Secretary of State has with respect to providing allowances, benefits and death gratuities for Foreign Service or civilian personnel serving in Iraq and Afghanistan.
- Expanded authorities for geographic combatant commanders to train and equip foreign military forces, and to provide urgent humanitarian relief and reconstruction assistance to foreign nations.
- Expanded Department authority to provide logistics support, supplies and services to allies and coalition partners for combined operations.

- Expanded Department authority to lease or lend equipment for personnel protection and survivability to allies and coalition partners participating in combined military operations with U.S. forces.

To provide the Department of Defense with the resources and authorities it needs to win the global war on terrorism, including:

- Adding \$115.2 million over the President's budget request for combating terrorism and domestic preparedness.
- Authorizing a \$50.0 billion supplemental to cover the cost of ongoing military operations in Iraq, Afghanistan, and the global war on terrorism in fiscal year 2007.
- Requiring a U.S. Government coordinated legal opinion on whether certain specified interrogation techniques would constitute cruel, inhuman or degrading treatment under the Detainee Treatment Act of 2005.

To enhance the Department's homeland defense capabilities, notably:

- Adding \$8.5 million for the development of a sustainment training program for the 55 congressionally authorized Weapons of Mass Destruction-Civil Support Teams (WMD-CSTs), and \$5.0 million to address equipment upgrades for the first 32 WMD-CSTs to ensure standardization of equipment for all teams.
- Authorizing the Secretary of Defense to approve the deployment of WMD-CSTs to Canada and Mexico, with the consent of appropriate authorities in those countries. The provision would also expand the types of emergencies for which the Secretary may prepare or employ WMD-CSTs.
- Including a provision that would update the Insurrection Act to make explicit the President's authority to use the armed forces to restore order and enforce federal law in cases where, as a result of terrorist attack, epidemic, or natural disaster, public order has broken down.

To continue necessary modernization and transformation efforts, namely:

- Authorizing a provision to promote coordinated joint development, procurement and operation of unmanned systems by directing the Secretary of Defense to develop a department-wide unmanned systems policy and to give preference to unmanned vehicles and devices in development of new defense systems.
- Strengthening the shipbuilding program and the industrial base by increasing Navy shipbuilding by \$1.5 billion to accelerate the LPD-25 expeditionary warship, advance procurement for the CVN-21 class aircraft carrier and LHA(R) amphibious assault ship, and to increase *Virginia* class attack submarine

affordability design; while authorizing construction for eight ships, for a total of \$12.1 billion for shipbuilding.

- Repealing the requirement, passed in last year's Defense Authorization bill, that requires the Navy to maintain 12 aircraft carriers.
- Authorizing \$2.6 billion for strategic air lift capability, including an increase of 2 C-17A aircraft above the budget request and advance procurement for continued C-17A production.
- Authorizing \$3.6 billion for Navy/Marine Corps vertical lift assets, including 9 additional MH-60R/S helicopters, for total procurement of 14 MV-22 Ospreys, 52 MH-60R/S helicopters and 18 UH-1Y/AH-1Z helicopters.
- Authorizing the budget request of \$3.7 billion for the Future Combat Systems (FCS) program including \$322.7 million for the Non-line-of-Sight Launch System and \$112.3 million for the Non-line-of-Sight Cannon, and including a legislative proposal that would require the Department to submit an independent cost estimate of the core FCS program, FCS spinouts and FCS complementary systems.
- Added \$71.0 million for UH-60 Black Hawk helicopters and \$333.1 million for CH-47 Chinook helicopters to replace Operation Iraqi Freedom battle losses.

To ensure the Department provides needed equipment to protect our deployed forces, including:

- Authorizing \$2.1 billion for the Joint Improvised Explosive Device (IED) Defeat Fund to facilitate the rapid development of new technology and tactics and the rapid deployment of equipment to counter the IED threat.
- Authorizing an additional \$45.8 million for various projects to procure and develop IED countermeasures.
- Authorizing an additional \$950.5 million for force protection equipment including \$559.8 million for up-armored High Mobility Multi-purpose Wheeled Vehicles and \$100.0 million for counter-IED engineer vehicles.

The subcommittees authorized additional provisions as described below.

## **SUBCOMMITTEE ON PERSONNEL**

Subcommittee Chairman Lindsey Graham, R-S.C., and Ranking Member Ben Nelson, D-Nebr., continued the Personnel Subcommittee's focus and attention on improving recruiting, retention, and quality of life programs for military and civilian personnel of the Department of Defense. Specifically, the subcommittee:

- Directed implementation of an enrollment system for TRICARE Standard and a comprehensive disease and chronic care management program for TRICARE beneficiaries.
- Required use of the less-costly mail order pharmacy for refills of most long-term maintenance medications, with no required co-payment.
- Authorized \$10.0 million for pilot projects for Post Traumatic Stress Disorder.
- Authorized incentive payments for civilian health care providers who provide services to TRICARE beneficiaries in rural and medically underserved areas.
- Clarified that the TRICARE Retail Pharmacy network is covered by federal pricing of pharmaceuticals.
- Authorized extension of DOD telecommunications benefit for deployed and hospitalized service members.
- Required DOD to include a "full replacement value" standard for lost or damaged household goods in contracts with movers by March 1, 2008, and extending this coverage to DOD civilian employees.
- Authorized \$45.0 million in supplemental educational aid to local school districts that are affected by the assignment or location of military families, including \$30 million for Impact Aid, and \$5.0 million for educational services to severely disabled children, and an additional \$10.0 million for districts experiencing rapid increases in the number of students due to rebasing, activation of new military units, or base realignment and closure.
- Authorized use of enhanced voluntary separation incentives for officer and enlisted personnel and an increase in the maximum amount of the interservice transfer bonus from up to \$2,500 to \$10,000 for active and reserve members who transfer to the active or reserve component of another military service.
- Prohibited the payment by employers of financial incentives to encourage TRICARE eligible retirees to use TRICARE instead of the health insurance offered to other employees
- Limited any increase in premiums for TRICARE Reserve Select in Fiscal Year 2007 to 2.2 percent.
- Authorized broader authority for full-time support Reserve and National Guard members to train and instruct personnel and authorized greater flexibility in the ability of such personnel to support certain operations or missions assigned to their unit or component.

- Directed changes to provisions controlling joint officer management aimed at ensuring that more officers become joint qualified and that officer career patterns take full account of valuable joint warfare experience and capabilities.
- Extended for one year the Army's Thrift Savings Plan pilot program that would provide for "matching funds" contributions of up to 5 percent of basic pay for first term enlistees.
- Authorized an increase in special pay up to \$25,000 for selected reserve health care professionals in critically short supply.
- Authorized a new medical accession bonus for fully qualified physicians and dental specialists in critically short wartime specialties.
- Authorized an increase in the maximum annual amounts payable as stipends under the Health Professions Scholarship Program and Financial Assistance Program.
- Authorized an increase in the maximum amount of loans that may be repaid for health care professionals in short supply from \$22,000 to \$60,000.
- Required an audit of pay accounts of wounded soldiers and a report to Congress that includes actions to correct erroneous payments, and requires a toll-free call assistance center for military personnel and next-of-kin who are experiencing pay problems.
- Authorized a three-year pilot program on parent education to promote early childhood education for military children affected by military deployment or relocation of military units.

## **SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT**

Subcommittee Chairman Senator John Ensign, R-Nev., and Ranking Member Senator Daniel K. Akaka, D-Hawaii, focused the subcommittee's efforts on supporting projects and programs that are important to the near-term readiness of the Army, Navy, Air Force, and Marines, both active and reserve components. To address the readiness needs of the military, the subcommittee included:

- An additional \$157.7 million in procurement of ammunition, including funds for several ammunition plants.
- \$515.0 million in the emergency "bridge" fund for Navy operation and maintenance unfunded priorities.

- \$231.0 million in the emergency “bridge” fund for Army operation and maintenance unfunded priorities.
- \$106.0 million in the emergency “bridge” fund for Marine Corps operation and maintenance requirements.
- \$47.9 million for Marine Corps operation and maintenance unfunded priorities.
- An increase of \$52.9 million for force protection, including combat clothing and field medical equipment.
- An increase of \$97.3 million for training resources at Army, Air Force and Navy installations.
- An additional \$111.0 million in additional funding for logistics and management technologies and industrial base modernization;
- An increase of \$400.0 million for critical military construction projects identified by military installation commanders in both the active and reserve components as top unfunded priorities.

The subcommittee included several provisions designed to improve DoD’s management and accountability. Specifically, the subcommittee included:

- A provision that requires that major automated information systems (MAIS) that breach cost, schedule or performance goals must follow similar reporting requirements of other major defense acquisition programs (MDAP), commonly called Nunn-McCurdy reporting requirements.
- A provision that prohibits the expenditure of funds for the Army’s logistics modernization program until the Deputy Secretary of Defense certifies that the program has adequately addressed its many shortcomings.
- Three provisions relating to depots. One, requested by the Administration, permanently authorizes public-private partnerships at maintenance depots. The second requires that, at a minimum, the public depots funded through working capital funds must re-invest 6 percent of total revenues in these depots’ infrastructure, equipment, information technology and software. The third authorizes the Department to establish an Industrial Facilities Investment Account to use military construction funds for industrial process improvements.
- A provision that prohibits the expenditure of funds on financial audits until the Secretary of Defense submits a determination that each activity proposed to be funded would likely result in real and sustainable improvements in DOD financial management.

- A provision that will increase savings in performance based logistics contracts, by making it easier for contractors to conduct equipment modifications that will save money.
- A provision that will ensure that Congress receives more accurate information on the Department's needs, by prohibiting the "parking" of funds in one budget account, when the funds are intended to be used for another purpose.
- A provision that will enhance the Army's ability to demilitarize conventional munitions, thus reducing the backlog of munitions awaiting disposal.
- A provision on firefighters that would allow contracting for firefighter services only for nonstructural wildfires on military bases or to conduct underbrush removal.
- A provision to allow temporary contracting for security guards at bases being realigned, during periods of peak risk to munitions and other high-value items.

The subcommittee included several provisions designed to improve the Department's oversight of its acquisition programs. These provisions would better align the authority and tenure of program managers with desired acquisition outcomes; require pre-planning for contingency program management; ensure evaluation of contract performance that is linked to acquisition outcomes; expand reporting and accountability for defense contractors on employment of former senior Department of Defense officials; and continue oversight of interagency contracting. Specifically, the subcommittee included:

- A provision that authorizes the Department to conduct a pilot program using time-certain development in the acquisition of major weapons systems, for which program schedule is a key performance parameter. This provision implements a key recommendation of the Department's Defense Acquisition Performance Assessment.
- A provision that would specify that domestic source requirements for specialty metals be applied specifically to titanium and nickel.
- A series of provisions to better align authority and tenure of program managers with desired acquisition outcomes and to require pre-planning for contingency program management.
- A provision to ensure evaluation of contract performance is linked to acquisition outcomes and that award and incentive fees are used appropriately as an incentive for excellent performance.
- A provision that would require contractors that receive defense contracts in excess of \$10.0 million (other than contracts for the procurement of commercial items) to

report to the Department of Defense on an annual basis on certain former senior DOD officials who receive compensation from the contractor.

- A provision to continue oversight of interagency contracting by extending the current series of Department of Defense Inspector General audits to include the National Institutes of Health and the Veteran's Administration.

The subcommittee supported efforts to provide better environmental quality across the armed forces while sustaining combat readiness. Specifically, the subcommittee included:

- A provision that requires the Department of Defense to establish goals and provide a plan to Congress for the clean up of unexploded ordnance at active installations, Formerly Used Defense Sites, and military installations realigned or closed under rounds of defense base closure and realignment.
- A provision that requires the Department of Defense to conduct a historical review to determine the number, size, and probable location of sites where the armed forces disposed of military munitions in U.S. coastal waters, to continue research on the effects on the environment of such disposal, and to conduct sampling and analysis at representative sites to evaluate the risk to public health or safety.
- A provision that authorizes the Department to grant restrictive easements to state and local governments and qualified organizations for conservation purposes and to ensure the continued effectiveness of environmental remediation on property transferred by deed.
- A provision that authorizes the use of excess lands as part of an exchange under an agreement with willing third parties to create an environmental buffer zone to limit development in the vicinity of a military installation or preserve habitat that may ease environmental restrictions on military training, testing, or operations.
- A \$50.0 million increase to the budget for clean-up of unexploded ordnance at military installations realigned or closed under rounds of defense base closure and realignment.
- \$50.0 million to promote implementation of conservation buffer zones in the vicinity of military facilities under the Department's Readiness and Environmental Protection Initiative, an increase of \$30.0 million.
- \$282.8 million for remediation of Formerly Used Defense Sites, an increase of \$40.0 million over the budget request.
- A provision to update the goals for the Energy Conservation Investment Program and to expand the program to encourage the use of alternative fuels.

## **SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES**

Under the leadership of Chairman Senator John Cornyn, R-Tex., and Ranking Member Senator Jack Reed, D-R.I., the Emerging Threats and Capabilities Subcommittee focused on supporting and enhancing the Department of Defense's efforts to combat terrorism both at home and abroad; counter the threat of proliferation of weapons of mass destruction; transition technology from the laboratory to the field; and improve the Armed Forces' ability to meet existing and emerging threats. In these areas, the subcommittee increased the President's budget request by more than \$555.0 million. Specifically,

In the areas of combating terrorism and domestic preparedness, the subcommittee:

- Added nearly \$90.0 million for the U.S. Special Operations Command to address unfunded priorities, including \$66.7 million to procure critical equipment to prosecute the global war on terrorism, and nearly \$20.0 million for research, development, test, and evaluation programs.
- Included a provision to establish a senior acquisition executive in the office of the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict to provide acquisition oversight for the U.S. Special Operations Command.
- Added \$34.0 million for homeland defense initiatives, including \$13.5 million for homeland defense research, equipment and operations; \$17.3 million to meet unfunded priorities of Northern Command; and \$3.0 million for the information assurance scholarship program.

In the area of chemical and biological defense, and chemical weapons demilitarization, the subcommittee added \$71.0 million, including \$30.0 million to procure equipment to address shortfalls in National Guard units for automatic chemical agent detection equipment and improved chemical agent monitors, and \$41.0 million to chemical and biological defense research, development, test, and evaluation programs to counter the threat of chemical and biological weapons.

- Included a provision to provide the Secretary of Defense authority to include an incentive clause in any contract for the destruction of the United States stockpile of lethal chemical agents and munitions in order to accelerate the safe elimination of the U.S. chemical weapons stockpile and to reduce the total cost of the chemical demilitarization program.

In the area of nonproliferation and cooperative threat reduction, the subcommittee:

- Authorized the requested amount of \$1.7 billion for the Department of Energy (DOE) nonproliferation programs.
- Authorized the requested amount of \$372.1 million for the Department of Defense's Cooperative Threat Reduction (CTR) Program.
- Included a provision that would extend for five years the President's authority to waive on an annual basis the conditions that must be met before CTR funds can be obligated for the Shchuch'ye chemical weapons demilitarization facility in Russia.
- Included provisions that would provide the Secretary of Energy authority to accept international contributions to the Second Line of Defense Core Program and certain Global Threat Reduction Initiative programs.

In addition, the subcommittee:

- Included counter-drug provisions that would:
  - extend, through fiscal year 2008, the authority of the Secretary of Defense to use funds appropriated for counter-drug activity to support the Colombian unified counter-drug and counter-terrorism campaign, and the current limitations on the number of U.S. military personnel and civilian personnel assigned to Colombia in support of the unified campaign.
  - extend the authority of the Department of Defense to support the counter-drug activities of other government agencies through 2011.
  - extend and expand authorities of the Department of Defense to support the counter-drug activities of other countries, and increase the annual authorized funding level for this counter-drug support to \$80 million through fiscal year 2008.
- Included a provision that would establish a National Foreign Language Coordination Council to develop and monitor the implementation of a comprehensive national foreign language strategy.

In the area of science and technology, the subcommittee:

- Authorized an increase of nearly \$365 million over the President's budget request of \$11.1 billion for science and technology programs in the following priority areas:
  - over \$55.0 million for unmanned systems components, integration and testing.

- nearly \$50.0 million for energy and power technologies, for the dismantled warrior, facilities and military vehicles.
  - close to \$70.0 million for information assurance, modeling and simulation, training and education.
  - \$59.0 million for manufacturing technologies and technologies that reduce the cost of supporting legacy systems.
  - approximately \$40.0 million for combat medicine.
  - over \$70.0 million for force protection.
  - nearly \$50.0 million for transformational technologies.
  - over \$80.0 million for counter-terrorism sensors, detectors and surveillance research.
- Included a provision that would extend the goal for the Department of Defense to provide stable S&T investments, at a rate of 2 percent over inflation from budget request to budget request.
  - Included a provision that would extend the Global Research Watch program to increase the Department's awareness of international technology developments and capabilities, including counter IED research.
  - Included a provision that would require the Department to review, and revise if appropriate, regulations regarding test and evaluation practices to account for changes in acquisition policies.
  - Included a provision that would direct the Secretary of Defense to establish a joint technology office to coordinate, integrate and manage hypersonic research, development and demonstration programs and budgets.
  - Included a requirement for the Department to report to Congress on progress in addressing a list of identified deficiencies in the area of cyber security, information assurance and network protection.

## **SUBCOMMITTEE ON STRATEGIC FORCES**

Under the leadership of the Chairman Senator Jeff Sessions, R-Ala., and Ranking Member Senator Bill Nelson, D-Fla., the Strategic Forces Subcommittee reviewed Department of Defense programs for national security space, strategic forces, ballistic missile defenses, intelligence, reconnaissance and surveillance, as well as Department of Energy nuclear weapons and environmental management programs.

The subcommittee included a provision that emphasized the need to focus missile defense efforts on near-term activities, to include continued development, testing, fielding and improvement of capabilities to defend the United States, its deployed forces, and allies against ballistic missile attack. While authorizing the President's budget request of \$9.3 billion for the Missile Defense Agency, the subcommittee reduced funding for some longer-term developmental efforts to support critical testing and increased fielding of near-term missile defense capabilities necessary to address the threat. In particular, the subcommittee:

- Added \$200.0 million for the Ground-based Midcourse Defense (GMD) system for additional flight testing, test missiles, and for efforts to facilitate concurrent test and operations.
- Added \$100.0 million for the sea-based missile defense system to increase the number of SM-3 interceptor missile deliveries and to accelerate improvements to the Aegis combat system.
- Added \$100.0 million in Army procurement for additional Patriot PAC-3 missiles and upgrades to the Patriot missile defense system.
- Reduced funding for the Kinetic Energy Interceptor program from \$406.0 million to \$206.0 million to fund more urgent missile defense requirements.
- Included a provision requiring annual reports on the Department's plans to transition missile defense programs from the Missile Defense Agency to the military departments.

The subcommittee supported improved national security space capabilities for satellite communications, space launch, space surveillance, and reduced space vulnerability. Specifically, the subcommittee:

- Included a provision to establish a program office within the Department of Defense to centralize efforts to develop, acquire, and field an operationally responsive space (ORS) capability to support the warfighter in a timely manner.
- Added \$25.0 million for the development and demonstration of small satellites in support of the ORS mission.
- While fully supportive of the restructured Transformational Satellite (TSAT) program, reduced funding by \$70.0 million (or 7-percent), due to unexecutable program growth.
- Reduced funding for the Space Radar program by \$66.4 million due to insufficient program and cost definition, and concerns about the inability of the Department of Defense to reach a cost-share agreement with the Intelligence Community.

The subcommittee included funds to develop conventional prompt global strike capabilities to reach distant high-value, time-urgent targets within minutes. The subcommittee funded the President's request of \$127.0 million to begin development of a conventional version of the Trident D-5 submarine launched ballistic missile but prohibited the Navy from using more than \$32 million of the funds authorized until a report, prepared by the Secretary of Defense, in consultation with the Secretary of State, addressing nuclear ambiguity issues, is submitted to Congress. The subcommittee also included \$20.0 million for further development and testing of a land-based advanced hypersonic weapon.

The subcommittee also required the Secretary of the Air Force to provide a report on the bomber force structure before retiring any B-52H aircraft.

The subcommittee supported efforts to strengthen the nation's nuclear weapons research, development, and test readiness capabilities and to improve the Department of Energy's management of these activities. The subcommittee continued to support efforts to increase the responsiveness of the nuclear weapons complex, enhance the security posture of Department of Energy nuclear sites, recapitalize nuclear infrastructure, reduce deferred maintenance, and complete the environmental cleanup of Cold War legacy sites. Specifically, the subcommittee:

- Funded the continued study of the feasibility of developing a reliable, replacement warhead.
- Added \$21.7 million for infrastructure recapitalization and enhanced technical readiness at National Nuclear Security Administration facilities.
- Added \$25.8 million to further enhance security at Department of Energy nuclear sites.
- Added \$80.0 million for environmental cleanup at the Savannah River Site and included a provision limiting the use of certain environmental cleanup funds until the Secretary of Energy institutes improvements to project management controls for the cleanup of radioactive waste tanks at the Department of Energy site in Hanford, Washington.

## **SUBCOMMITTEE ON SEAPOWER**

Under the leadership of the Chairman Senator James M. Talent, R-Mo., and Ranking Member Senator Edward M. Kennedy, D-Mass., the Subcommittee on Seapower focused on the needs of the Navy, Marine Corps and strategic airlift forces. The subcommittee put particular emphasis on support for Marines and naval forces engaged in the Global War on Terror and on the continuing transformation of the force.

The subcommittee focused on the declining size of the fleet, and has taken significant strides to strengthen the shipbuilding program and provide much-needed stability for the industrial base that will be called upon to build the future force. Specifically, the subcommittee:

- Authorized construction for 8 warships, including 7 ships requested by the administration, plus \$1.3 billion added for the Chief of Naval Operations' top unfunded shipbuilding priority, the LPD-25 expeditionary warfare ship.
- Authorized construction for two new warship classes designed to meet the future threat: the next generation destroyer, DD(X), and the amphibious assault replacement ship, LHA(R). Authorized \$175.0 million in advance procurement for the second ship of the LHA(R) class to gain program savings and reduce construction costs.
- Authorized a long-term plan for affordable construction of the future aircraft carrier class, CVN-21; provided advance procurement authority and \$50.0 additional advance procurement for the first three ships of the class; and provided incremental funding authority to enable efficient program financial management and stability.
- Authorized the budget request for *Virginia*-class attack submarine research and development, and added \$85.0 million to affordably incorporate critical capabilities in support of increasing the submarine build rate at the earliest opportunity in the future years defense plan.
- Added \$25.0 million to accomplish planning and engineering for modernization of the 62-ship DDG-51 *Arleigh Burke* destroyer class.
- Added \$10.0 million for the National Shipbuilding Research Program for increased innovation and efficiency in ship construction.

The subcommittee addressed critical shortfalls to strategic airlift and Navy and Marine Corps vertical lift programs, including provisions that:

- Authorized the budget request for C-17A strategic lift aircraft, and redirected \$657.0 million planned for line closure to procure two additional C-17A aircraft and provide for advance procurement towards additional C-17A aircraft in fiscal year 2008.
- Added \$32.0 million for the C-5 Avionics Modernization Program to accelerate closure of this critical capability gap.
- Authorized \$1.4 billion for procurement of 14 Marine Corps MV-22 aircraft.

- Authorized the \$446.7 million budget request for the procurement of UH-1Y / AH-1Z helicopters.
- Added \$140.0 million to the budget request to procure 9 additional MH-60R/S helicopters, for \$1.6 billion total procurement of 52 MH-60R/S helicopters.

The subcommittee increased support for the force protection of our armed forces, including provisions that:

- Added \$100.0 million for gunner protection kits for Marine Corps vehicles.
- Added \$100.0 million for Cougar and Buffalo counter-improvised explosive device engineer vehicles.
- Added \$83.5 million for High Mobility Artillery Rocket System re-supply vehicle armor.
- Added \$52.8 million to counter improvised explosive devices.
- Added \$16.7 million to provide for increased personnel safety.
- Authorized \$444.5 million for the development and procurement of the Expeditionary Fighting Vehicle for the Marine Corps.
- Authorized the budget request for major weapons procurement for the Navy and Marine Corps, including \$354.6 million for Tomahawk missiles; \$461.3 million for tactical missiles; \$165.5 million for gun weapon systems; and \$184.3 million for torpedoes.
- Added \$60.9 million to meet Navy/Marine Corps weapon and weapon system inventory objectives.
- Added \$62.7 million to continue research and development efforts to close future naval capability gaps.
- Added \$45.4 million to improve warfare system reliability and maintainability in order to increase operational readiness and reduce operating cost.
- Added \$40.0 million for critical industrial facilities.
- Added \$23.0 million to complete development of transformational capabilities required to sustain maritime dominance.

## SUBCOMMITTEE ON AIRLAND

Under the leadership of Chairman Senator John McCain, R-Ariz., and Ranking Member Senator Joseph Lieberman, D-Conn., the Subcommittee on Airland emphasized Army transformation and rotary-wing aircraft and Navy, Marine Corps and Air Force tactical aviation fixed programs. The subcommittee also exercised acquisition oversight responsibilities with specific reviews of the Army's Future Combat Systems and Joint Strike Fighter programs. Specifically, the subcommittee:

- Authorized the budget request of \$3.7 billion for the Future Combat Systems (FCS) program, including \$322.7 million for the Non-line-of-Sight Launch System and \$112.3 million for the Non-line-of-Sight Cannon, and including a legislative proposal that would require the Department to submit an independent cost estimate of the core FCS program, FCS spinouts and FCS complementary systems.
- Continued its support for the force protection of our armed forces by:
  - Authorizing \$2.1 billion for the Joint Improvised Explosive Device (IED) Defeat Fund to facilitate the rapid development of new technology and tactics and the rapid deployment of equipment to counter the IED threat;
  - Adding \$77.9 million for Abrams tank urbanization survival kits.
  - Adding \$508.0 million for M1151/M1152 High Mobility Multipurpose Wheeled Vehicles (HMMWV).
  - Adding \$51.8 million for up-armored HMMWVs for the Air Force.
  - Adding \$25.5 million for the counter rocket, artillery, and mortar (C-RAM) program.
- Added \$548.9 million for Army modularity (Abrams tanks, Bradley Fighting Vehicles, and M113 armored personnel carrier refurbishment), and included report language directing the Army to develop a multiyear procurement strategy for the Abrams tank and Bradley Fighting Vehicle upgrade programs.
- Authorized \$3.9 billion for the procurement of Army aviation assets, \$294.9 million above the budget request, including:
  - \$811.4 million for 45 UH-60 Black Hawk helicopters, including an increase of \$71.0 million for 5 UH-60 Black Hawk helicopter battle losses.
  - \$794.6 million for the conversion of Apache AH-64 helicopters to the Longbow configuration.

- \$955.2 million for CH-47 cargo helicopters, including an increase of \$333.1 million to replace 11 CH-47 cargo helicopter battle losses.
  - \$333.6 million for aircraft survivability equipment.
  - Reducing the Army's Future Cargo Aircraft procurement program \$109.2 million because program requirements are not fully defined.
- Authorized \$796.0 million for 100 Stryker vehicles.
  - Added \$83.4 million for A-10 modifications.
  - Added \$400.4 million for the Joint Strike Fighter (JSF) F-35 aircraft alternate engine development and included a provision that requires the Department to provide for the development of the propulsion system for the JSF aircraft by either continuing development and sustainment of two interchangeable propulsion systems for the F-35 fighter aircraft by two separate contractors throughout the life cycle of the aircraft or by a one-time firm fixed price contract for a selected propulsion system for the JSF aircraft throughout the life cycle of the aircraft.
  - Added \$1.4 billion in F-22A aircraft procurement for a total of 20 aircraft and included a provision which prohibits incremental funding and multiyear procurement authority for the F-22A aircraft.
  - Reduced the KC(X) aircraft program by \$236.0 million because of a schedule slip.
  - Reduced the Joint Strike Fighter program by \$1.2 billion million due to a program delay and directed the Department to use a fixed price contract for each increment of production aircraft.
  - Added \$136.5 million for Abrams tank reset and force protection equipment.
  - Included a provision that allows the Department to guarantee higher minimum levels of business than are currently authorized by law to U.S. carriers participating in Civil Reserve Air Fleet.
  - Continued its oversight of the Future Combat Systems program and modularity initiatives by including provisions that:
    - direct the Government Accountability Office to review the recently signed FAR part 15 contract for compliance and protection of government interests.
    - direct the Secretary of Defense to conduct an independent cost estimate of the FCS program using a federally funded research and development center.

- direct the Secretary of the Army to provide the full costs of Army modularity including a breakout of modularity costs for the Army National Guard.
- Added \$100.0 million for procurement of the Warfighter Information Network-Tactical (WIN-T) to accelerate fielding to 2008; reduced the Joint Network Node procurement \$100.0 million due to program execution; and included a provision that limits funding for the Joint Network Node program until the Army provides a plan on the convergence of the Joint Network Node, Warfighter Information Network-Tactical, and Mounted Battle Command on the Move programs.
- Included provisions that limit the retirement of KC-135E and C-130E/H aircraft
- Included a provision that directs the Air Force to convert the Joint Primary Aircraft Training System Aircraft FAR part 12 contract to a FAR part 15 contract.
- Included three provisions to improve the acquisition system by:
  - Requiring the Department to update acquisition regulations consistent with the report directed in the FY06 Authorization Act. The provision also prohibits lead systems integrators from developing or building any individual system or element of a systems of systems development program.
  - Requiring the Secretary of Defense, within 120 days of the date of enactment of the National Defense Authorization bill, to prescribe regulations prohibiting excessive pass-through fees on contracts and subcontracts.
  - Establishing a preference for fixed price contract unless the Secretary provides a written notification of why a fixed price contract for a development program is inappropriate.

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