

TITLE II – OPERATION AND MAINTENANCE

The conference agreement provides \$140,062,158,000 in Title II,
Operation and Maintenance, instead of \$137,135,127,000 as proposed by the
House and \$142,679,275,000 as proposed by the Senate.

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
RECAPITULATION				
OPERATION & MAINTENANCE, ARMY.....	28,924,973	28,404,495	28,598,563	27,361,574
OPERATION & MAINTENANCE, NAVY.....	33,334,690	32,851,468	33,150,380	33,087,650
OPERATION & MAINTENANCE, MARINE CORPS.....	4,961,393	4,471,858	5,061,649	4,792,211
OPERATION & MAINTENANCE, AIR FORCE.....	33,655,633	31,613,981	32,599,333	32,176,162
OPERATION & MAINTENANCE, DEFENSE-WIDE.....	22,574,278	22,343,180	23,239,227	22,693,617
OPERATION & MAINTENANCE, ARMY RESERVE.....	2,508,062	2,510,890	2,510,286	2,510,022
OPERATION & MAINTENANCE, NAVY RESERVE.....	1,186,883	1,144,454	1,187,151	1,148,083
OPERATION & MAINTENANCE, MARINE CORPS RESERVE.....	208,637	207,087	208,688	208,637
OPERATION & MAINTENANCE, AIR FORCE RESERVE.....	2,692,077	2,684,577	2,816,103	2,815,417
OPERATION & MAINTENANCE, ARMY NATIONAL GUARD.....	5,840,209	5,893,843	5,800,933	5,764,858
OPERATION & MAINTENANCE, AIR NATIONAL GUARD.....	5,041,965	5,021,077	5,471,745	5,468,710
OVERSEAS CONTINGENCY OPERATIONS TRANSFER ACCOUNT.....	5,000	---	---	---
UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES...	11,971	11,971	11,971	11,971
ENVIRONMENTAL RESTORATION, ARMY.....	434,879	434,879	444,879	439,879
ENVIRONMENTAL RESTORATION, NAVY.....	300,591	300,591	300,591	300,591
ENVIRONMENTAL RESTORATION, AIR FORCE.....	458,428	458,428	458,428	458,428
ENVIRONMENTAL RESTORATION, DEFENSE-WIDE.....	12,751	12,751	12,751	12,751
ENVIRONMENTAL RESTORATION, FORMERLY USED DEF. SITES...	250,249	268,249	295,249	280,249
OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID.....	103,300	103,300	63,300	103,300
FORMER SOVIET UNION THREAT REDUCTION ACCOUNT.....	348,048	398,048	448,048	428,048
GRAND TOTAL, OPERATION & MAINTENANCE.....	142,854,017	137,135,127	142,679,275	140,062,158

The conferees agree to impose new reprogramming guidelines within the operation and maintenance appropriations to ensure better accountability, as recommended by the House. The conferees believe that such revisions are necessary given the unique nature of activities funded within these appropriations, continuing concerns about force readiness, and recent budget execution within these accounts. Specifically, the conferees direct:

(1) with respect to service operation and maintenance accounts, that the Department shall submit prior approval reprogramming requests to the congressional defense committees for proposed transfers of funds in excess of \$15,000,000, to or from the levels specified for budget activities.

In addition, the Department shall follow prior approval reprogramming procedures for transfers in excess of \$15,000,000 out of the following budget subactivities:

Operation and Maintenance, Army

Land Forces Depot Maintenance

Operation and Maintenance, Navy

Navy Aircraft Depot Maintenance
Navy Ship Depot Maintenance

Operation and Maintenance, Marine Corps

Marine Corps Depot Maintenance

Operation and Maintenance, Air Force

Air Operations Depot Maintenance
Mobility Operations Depot Maintenance
Basic Skills/Training Depot Maintenance
Logistics Operations Depot Maintenance

Further, the Department shall provide written notifications of cumulative transfers in excess of \$15,000,000 out of the following budget subactivities:

Operation and Maintenance, Army

Maneuver units
Modular support brigades
Land forces operations support
Force readiness operations support
Base operations support

Operation and Maintenance, Air Force

Primary combat forces
Combat enhancement forces
Combat communications

(2) with respect to Operation and Maintenance, Defense-Wide (O&M,DW), that proposed transfers of funds to or from the levels specified for defense agencies in excess of \$15,000,000 shall be subject to prior approval reprogramming procedures. In addition, the Department shall provide written notification of cumulative transfers in excess of \$15,000,000 or 20 percent, whichever is less, out of the following line items identified in the Operation and Maintenance

nance, Defense-Wide project level table contained in the conference report:

Defense Legal Service Agency

Office of the Secretary of Defense

Acquisition, Technology, and Logistics programs

Personnel and Readiness

Comptroller and Chief Financial Officer

Under Secretary of Defense (Intelligence)

Under Secretary of Defense (Policy)

Director, Program Analysis and Evaluation

Assistant Secretary of Defense (Networks and Information Integration).

A congressional interest item contained in Operation and Maintenance, Defense-Wide is defined only as a specific increase provided by the conferees.

The conferees expect that these new guidelines will provide more effective oversight by the congressional defense committees and lead to better financial management within the Department.

JUSTIFICATION OF FUNDING FOR NAMED OPERATIONS

The conferees retain a general provision as proposed by the Senate requiring the President's budget request include separate budget justification documents for the costs of the Armed Forces participating in contingency operations. The conferees find that justification material provided in previous years has varied greatly and has not provided Congress with the level of detail required by this provision. The conferees direct the Department of Defense to abide by the requirements of the general provision and include this level of detail in one concise justification book for all operations, other than Operations Enduring Freedom and Iraqi Freedom. The conferees further direct that the justification book continue to provide data on operations identified for fiscal year 2008, but also identify existing or on-going named operations outside the Continental United States or in support of any global operation (including those led by other partner nations) where the cost of such named operation exceeds \$100,000,000 or is staffed by more than 1,000 U.S. military personnel.

OPERATION AND MAINTENANCE, ARMY

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference

100 OPERATION AND MAINTENANCE, ARMY				
150 BUDGET ACTIVITY 1: OPERATING FORCES				
200 LAND FORCES				
250 MANEUVER UNITS.....	887,030	771,301	887,030	887,030
300 MODULAR SUPPORT BRIGADES.....	93,630	93,317	93,630	99,230
350 ECHELONS ABOVE BRIGADES.....	693,513	417,099	693,513	416,699
400 THEATER LEVEL ASSETS.....	771,074	587,584	771,074	771,074
450 LAND FORCES OPERATIONS SUPPORT.....	1,242,988	1,104,304	1,242,988	1,103,704
460 AVIATION ASSETS.....	848,171	850,171	848,171	850,171
500 LAND FORCES READINESS				
550 FORCE READINESS OPERATIONS SUPPORT.....	2,051,266	1,909,049	2,097,766	1,942,649
600 LAND FORCES SYSTEMS READINESS.....	555,405	480,077	559,905	483,677
650 LAND FORCES DEPOT MAINTENANCE.....	804,892	552,464	806,392	669,572
700 LAND FORCES READINESS SUPPORT				
750 BASE OPERATIONS SUPPORT.....	6,802,278	6,878,321	6,737,778	6,761,578
800 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	2,031,173	3,052,710	2,037,373	2,549,373
850 MANAGEMENT & OPERATIONAL HEADQUARTERS.....	285,198	267,698	285,198	267,698
900 UNIFIED COMMANDS.....	113,872	100,372	113,872	113,872
950 ADDITIONAL ACTIVITIES.....	233,035	233,035	233,035	233,035
1050 TOTAL, BUDGET ACTIVITY 1.....	17,413,525	17,297,502	17,407,725	17,149,362
1100 BUDGET ACTIVITY 2: MOBILIZATION				
1150 MOBILITY OPERATIONS				
1200 STRATEGIC MOBILITY.....	288,063	196,405	288,063	196,105
1250 ARMY PREPOSITIONED STOCKS.....	156,318	66,876	156,318	156,318
1300 INDUSTRIAL PREPAREDNESS.....	---	2,000	---	1,600
1400 TOTAL, BUDGET ACTIVITY 2.....	444,381	265,281	444,381	354,023

(In thousands of dollars)

	Budget	House	Senate	Conference
1450 BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
1500 ACCESSION TRAINING				
1550 OFFICER ACQUISITION.....	116,804	116,804	116,804	116,804
1600 RECRUIT TRAINING.....	47,608	46,850	47,608	46,850
1650 ONE STATION UNIT TRAINING.....	50,796	50,314	50,796	50,314
1700 SENIOR RESERVE OFFICERS' TRAINING CORPS.....	364,863	335,483	366,863	366,863
1750 BASIC SKILL AND ADVANCED TRAINING				
1800 SPECIALIZED SKILL TRAINING.....	574,212	539,028	553,462	556,462
1850 FLIGHT TRAINING.....	695,377	609,325	695,377	695,377
1900 PROFESSIONAL DEVELOPMENT EDUCATION.....	113,769	99,794	114,269	100,294
1950 TRAINING SUPPORT.....	706,416	621,266	705,866	705,476
2000 RECRUITING AND OTHER TRAINING AND EDUCATION				
2050 RECRUITING AND ADVERTISING.....	603,498	568,807	603,498	568,807
2100 EXAMINING.....	152,793	138,799	152,793	138,799
2150 OFF-DUTY AND VOLUNTARY EDUCATION.....	238,457	209,128	238,457	209,128
2200 CIVILIAN EDUCATION AND TRAINING.....	199,956	173,032	201,956	201,556
2250 JUNIOR RESERVE OFFICERS' TRAINING CORPS.....	147,203	131,442	147,203	147,203
2300 TOTAL, BUDGET ACTIVITY 3.....	4,011,752	3,640,072	3,994,952	3,903,933
2350 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
2400 SECURITY PROGRAMS				
2450 SECURITY PROGRAMS.....	757,874	760,344	755,974	759,349
2500 LOGISTICS OPERATIONS				
2550 SERVICEWIDE TRANSPORTATION.....	686,899	520,685	628,435	575,235
2600 CENTRAL SUPPLY ACTIVITIES.....	642,906	452,470	613,970	534,270
2650 LOGISTICS SUPPORT ACTIVITIES.....	506,679	520,709	512,679	522,709
2700 AMMUNITION MANAGEMENT.....	476,807	334,719	446,977	391,977

(In thousands of dollars)

	Budget	House	Senate	Conference
2750 SERVICEWIDE SUPPORT				
2800 ADMINISTRATION.....	775,819	619,571	742,339	667,984
2850 SERVICEWIDE COMMUNICATIONS.....	1,192,413	1,107,074	1,077,242	1,107,074
2900 MANPOWER MANAGEMENT.....	269,420	263,065	269,420	269,420
2950 OTHER PERSONNEL SUPPORT.....	217,872	205,704	217,872	218,872
3000 OTHER SERVICE SUPPORT.....	841,825	774,144	843,825	844,545
3050 ARMY CLAIMS.....	233,786	222,776	233,786	222,776
3100 REAL ESTATE MANAGEMENT.....	48,170	45,800	48,170	45,800
3150 SUPPORT OF OTHER NATIONS				
3200 SUPPORT OF NATO OPERATIONS.....	362,159	356,134	362,159	362,159
3250 MISC. SUPPORT OF OTHER NATIONS.....	42,686	42,095	42,686	42,686
3300 TOTAL, BUDGET ACTIVITY 4.....	7,055,315	6,225,290	6,795,534	6,564,856
3600 UNOBLIGATED BALANCES.....	---	---	-95,300	---
3710 OVERSTATEMENT OF CIVILIAN PERSONNEL REQUIREMENTS.....	---	-241,900	---	-190,600
3720 TRANSFER OF EXCESS WORKING CAPITAL FUND CASH.....	---	-420,000	---	-420,000
3730 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-374,250	---	---
3740 TRANSFER TO CORPS OF ENGINEERS.....	---	12,500	---	---
3750 CIVILIAN PAY RAISE FROM 3 PERCENT TO 3.5 PERCENT.....	---	---	51,271	---
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4200 TOTAL, OPERATION AND MAINTENANCE, ARMY.....	28,924,973	26,404,495	28,598,563	27,361,574

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
111 MANEUVER UNITS	887,030	771,301	887,030	887,030
Unjustified program growth		-115,729		0
112 MODULAR SUPPORT BRIGADES	93,630	93,317	93,630	99,230
Unjustified program growth		-6,313		0
Modular Command Post Tent		4,000		4,000
Air-Supported Temper Tent		2,000		1,600
113 ECHELONS ABOVE BRIGADES	693,513	417,099	693,513	416,699
Scanning Technology for Accelerating Reset		2,000		1,600
Unjustified program growth		-78,414		-78,414
Smooth growth in supply purchases		-200,000		-200,000
114 THEATER LEVEL ASSETS	771,074	587,584	771,074	771,074
Unjustified program growth		-183,490		0
115 LAND FORCES OPERATIONS SUPPORT	1,242,988	1,104,304	1,242,988	1,103,704
Unjustified program growth		-130,284		-130,284
Transfer of JNTC to CE2T2		-11,700		-11,700
A Second Civil Support Team for Weapons of Mass Destruction in Florida		300		300
Water Purification & Distribution Operating Systems		3,000		2,400
116 AVIATION ASSETS	848,171	850,171	848,171	850,171
UH-60 Leak Proof Transmission Drip Pans		2,000		2,000
121 FORCE READINESS OPERATIONS SUPPORT	2,051,266	1,905,049	2,097,766	1,942,649
Advanced Combat Helmet PLUS			4,000	4,000
Cognitive Air Defense Simulators			2,000	1,600
Fleece Insulating Liners for Extended Cold Weather Clothing System Generation III (ECWCS-GEN III)		3,000	4,000	3,200
Sawfly Combat Ballistic Protection Eyewear			2,000	1,600
U.S. Army Extended Cold Weather Clothing System (ECWCS) Hand Protection System		1,000	2,000	1,600
PARC/Multi-Brigade Training Requirements			17,500	15,100
USARPAC Deployable C4 System			4,000	3,200
USARPAC GCCS & CENTRIX Operations			2,600	2,080
USARPAC C4 Modularity			3,000	2,400
USARPAC Core Warfighting C4 Network Infrastructure			5,400	4,320
Unjustified program growth		-106,368		-106,968
Transfer of JCS exercise program to CE2T2		-49,949		-49,949
Fort Hood Training Lands Restoration and Maintenance		3,000		3,000
Extended Cold Weather Clothing System – Gen III		3,500		2,800
Operational/Technical Training Validation Testbed for Maneuver Units at Fort Bliss		2,600		2,600
Recapturing the Army's Training Ranges		1,000		800

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
122 LAND FORCES SYSTEMS READINESS	555,405	480,077	559,905	483,677
Tracking Reusable Assets for Contingency and Emergency Response			4,500	3,600
Unjustified program growth		-45,328		-45,328
GSORTs operating costs		-30,000		-30,000
123 LAND FORCES DEPOT MAINTENANCE	804,892	552,464	806,392	669,572
Anniston Army Depot Industrial Efficiencies			1,500	1,200
Unjustified program growth		-259,028		-141,800
GUARDRAIL		6,600		5,280
131 BASE OPERATIONS SUPPORT	6,802,278	6,878,321	6,737,778	6,761,578
DFAS Overstatement			-70,000	-70,000
Biosecurity Research for Soldier Food Safety			1,500	1,200
Army Conservation and Ecosystem Management			4,000	3,500
Childcare center operations		46,000	46,000	23,000
Perimeter security force protection		28,043		0
Roofing Restoration Program at Fort Stewart, GA		2,000		1,600
FACILITIES SUSTAINMENT, RESTORATION & 132 MODERNIZATION	2,031,173	3,052,710	2,037,373	2,549,373
Rock Island Arsenal, Building 299 Roof Replacement Phase II			6,200	6,000
Perimeter security force protection		2,037		0
Fort Stewart Live Fire Ranges Modernization & Improvements		1,500		1,200
Accelerate modernization of critical operational and support facilities		1,018,000		509,000
McAlester Army Ammunition Plant (transferred from Ammunition, Army)				2,000
133 MANAGEMENT & OPERATIONAL HEADQUARTERS	285,198	267,698	285,198	267,698
HQ staff growth		-17,500		-17,500
134 UNIFIED COMMANDS	113,872	100,372	113,872	113,872
HQ staff growth		-13,500		0
211 STRATEGIC MOBILITY	288,063	196,405	288,063	196,105
Down-load of prepositioned sets		-93,158		-93,158
Quadcons and Tricons for strategic mobility		1,500		1,200
212 ARMY PROPOSITIONED STOCKS	156,318	66,876	156,318	156,318
Down-load of prepositioned sets		-89,442		0
213 INDUSTRIAL PREPAREDNESS	0	2,000	0	1,600
NanoSensor StageGate Accelerator		2,000		1,600
311 OFFICER ACQUISITION	116,804	116,804	116,804	116,804
312 RECRUIT TRAINING	47,608	46,850	47,608	46,850

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
Unjustified program growth		-758		-758
313 ONE STATION UNIT TRAINING	50,796	50,314	50,796	50,314
Unjustified program growth		-482		-482
314 SENIOR RESERVE OFFICERS' TRAINING CORPS	364,863	335,483	366,863	366,863
Air Battle Captain (ROTC Heli Flight Training Program)			2,000	2,000
Unjustified program growth		-29,380		0
321 SPECIALIZED SKILL TRAINING	574,212	539,028	553,462	556,462
BOLC Phase II Duplicate Funding			-20,750	-20,750
Unjustified program growth		-38,184		0
Critical Language Instruction for Military Personnel, Education, Training & Distance Learning		3,000		3,000
322 FLIGHT TRAINING	695,377	609,325	695,377	695,377
Unjustified program growth		-86,052		0
323 PROFESSIONAL DEVELOPMENT EDUCATION	113,769	99,794	114,269	100,294
Leadership for Leaders at CGSC and KSU			500	500
Unjustified program growth		-13,975		-13,975
324 TRAINING SUPPORT	706,416	621,266	705,866	705,476
Capstone Field Training Exercise Duplicate Funding			-2,500	-2,500
Northern Nevada Special Operations Training Project			1,950	1,560
Unjustified program growth		-86,150		0
Air and Missile Defense Instrumentation System		1,000		0
331 RECRUITING AND ADVERTISING	603,498	568,807	603,498	568,807
Unjustified program growth		-34,691		-34,691
332 EXAMINING	152,793	138,799	152,793	138,799
Unjustified program growth		-13,994		-13,994
333 OFF-DUTY AND VOLUNTARY EDUCATION	238,457	209,128	238,457	209,128
Unjustified program growth		-29,329		-29,329
334 CIVILIAN EDUCATION AND TRAINING	199,956	173,032	201,956	201,556
Online Technology Training Program at Ft. Lewis			2,000	1,600
Unjustified program growth		-26,924		0
335 JUNIOR RESERVE OFFICERS' TRAINING CORPS	147,203	131,442	147,203	147,203
Unjustified program growth		-15,761		0
411 SECURITY PROGRAMS	757,874	760,344	755,974	759,349
Security Programs Adjustment			-1,900	1,475

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference	
421	SERVICEWIDE TRANSPORTATION	686,899	520,685	628,435	575,235
	Unjustified program growth		-58,464	-58,464	-58,464
	Unwarranted equipment moves		-110,000		-55,000
	Transformation of ISO containers to 'Smart Containers'		2,250		1,800
422	CENTRAL SUPPLY ACTIVITIES	642,906	452,470	613,970	534,270
	Unjustified program growth		-28,936	-28,936	-28,936
	Permit growth of sustainment systems technical support of 10 percent		-165,000		-82,500
	US Army Battery Management Program Utilizing Pulse Technology		3,500		2,800
423	LOGISTICS SUPPORT ACTIVITIES	506,679	520,709	512,679	522,709
	Retrograde Tracking, Monitoring and Security of U.S. Military Materiel			4,000	3,200
	Army Condition Based Maintenance			2,000	1,600
	Unjustified program growth		-970		-970
	Nanotechnology Corrosion Support		1,000		1,000
	Autonomics Logistics Demonstration		2,000		1,600
	Mobile Battery Shops (MBS)		1,000		800
	Army Strategic Logistics Initiatives - Asset Visibility		2,000		1,600
	Common Logistics Operating Environment		4,000		3,200
	Sense and Respond Logistics Capability		3,500		2,800
	Low Profile Phased Array Antenna		1,500		1,200
424	AMMUNITION MANAGEMENT	476,807	334,719	446,977	391,977
	Unjustified program growth		-32,088	-29,830	-29,830
	Program growth in excess of requirement		-110,000		-55,000
431	ADMINISTRATION	775,819	619,571	742,339	667,984
	Unjustified program growth		-48,413	-33,480	-33,480
	Pentagon infrastructure costs		-107,835		-74,355
432	SERVICEWIDE COMMUNICATIONS	1,192,413	1,107,074	1,077,242	1,107,074
	General Fund Enterprise Business System (GFEBS) realignment		-29,822	-29,822	-29,822
	Unjustified program growth		-55,517	-85,349	-55,517
433	MANPOWER MANAGEMENT	269,420	263,065	269,420	269,420
	Unjustified program growth		-6,355		0
434	OTHER PERSONNEL SUPPORT	217,872	205,704	217,872	218,872
	Unjustified program growth		-12,168		0
	Warrior Transition Unit Support for the 4/25th Brigade Combat Team (Airborne)				1,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
435 OTHER SERVICE SUPPORT	841,825	774,144	843,825	844,545
One Soul: Holocaust Education Exhibit			2,000	1,600
Unjustified program growth		-69,081		0
Memorial Day concert		1,400		1,120
436 ARMY CLAIMS	233,786	222,776	233,786	222,776
Unjustified program growth		-11,010		-11,010
437 REAL ESTATE MANAGEMENT	48,170	45,800	48,170	45,800
Unjustified program growth		-2,370		-2,370
441 SUPPORT OF NATO OPERATIONS	362,159	356,134	362,159	362,159
Unjustified program growth		-6,025		0
442 MISC. SUPPORT OF OTHER NATIONS	42,686	42,095	42,686	42,686
Unjustified program growth		-591		0
Civilian Pay Raise from 3.0% to 3.5%			51,271	0
Unobligated Balances			-95,300	0
Transfer to Army Corps of Engineers		12,500		0
Overstatement of civilian personnel requirements		-241,900		-190,600
Transfer of excess working capital fund cash		-420,000		-420,000
5% efficiencies in contracted services		-374,250		0

IMPACT OF REBASING

The conferees provide \$615,700,000 to support the Army's efforts to address the impact of rebasing activities, particularly as large numbers of service members are re-stationed from overseas bases to bases in the United States. The Army is to allocate \$615,700,000 on a prioritized project-by-project basis, as best determined by mission requirements from the projects identified in House Report 110-279. The Army is required to report the funding allocation to the House and Senate Committees on Appropriations prior to obligating funds.

WARRIOR TRANSITION UNIT SUPPORT FOR THE 4/25TH AIRBORNE
BRIGADE COMBAT TEAM

The conferees agree to provide \$3,000,000 for additional case workers, occupational therapists, and other health care specialists, as well as additional representatives from the Traumatic Service Members Group Life Insurance (TSGLI) Program and other programs to assist with compensation and other redeployment administrative requirements. The funding is intended to address concerns raised by returning and injured service members of the 4/25th Brigade Combat Team (Airborne) and their families.

OPERATION AND MAINTENANCE, NAVY

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
4350 OPERATION AND MAINTENANCE, NAVY				
4400 BUDGET ACTIVITY 1: OPERATING FORCES				
4450 AIR OPERATIONS				
4500 MISSION AND OTHER FLIGHT OPERATIONS.....	3,607,384	3,407,384	3,607,384	3,507,384
4550 FLEET AIR TRAINING.....	937,648	937,648	937,648	937,648
4600 INTERMEDIATE MAINTENANCE.....	50,805	50,805	50,805	50,805
4650 AIR OPERATIONS AND SAFETY SUPPORT.....	127,578	127,578	127,578	127,578
4700 AIR SYSTEMS SUPPORT.....	479,941	479,941	479,941	479,941
4750 AIRCRAFT DEPOT MAINTENANCE.....	1,017,876	1,017,876	1,017,876	1,017,876
4800 AIRCRAFT DEPOT OPERATIONS SUPPORT.....	152,464	152,464	152,464	152,464
4850 SHIP OPERATIONS				
4900 MISSION AND OTHER SHIP OPERATIONS.....	3,463,690	3,463,690	3,463,690	3,463,690
4950 SHIP OPERATIONAL SUPPORT AND TRAINING.....	671,029	641,358	660,029	630,358
5000 SHIP DEPOT MAINTENANCE.....	4,416,438	4,416,438	4,366,438	4,366,438
5050 SHIP DEPOT OPERATIONS SUPPORT.....	1,081,734	1,081,734	1,071,734	1,071,734
5100 COMBAT COMMUNICATIONS/SUPPORT				
5150 COMBAT COMMUNICATIONS.....	564,929	564,929	549,929	556,229
5200 ELECTRONIC WARFARE.....	74,888	74,888	70,988	71,188
5250 SPACE SYSTEMS & SURVEILLANCE.....	159,521	159,521	159,521	159,521
5300 WARFARE TACTICS.....	390,335	381,935	390,335	381,935
5350 OPERATIONAL METEOROLOGY & OCEANOGRAPHY.....	260,736	260,736	273,236	283,516
5400 COMBAT SUPPORT FORCES.....	1,105,254	1,100,537	1,101,754	1,096,737
5450 EQUIPMENT MAINTENANCE.....	176,743	176,743	176,743	176,743
5500 DEPOT OPERATIONS SUPPORT.....	3,925	3,925	3,925	3,925
5550 WEAPONS SUPPORT				
5600 CRUISE MISSILE.....	138,447	138,447	138,447	138,447
5650 FLEET BALLISTIC MISSILE.....	974,235	974,235	974,235	974,235
5700 IN-SERVICE WEAPONS SYSTEMS SUPPORT.....	99,435	99,435	99,435	99,435
5750 WEAPONS MAINTENANCE.....	486,603	486,603	498,803	498,363
5800 OTHER WEAPON SYSTEMS SUPPORT.....	315,141	315,141	315,141	315,141

(In thousands of dollars)

	Budget	House	Senate	Conference

5850 BASE SUPPORT				
5900 ENTERPRISE INFORMATION TECHNOLOGY.....	610,899	610,899	610,899	610,899
5950 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	1,246,489	1,259,958	1,246,489	1,248,889
6000 BASE OPERATING SUPPORT.....	3,826,778	3,875,637	3,829,778	3,846,578

6050 TOTAL, BUDGET ACTIVITY 1.....	26,440,945	26,260,485	26,375,245	26,269,697

6100 BUDGET ACTIVITY 2: MOBILIZATION				
6150 READY RESERVE AND PREPOSITIONING FORCES				
6200 SHIP PREPOSITIONING AND SURGE.....	541,656	541,656	541,656	541,656

6250 ACTIVATIONS/INACTIVATIONS				
6300 AIRCRAFT ACTIVATIONS/INACTIVATIONS.....	7,166	5,648	7,166	7,166
6350 SHIP ACTIVATIONS/INACTIVATIONS.....	192,440	192,440	192,440	192,440

6400 MOBILIZATION PREPAREDNESS				
6450 FLEET HOSPITAL PROGRAM.....	29,880	29,880	29,880	29,880
6500 INDUSTRIAL READINESS.....	2,043	2,043	2,043	2,043
6550 COAST GUARD SUPPORT.....	21,538	21,538	21,538	21,538

6600 TOTAL, BUDGET ACTIVITY 2.....	794,723	793,205	794,723	794,723

6650 BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
6700 ACCESSION TRAINING				
6750 OFFICER ACQUISITION.....	135,602	135,602	132,602	135,602
6800 RECRUIT TRAINING.....	11,308	11,308	11,308	11,308
6850 RESERVE OFFICERS TRAINING CORPS.....	112,185	112,185	112,185	112,185

6900 BASIC SKILLS AND ADVANCED TRAINING				
6950 SPECIALIZED SKILL TRAINING.....	486,138	487,638	486,138	487,338
7000 FLIGHT TRAINING.....	475,655	475,655	475,655	475,655
7050 PROFESSIONAL DEVELOPMENT EDUCATION.....	161,017	178,017	162,017	174,617
7100 TRAINING SUPPORT.....	161,647	162,647	161,647	162,647

7150 RECRUITING, AND OTHER TRAINING AND EDUCATION				
7200 RECRUITING AND ADVERTISING.....	264,309	264,609	264,309	264,609
7250 OFF-DUTY AND VOLUNTARY EDUCATION.....	144,828	146,328	144,828	146,028
7300 CIVILIAN EDUCATION AND TRAINING.....	74,991	74,991	75,291	74,991
7350 JUNIOR ROTC.....	47,515	47,515	47,515	47,515

7400 TOTAL, BUDGET ACTIVITY 3.....	2,075,195	2,096,495	2,073,495	2,092,495

(In thousands of dollars)

	Budget	House	Senate	Conference

7450 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
7500 SERVICEWIDE SUPPORT				
7550 ADMINISTRATION.....	759,691	726,020	757,691	742,171
7600 EXTERNAL RELATIONS.....	5,448	5,448	5,448	5,448
7650 CIVILIAN MANPOWER & PERSONNEL MGT.....	104,347	104,347	104,347	104,347
7700 MILITARY MANPOWER & PERSONNEL MGT.....	151,915	151,915	150,868	150,868
7750 OTHER PERSONNEL SUPPORT.....	275,033	276,033	275,033	276,033
7800 SERVICEWIDE COMMUNICATIONS.....	578,999	578,999	577,999	577,999
7850 LOGISTICS OPERATIONS AND TECHNICAL SUPPORT				
7900 SERVICEWIDE TRANSPORTATION.....	237,202	240,202	237,202	239,602
7950 PLANNING, ENGINEERING & DESIGN.....	243,861	245,861	239,861	245,461
8000 ACQUISITION AND PROGRAM MANAGEMENT.....	559,214	559,214	554,214	559,214
8050 HULL, MECHANICAL & ELECTRICAL SUPPORT.....	58,963	58,963	58,963	58,963
8100 COMBAT/WEAPONS SYSTEMS.....	17,205	17,205	17,205	17,205
8150 SPACE & ELECTRONIC WARFARE SYSTEMS.....	77,793	77,793	77,793	77,793
8200 SECURITY PROGRAMS				
8250 NAVAL INVESTIGATIVE SERVICE.....	421,887	421,887	421,887	421,887
8300 SUPPORT OF OTHER NATIONS				
8350 INTERNATIONAL HDQTRS & AGENCIES.....	11,290	11,290	11,290	11,290
8400 OTHER PROGRAMS				
8450 OTHER PROGRAMS.....	520,979	522,956	520,979	522,454
8500 TOTAL, BUDGET ACTIVITY 4.....	4,023,827	3,998,133	4,010,780	4,010,735
8700 UNOBLIGATED BALANCES.....	---	---	-60,600	---
8710 WORKING CAPITAL FUND EXCESS BALANCES.....	---	---	-80,000	-80,000
8760 OVERSTATEMENT OF CIVILIAN PERSONNEL REQUIREMENTS.....	---	-82,000	---	---
8770 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-214,850	---	---
8960 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	36,737	---
=====				
9100 TOTAL, OPERATION AND MAINTENANCE, NAVY.....	33,334,690	32,851,468	33,150,380	33,087,650

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
1A1A MISSION AND OTHER FLIGHT OPERATIONS	3,607,384	3,407,384	3,607,384	3,507,384
Unexecutable training hours due to deployments		-200,000		-100,000
1B2B SHIP OPERATIONAL SUPPORT AND TRAINING	671,029	641,358	660,029	630,358
Subsurface Support			-11,000	-11,000
Unexecutable training days due to deployments		-29,671		-29,671
1B4B SHIP DEPOT MAINTENANCE	4,416,438	4,416,438	4,366,438	4,366,438
Non-Depot/Intermediate Level Maintenance			-50,000	-50,000
1B5B SHIP DEPOT OPERATIONS SUPPORT	1,081,734	1,081,734	1,071,734	1,071,734
Fleet Modernization Program			-10,000	-10,000
1C1C COMBAT COMMUNICATIONS	564,929	564,929	549,929	558,229
Unjustified Combat Communications Program Growth			-15,000	-6,700
1C2C ELECTRONIC WARFARE	74,888	74,888	70,988	71,188
Facility Maintenance by Contract			-3,900	-3,700
1C4C WARFARE TACTICS	390,335	381,935	390,335	381,935
Transfer of JNTC to CE2T2		-8,400		-8,400
1C5C OPERATIONAL METEOROLOGY & OCEANOGRAPHY	260,736	260,736	273,236	283,516
Naval Oceanographic Office Charting			3,900	3,900
Navy Ocean/Surveillance Fleet Consolidation			8,600	6,880
Asia Pacific Regional Initiative (transferred from O&M DW)				12,000
1C6C COMBAT SUPPORT FORCES	1,105,254	1,100,537	1,101,754	1,096,737
Joint Forces Command			-5,000	-5,000
Global Force Management Visibility Tool			1,500	1,200
Transfer of JCS exercise program to CE2T2		-4,717		-4,717
1D4D WEAPONS MAINTENANCE	486,603	486,603	498,803	498,363
Mk 45 Mod 5* Gun Depot Overhauls			12,200	11,760
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION				
B5M1 MODERNIZATION	1,246,489	1,259,958	1,246,489	1,248,889
Modernization/Restoration of Naval Air Station Key West Facilities and Infrastructure		3,000		2,400
Perimeter security force protection		10,469		0
B5S1 BASE OPERATING SUPPORT	3,826,778	3,875,637	3,829,778	3,846,578
PMRF Flood Control			3,000	3,000
Perimeter security force protection		18,859		0
Childcare center operations		24,000		12,000
Pierside Wireless Connection System		2,000		1,600
Navy Shore Infrastructure Transformation (NSIT)		4,000		3,200

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
2A1F SHIP PREPOSITIONING AND SURGE	541,656	541,656	541,656	541,656
2B1G AIRCRAFT ACTIVATIONS/INACTIVATIONS	7,166	5,648	7,166	7,166
Unjustified growth		-1,518		0
3A1J OFFICER ACQUISITION	135,602	135,602	132,602	135,602
Civilian Personnel Compensation			-3,000	0
3B1K SPECIALIZED SKILL TRAINING	486,138	487,638	486,138	487,338
Joint Electronic Warfare Training		1,500		1,200
3B3K PROFESSIONAL DEVELOPMENT EDUCATION	161,017	178,017	162,017	174,617
Professional Development Education (transferred to line 3C3L)			1,000	0
Center for Defense Technology and Education for the Military Services		5,000		4,000
Naval Postgraduate School Laboratory modernization		10,000		8,000
Aircraft Rescue Firefighting (ARFF) Training		2,000		1,600
3B4K TRAINING SUPPORT	161,647	162,647	161,647	162,647
Military Physicians Combat Medical Training		1,000		1,000
3C1L RECRUITING AND ADVERTISING	264,309	264,609	264,309	264,609
Naval Sea Cadet Corps (transferred from line 3C4L)		300		300
3C3I OFF-DUTY AND VOLUNTARY EDUCATION	144,828	146,328	144,828	146,028
Continuing Education through Distance Learning - St. Leo University (transfer from line 3B3K)		1,500		1,200
3c4I CIVILIAN EDUCATION AND TRAINING	74,991	74,991	75,291	74,991
Naval Sea Cadet Corps (transferred to line 3C1L)			300	
4A1M ADMINISTRATION	759,691	726,020	757,691	742,171
Civilian Personnel Compensation			-2,000	0
DFAS support		-33,671		-17,520
4A4M MILITARY MANPOWER & PERSONNEL MGT	151,915	151,915	150,868	150,868
Joint Air Logistics Information System (JALIS)			-1,047	-1,047
4A5M OTHER PERSONNEL SUPPORT	275,033	276,033	275,033	276,033
Puget Sound Navy Museum		1,000		1,000
4A6M SERVICEWIDE COMMUNICATIONS	578,999	578,999	577,999	577,999
Removal of One-time Congressional Increases			-1,000	-1,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
4B1N SERVICEWIDE TRANSPORTATION	237,202	240,202	237,202	239,602
Radio Frequency Identification (RFID) SMART container passive tags dynamically updating active tag		3,000		2,400
4B2N PLANNING, ENGINEERING & DESIGN	243,861	245,861	239,861	245,461
Civilian Personnel Compensation			-4,000	0
Local Situational Awareness Systems, NAS Lemoore		2,000		1,600
4B3N ACQUISITION AND PROGRAM MANAGEMENT	559,214	559,214	554,214	559,214
Civilian Personnel Compensation			-5,000	0
OTHER PROGRAMS	520,979	522,956	520,979	522,454
Civilian Pay Raise from 3.0% to 3.5%			36,737	0
Unobligated Balances			-60,600	0
WCF Excess Balances			-80,000	-80,000
Overstatement of civilian personnel requirements		-82,000		0
5% efficiency in contracted services		-214,850		0

OPERATION AND MAINTENANCE, MARINE CORPS

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
9250 OPERATION AND MAINTENANCE, MARINE CORPS				
9300 BUDGET ACTIVITY 1: OPERATING FORCES				
9350 EXPEDITIONARY FORCES				
9400 OPERATIONAL FORCES.....	867,734	686,021	733,207	698,114
9450 FIELD LOGISTICS.....	502,437	441,725	518,103	470,641
9500 DEPOT MAINTENANCE.....	71,240	88,298	71,240	71,240
9550 USMC PREPOSITIONING				
9600 MARITIME PREPOSITIONING.....	73,870	73,870	73,870	73,870
9650 NORWAY PREPOSITIONING.....	5,681	5,681	5,681	5,681
9700 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	517,701	451,672	533,856	596,772
9750 BASE OPERATING SUPPORT.....	1,742,906	1,673,287	1,884,071	1,655,483
9800 TOTAL, BUDGET ACTIVITY 1.....	3,781,569	3,420,554	3,820,028	3,571,801
9850 BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
9900 ACCESSION TRAINING				
9950 RECRUIT TRAINING.....	13,242	18,974	18,974	18,974
10000 OFFICER ACQUISITION.....	520	399	399	399
10050 BASIC SKILLS AND ADVANCED TRAINING				
10100 SPECIALIZED SKILLS TRAINING.....	54,185	78,026	78,026	78,026
10150 FLIGHT TRAINING.....	318	318	318	318
10200 PROFESSIONAL DEVELOPMENT EDUCATION.....	16,751	18,805	18,805	18,805
10250 TRAINING SUPPORT.....	284,071	226,646	290,850	260,073

(In thousands of dollars)

	Budget	House	Senate	Conference
10300 RECRUITING AND OTHER TRAINING EDUCATION				
10350 RECRUITING AND ADVERTISING.....	141,378	135,090	235,090	235,090
10400 OFF-DUTY AND VOLUNTARY EDUCATION.....	57,523	57,989	57,989	57,989
10450 JUNIOR ROTC.....	17,080	17,080	17,080	17,080
10500 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	56,590	56,590	56,590	56,590
10550 BASE OPERATING SUPPORT.....	146,254	146,254	146,254	146,254
10600 TOTAL, BUDGET ACTIVITY 3.....	787,912	756,171	920,375	889,598
10650 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
10700 SERVICEWIDE SUPPORT				
10750 SPECIAL SUPPORT.....	257,131	257,131	255,131	255,131
10800 SERVICEWIDE TRANSPORTATION.....	81,548	13,658	13,658	13,658
10850 ADMINISTRATION.....	36,078	42,868	42,868	42,868
10900 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	3,039	3,039	3,039	3,039
10950 BASE OPERATING SUPPORT.....	14,116	17,237	14,116	16,116
11000 TOTAL, BUDGET ACTIVITY 4.....	391,912	333,933	328,812	330,812
11100 UNOBLIGATED BALANCES.....	---	---	-12,800	---
11110 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-38,800	---	---
11115 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	5,234	---
11400 TOTAL, OPERATION AND MAINTENANCE, MARINE CORPS.....	4,961,393	4,471,858	5,061,649	4,792,211

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
10 OPERATIONAL FORCES	867,734	686,021	733,207	698,114
Resource realignment		-124,935	-124,935	-124,935
Removal of One-time Congressional Increases			-18,775	-18,775
Tank Company O&M Excess to Requirement			-4,817	-4,817
Combat Desert Jacket			4,000	3,200
Ultra Light Camouflage Net System (ULCANS) (transferred to line 20)			2,000	0
USMC Shelters and Tents CP Large			3,000	2,400
Intermediate and organizational maintenance		50,000		50,000
Duplicative request		-116,288		-85,093
Transfer of JNTC to CE2T2		-4,400		-4,400
Perimeter security force protection		410		0
Mountain Cold Weather Clothing and Equipment Program (MCWCEP)- Marine Corps Base Layers		1,500	3,000	2,400
Acclimate Flame Resistant High Performance Base Layers		2,000		1,600
Multi-Voltage EMI Hardened Fluorescent Stringable Tent Lighting System		2,000		1,600
Combat Casualty Care Equipment Upgrade Program		2,000		1,600
Marine Corps Merino Wool Cushion Boot Sock		1,000	2,000	1,600
Self-Inflating MARPAD Sleep Pad		1,000		800
Cold Weather Layering System		3,000		2,400
Advanced Fire Resistant Protective Shirt Program		1,000		800
20 FIELD LOGISTICS	502,437	441,725	518,103	470,641
Mobile Corrosion Protection and Abatement			2,000	1,800
Removal of One-time Congressional Increases			-4,800	-4,800
Civilian Compensation			-2,400	-2,400
Resource realignment		20,866	20,866	20,866
Duplicative request		-75,578		-49,662
Aligns O&M growth with force structure		-9,000		0
ULCANS -- Ultra Lightweight Camouflage Net Systems (transferred from line 10)		3,000		2,400
30 DEPOT MAINTENANCE	71,240	88,298	71,240	71,240
Program stabilization		17,058		0
FACILITIES SUSTAINMENT, RESTORATION & 70 MODERNIZATION	517,701	451,672	533,856	596,772
Resource realignment		16,155	16,155	16,155
Barracks initiative		10,000		7,000
Duplicative request		-88,184		-5,884
Aligns O&M growth with force structure growth		-4,000		0
Residual funding left over from PMC transfer for SRM projects				61,800

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
80 BASE OPERATING SUPPORT	1,742,906	1,673,287	1,884,071	1,655,483
Resource realignment		8,051	8,051	8,051
Transfer from Procurement, Marine Corps for Grow the Force for Trailers (residual funding transferred to line 60)			147,388	11,800
Performance Enhancements for Information Assurance and Information Systems - Operations			1,200	1,200
Removal of One-time Congressional Increases			-15,474	-15,474
Aligns O&M growth with force structure		-100,000		-100,000
Childcare development center operations		6,000		3,000
Perimeter security force protection		11,330		0
MAGTFTC Range Transformation Initiative				4,000
90 RECRUIT TRAINING	13,242	18,974	18,974	18,974
Resource realignment		5,732	5,732	5,732
100 OFFICER ACQUISITION	520	399	399	399
Resource realignment		-121	-121	-121
110 SPECIALIZED SKILLS TRAINING	54,185	78,026	78,026	78,026
Resource realignment		23,841	23,841	23,841
130 PROFESSIONAL DEVELOPMENT EDUCATION	16,751	18,805	18,805	18,805
Resource realignment		2,054	2,054	2,054
140 TRAINING SUPPORT	284,071	226,646	290,850	260,073
Unjustified Program Growth			-8,500	-8,500
Resource realignment		15,279	15,279	15,279
Duplicative request		-72,704		-30,777
150 RECRUITING AND ADVERTISING	141,378	135,090	235,090	235,090
Resource realignment		93,712	93,712	93,712
Aligns O&M growth with force structure		-100,000		0
160 OFF-DUTY AND VOLUNTARY EDUCATION	57,523	57,989	57,989	57,989
Resource realignment		466	466	466
200 SPECIAL SUPPORT	257,131	257,131	255,131	255,131
DFAS			-2,000	-2,000
210 SERVICEWIDE TRANSPORTATION	81,548	13,658	13,658	13,658
resource realignment		-67,890	-67,890	-67,890
220 ADMINISTRATION	36,078	42,868	42,868	42,868
Resource realignment		6,790	6,790	6,790
240 BASE OPERATING SUPPORT	14,116	17,237	14,116	16,116
Environmental Cleanup of Pier Dump Site, Bellows Air Force Base, Kaneohe Mari		2,500		2,000
Perimeter security force protection		621		0
Civilian Pay Raise from 3.0% to 3.5%			5,234	0
Unobligated Balances			-12,800	0
5% efficiency in contracted services		-38,800		0

TRANSFER OF FUNDS FROM PROCUREMENT, MARINE CORPS

The Senate recommendation included a transfer of \$147,388,000 into Operation and Maintenance, Marine Corps from Procurement, Marine Corps for trailers included in its Grow the Force initiative. However, the Marine Corps has since determined that half of the trailer requirement should be funded in Procurement, Marine Corps and half in Operation and Maintenance, Marine Corps. Further, of the amount remaining in Operation and Maintenance, Marine Corps, \$11,800,000 is executable in fiscal year 2008. Therefore, the conference agreement includes \$79,900,000, of which \$11,800,000 fully funds the requirement for trailers in the Base Operations subactivity group and transfers the remaining \$68,100,000 to the Facilities Sustainment, Restoration and Modernization subactivity group to help address unfunded needs.

OPERATION AND MAINTENANCE, AIR FORCE

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
11500 OPERATION AND MAINTENANCE, AIR FORCE				
11550 BUDGET ACTIVITY 1: OPERATING FORCES				
11600 AIR OPERATIONS				
11650 PRIMARY COMBAT FORCES.....	4,260,831	3,863,831	3,741,853	3,744,853
11700 PRIMARY COMBAT WEAPONS.....	279,759	279,759	279,759	279,759
11750 COMBAT ENHANCEMENT FORCES.....	873,384	673,384	626,014	626,014
11800 AIR OPERATIONS TRAINING.....	1,502,472	1,484,272	1,495,984	1,477,784
11850 COMBAT COMMUNICATIONS.....	1,839,006	1,839,006	1,689,617	1,688,817
11900 DEPOT MAINTENANCE.....	2,277,479	2,277,479	2,277,479	2,277,479
11950 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	1,041,719	984,841	1,051,719	1,052,719
12000 BASE OPERATING SUPPORT.....	2,202,105	2,210,806	2,224,805	2,225,205
12050 COMBAT RELATED OPERATIONS				
12100 GLOBAL C3I AND EARLY WARNING.....	1,318,235	1,318,235	1,318,235	1,318,235
12150 NAVIGATION/WEATHER SUPPORT.....	258,712	258,712	257,361	257,361
12200 OTHER COMBAT OPERATIONS SUPPORT PROGRAMS.....	776,893	786,893	763,310	771,310
12250 JCS EXERCISES.....	27,261	---	38,261	7,500
12300 MANAGEMENT/OPERATIONAL HEADQUARTERS.....	327,494	331,494	327,494	331,494
12350 TACTICAL INTELLIGENCE AND SPECIAL ACTIVITIES.....	485,784	485,784	485,784	482,784
12400 SPACE OPERATIONS				
12450 LAUNCH FACILITIES.....	321,465	321,465	321,465	321,465
12500 LAUNCH VEHICLES.....	51,072	51,072	51,072	51,072
12550 SPACE CONTROL SYSTEMS.....	233,190	233,190	233,190	233,190
12600 SATELLITE SYSTEMS.....	87,993	87,993	87,993	87,993
12650 OTHER SPACE OPERATIONS.....	329,184	329,184	332,484	331,824
12700 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	184,632	177,062	184,632	184,632
12750 BASE SUPPORT.....	645,518	645,518	645,518	645,518
12800 TOTAL, BUDGET ACTIVITY 1.....	19,124,188	18,639,980	18,434,029	18,397,008

(In thousands of dollars)

	Budget	House	Senate	Conference

12850 BUDGET ACTIVITY 2: MOBILIZATION				
12900 MOBILITY OPERATIONS				
12950 AIRLIFT OPERATIONS.....	2,932,076	2,932,076	2,707,262	2,707,262
13000 AIRLIFT OPERATIONS C31.....	49,152	49,152	49,152	49,152
13050 MOBILIZATION PREPAREDNESS.....	190,395	190,395	190,395	190,395
13100 PAYMENTS TO TRANSPORTATION BUSINESS AREA.....	300,000	300,000	300,000	300,000
13150 DEPOT MAINTENANCE.....	337,741	337,741	337,741	337,741
13200 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	214,720	206,131	214,720	214,720
13250 BASE SUPPORT.....	656,828	644,789	656,828	644,789
13300 TOTAL, BUDGET ACTIVITY 2.....	4,680,912	4,660,284	4,456,098	4,444,059
13350 BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
13400 ACCESSION TRAINING				
13450 OFFICER ACQUISITION.....	85,528	85,528	86,028	86,028
13500 RECRUIT TRAINING.....	11,704	11,704	11,704	11,704
13550 RESERVE OFFICER TRAINING CORPS (ROTC).....	98,631	98,631	98,631	98,631
13600 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	69,047	65,595	69,047	69,047
13650 BASE SUPPORT (ACADEMIES ONLY).....	92,671	83,609	92,671	83,609
13700 BASIC SKILLS AND ADVANCED TRAINING				
13750 SPECIALIZED SKILL TRAINING.....	378,009	380,009	378,009	378,009
13800 FLIGHT TRAINING.....	911,673	911,673	911,673	911,673
13850 PROFESSIONAL DEVELOPMENT EDUCATION.....	173,051	171,987	178,051	181,851
13900 TRAINING SUPPORT.....	96,679	96,679	96,679	96,679
13950 DEPOT MAINTENANCE.....	14,309	14,309	14,309	14,309
14000 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	182,756	171,242	182,756	182,756
14050 BASE OPERATING SUPPORT (OTHER TRAINING).....	621,550	612,978	621,550	616,764
14100 RECRUITING, AND OTHER TRAINING AND EDUCATION				
14150 RECRUITING AND ADVERTISING.....	138,895	138,895	138,895	138,895
14200 EXAMINING.....	4,820	4,820	4,820	4,820
14250 OFF DUTY AND VOLUNTARY EDUCATION.....	189,568	189,568	189,568	189,568
14300 CIVILIAN EDUCATION AND TRAINING.....	133,167	136,167	133,167	135,567
14350 JUNIOR ROTC.....	70,798	70,798	70,798	72,798
14400 TOTAL, BUDGET ACTIVITY 3.....	3,272,856	3,244,192	3,278,356	3,272,708

(In thousands of dollars)

	Budget	House	Senate	Conference

14450 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
14500 LOGISTICS OPERATIONS				
14550 LOGISTICS OPERATIONS.....	812,935	816,435	812,935	816,935
14600 TECHNICAL SUPPORT ACTIVITIES.....	650,478	652,478	653,478	652,078
14650 SERVICEWIDE TRANSPORTATION.....	274,722	187,958	274,722	274,722
14700 DEPOT MAINTENANCE.....	66,246	66,246	66,246	66,246
14750 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	290,267	274,012	290,267	290,267
14800 BASE SUPPORT.....	1,133,524	1,131,705	1,134,524	1,131,905
14850 SERVICEWIDE ACTIVITIES				
14900 ADMINISTRATION.....	221,139	221,139	221,139	221,139
14950 SERVICEWIDE COMMUNICATIONS.....	578,644	578,644	578,644	578,644
15000 PERSONNEL PROGRAMS.....	229,575	229,575	229,575	229,575
15050 ARMS CONTROL.....	39,300	39,300	39,300	39,300
15100 OTHER SERVICEWIDE ACTIVITIES.....	845,771	845,771	815,191	815,091
15150 OTHER PERSONNEL SUPPORT.....	36,195	37,695	41,195	41,395
15200 CIVIL AIR PATROL CORPORATION.....	23,753	23,753	26,553	26,553
15250 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	29,772	28,105	29,772	29,772
15300 BASE OPERATING SUPPORT.....	308,771	308,771	308,771	308,771
15350 SECURITY PROGRAMS				
15400 SECURITY PROGRAMS.....	1,001,198	1,003,051	1,000,598	1,002,545
15450 SUPPORT TO OTHER NATIONS				
15500 INTERNATIONAL SUPPORT.....	35,387	35,387	18,599	18,599
15550 TOTAL, BUDGET ACTIVITY 4.....	6,577,677	6,480,025	6,541,509	6,543,537
15600 UNOBLIGATED BALANCES.....	---	---	-60,000	---
16455 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	37,341	---
16460 AIRCRAFT RETIREMENT (AUTHORIZATION PROVISION).....	---	-229,300	---	---
16470 OVERSTATEMENT OF CIVILIAN PERSONNEL REQUIREMENTS.....	---	-186,300	---	-93,150
16480 EXCESS INVENTORY ON ORDER.....	---	-650,000	---	-300,000
16490 TRANSFER OF EXCESS WORKING CAPITAL FUND CASH.....	---	-46,000	-88,000	-88,000
16500 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-298,900	---	---
=====	=====	=====	=====	=====
16600 TOTAL, OPERATION AND MAINTENANCE, AIR FORCE.....	33,655,633	31,613,981	32,599,333	32,176,162

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
011A PRIMARY COMBAT FORCES	4,260,831	3,863,831	3,741,853	3,744,853
Unexecutable training hours due to deployments		-400,000	-400,000	-400,000
CAM Transfer to O&M Air Force Reserves and Air National Guard			-118,978	-118,978
MBU-20/P Oxygen Mask and Mask Light		3,000		3,000
011C COMBAT ENHANCEMENT FORCES	673,384	673,384	626,014	626,014
CAM Transfer to O&M Air Force Reserves and Air National Guard			-47,370	-47,370
011D AIR OPERATIONS TRAINING	1,502,472	1,484,272	1,495,984	1,477,784
CAM Transfer to O&M Air Force Reserves and Air National Guard			-6,488	-6,488
Transfer of JNTC to CE2T2		-18,200		-18,200
011E COMBAT COMMUNICATIONS	1,839,006	1,839,006	1,689,617	1,688,817
CAM Transfer to O&M Air Force Reserves and Air National Guard			-148,189	-148,189
Joint Communications Support Element			-4,000	-4,000
NORTHCOM Duplicate Funding			-1,200	-1,200
Interoperable Communications/Enterprise Network for USNORTHCOM			4,000	3,200
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,041,719	984,841	1,051,719	1,052,719
011R MODERNIZATION				
Eielson Utilidors			10,000	9,000
Overstatement of requirement		-59,378		0
Building 641 (AFIT)		2,500		2,000
011Z BASE OPERATING SUPPORT	2,202,105	2,210,806	2,224,805	2,225,205
Operational Upgrades, BLDG 9480			10,000	9,000
Alaska Land Mobile Radio (ALMR)			4,700	4,300
Electrical Distribution Upgrade at Hickam			8,000	7,000
Perimeter security force protection		3,101		0
Childcare center operations		5,600		2,800
012B NAVIGATION/WEATHER SUPPORT	258,712	258,712	257,361	257,361
CAM Transfer to O&M Air Force Reserves and Air National Guard			-1,351	-1,351
012C OTHER COMBAT OPERATIONS SUPPORT PROGRAMS	776,893	786,893	763,310	771,310
CAM Transfer to O&M Air Force Reserves and Air National Guard			-3,583	-3,583
National Homeland Security Plan Initiative			-10,000	-10,000
Portable Illumination System		10,000		8,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
012D JCS EXERCISES	27,261	0	38,261	7,500
Red Flag PARC Upgrades			11,000	7,500
Transfer of JCS exercise program to CE2T2		-27,261		-27,261
012E MANAGEMENT/OPERATIONAL HEADQUARTERS	327,494	331,494	327,494	331,494
8 th Air Force Cyberspace Innovation Center		4,000		4,000
012F TACTICAL INTELLIGENCE AND SPECIAL ACTIVITIES	485,784	485,784	485,784	482,784
Tactical Intel and Special Activities Adjustment (transfer to RDAF line 60)				-3,000
013E OTHER SPACE OPERATIONS	329,184	329,184	332,484	331,824
National Security Space Institute			3,300	2,640
FACILITIES SUSTAINMENT, RESTORATION &				
013R MODERNIZATION	184,632	177,062	184,632	184,632
Overstatement of requirement		-7,570		0
021A AIRLIFT OPERATIONS	2,932,076	2,932,076	2,707,262	2,707,262
CAM Transfer to O&M Air Force Reserves and Air National Guard			-224,814	-224,814
FACILITIES SUSTAINMENT, RESTORATION &				
021R MODERNIZATION	214,720	206,131	214,720	214,720
Overstatement of requirement		-8,589		0
021Z BASE SUPPORT	656,828	644,789	656,828	644,789
Price increase justified as program growth		-7,841		-7,841
Duplicative repair cost		-4,198		-4,198
031A OFFICER ACQUISITION	85,528	85,528	86,028	86,028
Center for Space and Defense Studies			500	500
FACILITIES CONTAINMENT, RESTORATION &				
031R MODERNIZATION	69,047	65,595	69,047	69,047
Overstatement of requirement		-3,452		0
031Z BASE SUPPORT (ACADEMIES ONLY)	92,671	83,609	92,671	83,609
Unjustified growth		-9,062		-9,062
032A SPECIALIZED SKILL TRAINING	378,009	380,009	378,009	378,009
Engineering Training and Knowledge Preservation System (transferred to line 032C)		2,000		0
032C PROFESSIONAL DEVELOPMENT EDUCATION	173,051	171,987	178,051	181,851
Engineering Training & Knowledge Preservation System (transfer from line 032A)			1,000	1,600
Naval Postgraduate School PhD in Homeland Defense			4,000	3,200
Excessive cost to upgrade telephone system		-5,064		0
Advanced Technical Intelligence Center (ATIC) - Human Capital Development (HCD)		4,000		4,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION				
032R	182,756	171,242	182,756	182,756
Overstatement of requirement		-11,514		0
032Z BASE OPERATING SUPPORT (OTHER TRAINING)				
No growth in student thru-put is planned	621,550	612,978	621,550	616,764
Civilian personnel program plans		-4,786		-4,786
		-3,786		0
033D CIVILIAN EDUCATION AND TRAINING				
MacDill AFB Online Technology Program	133,167	136,167	133,167	135,567
Online Technology Training Program at Nellis AFB		1,000		800
		2,000		1,600
033E JUNIOR ROTC				
JROTC programs	70,798	70,798	70,798	72,798
				2,000
041A LOGISTICS OPERATIONS				
Lean Process Improvement	812,935	816,435	812,935	816,935
Center for Parts Configuration Management (CPCM)		2,000		1,600
(transfer from line 041B)		1,500		2,400
041B TECHNICAL SUPPORT ACTIVITIES				
Engine Health Management Plus Data Repository Center	650,478	652,478	653,478	652,078
Center for Parts Configuration Management (CPCM)		2,000		1,600
(transfer to line 041A)			3,000	
041C SERVICE WIDE TRANSPORTATION				
Planned shipments fall 10% -growth in program unjustified	274,722	187,958	274,722	274,722
		-86,764		0
FACILITIES CONTAINMENT, RESTORATION & MODERNIZATION				
041R	290,267	274,012	290,267	290,267
Overstatement of requirement		-16,255		0
041Z BASE SUPPORT				
Mission Critical Power System Reliability Surveys	1,133,524	1,131,705	1,134,524	1,131,905
Consolidation of information system management		-4,819	1,000	800
Air Force Materiel Command's Net-centric Emergency Notification System		1,000		800
Demonstration Project for Contractors Employing Persons with Disabilities		2,000		1,600
042G OTHER SERVICE WIDE ACTIVITIES				
CAM Transfer to O&M Air Force Reserves and Air National Guard	845,771	845,771	815,191	815,091
Unjustified Growth			-6,080	-6,080
Mobile Shear			-25,000	-25,000
			500	400
042H OTHER PERSONNEL SUPPORT				
Military Legal Assistance Clinic	36,195	37,695	41,195	41,395
Air Force Manufacturing Technical Assistance and Production Program		1,500	5,000	4,000
				1,200

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

O-1	Budget Request	House	Senate	Conference
042I CIVIL AIR PATROL CORPORATION	23,753	23,753	26,553	26,553
Civil Air Patrol			2,300	2,300
AK CAP Survival Equipment			500	500
FACILITIES SUSTAINMENT, RESTORATION & 042R MODERNIZATION	29,772	28,105	29,772	29,772
Overstatement of requirement		-1,667		0
043a SECURITY PROGRAMS	1,001,198	1,003,051	1,000,598	1,002,545
Security Programs Adjustment			-600	1,347
044a INTERNATIONAL SUPPORT	35,387	35,387	18,599	18,599
CENTCOM Forward-Deployed Headquarters Move				
Duplicate Funding			-16,788	-16,788
Civilian Pay Raise from 3.0% to 3.5%			37,341	0
Unobligated Balances			-60,000	0
Overstatement of civilian personnel requirements		-186,300		-93,150
Aircraft retirement (authorization provision)		-229,300		0
Excess inventory on order		-650,000		-300,000
Transfer of excess working capital fund cash		-46,000	-88,000	-88,000
5% efficiency in contracted services		-298,900		0

EXCESS ON-ORDER INVENTORY

The House recommended that the Air Force reduce excess on-order inventory by instituting measures to ensure Air Force inventory management specialists are following excess on-order termination procedures. The conferees commend the Air Force for taking immediate action to comply with this direction.

OVERSTATEMENT OF FACILITIES SUSTAINMENT, RESTORATION AND
MODERNIZATION REQUIREMENTS

The conferees recommend that the Deputy Under Secretary of Defense for Installations and Environment review the Air Force's computation of Facilities Sustainment, Restoration and Modernization (FSRM) requirements and ensure that the Air Force's FSRM request for fiscal year 2009 properly reflects plant replacement value and inflation.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
16750 OPERATION AND MAINTENANCE, DEFENSE-WIDE				
16800 BUDGET ACTIVITY 1: OPERATING FORCES				
16850 JOINT CHIEFS OF STAFF.....	312,518	88,189	312,518	88,189
16950 SPECIAL OPERATIONS COMMAND.....	3,277,640	3,237,640	3,250,850	3,254,440
17000 TOTAL, BUDGET ACTIVITY 1.....	3,590,158	3,325,829	3,563,368	3,342,629
17150 BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
17200 DEFENSE ACQUISITION UNIVERSITY.....	104,596	104,596	104,596	104,596
17300 DEFENSE HUMAN RESOURCES ACTIVITY.....	56,836	58,336	57,836	59,036
17400 NATIONAL DEFENSE UNIVERSITY.....	91,099	101,349	91,099	99,099
17500 TOTAL, BUDGET ACTIVITY 3.....	252,531	264,281	253,531	262,731
17550 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
17600 AMERICAN FORCES INFORMATION SERVICE.....	149,631	149,631	149,631	149,631
17700 CIVIL MILITARY PROGRAMS.....	107,347	110,847	127,347	123,347
17750 DEFENSE BUSINESS TRANSFORMATION AGENCY.....	148,028	145,528	148,028	145,528
17800 DEFENSE CONTRACT AUDIT AGENCY.....	396,578	408,578	396,578	406,578
17850 DEFENSE FINANCE AND ACCOUNTING SERVICE.....	432	432	432	432
17900 DEFENSE INFORMATION SYSTEMS AGENCY.....	945,594	936,594	945,594	938,594
18000 DEFENSE LEGAL SERVICES AGENCY.....	36,350	31,730	36,350	31,730
18050 DEFENSE LOGISTICS AGENCY.....	299,778	308,778	306,778	308,378
18150 DEFENSE POW /MISSING PERSONS OFFICE.....	16,400	16,400	16,400	16,400
18200 DEFENSE TECHNOLOGY SECURITY AGENCY.....	23,671	23,671	23,671	23,671
18250 DEFENSE THREAT REDUCTION AGENCY.....	333,548	344,048	333,548	344,048
18350 DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION.....	1,833,431	2,305,244	1,847,431	2,029,637
18450 DEFENSE HUMAN RESOURCES ACTIVITY.....	319,456	338,456	319,456	321,056
18500 DEFENSE CONTRACT MANAGEMENT AGENCY.....	1,044,139	1,061,139	1,044,139	1,058,139
18600 DEFENSE SECURITY COOPERATION AGENCY.....	673,400	155,900	481,000	176,900
18700 DEFENSE SECURITY SERVICE.....	372,457	422,457	372,457	422,457
18800 OFFICE OF ECONOMIC ADJUSTMENT.....	57,176	91,476	131,376	163,476

(In thousands of dollars)

	Budget	House	Senate	Conference
18850 OFFICE OF THE SECRETARY OF DEFENSE.....	1,093,742	1,419,760	1,117,142	1,448,660
18950 JOINT CHIEFS OF STAFF.....	284,791	271,842	277,191	271,842
19000 WASHINGTON HEADQUARTERS SERVICES.....	439,277	439,277	435,677	435,677
19100 TOTAL, BUDGET ACTIVITY 4.....	8,575,226	8,981,788	8,510,226	8,816,181
19150 IMPACT AID.....	---	---	35,000	30,000
19200 IMPACT AID FOR CHILDREN WITH DISABILITIES.....	---	---	5,000	5,000
19250 OTHER PROGRAMS.....	10,156,363	10,206,416	10,143,563	10,202,416
19300 UNOBLIGATED BALANCES.....	---	-186,000	-54,000	-186,000
19320 WORKING CAPITAL FUND EXCESS BALANCES.....	---	---	-40,000	-40,000
19600 ARMED FORCES MEDICAL AND FOOD RESEARCH.....	---	---	---	3,200
19905 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	28,539	---
19910 SOLDIER CENTER AT PATRIOT PARK, FT. BENNING.....	---	7,500	---	6,000
19920 MILITARY INTELLIGENCE SERVICE HISTORIC LEARNING CENTER.....	---	1,000	---	800
19930 GSA PERSONNEL DETAIL.....	---	21,000	---	---
19940 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-282,700	---	---
19945 JOINT LOGISTICS EDUCATION TRAINING & EDUCATION TESTBED.....	---	1,000	---	1,000
19950 EMERGENCY AND EXTRAORDINARY EXPENSES.....	---	-7,000	---	-7,000
19960 PERIMETER SECURITY FORCE PROTECTION.....	---	9,066	---	---
19970 ENTERPRISE-WIDE DATA & KNOWLEDGE MGMT SYS FOR USSOCON.....	---	1,000	---	1,000
19975 OPERATION JUMP START.....	---	---	794,000	247,000
19980 COMMERCIAL AIRBORNE IFSAR MAPPING.....	---	---	---	4,160
19983 FIRST TEE.....	---	---	---	3,000
19987 WMD COMMISSION.....	---	---	---	1,500
20050 TOTAL, OPERATION AND MAINTENANCE, DEFENSE-WIDE.....	22,574,278	22,343,180	23,239,227	22,693,617

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1	Budget Request	House	Senate	Conference
BUDGET ACTIVITY 1: OPERATING FORCES:				
JOINT CHIEFS OF STAFF	312,518	88,189	312,518	88,189
CJCS Joint Exercise Program	245,075	0	245,075	0
Transfer to CE2T2		-245,075		-245,075
CbT RIF	15,857	27,303	15,857	27,303
Transfer from FY 08 GWOT		11,446		11,446
Chem-bio management response force (C-CMRF)	15,700	25,000	15,700	25,000
Transfer from FY 08 GWOT		9,300		9,300
SPECIAL OPERATIONS COMMAND	3,277,640	3,237,640	3,250,850	3,254,440
Reduction based on prior obligation rates		-40,000		
Regional plan for prosecution of the global war on terror			-6,390	
MARSOC			-5,000	-5,000
Baseline contingency operations			-1,500	-1,500
Management and headquarters operations				-5,000
Civilian pay			-13,900	-13,900
Special Operations Forces Tele-Training Systems (SOFTS)				1,000
SOF Mission Training & Prep Systems Interoperability (transferred from R&D, DW)				1,200
BUDGET ACTIVITY 3: TRAINING AND RECRUITING:				
DEFENSE ACQUISITION UNIVERSITY	104,596	104,596	104,596	104,596
DEFENSE HUMAN RESOURCES ACTIVITY	56,836	58,336	57,836	59,036
Strategic Language Initiative		1,500		1,200
Defense Critical Languages and Cultures Program			1,000	1,000
NATIONAL DEFENSE UNIVERSITY	91,099	101,349	91,099	99,099
National Security Education Program		10,250		8,000
BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES:				
AMERICAN FORCES INFORMATION SERVICE	149,631	149,631	149,631	149,631
CIVIL MILITARY PROGRAMS	107,347	110,847	127,347	123,347
National Guard Youth Challenge Program		3,500	15,000	12,000
STARBASE program			5,000	4,000
DEFENSE BUSINESS TRANSFORMATION AGENCY	148,028	145,528	148,028	145,528
FY 07 program reductions		-2,500		-2,500
DEFENSE CONTRACT AUDIT AGENCY	396,578	408,578	396,578	406,578
Contract service management oversight		12,000		10,000
DEFENSE FINANCE AND ACCOUNTING SERVICE	432	432	432	432
DEFENSE INFORMATION SYSTEMS AGENCY	945,594	936,594	945,594	938,594
Undistributed program reductions		-4,000		-7,000
White House Communications Agency program reductions		-5,000		
DEFENSE LEGAL SERVICES AGENCY	36,350	31,730	36,350	31,730
DLSA headquarters		10,826		10,826
Defense Office of Hearings and Appeals		20,904		20,904
Office of Military Commissions		4,620	0	0
Transfer to FY 08 GWOT		-4,620		-4,620
DEFENSE LOGISTICS AGENCY	299,778	308,778	306,778	308,378
Commercial Technologies for Maintenance Activities		2,000		1,600
Procurement technical assistance centers		7,000	7,000	7,000
DEFENSE POW/MISSING PERSONS OFFICE	16,400	16,400	16,400	16,400

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1	Budget Request	House	Senate	Conference
DEFENSE TECHNOLOGY SECURITY AGENCY	23,671	23,671	23,671	23,671
DEFENSE THREAT REDUCTION AGENCY	333,548	344,048	333,548	344,048
NIMBLE ELDER and International Counterproliferation		9,500		9,500
Defense Threat Reduction University Consortium		1,000		1,000
DEFENSE DEPENDENTS EDUCATION:	1,833,431	2,305,244	1,847,431	2,029,637
Educational system enhancements		30,000		20,000
Family Advocacy Programs	232,587	671,400		399,993
Expanded service		438,813		167,406
Lewis Center for Education Research		3,000		2,400
Parents and Teachers Heroes			3,000	2,400
Project SOAR (section 8084)			6,000	
Military child education coalition			5,000	4,000
DEFENSE HUMAN RESOURCES ACTIVITY	319,456	338,456	319,456	321,056
Homeland security presidential directive - 12		17,000		
Translation and Interpretation Skills for DOD		2,000		1,600
DEFENSE CONTRACT MANAGEMENT AGENCY	1,044,139	1,061,139	1,044,139	1,058,139
Contract service management oversight		17,000		14,000
DEFENSE SECURITY COOPERATION AGENCY	673,400	155,900	481,000	176,900
Global train and equip	500,000	-500,000	-200,000	-500,000
Affordability adjustment		-10,000		-5,000
Stability operations fellowship program authorization adjustment	5,000	-5,000	-5,000	-5,000
Irregular Warfare/Reconstruction Center of Excellence	2,500	-2,500		-2,500
Center for International Issues Research			-7,400	
Regional Centers for Security Studies			20,000	16,000
DEFENSE SECURITY SERVICE	372,457	422,457	372,457	422,457
Restoration of baseline shortfalls		50,000		50,000
OFFICE OF ECONOMIC ADJUSTMENT	57,176	91,476	131,376	163,476
Thorium/Magnesium Excavation - Blue Island		1,500		1,200
Davids Island - Fort Stocum Remediation		10,000		8,000
McClellan AFB Infrastructure Improvements		3,000		2,400
Hunters Point Naval Shipyard		4,800	5,000	9,300
Port of San Francisco Site Investigation and Remedial Action		3,000		2,400
Charles E. Kelly Relocation Project		4,000	4,000	4,000
Delaware Valley Continuing Education Initiative for National Guard and Reserve		1,000		1,000
Frankford Arsenal Environmental Assessment & Remediation		2,000		1,600
Norton AFB - Infrastructure Improvements		5,000		4,000
Stabilization/Repair of the Ship Repair Facility at MOTBY			8,000	8,000
Access to Joint Tanana Training Complex			44,200	44,200
Intermodal Marine Facility - Port of Anchorage			11,000	11,000
Exhibit on Role of Arab Americans in the Defense of Our Country			2,000	2,000
Restoration of Naval Facility at Centerville Beach (transferred from Environmental Restoration, FUDS)				3,000
Lake Erie/Touissant River Remediation (transferred from Environmental Restoration, FUDS)				1,000
Spring Valley Remediation (transferred from Environmental Restoration, FUDS)				3,200
OFFICE OF THE SECRETARY OF DEFENSE	1,093,742	1,419,760	1,117,142	1,448,660

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1	Budget Request	House	Senate	Conference
Core operating program	254,467	254,467		254,467
Other DOD programs and initiatives	184,276	180,276		180,276
Reductions to boards and commissions		-4,000		-4,000
Acquisition, technology and logistics programs:	124,707	118,217		118,217
Improve acquisition and logistics processes	53,217	46,727		46,727
Affordability reduction		-6,490		-6,490
Personnel and readiness:	267,336	622,838		616,338
Combatant commander's exercise engagement and training transformation	233,641	589,143		582,643
Joint exercise program costs transferred from TJS		245,075		245,075
Joint exercise program incremental costs transferred from services		81,827		81,827
Joint national training capability transferred from services		63,600		42,100
Reductions due to anticipated efficiencies/program savings		-35,000		-20,000
Comptroller and Chief Financial Officer:	20,934	20,934		20,934
Unjustified program growth			-5,600	
Under Secretary of Defense (Intelligence):	53,571	41,571		52,571
Undistributed reduction for unjustified growth and affordability		-12,000		-1,000
Under Secretary of Defense (Policy):	69,174	62,180		62,180
Policy operations	11,077	7,083		7,083
Unjustified growth		-3,994		-3,994
Strategic communication and integration	3,000	0		
Unsupported program initiation		-3,000	-3,000	-3,000
Director, Program analysis and evaluation:	25,076	25,076		25,076
Assistant Secretary of Defense (Networks and Information Integration):	94,201	94,201		94,201
Office of the Secretary, Undistributed:		5,000		24,400
Middle East Regional Security Issues Program		3,000		2,400
Critical Language Training, SDSU		1,000		1,000
Modeling & Simulation of Joint Logistics Command & Control Processes		1,000		1,000
Undistributed:				
Study on National Security Interagency System			3,000	2,400
Logistics and Material Readiness Unjustified Program Growth			-8,000	
Aircraft Logging and Recording for Training			2,000	1,600
Asia Pacific Regional Initiative (transfer to O&M, N)			15,000	
Readiness and Environmental Protection Initiative			20,000	16,000
JOINT CHIEFS OF STAFF	284,791	271,842	277,191	271,842
Headquarters management reduction		-8,000		-8,000
Hold growth in travel		-1,000		-1,000
Disallow new maintenance contracts		-3,949		-3,949
Removal of one-time congressional increases			-7,600	
WASHINGTON HEADQUARTERS SERVICES	439,277	439,277	435,677	435,677
Unjustified growth			-3,600	-3,600
UNDISTRIBUTED:				
GSA personnel detail		21,000		
Contract efficiencies		-282,700		

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1	Budget Request	House	Senate	Conference
Emergency and extraordinary expenses		-7,000		-7,000
Other programs	10,156,363	10,206,416	10,139,563	10,202,416
Joint Logistics Education Training & Education Testbed (JLETT)		1,000		1,000
Soldier Center at Patriot Park, Ft. Benning		7,500		6,000
Perimeter security and force protection		9,066		
Enterprise-wide Data and Knowledge Management System to Enhance USSOCOM Mission		1,000		1,000
Military Intelligence Service Historic Learning Center		1,000		800
Unobligated balances		-186,000	-54,000	-186,000
Armed Forces Health and Food Supply Research			4,000	3,200
Impact Aid			35,000	30,000
Impact Aid for Children with Disabilities			5,000	5,000
Civilian pay raise from 3% to 3.5%			28,539	
Commercial Airborne IFSAR Mapping (transferred from the classified annex)				4,160
Operation Jump Start			794,000	247,000
Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism				1,500
First Tee				3,000
WCF excess balances			-40,000	-40,000

The conference agreement provides not less than \$582,643,000 for the Combatant Commander's Exercise Engagement and Training Transformation program. In addition, the conferees agree to include not less than \$3,600,000 for centers within the Procurement Technical Assistance Cooperative Agreement Program.

In order to ensure sufficient funds are available for the Department to enhance its efforts to improve fiscal management and oversight, the conferees agree to provide not less than \$41,203,000 for the Office of the Undersecretary of Defense, Comptroller and Chief Financial Officer.

The conference agreement deletes a provision proposed by the House relating to rates and charges of the Defense Security Service.

OPERATION JUMP START

The conferees recognize National Guard contributions to improve border security as part of Operation Jump Start. The Guard undertook this mission as an interim operation until additional Department of Homeland Security personnel and resources could be deployed to secure the borders. The conferees understand that the National Guard mission will continue until July 2008 at force levels of about 3,000 guardsmen and have provided \$247,000,000 to fund this requirement for the first six months of the fiscal year.

OFFICE OF THE SECRETARY OF DEFENSE

PERSONNEL AND READINESS

COMBATANT COMMANDER'S EXERCISE, ENGAGEMENT AND TRAINING TRANSFORMATION (CE2T2)

The conferees adopt the House's proposed consolidation of various joint training programs, including the joint exercise program of the Joint Chiefs of Staff, the services' incremental costs associated with the joint exercise program and the services' joint national training capability. The conference agreement reflects the following adjustments to the budget request:

Budget request	\$233,641,000
Recommended transfers:	
Joint exercise program, TJS	+245,075,000
Services joint national training capability (O&M)	+42,100,000
Services joint exercise program incremental costs	+81,827,000
Recommended adjustments:	
Anticipated efficiencies and program savings	- 20,000,000
TOTAL, CE2T2	582,643,000

The conference agreement does not consolidate the research, development, test and evaluation and procurement activities of the joint national training capability that are funded within the services' budgets. The conferees expect, however, that such funds shall be expended in support of the consolidated Combatant Commander's Exercise, Engagement and Training Transformation Program and the Joint National Training Capability.

The conferees reiterate that the Department shall not increase administrative overhead costs or civilian or military positions associated with the operation and management of the joint training portfolio. The Department shall provide to the House and Senate

Committees on Appropriations, within 60 days of enactment of this Act, an analysis of funds and personnel to be transferred to effect the consolidation.

FAMILY ADVOCACY PROGRAMS

The conferees agree to provide a total of \$399,993,500 for family advocacy programs (FAP) in fiscal year 2008. The conferees believe that the additional funding provided will enhance the activities of FAP and provide for children and families managing the difficult challenges of military service. The conferees are cognizant of and concerned about the growing need for family members to have access to professional counseling to help alleviate the mental stresses associated with deployments. The conferees believe that programs such as FAP directly affect military retention and are essential to the health and welfare of our troops, their families, and the communities in which they live.

Due to the importance of family advocacy programs, the conferees provide additional funding to increase access to family support programs. With multiple deployments, it is important to continually reach out to multifaceted organizations that provide support services. Therefore, not later than 90 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on mechanisms for expanding public-private partnerships with military and family organizations for the purpose of increasing access to family support, especially for the minor dependent children of deployed service members. Prior to submission of the report, the Secretary shall consult with military family advocacy organizations, and include the comments of such organizations within the required report to the congressional defense committees.

This report shall identify the following:

(A) the adjustment needs of minor children of deployed service personnel, including children whose parents or guardians have experienced multiple deployments;

(B) alternative support and recreational activities which have been shown to be effective in improving coping skills in young children of deployed service members;

(C) support networks beyond educational settings that have been effective in addressing the needs of children of deployed service members, to include summer and after-school recreational, sports and cultural activities;

(D) programs which can be accessed without charge to military families;

(E) gaps in services for minor dependent children of deployed personnel; and,

(F) opportunities for expanding public and private partnerships in support of such programs.

Additionally, not later than 90 days after submission of the report described above, the Secretary shall submit a plan to the congressional defense committees to address the needs and gaps in services identified in the report. Such a plan shall also address the comments and recommendations of military family advocacy organizations.

NUCLEAR WEAPONS HANDLING PROCEDURES

The conferees direct that not later than 90 days after enactment of this Act, the Secretary of Defense and the Secretary of Energy shall jointly submit a classified report to the congressional defense committees and to the Subcommittees on Energy and Water Development of the Senate and House Committees on Appropriations on the policies and procedures governing the storage and logistic movement of U.S. nuclear weapons and nuclear components through all phases of the nuclear weapons cycle. The report shall include a review of all items listed in section 8106 of the Senate bill.

WESTERN HEMISPHERE INSTITUTE FOR SECURITY COOPERATION

The conferees support the mandate of the Western Hemisphere Institute for Security Cooperation (the Institute) to be a transparent and democratic institution. To promote such transparency and democratic values, the conferees direct the Institute to provide to the congressional defense committees in classified format the names of all students and instructors at the Institute for fiscal years 2005 and 2006. The list shall include all names, including but not limited to the first, middle, and maternal and paternal surnames, rank, country of origin, courses taken or taught, and years of attendance. In all future fiscal years, this same information shall be made available and provided to the congressional defense committees no later than 60 days after the end of each fiscal year.

OPERATION AND MAINTENANCE, ARMY RESERVE

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
20200 OPERATION AND MAINTENANCE, ARMY RESERVE				
20250 BUDGET ACTIVITY 1: OPERATING FORCES				
20300 LAND FORCES				
20350 MANEUVER UNITS.....	4,465	4,465	4,465	4,465
20400 MODULAR SUPPORT BRIGADES.....	15,706	15,706	15,706	15,706
20450 ECHELONS ABOVE BRIGADES.....	443,577	443,577	439,677	439,677
20500 THEATER LEVEL ASSETS.....	154,575	154,575	154,575	154,575
20550 LAND FORCES OPERATIONS SUPPORT.....	514,510	518,510	514,510	518,510
20560 AVIATION ASSETS.....	63,133	63,133	63,133	63,133
20600 LAND FORCES READINESS				
20650 FORCES READINESS OPERATIONS SUPPORT.....	230,699	230,699	232,899	232,459
20700 LAND FORCES SYSTEM READINESS.....	84,725	84,725	86,725	86,525
20750 DEPOT MAINTENANCE.....	130,683	130,683	130,683	130,683
20800 LAND FORCES READINESS SUPPORT				
20850 BASE OPERATIONS SUPPORT.....	502,679	502,679	501,679	501,679
20900 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	222,856	246,456	222,856	234,656
20950 ADDITIONAL ACTIVITIES.....	11,367	11,367	11,367	11,367
20960 REDUCTIONS REFLECTING HISTORIC UNDER EXECUTION.....	---	-15,300	---	-15,300
21000 TOTAL, BUDGET ACTIVITY 1.....	2,378,975	2,391,275	2,378,275	2,378,135
21050 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
21100 ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
21150 ADMINISTRATION.....	67,309	67,309	67,309	67,309
21200 SERVICEWIDE COMMUNICATIONS.....	10,427	10,427	10,427	10,427
21250 PERSONNEL/FINANCIAL ADMIN.....	8,321	8,321	8,321	8,321
21300 RECRUITING AND ADVERTISING.....	43,030	43,030	43,030	43,030
21350 TOTAL, BUDGET ACTIVITY 4.....	129,087	129,087	129,087	129,087

(In thousands of dollars)

	Budget	House	Senate	Conference
21650 TACTICAL OPERATIONS CENTER (ELAMS/MECCS).....	---	2,000	---	1,600
21705 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	2,924	---
21710 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-18,300	---	---
21715 LEVEL APPLICATION SOFTWARE (RLAS) INTEGRATION.....	---	1,500	---	1,200
21720 PERIMETER SECURITY FORCE PROTECTION.....	---	5,328	---	---
	=====	=====	=====	=====
21850 TOTAL, OPERATION AND MAINTENANCE, ARMY RESERVE.....	2,508,062	2,510,890	2,510,286	2,510,022

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1	Budget Request	House	Senate	Conference	
BUDGET ACTIVITY 1: OPERATING FORCES:					
LAND FORCES:					
30	Echelons above brigades	443,577	443,577	439,677	439,677
	Removal of One-time Congressional Increases			-3,900	-3,900
50	Land forces operations support	514,510	518,510	514,510	518,510
	M-Gator		4,000		4,000
LAND FORCES READINESS:					
70	Forces readiness operations support	230,699	230,699	232,899	232,459
	2nd Generation Extended Cold Weather Clothing Systems			2,200	1,760
80	Land forces system readiness	84,725	84,725	86,725	86,525
	Mobile Corrosion Protection and Abatement			2,000	1,800
LAND FORCES READINESS SUPPORT:					
100	Base operating support	502,679	502,679	501,679	501,679
	Removal of One-time Congressional Increases			-1,000	-1,000
110	FSRM	222,856	246,456	222,856	234,656
	Accelerate modernization of critical operational and support facilities		23,600		11,800
	Reductions reflecting historic underexecution		-15,300		-15,300
UNIDISTRIBUTED:					
	Contract efficiencies		-18,300		
	Reserve Component Automation System (RCAS) Regional Level Application Software (RLAS) Integration Capability		1,500		1,200
	Tactical Operations Centers (ELAMS/ESAMS/MECCS)		2,000		1,600
	Perimeter security force protection		5,328		
	Civilian Pay Raise from 3% to 3.5%			2,924	

OPERATION AND MAINTENANCE, NAVY RESERVE

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference

22000 OPERATION AND MAINTENANCE, NAVY RESERVE				
22050 BUDGET ACTIVITY 1: OPERATING FORCES				
22100 RESERVE AIR OPERATIONS				
22150 MISSION AND OTHER FLIGHT OPERATIONS.....	581,550	581,550	581,550	581,550
22200 INTERMEDIATE MAINTENANCE.....	17,029	17,029	17,029	17,029
22250 AIR OPERATIONS AND SAFETY SUPPORT.....	3,169	3,169	3,169	3,169
22300 AIRCRAFT DEPOT MAINTENANCE.....	121,186	121,186	121,186	121,186
22350 AIRCRAFT DEPOT OPERATIONS SUPPORT.....	393	393	393	393
22400 RESERVE SHIP OPERATIONS				
22450 MISSION AND OTHER SHIP OPERATIONS.....	49,766	49,766	49,766	49,766
22500 SHIP OPERATIONAL SUPPORT AND TRAINING.....	573	573	573	573
22550 SHIP DEPOT MAINTENANCE.....	41,616	41,616	41,616	41,616
22600 SHIP DEPOT OPERATIONS SUPPORT.....	559	559	559	559
22650 RESERVE COMBAT OPERATIONS SUPPORT				
22700 COMBAT COMMUNICATIONS.....	15,344	15,344	15,344	15,344
22750 COMBAT SUPPORT FORCES.....	121,531	121,531	121,531	121,531
22800 RESERVE WEAPONS SUPPORT				
22850 WEAPONS MAINTENANCE.....	2,141	2,141	2,141	2,141
22900 ENTERPRISE INFORMATION TECHNOLOGY.....	90,262	90,262	90,262	90,262
22950 BASE OPERATING SUPPORT				
23000 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	52,000	52,000	52,000	52,000
23050 BASE OPERATING SUPPORT.....	94,642	94,642	94,642	94,642
23060 REDUCTIONS REFLECTING HISTORIC UNDER EXECUTION.....	---	-36,400	---	-36,400
23100 TOTAL, BUDGET ACTIVITY 1.....	1,171,761	1,135,361	1,171,761	1,135,361

(In thousands of dollars)

	Budget	House	Senate	Conference

23150 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
23200 ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
23250 ADMINISTRATION.....	3,260	3,260	3,260	3,260
23300 MILITARY MANPOWER & PERSONNEL.....	8,509	8,509	8,509	8,509
23350 SERVICEWIDE COMMUNICATIONS.....	2,936	2,936	2,936	2,936
23450 OTHER SERVICEWIDE SUPPORT.....	417	417	417	417
23460 REDUCTIONS REFLECTING HISTORIC UNDER EXECUTION.....	---	-2,400	---	-2,400
23500 TOTAL, BUDGET ACTIVITY 4.....	15,122	12,722	15,122	12,722
23555 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	268	---
23560 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-4,900	---	---
23570 PERIMETER SECURITY FORCE PROTECTION.....	---	1,271	---	---
	=====	=====	=====	=====
23700 TOTAL, OPERATION AND MAINTENANCE, NAVY RESERVE.....	1,186,883	1,144,454	1,187,151	1,148,083

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1	Budget Request	House	Senate	Conference
BUDGET ACTIVITY 1: OPERATING FORCES:				
Reductions reflecting historic underexecution		-36,400		-36,400
BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES:				
Reductions reflecting historic underexecution		-2,400		-2,400
UNDISTRIBUTED:				
Contract efficiencies		-4,900		
Perimeter security force protection		1,271		
Civilian Pay Raise from 3% to 3.5%			268	

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
23850 OPERATION AND MAINTENANCE, MARINE CORPS RESERVE				
23900 BUDGET ACTIVITY 1: OPERATING FORCES				
23950 EXPEDITIONARY FORCES				
24000 OPERATING FORCES.....	49,487	49,487	49,487	49,487
24050 DEPOT MAINTENANCE.....	11,229	11,229	11,229	11,229
24100 TRAINING SUPPORT.....	27,131	27,131	27,131	27,131
24150 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	14,827	14,827	14,827	14,827
24200 BASE OPERATING SUPPORT.....	69,998	69,998	69,998	69,998
24250 TOTAL, BUDGET ACTIVITY 1.....	172,672	172,672	172,672	172,672
24300 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
24350 ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
24400 SPECIAL SUPPORT.....	12,417	12,417	12,417	12,417
24450 SERVICEWIDE TRANSPORTATION.....	826	826	826	826
24500 ADMINISTRATION.....	9,422	9,422	9,422	9,422
24550 RECRUITING AND ADVERTISING.....	8,690	8,690	8,690	8,690
24600 BASE OPERATING SUPPORT.....	4,610	4,610	4,610	4,610
24650 TOTAL, BUDGET ACTIVITY 4.....	35,965	35,965	35,965	35,965
24755 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	51	---
24760 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-1,550	---	---
24900 TOTAL, OPERATION & MAINTENANCE, MARINE CORPS RESERVE	208,637	207,087	208,688	208,637

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1	Budget Request	House	Senate	Conference
UNDISTRIBUTED:				
Contract efficiencies		-1,550		
Civilian Pay Raise from 3% to 3.5%			51	

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference

25050 OPERATION AND MAINTENANCE, AIR FORCE RESERVE				
25100 BUDGET ACTIVITY 1: OPERATING FORCES				
25150 AIR OPERATIONS				
25200 PRIMARY COMBAT FORCES.....	1,709,952	1,709,952	1,825,291	1,825,291
25250 MISSION SUPPORT OPERATIONS.....	99,253	99,253	99,253	99,253
25300 DEPOT MAINTENANCE.....	399,573	399,573	395,973	395,973
25350 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	83,405	83,405	83,405	83,405
25400 BASE OPERATING SUPPORT.....	276,854	276,854	285,255	285,255
25450 TOTAL, BUDGET ACTIVITY 1.....	2,569,037	2,569,037	2,689,177	2,689,177
25500 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
25550 ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
25600 ADMINISTRATION.....	70,152	70,152	70,152	70,152
25650 RECRUITING AND ADVERTISING.....	22,704	22,704	22,704	22,704
25700 MILITARY MANPOWER AND PERSONNEL MANAGEMENT.....	22,995	22,995	22,995	22,995
25750 OTHER PERSONNEL SUPPORT.....	6,505	6,505	6,505	6,505
25800 AUDIOVISUAL.....	684	684	684	684
25850 TOTAL, BUDGET ACTIVITY 4.....	123,040	123,040	123,040	123,040
26050 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-9,500	---	---
26105 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	3,886	---
26110 WHITEMAN CONVENTIONAL MUNITIONS STORAGE.....	---	2,000	---	1,600
26115 MCCONNELL RESERVE MAINTENANCE PERSONNEL.....	---	---	---	1,600
26250 TOTAL, OPERATION AND MAINTENANCE, AIR FORCE RESERVE.	2,692,077	2,684,577	2,816,103	2,815,417
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EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1	Budget Request	House	Senate	Conference	
BUDGET ACTIVITY 1: OPERATING FORCES:					
AIR OPERATIONS:					
10	Primary combat forces	1,709,952	1,709,952	1,825,291	1,825,291
	CAM Transfer from O&M Air Force			119,339	119,339
	Removal of One-time Congressional Increases			-4,000	-4,000
30	Depot maintenance	399,573	399,573	395,973	395,973
	Removal of One-time Congressional Increases			-3,600	-3,600
50	Base operating support	276,854	276,854	285,255	285,255
	CAM Transfer from O&M Air Force			10,401	10,401
	Removal of One-time Congressional Increases			-2,000	-2,000
UNDISTRIBUTED:					
	Contract efficiencies		-9,500		
	McConnell Reserve Maintenance Personnel (transferred from AFR, MilPers)				1,600
	Whiteman Conventional Munitions Storage		2,000		1,600
	Civilian Pay Raise from 3% to 3.5%			3,886	

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

The conference agreement on items addressed by either the House or
the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference

26400 OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD				
26450 BUDGET ACTIVITY 1: OPERATING FORCES				
26500 LAND FORCES				
26550 MANEUVER UNITS.....	638,508	870,317	866,317	866,317
26600 MODULAR SUPPORT BRIGADES.....	423,443	163,340	163,340	163,340
26650 ECHELONS ABOVE BRIGADE.....	555,457	582,763	580,763	582,363
26700 THEATER LEVEL ASSETS.....	627,343	212,304	211,004	210,404
26750 LAND FORCES OPERATIONS SUPPORT.....	34,721	35,653	34,789	35,789
26760 AVIATION ASSETS.....	361,885	812,568	812,568	812,568
26800 LAND FORCES READINESS				
26850 FORCE READINESS OPERATIONS SUPPORT.....	309,655	311,117	308,817	308,017
26900 LAND FORCES SYSTEMS READINESS.....	109,561	113,661	108,561	109,641
26950 LAND FORCES DEPOT MAINTENANCE.....	466,452	466,452	466,452	466,452
27000 LAND FORCES READINESS SUPPORT				
27050 BASE OPERATIONS SUPPORT.....	828,418	827,632	808,132	807,732
27100 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	486,341	676,141	486,341	581,241
27150 MANAGEMENT & OPERATIONAL HEADQUARTERS.....	551,675	516,977	516,977	516,977
27200 MISCELLANEOUS ACTIVITIES.....	92,517	92,517	74,317	72,437
27210 REDUCTIONS REFLECTING HISTORIC UNDER EXECUTION.....	---	-153,100	---	-153,100
27220 PEER REVIEWED STRATEGIC BIODEFENSE INITIATIVE.....	---	8,000	---	8,000
27250 TOTAL, BUDGET ACTIVITY 1.....	5,485,976	5,536,342	5,438,378	5,388,178
27300 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
27350 ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
27400 ADMINISTRATION.....	119,227	120,273	120,273	120,273
27450 SERVICEWIDE COMMUNICATIONS.....	52,250	52,250	52,250	52,250
27500 MANPOWER MANAGEMENT.....	7,396	7,540	7,540	7,540
27550 RECRUITING AND ADVERTISING.....	175,360	175,360	175,468	175,468
27600 TOTAL, BUDGET ACTIVITY 4.....	354,233	355,423	355,531	355,531

(In thousands of dollars)

	Budget	House	Senate	Conference
27850 HOMELAND OPERATIONAL PLANNING SYSTEM.....	---	4,000	---	3,200
28550 ADV LAW ENFORCEMENT RAPID REPOSE TRAIN PROG (ALERT) .	---	2,000	---	---
28950 WMD-CIVIL SUPPORT TEAM FOR FLORIDA.....	---	1,200	---	1,200
29150 WMD-CIVIL SUPPORT TEAM FOR NEW YORK.....	---	1,239	---	1,239
29255 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	7,024	---
29260 JOINT BORDER OPERATIONS TRAINING CENTER.....	---	1,000	---	1,000
29270 BIODEGRADE SOIL PENETRANT DUST PALLIATIVE/LAND SURFACE	---	2,500	---	2,000
29280 WEAPONS SKILLS TRAINER.....	---	5,000	---	4,000
29290 PERS ARMOR SYS GR TROOPS (PASGT) HELMET RETRO PAD SETS	---	1,500	---	1,200
29300 FIELD MAINTENANCE SHOP (FMS) DIRECTED DESIGN.....	---	1,200	---	960
29310 ACQUISITION OF 17 M916A3.....	---	2,000	---	1,600
29320 BALLISTIC HELMET LINER KITS.....	---	1,000	---	1,000
29325 NATIONAL GUARD GLOBAL EDUCATION PROJECT.....	---	750	---	750
29330 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-43,200	---	---
29340 PERIMETER SECURITY FORCE PROTECTION.....	---	21,889	---	---
29345 NATIONAL SERVICE MEMBER OUTREACH.....	---	---	---	3,000
=====				
29400 TOTAL, OPERATION & MAINTENANCE, ARMY NATIONAL GUARD.	5,840,209	5,893,843	5,800,933	5,764,858

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1		Budget Request	House	Senate	Conference
120	Management & operational headquarters	551,675	516,977	516,977	516,977
	Resource realignment		-34,698	-34,698	-34,698
130	Miscellaneous activities	92,517	92,517	74,317	72,437
	Removal of one-time congressional increases			-27,600	-27,600
	Civil Support Team Trainer (CSTT)			5,000	4,000
	Minnesota National Guard Reintegration Program			4,400	3,520
	Reductions reflecting historic underexecution		-153,100		-153,100
	Strategic Biodefense Initiative		8,000		8,000
BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES:					
ADMINISTRATION AND SERVICEWIDE ACTIVITIES:					
140	Administration	119,227	120,273	120,273	120,273
	Resource realignment		1,046	1,046	1,046
160	Manpower management	7,396	7,540	7,540	7,540
	Resource realignment		144	144	144
170	Recruiting and advertising	175,360	175,360	175,468	175,468
	Resource realignment			108	108
UNDISTRIBUTED:					
	Contract efficiencies		-43,200		
	Perimeter security force protection		21,889		
	National Guard Global Education Project (transfer from O&M, ANG)		750		750
	Joint Border Operations Training Center		1,000		1,000
	Biodegradable Soil Penetrant Dust Palliative for Land Surfaces		2,500		2,000
	Weapons Skills Trainer (transfer from O&M, ANG)		5,000		4,000
	Personnel Armor System Ground Troops (PASGT) Helmet Retrofit Pad Sets		1,500		1,200
	Homeland Defense Operational Planning System (HOPS)		4,000		3,200
	Field Maintenance Shop (FMS) Directed Design, MN		1,200		960
	Acquisition of 17 M916A3		2,000		1,600
	WMD - Civil Support Team for Florida		1,200		1,200
	WMD - Civil Support Team for New York		1,239		1,239
	Ballistic Helmet Liner Kits		1,000		1,000
	National Service Member Outreach (from sec. 8103)				3,000
	Civilian Pay Raise from 3% to 3.5%			7,024	

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference

29500 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD				
29550 BUDGET ACTIVITY 1: OPERATING FORCES				
29600 AIR OPERATIONS				
29650 AIRCRAFT OPERATIONS.....	3,049,334	3,049,599	3,403,942	3,404,207
29700 MISSION SUPPORT OPERATIONS.....	540,633	541,133	608,745	604,495
29750 DEPOT MAINTENANCE.....	587,485	587,485	587,485	587,485
29800 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ..	285,227	285,227	285,227	285,227
29850 BASE OPERATING SUPPORT.....	525,149	525,149	525,532	525,532
29900 TOTAL, BUDGET ACTIVITY 1.....	4,987,828	4,988,593	5,410,931	5,406,946
29950 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
30000 SERVICEWIDE ACTIVITIES				
30050 ADMINISTRATION.....	30,716	30,716	30,716	30,716
30100 RECRUITING AND ADVERTISING.....	23,421	23,421	23,421	23,421
30150 TOTAL, BUDGET ACTIVITY 4.....	54,137	54,137	54,137	54,137
30255 CIVILIAN PAY RAISE FROM 3.0% TO 3.5%.....	---	---	6,677	---
30260 J3/J6 NATIONAL MILITARY CYBER OPERATIONS.....	---	3,000	---	2,400
30270 SMOKY HILL RANGE OPERATIONS FACILITY REFURBISHMENT....	---	1,100	---	1,100
30280 CONTRACT EFFICIENCIES (5 PERCENT).....	---	-30,600	---	---
30290 JOINT TRAINING EXPERIMENTATION PROGRAM.....	---	2,000	---	1,600
30300 WMD-CIVIL SUPPPORT TEAM FOR NEW YORK.....	---	247	---	247
30305 UNMANNED AIR VEHICLE TECHNOLOGY EVALUATION PROGRAM....	---	1,000	---	1,000
30310 GREAT PLAINS JOINT REGIONAL TRAINING CENTER.....	---	1,600	---	1,280
=====				
30400 TOTAL, OPERATION & MAINTENANCE, AIR NATIONAL GUARD..	5,041,965	5,021,077	5,471,745	5,468,710

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

O-1	Budget Request	House	Senate	Conference	
BUDGET ACTIVITY 1: OPERATING FORCES:					
AIR OPERATIONS:					
10	Aircraft operations	3,049,334	3,049,599	3,403,942	3,404,207
	139th Airlift Wing Mobility and Training		265		265
	CAM Transfer from O&M Air Force			353,608	353,608
	Flying hours			1,000	1,000
20	Mission support operations	540,633	541,133	608,745	604,495
	Atlantic Thunder - Quarterly Joint Training Events at Savannah Combat Readiness Training Center		500		500
	CAM Transfer from O&M Air Force			59,912	59,912
	166th Network Warfare Squadron			200	200
	Controlled Humidity Protection (CHP) SC ANG			2,700	2,700
	Crypto-Linguist/Intelligence Officer Initiative			400	400
	Joint Interagency Training and Education Center			150	150
	Weapons Skills Trainer (transfer to ARNG)			4,000	
	National Guard Global Education Program (transfer to O&M, ARNG)			750	
50	Base operating support	525,149	525,149	525,532	525,532
	CAM Transfer from O&M Air Force			383	383
UNDISTRIBUTED:					
	Contract efficiencies		-30,600		
	J3/J6 National Military Cyber Operations		3,000		2,400
	Great Plains Joint Regional Training Center		1,600		1,280
	WMD - Civil Support Team for New York		247		247
	Unmanned Air Vehicle Technology Evaluation Program		1,000		1,000
	Joint Training Experimentation Program (JTEP)		2,000		1,600
	Smoky Hill Range Operations Facility Refurbishment		1,100		1,100
	Civilian Pay Raise from 3% to 3.5%			6,677	

UNITED STATES COURT OF APPEALS FOR THE ARMED
SERVICES

The conference agreement provides \$11,971,000 for the United States Court of Appeals for the Armed Services, as proposed by both the House and the Senate.

ENVIRONMENTAL RESTORATION, ARMY

The conference agreement provides \$439,879,000 for Environmental Restoration, Army, instead of \$434,879,000 as proposed by the House and \$444,879,000 as proposed by the Senate.

ENVIRONMENTAL RESTORATION, NAVY

The conference agreement provides \$300,591,000 for Environmental Restoration, Navy, as proposed by both the House and the Senate.

ENVIRONMENTAL RESTORATION, AIR FORCE

The conference agreement provides \$458,428,000 for Environmental Restoration, Air Force, as proposed by both the House and the Senate.

ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

The conference agreement provides \$12,751,000 for Environmental Restoration, Defense-Wide, as proposed by both the House and the Senate.

ENVIRONMENTAL RESTORATION, FORMERLY USED
DEFENSE SITES

The conference agreement provides \$280,249,000 for Environmental Restoration, Formerly Used Defense Sites, instead of \$268,249,000 as proposed by the House and \$295,249,000 as proposed by the Senate.

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

The conference agreement provides \$103,300,000 for Overseas Humanitarian, Disaster, and Civic Aid, as proposed by the House, instead of \$63,300,000 as proposed by the Senate. The conference agreement provides \$40,000,000 solely for foreign disaster relief and response activities, which shall remain available until September 30, 2010, instead of until expended, as proposed by the House.

FORMER SOVIET UNION THREAT REDUCTION ACCOUNT

The conference agreement includes \$428,048,000 for the Former Soviet Union Threat Reduction Account, or the Cooperative Threat Reduction Program, instead of \$398,048,000 as proposed by the House and \$448,048,000 as proposed by the Senate.

The following table details the conferees' funding determinations:

Major Program	Conference
Strategic offensive arms elimination (R)	\$92,885,000
Nuclear weapons storage security (R)	47,640,000
Nuclear weapons transportation security (R)	37,700,000
Chemical weapons destruction	6,000,000
Biological threat reduction (FSU)	158,489,000
WMD proliferation prevention (FSU)	47,986,000
Defense and military contacts (FSU)	8,000,000
Other assessments/administrative costs	19,348,000
New initiatives	10,000,000
TOTAL	428,048,000

The Cooperative Threat Reduction (CTR) program has significantly expanded efforts to prevent biological weapons proliferation in Russia and the Former Soviet Union. Pursuant to section 1304 of the National Defense Authorization Act for Fiscal Year 2007, a National Academy of Sciences study was commissioned to review existing biological weapons proliferation prevention efforts and identify additional areas for cooperation. In order to ensure that resources are being allocated in the most effective manner to prevent the proliferation of biological weapons, the conferees direct the Department to closely review the recommendations of the National Academy of Sciences study and to submit a report to the congressional defense committees not later than February 1, 2008, outlining CTR's biological weapons proliferation prevention efforts. The report shall include a funding plan itemizing CTR's programmed biological threat reduction efforts through the Future Years Defense Program (FYDP) and a discussion of how these efforts correspond with the recommendations of the National Academy of Sciences study.

The conferees direct that \$5,000,000 of the funds appropriated under chemical weapons destruction be made available as initial funding for a chemical weapons incinerator in Libya, pending authorization for such activity. The conferees encourage the committees of jurisdiction to respond to this urgent need in the coming year.