

Section 237—Repeal of Requirement for Separate Reports on Technology Area Review and Assessment Summaries

This section would repeal section 253(c) of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163), which currently requires the Secretary of Defense to submit a report to the congressional defense committees on each Technical Area Review and Assessment (TARA) conducted during that year. The committee notes that the Department is restructuring its science and technology planning process that no longer directly supports the traditional TARA reports. The committee expects the Secretary to readily provide this data to the congressional defense committees upon such a request.

TITLE III—OPERATION AND MAINTENANCE

OVERVIEW

The President's budget request contains approximately \$235.3 billion in operation and maintenance funds to ensure the U.S. military can train, deploy, and sustain U.S. forces in operations at home and throughout the world. Although this request appears to increase spending by \$2.7 billion over levels authorized and appropriated for fiscal year 2007, it fails to account for \$5.4 billion in additional expenses the Department of Defense expects due to inflation and rising fuel costs. In effect, the President's budget request for fiscal year 2008 represents a \$2.7 billion reduction when compared with fiscal year 2007 readiness expenditures.

It is critical for the United States to provide the resources necessary to properly train and equip its men and women in uniform, to care for service members and their families, and to prepare the military to fight today's battles while deterring and defending against future threats. The committee believes the proposed funding level cannot fully address the Department of Defense's operation and maintenance needs while the military is engaged in Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF).

Because readiness is the foundation of U.S. military policy, the committee is gravely concerned with the declining readiness of U.S. ground and air forces. After five and one-half years at war, the cumulative effort of fighting in multiple locations over a sustained period has negatively affected the military's readiness posture and impacted the services' ability to respond to emergent requirements. Military leaders face significant and sometimes insurmountable challenges as they seek to fulfill today's equipment and training needs.

Equipment readiness, particularly for Army and Marine Corps ground forces, has been severely impacted by current operations in Iraq and Afghanistan. Army readiness has dropped to levels not seen since the 1970s. Some units deployed to locations other than Iraq and Afghanistan are operating without complete sets of equipment or adequate resources to train or execute their full-spectrum missions. The recent extension of Army deployments from 12 months to 15 months will be an additional burden on an already overstretched Army and will place further stress on unit readiness.

Today, every non-deployed Army and National Guard combat brigade would face significant challenges completing their assigned missions if they were called upon to fight. Despite more than \$35.0 billion in supplemental Congressional appropriations for the ongoing reset of the Army's equipment since 2001, deficiencies in equipment readiness persist and the readiness levels of the Army's non-deployed forces continue to fall to unprecedented lows. The Government Accountability Office has reported that the Army's current reset plan does not focus on improving the readiness of units preparing to enter the deployment window, nor does it mitigate the operational risk associated with reduced equipment readiness for units in the strategic base. This risk is evident in the declining readiness posture of ground units not currently deployed, in depleted prepositioned war stocks, and in National Guard units deprived of equipment needed for training.

While the Navy shows some level of recovery in aviation readiness in fiscal year 2008, Air Force readiness continues to decline due to a high tempo of operations. Flying more than 200 sorties per day in the Central Command area of responsibility, the Air Force's high utilization of a smaller, older air fleet has resulted in readiness rates that are 17 percent below unit operational readiness rates prior to September 11, 2001, and are below the all-time low levels observed last year. Despite a budget increase of \$3.2 billion, or 11.7 percent, over the fiscal year 2007 appropriated level, the readiness budget request for the Air Force reflects a 10 percent reduction in flying hours and funds only 74 percent of the requirement for depot-purchased equipment maintenance. Air Force contractor logistics support is funded at 75 percent of the required level, and the budget also accepts reductions in spare parts and engine repairs.

The committee believes that the Department and service secretaries must increase their efforts to anticipate, seek resources for, and manage the reset of damaged and destroyed equipment. These efforts must focus on using all authorities to maximize industrial capacity and manage assets. The committee urges the Department to place reset at a higher priority than transformation and modernization and to ensure that reset is providing an output that directly addresses readiness shortfalls. Long-term sustained action will be needed to truly address this crisis. Additional steps are taken toward this effort in Title XVII of this Act and through additional funding in Title XV.

In addition to the equipment shortfalls, the committee is also concerned about degradation in training due to high operations tempo and funding reductions. The committee has noted that ground force training is focused solely on current operations and that full-spectrum combat training proficiency has declined precipitously. The high tempo of OIF and OEF has also reduced the time available for units to train between deployments. Constraints on time and equipment have forced commanders to seek efficiencies in completing required pre-deployment training. Rotations at the National Training Center were eliminated for the last two brigade combat teams deployed to Iraq, with the units conducting home-station training in the states of Washington and Georgia, instead of in the desert at Fort Irwin, California.

The focus on operations has also reduced the funding available for training. With the exception of naval aviation forces, all the services are currently funded well below the levels required to conduct the minimal training necessary to maintain adequate military readiness. The following examples illustrate the shortfalls in the fiscal year 2008 budget request:

(1) The Army funds 582 tank miles a year, versus a combined arms training strategy requirement of 846 miles;

(2) The Army funds 11.6 helicopter flying hours per month, versus a requirement of 13.1 hours helicopter flying hours per month;

(3) The Navy's non-deployed forces are reduced to 22 ship steaming days per quarter, relying upon simulation exercises and improvements in training methods to ensure readiness;

(4) The Marine Corps funds 88 percent of the combat ready days-equipment and training requirement; and

(5) The Air Force funds 90 percent of the flying hour training requirement while mission capable rates are scheduled to fall below last year's nine-year low of 75 percent.

The committee is concerned that training shortfalls are limiting the full-spectrum capability of our forces. Immediate action is required to stop the loss of critical combat skills. The committee has included \$250.0 million for the Secretary of Defense to address training shortfalls throughout the services. These funds, which have been placed under the Army's Operating Forces budget line, should be used by the Secretary of Defense to address training readiness needs of units throughout the services on an urgent, emergent basis and to increase the overall training readiness posture of the services. The committee expects that the Department's future requests for training funds will reflect the services' actual training requirements. The Department must fully fund training and ensure every effort is made to increase the opportunities for unit and individual skill training.

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
DEPARTMENT OF ARMY						
	OPERATION AND MAINTENANCE, ARMY	28,924,973	(56,302)	252,350	(308,652)	28,868,671
	OPERATION AND MAINTENANCE, ARMY RESERVE	2,508,062				2,508,062
	OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD	5,840,209	5,600	5,600		5,845,809
	Total Department of the Army	37,273,244	(50,702)	257,950	(308,652)	37,222,542
DEPARTMENT OF NAVY						
	OPERATION AND MAINTENANCE, NAVY	33,334,690	(196,600)	112,400	(309,000)	33,138,090
	OPERATION AND MAINTENANCE, MARINE CORPS	4,961,393	(37,400)	25,500	(62,900)	4,923,993
	OPERATION AND MAINTENANCE, NAVY RESERVE	1,186,883	(4,000)		(4,000)	1,182,883
	OPERATION AND MAINTENANCE, MARINE CORPS RESERVE	208,637				208,637
	Total Department of the Navy	39,691,603	(238,000)	137,900	(375,900)	39,453,603
DEPARTMENT OF AIR FORCE						
	OPERATION AND MAINTENANCE, AIR FORCE	33,655,633	(262,300)	131,300	(393,600)	33,393,333
	OPERATION AND MAINTENANCE, AIR FORCE RESERVE	2,692,077				2,692,077
	OPERATION AND MAINTENANCE, AIR NATIONAL GUARD	5,041,965	2,400	2,400		5,044,365
	Total Department of the Air Force	41,389,675	(259,900)	133,700	(393,600)	41,129,775
DEFENSE-WIDE						
	OPERATION AND MAINTENANCE, DEFENSE-WIDE	22,574,278	158,700	158,700		22,732,978
	Total Defense-Wide	22,574,278	158,700	158,700		22,732,978
TRANSFER ACCOUNTS AND MISCELLANEOUS						
	TRANSFER ACCOUNTS	1,461,898				1,461,898
	MISCELLANEOUS	463,319	50,000	50,000		513,319
	Total Miscellaneous	1,925,217	50,000	50,000		1,975,217
TOTAL OPERATION AND MAINTENANCE TITLE:						
		142,854,017	(339,902)	738,250	(1,078,152)	142,514,115

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
Operation and Maintenance, Army						
BUDGET ACTIVITY 01: OPERATING FORCES						
LAND FORCES						
010	MANEUVER UNITS	<u>4,536,406</u>				<u>4,536,406</u>
020	MODULAR SUPPORT BRIGADES	887,030				887,030
030	ECHELONS ABOVE BRIGADE	93,630				93,630
040	THEATER LEVEL ASSETS	693,513				693,513
050	LAND FORCES OPERATIONS SUPPORT	771,074				771,074
060	AVIATION ASSETS	1,242,988				1,242,988
		848,171				848,171
LAND FORCES READINESS						
070	FORCE READINESS OPERATIONS SUPPORT	<u>3,411,563</u>				<u>3,411,563</u>
080	LAND FORCES SYSTEMS READINESS	2,051,266				2,051,266
090	LAND FORCES DEPOT MAINTENANCE	555,405				555,405
		804,892				804,892
LAND FORCES READINESS SUPPORT						
100	BASE OPERATIONS SUPPORT	<u>9,465,556</u>				<u>9,465,556</u>
110	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	6,802,278				6,802,278
120	MANAGEMENT & OPERATIONAL HEADQUARTERS	2,031,173				2,031,173
130	UNIFIED COMMANDS	285,198				285,198
140	ADDITIONAL ACTIVITIES	113,872				113,872
		233,035				233,035
TOTAL, BUDGET ACTIVITY 01:		17,413,525				17,413,525
BUDGET ACTIVITY 02: MOBILIZATION						
MOBILITY OPERATIONS						
		<u>444,381</u>	<u>(70,000)</u>		<u>(70,000)</u>	<u>374,381</u>

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
150	STRATEGIC MOBILITY	288,063				288,063
160	ARMY PREPOSITIONED STOCKS Army Prepositioned Stocks	156,318	(70,000)		(70,000)	156,318 (70,000)
170	INDUSTRIAL PREPAREDNESS					
	TOTAL, BUDGET ACTIVITY 02:	444,381	(70,000)		(70,000)	374,381
	BUDGET ACTIVITY 03: TRAINING AND RECRUITING					
	ACCESSION TRAINING					
180	OFFICER ACQUISITION	580,071				580,071
190	RECRUIT TRAINING	116,804				116,804
200	ONE STATION UNIT TRAINING	47,608				47,608
210	SENIOR RESERVE OFFICERS' TRAINING CORPS	50,796				50,796
		364,863				364,863
	BASIC SKILL/ ADVANCE TRAINING					
220	SPECIALIZED SKILL TRAINING	2,089,774	2,350	2,350		2,092,124
230	FLIGHT TRAINING	574,212				574,212
240	PROFESSIONAL DEVELOPMENT EDUCATION Leadership for Leaders Command and General Staff College TRAINING SUPPORT Air and Missile Defense Instrumentation System	695,377				695,377
		113,769	1,000	1,000		113,769
250		706,416	1,350	1,350		706,416
						1,350
	RECRUITING/OTHER TRAINING					
260	RECRUITING AND ADVERTISING	1,341,907				1,341,907
270	EXAMINING	603,498				603,498
280	OFF-DUTY AND VOLUNTARY EDUCATION	152,793				152,793
290	CIVILIAN EDUCATION AND TRAINING	238,457				238,457
300	JUNIOR RESERVE OFFICERS' TRAINING CORPS	199,956				199,956
		147,203				147,203

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	TOTAL, BUDGET ACTIVITY 03:	4,011,752	2,350	2,350		4,014,102
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
	SECURITY PROGRAMS	757,874				757,874
310	SECURITY PROGRAMS	757,874				757,874
	LOGISTICS OPERATIONS	2,313,291				2,313,291
320	SERVICEWIDE TRANSPORTATION	686,899				686,899
330	CENTRAL SUPPLY ACTIVITIES	642,906				642,906
340	LOGISTICS SUPPORT ACTIVITIES	506,679				506,679
350	AMMUNITION MANAGEMENT	476,807				476,807
	SERVICEWIDE SUPPORT	3,579,305	(43,000)		(43,000)	3,536,305
360	ADMINISTRATION	775,819				775,819
370	SERVICEWIDE COMMUNICATIONS	1,192,413				1,192,413
	Army Servicewide Communications - Other Contracts				(43,000)	(43,000)
380	MANPOWER MANAGEMENT	269,420				269,420
390	OTHER PERSONNEL SUPPORT	217,872				217,872
400	OTHER SERVICE SUPPORT	841,825				841,825
410	ARMY CLAIMS ACTIVITIES	233,786				233,786
420	REAL ESTATE MANAGEMENT	48,170				48,170
	SUPPORT OF OTHER NATIONS	404,845				404,845
430	SUPPORT OF NATO OPERATIONS	362,159				362,159
440	MISC. SUPPORT OF OTHER NATIONS	42,686				42,686
	TOTAL, BUDGET ACTIVITY 04:	7,055,315	(43,000)		(43,000)	7,012,315

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	UNDISTRIBUTED					
	Readiness Training Restoration		250,000	250,000		250,000
	Army Operational Unobligated balances estimate		(195,652)		(195,652)	(195,652)
	Total Operation and Maintenance, Army	28,924,973	(56,302)	252,350	(308,652)	28,868,671
	Operation and Maintenance, Navy					
	BUDGET ACTIVITY 01: OPERATING FORCES					
	AIR OPERATIONS	9,373,696	92,600	92,600		9,466,296
010	MISSION AND OTHER FLIGHT OPERATIONS	3,607,384				3,607,384
020	FLEET AIR TRAINING	937,648				937,648
030	INTERMEDIATE MAINTENANCE	50,805				50,805
040	AIR OPERATIONS AND SAFETY SUPPORT	127,578				127,578
050	AIR SYSTEMS SUPPORT	479,941				479,941
060	AIRCRAFT DEPOT MAINTENANCE	1,017,876				1,017,876
	Aircraft Depot Maintenance		91,600	91,600		91,600
070	AIRCRAFT DEPOT OPERATIONS SUPPORT	152,464				152,464
	F/A-18 C/D Filament-wound External Fuel Tank Refurbishment		1,000	1,000		1,000
	SHIP OPERATIONS	9,632,891	12,000	12,000		9,644,891
080	MISSION AND OTHER SHIP OPERATIONS	3,463,690				3,463,690
090	SHIP OPERATIONAL SUPPORT AND TRAINING	671,029				671,029
100	SHIP DEPOT MAINTENANCE	4,416,438				4,416,438
	Ship Reserve Forces Maintenance		12,000	12,000		12,000
110	SHIP DEPOT OPERATIONS SUPPORT	1,081,734				1,081,734

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	<u>COMBAT OPERATIONS/SUPPORT</u>	<u>2,736,331</u>	<u>7,500</u>	<u>7,500</u>		<u>2,743,831</u>
120	COMBAT COMMUNICATIONS	564,929				564,929
130	ELECTRONIC WARFARE	74,888				74,888
140	SPACE SYSTEMS & SURVEILLANCE	159,521				159,521
150	WARFARE TACTICS	390,335				390,335
160	OPERATIONAL METEOROLOGY & OCEANOGRAPHY	280,736				280,736
170	COMBAT SUPPORT FORCES	1,105,254				1,105,254
	Joint POW/MIA Accounting Command		7,500	7,500		7,500
180	EQUIPMENT MAINTENANCE	176,743				176,743
190	DEPOT OPERATIONS SUPPORT	3,925				3,925
	<u>WEAPONS SUPPORT</u>	<u>2,013,861</u>				<u>2,013,861</u>
200	CRUISE MISSILE	138,447				138,447
210	FLEET BALLISTIC MISSILE	974,235				974,235
220	IN-SERVICE WEAPONS SYSTEMS SUPPORT	89,435				89,435
230	WEAPONS MAINTENANCE	486,603				486,603
240	OTHER WEAPONS SYSTEMS SUPPORT	315,141				315,141
	<u>WORKING CAPITAL FUND SUPPORT</u>					
250	NWCF Support					
	<u>BASE SUPPORT</u>	<u>5,684,166</u>				<u>5,073,267</u>
250	ENTERPRISE INFORMATION	610,899				610,899
260	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	1,246,489				1,246,489
270	BASE OPERATIONS SUPPORT	3,826,778				3,826,778
	TOTAL, BUDGET ACTIVITY 01:	<u>26,440,945</u>	<u>112,100</u>	<u>112,100</u>		<u>26,553,045</u>
	BUDGET ACTIVITY 02: MOBILIZATION					

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	<u>READY RESERVE AND PREPOSITIONING FORCES</u>					
280	SHIP PREPOSITIONING AND SURGE	541,656				541,656
		541,656				541,656
	<u>ACTIVATIONS/INACTIVATIONS</u>					
290	AIRCRAFT ACTIVATIONS/INACTIVATIONS	199,606				199,606
300	SHIP ACTIVATIONS/INACTIVATIONS	7,166				7,166
		192,440				192,440
	<u>MOBILIZATION PREPAREDNESS</u>					
310	FLEET HOSPITAL PROGRAM	53,461				53,461
320	INDUSTRIAL READINESS	29,880				29,880
330	COAST GUARD SUPPORT	2,043				2,043
		21,538				21,538
	TOTAL, BUDGET ACTIVITY 02:	794,723				794,723
	BUDGET ACTIVITY 03: TRAINING AND RECRUITING					
	<u>ACCESSION TRAINING</u>					
340	OFFICER ACQUISITION	259,095				259,095
350	RECRUIT TRAINING	135,602				135,602
360	RESERVE OFFICERS TRAINING CORPS	11,308				11,308
		112,185				112,185
	<u>BASIC SKILLS AND ADVANCED TRAINING</u>					
370	SPECIALIZED SKILL TRAINING	1,284,457				1,284,457
380	FLIGHT TRAINING	486,138				486,138
390	PROFESSIONAL DEVELOPMENT EDUCATION	475,655				475,655
4000	TRAINING SUPPORT	161,017				161,017
		161,647				161,647

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	<u>RECRUITING AND OTHER TRAINING AND EDUCATION</u>	<u>531,643</u>	<u>300</u>	<u>300</u>		<u>531,943</u>
410	RECRUITING AND ADVERTISING	264,309				264,309
420	OFF-DUTY AND VOLUNTARY EDUCATION	144,828				144,828
	Naval Sea Cadet Training		300	300		300
430	CIVILIAN EDUCATION AND TRAINING	74,991				74,991
440	JUNIOR ROTC	47,515				47,515
	TOTAL, BUDGET ACTIVITY 03:	2,075,195	300	300		2,075,495
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
	<u>SERVICEWIDE SUPPORT</u>	<u>1,875,433</u>	<u>(19,400)</u>		<u>(19,400)</u>	<u>1,856,033</u>
450	ADMINISTRATION	759,691				759,691
460	EXTERNAL RELATIONS	5,448				5,448
470	CIVILIAN MANPOWER & PERSONNEL MGT	104,347				104,347
	National Security Personnel System		(5,500)		(5,500)	(5,500)
	A-76 Studies		(3,900)		(3,900)	(3,900)
480	MILITARY MANPOWER & PERSONNEL MGT	151,915				151,915
490	OTHER PERSONNEL SUPPORT	275,033				275,033
500	SERVICEWIDE COMMUNICATIONS	578,999				578,999
	Navy Marine Corps Intranet		(10,000)		(10,000)	(10,000)
510	MEDICAL ACTIVITIES					
	<u>LOGISTICS OPERATIONS AND TECHNICAL SUPPORT</u>	<u>1,194,238</u>				<u>1,194,238</u>
520	SERVICEWIDE TRANSPORTATION	237,202				237,202
530	ENVIRONMENTAL PROGRAMS					
540	PLANNING, ENGINEERING & DESIGN	243,861				243,861
550	ACQUISITION AND PROGRAM MANAGEMENT	559,214				559,214
560	HULL, MECHANICAL & ELECTRICAL SUPPORT	58,963				58,963

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
570	COMBAT/WEAPONS SYSTEMS	17,205				17,205
580	SPACE & ELECTRONIC WARFARE SYSTEMS	77,793				77,793
	<u>INVESTIGATIVE AND SECURITY PROGRAMS</u>	<u>421,887</u>				<u>421,887</u>
590	NAVAL INVESTIGATIVE SERVICE	421,887				421,887
	<u>SUPPORT OF OTHER NATIONS</u>	<u>11,290</u>				<u>11,290</u>
640	INTERNATIONAL HDQTRS & AGENCIES	11,290				11,290
	<u>OTHER PROGRAMS</u>	<u>520,979</u>				<u>520,979</u>
999	OTHER PROGRAMS	520,979				520,979
	TOTAL, BUDGET ACTIVITY 04:	4,023,827	(19,400)		(19,400)	4,004,427
	UNDISTRIBUTED					
	Navy Operational Unobligated balances estimate		(202,600)		(202,600)	(202,600)
	Navy Civilian Personnel Overstatement		(75,000)		(75,000)	(75,000)
	Under-execution of End Strength		(12,000)		(12,000)	(12,000)
	Total Operation and Maintenance, Navy	33,334,690	(196,600)	112,400	(309,000)	33,138,090
	Operation and Maintenance, Marine Corps					
	BUDGET ACTIVITY 01: OPERATING FORCES					
	<u>EXPEDITIONARY FORCES</u>	<u>1,441,411</u>	<u>25,500</u>			<u>1,466,911</u>
010	OPERATIONAL FORCES	867,734				867,734
	Multi-Voltage EMI Hardened Fluorescent Stringable Tent Lighting System		3,500	3,500		3,500
	Family of Combat Equipment Support		10,000	10,000		10,000

Title III - OPERATIONS AND MAINTENANCE
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Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
020	FIELD LOGISTICS	502,437				502,437
030	DEPOT MAINTENANCE	71,240				71,240
	Radar Set, 3-D Long-Range		12,000	12,000		12,000
040	BASE SUPPORT					
	<u>USMC PREPOSITIONING</u>	<u>79,551</u>				<u>79,551</u>
050	MARITIME PREPOSITIONING	73,870				73,870
060	NORWAY PREPOSITIONING	5,681				5,681
	<u>BASE SUPPORT</u>	<u>2,260,607</u>				<u>2,260,607</u>
070	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	517,701				517,701
080	BASE OPERATING SUPPORT	1,742,906				1,742,906
	TOTAL, BUDGET ACTIVITY 01:	3,781,569	25,500	25,500		3,807,069
	BUDGET ACTIVITY 03: TRAINING AND RECRUITING					
	<u>ACCESSION TRAINING</u>	<u>13,762</u>				<u>13,762</u>
090	RECRUIT TRAINING	13,242				13,242
100	OFFICER ACQUISITION	520				520
	<u>BASIC SKILLS AND ADVANCED TRAINING</u>	<u>355,325</u>				<u>355,325</u>
110	SPECIALIZED SKILLS TRAINING	54,185				54,185
120	FLIGHT TRAINING	318				318
130	PROFESSIONAL DEVELOPMENT EDUCATION	16,751				16,751
140	TRAINING SUPPORT	284,071				284,071
	<u>RECRUITING AND OTHER TRAINING EDUCATION</u>	<u>215,981</u>				<u>215,981</u>
150	RECRUITING AND ADVERTISING	141,378				141,378

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
160	OFF-DUTY AND VOLUNTARY EDUCATION	57,523				57,523
170	JUNIOR ROTC	17,080				17,080
	BASE SUPPORT	202,844				202,844
180	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	56,590				56,590
190	BASE OPERATIONS SUPPORT	146,254				146,254
	TOTAL, BUDGET ACTIVITY 03:	787,912				787,912
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
	SERVICEWIDE SUPPORT	374,757	(20,000)		(20,000)	354,757
200	SPECIAL SUPPORT	257,131				257,131
	Expeditionary Fighting Vehicle Program Support					(20,000)
210	SERVICEWIDE TRANSPORTATION	81,548	(20,000)		(20,000)	81,548
220	ADMINISTRATION	36,078				36,078
	BASE SUPPORT	17,155				17,155
230	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	3,039				3,039
240	BASE OPERATING SUPPORT	14,116				14,116
	TOTAL, BUDGET ACTIVITY 04:	391,912	(20,000)		(20,000)	371,912
	UNDISTRIBUTED					
	Operational Unobligated Balances Estimate		(42,900)		(42,900)	(42,900)
	Total Operation and Maintenance, Marine Corps	4,961,393	(37,400)	25,500	(62,900)	4,923,993
	Operation and Maintenance, Air Force					

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
BUDGET ACTIVITY 01: OPERATING FORCES						
<u>AIR OPERATIONS</u>						
010	PRIMARY COMBAT FORCES	<u>14,076,755</u>	<u>77,800</u>	<u>127,000</u>	<u>(49,200)</u>	<u>14,154,555</u>
	MBU/P Oxygen Mask with Lights	4,260,831	2,000	2,000		4,260,831
	B-52 Attrition Reserve		63,000	63,000		63,000
020	PRIMARY COMBAT WEAPONS	279,759				279,759
030	COMBAT ENHANCEMENT FORCES	673,384				673,384
040	AIR OPERATIONS TRAINING	1,502,472				1,502,472
050	COMBAT COMMUNICATIONS	1,839,006				1,839,006
	Baselevel Communications Infrastructure		(40,000)		(40,000)	(40,000)
060	DEPOT MAINTENANCE	2,277,479				2,277,479
	Reduce Deferred Maintenance		62,000	62,000		62,000
070	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	1,041,719				1,041,719
	Cheyenne Mountain Transformation		(9,200)		(9,200)	(9,200)
080	BASE SUPPORT	2,202,105				2,202,105
<u>COMBAT RELATED OPERATIONS</u>						
090	GLOBAL C3i & EARLY WARNING	<u>3,194,379</u>	<u>(11,000)</u>	<u>4,000</u>	<u>(15,000)</u>	<u>3,183,379</u>
	Air Defense Contracts and Space Support	1,318,235				1,318,235
100	NAVIGATION/WEATHER SUPPORT	258,712				258,712
110	OTHER COMBAT OPERATIONS SUPPORT PROGRAMS	776,893				776,893
120	JCS EXERCISES	27,261				27,261
	Maintain Fairchild AFB SAR Capability		4,000	4,000		4,000
130	MANAGEMENT/OPERATIONAL HEADQUARTERS	327,494				327,494
140	TACTICAL INTELLIGENCE AND SPECIAL ACTIVITIES	485,784				485,784
<u>SPACE OPERATIONS</u>						
		<u>1,853,054</u>				<u>1,853,054</u>

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
150	LAUNCH FACILITIES	321,465				321,465
160	LAUNCH VEHICLES	51,072				51,072
170	SPACE CONTROL SYSTEMS	233,190				233,190
180	SATELLITE SYSTEMS	87,993				87,993
190	OTHER SPACE OPERATIONS	329,184				329,184
200	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	184,632				184,632
210	BASE SUPPORT	645,518				645,518
	TOTAL, BUDGET ACTIVITY 01:	19,124,188	66,800	131,000	(64,200)	19,190,988
	BUDGET ACTIVITY 02: MOBILIZATION					
	MOBILITY OPERATIONS	4,680,912				4,680,912
220	AIRLIFT OPERATIONS	2,932,076				2,932,076
230	AIRLIFT OPERATIONS C3I	49,152				49,152
240	MOBILIZATION PREPAREDNESS	190,395				190,395
250	PAYMENTS TO TRANSPORTATION BUSINESS AREA	300,000				300,000
260	DEPOT MAINTENANCE	337,741				337,741
270	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	214,720				214,720
280	BASE SUPPORT	656,828				656,828
	TOTAL, BUDGET ACTIVITY 02:	4,680,912				4,680,912
	BUDGET ACTIVITY 03: TRAINING AND RECRUITING					
	ACCESSION TRAINING	357,581				357,581
280	OFFICER ACQUISITION	85,528				85,528
300	RECRUIT TRAINING	11,704				11,704
310	RESERVE OFFICER TRAINING CORPS (ROTC)	98,631				98,631

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
320	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	69,047				69,047
330	BASE SUPPORT (ACADEMIES ONLY)	92,671				92,671
	<u>BASIC SKILLS AND ADVANCED TRAINING</u>	2,378,027				2,378,027
340	SPECIALIZED SKILL TRAINING	378,009				378,009
350	FLIGHT TRAINING	911,673				911,673
360	PROFESSIONAL DEVELOPMENT EDUCATION	173,051				173,051
370	TRAINING SUPPORT	96,679				96,679
380	DEPOT MAINTENANCE	14,309				14,309
390	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	182,756				182,756
400	BASE SUPPORT (OTHER TRAINING)	621,550				621,550
	<u>RECRUITING AND OTHER TRAINING AND EDUCATION</u>	537,248				537,248
410	RECRUITING AND ADVERTISING	138,895				138,895
420	EXAMINING	4,820				4,820
430	OFF DUTY AND VOLUNTARY EDUCATION	189,568				189,568
440	CIVILIAN EDUCATION AND TRAINING	133,167				133,167
450	JUNIOR ROTC	70,798				70,798
	TOTAL, BUDGET ACTIVITY 03:	3,272,856				3,272,856
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
	<u>LOGISTICS OPERATIONS</u>	3,228,172	300	300		3,228,472
460	LOGISTICS OPERATIONS	812,935				812,935
	U.S. Air Force Life Sciences Equipment Laboratory					300
470	TECHNICAL SUPPORT ACTIVITIES	650,478				650,478
480	SERVICEWIDE TRANSPORTATION	274,722				274,722
490	DEPOT MAINTENANCE	66,246				66,246

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
500	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	290,267				290,267
510	BASE SUPPORT	1,133,524				1,133,524
	SERVICEWIDE ACTIVITIES	2,312,920				2,312,920
520	ADMINISTRATION	221,139				221,139
530	SERVICEWIDE COMMUNICATIONS	578,644				578,644
540	PERSONNEL PROGRAMS	229,575				229,575
550	ARMS CONTROL	39,300				39,300
560	OTHER SERVICEWIDE ACTIVITIES	845,771				845,771
570	OTHER PERSONNEL SUPPORT	36,195				36,195
580	CIVIL AIR PATROL CORPORATION	23,753				23,753
590	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	29,772				29,772
600	BASE SUPPORT	308,771				308,771
	SECURITY PROGRAMS	1,001,198				1,001,198
610	SECURITY PROGRAMS	1,001,198				1,001,198
	SUPPORT TO OTHER NATIONS	35,387				35,387
620	INTERNATIONAL SUPPORT	35,387				35,387
	TOTAL, BUDGET ACTIVITY 04:	6,577,677	300	300		6,577,977
	UNDISTRIBUTED					
	Management & Professional Support Service		(4,000)		(4,000)	(4,000)
	Locally Purchased Fuel		(5,000)		(5,000)	(5,000)
	Equipment Maintenance by Contract		(50,000)		(50,000)	(50,000)
	Purchased Communications		(70,000)		(70,000)	(70,000)
	Operational Unobligated Balances Estimate		(200,400)		(200,400)	(200,400)

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
Total Operation and Maintenance, Air Force						
		33,655,633	(262,300)	131,300	(393,800)	33,393,333
Operation and Maintenance, Defense-wide						
BUDGET ACTIVITY 01: OPERATING FORCES						
010	JOINT CHIEFS OF STAFF	597,309				597,309
020	SPECIAL OPERATIONS COMMAND	3,277,640				3,277,640
	TOTAL, BUDGET ACTIVITY 01:	3,874,949				3,874,949
BUDGET ACTIVITY 3: TRAINING AND RECRUITING						
030	DEFENSE ACQUISITION UNIVERSITY	104,596				104,596
040	NATIONAL DEFENSE UNIVERSITY SPECIAL OPERATIONS COMMAND	91,099				91,099
	TOTAL, BUDGET ACTIVITY 03:	195,695				195,695
BUDGET ACTIVITY 4: ADMIN & SERVICEMIDE ACTIVITIES						
050	AMERICAN FORCES INFORMATION SERVICE	149,631				149,631
060	CIVIL MILITARY PROGRAMS National Guard Youth Challenge DOD Starbase Program	107,347	3,500 500	3,500 500		107,347 3,500 500
090	DEFENSE BUSINESS TRANSFORMATION AGENCY	148,028				148,028
100	DEFENSE CONTRACT AUDIT AGENCY	396,578				396,578
110	DEFENSE FINANCE AND ACCOUNTING SERVICE	432				432
120	DEFENSE INFORMATION SYSTEMS AGENCY	945,594				945,594
140	DEFENSE LEGAL SERVICES AGENCY	36,350				36,350
150	DEFENSE LOGISTICS AGENCY Commercial Technologies for Maintenance Activities (CTMA)	299,778	15,000	15,000		299,778 15,000

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	Procurement Technical Assistance Program		7,000	7,000		7,000
160	DEFENSE POW / MISSING PERSONS OFFICE	16,400				16,400
	Defense Prisoner of War Missing Personnel Office		200	200		200
170	DEFENSE TECHNOLOGY SECURITY AGENCY	23,671				23,671
	Global Force Management Visibility Toolset		2,000	2,000		2,000
180	DEFENSE THREAT REDUCTION AGENCY	333,548				333,548
190	DEPARTMENT OF DEFENSE EDUCATION AGENCY	1,833,431				1,833,431
	Parents as Teachers		3,000	3,000		3,000
	Coming Together Around Military Families		6,500	6,500		6,500
200	DEFENSE HUMAN RESOURCES ACTIVITY	376,292				376,292
210	DEFENSE CONTRACT MANAGEMENT AGENCY	1,044,139				1,044,139
220	DEFENSE SECURITY COOPERATION AGENCY	673,400				673,400
230	DEFENSE SECURITY SERVICE	372,457				372,457
250	OFFICE OF ECONOMIC ADJUSTMENT	57,176				57,176
	Port of Corpus Christi Military Seaport Infrastructure		5,000	5,000		5,000
260	OFFICE OF THE SECRETARY OF DEFENSE	1,093,742				1,093,742
	Readiness and Environmental Protection Initiatives		20,000	20,000		20,000
270	WASHINGTON HEADQUARTERS SERVICES	439,277				439,277
999	OTHER PROGRAMS	10,156,363				10,156,363
	TOTAL, BUDGET ACTIVITY 04:	18,503,634	62,700	62,700		18,566,334
	UNDISTRIBUTED					
	DOD Impact Aid BRAC and Force Structure		15,000	15,000		15,000
	Impact Aid for DOD Impacted Schools		50,000	50,000		50,000
	Connect and Join		1,000	1,000		1,000
	Cold War Victory Medal		2,000	2,000		2,000
	Combat Veterans Mentoring Program		2,000	2,000		2,000
	National Guard Yellow Ribbon Reintegration Program		23,000	23,000		23,000

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	Program to Commemorate 50th Anniversary of Vietnam		3,000	3,000		3,000
	Total Operation and Maintenance, Defense-Wide	22,574,278	158,700	158,700		22,732,978
	Operation and Maintenance, Army Reserve					
	BUDGET ACTIVITY 01: OPERATING FORCES					
	<u>LAND FORCES</u>	<u>1,132,833</u>				<u>1,132,833</u>
010	MANEUVER UNITS	4,465				4,465
020	MODULAR SUPPORT BRIGADES	15,706				15,706
030	ECHOLON ABOVE BRIGADES	443,577				443,577
040	THEATER LEVEL ASSETS	154,575				154,575
050	LAND FORCES OPERATIONS SUPPORT	514,510				514,510
	<u>LAND FORCES READINESS</u>	<u>509,240</u>				<u>509,240</u>
060	AVIATION ASSETS	63,133				63,133
070	FORCE READINESS OPERATIONS SUPPORT	230,689				230,689
080	LAND FORCES SYSTEM READINESS	84,725				84,725
090	LAND FORCES DEPOT MAINTENANCE	130,683				130,683
	<u>LAND FORCES READINESS SUPPORT</u>	<u>736,902</u>				<u>736,902</u>
100	BASE OPERATIONS SUPPORT	502,679				502,679
110	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	222,856				222,856
120	ADDITIONAL ACTIVITIES	11,367				11,367
	TOTAL, BUDGET ACTIVITY 01:	2,378,975				2,378,975
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	<u>ADMINISTRATION AND SERVICEWIDE ACTIVITIES</u>	<u>129,087</u>				<u>129,087</u>
130	ADMINISTRATION	67,309				67,309
140	SERVICEWIDE COMMUNICATIONS	10,427				10,427
150	MANPOWER MANAGEMENT	8,321				8,321
160	RECRUITING AND ADVERTISING	43,030				43,030
	TOTAL, BUDGET ACTIVITY 04:	129,087				129,087
	Total Operation and Maintenance, Army Reserve	2,508,062				2,508,062
	Operation and Maintenance, Navy Reserve					
	<u>BUDGET ACTIVITY 01: OPERATING FORCES</u>					
	<u>RESERVE AIR OPERATIONS</u>	<u>703,327</u>				<u>703,327</u>
010	MISSION AND OTHER FLIGHT OPERATIONS	561,550				561,550
020	INTERMEDIATE MAINTENANCE	17,029				17,029
030	AIR OPERATIONS AND SAFETY SUPPORT	3,169				3,169
040	AIRCRAFT DEPOT MAINTENANCE	121,186				121,186
050	AIRCRAFT DEPOT OPERATIONS SUPPORT	393				393
	<u>RESERVE SHIP OPERATIONS</u>	<u>92,514</u>				<u>92,514</u>
060	MISSION AND OTHER SHIP OPERATIONS	49,766				49,766
070	SHIP OPERATIONAL SUPPORT AND TRAINING	573				573
080	SHIP DEPOT MAINTENANCE	41,616				41,616
090	SHIP DEPOT OPERATIONS SUPPORT	559				559
	<u>RESERVE COMBAT OPERATIONS SUPPORT</u>	<u>136,875</u>				<u>121,531</u>

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
100	COMBAT COMMUNICATIONS	15,344				15,344
110	COMBAT SUPPORT FORCES	121,531				121,531
120	<u>RESERVE WEAPONS SUPPORT</u>	<u>2,141</u>				<u>2,141</u>
	WEAPONS MAINTENANCE	2,141				2,141
130	<u>BASE SUPPORT</u>	<u>236,904</u>				<u>146,642</u>
140	ENTERPRISE INFORMATION	90,262				90,262
150	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	52,000				52,000
	BASE OPERATIONS SUPPORT	94,642				94,642
	TOTAL, BUDGET ACTIVITY 01:	1,171,761				1,171,761
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
180	<u>ADMINISTRATION AND SERVICEWIDE ACTIVITIES</u>	<u>14,705</u>				<u>14,705</u>
170	ADMINISTRATION	3,260				3,260
180	MILITARY MANPOWER & PERSONNEL MGT	8,509				8,509
190	SERVICEWIDE COMMUNICATIONS	2,936				2,936
	COMBATWEAPONS SYSTEMS					
210	<u>CANCELLED ACCOUNTS</u>	<u>417</u>				<u>417</u>
999	CANCELLED ACCOUNTS					
	OTHER PROGRAMS	417				417
	TOTAL, BUDGET ACTIVITY 04:	15,122				15,122

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
UNDISTRIBUTED						
	Under-execution of end strength		(4,000)		(4,000)	(4,000)
	Total Operation and Maintenance, Navy Reserve	1,186,883	(4,000)		(4,000)	1,182,883
	Operation and Maintenance, Marine Corps Reserve					
BUDGET ACTIVITY 01: OPERATING FORCES						
	MISSION FORCES	87,847				87,847
010	OPERATING FORCES	49,487				49,487
020	DEPOT MAINTENANCE	11,229				11,229
030	TRAINING SUPPORT	27,131				27,131
	BASE SUPPORT	84,825				84,825
040	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	14,827				14,827
050	BASE OPERATIONS SUPPORT	69,998				69,998
	TOTAL, BUDGET ACTIVITY 01:	172,672				172,672
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES						
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	31,355				31,355
060	SPECIAL SUPPORT	12,417				12,417
070	SERVICEWIDE TRANSPORTATION	826				826
080	ADMINISTRATION	9,422				9,422
090	RECRUITING AND ADVERTISING	8,690				8,690

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	BASE SUPPORT	4,610				4,610
100	BASE OPERATIONS SUPPORT	4,610				4,610
	TOTAL, BUDGET ACTIVITY 04:	35,965				35,965
	Total Operation and Maintenance, Marine Corps Reserve	208,637				208,637
	Operation and Maintenance, Air Force Reserve					
	BUDGET ACTIVITY 01: OPERATING FORCES					
	AIR OPERATIONS	2,569,037				2,569,037
010	PRIMARY COMBAT FORCES	1,709,952				1,709,952
020	MISSION SUPPORT OPERATIONS	99,253				99,253
030	DEPOT MAINTENANCE	399,573				399,573
040	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	83,405				83,405
050	BASE OPERATIONS SUPPORT	276,854				276,854
	TOTAL, BUDGET ACTIVITY 01:	2,569,037				2,569,037
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	123,040				123,040
060	ADMINISTRATION	70,152				70,152
070	RECRUITING AND ADVERTISING	22,704				22,704
080	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	22,995				22,995

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
090	OTHER PERSONNEL SUPPORT	6,505				6,505
100	AUDIOVISUAL	684				684
	TOTAL, BUDGET ACTIVITY 04:	123,040				123,040
	Total Operation and Maintenance, Air Force Reserve	2,692,077				2,692,077
	Operation and Maintenance, Army National Guard					
	BUDGET ACTIVITY 01: OPERATING FORCES					
	<u>LAND FORCES</u>	<u>2,641,357</u>	<u>5,000</u>	<u>5,000</u>		<u>2,646,357</u>
010	MANEUVER UNITS	638,508				638,508
	Extended Cold Weather Clothing Support			2,000		2,000
020	MODULAR SUPPORT BRIGADES	423,443				423,443
030	ECHELONS ABOVE BRIGADE	555,457				555,457
	M-Gators			1,000		1,000
040	THEATER LEVEL ASSETS	627,343				627,343
	Battery Modernization Program			2,000		2,000
050	LAND FORCES OPERATIONS SUPPORT	34,721				34,721
060	AVIATION ASSETS	361,885				361,885
	<u>LAND FORCES READINESS</u>	<u>885,668</u>				<u>885,668</u>
070	FORCE READINESS OPERATIONS SUPPORT	309,655				309,655
080	LAND FORCES SYSTEMS READINESS	109,561				109,561
090	LAND FORCES DEPOT MAINTENANCE	466,452				466,452
	<u>LAND FORCES READINESS SUPPORT</u>	<u>1,958,951</u>				<u>1,958,951</u>

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
100	BASE OPERATIONS SUPPORT	828,418				828,418
110	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	486,341				486,341
120	MANAGEMENT & OPERATIONAL HEADQUARTERS	551,675				551,675
130	ADDITIONAL ACTIVITIES	92,517				92,517
	TOTAL, BUDGET ACTIVITY 01:	5,485,976	5,000	5,000		5,490,976
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
	<u>SERVICEWIDE SUPPORT</u>	<u>354,233</u>				<u>354,233</u>
140	ADMINISTRATION	119,227				119,227
150	SERVICEWIDE COMMUNICATIONS	52,250				52,250
160	MANPOWER MANAGEMENT	7,396				7,396
170	RECRUITING AND ADVERTISING	175,360				175,360
	TOTAL, BUDGET ACTIVITY 04:	354,233				354,233
	UNDISTRIBUTED					
	Florida-New York Civil Support Team Increase		600	600		600
	Total Operation and Maintenance, Army National Guard	5,840,209	5,600	5,600		5,845,809
	Operation and Maintenance, Air National Guard					
	BUDGET ACTIVITY 01: OPERATING FORCES					
	<u>AIR OPERATIONS</u>	<u>4,987,828</u>				<u>4,987,828</u>
010	AIRCRAFT OPERATIONS	3,049,334				3,049,334
020	MISSION SUPPORT OPERATIONS	540,633				540,633

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
030	DEPOT MAINTENANCE	587,485				587,485
040	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	285,227				285,227
050	BASE OPERATIONS SUPPORT	525,149				525,149
	TOTAL, BUDGET ACTIVITY 01:	4,987,828				4,987,828
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
	SERVICEWIDE ACTIVITIES					
060	ADMINISTRATION	54,137				54,137
070	RECRUITING AND ADVERTISING	30,716				30,716
		23,421				23,421
	TOTAL, BUDGET ACTIVITY 04:	54,137				54,137
	UNDISTRIBUTED					
	Florida-New York Civil Support Team Increase		2,400	2,400		2,400
	Total Operation and Maintenance, Air National Guard	5,041,965	2,400	2,400		5,044,365
	TRANSFER ACCOUNTS					
020	ENVIRONMENTAL RESTORATION, ARMY	434,879				434,879
030	ENVIRONMENTAL RESTORATION, NAVY	300,591				300,591
040	ENVIRONMENTAL RESTORATION, AIR FORCE	458,428				458,428
050	ENVIRONMENTAL RESTORATION, DEFENSE	12,751				12,751
060	ENVIRONMENTAL RESTORATION, FORMERLY USED SITES	250,249				250,249
070	OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND	5,000				5,000
	TOTAL, O&M, TRANSFER ACCOUNTS	1,461,898				1,461,898

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
	MISCELLANEOUS APPROPRIATIONS					
110	U.S. COURT OF APPEALS FOR THE ARMED FORCES	11,971				11,971
160	OVERSEAS HUMANITARIAN, DISASTER AND CIVIC AID	103,300				103,300
170	FORMER SOVIET UNION (FSU) THREAT REDUCTION	348,048				348,048
	Shchuch'ye Chemical Weapons Destruction Project		42,700	42,700		42,700
	New CTR program activities		7,300	7,300		7,300
	TOTAL, MISCELLANEOUS	463,319	50,000	50,000		513,319
	TOTAL OPERATION AND MAINTENANCE TITLE:	142,854,017	(339,902)	738,250	(1,078,152)	142,514,115

Title III - REVOLVING AND MANAGEMENT FUNDS
(Dollars in Thousands)

PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
<u>REVOLVING AND MANAGEMENT FUNDS</u>					
DEFENSE WORKING CAPITAL FUND					
Army	5,000				5,000
Navy	14,000				14,000
Air Force	60,000				60,000
Defense-wide	23,000				23,000
Subtotal Services and Defense-wide	102,000				102,000
Defense Commissary Agency	1,250,000				1,250,000
TOTAL, DEFENSE WORKING CAPITAL FUND	1,352,000				1,352,000
MANAGEMENT FUNDS					
National Defense Sealift Fund	1,079,094	456,100	456,100		1,535,194
Defense Coalition Support Fund	22,000				22,000
TOTAL, MANAGEMENT FUNDS	1,101,094	456,100	456,100		1,557,194
TOTAL, REVOLVING AND MANAGEMENT FUNDS	2,453,094	456,100	456,100		2,909,194

Title III - OTHER PROGRAMS
(Dollars in Thousands)

PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
DEFENSE HEALTH PROGRAM					
Operations and Maintenance	20,182,381	1,791,923	2,141,760	(349,837)	21,974,304
Prohibit TRICARE fee increases (Current Law)			1,862,000		
Operations and Maintenance Changes to Current Law			279,760	(349,837)	
Restore efficiency cuts in medical			212,360		
Hospital extension			400		
Madigan Trauma Trust			2,000		
Mental Initiative			5,000		
TBI Initiative			5,000		
Nursing program			1,000		
H7XX: Pre and Post Deployment Assessments for Brain Health			4,000		
Navy FY07 under-execution end strength				(3,000)	
Restore military to civilian conversions				(146,837)	
Undexpended DHP balances				(200,000)	
Sustain, Restore, Modernize (SRM) for DHP			50,000		
Procurement	362,261				362,261
Research and Development	134,482				134,482
TOTAL DEFENSE HEALTH PROGRAM	20,679,124	1,791,923	2,141,760	(349,837)	22,471,047
CHEMICAL AGENTS AND MUNITIONS PROGRAM					
Operations and Maintenance		1,162,452	1162452		1,162,452
Procurement		18,426	18426		18,426
Research and Development		274,846	274846		274,846
TOTAL CHEMICAL AGENTS AND MUNITIONS DESTRUCTION		1,455,724	1,455,724		1,455,724

Title III - OTHER PROGRAMS
(Dollars in Thousands)

PROGRAM TITLE	FY 2008 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2008 Committee Authorization
DRUG INTERDICTION AND COUNTER-DRUG PROGRAM					
Operations and Maintenance	936,822				936,822
International Support				(12,000)	
Southwestern Border Fence			8,000		
Airborne Counter-Narcotics/Terrorism Threat Protection			4,000		
TOTAL, DRUG INTERDICTION AND COUNTER-DRUG PROGRAM	936,822		12,000	(12,000)	936,822
OFFICE OF THE INSPECTOR GENERAL					
Operations and Maintenance	214,995				214,995
Procurement	1,000				1,000
TOTAL, OFFICE OF THE INSPECTOR GENERAL	215,995				215,995
TOTAL, OTHER DEPARTMENT OF DEFENSE PROGRAMS	21,887,665	3,247,647	3,609,484	(361,837)	25,135,312

ITEMS OF SPECIAL INTEREST
BUDGET REQUEST ADJUSTMENTS

The committee recommends the following adjustments to the fiscal year 2008 amended budget request:

[in millions of dollars]

Department of the Army Adjustments:	
BA 2 Army Prepositioned Stocks	(70.0)
BA 3 Leadership for Leaders Command and General Staff College	+1.0
BA 3 Air and Missile Defense Instrumentation System	+1.4
BA 4 Army Servicewide Communications—Other Contracts	(43.0)
Undistributed Readiness Training Restoration	+250.0
Undistributed Operational Unobligated balances estimate	(318.6)
BA 1 National Guard Extended Cold Weather Clothing System	+2.0
BA 1 National Guard M—Gators	+1.0
BA 1 National Guard ARNG Battery Modernization Program	+2.0
Undistributed Florida-New York Civil Support Team Increase	+0.6
Department of the Navy Adjustments:	
BA 1 Aircraft Depot Maintenance	+91.6
BA 1 Ship Reserve Maintenance	+12.0
BA 1 Joint POW/MIA Accounting Command	+7.5
BA 3 Naval Sea Cadet Corps	+0.3
BA 4 National Security Personnel System	(5.5)
BA 4 A-76 Studies	(3.9)
BA 4 Naval Marine Corps Intranet	(10.0)
Undistributed Navy Operational Unobligated Balances Estimate	(202.6)
Undistributed Navy Civilian Personnel Overstatement	(75.0)
Undistributed Under-execution of End Strength	(12.0)
Undistributed Under-execution of End Strength	(4.0)
United States Marine Corps Adjustments:	
BA 1 Multi-Voltage EMI Hardened Fluorescent Stringable Tent Lighting System	+3.5
BA 1 Family of Combat Equipment and Support	+10.0
BA 1 Radar Set, 3-D Long-Range	+12.0
BA 4 Expeditionary Fighting Vehicle Program Support	(20.0)
Undistributed Operational Unobligated Balances Estimate	(42.9)
Department of the Air Force Adjustments:	
BA 1 MBU/P Oxygen Mask with Lights	+2.0
BA 1 Air Force Depot Purchased Equipment Maintenance	+62.0
BA 1 B-52 Attrition Reserve	+63.0
BA 1 Baselevel Communications Infrastructure	(40.0)
BA 1 Cheyenne Mountain Transformation	(9.2)
BA 1 Air Defense Contracts and Space Support	(15.0)
BA 1 Maintain Fairchild AFB SAR Capability	+4.0
BA 4 Life Sciences Equipment Laboratory	+0.3
Undistributed Management Professional Support Service	(4.0)
Undistributed Locally Purchased Fuel	(5.0)
Undistributed Equipment Maintenance by Contract	(50.0)
Undistributed Purchased Communications	(70.0)
Undistributed Operational Unobligated Balances Estimate	(200.4)
Undistributed Florida-New York Civil Support Team Increase	+2.4
Defense-Wide Activities Adjustments:	
BA 4 National Guard Youth Challenge	+3.5
BA 4 DOD STARBASE Program	+0.5
BA 4 Commercial Technologies for Maintenance Activities (CTMA)	+15.0
BA 4 Procurement Technical Assistance Program	+7.0
BA 4 Defense Prisoner of War Missing Personnel Office	+0.2
BA 4 Global Force Management Visibility Toolset	+2.0
BA 4 Parents as Teachers	+3.0
BA 4 Coming Together Around Military Families	+6.5
BA 4 Port of Corpus Christi Military Seaport Infrastructure	+5.0
BA 4 Readiness and Environmental Protection Initiatives	+20.0
Undistributed DOD Impact Aid BRAC and Force Structure	+15.0
Undistributed Impact Aid for DOD Impacted Schools	+50.0
Undistributed Connect and Join	+1.0
Undistributed Cold War Victory Medal	+2.0

[in millions of dollars]—Continued

Undistributed Combat Veterans Mentoring Program	+2.0
Undistributed National Guard Yellow Ribbon Reintegration Program	+23.0
Undistributed Program to Commemorate 50th Anniversary of Vietnam	+3.0

Air Force Depot Purchased Equipment Maintenance

The budget request contained \$2.7 billion for depot purchased equipment maintenance (DPEM) for active Air Force aircraft, engines, missiles, software, other major end items and storage for Air Force weapon systems and subsystems. Budget justification materials showed maintenance deferrals for 50 aircraft and 91 engines. The committee recommends an increase of \$62.0 million to help eliminate aircraft and engine deferrals across various platforms.

Army Prepositioned Stocks

The budget contained a request for \$156.3 million for the Army Prepositioned stocks. These funds are intended to support the storage and maintenance of the Army's prepositioned stocks of material. This material is stored in locations around the world and on afloat ships to facilitate rapid deployment in support of emergent contingencies. The committee notes that in fiscal year 2007, a significant portion of the material in the prepositioned stocks was drawn from these stocks to support Army requirements.

The fiscal year 2008 request for maintaining the prepositioned stocks is \$89.8 million higher than the fiscal year 2007 level. The committee is pleased that the Army has responded to concerns that more emphasis is needed on maintaining the prepositioned materiel. The committee, however, can not support all of the fiscal year 2008 requested increase as it is based on maintaining prepositioned material that has been issued and is no longer in the prepositioned stocks.

Therefore, the committee recommends \$86.3 million, a decrease of \$70.0 million, for the Army Prepositioned Stocks.

B-52

The committee understands that the 2006 Quadrennial Defense Review directed the Air Force to reduce the B-52 force to 56 aircraft and use the savings to fully modernize the remaining B-52s, B-1s, and B-2s to support global strike operations. The committee realizes that the current B-52 combat coded force structure of 44 is insufficient to meet combatant commander requirements for conventional long-range strike, if the need should arise to conduct near simultaneous operations in two major regional conflicts. The committee is deeply concerned that retirement of any B-52 aircraft prior to a replacement long-range strike aircraft reaching initial operational capability status is premature.

The committee understands that the Air Force plans to modernize and upgrade only 56 of the total 76 B-52 aircraft in the inventory. The committee strongly opposes a strategy to reduce capability in present day conventional long-range strike capability without a replacement platform that is not projected to achieve initial operational capability until well into the future.

The committee recommends an increase of \$63.0 million for readiness of the entire B-52 bomber fleet. Additional increases have been made in Title I and section 401 of this Act, amounting to \$20.0 million and \$5.3 million, respectively.

Cheyenne Mountain

The budget request contained \$9.2 million to support the relocation of assets from Cheyenne Mountain to Peterson Air Force Base.

The committee is concerned about US Northern Command (USNORTHCOM) plans to move the North American Aerospace Defense (NORAD) command center and related functions from Cheyenne Mountain to Peterson Air Force Base and create a single NORAD-USNORTHCOM Command Center. The committee understands that USNORTHCOM has identified costs of about \$42.0 million to integrate the command centers, but the full costs will not be known until the completion of ongoing security-related studies. The committee is also aware that USNORTHCOM expects the integrated center will improve unity of effort and create operational efficiencies. However, the Government Accountability Office (GAO) informed the committee that USNORTHCOM has not done an analysis that compares the estimated cost to the anticipated benefits.

In section 356 of Title III, the committee directs the Secretary of Defense to submit a report to Congress on the relocation of NORAD and directs the Secretary of Defense to wait for 180 days until relocation activities may commence. Furthermore, the committee directs the Comptroller General to prepare a report on their assessment of the proposed NORAD relocation plans within 60 days of receiving the Secretary of Defense report.

The committee recommends a decrease of \$9.2 million from the Air Force Cheyenne Relocation project to ensure sufficient time is available for the committee to review the recommendation.

Corpus Christi Military Seaport Upgrades

The committee recommends an increase of \$4.0 million to the Department of Defense Office of Economic Adjustment for the Port of Corpus Christi for military seaport infrastructure upgrades. Furthermore, the committee recommends an increase of \$1.0 million to the Department of Defense Office of Economic Adjustment for the Department of Defense certified, Local Reuse Authority that is representative of the Coastal Bend, Corpus Christi, Texas area adversely affected by BRAC 2005.

Expeditionary Fighting Vehicle Program Office Support

The budget request contained \$26.0 million in Operation and Maintenance funding for program office support of the Marine Corps expeditionary fighting vehicle (EFV).

In light of the committee's reduction of the EFV developmental program in Title II due to suspension of the research and development program and delays in system development, the committee recommends a decrease of \$20.0 million in Operation and Maintenance funding for the EFV.

Maintain 36th Rescue Flight, Fairchild AFB

The budget request contained no funds for the 36th Rescue Flight (RQF) assigned to Fairchild Air Force Base in Spokane, Washington.

The committee strongly supports the 36th RQF and is concerned that by not providing funding in the budget request the Department intends to deactivate this unit, without providing certifying information to Congress that equivalent search and rescue capabilities are available for the region and in support of the National Response Plan.

The committee recommends \$4.0 million to maintain this critical function.

Navy Aircraft Depot Maintenance

The budget request contained \$1.0 billion for depot maintenance for Navy active aircraft and \$151.0 million for reserve aircraft depot maintenance. The goal of the airframe rework program is to provide enough airframes to meet 90 percent of the goal for primary authorized aircraft (PAA) for non-deployed squadrons. The engine rework program objective is to fill 90 percent of authorized spare requirements for each engine type/model/series by returning engines/modules to a Ready-for-Issue (RFI) status. The budget request is sufficient to meet 79 and 85 percent of those goals, respectively, for active aircraft and to meet 74 percent of the PAA goal and 88 percent of the engine RFI spares goal for reserve aircraft.

The committee recommends an increase of \$91.6 million to help reach the 90 percent goal for depot maintenance of Navy active and reserve aircraft airframes and engine spares.

Readiness and Environmental Protection Initiative

The budget request contained \$30.0 million for the Readiness and Environmental Protection Initiative (REPI).

The committee expects the secretaries of the military departments to use the authority and funding available through the REPI program to enter into agreements with willing entities to prevent or limit the use of property that would impede the mission of that military installation. The committee also supports the efforts to provide encroachment buffers at Whiteman Air Force Base (AFB).

The committee recommends \$50.0 million for the Readiness and Environmental Protection Initiative, an increase of \$20.0 million. Included in this increase is \$3.0 million to support encroachment buffers at Whiteman AFB. The committee also encourages the Department of Defense to explore using this authority at McChord AFB.

Reserve Forces Ship Maintenance

The budget request contained \$42.0 million for Department of the Navy reserve forces ship maintenance, 78 percent of the projected maintenance requirement.

The committee recommends an increase of \$12.0 million to buy down the projected deferred maintenance for fiscal year 2008.

ENVIRONMENTAL ISSUES

Marine Mammal Protection Act

The committee is concerned that the Deputy Secretary of Defense authorized a two-year National Defense Exemption from the Marine Mammal Protection Act (MMPA) section 1361–1421h of title 16, United States Code, on January 23, 2007. The committee is aware that this exemption applies to military readiness activities involving mid-frequency active sonar or explosive sonobuoys either during major training exercises, or within established ranges and operating areas. The committee recognizes that this exemption is intended to span the duration of time during which the Department of the Navy is working to come into full compliance with the MMPA. Until such time as the Navy achieves full compliance with the MMPA, the committee directs the Secretary of the Navy to document those specific activities undertaken under the authority of the National Defense Exemption. Further, the committee directs the Secretary of the Navy to submit a report on those activities to the Senate Committee on Armed Services and the House Committee on Armed Services by February 1, 2008. In addition, the committee encourages the Department to submit a report by February 1 of each subsequent year for as long as the exemption is in effect. The report shall include an assessment of the increase in military readiness and the estimated number and species of marine mammals injured and killed as a result of those activities undertaken under the authority of the exemption and an estimate of the population level effect, if any, on these species. Additionally, the report should provide an update on activities undertaken by the Navy to achieve full compliance with the MMPA.

Study on Military Readiness and Exemptions to Environmental Laws

The committee is aware of the often competing requirements for maintaining military readiness and protecting the environment. While the committee considers military readiness to be of utmost importance, the committee also holds the Department of Defense responsible for sound environmental management. The committee understands that for a number of years the Department has been granted exemptions for certain provisions of the Clean Air Act, section 7401 of title 42, United States Code; Clean Water Act, section 1251 of title 33, United States Code; Endangered Species Act section 1531 of title 16, United States Code; Noise Control Act, section 4901 of title 42, United States Code; Solid Waste Disposal Act, section 6901 of title 42, United States Code; Safe Drinking Water Act, section 300f of title 42, United States Code; Migratory Bird Treaty Act, section 701 of title 16, United States Code; Marine Mammal Protection Act, section 1361 of title 16, United States Code; and the Comprehensive Environmental Response, Compensation, and Liability Act, section 9601 of title 42, United States Code. The committee would like to ensure that the exemptions provided under these acts have resulted in a measured increase in readiness and would like to broadly understand resulting impacts imposed on the environment.

The committee directs the Comptroller General of the United States to conduct a study on the extent to which the current environmental laws, regulations and exemptions are affecting the Department's training activities, readiness, and the environment. The study shall include the following: a determination of the full set of exemptions available to the Department; a review of how the exemptions have been used; an assessment of what incremental benefits to military readiness and impacts to the environment have resulted; and the extent to which the Department has systematically documented the effects of exemptions from environmental laws and regulations on training, readiness, and the environment. The report shall be submitted to the Senate Committee on Armed Services and the House Committee on Armed Services by February 1, 2008.

OTHER MATTERS

Depot Maintenance Workload Carryover

The committee is aware that the heavy workload requirements generated by Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) are creating carryover issues for the services' depots, particularly Army and Marine Corps depots. Carryover is that portion of the maintenance program not completed during the year of funding obligation and carried into the next fiscal year. Under Department of Defense policy, the allowable amount of carryover is based on the outlay rate of the customers' appropriations financing the work. According to the Government Accountability Office, carryover is greatly affected by orders accepted by working capital fund activities late in the fiscal year that generally cannot be completed by fiscal year end, and in some cases cannot even be started prior to the end of the fiscal year. As a result, almost all orders accepted late in the fiscal year increase the amount of carryover. Due to the already-heavy OIF and OEF-related workload, the carryover problem for the depots is exacerbated when program offices, facing fiscal year-end spending challenges, load the depots with even more work.

Until OIF and OEF and the ongoing reset of military equipment cease to generate exceptionally high levels of workload for the depots, the committee strongly recommends that the Department manage depot workloads so that the established carryover rules do not become a detriment to the organic depots.

Facility Sustainment, Restoration and Modernization

The committee is encouraged that the Department of Defense (DOD) has generally retained the fiscal discipline to avoid migrating funding from the sustainment, restoration and modernization accounts. This discipline will ensure that budgeted funding is available to support required maintenance of defense infrastructure. However, the committee remains concerned that the Department continues to underestimate the long-term cost implications related to underfunding the sustainment accounts and is disappointed in the amount for this account in fiscal year 2008 budget request.

Since 2001, the Department has maintained a goal of fully funding the sustainment account and has implemented a sustainment

model that measures the facilities requirements across the Department. This fiscal goal was established to ensure optimal sustainment funding was available that maximized the long-term investment. Unfortunately, the fiscal year 2008 budget contains the lowest level of funding since implementation of the model. The most egregious activities of underfunding the sustainment accounts include the Defense Health Program (funded at 87 percent of the stated requirement), the Department of the Navy (funded at 83 percent of the stated requirement) and the Department of Defense Education Activity (funded at 65 percent of the stated requirement). The committee is particularly concerned with the sustainment funding provided to medical activities and the resultant condition of facilities at these critical service nodes. If funding were provided as recommended in the budget request, the committee expects accelerated deterioration of DOD's infrastructure.

Accordingly, the committee recommends an increase of \$50.0 million for the Defense Health Program, sustainment, restoration and modernization account to fully fund sustainment in this critical area and most particularly at the Walter Reed Army Medical Center. Also, the committee encourages the Department to determine fiscal sustainment, restoration and modernization fiscal controls throughout the Department to avoid the wide disparities amongst the different components. Finally, the committee expects the Department to financially support their stated goals to fully fund sustainment in all accounts in the budget submission for fiscal year 2009.

Ground Combat Skills Training

The committee is aware that the Navy and Air Force are planning to introduce new courses in combat first aid and heavy weapons training, skills more commonly associated with ground forces. The Navy is planning an eight-week expeditionary combat skills course for all sailors assigned to the Navy Expeditionary Combat Command (NECC). The course would focus on four aspects of ground warfare: moving, shooting, communicating and administering first aid. The committee understands that the Navy is looking at possible east coast and west coast locations for the course, as well as at Army and Marine Corps bases. The Air Force is already conducting combat skills training at Camp Andreson-Peters, Texas, and will be starting the Common Battlefield Airman Training Course as a five-day class with plans to expand it by 2010 to a 20-day class that would include physical fitness training, self-defense, advanced weapons training, combat medical skills, integrated base defense classes, land navigation, and tactical field operations. While initially the Air Force will use an Army training site, the committee understands that the Air Force is considering three candidate sites for a permanent school.

The committee is very concerned about the creep of non-traditional missions, such as ground combat skills, into the Navy and Air Force and the resulting potential weakening of those services' core competency skills. This movement of the Navy and Air Force into non-traditional roles and missions is evidenced in the increased use of "in lieu of" sailors and airmen to augment Army and Marine Corps ground combat forces in Operation Enduring Freedom and Operation Iraqi Freedom. Sailors and airmen are increas-

ingly being called upon to help drive trucks, provide security at deployed bases, and protect convoys. Jointness dictates that the services operate within their core competencies and seek the expertise of the service whose skills lie in a particular competency. While training of sailors and airmen in ground combat skills may be a necessity given current combat operations, the committee believes it should be treated as an exception rather than a reason to establish permanent training.

The committee is hopeful that efforts by the Army and Marine Corps to increase their end strength permanently will help alleviate the pressure to use Navy and Air Force personnel in these ways. In Title IX of this Act, the committee directs action designed to review comprehensively review current Department of Defense roles and missions and the core capabilities of the respective military services.

The committee strongly encourages the Navy and the Air Force to use existing ground combat skills training courses to avoid duplication of training already offered within the Marine Corps and Army.

Impact of Contingency Operations on the Army Working Capital Fund

The committee is concerned about the financial impact of ongoing military operations on the Army Working Capital Fund. Prior to the start of Operation Iraqi Freedom (OIF), the Army Working Capital Fund in fiscal year 2002 showed \$2.5 billion in orders with vendors for the purchase of inventory items. Because of increased customer demands due to the rapid deployment of large operating forces and high military operational tempo, the Army's fiscal year 2008 budget request shows this amount has grown substantially. Since fiscal year 2004, the Army has sustained over \$7.0 billion annually in orders with vendors. The Army estimates the level of undelivered orders will reach \$7.5 billion in fiscal year 2007, almost three times the pre-war level.

Following the end of OIF, the Department of Army will retain orders with vendors for inventory items purchased to sustain the war effort, but whose peacetime need is significantly reduced. Upon delivery of the ordered inventory items, the Army Working Capital Fund will need sufficient funds to pay for these items. The fiscal year 2008 budget request contained no funds for repayment of the \$2.0 billion that was transferred from the Army Working Capital during fiscal years 2004 and 2005 to the Operation and Maintenance accounts to support war-related requirements. But, the Army, in its budget justification material, still projects that "at some point, all or part of the \$2.0 billion transferred from the fund must be repaid so that the fund has sufficient cash to pay for material on order in the Supply Management activity group." The committee is very concerned about this growing financial requirement and the implications for future budget requests, the Department of Defense budget topline, and potential violation of the Antideficiency Act. Therefore, the committee strongly encourages the Department of Defense and the Department of the Army to develop a plan to repay the Army Working Capital Fund, ensuring its financial viability and limiting future reprogramming requests to only those with established repayment plans.

Lifecycle Sustainment Strategic Plans

The committee believes that core logistics and source-of-repair decisions are critical elements of a program's acquisition strategy and must be made early in the acquisition process to ensure adequate and appropriate organic technical repair and support capability. Furthermore, the committee believes that establishing a life-cycle strategic plan and a life-cycle program baseline early in the acquisition cycle could reduce life-cycle costs and enable strategic planning for adequate and appropriate workload in organic repair facilities. Such a plan would broadly examine key readiness drivers such as materiel availability, materiel reliability, total costs of ownership, and repair cycle times, and would facilitate decision-making and visibility on readiness enablers during program acquisition. The committee applauds the Air Force's December 2006 policy memorandum requiring a strategic source-of-repair determination at a point in the acquisition cycle to allow an earlier assessment of the sustainment concept. Accordingly, the committee encourages the Secretary of Defense to require development of a life-cycle program baseline and life-cycle strategic plan prior to system development and demonstration.

Military Tire Privatization

The committee is aware that the Defense Logistics Agency recently let two contracts for supply and distribution of military tires for aviation and ground applications. The committee notes that these contracts were awarded under a program recommended in the 2005 Defense Base Closure and Realignment Report which was required by the Defense Base Closure and Realignment Act of 1990 (Public Law 100-510), as amended. The committee expects that these contracts will produce significant savings in the acquisition, storage, and distribution of military tires. The committee is concerned, however, that the new program structure could reduce the incentive for the incumbent military tire provider to maximize competition in the production of military tires. The committee expects the Defense Logistics Agency, in managing contracts for supply and distribution of military tires, to ensure, to the maximum extent practicable, that all qualified mobilization base tire manufacturers have a fair and equal opportunity to compete.

Prime Vendor Contracts

Prime Vendor (PV) contracts allow military customers to buy commercial products directly from a pre-established commercial distributor. The Government Accountability Office (GAO) has supported the PV concept as a method of cost savings through reduced inventories. In the 1990s, Congress encouraged the Defense Logistics Agency (DLA) to use the PV program to eliminate warehouses stocked with millions of dollars of material. Although there have been problems, particularly concerning allegations of overpricing of certain items in the food service program which the committee investigated in 2005, the committee is encouraged by actions taken by DLA to improve its management oversight and internal controls over the program. In recent reports, the GAO highlighted deficiencies related to management and oversight of the program, which DLA is attempting to address, but GAO noted that not all

corrective actions are complete. DLA adjusted its acquisition strategy for commodities not suitable for the PV concept and introduced specific requirements to ensure price reasonableness determinations across the program. In addition, DLA senior leadership demonstrated their commitment to the PV program by implementing an annual certified training program and establishing a senior civilian acquisition position to oversee the PV program. The committee encourages the DLA to continue its efforts to improve efficiencies and increase optimum value in the services and supplies needed to satisfy the requirements of the military departments.

Program for Tracking High-Altitude Aviation Training

The committee believes that high-altitude aviation training can reduce helicopter accidents by ensuring that crews are properly trained and current in the procedures for operating in high elevations and mountainous terrain. The committee is aware that pilots who complete high altitude aviation training are not formally tracked by the Army. Therefore, the committee strongly urges the Secretary of the Army to implement a program for tracking those pilots that have attended a school with an established program of instruction for high altitude aviation operations training. The program should, if practical, utilize an existing system that permits the query of pilot flight experience and training and shall also annotate location and date of training for any high altitude aviation training.

Senior Scientific Technical Manager Positions at Naval Warfare Centers

The committee believes a key to attracting, developing and retaining the high-caliber technical talent essential for the Navy's future is to provide career growth and leadership opportunities at naval warfare centers. Senior Scientific Technical Manager (SSTM) positions are well suited to provide the needed career growth potential. However, the number of these positions is limited to 40 across the naval warfare centers. In order to enable the transformation of the Naval Sea Systems Command (NAVSEA) into a competency-aligned organization that can attract and retain the talent needed to develop and support Navy programs, the committee urges the Department of the Navy to revise current regulations and allow up to one percent of the engineering and scientific positions at NAVSEA warfare centers to be designated as SSTM positions.

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Section 301—Operation and Maintenance Funding

This section would authorize \$142.5 billion in operation and maintenance funding for the military departments and defense-wide activities.

Section 302—Working Capital Funds

This section would authorize \$2.9 billion for working capital funds of the Department of Defense and the National Defense Sealift Fund.

Section 303—Other Department of Defense Programs

This section would authorize \$25.1 billion for other Department of Defense Programs for (1) the Defense Health Program; (2) Chemical Agents and Munitions Destruction; (3) Drug Interdiction and Counter-Drug Activities, Defense-Wide; and (4) the Defense Inspector General.

SUBTITLE B—ENVIRONMENTAL PROVISIONS

Section 311—Reimbursement of Environmental Protection Agency for Certain Costs in Connection with Moses Lake Wellfield Superfund Site, Moses Lake, Washington

This section would authorize the Secretary of Defense to transfer not more than \$91,588.51 to the Moses Lake Wellfield Superfund Site 10-6J Special Account. This transfer is to reimburse the Environmental Protection Agency for its costs in overseeing a remedial investigation/feasibility study performed by the Department of the Army under the Defense Environmental Restoration Program at the former Larson Air Force Base, Moses Lake Superfund Site, Moses Lake, Washington.

Section 312—Reimbursement of Environmental Protection Agency for Certain Costs in Connection with the Arctic Surplus Superfund Site, Fairbanks, Alaska

This section would authorize the Secretary of Defense to transfer not more than \$186,625.38 to the Hazardous Substance Superfund to reimburse the Environmental Protection Agency for costs incurred pursuant to U.S. EPA Docket Number CERCLA-10-2003-0114.

Section 313—Payment to EPA of Stipulated Penalties in Connection with Jackson Park Housing Complex, Washington

This section would authorize the Secretary of the Navy to transfer not more than \$40,000.00 to the Hazardous Substance Superfund to reimburse the Environmental Protection Agency for costs incurred pursuant to U.S. EPA Docket Number CERCLA-10-2005-0023.

SUBTITLE C—WORKPLACE AND DEPOT ISSUES

Section 321—Increase in Threshold Amount for Contracts for Procurement of Capital Assets in Advance of Availability of Working-Capital Funds for the Procurement

This section would amend section 2208 of title 10, United States Code to increase the authority for the acquisition of capital assets through the Working Capital Fund from \$0.1 million to \$0.3 million.

The original intent of capital asset authority for the working capital fund was to decrease procurement lead times, implement steady workload requirements at maintenance depots, and improve supplier workload coordination with the private sector. The committee expects that by raising this authority, maintenance depots would be able to acquire components in advance of the availability of funds and thereby optimize depot capacity and flexibility. Consequently, this increased authority would enable the military services to accelerate technology refreshment of critical warfighter equipment.

Accordingly, the committee is concerned that the Financial Management Regulation (FMR) limits the opportunity to provide technology refreshment and insertion. The committee encourages the Secretary of Defense to consider potential changes to the FMR that would allow for continuous technology refreshment and insertion of components or systems that would significantly improve the performance envelope of the end item.

Section 322—Authorization of Availability of Working-Capital Funds for Certain Product Improvements

This section would amend section 2208 of title 10, United States Code, by adding a new paragraph at the end that gives limited authorization to the Department to use Defense Working Capital Funds to make limited product improvements for weapon systems, major end items, and components.

The committee is concerned that the Department of Defense Centers of Industrial and Technical Excellence (CITEs) will not be able to incorporate commercial technologies into existing components, assemblies, spares and repair parts, and other items of equipment based on the lessons learned in the wars in Afghanistan and Iraq. Most of the weapon system platforms used in combat today have exceeded the projected average age for use. The ability to use technology insertion and refreshment during depot maintenance availabilities to change the performance capability of the end item to mitigate obsolescence and improve performance is critical to the reset and recapitalization of our warfighting platforms.

Section 323—Authorization of Use of Working-Capital Funds for Acquisition of Certain Items

This section would amend section 2208 of title 10, United States Code, by adding a new paragraph at the end that would establish dollar thresholds for the Defense Working Capital Funds to acquire items that support maintenance and technology refreshment and ensure the viability of core logistics capabilities.

The committee is concerned that the Department of Defense Centers of Industrial and Technical Excellence (CITEs) will not be able to insert technology to improve reliability and maintainability, extend the useful life, enhance safety, lower maintenance costs, provide performance enhancement or expand the performance capability of weapons system platforms by the acquisition of critical new components, assemblies, spares and repair parts, and other items of equipment during depot maintenance availabilities. This provision would provide limited flexibility for the CITEs to replace obsolete components with newer technology replacements to per-

form weapon system modifications, improvement and service-life extensions during maintenance availabilities.

Section 324—Modification to Public-Private Competition Requirements Before Conversion to Contractor Performance

This section would exclude health care and retirement costs from the cost comparison process used for public-private competitions conducted pursuant to section 2461 of title 10, United States Code. This exclusion would apply if the contractor's contribution towards its employees' benefits is less than what the Congress requires the Department of Defense (DOD) to contribute for the benefits of federal civilian employees. This section, however, would not require contractors to provide the same level of health and retirement benefits as DOD. Moreover, contractors would receive full credit for using alternatives to traditional health care and defined benefit pension plans, including health savings accounts, 401(k) plans, individual savings accounts, or profit sharing plans.

This section also would strike 2467 of title 10, United States Code. The requirement at paragraph (b) for monthly consultations with employees affected by public-private competitions would be added to section 2461 of title 10, United States Code.

Section 325—Public Private Competition at End of Performance Specified in Performance Agreement Not Required

This section would allow Department of Defense managers to determine whether to recompete (after five years) work being performed by federal employees that was won by the employees under a public-private competition process, pursuant to Office of Management and Budget Circular A-76 or section 2461 of title 10, United States Code.

Section 326—Guidelines on Insourcing New and Contracted Out Functions

This section would require the Under Secretary of Defense for Personnel and Readiness to develop and implement guidance to provide managers within the Department of Defense (DOD) and the military services with the flexibility to consider using federal civilian employees for work that is new or currently being performed by contractors in certain circumstances. The guidance must be developed within 60 days after enactment and no public-private competition studies could be conducted until such guidance is issued. The section also would require the Department to establish an inventory of the functions being performed by contractors. Within 90 days after date of enactment, the DOD Inspector General would be required to provide an assessment to the congressional defense committees of the implementation of the guidance and the establishment of the inventory.

Section 327—Additional Requirements for Annual Report on Public-Private Competitions

This section would amend section 2462 of title 10, United States Code, to add additional elements to the annual report on the re-

sults of public-private competitions conducted by the Department of Defense.

Section 328—Restriction on Office of Management and Budget Influence over Department of Defense Public-Private Competitions

This section would prohibit the Office of Management and Budget (OMB) from requiring the Department of Defense (DOD) to meet any OMB-imposed quotas on public-private competitions conducted under OMB Circular A-76. In the Omnibus Appropriations Act for Fiscal Year 2003 (Public Law 108-7), Congress directed that such competition quotas could only be used if they are based on an analysis of past activities and are consistent with the stated mission of the executive agency. The committee is concerned that in order to meet OMB performance ratings, the Department and all federal agencies continue to be assigned specific competition quotas.

The committee notes that this section in no way prevents DOD managers from subjecting federal civilian employees to OMB Circular A-76 reviews. However, such decisions must be made independently of any direction or requirement from OMB.

Section 329—Public-Private Competition Bid Protests by Federal Employees

This section would give federal employees appeal rights to have contracting out-related decisions, whether or not conducted using Office of Management and Budget (OMB) Circular A-76 procedures, reviewed by the Government Accountability Office (GAO). A majority of employees performing a function or activity would be allowed to choose a representative to appeal such decisions to the GAO, and to intervene in actions before the Court of Federal Claims.

Section 326 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108-375) allows an appeal to be filed on behalf of federal employees by an Agency Tender Official (ATO), a senior procurement official acting on behalf of the employees, only in A-76 competitions. However, the committee is concerned that federal employees may not be adequately represented and questions whether an agency tender official would have sufficient resources to employ qualified counsel. Furthermore, the committee notes that there are many instances in which there is no ATO at all, such as in a streamlined OMB Circular A-76 competition, which can include up to 65 employees.

Section 330—Public Private Competition Required Before Conversion to Contractor Performance

This section would make government-wide the revisions made by the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163) to the conduct of public-private competitions by the Department of Defense under section 2461, title 10, United States Code.

Section 331—Reauthorization and Modification of Multi-Trades Demonstration Project

This section would reauthorize and expand section 338 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136) to allow the Secretary of the Air Force and the Secretary of the Navy to conduct demonstration projects to evaluate the benefits of promoting workers who perform multiple trades. Wage grade journeymen at Air Force Air Logistics Centers and Navy Fleet Readiness Centers would qualify to learn an additional trade and be rewarded with a one-grade promotion. The section explains that the worker must use the new trades at least 25 percent of the time during the worker's work week. It also would require the Government Accountability Office (GAO) to report to the congressional defense committees on the demonstration project within 30 days after the last day of the fiscal year in which the demonstration project occurs.

SUBTITLE D—EXTENSION OF PROGRAM AUTHORITIES

Section 341—Extension of Arsenal Support Program Initiative

This section would amend Section 343 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) to authorize the Secretary of the Army to extend the Arsenal Support Initiative Program through fiscal year 2010.

Section 342—Extension of Period for Reimbursements for Helmet Pads Purchased by Members of the Armed Forces Deployed in Contingency Operations

This section would extend the period during which members of the armed forces deployed in contingency operations may request and receive reimbursement for helmet pads that are purchased at personal expense. This section would cover purchases made through September 30, 2007, and would give the service member up to a year to submit a claim for reimbursement. This section does not allow reimbursement for purchases made on behalf of a service member. Reimbursements would be derived from supplemental appropriations for ongoing military operations.

SUBTITLE E—REPORTS

Section 351—Inclusion of National Guard Readiness for Civil Support Missions in Quarterly Personnel and Unit Readiness Report

This section would require the Department of Defense (DOD) to begin reporting on the readiness of the National Guard to respond to civil support mission requirements. The report would be included in the quarterly readiness report to Congress provided to the congressional defense committees and also reported to the state governors.

The committee is concerned that the National Guard, with its dual federal and state roles, has been in demand to meet both evolving overseas operations and emerging homeland security requirements. During the response to Hurricane Katrina, over 50,000 National Guard members from all 50 states were activated to assist in the response effort, illustrating the nation's reliance on National

Guard forces to respond to large-scale, multi-state events. Until recently, it has been assumed that the National Guard could perform its typical civil support missions with the equipment it had on-hand for its federal warfighting missions. However, the National Guard's equipment inventories in the United States have significantly decreased because of overseas operations, particularly in the Army National Guard.

While the Department measures the readiness of all of its forces for their wartime missions, it does not routinely measure the readiness of National Guard forces for their civil support missions. The Secretary of Defense is required by section 482 of title 10, United States Code, to establish a comprehensive readiness reporting system with which the Department can measure the military's capability to carry out the National Security Strategy, Defense Planning Guidance, and the National Military Strategy in an objective, accurate and timely manner. The Department is also required to report to Congress on the status of the National Guard's equipment readiness for its wartime missions, but it is not required to report readiness of its civil support missions. Without a routine system for assessing National Guard readiness, the Department of Defense, Congress and the state governors lack information on whether the National Guard has the resources it needs to respond effectively to the consequences of natural or manmade disasters. As the Department defines domestic mission requirements, it will be better able to assess shortfalls and target investments to highest priority needs to ensure that the National Guard is prepared to respond to domestic events. This report would allow Congress and the governors to oversee Guard readiness and ensure resources are properly applied to address potential risks.

Section 352—Plan to Improve Readiness of Active and Reserve Component Ground Forces

This section would require that the Secretary of Defense submit a report on the readiness of the ground forces to the congressional defense committees. This report would call for an assessment of current readiness and a plan for improving the readiness of active and reserve component units. This report would be required annually and would be submitted at the same time as the President's budget request. The report would be reviewed by the GAO and the results of this review sent to the congressional defense committees. This report and plan would include the following components:

- (1) A summary of the current reported readiness of all reporting units and a summary of the reported readiness of the services' major combat units by readiness level as reflected in the Department of Defense's (DOD) Status of Resources and Training system;
- (2) The extent to which actual readiness ratings are being upgraded based on commanders' judgment, and DOD's efforts to analyze trends and implications of such upgrades;
- (3) DOD's goals for managing readiness in terms of the number of units and/or percentage of the force that it plans to maintain at the various levels of readiness and the timeframes for achieving these goals;
- (4) A prioritized list of items and actions that the Department believes are needed to significantly improve the readiness

of units and achieve the aforementioned goals and timeframes; and

(5) A detailed investment strategy and plan by fiscal year for each year of the Future Years Defense program that outlines the resources needed to implement DOD's plan for improving readiness, including how resources identified in this plan related to funding requested in DOD's annual budget, and how these resources will specifically enable the Department to achieve its readiness goals in desired timeframes.

Given the demands on the Department to meet commitments associated with ongoing operations, the intensity and duration of these operations, and the need for the Department to maintain the capability to meet other commitments beyond these operations, the committee is becoming increasingly concerned about the near-term and long-term readiness of the total force, particularly with respect to the Army and Marine Corps. Furthermore, DOD's plans to increase the size of the Army and Marine Corps will add additional challenges to maintaining a trained and ready force. Despite significant funding provided to the Department in the past few years to address readiness needs, particularly for equipping, manning, and training, readiness trends continue to decline. The committee believes that the Department of Defense must arrest this decline and rebuild degraded ground forces.

Section 353—Plan for Optimal Use of Strategic Ports by Commander of Surface Distribution and Deployment Command

This section would require the commander of the Surface Distribution and Deployment Command (SDDC) to develop a plan to ensure optimal use of strategic ports, to include consultation with the local port authority where there is no SDDC presence. The committee is concerned that there is no guidance related to assignment of priorities for use of strategic ports or regarding the determination of where there should be an SDDC presence and coordination with local authorities where there is no SDDC presence. Additionally, the committee is troubled by the absence of guidance pertaining to the allocation of materials and facilities to meet the Department of Defense's national security needs.

Section 354—Independent Assessment of Civil Reserve Air Fleet Viability

This section would require the Secretary of Defense to provide for an independent assessment of the viability of the Civil Reserve Air Fleet (CRAF) to be conducted by a federally-funded research and development center. The committee is concerned about the risks to the charter air industry as a result of the expanded use of these carriers by the Department of Defense (DOD). Since September 11, 2001, the Department has significantly increased its global mobility requirements with much of this business focused on a small segment of the charter air industry. The committee is concerned that too great a reliance on DOD business versus commercial business could have a negative impact on these carriers should the Department's requirements suddenly change. Therefore, the assessment shall examine defense planning for organic lift requirements, commercial market factors including the impact of over-reliance on

DOD business, and any barriers to the viability of CRAF. The report shall also include recommendations for improving the CRAF program. The report would be submitted to the congressional defense committees by April 1, 2008.

Section 355—Annual Report on Materiel and Equipment

This section would amend chapter 131 of title 10, United States Code, by adding a section to require the Secretary of Defense to report to the congressional defense committees annually on the material in the prepositioned stocks. This report, which would be submitted by the distribution date of the President's budget request, must provide detail on the following:

(1) The level of fill for major end items of equipment and spare parts in each prepositioned set as of the end of the fiscal year covered by the report.

(2) The material condition for equipment in prepositioned stocks rated according to the Department of Defense Status of Resources and Training system and grouped by category or major end item.

(3) A list of major end items of equipment drawn from the stocks in the prior year and how that equipment was used and if it was returned to the stocks.

(4) A timeline for reconstitution of shortfalls in the prepositioned stocks.

(5) An estimate of the funds required to restore stocks to 100% and the funding plan.

(6) A list of Operations Plans affected by any shortfalls and actions taken to mitigate risk that prepositioned shortfalls may create.

The Department of Defense's report must address combat equipment, sustainment and ammunition in stocks held by any of the services. The report would be unclassified and may contain a classified annex. The Government Accountability Office would review the report and provide a report to the congressional defense committees on their findings.

The committee recognizes the tremendous strategic flexibility that prepositioned materiel offers the combatant commanders. The committee is very concerned, however, with the depletion of this material to support Operation Iraqi Freedom. The committee believes that the degraded posture of the prepositioned materiel stocks significantly increases strategic risk to U.S. interests. The committee believes that the current plan for reconstituting the prepositioned stocks is not supported by a solid plan to reset, acquire equipment or to fund the requirement. The committee expects that the report required by this section will address these concerns.

Section 356—Conditions on Relocation of North American Aerospace Defense Command Center and Related Operations from Cheyenne Mountain to Peterson Air Force Base

This section would suspend relocation efforts from Cheyenne Mountain to Peterson Air Force Base until the Secretary of Defense submits a report on the costs and benefits associated with the relocation and completion of a review by the Comptroller General.

Section 357—Report on Public-Private Partnerships

This section would require the Secretary of Defense to submit a report to the House Committee on Armed Services and the Senate Committee on Armed Services by April 1, 2008, on the public-private partnerships at the Department of Defense Centers of Industrial and Technical Excellence (CITEs). Required elements of the report are a description of common approaches and procedures, cost methodologies and reimbursement guidance, contract negotiation procedures, commercial practices, Class 2 design authority, and plans to expand core capabilities.

The committee is concerned that the CITEs are not using consistent approaches for public-private partnerships. The committee understands that the lack of uniform standards has created an environment where these partnerships take between two to four years to implement. The committee believes that without a standard approach for the military departments, the CITEs will not be able to adopt best-business practices, maintain core competency requirements, maximize existing facility capacity, decrease the cost of services and products, or lower the cost of maintaining the logistics infrastructure.

SUBTITLE F—OTHER MATTERS

Section 361—Authority for Department of Defense to Provide Support for Certain Sporting Events

This section would authorize the Secretary of Defense to support sporting events sanctioned by the United States Olympic Committee (USOC) through the Paralympic Military Program. The USOC Paralympic Military Program provides opportunities for military personnel and veterans with service-connected physical disabilities to participate in sporting competitions as a regular and ongoing part of their rehabilitation and recovery. Additionally, this section would authorize the Secretary to support for USOC-sanctioned national or international paralympic sporting events that are governed by the International Paralympic Committee, when those events are held in the United States and when participation exceeds 100 amateur athletes. The section would also authorize funding for support of these events to be provided from the Department of Defense account for the Support For International Sporting Competitions, with the limitation that funding may not exceed more than \$1.0 million in any fiscal year.

Section 362—Reasonable Restrictions on the Payment of Full Replacement Value for Lost or Damaged Personal Property Transported at Government Expense

This section would allow the Department of Defense (DOD) to require compliance with reasonable conditions for military or civilian DOD employees to receive full replacement value coverage for lost or damaged personal property. This section offers guidance on additional implementation of section 363 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364). Section 363 mandated that the Department provide full replacement value to military and civilian employees through a contract with a transportation provider, effective March 1, 2008.

Providing full replacement value would boost morale for DOD military and civilian employees who must undergo several moves throughout their career. An unintended consequence of such policies, however, may be the impact on capable and viable small businesses that may not be able to afford the necessary insurance. This section would require the Secretary of Defense to analyze participation by small companies in the Full Replacement Value program and make any necessary recommendations for improving small business participation in the program.

Section 363—Priority Transportation on Department of Defense Aircraft of Retired Members Residing in Commonwealths and Possessions of the United States for Certain Health Care Services

This section would amend section 2641 of title 10, United States Code, to provide space-available transportation on Department of Defense aircraft for TRICARE beneficiaries between a U.S. territory and another location if such transportation is necessary in order to provide specialized care that is not otherwise available in the U.S. territory in which they are located. Such TRICARE beneficiaries would retain a priority level equivalent to that provided to unaccompanied dependents on environmental and morale leave. The TRICARE beneficiary afforded space-available transportation under this section would be entitled to have a single dependent accompany them with the same priority.

In the committee report (H. Rept. 109–89) accompanying the National Defense Authorization Act for Fiscal Year 2006, the committee directed the Secretary of Defense to reassess the Air Force's decision to discontinue funding support for TRICARE beneficiaries and their family members living within the Pacific Air Forces area of responsibility, or revise the DOD policy for reimbursement of certain travel expenses covered in section 1074i of title 10, United States Code, to include all eligible TRICARE beneficiaries residing in the flag territories of the United States. The Department reported that the Joint Federal Travel Regulation does not authorize government-funded travel for routine medical care (including referred specialty appointments) for military retirees and their family members living overseas. This section would require the Secretary of Defense to identify the administrative actions that are needed to be executed in order to provide relief to the affected TRICARE beneficiaries residing in the flag territories of the United States and to communicate the Secretary's strategy for implementing such administrative actions in a report to Congress by January 31, 2008.

Section 364—Recovery of Missing Military Property

This section would amend sections 2788 and 2789 of title 10, United States Code, to make uniform the manner by which the military departments recover missing military property. The Army and the Air Force presently each have statutes that facilitate the recovery of missing military property, sections 4832 and 4836 and sections 9832 and 9836 of title 10, United States Code, respectively, but the Navy and Marine Corps do not have equivalents to either statute and, accordingly, recovery of missing Navy and Marine Corps property is not handled in the same manner as similar

instances of missing Army or Air Force property. This section would clarify that there is no such thing as a “holder in due course” or a “*bona fide* purchaser without notice” of U.S. military property. This section would also uniformly place the burden to prove title on the property holder and would allow the immediate recovery of the missing property.

Section 365—Retention of Army Combat Uniforms by Members of Army Deployed in Support of Contingency Operations

This section would allow the Secretary of the Army to allow soldiers deployed more than 30 days in support of contingency operations to retain the exterior articles of the Army combat uniform that were issued for the deployment.

Section 366—Issue of Serviceable Material Other than to Armed Forces

This section would extend, unto all of the services, the existing Army authority to issue excess arms, tentage and equipment to Junior Reserve Officers Training Corps (JROTC) in support of training. The weapons issued for training would be magazine rifles that are not the current service model and a limited amount of ammunition. This section would also grant authority to the services to establish camps for JROTC cadet training.

Section 367—Prohibition on Deactivation of 36th Rescue Flight

This section would prohibit any action by the U.S. Air Force to deactivate the 36th Rescue Flight (RQF) assigned to Fairchild Air Force Base in Spokane, Washington. The committee strongly supports the 36th RQF and is very concerned that the Air Force intends to deactivate the unit without certifying to Congress that equivalent search and rescue capabilities are available for the region in support of the National Response Plan. Section 1085 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375) required certification that “equivalent search and rescue capabilities will be provided, without interruption” before search and rescue capabilities at a military installation may be eliminated or reduced.

The committee notes that the 36th RQF is part of the National Search and Rescue Plan and provides search and rescue support to parts of Washington, Idaho, Montana and Oregon and has been credited with saving over 600 lives since its inception in 1971. The committee also notes that the 36th RQF is the only search and rescue unit in the region with helicopters equipped with night vision goggles, on-board flight medics, a hoist, forward looking infrared, and crews trained for operations in inclement weather and rugged terrain.

Section 368—Limitation on Expenditure of Funds for Initial Flight Screening at Pueblo Memorial Airport

This section would prohibit the expenditure of funds for initial flight screening at Pueblo Memorial Airport in Pueblo, Colorado, until the Air Force and the City of Pueblo have developed a plan to meet the Air Force crash, fire and rescue requirements to sup-

port Air Force flight training operations at Pueblo Memorial Airport. The committee notes that the report required by section 346 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364) has not been delivered to the congressional defense committees.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

OVERVIEW

The committee commends the Secretary of Defense for proposing to permanently increase the authorized end strength for the active Army to 547,000, and to 202,000 for the active Marine Corps by fiscal year 2012. However, the President's request only contained funding for an increase of 7,000 for the Army and an increase of 5,000 for the Marine Corps in fiscal year 2008. The committee remains concerned that the budget request for the active components of the Army and the Marine Corps is too low for the current requirements placed on those services by the national security strategy. The committee continues to recommend active end strength levels greater than those requested. The committee's recommendation for fiscal year 2008 would increase the active Army end strength by 36,000 and the Marine Corps end strength by 9,000 above the budget request.

The committee is concerned that continued military-to-civilian conversions, particularly within the military medical community, are having an adverse impact on access and quality-of-care being provided to service members and their families. The committee heard directly from military families facing difficulties in accessing care at military treatment facilities during a hearing on total force readiness. In addition, the treatment of wounded warriors at Walter Reed Army Medical Center and at other military medical treatment facilities requires a review of the assumptions and evaluations that were previously made in support of these conversions. Therefore, the committee proposes to prohibit further military-to-civilian conversions in the military medical community in section 703 of this Act, and proposes to restore the end strength and associated funding for the conversions, as well as restore the proposed manpower reductions as directed in program decision memorandum four for Navy medicine for fiscal year 2008.

LEGISLATIVE PROVISIONS

SUBTITLE A—ACTIVE FORCES

Section 401—End Strengths for Active Forces

This section would authorize the following end strengths for active duty personnel of the armed forces as of September 30, 2008:

Service	FY 2007 authorized	FY 2008		Change from	
		Request	Committee recommendation	FY 2008 request	FY 2007 authorized
Army	512,400	489,400	525,400	36,000	13,000
Navy	340,700	328,400	329,098	698	– 11,602
USMC	180,000	180,000	189,000	9,000	9,000