

**DIVISION C—DEPARTMENT OF DEFENSE
APPROPRIATION ACT FISCAL YEAR 2009**

Following is an explanation of the effects of division C, which makes appropriations for the Department of Defense for fiscal year 2009. As provided in section 4 of the consolidated bill, this explanatory statement shall have the same effect with respect to the allocation of funds and implementation of this division as if it were a joint explanatory statement of a committee of conference.

**DEFINITION OF PROGRAM, PROJECT, AND
ACTIVITY**

For the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119) and by the Budget Enforcement Act of 1990 (Public Law 101-508), the term program, project, and activity for appropriations contained in this Act shall be defined as the most specific level of budget items identified in the Department of Defense Appropriations Act, 2009, the related classified annexes and explanatory statements, and the P-1 and R-1 budget justification documents as subsequently modified by congressional action. The following exception to the above definition shall apply: for the military personnel and the operation and maintenance accounts, for which the term “program, project, and activity” is defined as the appropriations accounts contained in the Department of Defense Appropriations Act.

At the time the President submits his budget for fiscal year 2010, the Department of Defense is directed to transmit to the con-

gressional defense committees budget justification documents to be known as the “M-1” and “O-1” which shall identify, at the budget activity, activity group, and sub-activity group level, the amounts requested by the President to be appropriated to the Department of Defense for military personnel and operation and maintenance in any budget request, or amended budget request, for fiscal year 2010.

CLASSIFIED ANNEX

Adjustments to classified programs are addressed in the accompanying classified annex.

CONGRESSIONAL SPECIAL INTEREST ITEMS

Items for which additional funds have been provided as shown in the project level tables or in paragraphs using the phrase “only for” or “only to” are congressional special interest items for purposes of the Base for Re-programming (DD Form 1414). Each of these items must be carried on the DD Form 1414 at the stated amount, as specifically addressed in these materials.

REPROGRAMMING GUIDANCE

The Department of Defense is directed to continue to follow the reprogramming guidance for acquisition accounts as specified in the House Report (H. Rept. 110-279) accompanying the Fiscal Year 2008 Department of Defense Appropriations Act. For operation and maintenance accounts, the Department of Defense shall continue to follow the reprogramming guidelines specified in the conference report accompanying H.R. 3222, the Department of Defense Appropriations Act, 2008, which are also reiterated herein under

title II. The dollar threshold for reprogramming funds shall remain at \$15,000,000 for operation and maintenance; \$20,000,000 for procurement; and \$10,000,000 for research, development, test and evaluation.

Also, the Under Secretary of Defense, Comptroller, is directed to continue to provide the congressional defense committees quarterly, spreadsheet-based DD Form 1416 reports for service and defense-wide accounts in titles I, II, III and IV of this Act. The Department shall continue to follow the limitation that prior approval reprogrammings are set at either the specified dollar threshold or 20 percent of the procurement or research, development, test and evaluation line, whichever is less. These thresholds are cumulative. Therefore, if the combined value of transfers into or out of operation and maintenance (O-1), a procurement (P-1) or research, development, test and evaluation (R-1) line exceed the identified threshold, the Department of Defense must submit a prior approval reprogramming to the congressional defense committees. In addition, guidelines on the application of prior approval reprogramming procedures for congressional special interest items are established elsewhere in these materials.

FUNDING INCREASES

The funding increases outlined in the tables for each appropriation account shall be provided only for the specific purposes indicated in the tables.

TITLE I—MILITARY PERSONNEL

For Military Personnel, funds are to be available for fiscal year 2009, as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

RECAPITULATION			
MILITARY PERSONNEL, ARMY.....	36,523,817	36,382,736	-141,081
MILITARY PERSONNEL, NAVY.....	24,080,598	24,037,553	-43,045
MILITARY PERSONNEL, MARINE CORPS.....	11,809,845	11,792,974	-16,871
MILITARY PERSONNEL, AIR FORCE.....	25,271,443	25,103,789	-167,654
RESERVE PERSONNEL, ARMY.....	3,921,796	3,904,296	-17,500
RESERVE PERSONNEL, NAVY.....	1,869,968	1,855,968	-14,000
RESERVE PERSONNEL, MARINE CORPS.....	594,910	584,910	-10,000
RESERVE PERSONNEL, AIR FORCE.....	1,436,676	1,423,676	-13,000
NATIONAL GUARD PERSONNEL, ARMY.....	6,595,293	6,616,220	+20,927
NATIONAL GUARD PERSONNEL, AIR FORCE.....	2,791,994	2,741,768	-50,226
	=====	=====	=====
GRAND TOTAL, MILITARY PERSONNEL.....	114,896,340	114,443,890	-452,450

Summary of Military Personnel End Strength

	Fiscal Year 2009		
	Budget Request	Recommendation	Change from Request
Active Forces (End Strength)			
Army.....	532,400	532,400	-
Navy.....	325,300	325,300	-
Marine Corps.....	194,000	194,000	-
Air Force.....	316,600	316,771	+171
Total, Active Forces.....	1,368,300	1,368,471	+171
Guard and Reserve Forces (End Strength)			
Army Reserve.....	205,000	205,000	-
Navy Reserve.....	66,700	66,700	-
Marine Corps Reserve.....	39,600	39,600	-
Air Force Reserve.....	67,400	67,400	-
Army National Guard.....	352,600	352,600	-
Air National Guard.....	106,700	106,756	+56
Total, Selected Reserve.....	838,000	838,056	+56
Total, Military Personnel.....	2,206,300	2,206,527	+227

Summary of Guard and Reserve Full-Time Support

	Fiscal Year 2009		
	Budget Request	Recommendation	Change from Request
Army Reserve:			
AGR.....	16,170	16,261	+91
Technicians.....	8,990	8,990	-
Navy Reserve:			
AGR.....	11,099	11,099	-
Marine Corps Reserve:			
AGR.....	2,261	2,261	-
Air Force Reserve:			
AGR.....	2,733	2,733	-
Technicians.....	10,093	10,093	-
Army National Guard:			
AGR.....	29,950	32,060	+2,110
Technicians.....	28,810	28,810	-
Air National Guard:			
AGR.....	14,337	14,337	-
Technicians.....	22,802	22,802	-
Totals:			
AGR.....	76,550	78,751	+2,201
Technicians.....	70,695	70,695	-
Total Full-Time Support	147,245	149,446	+2,201

STOP LOSS

The Department of Defense continues to involuntarily extend the service commitments of active duty and selected reserve servicemembers. These extensions, known as stop loss, are used to retain servicemembers an average of six months beyond their initial end-of-term-of-service date. Although the Secretary of Defense has tried to minimize the use of this practice, the Army continues to use stop loss for its active and reserve components, arguing that it allows the Service to maintain unit integrity. However, the continued use of stop loss remains a concern as it may undermine the morale of the Nation's servicemembers and the voluntary nature of the Armed Forces.

Therefore, the Secretary of Defense and the Services are directed to provide stop loss data as part of the end-strength portion of the fiscal year 2010 military personnel budget justification material and a report to the congressional defense committees that examines the impact, if any, stop loss has had on recruiting and any correlations between extended deployments, often involving stop-lossed servicemembers, and domestic assaults, sexual assaults and alcohol offenses. This report shall be submitted no later than 180 days after enactment of this Act. Furthermore, the Secretary of Defense shall submit to the congressional defense committees a report containing the results of a study evaluating the feasibility and costs of providing a special pay, in the manner authorized by section 8116, to all members of the Army, Navy, Air Force, and Marine Corps, including former and retired members, who at any time during the period beginning on October 1, 2001, and ending on September 30, 2008, served on active duty while the member's enlistment or period of obligated service was extended, or whose eligibility for retirement was suspended. This report shall be submitted no later than 60 days after enactment of this Act.

CASH INCENTIVES

The Department has initiated many programs that rely solely on cash incentives when enlisting new recruits and retaining current personnel. While these cash incentives have enhanced recruitment and retention efforts and helped the Services meet their end-strength goals, there is concern that the Services have increased both the size and scope of these cash incentives without performance metrics to determine whether these bonuses are cost effective and necessary in light of the other, improved personnel benefits now being provided. Accordingly, the Secretary of Defense is directed to provide a report to the congressional defense committees that describes these cash incentives, specifically to include: the number of cash incentives used for recruitment and retention; the average amount provided for each military occupational specialty; the length of contract required for each type of enlistment and reenlistment bonus; and the performance metrics used to determine the effectiveness of, and requirement for, various levels of bonus compensation. This report shall be submitted not later than February 1, 2009.

REALIGNMENT OF FUNDS

Funds were realigned within the Military Personnel, Air Force, account to support Air Force efforts to halt its personnel drawdown. The Air Force had been on course to draw-down end strength from 329,563 to 316,600 in fiscal year 2009. However, they have recently changed course to support a manning level of 326,000 airmen and grow to 330,000 in fiscal year 2010. This newly planned personnel growth, along with readjusted cost calculations, has led to savings in officer voluntary

separation pay and permanent change of station expenses and has created additional costs in enlisted personnel pay and allowances. The majority of these savings have been realigned to fund the enlisted personnel increase. The remainder of the savings was not realigned as the Air Force, which is already below its planned end-strength, will likely not achieve its end-strength goal of 326,000.

DWELL TIME

The Army and Marine Corps active duty and reserve personnel have experienced reduced dwell time due to an accelerated deployment cycle. This reduction in dwell time has placed a significant strain on servicemembers, their families, and the employers of reservists. In addition, the frequent and extended deployments of National Guard and Reserve personnel have left our Nation more vulnerable during national emergencies, such as forest fires and hurricane disaster evacuation and response. Reduced dwell time has further contributed to reduced opportunities to train for the full spectrum of combat missions. Although the Services expect to return to more normal deployment lengths at the end of fiscal year 2008, the Secretary of Defense is directed to provide a report on the unit rotation cycle (i.e., the patch report) to the congressional defense committees within 30 days of the end of each quarter.

HEALTH PROFESSIONS SCHOLARSHIP PROGRAM

Personnel shortages in numerous medical specialties across the Services remain a concern. Recruiting and retaining these specialized personnel has proven to be challenging. The health professions scholarship program has been a successful tool in recruiting military medical personnel and, for this reason, it is disappointing that the Army and Air Force health professions scholarship programs are significantly underfunded in the budget request. To support continued efforts to recruit military medical personnel, an additional \$18,400,000 in Reserve Personnel, Army, and \$13,000,000 in Reserve Personnel, Air Force are included for the health professions scholarship program. This additional funding shall be used solely for this purpose. The Services are expected to fully fund this program in fiscal year 2010.

RESERVE COMPONENT PARTICIPATION RATE AND MOBILIZATION ASSUMPTIONS

When constructing reserve personnel budgets, planners must project what percentage of reservists is likely to participate in annual training and weekend drills. Since operations began in Afghanistan and Iraq, participation levels have varied widely based on the number of mobilized reservists who are unavailable to drill and the number of reservists using extra drill periods to perform pre-mobilization training. Some Services have incorporated these factors into their projections, while others have not. Currently, there is no Department-wide guidance on the assumptions and methodology that should be used when budgeting for future-year annual training and weekend drill participation rates. This lack of guidance has led to unjustified growth in the Pay Group A and B accounts for several reserve components. For fiscal year 2009, funding has again been shifted from these activities to other activities within the same account where shortfalls were identified.

The deployment of Active Guard and Reserve (AGR) personnel has also complicated the process of budgeting for full time personnel costs. Deployed AGRs from some reserve components are paid from reserve personnel accounts, while AGRs from other reserve components are paid from active duty accounts. It is not clear that these reserve

components have accurately incorporated AGR deployment assumptions and the corresponding personnel savings into their AGR cost analysis.

The Secretary of Defense is directed to work with the Services to establish guidelines for what assumptions and methodology should be used when constructing future-year training participation rate and AGR cost projections. The Department is directed to provide a report to the congressional defense committees that details the guidance issued to the Services. This report shall be submitted not later than February 15, 2009.

RESERVE COMPONENT BUDGET STRUCTURE

In fiscal year 2008, Congress extended testing of a consolidated budget structure for the reserve components' military personnel accounts. Since that time, the single budget activity format has provided additional spending flexibility to the reserve components. Therefore, the consolidated budget structure shall be made permanent with the understanding that the Department will submit quarterly reports to the congressional defense committees showing all transfers between activities and sub-activities of each reserve personnel appropriation. The reports shall provide separate explanations for all transfers that equal, exceed, or cumulate to \$2,000,000; and a beginning and ending total by line item. The report shall be due 30 days following the end of each quarter.

GOVERNMENT ACCOUNTABILITY OFFICE UNOBLIGATED BALANCE AND END-STRENGTH REPORTS

The Government Accountability Office is requested to continue its annual analysis of military personnel unobligated balances and end-strength levels. These reports serve as an important resource for Congress' budgetary analysis. The reports should be submitted to the congressional defense committees not later than May 15th of each year.

BOOTS-ON-THE-GROUND AND COST OF WAR REPORTING

There remains a continuing need for accurate and timely information on actual/estimated costs and deployment numbers associated with Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF). Therefore, not later than the 10th day of each month following the enactment of this Act, the Secretary of Defense is directed to submit to the congressional defense committees:

(1) a "Boots-on-the-Ground" report providing, for the most recent month for which data is available, the total number of troops deployed in support of OIF and OEF, further delineated by service and component (active, Reserve, or National Guard) and a monthly estimate for the three-month period following the date such report is submitted of the total number of troops expected to be deployed in support of OIF and OEF, further delineated by service and component (active, Reserve, or National Guard). This report may be submitted in classified form; and

(2) a monthly report of funds obligated in support of OIF and OEF covering the most recent period for which data are available, by month and fiscal year. This report shall be delineated and summarized by operation, by military service, by component (active, Reserve, or National Guard), and by appropriations account.

MILITARY PERSONNEL, ARMY

For Military Personnel, Army, funds are to be available for fiscal year 2009, as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

50 MILITARY PERSONNEL, ARMY			
100 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
150 BASIC PAY.....	5,490,045	5,490,045	---
200 RETIRED PAY ACCRUAL.....	1,603,046	1,603,046	---
250 BASIC ALLOWANCE FOR HOUSING.....	1,633,161	1,633,161	---
300 BASIC ALLOWANCE FOR SUBSISTENCE.....	213,805	213,805	---
350 INCENTIVE PAYS.....	105,273	105,273	---
400 SPECIAL PAYS.....	315,178	302,874	-12,304
450 ALLOWANCES.....	130,409	130,409	---
500 SEPARATION PAY.....	56,471	56,471	---
550 SOCIAL SECURITY TAX.....	419,439	419,439	---
600 TOTAL, BUDGET ACTIVITY 1.....	9,966,827	9,954,523	-12,304
650 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL			
700 BASIC PAY.....	12,288,160	12,288,160	---
750 RETIRED PAY ACCRUAL.....	3,588,132	3,588,132	---
800 BASIC ALLOWANCE FOR HOUSING.....	3,744,251	3,744,251	---
850 INCENTIVE PAYS.....	91,473	91,473	---
900 SPECIAL PAYS.....	975,427	914,150	-61,277
950 ALLOWANCES.....	645,897	645,897	---
1000 SEPARATION PAY.....	234,252	234,252	---
1050 SOCIAL SECURITY TAX.....	940,037	940,037	---
1100 TOTAL, BUDGET ACTIVITY 2.....	22,507,629	22,446,352	-61,277
1150 ACTIVITY 3: PAY AND ALLOW OF CADETS			
1200 ACADEMY CADETS.....	61,496	61,496	---
1250 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
1300 BASIC ALLOWANCE FOR SUBSISTENCE.....	1,130,401	1,130,401	---
1350 SUBSISTENCE-IN-KIND.....	772,209	772,209	---
1400 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE.....	638	638	---
1450 TOTAL, BUDGET ACTIVITY 4.....	1,903,248	1,903,248	---

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

1500 ACTIVITY 5: PERMANENT CHANGE OF STATION			
1550 ACCESSION TRAVEL.....	267,164	262,164	-5,000
1600 TRAINING TRAVEL.....	117,430	109,930	-7,500
1650 OPERATIONAL TRAVEL	372,731	360,231	-12,500
1700 ROTATIONAL TRAVEL	809,132	784,132	-25,000
1750 SEPARATION TRAVEL.....	251,729	234,229	-17,500
1800 TRAVEL OF ORGANIZED UNITS.....	28,368	28,368	---
1850 NON-TEMPORARY STORAGE.....	26,977	26,977	---
1900 TEMPORARY LODGING EXPENSE.....	57,176	57,176	---
1950 TOTAL, BUDGET ACTIVITY 5.....	1,930,707	1,863,207	-67,500

2000 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
2050 APPREHENSION OF MILITARY DESERTERS.....	1,059	1,059	---
2100 INTEREST ON UNIFORMED SERVICES SAVINGS.....	657	657	---
2150 DEATH GRATUITIES.....	49,100	49,100	---
2200 UNEMPLOYMENT BENEFITS.....	172,666	172,666	---
2250 EDUCATION BENEFITS.....	3,108	3,108	---
2300 ADOPTION EXPENSES.....	1,598	1,598	---
2350 TRANSPORTATION SUBSIDY.....	7,428	7,428	---
2400 PARTIAL DISLOCATION ALLOWANCE.....	2,655	2,655	---
2450 RESERVE OFFICERS TRAINING CORPS (ROTC).....	123,602	123,602	---
2500 JUNIOR ROTC.....	39,857	39,857	---
2550 TOTAL, BUDGET ACTIVITY 6.....	401,730	401,730	---
2600 LESS REIMBURSABLES.....	-247,820	-247,820	---
=====			
2700 TOTAL, ACTIVE FORCES, ARMY.....	36,523,817	36,382,736	-141,081
=====			
6300 TOTAL, MILITARY PERSONNEL, ARMY.....	36,523,817	36,382,736	-141,081

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
 [In thousands of dollars]

	Budget Request	Recommendation
BA-1: PAY AND ALLOWANCES OF OFFICERS		
SPECIAL PAYS	315,178	302,874
Hardship Duty Pay - Defer Consideration to GWOT		
Supplemental		-7,560
Hostile Fire Pay - Defer Consideration to GWOT Supplemental		-4,744
BA-2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL		
SPECIAL PAYS	975,427	914,150
Hardship Duty Pay - Defer Consideration to GWOT		
Supplemental		-45,000
Hostile Fire Pay - Defer Consideration to GWOT Supplemental		-16,277
BA-5: PERMANENT CHANGE OF STATION		
ACCESSION TRAVEL	267,164	262,164
Excessive Growth		-5,000
TRAINING TRAVEL	117,430	109,930
Excessive Growth		-7,500
OPERATIONAL TRAVEL	372,731	360,231
Excessive Growth		-12,500
ROTATIONAL TRAVEL	809,132	784,132
Excessive Growth		-25,000
SEPARATION TRAVEL	251,729	234,229
Excessive Growth		-17,500

MILITARY PERSONNEL, NAVY

For Military Personnel, Navy, funds are to be available for fiscal year 2009, as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

6400 MILITARY PERSONNEL, NAVY			
6450 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
6500 BASIC PAY.....	3,430,563	3,430,563	---
6550 RETIRED PAY ACCRUAL.....	1,000,408	1,000,408	---
6600 BASIC ALLOWANCE FOR HOUSING.....	1,161,179	1,161,179	---
6650 BASIC ALLOWANCE FOR SUBSISTENCE.....	126,874	126,874	---
6700 INCENTIVE PAYS.....	166,850	166,850	---
6750 SPECIAL PAYS.....	368,156	364,511	-3,645
6800 ALLOWANCES.....	109,483	109,483	---
6850 SEPARATION PAY.....	33,631	33,631	---
6900 SOCIAL SECURITY TAX.....	260,985	260,985	---
6950 TOTAL, BUDGET ACTIVITY 1.....	6,658,129	6,654,484	-3,645
7000 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL			
7050 BASIC PAY.....	7,786,068	7,786,068	---
7100 RETIRED PAY ACCRUAL.....	2,272,782	2,272,782	---
7150 BASIC ALLOWANCE FOR HOUSING.....	3,452,761	3,452,761	---
7200 INCENTIVE PAYS.....	106,960	106,960	---
7250 SPECIAL PAYS.....	943,079	915,679	-27,400
7300 ALLOWANCES.....	562,579	562,579	---
7350 SEPARATION PAY.....	128,466	128,466	---
7400 SOCIAL SECURITY TAX.....	595,634	595,634	---
7450 TOTAL, BUDGET ACTIVITY 2.....	15,848,329	15,820,929	-27,400
7500 ACTIVITY 3: PAY AND ALLOWANCES OF MIDSHIPMEN			
7550 MIDSHIPMEN.....	62,565	62,565	---
7600 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
7650 BASIC ALLOWANCE FOR SUBSISTENCE.....	590,769	590,769	---
7700 SUBSISTENCE-IN-KIND.....	354,028	354,028	---
7750 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE.....	11	11	---
7800 TOTAL, BUDGET ACTIVITY 4.....	944,808	944,808	---

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST
7850 ACTIVITY 5: PERMANENT CHANGE OF STATION			
7900 ACCESSION TRAVEL.....	82,223	82,223	---
7950 TRAINING TRAVEL.....	71,890	71,890	---
8000 OPERATIONAL TRAVEL	205,866	205,866	---
8050 ROTATIONAL TRAVEL	281,934	281,934	---
8100 SEPARATION TRAVEL.....	111,890	111,890	---
8150 TRAVEL OF ORGANIZED UNITS.....	20,345	20,345	---
8200 NON-TEMPORARY STORAGE.....	7,058	7,058	---
8250 TEMPORARY LODGING EXPENSE.....	6,956	6,956	---
8300 OTHER.....	6,272	6,272	---
8350 TOTAL, BUDGET ACTIVITY 5.....	794,434	794,434	---
8400 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
8450 APPREHENSION OF MILITARY DESERTERS.....	477	477	---
8500 INTEREST ON UNIFORMED SERVICES SAVINGS.....	1,190	1,190	---
8550 DEATH GRATUITIES.....	25,400	25,400	---
8600 UNEMPLOYMENT BENEFITS.....	60,034	60,034	---
8650 EDUCATION BENEFITS.....	7,156	7,156	---
8700 ADOPTION EXPENSES.....	300	300	---
8750 TRANSPORTATION SUBSIDY.....	5,963	5,963	---
8800 PARTIAL DISLOCATION ALLOWANCE.....	548	548	---
8900 RESERVE OFFICERS TRAINING CORPS (ROTC).....	20,246	20,246	---
8950 JUNIOR R.O.T.C.....	13,493	13,493	---
9000 TOTAL, BUDGET ACTIVITY 6.....	134,807	134,807	---
9050 LESS REIMBURSABLES.....	-362,474	-362,474	---
9100 UNDISTRIBUTED ADJUSTMENT.....	---	-12,000	-12,000
9200 TOTAL, ACTIVE FORCES, NAVY.....	24,080,598	24,037,553	-43,045
11000 TOTAL, MILITARY PERSONNEL, NAVY.....	24,080,598	24,037,553	-43,045

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Recommendation
BA-1: PAY AND ALLOWANCES OF OFFICERS		
SPECIAL PAYS	368,156	364,511
Hardship Duty Pay - Defer Consideration to GWOT		
Supplemental		-1,463
Imminent Danger Pay - Defer Consideration to GWOT		
Supplemental		-2,182
BA-2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL		
SPECIAL PAYS	943,079	915,679
Hardship Duty Pay - Defer Consideration to GWOT		
Supplemental		-7,400
Reenlistment Bonus- Excess to Requirement		-20,000
UNDISTRIBUTED ADJUSTMENT		-12,000
Unobligated/Unexpended Balances		-12,000

MILITARY PERSONNEL, MARINE CORPS

For Military Personnel, Marine Corps,
funds are to be available for fiscal year 2009,
as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

12000 MILITARY PERSONNEL, MARINE CORPS			
12050 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
12100 BASIC PAY.....	1,280,845	1,280,845	---
12150 RETIRED PAY ACCRUAL.....	373,135	373,135	---
12200 BASIC ALLOWANCE FOR HOUSING.....	403,572	403,572	---
12250 BASIC ALLOWANCE FOR SUBSISTENCE.....	50,575	50,575	---
12300 INCENTIVE PAYS.....	49,675	49,675	---
12350 SPECIAL PAYS.....	15,992	15,723	-269
12400 ALLOWANCES.....	32,033	32,033	---
12450 SEPARATION PAY.....	14,186	14,186	---
12500 SOCIAL SECURITY TAX.....	97,985	97,985	---
12550 TOTAL, BUDGET ACTIVITY 1.....	2,317,998	2,317,729	-269
12600 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL			
12650 BASIC PAY.....	4,415,953	4,415,953	---
12700 RETIRED PAY ACCRUAL.....	1,289,091	1,289,091	---
12750 BASIC ALLOWANCE FOR HOUSING.....	1,338,567	1,338,567	---
12800 INCENTIVE PAYS.....	8,681	8,681	---
12850 SPECIAL PAYS.....	558,693	556,091	-2,602
12900 ALLOWANCES.....	259,465	259,465	---
12950 SEPARATION PAY.....	79,279	79,279	---
13000 SOCIAL SECURITY TAX.....	337,821	337,821	---
13050 TOTAL, BUDGET ACTIVITY 2.....	8,287,550	8,284,948	-2,602
13100 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
13150 BASIC ALLOWANCE FOR SUBSISTENCE.....	416,397	416,397	---
13200 SUBSISTENCE-IN-KIND.....	260,847	260,847	---
13250 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE.....	750	750	---
13300 TOTAL, BUDGET ACTIVITY 4.....	677,994	677,994	---

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

13350 ACTIVITY 5: PERMANENT CHANGE OF STATION			
13400 ACCESSION TRAVEL.....	68,387	68,387	---
13450 TRAINING TRAVEL.....	13,128	13,128	---
13500 OPERATIONAL TRAVEL	134,180	134,180	---
13550 ROTATIONAL TRAVEL	162,944	162,944	---
13600 SEPARATION TRAVEL.....	66,924	66,924	---
13650 TRAVEL OF ORGANIZED UNITS.....	2,139	2,139	---
13700 NON-TEMPORARY STORAGE.....	6,801	6,801	---
13750 TEMPORARY LODGING EXPENSE.....	16,201	16,201	---
13800 OTHER.....	3,248	3,248	---
13850 TOTAL, BUDGET ACTIVITY 5.....	473,952	473,952	---

13900 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
13950 APPREHENSION OF MILITARY DESERTERS.....	1,747	1,747	---
14000 INTEREST ON UNIFORMED SERVICES SAVINGS.....	18	18	---
14050 DEATH GRATUITIES.....	16,800	16,800	---
14100 UNEMPLOYMENT BENEFITS.....	54,176	54,176	---
14150 EDUCATION BENEFITS.....	135	135	---
14200 ADOPTION EXPENSES.....	380	380	---
14250 TRANSPORTATION SUBSIDY.....	2,049	2,049	---
14300 PARTIAL DISLOCATION ALLOWANCE.....	714	714	---
14400 JUNIOR R.O.T.C.....	4,250	4,250	---
14450 TOTAL, BUDGET ACTIVITY 6.....	80,269	80,269	---
14500 LESS REIMBURSABLES.....	-27,918	-27,918	---
14600 UNDISTRIBUTED ADJUSTMENT.....	---	-14,000	-14,000
=====			
14650 TOTAL, ACTIVE FORCES, MARINE CORPS.....	11,809,845	11,792,974	-16,871
=====			
16000 TOTAL, MILITARY PERSONNEL, MARINE CORPS.....	11,809,845	11,792,974	-16,871

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Recommendation
BA-1: PAY AND ALLOWANCES OF OFFICERS		
SPECIAL PAYS	15,992	15,723
Hardship Duty Pay - Defer Consideration to GWOT		
Supplemental		-269
BA-2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL		
SPECIAL PAYS	558,693	556,091
Hardship Duty Pay - Defer Consideration to GWOT		
Supplemental		-2,602
UNDISTRIBUTED ADJUSTMENT		-14,000
Unobligated/Unexpended Balances		-14,000

MILITARY PERSONNEL, AIR FORCE

For Military Personnel, Air Force, funds are to be available for fiscal year 2009, as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

17000 MILITARY PERSONNEL, AIR FORCE			
17050 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
17100 BASIC PAY.....	4,418,967	4,418,967	---
17150 RETIRED PAY ACCRUAL.....	1,290,338	1,290,338	---
17200 BASIC ALLOWANCE FOR HOUSING.....	1,160,384	1,160,384	---
17250 BASIC ALLOWANCE FOR SUBSISTENCE.....	162,425	162,425	---
17300 INCENTIVE PAYS.....	269,520	269,520	---
17350 SPECIAL PAYS.....	280,852	272,641	-8,211
17400 ALLOWANCES.....	110,344	110,344	---
17450 SEPARATION PAY.....	391,502	225,947	-165,555
17500 SOCIAL SECURITY TAX.....	336,335	336,335	---
17550 TOTAL, BUDGET ACTIVITY 1.....	8,420,667	8,246,901	-173,766
17600 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL			
17650 BASIC PAY.....	7,914,059	8,085,467	+171,408
17700 RETIRED PAY ACCRUAL.....	2,310,905	2,310,905	---
17750 BASIC ALLOWANCE FOR HOUSING.....	2,550,817	2,550,817	---
17800 INCENTIVE PAYS.....	35,116	35,116	---
17850 SPECIAL PAYS.....	293,186	253,743	-39,443
17900 ALLOWANCES.....	529,092	529,092	---
17950 SEPARATION PAY.....	145,507	145,507	---
18000 SOCIAL SECURITY TAX.....	605,426	605,426	---
18050 TOTAL, BUDGET ACTIVITY 2.....	14,384,108	14,516,073	+131,965
18100 ACTIVITY 3: PAY AND ALLOWANCES OF CADETS			
18150 ACADEMY CADETS.....	61,132	61,132	---
18200 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERS			
18250 BASIC ALLOWANCE FOR SUBSISTENCE.....	791,663	791,663	---
18300 SUBSISTENCE-IN-KIND.....	144,862	144,862	---
18350 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE.....	24	24	---
18400 TOTAL, BUDGET ACTIVITY 4.....	936,549	936,549	---

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

18450 ACTIVITY 5: PERMANENT CHANGE OF STATION			
18500 ACCESSION TRAVEL.....	96,162	96,162	---
18550 TRAINING TRAVEL.....	76,778	76,778	---
18600 OPERATIONAL TRAVEL	430,836	430,836	---
18650 ROTATIONAL TRAVEL	652,314	652,314	---
18700 SEPARATION TRAVEL.....	264,276	264,276	---
18750 TRAVEL OF ORGANIZED UNITS.....	22,995	22,995	---
18800 NON-TEMPORARY STORAGE.....	55,570	55,570	---
18850 TEMPORARY LODGING EXPENSE.....	37,891	37,891	---
18900 OTHER.....	---	-105,853	-105,853
18950 TOTAL, BUDGET ACTIVITY 5.....	1,636,822	1,530,969	-105,853

19000 ACTIVITY 6: OTHER MILITARY PERS COSTS			
19050 APPREHENSION OF MILITARY DESERTERS.....	89	89	---
19100 INTEREST ON UNIFORMED SERVICES SAVINGS.....	1,318	1,318	---
19150 DEATH GRATUITIES.....	19,500	19,500	---
19200 UNEMPLOYMENT BENEFITS.....	55,317	55,317	---
19250 SURVIVOR BENEFITS.....	1,184	1,184	---
19300 EDUCATION BENEFITS.....	486	486	---
19350 ADOPTION EXPENSES.....	611	611	---
19400 TRANSPORTATION SUBSIDY.....	4,966	4,966	---
19450 PARTIAL DISLOCATION ALLOWANCE.....	2,297	2,297	---
19550 RESERVE OFFICERS TRAINING CORPS (ROTC).....	44,552	44,552	---
19600 JUNIOR ROTC.....	21,022	21,022	---
19650 TOTAL, BUDGET ACTIVITY 6.....	151,342	151,342	---
19700 LESS REIMBURSABLES.....	-319,177	-319,177	---
19750 UNDISTRIBUTED ADJUSTMENT.....	---	-20,000	-20,000
=====			
19800 TOTAL, ACTIVE FORCES, AIR FORCE.....	25,271,443	25,103,789	-167,654
=====			
21000 TOTAL, MILITARY PERSONNEL, AIR FORCE.....	25,271,443	25,103,789	-167,654

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Recommendation
BA-1: PAY AND ALLOWANCES OF OFFICERS		
SPECIAL PAYS	280,852	272,641
Hostile Fire Pay - Defer Consideration to GWOT Supplemental		-6,670
Hardship Duty Pay - Defer Consideration to GWOT Supplemental		-1,541
SEPARATION PAY	391,502	225,947
Excess to Requirements		-165,555
BA-2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL		
BASIC PAY	7,914,059	8,085,467
End Strength Growth		171,408
SPECIAL PAYS	293,186	253,743
Hostile Fire Pay - Defer Consideration to GWOT Supplemental		-31,855
Hardship Duty Pay - Defer Consideration to GWOT Supplemental		-7,588
BA-5: PERMANENT CHANGE OF STATION		
OTHER		-105,853
Excess to Requirements		-105,853
UNDISTRIBUTED ADJUSTMENT		
Underexecution of End Strength		-20,000
		-20,000

RESERVE PERSONNEL, ARMY

For Reserve Personnel, Army, funds are to be available for fiscal year 2009, as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

23000 RESERVE PERSONNEL, ARMY			
23050 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
23100 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	1,157,222	1,157,222	---
23150 PAY GROUP B TRAINING (BACKFILL FOR ACT DUTY).....	38,568	38,568	---
23200 PAY GROUP F TRAINING (RECRUITS).....	202,217	202,217	---
23250 PAY GROUP P TRAINING (PIPELINE RECRUITS).....	9,037	9,037	---
23300 MOBILIZATION TRAINING	19,870	19,870	---
23350 SCHOOL TRAINING.....	194,979	194,979	---
23400 SPECIAL TRAINING.....	177,124	177,124	---
23450 ADMINISTRATION AND SUPPORT.....	1,938,381	1,943,081	+4,700
23500 EDUCATION BENEFITS.....	92,039	92,039	---
23550 HEALTH PROFESSION SCHOLARSHIP	35,321	53,721	+18,400
23600 OTHER PROGRAMS	57,038	57,038	---
23650 TOTAL, BUDGET ACTIVITY 1.....	3,921,796	3,944,896	+23,100
23800 UNDISTRIBUTED ADJUSTMENT.....	---	-40,600	-40,600
24000 TOTAL RESERVE PERSONNEL, ARMY.....	=====	=====	=====
	3,921,796	3,904,296	-17,500

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Recommendation
BA-1: UNIT AND INDIVIDUAL TRAINING		
ADMINISTRATION AND SUPPORT		
Full Time Support (AGRs)	1,938,381	1,943,081 4,700
HEALTH PROFESSION SCHOLARSHIP		
Identified Shortfall	35,321	53,721 18,400
UNDISTRIBUTED ADJUSTMENT		
Underexecution of End Strength		-40,600 -19,600
Unobligated/Unexpended Balances		-21,000

RESERVE PERSONNEL, NAVY

For Reserve Personnel, Navy, funds are to be available for fiscal year 2009, as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

26000 RESERVE PERSONNEL, NAVY			
26050 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
26100 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	612,049	598,049	-14,000
26150 PAY GROUP B TRAINING (BACKFILL FOR ACTIVE DUTY).....	8,337	8,337	---
26200 PAY GROUP F TRAINING (RECRUITS).....	48,568	48,568	---
26250 MOBILIZATION TRAINING.....	7,961	7,961	---
26300 SCHOOL TRAINING.....	35,089	35,089	---
26350 SPECIAL TRAINING.....	70,295	70,295	---
26400 ADMINISTRATION AND SUPPORT.....	1,043,388	1,043,388	---
26450 EDUCATION BENEFITS.....	5,565	5,565	---
26500 HEALTH PROFESSION SCHOLARSHIP.....	38,716	38,716	---
26550 TOTAL, BUDGET ACTIVITY 1.....	1,869,968	1,855,968	-14,000
	=====	=====	=====
27000 TOTAL, RESERVE PERSONNEL, NAVY.....	1,869,968	1,855,968	-14,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Recommendation
BA-1: UNIT AND INDIVIDUAL TRAINING		
PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)	612,049	598,049
Excessive Growth		-14,000

RESERVE PERSONNEL, MARINE CORPS

For Reserve Personnel, Marine Corps,
funds are to be available for fiscal year 2009,
as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

28000 RESERVE PERSONNEL, MARINE CORPS			
28050 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
28100 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	178,749	178,749	---
28150 PAY GROUP B TRAINING (BACKFILL FOR ACT DUTY).....	34,485	30,485	-4,000
28200 PAY GROUP F TRAINING (RECRUITS).....	95,858	95,858	---
28300 MOBILIZATION TRAINING.....	2,920	2,920	---
28350 SCHOOL TRAINING.....	14,870	14,870	---
28400 SPECIAL TRAINING.....	38,222	38,222	---
28450 ADMINISTRATION AND SUPPORT.....	190,257	190,257	---
28500 PLATOON LEADER CLASS.....	13,200	13,200	---
28550 EDUCATION BENEFITS.....	26,349	26,349	---
28600 TOTAL, BUDGET ACTIVITY 1.....	594,910	590,910	-4,000
28700 UNDISTRIBUTED ADJUSTMENT.....	---	-6,000	-6,000
	=====	=====	=====
29000 TOTAL, RESERVE PERSONNEL, MARINE CORPS.....	594,910	584,910	-10,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Recommendation
BA-1: UNIT AND INDIVIDUAL TRAINING		
PAY GROUP B (BACKFILL FOR ACTIVE DUTY)	34,485	30,485
Excessive Growth		-4,000
UNDISTRIBUTED ADJUSTMENT		-6,000
Underexecution of End Strength		-2,000
Unobligated/Unexpended Balances		-4,000

RESERVE PERSONNEL, AIR FORCE

For Reserve Personnel, Air Force, funds are to be available for fiscal year 2009, as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

30000 RESERVE PERSONNEL, AIR FORCE			
30050 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
30100 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	594,045	587,045	-7,000
30150 PAY GROUP B TRAINING (BACKFILL FOR ACT DUTY).....	78,416	78,416	---
30200 PAY GROUP F TRAINING (RECRUITS).....	45,928	43,928	-2,000
30250 PAY GROUP P TRAINING (PIPELINE RECRUITS).....	120	120	---
30300 MOBILIZATION TRAINING.....	1,800	1,800	---
30350 SCHOOL TRAINING.....	147,277	147,277	---
30400 SPECIAL TRAINING.....	163,403	163,403	---
30450 ADMINISTRATION AND SUPPORT.....	338,510	338,510	---
30500 EDUCATION BENEFITS.....	35,288	35,288	---
30550 HEALTH PROFESSION SCHOLARSHIP.....	28,507	41,507	+13,000
30600 OTHER PROGRAMS (ADMIN & SUPPORT).....	3,382	3,382	---
30650 TOTAL, BUDGET ACTIVITY 1.....	1,436,676	1,440,676	+4,000
30750 UNDISTRIBUTED ADJUSTMENT.....	---	-17,000	-17,000
	=====	=====	=====
31000 TOTAL, RESERVE PERSONNEL, AIR FORCE.....	1,436,676	1,423,676	-13,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Recommendation
BA-1: UNIT AND INDIVIDUAL TRAINING		
PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)	594,045	587,045
Excessive Growth		-7,000
PAY GROUP F TRAINING (RECRUITS)	45,928	43,928
Excessive Growth		-2,000
HEALTH PROFESSION SCHOLARSHIP	28,507	41,507
Identified Shortfall		13,000
UNDISTRIBUTED ADJUSTMENT		-17,000
Underexecution of End Strength		-2,000
Unobligated/Unexpended Balances		-15,000

NATIONAL GUARD PERSONNEL, ARMY

For National Guard Personnel, Army,
funds are to be available for fiscal year 2009,
as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

32000 NATIONAL GUARD PERSONNEL, ARMY			
32050 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
32100 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	1,951,432	1,951,432	---
32150 PAY GROUP F TRAINING (RECRUITS).....	424,539	424,539	---
32200 PAY GROUP P TRAINING (PIPELINE RECRUITS).....	35,896	35,896	---
32250 SCHOOL TRAINING.....	546,610	546,610	---
32300 SPECIAL TRAINING.....	301,116	301,116	---
32350 ADMINISTRATION AND SUPPORT.....	3,108,536	3,211,036	+102,500
32400 EDUCATION BENEFITS.....	227,164	227,164	---
32450 TOTAL, BUDGET ACTIVITY 1.....	6,595,293	6,697,793	+102,500
32600 UNDISTRIBUTED ADJUSTMENT.....	---	-81,573	-81,573
	=====	=====	=====
33000 TOTAL, NATIONAL GUARD PERSONNEL, ARMY.....	6,595,293	6,616,220	+20,927

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Recommendation
BA-1: UNIT AND INDIVIDUAL TRAINING		
ADMINISTRATION AND SUPPORT	3,108,536	3,211,036
Full Time Support (AGRs)		102,500
UNDISTRIBUTED ADJUSTMENT		-81,573
Unobligated/Unexpended Balances		-88,000
WMD Civil Support Team for Florida		1,200
WMD Civil Support Team for New York State		1,627
Joint Interagency Training and Education Center		3,600

NATIONAL GUARD PERSONNEL, AIR
FORCE

For National Guard Personnel, Air Force,
funds are to be available for fiscal year 2009,
as follows:

(IN THOUSANDS OF DOLLARS)

	BUDGET REQUEST	RECOMMENDED	CHANGE FROM REQUEST

34000 NATIONAL GUARD PERSONNEL, AIR FORCE			
34050 ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
34100 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	959,948	946,948	-13,000
34150 PAY GROUP F TRAINING (RECRUITS).....	72,991	72,991	---
34200 PAY GROUP P TRAINING (PIPELINE RECRUITS).....	212	212	---
34250 SCHOOL TRAINING.....	194,161	197,861	+3,700
34300 SPECIAL TRAINING.....	101,120	112,120	+11,000
34350 ADMINISTRATION AND SUPPORT.....	1,411,089	1,411,089	---
34400 EDUCATION BENEFITS.....	52,473	52,473	---
34450 TOTAL, BUDGET ACTIVITY 1.....	2,791,994	2,793,694	+1,700
34700 UNDISTRIBUTED ADJUSTMENT.....	---	-51,926	-51,926
	=====	=====	=====
35000 TOTAL, NATIONAL GUARD PERSONNEL, AIR FORCE.....	2,791,994	2,741,768	-50,226

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Recommendation
BA-1: UNIT AND INDIVIDUAL TRAINING		
PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)	959,948	946,948
Excessive Growth		-13,000
SCHOOL TRAINING	194,161	197,861
Specialized Mission Training		3,700
SPECIAL TRAINING	101,120	112,120
Air Sovereignty Alert Mission		11,000
UNDISTRIBUTED ADJUSTMENT		-51,926
Underexecution of End Strength		-25,000
Unobligated/Unexpended Balances		-31,000
WMD Civil Support Team for Florida		400
WMD Civil Support Team for New York State		304
Joint Interagency Training and Education Center		650
Crypto-Linguist/Intelligence Officer Initiative		2,720