

**DIVISION A—DEPARTMENT OF DEFENSE
AUTHORIZATION**

TITLE I—PROCUREMENT

OVERVIEW

The budget request for fiscal year 2009 contained \$102.7 billion for procurement. This represents no change from the amount authorized for fiscal year 2008.

The committee recommends authorization of \$102.7 billion, and increase of \$17.6 million from the fiscal year 2009 request.

The committee recommendations for the fiscal year 2009 procurement program are identified in the table below. Major issues are discussed following the table.

Title I - Procurement

(Dollars in Thousands)

<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
FY 2009 Procurement Program						
AIRCRAFT PROCUREMENT, ARMY		5,009,835		-97,100	141	4,912,735
MISSILE PROCUREMENT, ARMY		2,211,460		-10,000	8,680	2,201,460
PROCUREMENT OF W&TCV, ARMY		3,687,077		-147,900		3,539,177
PROCUREMENT OF AMMUNITION, ARMY		2,275,791		19,000		2,294,791
OTHER PROCUREMENT, ARMY		11,367,926		-166,050	483	11,201,876
JIEDDO		496,300		-496,300		
TOTAL Department of the Army		25,048,389		-898,350	9,304	24,150,039
AIRCRAFT PROCUREMENT, NAVY		14,716,774		-89,500	206	14,627,274
WEAPONS PROCUREMENT, NAVY		3,575,482			2,513	3,575,482
CORPS		1,122,712			169	1,122,712
SHIPBUILDING & CONVERSION, NAVY		12,732,918		185,001	12	12,917,919
OTHER PROCUREMENT, NAVY		5,482,856		-20,930	8	5,461,926
PROCUREMENT, MARINE CORPS		1,512,765		-216,438	7	1,296,327
TOTAL Department of the Navy		39,143,507		-141,867	2,915	39,001,640
AIRCRAFT PROCUREMENT, AIR FORCE		12,676,496		-57,831	94	12,618,665
PROCUREMENT OF AMMUNITION, AIR FORCE		894,478		40,000	5,026	934,478

Title I - Procurement

(Dollars in Thousands)

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	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
MISSILE PROCUREMENT, AIR FORCE		5,536,728			4,076	5,536,728
OTHER PROCUREMENT, AIR FORCE		16,128,396		6,500		16,134,896
TOTAL Department of the Air Force		35,236,098		-11,331	9,196	35,224,767
MINE RESISTANT AMBUSH PROT VEH FUND						
PROCUREMENT, DEFENSE-WIDE		3,164,228		321,200	15	3,485,428
JOINT RAPID ACQUISITION CELL		102,045		-52,045		50,000
NATIONAL GUARD & RESERVE EQUIP				800,000		800,000
DEFENSE PRODUCTION ACT PURCHASES		[36,365]				
TOTAL Defense-Wide		3,266,273		1,069,155	15	4,335,428
GRAND TOTAL DEPARTMENT OF DEFENSE		102,694,267		17,607	21,430	102,711,874

AIRCRAFT PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2009 contained \$5.0 billion for Aircraft Procurement, Army. The committee recommends authorization of \$4.9 billion, a decrease of \$97.1 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Aircraft Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	AIRCRAFT PROCUREMENT, ARMY						
	AIRCRAFT						
	FIXED WING						
001	JOINT CARGO AIRCRAFT (JCA)	7	264,160			7	264,160
002	UTILITY F/W AIRCRAFT						
	ROTARY WING						
003	ARMED RECONNAISSANCE HELICOPTER	28	358,841	-13	-129,800	15	229,041
	Program Profile Adjustment				[-129,800]		
004	ADVANCE PROCUREMENT (CY)		80,010		-36,200		43,810
	Program Decrease				[-36,200]		
005	HELICOPTER, LIGHT UTILITY (LUH)	36	224,518			36	224,518
006	UH-60 BLACKHAWK (MYP)	63	925,852	3	59,400	66	985,252
	Additional HH-60 Aircraft - USAR				[59,400]		
007	ADVANCE PROCUREMENT (CY)		137,175				137,175
008	CH-47 HELICOPTER (MYP)	16	443,519			16	443,519
009	ADVANCE PROCUREMENT (CY)						
010	HELICOPTER NEW TRAINING	1	2,381			1	2,381
011	DRUG INTERDICTION						
	MODIFICATION OF AIRCRAFT						
012	GUARDRAIL MODS (MIP)		119,057				119,057
013	MULTI SENSOR ABN RECON (MIP)(ARL)		23,297				23,297

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009		House		House	
		Request	Cost	Change	Authorized	Qty	Cost
014	AH-64 MODS		607,969				607,969
015	ADVANCE PROCUREMENT (CY)		29,373				29,373
016	CH-47 CARGO HELICOPTER MODS		674,586				674,586
017	ADVANCE PROCUREMENT (CY)		49,619				49,619
018	UTILITY/CARGO AIRPLANE MODS		14,921				14,921
019	AIRCRAFT LONG RANGE MODS		577				577
020	UTILITY HELICOPTER MODS		10,866				17,866
	UH-60A to UH-60L helicopter upgrade				7,000		
	UH-60 Weapons Armament Mission B Kit				[5,000]		
					[2,000]		
021	KIOWA WARRIOR		13,722				13,722
022	AIRBORNE AVIONICS		174,978				174,978
023	GATM (Global Air Traffic Management)		79,223				79,223
	SPARES AND REPAIR PARTS						
024	SPARE PARTS (AIR)		6,875				6,875
	SUPPORT EQUIPMENT AND FACILITIES						
	GROUND SUPPORT AVIONICS						
025	AIRCRAFT SURVIVABILITY EQUIPMENT		56,906				56,906
026	ASE INFRARED CM		433,941				433,941
	OTHER SUPPORT						
027	AIRBORNE COMMAND & CONTROL						
028	AVIONICS SUPPORT EQUIPMENT		5,028				5,028

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009</u>		<u>House</u>		<u>House</u>			
		<u>Request</u>	<u>Cost</u>	<u>Change</u>	<u>Authorized</u>	<u>Qty</u>	<u>Cost</u>		
029	COMMON GROUND EQUIPMENT		103,882				106,382		
	Compact Aircraft Support Cart - ARNG					2,500			27
030	AIRCREW INTEGRATED SYSTEMS		40,697			[2,500]			40,697
031	AIR TRAFFIC CONTROL		122,775						122,775
032	INDUSTRIAL FACILITIES		2,536						2,536
033	LAUNCHER, 2.75 ROCKET		2,442						2,442
034	AIRBORNE COMMUNICATIONS		109						109
	TOTAL - AIRCRAFT PROCUREMENT, ARMY		151		5,009,835	-10		141	4,912,735

Items of Special Interest

Armed reconnaissance helicopter

The budget request contained \$358.8 million for procurement and \$80.0 million for advance procurement of the Armed Reconnaissance Helicopter (ARH).

The committee report (H. Rept. 110–146) accompanying the National Defense Authorization Act for Fiscal Year 2008, cited ARH program execution difficulties, noted a projected doubling of aircraft unit costs, and recommended that the ARH program be terminated and a new source selection initiated, to allow more competitors to compete for a new ARH program.

The ARH program was subsequently restructured, with \$174.6 million being authorized and appropriated for the procurement of 10 ARH aircraft for fiscal year 2008. The committee notes that:

- (1) The unit cost estimate for the 28 ARH aircraft requested in fiscal year 2009 has increased 97 percent over the unit cost estimate for fiscal year 2009 included in the fiscal year 2008 budget request;
- (2) The current cost estimate has not been validated by the Defense Acquisition Board;
- (3) The production decision for 10 ARH aircraft in fiscal year 2008 has not been made;
- (4) No testing has been accomplished on a production representative ARH;
- (5) A Limited User Test has been added to the program for March 2009, nine months after the currently scheduled production decision;
- (6) A year-over-year production rate increase of 50 percent over the prior year's production rate is standard acquisition practice;
- (7) The fiscal year 2009 request of 28 aircraft is 180 percent greater than the fiscal year 2008 program of 10 aircraft; and
- (8) The production decision will be delayed from June 2008, until at least April 2009.

The committee believes that a budget request for 28 aircraft is not warranted and recommends \$229.0 million for procurement and \$43.8 million for advance procurement, a reduction of \$129.8 million and \$36.2 million, respectively, for procurement of 15 ARH aircraft and advance procurement of 23 ARH aircraft. The committee also recommends a provision, section 114 of this Act, that limits fiscal year 2009 expenditures pending the results of the Limited User Test.

Compact aircraft support cart for Army National Guard rotorcraft

The budget request contained \$28.1 million for aviation ground power units, but the request did not contain funds for compact aircraft support carts for Army National Guard (ARNG) aviation units.

The ARNG must provide emergency domestic and homeland security support in addition to supporting ARNG overseas operations. Availability of lightweight, compact ground power units would provide the ARNG with important dual-use capability, which is currently too heavy and immobile to be quickly deployed.

The committee recommends an increase of \$2.5 million for compact aircraft support carts for ARNG rotorcraft.

UH-60A to UH-60L helicopter upgrade

The budget request contained \$10.9 million for utility helicopter modifications, but the request did not contain funds for recapitalization and conversion of UH-60A to UH-60L helicopters as part of a UH-60A upgrade program.

The committee notes the prior year funding to complete the non-recurring engineering for a UH-60A to UH-60L upgrade, which would primarily apply to Army National Guard helicopters, resulting in significantly increased reliability, reduction in operating costs, and increased capability.

The committee recommends an increase of \$5.0 million for the upgrade of UH-60As to the UH-60L configuration.

MISSILE PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2009 contained \$2.2 billion for Missile Procurement, Army. The committee recommends authorization of \$2.2 billion, a decrease of \$10.0 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Missile Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009		House		House	
		Request	Cost	Change	Authorized	Qty	Cost
	MISSILE PROCUREMENT, ARMY						
	OTHER MISSILES						
	SURFACE-TO-AIR MISSILE SYSTEM						
001	PATRIOT SYSTEM SUMMARY	108	512,086		108		512,086
002	PATRIOT/MEADS CAP SYSTEM SUMMARY		31,049				31,049
003	ADVANCE PROCUREMENT (SLAMRAAM)		40,468				40,468
	AIR-TO-SURFACE MISSILE SYSTEM						
004	HELLFIRE	372	48,629		372		48,629
	ANTI-TANK/ASSAULT MISSILE SYSTEM						
005	JAVELIN (AAWS-M) SYSTEM SUMMARY	605	259,326		605		259,326
006	TOW 2 SYSTEM SUMMARY	1,586	85,988		1,586		85,988
007	ADVANCE PROCUREMENT (CY)						
008	GUIDED MLRS ROCKET (GMLRS) Program Reduction	1,938	247,213	-10,000 [-10,000]	1,938		237,213
009	MLRS REDUCED RANGE PRACTICE ROCKETS (RRPR)	4,014	25,300		4,014		25,300
010	HIGH MOBILITY ARTILLERY ROCKET SYSTEM (HIMARS)	57	246,041		57		246,041
011	ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM						
	MODIFICATION OF MISSILES						
	MODIFICATIONS						
012	PATRIOT MODS		524,500				524,500

Title I - Procurement
(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
013	JAVELIN MISSILE MODS		137,109				137,109
014	ITAS/TOW MODS		1,872				1,872
015	MLRS MODS		16,408				16,408
016	HIMARS MODIFICATIONS						
017	HELLFIRE MODIFICATIONS						
	SPARES AND REPAIR PARTS						
018	SPARES AND REPAIR PARTS		24,901				24,901
	SUPPORT EQUIPMENT AND FACILITIES						
019	AIR DEFENSE TARGETS		6,442				6,442
020	ITEMS LESS THAN \$5.0M (MISSILES)		10				10
021	PRODUCTION BASE SUPPORT		4,118				4,118
	TOTAL - MISSILE PROCUREMENT, ARMY	8,680	2,211,460		-10,000	8,680	2,201,460

Item of Special Interest

Guided multiple launch rocket system

The budget request contained \$247.2 million for procurement of 1,938 rockets for the guided multiple launch rocket system (GMLRS).

The committee notes that there are several significant pending foreign military sales contracts for this system that should allow for savings due to increased quantities of rockets in production.

The committee recommends \$237.2 million, a decrease of \$10.0 million, for procurement of GMLRS rockets.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES,
ARMY

Overview

The budget request for fiscal year 2009 contained \$3.7 billion for Procurement of Weapons and Tracked Combat Vehicles, Army. The committee recommends authorization of \$3.5 billion, a decrease of \$147.9 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Procurement of Weapons and Tracked Combat Vehicles, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
PROCUREMENT OF WEAPONS & TRACKED COMBAT							
TRACKED COMBAT VEHICLES							
001	ABRAMS TRNG DEV MOD						
002	BRADLEY PROGRAM	21	171,989			21	171,989
003	BRADLEY TRAINING DEVICES (MOD)		4,386				4,386
004	ABRAMS TANK TRAINING DEVICES						
005	STRYKER VEHICLE	119	1,174,947		-155,800	119	1,019,147
	Stryker Mobile Gun System Production Delay				[-155,800]		
006	FUTURE COMBAT SYSTEMS: (FCS)	6	128,419			6	128,419
007	ADVANCE PROCUREMENT (CY)		26,164				26,164
008	FCS SPIN OUTS		161,879				161,879
009	ADVANCE PROCUREMENT (CY)		14,788				14,788
MODIFICATION OF TRACKED COMBAT VEHICLES							
010	CARRIER, MOD						
011	FIST VEHICLE (MOD)	6	33,426			6	33,426
012	BRADLEY PROGRAM (MOD)		311,925				311,925
013	HOWITZER, MED SP FT 155MM M109A6 (MOD)		28,913				28,913
014	IMPROVED RECOVERY VEHICLE (M88A2 HERCULES)	39	132,701			39	132,701
015	ARMORED BREACHER VEHICLE	11	34,713			11	34,713
016	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)						
017	JOINT ASSAULT BRIDGE	11	40,464			11	40,464

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
018	M1 ABRAMS TANK (MOD)		341,569				341,569
019	SYSTEM ENHANCEMENT PGM: SEP M1A2						
020	ABRAMS UPGRADE PROGRAM	29	351,179			29	351,179
021	ITEMS LESS THAN \$5.0M (TCV-WTCV)						
022	PRODUCTION BASE SUPPORT (TCV-WTCV)		7,136				7,136
	WEAPONS AND OTHER COMBAT VEHICLES						
023	HOWITZER, LIGHT, TOWED, 105MM, M119	90	118,431			90	118,431
024	M240 MEDIUM MACHINE GUN (7.62MM)	5,900	61,334			5,900	61,334
025	MACHINE GUN, CAL .50 M2 ROLL	6,167	99,881			6,167	99,881
026	M249 SAW MACHINE GUN (5.56MM)	5,150	22,134			5,150	22,134
027	MK-19 GRENADE MACHINE GUN (40MM)	785	17,328			785	17,328
028	MORTAR SYSTEMS	165	15,500			165	15,500
029	M107, CAL. 50, SNIPER RIFLE		223				223
030	XM320 GRENADE LAUNCHER MODULE (GLM)	9,342	31,756			9,342	31,756
031	XM110 SEMI-AUTOMATIC SNIPER SYSTEM (SASS)	508	7,407			508	7,407
032	M4 CARBINE	88,964	151,055			88,964	151,055
033	SHOTGUN, MODULAR ACCESSORY SYSTEM (MASS)	7,135	9,097			7,135	9,097
034	COMMON REMOTELY OPERATED WEAPONS STATION						
035	FUTURE HANDGUN SYSTEM (FHS)	5,000	3,468			5,000	3,468
036	HOWITZER LT WT 155MM (T)	38	113,205			38	113,205

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009		House		House	
		Request	Cost	Change	Authorized	Cost	Cost
		Qty		Qty	Qty		
MODIFICATION OF WEAPONS AND OTHER COMBAT							
037	MK-19 GRENADE MACHINE GUN MODS		7,654				7,654
038	M4 CARBINE MODS		16,796				16,796
039	M2 50 CAL MACHINE GUN MODS						
040	M249 SAW MACHINE GUN MODS		7,088				7,088
041	M240 MEDIUM MACHINE GUN MODS		21,128				21,128
042	PHALANX MODS						
043	M119 MODIFICATIONS		964				964
044	M16 RIFLE MODS		1,181				1,181
045	MODIFICATIONS LESS THAN \$5.0M Stryker Situation Awareness Soldier Protection Package		3,763			5,900	9,663
						[5,900]	
SUPPORT EQUIPMENT AND FACILITIES							
046	ITEMS LESS THAN \$5.0M (WOCV-WTCV)		2,187			2,000	4,187
	M1A1 Transmission Dynamometer					[2,000]	
047	PRODUCTION BASE SUPPORT (WOCV-WTCV)		6,545				6,545
048	INDUSTRIAL PREPAREDNESS		3,104				3,104
049	SMALL ARMS EQUIPMENT (SOLDIER ENH PROG)		1,250				1,250
050	REF SMALL ARMS						
051	CLOSED ACCOUNT ADJUSTMENTS						
TOTAL - PROCUREMENT OF WTCV, ARMY			3,687,077			-147,900	3,539,177

Items of Special Interest

Army vehicle modernization plans

The committee is concerned that the Army's current plan to field, maintain, and continuously modernize three separate fleets of ground combat vehicles, in addition to replacing much of its wheeled vehicle fleet, is unaffordable in the near- and mid-term and could greatly increase operational support costs in the long-term.

Today, the Army supports two families of ground combat vehicles: the heavy mechanized force with M1 Abrams tanks, M2 Bradley fighting vehicles, and M113 support vehicles; and the separate Stryker family of vehicles. In addition, the Army is designing a third set of ground combat vehicles for the Future Combat Systems (FCS) program that would begin fielding in fiscal year 2015. While the Army plans to replace some heavy brigade combat team sets of equipment with FCS vehicles, its current plan would only replace 15 of 31 heavy brigade sets by 2029, requiring a long-term effort to continuously upgrade the M1/M2 fleet and the Stryker family of vehicles, both of which would remain in the Army's inventory for an indefinite period.

The committee notes that based on historic examples, plans to modernize and procure new versions of any one of these fleets will prove expensive. The cost of doing so for all three fleets at the same time could require funding far in excess of likely Army procurement funding in the fiscal year 2010 to fiscal year 2020 period. The committee notes that during this same time period, the Army also plans to procure major elements of a new tactical wheeled vehicle fleet, including replacement of the high mobility multi-purpose wheeled vehicle with the joint light tactical vehicle. In addition to procurement costs, the committee is concerned that the cost to the Army of the equipment, personnel, repair parts, and industrial base maintenance necessary to support three families of ground combat vehicles, in addition to the wheeled vehicle fleet, will further reduce Army funding available for other priorities.

The committee supports the Army's overall transformation goals and the desired ground vehicle capabilities promised by the FCS program. Although the committee encourages the Army to accelerate mature capabilities when practical, acceleration efforts or program restructures should not pose additional risk to efforts to improve current force platforms. Upgrades to existing ground vehicles should continue until replacement vehicles are properly tested and proven to be more lethal and survivable than the vehicles they are intended to replace.

The committee supports low-risk approaches to increasing the capability of ground combat systems, such as upgrading the M1 Abrams tank, M2 Bradley fighting vehicle, M109A6 Paladin, and Stryker families of vehicles. The committee is less inclined to support a plan that would significantly reduce funding for these platforms (in the expectation of their replacement) with FCS vehicles in the near- to mid-term, which the committee believes would be a high-risk approach given the technological and integration challenges faced by the FCS program. However, the committee notes that some current vehicles, such as the M113 family of vehicles, have requirements significantly less demanding than the M1

Abrams, M2 Bradley, and M109A6 Paladin in terms of combat capability, therefore the committee could support replacement of the M113 family with FCS or Stryker vehicles.

The committee urges the Army, as part of its fiscal year 2010 budget review and the upcoming quadrennial defense review, to re-examine the proper mix of brigade combat teams and ground combat vehicles to ensure that the Army can adequately modernize and support its future family of ground combat systems under realistic future budget assumptions.

Small arms acquisition strategy

The committee expects the military services to work through the joint acquisition process to develop and adequately resource a joint long-term competitive acquisition strategy for small arms. The committee expects that any future acquisition program for a next-generation handgun and next-generation carbine would be conducted through a full and open competitive process. The committee strongly encourages the Department to acquire the technical data rights for any approved and contracted solution.

The committee is also aware the Air Force is in the process of generating a requirement for a next-generation, modular handgun system. The committee would discourage any obligation of funds towards this program until the Joint Requirements Oversight Council (JROC) has approved this requirement as part of a joint service small arms acquisition strategy. The committee understands the Army is the executive agent for small arms procurement and should maintain that executive agency. The committee believes the military services should work closely together in developing new small arms requirements and would encourage the JROC to expeditiously review these requirements.

Stryker mobile gun system production delay

The budget request contained \$1.2 billion for 119 new Stryker vehicles and upgrades to existing Stryker vehicles. Of this amount, \$445.8 million was requested for procurement of 79 Stryker mobile gun system (MGS) vehicles.

The committee notes that obligation of funds to procure Stryker MGS vehicles is restricted by section 117 the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181). The committee is concerned that the Secretary of the Army has not provided the certification required by section 117 to lift the restriction on obligation of funds, and that the Secretary of Defense has not exercised the waiver authority provided in the same section. The committee understands that failure to provide the required certification or exercise of the waiver will delay the production and delivery of Stryker MGS vehicles, requiring adjustment of requested funding. In addition, the committee notes that due to denial of a reprogramming request that the Army has identified \$33.0 million of the requested fiscal year 2009 funding as excess.

The committee recommends \$1.0 billion, a decrease of \$155.8 million, for Stryker vehicle procurement. The committee expects the Army to only reduce funding for Stryker MGS production and to prioritize Stryker vehicle survivability upgrades with the funds provided.

PROCUREMENT OF AMMUNITION, ARMY

Overview

The budget request for fiscal year 2009 contained \$2.3 billion for Procurement of Ammunition, Army. The committee recommends authorization of \$2.3 billion, an increase of \$19.0 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Procurement of Ammunition, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009		House		House	
		Request	Cost	Change	Authorized	Qty	Cost
	PROCUREMENT OF AMMUNITION, ARMY						
	AMMUNITION						
	SMALL/MEDIUM CALIBER AMMUNITION						
001	CTG, 5.56MM, ALL TYPES	197,130	197,130				197,130
002	CTG, 7.62MM, ALL TYPES	59,181	59,181				59,181
003	CTG, HANDGUN, ALL TYPES	6,276	6,276				6,276
004	CTG, .50 CAL, ALL TYPES	183,813	183,813				183,813
005	CTG, 20MM, ALL TYPES						
006	CTG, 25MM, ALL TYPES	14,742	14,742				14,742
007	CTG, 30MM, ALL TYPES	79,066	79,066				79,066
008	CTG, 40MM, ALL TYPES	293,322	293,322				293,322
	MORTAR AMMUNITION						
009	60MM MORTAR, ALL TYPES	17,055	17,055				17,055
010	81MM MORTAR, ALL TYPES	58,521	58,521				58,521
011	CTG, MORTAR, 120MM, ALL TYPES	117,601	117,601				117,601
	TANK AMMUNITION						
012	CTG TANK 105MM: ALL TYPES	15,829	15,829				15,829
013	CTG, TANK, 120MM, ALL TYPES	151,015	151,015				151,015
	ARTILLERY AMMUNITION						
014	CTG, ARTY, 75MM: ALL TYPES	2,741	2,741				2,741

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
015	CTG, ARTY, 105MM: ALL TYPES		42,153				42,153
016	CTG, ARTY, 155MM, ALL TYPES		85,030				85,030
017	PROJ 155MM EXTENDED RANGE XM982		34,220		15,000		49,220
	Excalibur XM982 Extended Range Artillery Projectile				[15,000]		
018	MODULAR ARTILLERY CHARGE SYSTEM (MACS), ALL T		43,338				43,338
	ARTILLERY FUZES						
019	ARTILLERY FUZES, ALL TYPES		19,969				19,969
	MINES						
020	MINES, ALL TYPES		4,846				4,846
021	MINE, CLEARING CHARGE, ALL TYPES		2,606				2,606
022	ANTIPERSONNEL LANDMINE ALTERNATIVES		52,000				52,000
	ROCKETS						
023	SHOULDER LAUNCHED MUNITIONS, ALL TYPES		28,020				28,020
024	ROCKET, HYDRA 70, ALL TYPES		142,521				142,521
	OTHER AMMUNITION						
025	DEMOLITION MUNITIONS, ALL TYPES		28,886				28,886
026	GRENADES, ALL TYPES		71,608				71,608
027	SIGNALS, ALL TYPES		89,357				89,357
028	CARTRIDGE, IMPULSE, BBU-35/B						
029	SIMULATORS, ALL TYPES		20,027				20,027
030	SIMULATOR, HOSTILE FIRE, XM34						

Title I - Procurement
(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
031	SIMULATOR, TARGET HIT, XM35 (WHITE STAR)						
032	FLARE, AIRCRAFT, COUNTERMEASURE, XM216						
033	ALL OTHER (AMMO)						
	MISCELLANEOUS						
034	AMMO COMPONENTS, ALL TYPES		15,228				15,228
035	NON-LETHAL AMMUNITION, ALL TYPES		21,193				21,193
036	CAD/PAD ALL TYPES		2,806				2,806
037	ITEMS LESS THAN \$5 MILLION		6,996				6,996
038	AMMUNITION PECULIAR EQUIPMENT		10,598		4,000		14,598
	Outloading Module-McAlester Army Ammunition Plant				[4,000]		
039	FIRST DESTINATION TRANSPORTATION (AMMO)		12,564				12,564
040	CLOSEOUT LIABILITIES		100				100

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>Qty</u>	<u>FY 2009 Request</u>	<u>House Change</u>	<u>House Authorized</u>	<u>Cost</u>	<u>Cost</u>
				<u>Qty</u>	<u>Qty</u>		
	AMMUNITION PRODUCTION BASE SUPPORT						
	PRODUCTION BASE SUPPORT						
041	PROVISION OF INDUSTRIAL FACILITIES		187,388			187,388	42
042	LAYAWAY OF INDUSTRIAL FACILITIES		5,085			5,085	
043	MAINTENANCE OF INACTIVE FACILITIES		5,619			5,619	
044	CONVENTIONAL MUNITIONS DEMILITARIZATION, ALL		144,327			144,327	
045	ARMS INITIATIVE		3,014			3,014	
	RE-ESTIMATE OF GUARANTEED LOAN						
046	RE-ESTIMATE OF GUAR LOAN						
	TOTAL - PROCUREMENT OF AMMUNITION, ARMY		2,275,791			19,000	2,294,791

Item of Special Interest

XM982 precision guided extended range artillery projectile

The budget request contained \$34.2 million for Excalibur XM982 precision guided extended range artillery projectiles.

The committee notes the Excalibur I-A projectile has been successfully fielded in limited quantities to Operation Iraqi Freedom in response to an urgent operational need from theater and is exceeding expectations. The committee believes that additional funds would allow for the acceleration of production of this critical high demand/low density projectile, as well as to help stabilize the future procurement strategy which in turn should create cost savings based on economies of scale. The committee recommends the realignment of \$15.0 million from PE 64814A to increase low-rate initial production of Excalibur XM982 projectiles.

Therefore, the committee recommends \$49.2 million, an increase of \$15.0 million, to continue to accelerate production and fielding of Excalibur XM982 projectiles.

OTHER PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2009 contained \$11.4 billion for Other Procurement, Army. The committee recommends authorization of \$11.2 billion, a decrease of \$166.1 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Other Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	OTHER PROCUREMENT, ARMY						
	TACTICAL AND SUPPORT VEHICLES						
	TACTICAL VEHICLES						
001	TACTICAL TRAILERS/DOLLY SETS		88,428				88,428
002	SEMITRAILERS, FLATBED:		62,345				62,345
003	SEMITRAILERS, TANKERS		47,476				47,476
004	HI MOB MULTI-PURP WHLD VEH (HMMWV)		946,734				946,734
005	FAMILY OF MEDIUM TACTICAL VEH (FMTV)		944,687				944,687
006	FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIPMEN		19,378				19,378
007	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)		923,348				923,348
008	ARMORED SECURITY VEHICLES (ASV)	202	195,385			202	195,385
009	MINE PROTECTION VEHICLE FAMILY		182,367				182,367
010	TRUCK, TRACTOR, LINE HAUL, M915/M916		14,870				14,870
011	HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV P		213,341				213,341
012	HMMWV RECAPITALIZATION PROGRAM						
013	MODIFICATION OF IN SVC EQUIP		32,219		5,000		37,219
	Passive Fuel Tank Fire Suppression Kits - FMTVs				[5,000]		
014	ITEMS LESS THAN \$5.0M (TAC VEH)		511				511
015	TOWING DEVICE-FIFTH WHEEL	3	218			3	218
	NON-TACTICAL VEHICLES						
016	HEAVY ARMORED SEDAN	3	595			3	595

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
017	PASSENGER CARRYING VEHICLES	8	280			8	280
018	NONTACTICAL VEHICLES, OTHER		3,380				3,380
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT						
	COMM-JOINT COMMUNICATIONS						
019	COMBAT IDENTIFICATION PROGRAM		12,910				12,910
020	JOINT COMBAT IDENTIFICATION MARKING SYSTEM		287,605		-45,012		242,593
021	WIN-T - GROUND FORCES TACTICAL NETWORK WIN-T Increment 2 Reduction		4,114		[-45,012]		4,114
022	JCSE EQUIPMENT (USREDCOM)						
	COMM-SATELLITE COMMUNICATIONS						
023	SECOMP-I						
024	DEFENSE ENTERPRISE WIDEBAND SATCOM SYSTEMS		88,286				88,286
025	SHF TERM		298				298
026	SAT TERM, EMUT (SPACE)		807				807
027	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE) Defense Advanced GPS Receivers (DAGR)		92,311		5,000		97,311
028	SMART-T (SPACE)		85,286		[5,000]		85,286
029	SCAMP (SPACE)		993				993
030	GLOBAL BRDCST SVC - GBS		35,385				35,385
031	MOD OF IN-SVC EQUIP (TAC SAT)		6,075				6,075

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
COMM-C3 SYSTEM							
032	ARMY GLOBAL CMD & CONTROL SYS (AGCCS)		33,513				33,513
COMM-COMBAT COMMUNICATIONS							
033	ARMY DATA DISTRIBUTION SYSTEM (EPLRS)		36,077				36,077
034	RADIO TERMINAL SET, MIDS LVT(2)		8,570				8,570
035	SINGGARS FAMILY		84,888		-84,888		
	Program Reduction				[-84,888]		
036	AMC CRITICAL ITEMS - OPA2		4,073				4,073
037	MULTI-PURPOSE INFORMATIONS OPERATIONS SYSTEMS		7,801				7,801
038	BRIDGE TO FUTURE NETWORKS						
039	COMMS-ELEC EQUIP FIELDING		7,828				7,828
040	SPIDER APLA REMOTE CONTROL UNIT	125	18,000			125	18,000
041	SOLDIER ENHANCEMENT PROGRAM		7,545				7,545
042	COMBAT SURVIVOR EVADER LOCATOR (CSEL)		16,155				16,155
043	RADIO, IMPROVED HF (COTS) FAMILY		48,436				48,436
044	MEDICAL COMM FOR CBT CASUALTY CARE (MC4)		38,281				38,281
COMM-INTELLIGENCE COMMUNICATIONS							
045	CI AUTOMATION ARCHITECTURE		1,500				1,500
INFORMATION SECURITY							
046	TSEC - ARMY KEY MGT SYS (AKMS)		34,774				34,774
047	INFORMATION SYSTEM SECURITY PROGRAM-ISSP		76,570				76,570

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
COMM-LONG HAUL COMMUNICATIONS							
048	TERRESTRIAL TRANSMISSION		9,167				9,167
049	BASE SUPPORT COMMUNICATIONS		35,120				35,120
050	ELECTROMAG COMP PROG (EMCP)						
051	WW TECH CON IMP PROG (WWTCIP)		28,736				28,736
COMM-BASE COMMUNICATIONS							
052	INFORMATION SYSTEMS		278,999		-5,000		273,999
	Network Enterprise Technology Command Unjustified growth				[-5,000]		
053	DEFENSE MESSAGE SYSTEM (DMS)		6,726				6,726
054	INSTALLATION INFO INFRASTRUCTURE MOD PROGRAM(231,336				231,336
055	PENTAGON INFORMATION MGT AND TELECOM		33,317				33,317
ELECT EQUIP-NAT FOR INT PROG (NFIP)							
56	FOREIGN COUNTERINTELLIGENCE PROG (FCI)		[]				[]
57	GENERAL DEFENSE INTELL PROG (GDIP)		[]				[]
058	ALL SOURCE ANALYSIS SYS (ASAS) (MIP)		58,333				58,333
059	JTT/CIBS-M (MIP)		11,377				11,377
060	PROPHET GROUND (MIP)		114,085				114,085
061	TACTICAL UNMANNED AERIAL SYS (TUAS)MIP		316,598				316,598
062	SMALL UNMANNED AERIAL SYSTEM (SUAS)		30,023				30,023
063	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (MIP)		26,802				26,802
064	DRUG INTERDICTION PROGRAM (DIP)						

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
065	TACTICAL EXPLOITATION SYSTEM (MIP)		177,973				177,973
066	DCGS-A (MIP)		10,409				10,409
067	TROJAN (MIP)		2,423				2,423
068	MOD OF IN-SVC EQUIP (INTEL SPT) (MIP)		37,632				37,632
069	CI HUMINT AUTO REPRTING AND COLL(CHARCS)		6,358				6,358
070	SEQUOYAH FOREIGN LANGUAGE TRANSLATION SYS		27,731				27,731
071	ITEMS LESS THAN \$5.0M (MIP)						
	ELECT EQUIP-ELECTRONIC WARFARE (EW)						48
072	LIGHTWEIGHT COUNTER MORTAR RADAR	38	46,397				46,397
073	WARLOCK					38	
074	COUNTERINTELLIGENCE/SECURITY		993				993
075	CI MODERNIZATION (MIP)		1,297				1,297
	ELECT EQUIP-TACTICAL SURV. (TAC SURV)						
076	SENTINEL MODS		33,142				33,142
077	NIGHT VISION DEVICES		465,592				465,592
078	LONG RANGE ADVANCED SCOUT SURVEILLANCE	41	210,766			41	210,766
079	NIGHT VISION, THERMAL WPN SIGHT		416,866				416,866
080	RADIATION MONITORING SYSTEMS		3,440				3,440
081	COUNTER-ROCKET, ARTILLERY & MORTAR (C-RAM)		447				447
082	ARTILLERY ACCURACY EQUIP						
083	MOD OF IN-SVC EQUIP (MMS)				1,000		1,000

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009		House		House	
		Request	Cost	Change	Authorized	Qty	Cost
084	Retrofit 30th HBCT Radios With Embedded SAASM GPS		2,579	[1,000]			2,579
085	ENHANCED PORTABLE INDUCTIVE ARTILLERY FUZE SE PROFILER	8	12,517	-7,500		8	5,017
	Profiler Meteorological System			[-7,500]			
086	MOD OF IN-SVC EQUIP (FIREFINDER RADARS)		16,342				16,342
087	FORCE XXI BATTLE CMD BRIGADE & BELOW (FBCB2)		231,651				231,651
088	LIGHTWEIGHT LASER DESIGNATOR/RANGEFINDER (LLD)		150,094				150,094
089	COMPUTER BALLISTICS: LHMCB XM32		2,269				2,269
090	MORTAR FIRE CONTROL SYSTEM		21,037				21,037
091	COUNTERFIRE RADARS		107,061	-46,700			60,361
	Program Reduction			[-46,700]			
092	INTEGRATED MET SYS SENSORS (IMETS) - MIP						
093	ENHANCED SENSOR & MONITORING SYSTEM		1,987				1,987
	ELECT EQUIP-TACTICAL C2 SYSTEMS						
094	TACTICAL OPERATIONS CENTERS		196,245	-49,000			147,245
	Program Reduction			[-49,000]			
095	FIRE SUPPORT C2 FAMILY		53,908				53,908
096	BATTLE COMMAND SUSTAINMENT SUPPORT SYSTEM		36,829				36,829
097	FAAD C2		7,489				7,489
098	AIR & MSL DEFENSE PLANNING & CONTROL SYS (AMD)		57,674				57,674
099	KNIGHT FAMILY		100,709				100,709

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
100	LIFE CYCLE SOFTWARE SUPPORT (LCSS)		2,101				2,101
101	AUTOMATIC IDENTIFICATION TECHNOLOGY		83,530				83,530
102	TC AIMS II		31,879				31,879
103	JOINT NETWORK MANAGEMENT SYSTEM (JNMS)		11,059				11,059
104	TACTICAL INTERNET MANAGER		4,809				4,809
105	DATA PRODUCTS		30,077				30,077
106	MANEUVER CONTROL SYSTEM (MCS)		123,009				123,009
107	SINGLE ARMY LOGISTICS ENTERPRISE (SALE) Logistics Post Production Software Support Unjustified		67,960		-5,000		62,960
108	MOUNTED BATTLE COMMAND ON THE MOVE (MBCOTM) ELECT EQUIP - AUTOMATION		25,869		[-5,000]		25,869
109	GENERAL FUND ENTERPRISE BUSINESS SYSTEM		30,137				30,137
110	ARMY TRAINING MODERNIZATION		13,481				13,481
111	AUTOMATED DATA PROCESSING EQUIP Interoperable Radios - TX ARNG Joint Incident Scene Communication Capability		105,343		1,000		106,343
112	CSS COMMUNICATIONS		36,744		[1,000]		3,000
113	RESERVE COMPONENT AUTOMATION SYS (RCAS) ELECT EQUIP-AUDIO VISUAL SYS (AV)		42,462		[3,000]		36,744
114	AFRTS						42,462
115	ITEMS LESS THAN \$5.0M (A/V)		6,677				6,677

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
116	ITEMS LESS THAN \$5M (SURVEYING EQUIPMENT)		12,613				12,613
	ELECT EQUIP-MODS TACTICAL SYS/EQ						
117	WEAPONIZATION OF UNMANNED AERIAL SYSTEM (UAS)		15,124				15,124
	ELECT EQUIP-SUPPORT						
118	ITEMS UNDER \$5M (SSE)		6,517		2,000		8,517
	SAASM PPS GPS Upgrade				[2,000]		
119	PRODUCTION BASE SUPPORT (C-E)		514				514
	OTHER SUPPORT EQUIPMENT						
	CHEMICAL DEFENSIVE EQUIPMENT						
120	PROTECTIVE SYSTEMS	35	1,085			35	1,085
121	MASK, ACFT						
122	CBRN SOLDIER PROTECTION		58,426				58,426
123	SMOKE & OBSCURANT FAMILY: SOF (NON AAO ITEM)		16,814				16,814
	BRIDGING EQUIPMENT						
124	TACTICAL BRIDGING	19	93,930			19	93,930
125	TACTICAL BRIDGE, FLOAT-RIBBON		147,270				147,270
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT						
126	HANDHELD STANDOFF MINEFIELD DETECTION SYS-HST		46,007				46,007
127	GRND STANDOFF MINE DETECTION SYSTEM (GSTAMIDS)		46,783				46,783
128	EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPMT)		58,437				58,437
129	< \$5M, COUNTERMINE EQUIPMENT		3,192				3,192

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
130	AERIAL DETECTION		12,773				12,773
	COMBAT SERVICE SUPPORT EQUIPMENT						
131	HEATERS AND ECU'S		12,996				12,996
132	LAUNDRIES, SHOWERS AND LATRINES		7,002				7,002
133	SOLDIER ENHANCEMENT		9,898				9,898
134	LIGHTWEIGHT MAINTENANCE ENCLOSURE (LME)						
135	LAND WARRIOR				20,000		20,000
	Program Increase				[20,000]		
136	FORCE PROVIDER						
137	FIELD FEEDING EQUIPMENT		70,847		2,200		73,047
	Multi-Temp Refrigerated Container System (MTRCS)				[2,200]		
138	PARACHUTE & AERIAL DEL SYS		63,420				63,420
139	MOBILE INTEGRATED REMAINS COLLECTION SYSTEM:		17,803				17,803
140	ITEMS LESS THAN \$5M (ENG SPT)		32,602				32,602
141	ITEMS LESS THAN \$5.0M (CSS EQ)						
	PETROLEUM EQUIPMENT						
142	QUALITY SURVEILLANCE EQUIPMENT		1,285				1,285
143	DISTRIBUTION SYSTEMS, PETROLEUM & WATER		61,545				61,545
	WATER EQUIPMENT						
144	WATER PURIFICATION SYSTEMS		51,164				51,164

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	MEDICAL EQUIPMENT						
145	COMBAT SUPPORT MEDICAL		62,336				62,336
	MAINTENANCE EQUIPMENT						
146	MOBILE MAINTENANCE EQUIPMENT SYSTEMS		57,994				57,994
147	ITEMS LESS THAN \$5.0M (MAINT EQ)		1,329				1,329
	CONSTRUCTION EQUIPMENT						
148	GRADER, ROAD MTZD, HVY, 6X4 (CCE)		37,698				37,698
149	SKID STEER LOADER (SSL) FAMILY OF SYSTEM		19,943				19,943
150	SCRAPERS, EARTHMOVING						
151	DISTR, WATER, SP MIN 2500G SEC/NON-SEC		6,555				6,555
152	MISSION MODULES - ENGINEERING		31,525				31,525
153	LOADERS		27,988				27,988
154	HYDRAULIC EXCAVATOR		9,565				9,565
155	TRACTOR, FULL TRACKED		33,727				33,727
156	CRANES						
157	PLANT, ASPHALT MIXING		7,906				7,906
158	HIGH MOBILITY ENGINEER EXCAVATOR (HMEE) FOS		54,508				54,508
159	CONST EQUIP ESP		44,703				44,703
160	ITEMS LESS THAN \$5.0M (CONST EQUIP)		17,030				17,030
	RAIL FLOAT CONTAINERIZATION EQUIPMENT						
161	JOINT HIGH SPEED VESSEL (JHSV)	1	168,846			1	168,846

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
162	HARBORMASTER COMMAND AND CONTROL CENTER		17,615				17,615
163	CAUSEWAY SYSTEMS						
164	ITEMS LESS THAN \$5.0M (FLOAT/RAIL)		7,803				7,803
	GENERATORS						
165	GENERATORS AND ASSOCIATED EQUIP		217,749				217,749
	MATERIAL HANDLING EQUIPMENT						
166	ROUGH TERRAIN CONTAINER HANDLER (RTCH)		45,000				45,000
167	ALL TERRAIN LIFTING ARMY SYSTEM		48,981				48,981
	TRAINING EQUIPMENT						
168	COMBAT TRAINING CENTERS SUPPORT		16,508				16,508
169	TRAINING DEVICES, NONSYSTEM		218,614				247,014
	Call for Fire Trmr II - Jnt Forces and Effects Trainer Sys				28,400		
	Combat Skills Simulation Systems - OH ARNG				[4,000]		
	Immersive Group Sim Virtual Training System HI ARNG				[4,650]		
	Virtual Interactive Combat Environment - NJ ARNG				[4,500]		
	Ft Bragg Range 74 Comb Arms Collective Trng Facility I				[2,000]		
	Future Soldier Training System - TX ARNG				[4,000]		
	Instrumentation for Urban Assault Course - TN ARNG				[3,000]		
	Virtual Convoy Operations Trainer - KY ARNG				[1,750]		
	Combat Skills Marksmanship Trainer				[1,500]		
170	CLOSE COMBAT TACTICAL TRAINER		60,676		[3,000]		64,126

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009</u> <u>Request</u>	<u>House</u> <u>Change</u>	<u>House</u> <u>Authorized</u>
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u> <u>Cost</u>
	Mobile Digital Target System - Army Infantry Set			
	Abrams Mobile Conduct of Fires Trainer Upgrades		[450]	
171	AVIATION COMBINED ARMS TACTICAL TRAINER (AVCA	23,106	[3,000]	23,106
	TEST MEASURE AND DIG EQUIPMENT (TMD)			
172	CALIBRATION SETS EQUIPMENT	9,689		9,689
173	INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)	46,296		46,296
174	GENERAL PURPOSE ELECTRONIC TEST EQUIPMENT (GP	22,377		22,377
	OTHER SUPPORT EQUIPMENT			
175	RAPID EQUIPPING SOLDIER SUPPORT EQUIPMENT	20,190		20,190
176	PHYSICAL SECURITY SYSTEMS (OPA3)	104,774	6,000	110,774
	Battfield Anti-Intrusion System		[6,000]	
177	BASE LEVEL COM'L EQUIPMENT	4,123		4,123
178	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)	45,741		45,741
179	PRODUCTION BASE SUPPORT (OTH)	3,107		3,107
180	BUILDING, PRE-FAB, RELOCATABLE			
181	SPECIAL EQUIPMENT FOR USER TESTING	24,201		24,201
182	AMC CRITICAL ITEMS OPA3	10,826		10,826
183	MA8975	2,624		2,624

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009</u> <u>Request</u>	<u>Qty</u>	<u>Cost</u>	<u>House</u> <u>Change</u>	<u>Qty</u>	<u>Cost</u>	<u>House</u> <u>Authorized</u>	<u>Qty</u>	<u>Cost</u>
	SPARES AND REPAIR PARTS									
	OPA2									
184	INITIAL SPARES - C&E	36,334						36,334		
	OPA3									
185	INITIAL SPARES - OTHER SUPPORT EQUIP			2,636						2,636
999	CLASSIFIED PROGRAMS									
	TOTAL - OTHER PROCUREMENT, ARMY	483	11,367,926		-166,050	483	11,201,876			56

Items of Special Interest

Army enterprise resource planning systems

The committee is concerned about duplication of effort within the Army regarding implementation of multiple enterprise resource planning (ERP) systems. The committee believes that the Army should work towards consolidating their business and logistics transformation efforts to create an integrated business environment. These programs should focus on identifying and eliminating redundancy among programs to reduce costs and accelerate fielding.

The committee believes the Army needs to establish a strong governance structure based on well-defined metrics of success. This governance structure should identify elements that are common across the programs and enforce a single coherent strategy with a synchronized master schedule. The programs should be restructured to allocate functionality in a manner that provides seamless integration of end-to-end business processes within a single ERP. The financial processes and data should be implemented in the same instance as the associated business practices. Asset accountability and financial accounting for an item should exist only in one ERP instantiation, otherwise there is no value-added to having an enterprise solution. The emphasis should be on adoption of common process configurations across the multiple numbers of ERP systems, aimed at eliminating the maximum number of legacy systems.

The committee recognizes that taking such actions will have an impact on the ability of these programs to execute funds in a timely fashion. The committee supports any associated pause in these programs that may be necessary in order for a solution that achieves the goals outlined above.

Counterfire radars

The budget request contained \$107.1 million for 14 EQ-36 counterfire radar systems.

The committee notes that the amended fiscal year 2008 budget request for ongoing military operations contained \$174.0 million for 12 EQ-36 systems to meet part of a theater operational needs statement. As a result, the full amount requested in fiscal year 2009 is not needed to complete the theater requirement for EQ-36 systems.

The committee recommends \$60.4 million, a decrease of \$46.7 million, for EQ-36 counterfire radar systems.

Defense Advanced GPS Receivers

The budget request contained \$72.1 million for acquisition of 30,051 Defense Advanced GPS Receivers (DAGRs).

The committee is aware that the Army has an unfunded requirement for additional DAGRs beyond those currently programmed in the budget request for Army National Guard units deployed in Operation Iraqi Freedom and Operation Enduring Freedom. Additional funding for DAGR procurement should reduce the cost of each unit and increase the number of units available for deployment to warfighters.

The committee recommends an increase of \$5.0 million for procurement of an additional 3,000 DAGRs.

Interoperable radios for Texas Army National Guard disaster response

The budget request contained \$105.3 million for automated data processing equipment.

The committee notes that standard two-way radios are a critical asset for the Army National Guard in domestic emergency response situations. The committee also notes that this equipment could improve interagency coordination and synchronization in such situations while assuring that the Army National Guard can better command and control units when operating in support of civilian agencies.

The committee recommends \$106.3 million, an increase of \$1.0 million, for procurement of standard two-way radios for the Texas Army National Guard.

Multi-temperature refrigerated container system

The budget request contained \$70.8 million for field feeding equipment, but contained no funds to procure additional Multi-Temperature Refrigerated Container Systems (MTRCS).

MTRCS is a next generation refrigeration system that would provide the capability to transport and store both refrigerated and frozen products in a single container. The committee recognizes this capability would minimize transportation requirements and improve upon space utilization. The committee notes this capability would benefit subsistence units and medical units.

The committee recommends an increase of \$2.2 million to procure additional MTRCS.

Non-system training device program

The budget request contained \$218.6 million to continue the non-system training device (NSTD) program, but included no funds to procure the following NTSD programs: Call for Fire II/Joint Fires and Effects Trainer Systems (JFETS), combat skills simulation systems for the Ohio National Guard (ARNG), combined arms collective training facility instrumentation upgrades, Future Soldier Trainer training systems for the Texas ARNG, immersive group simulation virtual training systems for the Hawaii ARNG, Virtual Interactive Combat Environment (VICE) systems for the New Jersey ARNG, urban assault course instrumentation upgrades for the Tennessee ARNG, virtual convoy operation trainers for the Kentucky ARNG, and combat skills marksmanship trainers.

The Army's NTSD program is an initiative to introduce realistic and effective training devices into individual and unit training settings. The committee understands there is an emphasis on training military personnel in urban operations and asymmetric tactical situations similar to those being experienced by soldiers in Operation Enduring Freedom and Operation Iraqi Freedom. The committee supports this initiative and believes these programs could improve soldier survivability.

The committee recommends \$247.0 million for non-system training devices for a total increase of \$28.4 million, including: an increase of \$4.0 million for JFETS; \$4.7 million for combat skills

training systems for the Ohio ARNG; \$4.0 million for combined arms collective training instrumentation upgrades; \$3.0 million for Future Soldier Trainer training systems for the Texas ARNG; \$4.5 million for immersive group simulation virtual training systems for the Hawaii ARNG; \$2.0 million for VICE systems for the New Jersey ARNG; \$1.8 million for urban assault course instrumentation upgrades for the Tennessee ARNG; \$1.5 million for virtual convoy operation trainers for the Kentucky ARNG; and \$3.0 million for combat skills marksmanship trainers.

Operations center technology

The committee report (H. Rept. 110–146) accompanying the National Defense Authorization Act for Fiscal Year 2008 contained an item of special interest urging the Army, Navy and Marine Corps to seek common opportunities among the services to procure, where possible, common command post equipment in order to reduce the unit cost of each system and to improve interoperability.

The committee recognizes the potential success of the Navy's Deployable Joint Command and Control (DJC2) system which provides two additional networks, one top secret and one unclassified for use by non-governmental organizations, which are not provided by the Army and Marine Corps command and control tools. Furthermore, the DJC2 system is fully certified for interoperability, information assurance, transportability, and has completed security, environmental and electromagnetic interference testing.

The committee encourages the Army and Marine Corps to assess the potential for DJC2 to meet their requirements for tactical operations centers and report back to the committee on those findings.

Profiler meteorological system

The budget request contained \$12.5 million for eight Profiler meteorological systems.

The committee notes that funding for the Profiler program increased from \$24.7 million in fiscal year 2007 to \$88.8 million in fiscal year 2008. Due to limited production capacity available, the committee is concerned that the full amount requested in fiscal year 2009 will face production challenges.

The committee recommends \$5.0 million, a decrease of \$7.5 million, for Profiler systems. The committee expects the Army to fully fund the necessary fielding support activities with the remaining funding, and defer procurement of the eight systems to fiscal year 2010.

Single channel ground and airborne radio system

The budget request contained \$84.9 million for Single Channel Ground and Airborne Radio System (SINCGARS) radios and fielding support.

The committee notes that the Army significantly reduced its acquisition objective for SINCGARS radios after the budget request was received, and that \$175.0 million of remaining fiscal year 2007 funding and fiscal year 2008 requested funding of \$649.6 million is sufficient to procure the Army's revised acquisition objective and provide radio fielding support.

The committee also notes that, while the SINCGARS program is currently an Acquisition Category (ACAT) III program, funding

provided for SINCGARS procurement over the past four fiscal years is well above the Department of Defense threshold for classification of a program as an ACAT I activity. The committee urges the Under Secretary of Defense, Acquisition, Technology and Logistics, to review the status of the SINCGARS program and determine whether or not it should be managed as an ACAT I program if the Army intends to continue to acquire SINCGARS radios beyond fiscal year 2008.

The committee recommends no funding for SINCGARS procurement, a decrease of \$84.9 million.

Tactical operations centers

The budget request contained \$196.2 million for tactical operations center (TOC) equipment and fielding support.

The committee notes that funding for the TOC program increased from \$237.6 million in fiscal year 2007 to \$557.6 million in fiscal year 2008. Due to limited production capacity available, the committee is concerned that the full amount requested in fiscal year 2009 will face production challenges.

The committee recommends \$147.2 million, a decrease of \$49.0 million, for TOC equipment and fielding support.

Tactical wheeled vehicle acquisition strategy

The committee understands the Army is requesting large amounts of funding through emergency supplemental appropriations to address immediate, near-term, and future tactical wheeled vehicle needs without having articulated a long-term acquisition strategy for the composition of the tactical wheeled vehicle (TWV) fleets. In addition to the thousands of light, medium, and heavy trucks and hundreds of armored security vehicles, the committee is aware the Army would purchase over 12,000 mine resistant ambush protected (MRAP) vehicles by the end of fiscal year 2008 and almost 2,000 additional Stryker vehicles through fiscal year 2013. Concurrently, the Army and the Marine Corps continue to develop the joint light tactical vehicle (JLTV), which would perform many of the same missions that current up-armored high mobility multi-purpose wheeled vehicles (HMMWV) and MRAP vehicles now perform.

The committee is aware the Army also plans to procure an improved HMMWV, called the evolutionary concept vehicle (ECV), that would provide for improvements in payload and protection over current up-armored HMMWVs. The committee also understands the HMMWV ECV could have only 30 percent commonality with current up-armor HMMWVs. The committee supports investments in product improvements for TWVs, however, the committee is concerned that this lack of commonality could potentially categorize the HMMWV ECV as a "new start" program and would subject the program to full and open competition as required by federal acquisition regulations. The committee is concerned over whether there could be a potential to prematurely accelerate "point solutions" for the JLTV program. The committee commends the Under Secretary of Defense for Acquisition, Technology, and Logistics for his competitive prototyping strategy. The committee encourages the Secretary of the Army, as executive agent for the JLTV program, to apply this policy to JLTV.

Given the increasing diverse mix of vehicle configurations, fleet composition requirements, potential fiscal constraints and competing priorities in Future Year Defense Programs the committee strongly encourages the Army to articulate a long-term acquisition and sustainment strategy for its TWV fleet that would maximize resources and capability, as well as minimize duplication of effort. The committee encourages the Army to reference the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163) and work jointly with the Marine Corps in developing this strategy and consider cost reduction strategies, reliability, and maintainability improvement initiatives.

The committee is concerned that currently planned single-year contract awards could be extremely costly for the Army, given the large quantity requirements that continue to exist within the modular force and for “resetting the force” to include the reserve component quantities. The committee notes that multi-year procurement contracts could potentially assure favorable cost-effective prices for more advanced configurations of current TWVs that would incorporate lessons learned from Operation Iraqi Freedom (OIF), as well as ensure stability in the industrial base.

Warfighter information network—tactical

The budget request contained \$287.6 million for procurement of Warfighter Information Network—Tactical (WIN-T) equipment. Of this amount, \$179.8 million was requested for procurement of WIN-T Increment 2 low-rate initial production.

The committee notes that the requested WIN-T Increment 2 funding procures significantly more sets of equipment than are needed for WIN-T Increment 2 testing activities in fiscal year 2009 and does not account for possible delays or modification of WIN-T Increment 2 equipment subsequent to testing.

The committee recommends \$242.6 million, a decrease of \$45.0 million, for procurement of WIN-T equipment. The committee expects the Army to fully fund WIN-T elements, other than Increment 2 equipment, requested in this procurement line.

JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND

Overview

The budget request for fiscal year 2009 contained \$496.3 million for the Joint Improvised Explosive Device Defeat Fund. The committee recommends transfer of this funding to title XV of this Act.

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND						
	NETWORK ATTACK						
001	ATTACK THE NETWORK						
	JIEDDO DEVICE DEFEAT						
002	DEFEAT THE DEVICE		196,300		-196,300		
	Transfer to Title XV				[-196,300]		
	FORCE TRAINING						
003	TRAIN THE FORCE						
	STAFF AND INFRASTRUCTURE						
004	OPERATIONS		300,000		-300,000		
	Transfer to Title XV				[-300,000]		
	TOTAL - JOINT IED DEFEAT FUND		496,300		-496,300		

Items of Special Interest

Explosives signatures database

Improvised explosive devices (IED) continue to be the primary cause of American casualties in Operation Iraqi Freedom and Operation Enduring Freedom. The committee recognizes that the constantly evolving nature of this threat makes it difficult to develop technical solutions to counter the IED threat. However, since all IEDs make use of explosives, a highly desirable but currently elusive goal is the ability to chemically detect these explosives from a safe stand-off distance. Stand-off detection is a complex problem due, in part, to the variety of the explosives used (including homemade compositions) and to the changes to chemical signatures that occur with exposure to different environments. Although the benefits of developing such a detection capability are obvious, there is no single database of explosive chemical signatures for use by those who are expert in detection technologies. The committee believes that the ongoing efforts to characterize high-explosive signatures are neither well-coordinated nor adequately funded.

The Joint IED Defeat Organization (JIEDDO) has the responsibility to lead, coordinate, and advocate for all Department of Defense activities to defeat IEDs and is the appropriate organization to lead an effort to develop an explosives signatures database. Within funds contained, the committee directs the Director of JIEDDO to fund from its science and technology budget, at a level no less than \$10.0 million, the following activities:

- (1) Development of a standardized database of explosive signatures;
- (2) Development of standard test methods for characterizing explosive signatures;
- (3) Collection of existing reliable explosive signature data from all national sources; and
- (4) Characterization of explosive signatures for which there is no existing data.

The committee further directs the Director of JIEDDO to report to the congressional defense committees on the actions taken, including funding, to fulfill these requirements, by March 15, 2009.

Unfunded counter-improvised explosive device requirements and needs

The committee supports the Department of Defense's (DOD) efforts to defeat the threat posed by improvised explosive devices (IED), which continue to be the primary cause of casualties in Operation Iraqi Freedom and Operation Enduring Freedom and have been used as a weapon of asymmetric warfare and terror in other parts of the world. To date, Congress has provided over \$10.0 billion for the Joint IED Defeat Organization (JIEDDO) to lead, advocate for, and coordinate all DOD counter-IED efforts. Despite the magnitude of this effort, the committee understands that there may be useful IED countermeasures that have not been funded for a number of reasons: some IED countermeasures may currently be a low priority for the U.S. Central Command; there may be insufficient funding; or the technologies may be immature. Therefore, the committee directs the Director of JIEDDO to submit a report by March 15, 2009, to the congressional defense committees that de-

scribes in detail unfunded counter-IED requirements and needs, including any plans to address the unfunded requirements and needs in future budgets.

AIRCRAFT PROCUREMENT, NAVY

Overview

The budget request for fiscal year 2009 contained \$14.7 billion for Aircraft Procurement, Navy. The committee recommends authorization of \$14.6 billion, a decrease of \$89.5 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Aircraft Procurement, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
AIRCRAFT PROCUREMENT, NAVY							
COMBAT AIRCRAFT							
001	AV-8B (V/STOL) HARRIER (MYP)		3,401			22	3,401
002	EA-18G	22	1,604,800		-45,000	22	1,559,800
	EA-18G				[-45,000]		
003	ADVANCE PROCUREMENT (CY)		46,831				46,831
004	F/A-18E/F (FIGHTER) HORNET (MYP)	23	1,868,688		-40,500	23	1,828,188
	F/A-18E/F (FIGHTER) HORNET (MYP)				[-45,000]		
	BRU-55 Smart Rack		42,616		[4,500]		
005	ADVANCE PROCUREMENT (CY)		42,616				42,616
006	JOINT STRIKE FIGHTER	8	1,602,084			8	1,602,084
007	ADVANCE PROCUREMENT (CY)		258,814				258,814
008	V-22 (MEDIUM LIFT)	30	2,133,401			30	2,133,401
009	ADVANCE PROCUREMENT (CY)		87,000				87,000
010	UH-1Y/AH-1Z	20	474,141			20	474,141
011	MH-60R	18	470,455			18	470,455
012	ADVANCE PROCUREMENT (CY)		79,215				79,215
013	MH-60S (MYP)	31	1,045,004		-10,000	31	1,035,004
	Excess Engineering Change Orders				[-10,000]		
014	ADVANCE PROCUREMENT (CY)		140,759				140,759
015	MMA ADVANCE PROCUREMENT (CY)		110,568				110,568

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
016	E-2C (EARLY WARNING) HAWKEYE (MYP)	3	496,374			3	496,374
017	ADVANCE PROCUREMENT (CY)		92,749				92,749
	AIRLIFT AIRCRAFT						
018	C-40A	2	154,994			2	154,994
	TRAINER AIRCRAFT						
019	T-45TS (TRAINER) GOSHAWK	44	289,253			44	289,253
020	JPATS						
	OTHER AIRCRAFT						
021	KC-130J	2	119,545			2	119,545
022	ADVANCE PROCUREMENT (CY)		33,932				33,932
023	F-5						
024	VTUAV	3	55,337			3	55,337
025	OTHER SUPPORT AIRCRAFT						
	MODIFICATION OF AIRCRAFT						
026	EA-6 SERIES		33,436				33,436
027	AV-8 SERIES		51,093				51,093
028	ADVERSARY						
029	F-18 SERIES		450,909				450,909
030	H-46 SERIES		34,636				34,636
031	AH-1W SERIES		6,375				6,375
032	H-53 SERIES		56,381				56,381

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Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
033	SH-60 SERIES		72,493				72,493
034	H-1 SERIES		8,901				8,901
035	EP-3 SERIES		72,370				72,370
036	P-3 SERIES		297,896				297,896
037	S-3 SERIES						
038	E-2 SERIES		11,489				11,489
039	TRAINER A/C SERIES		26,160				26,160
040	C-2A		22,120				22,120
041	C-130 SERIES		6,468				6,468
042	FEWSG		671				671
043	CARGO/TRANSPORT A/C SERIES		17,952				17,952
044	E-6 SERIES		88,894				88,894
045	EXECUTIVE HELICOPTERS SERIES		31,819				31,819
046	SPECIAL PROJECT AIRCRAFT		14,113				14,113
047	T-45 SERIES		67,666				67,666
048	POWER PLANT CHANGES		28,219				28,219
049	JPATS SERIES		8,892				8,892
050	AVIATION LIFE SUPPORT MODS		7,190				7,190
051	COMMON ECM EQUIPMENT		66,425				66,425
	ALQ-214 Organic Depot Development				6,000		6,000
	COMMON AVIONICS CHANGES				[6,000]		[6,000]
052			148,940				148,940

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
053	COMMON DEFENSIVE WEAPON SYSTEM		10,786				10,786
054	ID SYSTEMS		12,032				12,032
055	V-22 (TILT/ROTOR ACFT) OSPREY		41,473				41,473
	AIRCRAFT SPARES AND REPAIR PARTS						
	SPARES AND REPAIR PARTS		1,229,135				1,229,135
056	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES						
	COMMON GROUND EQUIPMENT		442,390				442,390
057	AIRCRAFT INDUSTRIAL FACILITIES		11,068				11,068
058	WAR CONSUMABLES		62,256				62,256
059	OTHER PRODUCTION CHARGES		27,870				27,870
060	SPECIAL SUPPORT EQUIPMENT		36,539				36,539
061	FIRST DESTINATION TRANSPORTATION		1,756				1,756
062	CANCELLED ACCOUNT ADJUSTMENTS						
063							
	TOTAL - AIRCRAFT PROCUREMENT, NAVY	206	14,716,774		-89,500	206	14,627,274

Items of Special Interest

Electronic warfare system core depot development

The budget request contained \$66.4 million for common electronic counter-measures equipment (ECM), but contained no funds for establishing a core depot maintenance capability for the ALQ-214 ECM system employed on Navy and Marine Corps tactical aircraft.

The committee notes that depot maintenance for the ALQ-214 ECM system is experiencing a 180- to 240-day repair turnaround time. Establishing an organic depot maintenance capability should reduce the turnaround time to 30 to 45 days. The committee understands that section 2464 of title 10, United States Code, provides that a core depot maintenance capability must be established no later than four years after initial operational capability (IOC) is achieved for mission-essential weapons systems designated by the Secretary of Defense. The committee understands that IOC was achieved for the ALQ-214 ECM system in March 2006, and that core depot maintenance capability should be established by March 2010.

The committee recommends an increase of \$6.0 million for common electronic counter-measures equipment to begin establishment of core depot maintenance capability for the ALQ-214 ECM system.

F/A-18E/F and EA-18G

The budget request contained \$1.6 billion for procurement of 22 EA-18G aircraft and \$1.9 billion for procurement of 23 F/A-18E/F aircraft. The EA-18G is an electronic attack aircraft designed to replace the EA-6B, and the F/A-18E/F is a strike fighter designed for fighter escort, fleet air defense, interdiction, and close air support missions. The EA-18G and F/A-18E/F are produced on the same production line.

The committee notes that a foreign military sales customer has committed to the procurement of 24 F/A-18E/F aircraft in fiscal years 2009 and 2010. The committee understands that this increase in production will lower unit costs and generate a total savings of \$182.0 million for the 85 EA-18Gs and F/A-18E/Fs to be procured in fiscal years 2009 and 2010. The committee believes that \$90.0 million in savings in fiscal year 2009 exceeds requirements for the procurement of EA-18Gs and F/A-18E/Fs in fiscal year 2009.

The committee recommends \$1.6 billion, a decrease of \$45.0 million, for procurement of 22 EA-18G aircraft; and \$1.8 billion, a decrease of \$45.0 million, for procurement of 23 F/A-18E/F aircraft.

Navy helicopter force structure

The committee believes that vertical lift remains an essential capability for the Navy to meet the unique demands of operations in the maritime environment. However, with the retirement of the MH-53E beginning in 2016, the Navy will lose all vertical lift capability beyond that provided by the MH-60 series. Moreover, the committee notes that the aging MH-53E remains one of the most expensive aircraft to operate and maintain in the Navy inventory

and is undergoing engine upgrades to improve operational availability.

Further, the committee is aware of several mission areas in which a heavy medium-lift or light heavy-lift helicopter could provide substantial utility, such as airborne mine countermeasures, combat search and rescue, special operations, vertical onboard delivery, airborne re-supply/logistics for sea basing, maritime homeland defense or humanitarian relief missions.

The committee notes that in testimony before the committee on March 6, 2008, the Chief of Naval Operations stated that U.S. Fleet Forces Command is currently performing a study of the Navy's vertical lift requirements to inform planning for the fiscal year 2010 budget request. The committee supports this effort and requests that the Secretary of the Navy include an assessment of the potential benefits of a new type/model/series helicopter that is larger than the H-60 in such an analysis. The committee recommends that the Secretary include consideration of the mission areas referenced above and such factors as range, payload, time on station, manpower, and operation and maintenance costs. The committee directs the Secretary to submit a copy of this study to the congressional defense committees by November 30, 2008.

WEAPONS PROCUREMENT, NAVY

Overview

The budget request for fiscal year 2009 contained \$3.6 billion for Weapons Procurement, Navy. The committee recommends authorization of \$3.6 billion, the requested amount, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Weapons Procurement, Navy program are identified in the table below.

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	WEAPONS PROCUREMENT, NAVY						
	BALLISTIC MISSILES						
	MODIFICATION OF MISSILES						
001	TRIDENT II MODS	24	1,093,168			24	1,093,168
002	SUPPORT EQUIPMENT AND FACILITIES						
	MISSILE INDUSTRIAL FACILITIES		3,496				3,496
	OTHER MISSILES						
	STRATEGIC MISSILES						
003	TOMAHAWK	207	281,096			207	281,096
	TACTICAL MISSILES						
004	AMRAAM	147	146,830			147	146,830
005	SIDEWINDER	205	57,497			205	57,497
006	JSOW	496	149,144			496	149,144
007	SLAM-ER						
008	STANDARD MISSILE	70	227,958			70	227,958
009	RAM	90	74,287			90	74,287
010	HELLFIRE	1,068	95,358			1,068	95,358
011	AERIAL TARGETS		83,313				83,313
012	OTHER MISSILE SUPPORT		9,478				9,478
	MODIFICATION OF MISSILES						
013	ESSM	86	85,061			86	85,061

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
014	HARM MODS		42,735				42,735
015	STANDARD MISSILES MODS		77,360				77,360
	SUPPORT EQUIPMENT AND FACILITIES						
016	WEAPONS INDUSTRIAL FACILITIES		3,266				3,266
017	FLEET SATELLITE COMM FOLLOW-ON		479,680				479,680
018	ADVANCE PROCUREMENT (CY)		27,776				27,776
	ORDNANCE SUPPORT EQUIPMENT						
019	ORDNANCE SUPPORT EQUIPMENT		43,708				43,708
	TORPEDOES AND RELATED EQUIPMENT						
	TORPEDOES AND RELATED EQUIP.						
020	SSTD						
021	ASW TARGETS		8,929				8,929
	MOD OF TORPEDOES AND RELATED EQUIPMENT						
022	MK-46 TORPEDO MODS	120	77,782			120	77,782
023	MK-48 TORPEDO ADCAP MODS		61,545				61,545
024	QUICKSTRIKE MINE		3,506				3,506
	SUPPORT EQUIPMENT						
025	TORPEDO SUPPORT EQUIPMENT		36,002				36,002
026	ASW RANGE SUPPORT		9,872				9,872
	DESTINATION TRANSPORTATION						
027	FIRST DESTINATION TRANSPORTATION		3,442				3,442

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Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>	<u>House Change</u>	<u>House Authorized</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>
	OTHER WEAPONS									
	GUNS AND GUN MOUNTS									
028	SMALL ARMS AND WEAPONS	13,619			13,619				13,619	
	MODIFICATION OF GUNS AND GUN MOUNTS									
029	CIWS MODS	167,967			167,967				167,967	73
030	COAST GUARD WEAPONS	21,082			21,082				21,082	
031	GUN MOUNT MODS	60,061			60,061				60,061	
032	LCS MODULE WEAPONS	2,786			2,786				2,786	
033	CRUISER MODERNIZATION WEAPONS	45,168			45,168				45,168	
034	AIRBORNE MINE NEUTRALIZATION SYSTEMS	8,618			8,618				8,618	
	OTHER									
035	MARINE CORPS TACTIAL UNMANNED AERIAL SYSTEM	20,532			20,532				20,532	
036	CANCELLED ACCOUNT ADJUSTMENTS									
	SPARES AND REPAIR PARTS									
037	SPARES AND REPAIR PARTS	53,360			53,360				53,360	
	TOTAL - WEAPONS PROCUREMENT, NAVY	2,513			3,575,482	2,513			3,575,482	2,513

PROCUREMENT OF AMMUNITION, NAVY & MARINE CORPS

Overview

The budget request for fiscal year 2009 contained \$1.1 billion for Procurement of Ammunition, Navy & Marine Corps. The committee recommends authorization of \$1.1 billion, the requested amount, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Procurement of Ammunition, Navy and Marine Corps program are identified in the table below.

Title I - Procurement
(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>	<u>House Change</u>	<u>House Authorized</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
	PROCUREMENT OF AMMUNITION, NAVY & MARINE							
	PROC AMMO, NAVY							
	NAVY AMMUNITION							
001	GENERAL PURPOSE BOMBS	168,437		168,437		168,437		168,437
002	JDAM	169		169	169	9,306		9,306
003	AIRBORNE ROCKETS, ALL TYPES					32,250		32,250
004	MACHINE GUN AMMUNITION					18,916		18,916
005	PRACTICE BOMBS					39,419		39,419
006	CARTRIDGES & CART ACTUATED DEVICES					46,644		46,644
007	AIRCRAFT ESCAPE ROCKETS							
008	AIR EXPENDABLE COUNTERMEASURES					79,805		79,805
009	JATOS					3,178		3,178
010	MK 258 MOD 1					967		967
011	5 INCH/54 GUN AMMUNITION					20,959		20,959
012	INTERMEDIATE CALIBER GUN AMMUNITION					15,780		15,780
013	OTHER SHIP GUN AMMUNITION					35,111		35,111
014	SMALL ARMS & LANDING PARTY AMMO					45,129		45,129
015	PYROTECHNIC AND DEMOLITION					10,464		10,464
016	AMMUNITION LESS THAN \$5 MILLION					3,207		3,207

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
	PROC AMMO, MC						
	MARINE CORPS AMMUNITION						
017	SMALL ARMS AMMUNITION		108,436			108,436	
018	5.56 MM, ALL TYPES						
019	7.62 MM, ALL TYPES						
020	LINEAR CHARGES, ALL TYPES						
021	.50 CALIBER		17,677			17,677	76
022	40 MM, ALL TYPES						
023	60MM, ALL TYPES		60,433			60,433	
024	81MM, ALL TYPES		44,846			44,846	
025	120MM, ALL TYPES		54,879			54,879	
026	CTG 25MM, ALL TYPES		87,500			87,500	
027	9 MM ALL TYPES		2,300			2,300	
028	GRENADAES, ALL TYPES		39,038			39,038	
029	ROCKETS, ALL TYPES		26,087			26,087	
030	ARTILLERY, ALL TYPES		117,213			117,213	
031	EXPEDITIONARY FIGHTING VEHICLE						
032	DEMOLITION MUNITIONS, ALL TYPES		18,974			18,974	

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
033	FUZE, ALL TYPES		3,460				3,460
034	NON LETHALS		2,158				2,158
035	AMMO MODERNIZATION		5,644				5,644
036	ITEMS LESS THAN \$5 MILLION		4,495				4,495
	TOTAL - PROCUREMENT OF AMMUNITION, NAVY & MARINE CORPS	169	1,122,712			169	1,122,712

SHIPBUILDING AND CONVERSION, NAVY

Overview

The budget request for fiscal year 2009 contained \$12.7 billion for Shipbuilding and Conversion, Navy. The committee recommends authorization of \$12.9 billion, an increase of \$185.0 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Shipbuilding and Conversion, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
SHIPBUILDING AND CONVERSION, NAVY							
OTHER WARSHIPS							
001	CARRIER REPLACEMENT PROGRAM		2,712,251				2,712,251
002	ADVANCE PROCUREMENT (CY)		1,214,188				1,214,188
003	VIRGINIA CLASS SUBMARINE	1	2,107,040			1	2,107,040
004	ADVANCE PROCUREMENT (CY)		1,316,548		722,000		2,038,548
	VA Advance Procurement				[722,000]		
005	CVN REFUELING OVERHAULS	1	606,561			1	606,561
006	ADVANCE PROCUREMENT (CY)		21,389				21,389
007	SSN ERO						
008	SSBN ERO	1	221,823			1	221,823
009	ADVANCE PROCUREMENT (CY)		39,363				39,363
010	DDG 1000	1	2,502,803	-1	-2,502,803		
	Program Reduction				[-2,502,803]		
011	DDG 1000 Advance Procurement		50,980		349,020		400,000
	Surface Ship Advanced Procurement				[349,020]		
012	DDG-51						
013	LITTORAL COMBAT SHIP	2	920,000	-1	-80,000	1	840,000
	Program Reduction				[-80,000]		
AMPHIBIOUS SHIPS							
014	LPD-17		103,216	1	1,696,784	1	1,800,000

Title I - Procurement
(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
	LPD-17				[1,696,784]		
015	LPD ADVANCE PROCUREMENT (CY)						
016	LHA REPLACEMENT						
017	INTRATHEATER CONNECTOR	1	174,782			1	174,782
	AUXILIARIES, CRAFT AND PRIOR YR PROGRAM COSTS						
018	SPECIAL PURPOSE						
019	OCEANOGRAPHIC SHIPS						
020	OUTFITTING		429,587				429,587
021	SERVICE CRAFT		36,317				36,317
022	LCAC SLEP	6	110,918			6	110,918
023	COMPLETION OF PY SHIPBUILDING PROGRAMS		165,152				165,152
	TOTAL - SHIPBUILDING AND CONVERSION, NAVY	13	12,732,918	-1	185,001	12	12,917,919

Items of Special Interest

Aircraft carrier force structure

The committee notes that section 5062 of title 10, United States Code, requires the Department of Defense to maintain 11 active aircraft carriers. The committee is aware that the Department of Defense requested legislative relief to waive this statutory requirement for the period between the proposed decommissioning of the USS *Enterprise* (CVN-65) and the initial operating capability of the USS *Ford* (CVN-78). The committee is concerned with the position of the Department of Defense, especially since the Department recently reached a compromise with Congress to reduce the statutory requirement from 12 aircraft carriers to 11 in section 1011 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364). Moreover, the committee notes that the period between the proposed decommissioning of CVN-65 and the initial operating capability of CVN-78 will be a minimum of 33 months and may be more than 4 years, depending on the construction progress of the first-of-class CVN-78 and its post-commissioning testing and evaluation period.

Consequently, the committee rejects the request of the Department to allow a waiver to section 5062 of title 10, United States Code, for the purpose of retiring CVN-65 in fiscal year 2013. However, the committee understands that there are significant schedule and cost implications associated with a depot maintenance period which would be necessary to maintain CVN-65 in active service after fiscal year 2013 and that, even with an overhaul, the CVN-65 has limited nuclear fuel life.

Therefore, the committee directs the Secretary of the Navy to submit a report to the congressional defense committees on the cost and potential schedule implications of either returning USS *Kennedy* (CV-67) to service or retaining USS *Kitty Hawk* (CV-63) in service during the period between the scheduled retirement of CVN-65 and the commissioning of CVN-78. The committee directs the Secretary to include in the report the number and location of dry-docks in United States shipyards, both public and private, which have the capacity to dock and make repairs to either CV-63 or CV-67.

The report should be submitted within 90 days after the date of enactment of this Act, but in any event not later than February 3, 2009.

Attack submarine force structure requirements

The committee directs the Secretary of the Defense to assess the total number of attack submarines required to fulfill the missions of the Department of Defense and to support the national defense strategy, as part of the Quadrennial Defense Review (QDR) conducted in fiscal year 2009 pursuant to section 118 of title 10, United States Code. Such an assessment should be based upon an analysis and prioritization of unconstrained attack submarine requirements, sorted by mission, provided by the combatant commanders. The committee further directs that results of such an assessment be included in the report on the quadrennial defense review, submitted to the Senate Committee on Armed Services and

the House Committee on Armed Services in accordance with section 118(d) of title 10, United States Code.

Service-life extension of SSN-688 Los Angeles class hulls

The committee understands that the Secretary of the Navy has conducted an assessment of the feasibility of extending the service life of certain SSN-688 *Los Angeles* class submarines in order to mitigate the projected shortfall in the Navy's attack submarine force structure. The committee is encouraged by this effort, but notes that the assessment did not explore options that would increase the number of attack submarines above 48, in the long-term. The committee also notes that the assessment did not explore options for limiting deployments or other actions that could limit hull fatigue in the near term, in order to conserve service life of more *Los Angeles* class submarines over the long-term.

Therefore, the committee directs the Secretary of the Navy to submit a report which includes an assessment of the feasibility and cost of extending the service life of all current *Los Angeles* class submarines. This report should explore the options in the near term which would fully utilize all available hull life and maximize the total number of attack submarines available after 2016. The committee directs the Secretary to submit this report within 120 days after the date of enactment of this Act.

U.S. Navy shipbuilding plan

The committee remains concerned with the totality of the Navy shipbuilding plan. The committee is not confident that the current mix of planned ship procurement is the most effective way to balance the need for quantity versus capability across the spectrum of naval requirements. Considering likely budget constraints for shipbuilding procurement, it is evident that the long-range plan is unaffordable.

The committee is also concerned with short-term affordability. The key to efficient shipbuilding is stability in programs and commonality between programs. With stability, the shipbuilder can reasonably invest in infrastructure improvements for increased efficiency. Commonality allows savings in order quantity across programs as well as life-cycle savings in maintenance and repair parts. The goal of a 313-ship fleet will never be achieved until very difficult decisions are made concerning quantity, capability, affordability, and stability.

The committee remains committed to building a capable naval force in sufficient quantity to protect the nation's interests. This force must consist of major combatant vessels with multiple warfighting capabilities. It must also include ships with specific roles and missions, from operations in the littoral regions, to the projection of power ashore from a sea-base. The balance of capabilities within this force and the affordability of sustaining this force is the key task before both the Navy and Congress throughout the foreseeable future.

The committee disagrees with the submitted Future Years Defense Plan and budget request for: canceling the Amphibious Landing Ship-Dock (LPD 17) program at 9 ships; canceling the procurement of the 13th and 14th Dry Cargo Ammunition Ships (T-AKE); not requesting funding to increase the build rate of *Virginia* class

submarines to 2 ships per year starting in 2010; and the failure to deliver a coherent strategy for Littoral Combat Ship acquisition.

The committee authorizes a reallocation of funding in the Shipbuilding and Conversion, Navy account and the National Defense Sealift Fund. The committee recommends: full funding for the 10th ship of the LPD 17 class; an increase in advance procurement funding for the *Virginia* class submarine program, necessary for the procurement of 2 ships in fiscal year 2010; advance procurement for the final 2 ships of the T-AKE class; and advance procurement for the construction of DDG 51 class destroyers or DDG 1000 class destroyers. The committee notes that due to the overall delay in the DDG 1000 destroyer program, the Navy would be unable to execute the full funding request in fiscal year 2009 for the third ship of the planned seven ship class. Additionally, the committee is concerned with potential significant cost overruns in the DDG 1000 program and considers it prudent to pause the program until technological challenges are completely understood.

The committee authorizes these programs without prejudice to any specific program. The committee also understands the Navy is strongly considering re-starting the DDG 51 class destroyer upgraded with an improved radar system to fill an urgent need in ballistic missile defense. The committee would only support that decision if the industrial base for surface combatant construction is not affected. The committee expects the Secretary of Defense, subject to the availability of appropriations, to enter into advance procurement and advance construction contracts for the construction of surface combatants balanced between the two current surface combatant shipyards, taking into account workforce challenges still in effect on the Gulf Coast due to the lingering economic effects of Hurricane Katrina.

The committee expects the budget submission for fiscal year 2010 to contain a funding request for the 11th ship of the LPD 17 class, a two-one-two build strategy (two ships in 2010, one ship in 2011, and two ships in 2012 and following years) for the *Virginia* class submarine program, the balance of full funding for the 13th T-AKE, and a comprehensive decision on the acquisition plan for surface combatants including the plan for the Littoral Combat Ship class.

The committee expects the Navy to solve the capacity and capability issues of the surface combatant, amphibious warfare, and submarine combatant forces before beginning multiple new starts in programs to field the maritime prepositioning force (future) (MPF(F)). The committee is supportive of the requirement to constitute a seabase with a flotilla of vessels from which both combatant and non-combatant operations ashore could be launched. However, the committee is not convinced the seabase should be composed of non-combatant vessels such as the planned MPF aviation ship (MPF LHA) and the MPF landing platform ship (MPF MLP). The committee directs the Secretary of the Navy, along with the Chief of Naval Operations and the Commandant of the Marine Corps, to report to the congressional defense committees within 60 days after the date of enactment of this Act, on the size and composition of the naval amphibious force necessary (without the MPF LHA and MPF MLP vessels) to conduct operations from a seabase, with a force comprising two marine expeditionary brigades (MEB).

OTHER PROCUREMENT, NAVY

Overview

The budget request for fiscal year 2009 contained \$5.5 billion for Other Procurement, Navy. The committee recommends authorization of \$5.5 billion, a decrease of \$20.9 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Other Procurement, Navy programs are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	OTHER PROCUREMENT, NAVY						
	SHIPS SUPPORT EQUIPMENT						
	SHIP PROPULSION EQUIPMENT						
001	LM-2500 GAS TURBINE		7,973				7,973
002	ALLISON 501K GAS TURBINE		9,405				9,405
003	OTHER PROPULSION EQUIPMENT		38,800				38,800
	NAVIGATION EQUIPMENT						
004	OTHER NAVIGATION EQUIPMENT		47,549				47,549
	UNDERWAY REPLENISHMENT EQUIPMENT						
005	UNDERWAY REPLENISHMENT EQUIPMENT						
	PERISCOPES						
006	SUB PERISCOPES & IMAGING EQUIP		69,078				69,078
	OTHER SHIPBOARD EQUIPMENT						
007	DDG MOD		165,496				165,496
008	FIREFIGHTING EQUIPMENT		8,293				8,293
009	COMMAND AND CONTROL SWITCHBOARD		6,345				6,345
010	POLLUTION CONTROL EQUIPMENT		27,923				27,923
011	SUBMARINE SUPPORT EQUIPMENT		22,686				22,686
012	VIRGINIA CLASS SUPPORT EQUIPMENT		199,904				199,904
013	SUBMARINE BATTERIES		41,132				41,132
014	STRATEGIC PLATFORM SUPPORT EQUIP		9,953				9,953

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
015	DSSP EQUIPMENT		5,733				5,733
016	CG MODERNIZATION		232,370				232,370
017	LCAC		174				174
018	MINESWEEPING EQUIPMENT		11,991				11,991
019	ITEMS LESS THAN \$5 MILLION		136,156		12,000		148,156
	JP-5 Electric Valves				[3,000]		
	Canned Lube Pumps (CLP) LSD-41/49 Class Amphibious				[4,000]		
	CVN Propeller Replacement Program				[5,000]		
020	CHEMICAL WARFARE DETECTORS		6,598				6,598
021	SUBMARINE LIFE SUPPORT SYSTEM		15,212				15,212
	REACTOR PLANT EQUIPMENT						
022	REACTOR POWER UNITS						
023	REACTOR COMPONENTS		236,693				236,693
	OCEAN ENGINEERING						
024	DIVING AND SALVAGE EQUIPMENT		6,549				6,549
	SMALL BOATS						
025	STANDARD BOATS		17,839				17,839
	TRAINING EQUIPMENT						
026	OTHER SHIPS TRAINING EQUIPMENT		5,689				5,689
	PRODUCTION FACILITIES AND EQUIPMENT						
027	OPERATING FORCES IPE		51,631				51,631

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
OTHER SHIP SUPPORT							
028	NUCLEAR ALTERATIONS		70,694				70,694
029	LCS MODULES		131,241		-50,000		81,241
	LCS Mission Modules				[-50,000]		
LOGISTIC SUPPORT							
030	LSD/MIDLIFE		90,675		1,670		92,345
	Boat Davit System Improvement				[1,670]		
DRUG INTERDICTION SUPPORT							
031	DRUG INTERDICTION SUPPORT						
COMMUNICATIONS AND ELECTRONICS EQUIPMENT							
SHIP RADARS							
032	RADAR SUPPORT	2	10,503			2	10,503
SHIP SONARS							
033	SPQ-9B RADAR		9,281		5,400		14,681
	Radar Improvements				[5,400]		
034	AN/SQQ-89 SURF ASW COMBAT SYSTEM	3	117,685			3	117,685
035	SSN ACOUSTICS		284,153				284,153
036	UNDERSEA WARFARE SUPPORT EQUIPMENT	3	15,578			3	15,578
037	SONAR SWITCHES AND TRANSDUCERS		13,858				13,858
ASW ELECTRONIC EQUIPMENT							
038	SUBMARINE ACOUSTIC WARFARE SYSTEM		20,857				20,857

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
039	SSTD		10,058				10,058
040	FIXED SURVEILLANCE SYSTEM		44,997				44,997
041	SURTASS		26,675				26,675
042	TACTICAL SUPPORT CENTER		25,188				25,188
	ELECTRONIC WARFARE EQUIPMENT						
043	AN/SLQ-32		29,280				29,280
044	INFORMATION WARFARE SYSTEMS						
	RECONNAISSANCE EQUIPMENT						
045	SHIPBOARD IW EXPLOIT		83,408				83,408
	SUBMARINE SURVEILLANCE EQUIPMENT						
046	SUBMARINE SUPPORT EQUIPMENT PROG		103,597				103,597
	OTHER SHIP ELECTRONIC EQUIPMENT						
047	NAVY TACTICAL DATA SYSTEM		34,561				34,561
048	COOPERATIVE ENGAGEMENT CAPABILITY		25,923				25,923
049	GCCS-M EQUIPMENT		31,283				31,283
050	NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)		14,206				14,206
051	ATDLS		49,024				49,024
052	MINESWEEPING SYSTEM REPLACEMENT		7,355				7,355
053	SHALLOW WATER MCM		10,893				10,893
054	NAVSTAR GPS RECEIVERS (SPACE)		4,178				4,178
055	ARMED FORCES RADIO AND TV						

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
056	STRATEGIC PLATFORM SUPPORT EQUIP TRAINING EQUIPMENT		4,106				4,106
057	OTHER TRAINING EQUIPMENT		29,791				29,791
	AVIATION ELECTRONIC EQUIPMENT						
058	MATCALS		17,409				17,409
059	SHIPBOARD AIR TRAFFIC CONTROL		7,944				7,944
060	AUTOMATIC CARRIER LANDING SYSTEM		18,787				18,787
061	NATIONAL AIR SPACE SYSTEM		29,066				29,066
062	AIR STATION SUPPORT EQUIPMENT		8,238				8,238
063	MICROWAVE LANDING SYSTEM		10,799				10,799
064	FACSFAC						
065	ID SYSTEMS		34,560				34,560
066	TAC A/C MISSION PLANNING SYS(TAMPS)		9,512				9,512
	OTHER SHORE ELECTRONIC EQUIPMENT						
067	DEPLOYABLE JOINT COMMAND AND CONT		9,031				9,031
068	TADIX-B		5,309				5,309
069	GCCS-M EQUIPMENT TACTICAL/MOBILE		6,209				6,209
070	COMMON IMAGERY GROUND SURFACE SYSTEMS		67,133				67,133
071	RADIAC		9,840				9,840
072	GPETE		5,521				5,521
073	INTEG COMBAT SYSTEM TEST FACILITY		4,558				4,558

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009		House		House	
		Request	Cost	Change	Authorized	Qty	Cost
074	EMI CONTROL INSTRUMENTATION		8,384				8,384
075	ITEMS LESS THAN \$5 MILLION		48,930				48,930
	SHIPBOARD COMMUNICATIONS						
076	SHIPBOARD TACTICAL COMMUNICATIONS		9				9
077	PORTABLE RADIOS		14,352				14,352
078	SHIP COMMUNICATIONS AUTOMATION		333,335				333,335
079	COMMUNICATIONS ITEMS UNDER \$5M		35,647				35,647
080	SUBMARINE BROADCAST SUPPORT		3,139				3,139
081	SUBMARINE COMMUNICATION EQUIPMENT		76,761				76,761
	SATELLITE COMMUNICATIONS						
082	SATELLITE COMMUNICATIONS SYSTEMS		122,003				122,003
	SHORE COMMUNICATIONS						
083	JCS COMMUNICATIONS EQUIPMENT		2,376				2,376
084	ELECTRICAL POWER SYSTEMS		1,293				1,293
085	NAVAL SHORE COMMUNICATIONS		8,563				8,563
	CRYPTOGRAPHIC EQUIPMENT						
086	INFO SYSTEMS SECURITY PROGRAM (ISSP)		101,153				101,153
	CRYPTOLOGIC EQUIPMENT						
087	CRYPTOLOGIC COMMUNICATIONS EQUIP		16,716				16,716
	OTHER ELECTRONIC SUPPORT						
088	COAST GUARD EQUIPMENT		16,846				16,846

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
089	DRUG INTERDICTION SUPPORT OTHER DRUG INTERDICTION SUPPORT AVIATION SUPPORT EQUIPMENT						
090	SONOBUOYS SONOBUOYS - ALL TYPES		112,603				112,603
091	AIRCRAFT SUPPORT EQUIPMENT WEAPONS RANGE SUPPORT EQUIPMENT		64,396				64,396
092	EXPEDITIONARY AIRFIELDS		8,308				8,308
093	AIRCRAFT REARMING EQUIPMENT		12,761				12,761
094	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT		46,362				46,362
095	METEOROLOGICAL EQUIPMENT		24,742				24,742
096	OTHER PHOTOGRAPHIC EQUIPMENT		1,603				1,603
097	AVIATION LIFE SUPPORT Multi-Climate Protection System		17,673		8,000		25,673
098	AIRBORNE MINE COUNTERMEASURES		39,363		[8,000]		39,363
099	LAMPS MK III SHIPBOARD EQUIPMENT		35,117				35,117
100	OTHER AVIATION SUPPORT EQUIPMENT ORDNANCE SUPPORT EQUIPMENT		13,335				13,335
101	SHIP GUN SYSTEM EQUIPMENT		1,695				1,695
102	NAVAL FIRES CONTROL SYSTEM GUN FIRE CONTROL EQUIPMENT		8,244				8,244

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009</u> <u>Request</u>	<u>House</u> <u>Change</u>	<u>House</u> <u>Authorized</u>
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>
		<u>Cost</u>	<u>Cost</u>	<u>Cost</u>
	SHIP MISSILE SYSTEM EQUIPMENT			
103	HARPOON SUPPORT EQUIPMENT	12,270		12,270
104	NATO SEASPARROW	23,492		23,492
105	RAM GMLS	46,687		46,687
106	SHIP SELF DEFENSE SYSTEM	85,424		85,424
107	AEGIS SUPPORT EQUIPMENT	61,976		61,976
108	TOMAHAWK SUPPORT EQUIPMENT	5,644		5,644
109	VERTICAL LAUNCH SYSTEMS			
	FBM SUPPORT EQUIPMENT			
110	STRATEGIC MISSILE SYSTEMS EQUIP	118,814		118,814
	ASW SUPPORT EQUIPMENT			
111	SSN COMBAT CONTROL SYSTEMS	98,010		98,010
112	SUBMARINE ASW SUPPORT EQUIPMENT	5,374		5,374
113	SURFACE ASW SUPPORT EQUIPMENT	4,622		4,622
114	ASW RANGE SUPPORT EQUIPMENT	9,199		9,199
	OTHER ORDNANCE SUPPORT EQUIPMENT			
115	EXPLOSIVE ORDNANCE DISPOSAL EQUIP	46,546		46,546
116	ITEMS LESS THAN \$5 MILLION	3,535		3,535
	OTHER EXPENDABLE ORDNANCE			
117	ANTI-SHIP MISSILE DECOY SYSTEM	38,077		38,077
118	SURFACE TRAINING DEVICE MODS	9,822		9,822

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
119	SUBMARINE TRAINING DEVICE MODS		33,583				33,583
	CIVIL ENGINEERING SUPPORT EQUIPMENT						
120	PASSENGER CARRYING VEHICLES		1,966				1,966
121	GENERAL PURPOSE TRUCKS		829				829
122	CONSTRUCTION & MAINTENANCE EQUIP		12,167				12,167
123	FIRE FIGHTING EQUIPMENT		16,289				16,289
124	TACTICAL VEHICLES		29,686				29,686
125	AMPHIBIOUS EQUIPMENT		14,041				14,041
126	POLLUTION CONTROL EQUIPMENT		5,418				5,418
127	ITEMS UNDER \$5 MILLION		22,379				22,379
128	PHYSICAL SECURITY VEHICLES		1,116				1,116
	SUPPLY SUPPORT EQUIPMENT						
129	MATERIALS HANDLING EQUIPMENT		14,971				14,971
130	OTHER SUPPLY SUPPORT EQUIPMENT		9,247				9,247
131	FIRST DESTINATION TRANSPORTATION		6,216				6,216
132	SPECIAL PURPOSE SUPPLY SYSTEMS		74,103				74,103
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT						
	TRAINING DEVICES						
133	TRAINING SUPPORT EQUIPMENT		16,764				16,764
	COMMAND SUPPORT EQUIPMENT						
134	COMMAND SUPPORT EQUIPMENT		43,175				43,175

Title I - Procurement

(Dollars in Thousands)

FY 2009

Line	Program Title	Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	High Performance Computing				[2,000]		
135	EDUCATION SUPPORT EQUIPMENT		2,018				2,000
136	MEDICAL SUPPORT EQUIPMENT		6,493				2,018
137	NAVAL MIP SUPPORT EQUIPMENT		1,646				6,493
138	INTELLIGENCE SUPPORT EQUIPMENT		[]				1,646
139	OPERATING FORCES SUPPORT EQUIPMENT		13,116				[]
140	C4ISR EQUIPMENT		13,510				13,116
141	ENVIRONMENTAL SUPPORT EQUIPMENT		24,244				13,510
142	PHYSICAL SECURITY EQUIPMENT		144,863				24,244
143	ENTERPRISE INFORMATION TECHNOLOGY		35,600				144,863
144	CLASSIFIED PROGRAMS		[]				35,600
145	SPECIAL PROGRAM		[]				[]
	PRODUCTIVITY PROGRAMS						
146	JUDGMENT FUND REIMBURSEMENT						[]
	OTHER						[]
147	CANCELLED ACCOUNT ADJUSTMENTS						

Title I - Procurement
(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
148	SPARES AND REPAIR PARTS		251,765				251,765
999	CLASSIFIED PROGRAMS		18,314				18,314
	TOTAL - OTHER PROCUREMENT, NAVY	8	5,482,856		-20,930	8	5,461,926

Items of Special Interest

Boat davit system improvements

The budget request contained \$90.7 million for landing ship dock (LSD) mid-life logistics support, but contained no funds for modifications to the LSD-41 and LSD-49 ship-class boat davit system.

The committee understands the mid-life replacement for the original electro-mechanical double-armed strong back davit has been plagued by electronic and mechanical control problems which caused the Navy to limit use to only the manual mode. Because these ships form the core amphibious assault echelon, the operational reliability of the boat davit system is imperative for mission success.

The committee recommends an increase of \$1.7 million for LSD mid-life logistics support to design and implement modifications to existing LSD-41 and LSD-49 boat davit systems.

CVN propeller replacement program

The budget request contained \$136.2 million in the category of items less than \$5.0 million, but contained no funds for the aircraft carrier propeller replacement program.

The committee understands that the original propellers on the *Nimitz* class aircraft carriers suffer from significant blade erosion caused by cavitation and require refurbishment every three to six years. The newly designed propeller is resistant to erosion by cavitation and only requires refurbishment every 12 years which most closely approximates major dry-docking availabilities.

The committee recommends an increase of \$5.0 million in the category of items less than \$5.0 million, for the aircraft carrier propeller replacement program.

Jet fuel electric valve actuators

The budget request contained \$136.2 million in the category of items less than \$5.0 million, but contained no funds for jet fuel electric valve actuators for aircraft carriers.

The committee understands the Navy has authorized an upgrade to the jet fuel distribution system on *Nimitz* class aircraft carriers with electric valve actuator technology. The committee notes that upgrading jet fuel valves from motor-operated to electric-operated valves should improve fuel service system safety, improve the reliability of the aircraft carrier aviation fueling system, and should reduce excessive maintenance costs.

The committee recommends an increase of \$3.0 million in the category, items less than \$5.0 million, for installation of jet fuel electric valve actuators for aircraft carriers.

Multi-climate protection system

The budget request contained \$17.7 million for aviation life support equipment, but only contained \$1.0 million for procurement of 621 multi-climate protection (MCP) systems.

The committee understands the MCP system is an abbreviated acquisition program intended to develop a modular protective clothing system which provides flame protection, thermal protection, and sufficient insulation while reducing heat stress and bulk commonly associated with cold weather clothing systems. The com-

mittee notes that the Navy requirement is for 25,000 MCP systems but only procured and fielded 6,250 MCP systems to date.

The committee recommends an increase of \$8.0 million, for aviation life support equipment to procure additional MCP systems.

Surface ship SPQ-9B radar improvements

The budget request contained \$9.3 million for SPQ-9B radars, but contained no funds to upgrade the radar to detect sea-skimmer missiles and low observable threats.

The committee understands that the SPQ-9B radar provides early warning for threats near the horizon during surveillance missions and complements the capabilities of the Aegis SPY-1 radar system. The committee notes there are radar upgrades available, but not currently installed, that can: increase the probability of the SPQ-9B radar detecting low-observable, sea-skimmer missiles; increase the tracking ability for gunfire control against surface targets; assist ship control in restricted waters; and complement the Aegis SPY-1 radar system during surveillance missions.

The committee recommends \$14.7 million, an increase of \$5.4 million, to upgrade the SPQ-9B surface ship radar.

PROCUREMENT, MARINE CORPS

Overview

The budget request for fiscal year 2009 contained \$1.5 billion for Procurement, Marine Corps. The committee recommends authorization of \$1.3 billion, a decrease of \$216.4 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Procurement, Marine Corps program are identified in the table below. Major changes to the Marine Corps request are discussed following the table.

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009</u> <u>Request</u>	<u>House</u> <u>Change</u>	<u>House</u> <u>Authorized</u>
		<u>Qty</u>	<u>Qty</u>	<u>Qty</u>
		<u>Cost</u>	<u>Cost</u>	<u>Cost</u>
014	OTHER SUPPORT MODIFICATION KITS	4,925		4,925
COMMUNICATIONS AND ELECTRONICS EQUIPMENT				
015	COMMAND AND CONTROL SYSTEMS UNIT OPERATIONS CENTER Unit Operations Center Reduction	14,883	-7,000 [-7,000]	7,883
016	REPAIR AND TEST EQUIPMENT REPAIR AND TEST EQUIPMENT	35,188		35,188
OTHER SUPPORT (TEL)				
017	COMBAT SUPPORT SYSTEM	34,665		34,665
018	MODIFICATION KITS			
COMMAND AND CONTROL SYSTEM (NON-TEL)				
019	ITEMS UNDER \$5 MILLION (COMM & ELEC)	9,661		9,661
020	AIR OPERATIONS C2 SYSTEMS RADAR AND EQUIPMENT (NON-TEL)	77,978		77,978
021	RADAR SYSTEMS	32,516		32,516
INTELL/COMM EQUIPMENT (NON-TEL)				
022	FIRE SUPPORT SYSTEM	2,654		2,654
023	INTELLIGENCE SUPPORT EQUIPMENT	49,838		49,838
OTHER COMM/ELEC EQUIPMENT (NON-TEL)				
024	NIGHT VISION EQUIPMENT	24,868		24,868

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
OTHER SUPPORT (NON-TEL)							
025	COMMON COMPUTER RESOURCES		106,499				106,499
026	COMMAND POST SYSTEMS		15,816				15,816
027	RADIO SYSTEMS		95,845		-47,900		47,945
	Radio Systems Reduction				[-47,900]		
028	COMM SWITCHING & CONTROL SYSTEMS		40,639				40,639
029	COMM & ELEC INFRASTRUCTURE SUPPORT		15,527				15,527
SUPPORT VEHICLES							
ADMINISTRATIVE VEHICLES							
030	COMMERCIAL PASSENGER VEHICLES		1,201				1,201
031	COMMERCIAL CARGO VEHICLES		13,691				13,691
TACTICAL VEHICLES							
032	5/4T TRUCK HMMWV (MYP)	7	2,666			7	2,666
033	MOTOR TRANSPORT MODIFICATIONS		944				944
034	MEDIUM TACTICAL VEHICLE REPLACEMENT						
035	LIGHTWEIGHT PRIME MOVER						
036	LOGISTICS VEHICLE SYSTEM REP		324,578		-178,038		146,540
	Transfer to Title XV				[-178,038]		
037	FAMILY OF TACTICAL TRAILERS		27,619				27,619
038	TRAILERS		8,424				8,424
OTHER SUPPORT							

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
039	ITEMS LESS THAN \$5 MILLION		4,046				4,046
	ENGINEER AND OTHER EQUIPMENT						
040	ENVIRONMENTAL CONTROL EQUIP ASSORT		5,131		3,000		8,131
	GATEWAY System				[3,000]		
041	BULK LIQUID EQUIPMENT		9,571				9,571
042	TACTICAL FUEL SYSTEMS		19,067		1,500		20,567
	Nitrile Rubber Collapsible Storage Units				[1,500]		
043	POWER EQUIPMENT ASSORTED		16,501				16,501
044	AMPHIBIOUS SUPPORT EQUIPMENT		13,239				13,239
045	EOD SYSTEMS		28,568				28,568
	MATERIALS HANDLING EQUIPMENT						
046	PHYSICAL SECURITY EQUIPMENT		12,589				12,589
047	GARRISON MOBILE ENGINEER EQUIPMENT (GMEE)		11,813				11,813
048	MATERIAL HANDLING EQUIP		30,758				30,758
049	FIRST DESTINATION TRANSPORTATION		5,867				5,867
	GENERAL PROPERTY						
050	FIELD MEDICAL EQUIPMENT		6,623		4,000		10,623
	Combat Casualty Care Equipment Upgrade Program				[4,000]		
	Chemical Biological Incident Response Force equipment				[8,000]		
051	TRAINING DEVICES		57,476				57,476
052	CONTAINER FAMILY		4,050				4,050

Title I - Procurement
(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
053	FAMILY OF CONSTRUCTION EQUIPMENT		22,461				22,461
054	FAMILY OF INTERNALLY TRANSPORTABLE VEH (ITV)		7,987				7,987
055	BRIDGE BOATS						
056	RAPID DEPLOYABLE KITCHEN		2,907				2,907
	OTHER SUPPORT						
057	MODIFICATION KITS						
058	ITEMS LESS THAN \$5 MILLION		8,114				8,114
	SPARES AND REPAIR PARTS						
059	SPARES AND REPAIR PARTS		14,460				14,460
	TOTAL - PROCUREMENT, MARINE CORPS	7	1,512,765		-216,438	7	1,296,327

Items of Special Interest

Abrams tank total integrated engine revitalization program strategy for Marine Corps Abrams tanks

In the committee report (H. Rept. 110–146) accompanying the National Defense Authorization Act for Fiscal Year 2008, the committee encouraged the Army to adopt the total integrated engine revitalization (TIGER) program for Army and Army National Guard M1 Abrams tanks. The TIGER program for the M1 Abrams tank is an integrated engine maintenance program that leverages manufacturing improvements, supply chain management efficiencies, and condition-based maintenance initiatives to increase the service life of the M1 Abrams tank engine from 700 to 1,400 hours. The committee notes that the Army is currently working towards modernizing the Army and Army National Guard Abrams fleet with TIGER engines.

Accordingly, the committee encourages the Commandant of the Marine Corps to coordinate with the Chief of Staff of the Army to develop and fund a plan that utilizes the TIGER integrated engine maintenance program to modernize the entire Abrams engine tank fleet, including Marine Corps Abrams tanks, with TIGER engines by 2010.

Chemical biological incident response force

The budget request contained \$6.6 million for the procurement of field medical equipment, but contained no funds to provide for new command and control or personal protective equipment for the Chemical and Biological Incident Response Force (CBIRF).

The committee is concerned that the proliferation of new response capabilities for chemical, biological, radiological and nuclear (CBRN) events is occurring in an enthusiastic but uncoordinated fashion. This is particularly disconcerting as the committee believes that this has happened to the detriment of the CBIRF, a superb capability within the Marine Corps that has existed and matured over the past 10 years.

The committee reiterates its strong support for section 1815 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181) and urges the Department to also include:

- (1) A description of all of the units within the active, reserve, and guard that would have a role in responding to CBRN attack;
- (2) Specific roles and capabilities for each of these units; and
- (3) Current status of each of these units, including manpower and equipping.

The committee recommends an increase of \$8.0 million for the procurement of three Emergency Response Vehicles, as well as additional personal protective equipment to replace aging systems.

Marine Corps radio systems

The budget request contained \$95.8 million for Marine Corps radio systems.

The committee supports continued improvements in Marine Corps tactical communications capability. However, the committee notes that funding for Marine Corps radio systems in fiscal year 2007 was \$826.1 million and \$518.5 million in fiscal year 2008, and

that funding provided through 2008 will procure the Marine Corps identified requirements. The committee also notes that there are significant unobligated balances for both fiscal year 2007 and fiscal year 2008 due to contract delays and production limitations.

The committee recommends \$47.9 million, a decrease of \$47.9 million, for Marine Corps radio systems. The committee urges the Marine Corps to pursue any additional needed funding in fiscal year 2010.

Unit operations centers

The budget request contained \$14.9 million for procurement of Marine Corps unit operations center equipment.

The committee notes that \$151.1 million was provided for unit operations center equipment in fiscal year 2008, and that current projections show execution of less than half that funding by the end of fiscal year 2008.

The committee recommends \$7.9 million, a decrease of \$7.0 million, for unit operations center procurement.

AIRCRAFT PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2009 contained \$12.7 billion for Aircraft Procurement, Air Force. The committee recommends authorization of \$12.6 billion, a decrease of \$57.8 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Aircraft Procurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
AIRCRAFT PROCUREMENT, AIR FORCE							
COMBAT AIRCRAFT							
TACTICAL FORCES							
001	F-35	8	1,673,787			8	1,673,787
002	ADVANCE PROCUREMENT (CY) JSF Competitive Engine		136,904		31,000		167,904
003	F-22A	20	3,054,197		[31,000]	20	3,054,197
004	ADVANCE PROCUREMENT (CY)						
AIRLIFT AIRCRAFT							
TACTICAL AIRLIFT							
005	C-17A (MYP) Transfer to APAF-34 Excess Spare Parts Requirements		367,554		-48,766		318,788
					[-8,766]		
					[-40,000]		
OTHER AIRLIFT							
006	C-130J						
007	ADVANCE PROCUREMENT (CY)		96,000				96,000
008	HC/MC-130 RECAP	6	507,677			6	507,677
009	ADVANCE PROCUREMENT (CY)		80,000				80,000
010	KC-X ADVANCE PROCUREMENT (CY) Unjustified Request		61,660		-61,660		
					[-61,660]		
011	JOINT CARGO AIRCRAFT		5,439				5,439

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	TRAINER AIRCRAFT						
	OPERATIONAL TRAINERS						
012	JPATS		33,196				33,196
	OTHER AIRCRAFT						
	HELICOPTERS						
013	CSAR-X ADVANCE PROCUREMENT (CY) Program Delay		15,000		-15,000		
014	V22 OSPREY	6	409,027		[-15,000]	6	409,027
015	ADVANCE PROCUREMENT (CY)		14,266				14,266
	MISSION SUPPORT AIRCRAFT						
016	C-29A FLIGHT INSPECTION ACFT	1	31,877			1	31,877
017	C-40			1	88,000	1	88,000
	Additional Aircraft				[88,000]		
018	CIVIL AIR PATROL A/C		2,435				2,435
	OTHER AIRCRAFT						
019	TARGET DRONES		70,576				70,576
020	GLOBAL HAWK	5	658,319			5	658,319
021	ADVANCE PROCUREMENT (CY)		53,832				53,832
022	MQ-1	38	378,703			38	378,703
023	MQ-9	9	161,439			9	161,439

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
MODIFICATION OF IN-SERVICE AIRCRAFT							
STRATEGIC AIRCRAFT							
024	B-2A		330,392		-31,300		299,092
	Transfer from RDAF-61				[18,500]		
	Transfer to APAF-24A				[-49,800]		
24A	B-2 Advance Procurement				49,800		49,800
025	B-1B		71,774				71,774
026	B-52		41,699				41,699
027	F-117						
TACTICAL AIRCRAFT							
028	A-10		144,077				144,077
029	F-15		12,326				12,326
030	F-16		273,694				273,694
031	F-22A		327,046				327,046
AIRLIFT AIRCRAFT							
032	C-5		485,484		-60,000		425,484
	Excess to Requirements				[-60,000]		
033	ADVANCE PROCUREMENT (CY)		97,600		-26,671		70,929
	Excess to Requirements				[-26,671]		
034	C-17A		331,535		8,766		340,301
	Transfer from APAF-5				[8,766]		

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
035	C-21		11,001				11,001
036	C-32A		11,373				11,373
037	C-37A		2,407				2,407
	TRAINER AIRCRAFT						
038	GLIDER MODS		121				121
039	T-6		21,122				21,122
040	T-1		25				25
041	T-38		59,934				59,934
042	T-43		2,269				2,269
	OTHER AIRCRAFT						
043	KC-10A (ATCA)		1,899				1,899
044	C-12		468				468
045	C-20 MODS		1,535				1,535
046	VC-25A MOD		60,875				60,875
047	C-40		9,911				9,911
048	C-130		422,814				422,814
	Podded Reconnaissance, Scathe View				5,000		
049	C130J MODS		59,350		[5,000]		59,350
050	C-135		134,188				134,188
051	COMPASS CALL MODS		24,605				24,605
052	DARP		106,989				106,989

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
053	E-3		86,468				86,468
054	E-4		28,098				28,098
055	E-8		30,657				30,657
056	H-1		13,200				13,200
057	H-60		17,250				17,250
058	GLOBAL HAWK MODS		103,939				103,939
059	OTHER AIRCRAFT		151,932		3,000		154,932
	ANG RC-26B Modernization				[3,000]		
060	MQ-1 MODS		148,532				148,532
061	MQ-9 MODS		24,590				24,590
062	CV-22 MODS		22,621				22,621
	AIRCRAFT SPARES AND REPAIR PARTS						
063	INITIAL SPARES/REPAIR PARTS		257,001				257,001
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES						
	COMMON SUPPORT EQUIP						
064	AIRCRAFT REPLACEMENT SUPPORT EQUIP		104,861				104,861
	POST PRODUCTION SUPPORT						
065	B-1						
066	B-2A						
067	B-2A						
068	B-52		36,783				36,783

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
069	C-5		18,210				18,210
070	C-21		19,025				19,025
071	C-130						
072	EC-130J		5,382				5,382
073	F-15		20,189				20,189
074	F-16		13,623				13,623
075	T-6		8,841				8,841
076	OTHER AIRCRAFT		48,593				48,593
077	T-1						
	INDUSTRIAL PREPAREDNESS						
078	INDUSTRIAL RESPONSIVENESS		24,380				24,380
	WAR CONSUMABLES						
079	WAR CONSUMABLES		80,622				80,622
	OTHER PRODUCTION CHARGES						
080	OTHER PRODUCTION CHARGES		521,357				521,357
081	DEPOT MODERNIZATION						
82	CLASSIFIED PROGRAMS		[]				[]
83	SPECIAL PROGRAMS		[]				[]
84	OTHER SPECIAL PROGRAMS		[]				[]

Title I - Procurement
(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>	<u>Qty</u>	<u>Cost</u>	<u>House Change</u>	<u>Qty</u>	<u>Cost</u>	<u>House Authorized</u>	<u>Qty</u>	<u>Cost</u>
	CLASSIFIED PGMS									
	OTHER PRODUCTION CHARGES SOF									
085	CANCELLED ACCT ADJUSTMENTS									
	DARP									
086	DARP			21,028						21,028
999	CLASSIFIED PROGRAMS			10,913						10,913
	TOTAL - AIRCRAFT PROCUREMENT, AIR FORCE		93	12,676,496		1	-57,831		94	12,618,665

Items of Special Interest

Air National Guard RC-26B modernization

The budget request contained \$151.9 million for other aircraft modifications, but contained no funds to design, install, and test one RC-26B aircraft with the block 20 software and hardware modifications and the beyond-line-of-sight (BLOS) data link modification.

The RC-26B is a low-density, high-demand intelligence, surveillance, and reconnaissance platform that can be rapidly deployed for operations in the United States and overseas. The block 20 hardware and software modifications would allow the RC-26B's mission equipment to fully utilize accurate position information and the BLOS data link modification would add a capability to pass real-time data to ground terminals. The committee notes that the Chief of the National Guard Bureau has included both the block 20 software and hardware modifications and the BLOS data link among his essential 10 equipment requirements for fiscal year 2009.

The committee recommends \$154.9 million for other aircraft modifications, an increase of \$3.0 million, to design, install, and test one RC-26B with the block 20 software and hardware modifications and the BLOS data link modification.

KC-45 aerial refueling aircraft program

The budget request contained \$893.5 million to initiate systems design and demonstration to begin replacement of the KC-135 aerial refueling fleet, a fleet that averages 47 years old. The committee notes that the Air Force has prior year appropriations of \$421.7 million available for the KC-45 program.

The committee supports the Air Force's number one acquisition program of tanker recapitalization and understands that the ability to aerially refuel aircraft during military operations is a critical capability in meeting national military strategy objectives.

The committee includes three provisions in title I of this Act, sections 132, 133, and 134. Section 132 would require the Secretary of the Air Force to maintain a minimum of 46 KC-135E aircraft in Type-1000 storage to alleviate the challenges of maintaining the current fleet of KC-135R aircraft due to parts obsolescence issues and diminishing manufacturing sources of supply. Section 133 would repeal section 135 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), associated the KC-X tanker lease program, which was not executed and no longer applies. Section 134 would require the Air Force Secretary to submit a report to the congressional defense committees by December 1, 2008, that examines the processes used to determine KC-X requirements and provides an evaluation of very large tanker aircraft as a potential Air Force aerial refueling platform.

The committee also recommends, without prejudice to the KC-45 program, a decrease of \$61.7 million for advanced procurement funding, because advanced procurement funding is not required for KC-45 program execution.

Mission support aircraft

The budget request contained no funding for C-40 aircraft. The Air Force unfunded requirements list contained \$370.0 million for procurement of three C-40 aircraft.

The committee notes the Air Force has a validated operational requirement to provide worldwide air transportation for executive branch officials and high-ranking U.S. dignitaries as well as other operational support missions. The committee understands that in fiscal year 2007, one-third of all requests for special mission airlift support aircraft went unfilled due to current fleet limitations and performance characteristics of the C-9 aircraft. The committee notes that the C-9 will be retired from the Air Force inventory in fiscal year 2011 and that no planned replacement aircraft exists.

The committee recommends \$88.0 million for procurement of one C-40C aircraft to replace one C-9C aircraft, currently at Scott AFB, scheduled for retirement in fiscal year 2011.

Special Operations Command aircraft recapitalization

The budget request contained \$507.7 million for HC-130J and MC-130J recapitalization, and \$80.0 million for advanced procurement for HC-130J and MC-130J in fiscal year 2010. The budget request also contained \$36.3 million to modify MC-130J aircraft to meet requirements for Special Operations Command's (SOCOM) MC-130J aircraft to conduct operations in low-visibility conditions. The MC-130J will replace Special Operations Command's MC-130E and MC-130P fleets.

The committee notes that the average age for the MC-130E and MC-130P fleet is 43 and 40 years, respectively. The committee understands that SOCOM has a requirement to field 11 MC-130J aircraft prior to fiscal year 2012 to maintain adequate mission capability. The committee further understands that all 11 MC-130Js must be funded no later than fiscal year 2010 to meet the SOCOM requirement.

The committee notes that the current MC-130J acquisition plan includes a total of eight MC-130J aircraft for Special Operations Command in fiscal years 2009 and 2010. The committee is concerned, however, that this plan may fail to adequately meet SOCOM's warfighting requirement, since a total of 11 MC-130Js may not be planned for acquisition by fiscal year 2010.

Therefore, the committee directs the Secretary of Defense to provide a report to the congressional defense committees on the Department of the Air Force's and SOCOM's plan to recapitalize the MC-130E and MC-130P fleets with the MC-130J as it relates to meeting the SOCOM MC-130J force structure requirement. The report shall be provided to the congressional defense committees by March 1, 2009.

Strategic airlift aircraft programs

The budget request contained \$561.9 million for C-5 aircraft modernization programs. The Air Force Chief of Staff included \$3.9 billion on the Air Force unfunded priority list for procurement of 15 additional C-17 aircraft.

The committee notes that on September 27, 2007, the Secretary of the Air Force notified Congress that the C-5 Reliability Enhancement and Re-engining Program (RERP) experienced a critical

Nunn-McCurdy cost growth breach of 48 percent above the current program acquisition unit cost (PAUC), and 68 percent above the original PAUC established in fiscal year 2000. The committee notes that on February 14, 2008, the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) certified the C-5 RERP program to Congress during the Nunn-McCurdy process. The committee understands that USD(AT&L) concluded that a program to perform RERP on only 52 C-5B/C aircraft and perform only the Avionics Modernization Program on the remaining 59 C-5A aircraft is the most cost-effective solution to meet airlift requirements contained in the 2005 Mobility Capabilities Study (MCS).

In written testimony to the Subcommittee on Air and Land Forces on March 11, 2008, USD(AT&L) stated that the 2005 MCS concluded that a "fleet of 112 modernized C-5s, provided sufficient strategic airlift capacity" to meet the Department's future airlift requirements. However, the committee notes that the 2005 MCS actually stated that a fleet of "112 modernized and reliability improved C-5s" meets the Department's strategic airlift requirements. The committee is extremely concerned that the newly certified RERP program conflicts with the recommendations of the 2005 Mobility Capabilities Study that USD(AT&L) states was used as the analytical basis for determining C-5 inventory requirements.

The committee's concern is validated by written testimony of the Commander, Air Mobility Command to the Subcommittee on Air and Land Forces on April 1, 2008, that states "the current program for 190 C-17s, 52 RERP modified C-5s, and 59 legacy C-5As will not quite provide the organic strategic airlift capacity of 33.95 million ton miles per day specified by the Joint Requirements Oversight Council. Therefore, we remain concerned and vigilant that given the dynamic nature of our world and the increasing imperative for rapid warfighter response, coupled with the fact that our current strategic airlift baseline is based upon a three-year old MCS, that we have the correct balance."

The committee is extremely concerned by the shortsightedness of the MCS used by the Department to make critical decisions concerning the C-17 production line because the MCS did not: take into account the end strength increases of 92,000 personnel for the Army and Marine Corps; consider any mobility requirements of the Army's Future Combat Systems and modularity concepts of employment; consider the fact that the Army Manned-Ground Vehicle is too large to be transported by a C-130 aircraft; consider the 159 percent over-utilization rate of the current fleet of C-17 aircraft; consider the use of C-17s in multi-use roles for which the C-17 is being used extensively in current operations; have or use historical mobility forces operational data in its analysis to verify actual mobility requirements and operations.

The committee understands that the Department is conducting the 2008 Mobility Capabilities and Requirements Study (MCRS) to determine the appropriate inventory requirements for airlift and sealift to meet the National Defense Strategy. The committee notes that the estimated completion date of the 2008 MCRS is May 2009. The committee is extremely disappointed by the Department's decision to set a completion date for the study one month prior to delivery of the final production C-17 in June 2009. The committee also

notes that the Department's 2008 MCRS will not be completed in time to inform the President's fiscal year 2010 budget request to Congress.

To compensate for the Department's decision-making and planning process concerning strategic airlift production and force structure requirements, the committee recommends \$3.9 billion in title XV of this Act for procurement of 15 additional C-17s. Additionally, the committee strongly encourages the Secretary of Defense to program funding for additional C-17 aircraft in subsequent budget requests if the Department determines during the 2008 MCRS execution process that procuring additional C-17 aircraft is required to meet the National Defense Strategy. The committee also recommends a decrease of \$86.7 million to RERP funding due to the Department's stated inability to execute this amount in fiscal year 2009.

The committee also includes a provision, section 131, in title I of this Act that would allow the Secretary of the Air Force to retire C-5 aircraft from the inventory and replace the capability with C-17 aircraft if the cost analysis performed is prudent in meeting strategic airlift requirements and does not significantly increase overall costs above those already planned in the out-years.

The committee understands that the Air Force should have a minimum of 299 strategic airlift aircraft in the inventory with delivery of the 189th C-17 in June 2009. Consequently, the committee understands that no C-5A retirements will occur before the delivery of the 189th C-17. Additionally, the committee understands that after section 8062(g) of title 10, United States Code, was implemented with the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364), the C-17 delivery schedule changed due to additional C-17 foreign military sales which will impact the Secretary of the Air Force complying with section 8062(g) of title 10, United States Code.

PROCUREMENT OF AMMUNITION, AIR FORCE

Overview

The budget request for fiscal year 2009 contained \$894.5 million for Procurement of Ammunition, Air Force. The committee recommends authorization of \$994.5 million, an increase of \$40.0 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Procurement of Ammunition, Air Force program are identified in the table below.

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009		House		House	
		Request	Cost	Change	Authorized	Qty	Cost
	PROCUREMENT OF AMMUNITION, AIR FORCE						
	PROCUREMENT OF AMMO, AIR FORCE						
	ROCKETS						
001	ROCKETS		29,436				29,436
	CARTRIDGES						
002	CARTRIDGES		150,815				150,815
	BOMBS						
003	PRACTICE BOMBS		24,590				24,590
004	GENERAL PURPOSE BOMBS		149,695				149,695
005	SENSOR FUZED WEAPON						
006	JOINT DIRECT ATTACK MUNITION		105,719	1,379		5,026	145,719
	JDAM Kits	3,647					
	WIND CORRECTED MUNITIONS DISPENSER						
007	FLARE, IR MJU-7B						
008	CAD/PAD		38,190				38,190
009	EXPLOSIVE ORDNANCE DISPOSAL (EOD)		3,246				3,246
010	SPARES AND REPAIR PARTS		4,618				4,618
011	MODIFICATIONS		1,235				1,235
012	ITEMS LESS THAN \$5,000,000		2,477				2,477
	FUZES						
013	FLARES		304,159				304,159

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
014	FUZES WEAPONS SMALL ARMS		72,133				72,133
015	SMALL ARMS		8,165				8,165
TOTAL - PROCUREMENT OF AMMUNITION, AIR FORCE		3,647	894,478	1,379	40,000	5,026	934,478

MISSILE PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2009 contained \$5.5 billion for Missile Procurement, Air Force. The committee recommends authorization of \$5.5 billion, the requested amount, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Missile Procurement, Air Force program are identified in the table below.

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	MISSILE PROCUREMENT, AIR FORCE						
	BALLISTIC MISSILES						
	MISSILE REPLACEMENT EQUIPMENT-BALLISTIC						
001	MISSILE REPLACEMENT EQ-BALLISTIC		26,658				26,658
	OTHER MISSILES						
	TACTICAL						
002	JASSM	260	240,295			260	240,295
003	SIDEWINDER (AIM-9X)	275	77,223			275	77,223
004	AMRAAM	281	294,746			281	294,746
005	PREDATOR HELLFIRE MISSILE	642	63,585			642	63,585
006	SMALL DIAMETER BOMB	2,612	133,209			2,612	133,209
	INDUSTRIAL FACILITIES						
007	INDUSTRIAL PREPAREDNS/POL PREVENTION		2,408				2,408
	MODIFICATION OF IN-SERVICE MISSILES						
	CLASS IV						
008	ADVANCED CRUISE MISSILE		42				42
009	AGM-130 POWERED GBU-15						
010	MISSILE REPLACEMENT EQ-BALLISTIC						
011	MM III MODIFICATIONS		296,354				296,354
012	AGM-65D MAVERICK		256				256
013	AIR LAUNCH CRUISE MISSILE (ALCM)		10,150				10,150

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009		House		House	
		Request	Cost	Change	Authorized	Qty	Cost
	SPARES AND REPAIR PARTS						
	MISSILES AND REPAIR PARTS						
014	INITIAL SPARES/REPAIR PARTS		26,923				26,923
	OTHER SUPPORT						
	SPACE PROGRAMS						
015	ADVANCED EHF		16,564				16,564
016	ADVANCE PROCUREMENT (CY)						
017	WIDEBAND GAFILLER SATELLITES(SPACE)		22,492				22,492
018	ADVANCE PROCUREMENT (CY)						
019	SPACEBORNE EQUIP (COMSEC)		17,407				17,407
020	GLOBAL POSITIONING (SPACE)		108,043				108,043
021	ADVANCE PROCUREMENT (CY)		2,400				2,400
022	NUDET DETECTION SYSTEM		1,250				1,250
023	DEF METEOROLOGICAL SAT PROG(SPACE)		99,788				99,788
024	DEFENSE SUPPORT PROGRAM(SPACE)						
025	TITAN SPACE BOOSTERS(SPACE)						
026	EVOLVED EXPENDABLE LAUNCH VEH(SPACE)	4	1,205,278			4	1,205,278
027	MEDIUM LAUNCH VEHICLE(SPACE)		5,756				5,756
028	SBIR HIGH (SPACE)	2	1,664,043			2	1,664,043
029	ADVANCE PROCUREMENT (CY)		54,000				54,000

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
SPECIAL PROGRAMS							
030	CANCELLED ACCOUNTS		158,966				158,966
031	DEFENSE SPACE RECONN PROGRAM		[]				[]
32	SPECIAL PROGRAMS		212,515				212,515
033	SPECIAL UPDATE PROGRAMS		[]				[]
34	CLASSIFIED PROGRAM		[]				[]
35	OTHER PROGRAMS		[]				[]
999	CLASSIFIED PROGRAMS		796,377				796,377
TOTAL - MISSILE PROCUREMENT, AIR FORCE		4,076	5,536,728	4,076	4,076	4,076	5,536,728

OTHER PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2009 contained \$16.1 billion for Other Procurement, Air Force. The committee recommends authorization of \$16.1 billion, an increase of \$6.5 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Other Procurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	OTHER PROCUREMENT, AIR FORCE						
	VEHICULAR EQUIPMENT						
	PASSENGER CARRYING VEHICLES						
001	ARMORED VEHICLE		17,662				17,662
002	PASSENGER CARRYING VEHICLES						
	CARGO AND UTILITY VEHICLES						
003	MEDIUM TACTICAL VEHICLE		23,002				23,002
004	HIGH MOBILITY VEHICLE (MYP)						
005	CAP VEHICLES		889				889
	SPECIAL PURPOSE VEHICLES						
006	HMMVV, ARMORED						
007	SECURITY AND TACTICAL VEHICLES		30,597				30,597
	FIRE FIGHTING EQUIPMENT						
008	FIRE FIGHTING/CRASH RESCUE VEHICLES		27,020				27,020
	MATERIALS HANDLING EQUIPMENT						
009	HALVERSEN LOADER						
	BASE MAINTENANCE SUPPORT						
010	RUNWAY SNOW REMOV AND CLEANING EQU		23,051				23,051
011	ITEMS LESS THAN \$5,000,000(VEHICLES)		39,984				39,984
	CANCELLED ACCOUNT ADJUSTMENT						
012	CANCELLED ACCOUNT ADJUSTMENTS (BPA						

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
ELECTRONICS AND TELECOMMUNICATIONS							
COMM SECURITY EQUIPMENT (COMSEC)							
013	COMSEC EQUIPMENT		137,914				137,914
014	MODIFICATIONS (COMSEC)		1,557				1,557
INTELLIGENCE PROGRAMS							
015	INTELLIGENCE TRAINING EQUIPMENT		2,671				2,671
016	INTELLIGENCE COMM EQUIPMENT Force Protection Surveillance System		15,441		[4,000]		15,441
ELECTRONICS PROGRAMS							
017	AIR TRAFFIC CONTROL & LANDING SYS		9,832				9,832
018	NATIONAL AIRSPACE SYSTEM		47,224				47,224
019	THEATER AIR CONTROL SYS IMPROVEMEN		68,502				68,502
020	WEATHER OBSERVATION FORECAST		29,377				29,377
021	STRATEGIC COMMAND AND CONTROL		53,739				53,739
022	CHEYENNE MOUNTAIN COMPLEX		13,662				13,662
023	DRUG INTERDICTION SPT		950				950
SPECIAL COMM-ELECTRONICS PROJECTS							
024	GENERAL INFORMATION TECHNOLOGY IMPACT SELDI		100,052		4,000		104,052
					[2,000]		
					[2,000]		
	ANG Combat Communications on the Move				[3,500]		3,500

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
025	AF GLOBAL COMMAND & CONTROL SYS		16,148				16,148
026	MOBILITY COMMAND AND CONTROL		10,475				10,475
027	AIR FORCE PHYSICAL SECURITY SYSTEM		57,728				57,728
028	COMBAT TRAINING RANGES		55,315				55,315
029	MINIMUM ESSENTIAL EMERGENCY COMM N		1				1
030	C3 COUNTERMEASURES		7,754				7,754
031	GCSS-AF FOS		55,783		-5,000		50,783
	Expeditionary Combat Support System Unjustified growth				[-5,000]		
032	THEATER BATTLE MGT C2 SYSTEM		22,525				22,525
033	AIR & SPACE OPERATIONS CTR-WPN SYS		35,050				35,050
	AIR FORCE COMMUNICATIONS						
034	BASE INFO INFRASTRUCTURE		337,190				337,190
035	USCENTCOM		42,677				42,677
	DISA PROGRAMS						
036	SPACE BASED IR SENSOR PGM SPACE		80,405				80,405
037	NAVSTAR GPS SPACE		25,526				25,526
038	NUDET DETECTION SYS SPACE		27,626				27,626
039	AF SATELLITE CONTROL NETWORK SPACE		65,383				65,383
040	SPACELIFT RANGE SYSTEM SPACE		101,983				101,983
041	MILSATCOM SPACE		106,323				106,323
042	SPACE MODS SPACE		23,121				23,121

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
043	COUNTERSPACE SYSTEM		29,232				29,232
	ORGANIZATION AND BASE						
044	TACTICAL C-E EQUIPMENT		293,153				293,153
045	COMBAT SURVIVOR EVADER LOCATER		26,878				26,878
046	RADIO EQUIPMENT		13,463				13,463
047	TV EQUIPMENT (AFRTV)						
048	CCTV/AUDIOVISUAL EQUIPMENT		7,423				7,423
049	BASE COMM INFRASTRUCTURE		135,808				135,808
050	ITEMS LESS THAN \$5,000,000						
	MODIFICATIONS						
051	COMM ELECT MODS		33,258				33,258
	OTHER BASE MAINTENANCE AND SUPPORT EQUIP						
	PERSONAL SAFETY AND RESCUE EQUIPMENT						
052	NIGHT VISION GOGGLES		18,626				18,626
	DEPOT PLANT AND MATERIAL HANDLING EQUIP						
053	MECHANIZED MATERIAL HANDLING EQUIP		21,573				21,573
	BASE SUPPORT EQUIPMENT						
054	BASE PROCURED EQUIPMENT		17,038				17,038
055	MEDICAL/DENTAL EQUIPMENT						
056	CONTINGENCY OPERATIONS		6,483				6,483
057	PRODUCTIVITY CAPITAL INVESTMENT		3,021				3,021

Title I - Procurement
(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
058	MOBILITY EQUIPMENT		26,459				26,459
059	ITEMS LESS THAN \$5,000,000 (BASE S)		14,237				14,237
	SPECIAL SUPPORT PROJECTS						
60	PRODUCTION ACTIVITIES		[]				[]
061	DARP RC135		22,924				22,924
062	DISTRIBUTED GROUND SYSTEMS		251,805				251,805
63	SELECTED ACTIVITIES		[]				[]
064	SPECIAL UPDATE PROGRAM		410,370				410,370
065	DEFENSE SPACE RECONNAISSANCE PROG.		15,805				15,805
	SPARES AND REPAIR PARTS						
066	SPARES AND REPAIR PARTS		25,616				25,616
999	CLASSIFIED PROGRAMS		13,041,085				13,041,085
	TOTAL - OTHER PROCUREMENT, AIR FORCE		16,128,396		6,500		16,134,896

Item of Special Interest

General information technology

The budget request contained \$100.1 million for general information technologies, but contained no funds for the science and engineering lab data integration (SELDI) program, or for information modernization for processing with advance coating technologies (IMPACT).

The Air Force Material Command's science and engineering lab captures, analyzes, and disseminates lab test data to the Department of the Air Force's engineering and system overhaul operations. The SELDI program facilitates this mission by providing a maintenance and logistics information management tool that allows more rapid lab data access. The SELDI program also provides accident investigators with immediate access to lab results of failed components, enables component failure trend analysis, and implements a new acoustic signature sensor to ensure the proper chemical composition of materials and equipment. The committee understands that the SELDI program has provided quantifiable benefits including cost avoidance in spare parts configuration discrepancies and elimination of unnecessary landing gear overhaul process operations. In the committee report (H. Rept. 110-146) accompanying the National Defense Authorization Act for Fiscal Year 2008, the committee recommended increases for the SELDI program and continues to believe its implementation would improve operational aircraft readiness, increase flight safety, and reduce support costs. Accordingly, the committee recommends an increase of \$2.0 million for this purpose.

The IMPACT program is working to calibrate, validate, and certify the existing thermal spray equipment used in the advanced coating systems process and to identify candidate parts that could be overhauled with this process. As a result of much more stringent permissible exposure limits to chemical byproducts of chrome plating processes, Warner Robins Air Logistics Center will be required to migrate to a new process known as advanced coating systems. In addition to reduced chemical exposure, the committee understands that the advanced coating systems process will offer improved durability of 40 to 50 percent, lower life-cycle costs for those components treated with this process, and reduced repair processing times by 20 to 40 percent. In the committee report (H. Rept 110-146) accompanying the National Defense Authorization Act for Fiscal Year 2008, the committee recommended an increase for the IMPACT program and continues to believe it will help to reduce hazardous exposure, improve component durability, and lower life-cycle costs. To accelerate the IMPACT program, the committee recommends an increase of \$2.0 million.

The committee recommends \$104.1 million, an increase of \$4.0 million, for general information technology.

PROCUREMENT, DEFENSE-WIDE

Overview

The budget request for fiscal year 2009 contained \$3.2 billion for Procurement, Defense-Wide. The committee recommends authoriza-

tion of \$3.5 billion, an increase of \$321.2 million, for fiscal year 2009.

The committee recommendations for the fiscal year 2009 Procurement, Defense-Wide program are identified in the table below. Major changes to the Defense-Wide request are discussed following the table.

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009</u> <u>Request</u>	<u>House</u> <u>Change</u>	<u>House</u> <u>Authorized</u>	<u>Qty</u>	<u>Cost</u>
	PROCUREMENT, DEFENSE-WIDE					
	MAJOR EQUIPMENT					
	MAJOR EQUIPMENT, OSD/WH					
001	MAJOR EQUIPMENT, OSD	105,946	3,000	108,946		
	Domestic Production of Polycrystalline Laser Gain Materials		[3,000]			
	MAJOR EQUIPMENT, NSA					
2	INTEL SUPPORT TO INFORMATION OPS	[]		[]		
3	CYBER SECURITY -- CCP	[]		[]		
4	CYBER SECURITY INITIATIVE	[]		[]		
5	CONSOLIDATED CRYPTOLOGIC PROGRAM	[]		[]		
006	INFORMATION SYSTEMS SECURITY PROGRAM (ISSP)	4,505		4,505		
7	DEFENSE AIRBORNE RECONNAISSANCE PGM	[]		[]		
	MAJOR EQUIPMENT, WHS					
008	WHS MOTOR VEHICLES					
009	MAJOR EQUIPMENT, WHS	26,649		26,649		
	MAJOR EQUIPMENT, DISA					
010	INTERDICTION SUPPORT					
011	INFORMATION SYSTEMS SECURITY	54,934		54,934		
012	DEFENSE MESSAGE SYSTEM					
013	GLOBAL COMMAND AND CONTROL SYSTEM	10,973		10,973		
014	GLOBAL COMBAT SUPPORT SYSTEM	2,788		2,788		
015	TELEPORT PROGRAM	15,062		15,062		

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
016	ITEMS LESS THAN \$5 MILLION		121,296				121,296
017	NET CENTRIC ENTERPRISE SERVICES (NCES)		36,765				36,765
018	DEFENSE INFORMATION SYSTEM NETWORK (DISN)		90,328				90,328
019	PUBLIC KEY INFRASTRUCTURE		1,894				1,894
020	SR. LEADERSHIP CMD CONT						
021	JOINT COMMAND AND CONTROL PROGRAM		7,952				7,952
022	CYBER SECURITY INITIATIVE		19,100				19,100
	MAJOR EQUIPMENT, DIA						
23	DIA SUPPORT TO CENTCOM INTELLIGENCE ACTIVITIES		[]				[]
24	INTELLIGENCE AND COMMUNICATIONS		[]				[]
25	COMBATANT COMMAND OPERATIONS		[]				[]
26	DIA SUPPORT TO SOUTHCOM INTEL ACTIVITIES		[]				[]
27	DIA SUPPORT TO PACOM MANAGEMENT HQ		[]				[]
28	INTELLIGENCE SUPPORT TO INFO OPS		[]				[]
29	DIA SUPPORT TO PACOM INTELLIGENCE ACTIVITIES		[]				[]
30	DIA SUPPORT TO EUCOM INTELLIGENCE ACTIVITIES		[]				[]
31	INTELLIGENCE PLANNING AND REVIEW ACTIVITIES		[]				[]
32	DEFENSE HUMINT INTELLIGENCE		[]				[]
	MAJOR EQUIPMENT, DLA						
033	MAJOR EQUIPMENT		8,789				8,789
	Combat Rations Surge production Capacity Requirements				[5,000]		5,000

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
034	MAJOR EQUIPMENT, DCAA ITEMS LESS THAN \$5 MILLION		1,523				1,523
035	MAJOR EQUIPMENT, TJS MAJOR EQUIPMENT, TJS		25,897				25,897
036	MAJOR EQUIPMENT, DHRA PERSONNEL ADMINISTRATION		19,214				19,214
37	NATIONAL GEOSPATIAL INTELLIGENCE AGENCY						
38	NATIONAL GEOSPATIAL - INTELLIGENCE PROGRAM DEFENSE GEOSPATIAL - INTELLIGENCE PROGRAM DEFENSE THREAT REDUCTION AGENCY						
039	VEHICLES						
040	OTHER MAJOR EQUIPMENT		5,621				5,621
041	MAJOR EQUIPMENT, AFIS MAJOR EQUIPMENT, AFIS						
042	MAJOR EQUIPMENT, DODEA AUTOMATION/EDUCATIONAL SUPPORT & LOGISTICS		1,498				1,498
043	MAJOR EQUIPMENT, DCMA MAJOR EQUIPMENT		2,149				2,149
044	MAJOR EQUIPMENT, DTSA MAJOR EQUIPMENT		436				436
	MAJOR EQUIPMENT, BTA						

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
045	MAJOR EQUIPMENT, BTA		689				689
046	MAJOR EQUIPMENT, DMACT A - WEAPON SYSTEM COST	3	11,158			3	11,158
	SPECIAL OPERATIONS COMMAND						
	AVIATION PROGRAMS						
047	ROTARY WING UPGRADES AND SUSTAINMENT		51,950				51,950
048	MC-130H AIR REFUELING SYSTEM						
049	MH-47 SERVICE LIFE EXTENSION PROGRAM		63,667				63,667
050	MH-60 SOF MODERNIZATION PROGRAM		98,163				98,163
051	NON-STANDARD AVIATION	6	39,172			6	39,172
052	SOF TANKER RECAPITALIZATION		36,286				36,286
053	SOF U-28		7,659				7,659
054	MC-130H, COMBAT TALON II						
055	CV-22 SOF MOD	6	162,971			6	162,971
056	AC-130U GUNSHIP ACQUISITION						
057	C-130 MODIFICATIONS		47,018				47,018
058	AIRCRAFT SUPPORT		1,347				1,347
	SHIPBUILDING						
059	ADVANCED SEAL DELIVERY SYSTEM (ASDS)		5,760				5,760
060	MK8 MOD1 SEAL DELIVERY VEHICLE		7,061				7,061

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
AMMUNITION PROGRAMS							
061	SOF ORDNANCE REPLENISHMENT		67,083				67,083
062	SOF ORDNANCE ACQUISITION		5,540		6,000		11,540
	Remote Activated Munitions				[6,000]		
OTHER PROCUREMENT PROGRAMS							
063	COMMUNICATIONS EQUIPMENT AND ELECTRONICS		67,220				67,220
064	SOF INTELLIGENCE SYSTEMS		54,122		20,800		74,922
	SOCOM Intelligence Equipment Package				[20,800]		
065	SMALL ARMS AND WEAPONS		15,689		6,000		21,689
	Mk47 Advanced Lightweight Grenade Launcher				[6,000]		
66	CLASSIFIED PROGRAMS		[]				[]
067	MARITIME EQUIPMENT MODIFICATIONS		1,265				1,265
068	SPECIAL APPLICATIONS FOR CONTINGENCIES		12,484				12,484
069	SOF COMBATANT CRAFT SYSTEMS		18,795		3,600		22,395
	Special Operations Craft - Riverine				[3,600]		
070	SPARES AND REPAIR PARTS		3,272				3,272
71	SPECIAL PROGRAM		[]				[]
072	TACTICAL VEHICLES		3,702				3,702
073	MISSION TRAINING AND PREPARATION SYSTEMS		34,151				34,151
074	COMBAT MISSION REQUIREMENTS		21,593				21,593
075	MILCON COLLATERAL EQUIPMENT		11,722				11,722

Title I - Procurement

(Dollars in Thousands)

Line	Program Title	FY 2009 Request		House Change		House Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
076	UNMANNED VEHICLES		27,194				27,194
77	CLASSIFIED PROGRAM GDIP		[]				[]
078	SOF AUTOMATION SYSTEMS		55,248				55,248
079	SOF GLOBAL VIDEO SURVEILLANCE ACTIVITIES		15,862				15,862
080	SOF OPERATIONAL ENHANCEMENTS INTELLIGENCE		25,892				25,892
081	SOF SOLDIER PROTECTION AND SURVIVAL SYSTEMS		15,455		1,200		16,655
	SOCOM Personal Equipment Advanced Requirements				[1,200]		
082	SOF VISUAL AUGMENTATION, LASERS AND SENSOR SY		30,201		15,400		45,601
	SOCOM Visual Augmentation Systems Hand Held Imagers				[15,400]		
083	SOF TACTICAL RADIO SYSTEMS		33,966				33,966
084	SOF MARITIME EQUIPMENT		13,450				13,450
085	DRUG INTERDICTION						
086	MISCELLANEOUS EQUIPMENT		15,331				15,331
087	SOF OPERATIONAL ENHANCEMENTS		315,443		9,200		324,643
	SOCOM High Performance Sniper Scope				[9,200]		
088	PSYOP EQUIPMENT		64,778				64,778
	CHEMICAL/BIOLOGICAL DEFENSE						
	CBDP						
089	INSTALLATION FORCE PROTECTION		88,565				88,565
090	INDIVIDUAL PROTECTION		80,211				80,211
091	DECONTAMINATION		22,299				22,299

13
55

Title I - Procurement

(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>		<u>House Change</u>		<u>House Authorized</u>	
		<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
092	JOINT BIOLOGICAL DEFENSE PROGRAM		38,702				38,702
093	COLLECTIVE PROTECTION		37,784				37,784
094	CONTAMINATION AVOIDANCE		199,610				199,610
095	STANDARD MISSILE-3 INTERCEPTORS				111,000		111,000
	Transfer from PE 63892C				[56,000]		
	Facility upgrades				[20,000]		
	Long-lead procurement				[35,000]		
96	TERMINAL HIGH ALTITUDE AREA DEFENSE				140,000		140,000
	Transfer from PE 63881C				[65,000]		
	Long-lead procurement				[75,000]		
999	CLASSIFIED PROGRAMS		671,379				671,379
	TOTAL - PROCUREMENT, DEFENSE-WIDE	15	3,164,228		321,200	15	3,485,428
	RAPID ACQUISITION FUND						
001	JOINT RAPID ACQUISITION CELL		102,045		-52,045		50,000
	Transfer to Title XV				[-102,045]		
	Program Increase				[50,000]		
	TOTAL - RAPID ACQUISITION FUND		102,045		-52,045		50,000

Items of Special Interest

Standard Missile-3 interceptors

The budget request contained no funds for advanced procurement of Standard Missile-3 (SM-3) interceptors.

Consistent with the findings of the Joint Capabilities Mix Study II, which indicated that the combatant commanders require, at minimum, twice as many SM-3 interceptors than the 133 now planned, the committee strongly supports efforts to increase production of SM-3 interceptors to counter the threat from short- and medium-range ballistic missiles.

In accordance with section 223 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181), the committee recommends the transfer of \$56.0 million of the funds from PE 63892C for advanced procurement of SM-3 interceptors to be executed by the Missile Defense Agency.

Furthermore, the committee recommends an additional increase of \$55.0 million for SM-3 production. Of this amount, \$20.0 million is for facility upgrades that will increase the capacity to manufacture 4 or more SM-3 missiles per month in fiscal year 2010, and \$35.0 million is for long-lead procurement of an additional 12 SM-3 missiles.

Therefore, the committee recommends a total increase of \$111.0 million for procurement of SM-3 interceptors.

Terminal High Altitude Area Defense procurement

The budget request contained no funds for advanced procurement for Terminal High Altitude Area Defense (THAAD) Fire Units #3 and #4.

Consistent with the findings of the Joint Capabilities Mix Study II, which indicated that the combatant commanders require twice as many THAAD interceptors than the 96 now planned, the committee recommends an increase of funds for THAAD production.

In accordance with section 223 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181), the committee recommends the transfer of \$65.0 million of the funds in PE 63881C for the procurement of advanced components for THAAD Fire Units #3 and #4 to be executed by the Missile Defense Agency.

Furthermore, the committee recommends an additional \$75.0 million to begin long-lead procurement of additional THAAD interceptors and the ground segments.

Therefore, the committee recommends a total increase of \$140.0 million for advanced procurement of THAAD Fire Units #3 and #4.

RAPID ACQUISITION FUND

Overview

The budget request for fiscal year 2009 contained \$102.0 million for Rapid Acquisition Fund. The committee recommends authorization of \$50.0 million and a transfer of \$102.0 million to title XV of this Act.

NATIONAL GUARD AND RESERVE EQUIPMENT

Overview

The budget request for fiscal year 2009 contained \$8.9 billion for National Guard and Reserve Equipment. The committee recommends authorization of \$9.7 billion, an increase of \$800.0 million, for fiscal year 2009.

The committee notes that the events of September 11, 2001, Operation Iraqi Freedom (OIF), and Operation Enduring Freedom (OEF) have caused dramatic changes in how national guard and reserve components are used to support overseas operational missions and domestic security and preparedness tasks. The national guard and reserve forces are no longer a strategic reserve component but are now considered an operational reserve force. Further, the committee notes that many non-deployed national guard and reserve units have significant equipment shortages compared to required equipment levels, caused by a combination of increases in required equipment, the need to prioritize equipment going to deployed forces, and changes in Army standards for substitute equipment. While the Army has articulated a plan to address this issue, the committee is concerned that the current timelines for doing so are too long and pose too much risk in the event of a large-scale national emergency or unanticipated overseas deployment requirement. As a result, the committee authorizes additional funding for equipment.

The committee is aware the budget request provides a significant increase in procurement funding for national guard and reserve component equipment from previous budget requests; however, the committee notes that despite this increase in funds, significant equipment shortfalls will continue for some national guard and reserve component units. In addition, the committee notes that in past budget years, despite plans to provide significant equipment to the National Guard and reserves, that the promised funding and equipment has not actually reached national guard and reserve units due to changes in Army priorities. The committee urges the Army to create better audit and tracking procedures for funds provided by Congress for reserve component equipment to ensure that the equipment needs of the national guard and reserves are appropriately addressed.

The committee is aware that equipment items on the Army's unfunded priority list for fiscal year 2009 are considered to be critical dual-purpose unfunded equipment programs for the Army National Guard and Army Reserve. The committee expects funds authorized in this section would be used in some capacity to address funding shortfalls for these unfunded programs. The committee strongly believes the National Guard and reserve components should receive an equitable share of funding and equipment distribution and that reserve components should be better integrated into the equipping process.

Title I - Procurement
(Dollars in Thousands)

<u>Line</u>	<u>Program Title</u>	<u>FY 2009 Request</u>	<u>Qty</u>	<u>Cost</u>	<u>House Change</u>	<u>Qty</u>	<u>Cost</u>	<u>House Authorized</u>	<u>Qty</u>	<u>Cost</u>
	NATIONAL GUARD & RESERVE EQUIPMENT									
	RESERVE EQUIPMENT									
	ARMY RESERVE									
001	MISCELLANEOUS EQUIPMENT			800,000						800,000
002	NAVY RESERVE									
	MISCELLANEOUS EQUIPMENT									
	MARINE CORPS RESERVE									
003	MISCELLANEOUS EQUIPMENT									
	AIR FORCE RESERVE									
004	MISCELLANEOUS EQUIPMENT									
	NATIONAL GUARD EQUIPMENT									
	ARMY NATIONAL GUARD									
005	MISCELLANEOUS EQUIPMENT									
	AIR NATIONAL GUARD									
006	MISCELLANEOUS EQUIPMENT									
	TOTAL - NATIONAL GUARD & RESERVE EQUIPMENT			800,000			800,000			800,000
	TOTAL PROCUREMENT	102,694,267			17,607					102,711,874

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sections 101–104—Authorization of Appropriations

These sections would authorize the recommended fiscal year 2009 funding levels for all procurement accounts.

Section 105—National Guard and Reserve Equipment

This section would authorize \$800.0 million for the procurement of aircraft, missiles, wheeled and tracked combat vehicles, tactical wheeled vehicles, ammunition, small arms, tactical radios, non-system training devices, logistic automation systems, and other critical procurement items for the national guard and reserve forces.

Section 106—Rapid Acquisition Fund

This section would authorize \$50.0 million for the Rapid Acquisition Fund. The committee expects these funds would be made available as part of a U.S. Central Command Rapid Acquisition Fund that would be used by the Commander, U.S. Central Command, to rapidly address unforeseen, joint urgent operational needs. The committee notes that additional funding for the Rapid Acquisition Fund is authorized in title XV of this Act.

SUBTITLE B—ARMY PROGRAMS

Section 111—Separate Procurement Line Items for Future Combat Systems Program

This section would require, beginning with the Fiscal Year 2010 President's Budget Request, separate procurement lines for five classes of equipment planned for procurement under the Future Combat Systems (FCS) program. These classes would be FCS manned ground vehicles, FCS unmanned ground vehicles, FCS unmanned aerial vehicles, FCS unattended ground systems, and other FCS elements.

Section 112—Restriction on Contract Awards for Major Elements of the Future Combat Systems Program

This section would prohibit the Army from awarding a contract for low-rate production or full-rate production for major elements of the Future Combat Systems (FCS) program to entities serving in the role of a lead systems integrator for the FCS program.

Section 113—Restriction on Obligation of Funds for Army Tactical Radio Pending Report

This section would require a report from the Assistant Secretary of Defense, Networks and Information Integration, regarding Army tactical radio fielding plans and whether they are properly aligned to create the future battlefield network envisioned by the Army, as well as the future role of joint tactical radios in such a network. The report would be due to Congress by March 30, 2009. This section would prohibit obligation of 25 percent of the funds for tactical radios until the required report is received.

Section 114—Restriction on Obligation of Procurement Funds for Armed Reconnaissance Helicopter Program Pending Certification

This section would limit the obligation of funding for the Armed Reconnaissance Helicopter (ARH) for fiscal year 2009 to not more than 20 percent of the authorized funding until 30 days after the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD/AT&L) certifies to the congressional defense committees that the ARH has satisfactorily completed a Limited User Test and has been approved by the USD/AT&L to enter production.

SUBTITLE C—NAVY PROGRAMS

Section 121—Refueling and Complex Overhaul of the U.S.S. “Theodore Roosevelt”

This section would authorize the refueling and complex overhaul (RCOH) of the aircraft carrier U.S.S. *Theodore Roosevelt* to commence in fiscal year 2009 and would authorize the first of three increments of funding planned for the RCOH.

Section 122—Applicability of Previous Teaming Agreements for “Virginia”-Class Submarine Program

This section would modify the multi-year procurement authority granted in the Fiscal Year 2008 National Defense Authorization Act (Public Law 110–181) to include the requirement that any multi-year contract entered into between the Navy and the shipbuilders must specify that the previous teaming agreements for submarine construction between the two shipbuilders shall remain in effect.

Section 123—Littoral Combat Ship Program

This section would amend section 124 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163) as amended by section 125 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364) by allowing costs associated with economic inflation to exceed the cost cap of \$460.0 million per vessel, provided that the increase for economic inflation does not exceed \$10.0 million per vessel. The provision would also allow costs associated with the introduction of new technology, not fielded on the first two ships of the class, provided that the insertion of new technology would reduce life-cycle cost of the vessel, or the new technology is required to meet an emergent warfighting threat.

Section 124—Report on F/A–18 Procurement Costs, Comparing Multi-year to Annual

This section would require the Secretary of Defense to submit a report on F/A–18 procurement to the congressional defense committees by March 1, 2009. The report would include the following:

- (1) The number of F/A–18E/F and EA–18G aircraft programmed for procurement for fiscal years 2010 through 2015;
- (2) The estimated procurement costs for those aircraft, if procured through annual procurement contracts;

(3) The estimated procurement costs for those aircraft, if procured through a multiyear procurement contract;

(4) The estimated savings that could be derived from the procurement of those aircraft through a multiyear procurement contract, and whether the Secretary considers the amount of those savings to be substantial;

(5) A discussion comparing the costs and benefits of obtaining those aircraft through annual procurement contracts with the costs and benefits of obtaining those aircraft through a multiyear procurement contract; and

(6) The recommendations of the Secretary as to whether Congress should authorize a multiyear procurement contract for those aircraft.

This section would also require the Secretary to submit the certifications required by section 2306b of title 10, United States Code, if the Secretary recommends that Congress authorize a multiyear procurement contract for F/A-18 aircraft. Additionally, this section would authorize the Secretary to obligate up to \$100.0 million of the amount authorized for procurement of F/A-18E/F or EA-18G aircraft for cost reduction initiatives in fiscal year 2009, subject to the availability of appropriations.

SUBTITLE D—AIR FORCE PROGRAMS

Section 131—Limitation on Retiring C-5 Aircraft

This section would allow the Secretary of the Air Force to retire C-5A aircraft from the inventory and replace the capability with C-17 aircraft if the cost analysis demonstrates such action is prudent in meeting strategic airlift requirements and does not significantly increase overall costs above those already planned. Before C-5A retirement can commence, the Secretary must submit to the congressional defense committees a cost analysis performed by a federally funded research and development center that concludes that retiring C-5A aircraft and procuring C-17 aircraft is more prudent in meeting strategic airlift mobility requirements than performing the Avionics Modernization and the Reliability Enhancement and Re-engining Programs on C-5A aircraft, and certify that operational risk will not increase in meeting the National Defense Strategy by retiring C-5A aircraft and procuring additional C-17 aircraft.

Section 132—Maintenance of Retired KC-135E Aircraft

This section would require the Air Force to maintain a minimum of 46 retired KC-135Es in Type-1000 storage.

Section 133—Repeal of Multi-Year Contract Authority for Procurement of Tanker Aircraft

This section would repeal the multi-year procurement contract authority provided in the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136) during the KC-X tanker-lease program.

Section 134—Report on Processes Used for Requirements
Development for KC-X

This section would require the Secretary of the Air Force to submit a report to the congressional defense committees by December 1, 2008, that: examines the processes used to determine KC-X requirements; outlines why the KC-135R aircraft was established as the comparative baseline aircraft for KC-X; provides an evaluation of very large tanker aircraft as a potential Air Force aerial refueling platform; and, examines aerial refueling aircraft range, fuel offload at range and passenger/cargo carrying capabilities.

SUBTITLE E—JOINT AND MULTI-SERVICE MATTERS

Section 141—Body Armor Acquisition Strategy

This section would require the Secretary of Defense to establish an executive agent for individual body armor and associated components and establish a procurement budget line item for body armor and personnel protection enhancements.

This section would also require the Under Secretary of Defense for Acquisition, Technology, and Logistics to report to the congressional defense committees by March 15, 2009, detailing:

- (1) The U.S. body armor industrial base;
- (2) The strategic plan for sustaining the body armor industrial base, to include critical component suppliers; and
- (3) The objective body armor system level of protection, weight, and manufacturing productivity and the research and development path for achieving the objective system.

The committee is aware that none of the military services have programmed funds in the Future Year's Defense Plan for the fielding of the latest generation of body armor and the military services continue to rely on supplemental funding for long-term sustainment. The committee is concerned this lack of planning and programming is adversely impacting the capability of the body armor industrial base and could potentially impact the industrial base's ability to rapidly respond to new threats or requirements.

Section 142—Small Arms Acquisition Strategy and Requirements
Review

This section would require the Comptroller General of the United States Government Accountability Office to audit the Department of Defense small arms requirements generation process and report to the congressional defense committees by October 1, 2009, on any statutory, regulatory, or procedural barriers that may affect the ability of the military services to rapidly field small arms.

This section would also require the Under Secretary of Defense for Acquisition, Technology, and Logistics to provide a report to the congressional defense committees within 120 days after the date of enactment of this Act that details:

- (1) The current inventory, acquisition objective, operational, and budgetary status of current small arms programs to include pistols, carbines, rifles, light, medium, and heavy machine guns;

(2) A plan for a joint acquisition strategy for small arms modernization with emphasis on a possible near-term competition for a new pistol and carbine;

(3) Analysis of current small arms research and development programs; and

(4) An analysis of any ongoing small arms capability gap assessments being pursued by the individual military services.

Section 143—Requirement for Common Ground Stations and Payloads for Manned and Unmanned Aerial Vehicles

This section would require the Secretary of Defense to establish a policy and acquisition strategy for manned and unmanned vehicle intelligence, surveillance, and reconnaissance payloads and ground stations, to be applicable through the Department of Defense, to achieve integrated research, development, test and evaluation, and procurement commonality.

Payloads included within the policy and acquisition strategy, by vehicle class, would be: signals intelligence; electro-optical; synthetic aperture radar; ground moving target indicator; conventional explosive detection; foliage penetrating radar; laser designator; chemical, biological, radiological, nuclear, explosive detection; and national airspace operations avionics and sensors.

This section would also seek: commonality of ground systems by vehicle class; common management of vehicle and payloads; ground station interoperability standardization; open source software code; acquisition of technical data rights in accordance with section 2320 of title 10, United States Code; and acquisition of vehicles, payloads, and ground stations through competitive procurement.

Classes of vehicles for the purpose of this section are defined as:

(1) Tier II class: vehicles such as Silver Fox and Scan Eagle;

(2) Tactical class: vehicles such as RQ-7;

(3) Medium altitude class: vehicles such as MQ-1, MQ-1C, MQ-5, MQ-8, MQ-9, and Warrior Alpha; and

(4) High Altitude class: vehicles such as RQ-4, RQ-4N, unmanned airship systems, Constant Hawk, Angel Fire, Special Project Aircraft, Aerial Common Sensor, EP-3, Scathe View, Compass Call, and Rivet Joint.

Finally, this section would require a report be provided to the congressional defense committees, the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence within 120 days after the date of enactment of this Act on the policy and acquisition strategy established for intelligence, surveillance, and reconnaissance payloads and ground station to achieve integrated research, development, test and evaluation, and procurement commonality for manned and unmanned systems.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

OVERVIEW

The budget request contained \$79.6 billion for research, development, test, and evaluation (RDT&E). The committee recommends \$79.7 billion, an increase of \$109.5 million to the budget request.