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Appropriations for FY2001: Defense

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ABSTRACT

Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bounded by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations.

This report is a guide to one of the 13 regular appropriations bills that Congress considers each year. It is designed to supplement the information provided by the House and Senate Defense Appropriations Subcommittees. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

This report is updated as soon as possible after major legislative developments, especially following legislative action in the committees and on the floor of the House and Senate.

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Appropriations for FY2001: Defense

Summary

House and the Senate action on annual FY2001 defense funding was completed in December when Congress approved the FY2001 omnibus appropriations bill. In all, Congress provided about $310.0 billion for national defense, including $287.8 billion in the Department of Defense Appropriations bill. The national defense total is about $4.7 billion above the Administration's request.

The conference agreement on the FY2001 Labor-HHS-Education Appropriations/Omnibus appropriations bill, H.R. 4577, approved in the House and Senate on December 15, provides some additional FY2001 funds for the Department of Defense, including $150 million to repair the USS Cole, $100 million for classified programs related to operations overseas, and $43.5 million for military construction. Section 1403 of the bill also makes an across-the-board cut of 0.22% in all FY2001 discretionary funds, including defense, though military personnel funding is exempted from the reduction. In all, this will reduce FY2001 defense funding by $520 million.

On October 11, the House approved an a conference agreement on the FY2001 defense authorization bill, H.R. 4205, by a vote of 382-31. The Senate approved the agreement on October 12 by a vote of 90-3. The President signed the bill into law on October 30 (P.L. 106-398). A conference agreement on the defense appropriations bill, H.R. 4576, was approved in the House on July 19 and in the Senate on July 27, and the President signed the bill on August 9 (P.L. 106-259). Earlier the House and the Senate approved a conference agreement on the FY2001 military construction appropriations bill, H.R. 4425, and the President signed the measure into law on July 13 (P.L. 106-246). This bill includes supplemental appropriations for FY2000 military operations in Kosovo and Colombia, for increased fuel and medical care costs, and for some other defense programs.

In action on key issues, authorization conferees agreed to (1) provide a permanent guarantee of health care for Medicare-eligible military retirees that was included in the Senate bill, but that expired after two years; (2) provide compensation for workers made ill by exposure to toxic materials in the nation's nuclear weapons program; (3) drop a House-passed provision mandating troop withdrawals from Kosovo if allies do not meet burdensharing commitments (though the bill includes extensive reporting requirements); and (4) drop anti-hate crimes legislation that was attached to the Senate-passed bill. The retiree health care measure will make all military retirees eligible for health care through the military health care system. Conferees also agreed to a comprehensive retail and mail-order pharmacy benefit. According to preliminary CBO estimates, the bill's retiree health care provisions will cost $40 billion more over the next 10-years than benefits DOD currently provides.

Several major weapons programs also received attention in this year's defense debate. The authorization and appropriations conference agreements reduced funding for the Joint Strike Fighter because of program delays. The authorization and appropriations bills also approved additional funding for the Army's "transformation" plan, including funds to equip a second medium-weight brigade in FY2001. The authorization conference, however, included a requirement that the Army carry out additional comparative testing of armored vehicles before outfitting a third brigade.

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Abbreviations:
FDT = Foreign Affairs, Defense, and Trade Division
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RSI = Resources, Science, and Industry Division

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Most Recent Developments

On December 15, both the House and the Senate approved a conference agreement on the Labor-HHS-Education appropriations bill, H.R. 4577, which also incorporates other appropriations measures. The bill makes an across-the-board cut of about $520 million in FY2001 defense funding but also provides about $300 million more for some defense programs. Earlier, on October 6, House and Senate conferees announced an agreement on the FY2001 defense authorization bill, H.R. 4205/S. 2549. The House approved the agreement by a vote of 382-31 on October 11, and the Senate approved the measure by a vote of 90-3 on October 11. By a vote of 84-9, the Senate waived a point of order that the cost of the bill's retiree health care provisions exceeds limits on long-term mandatory spending. The President signed the bill into law (P.L. 106-398) on October 30. On August 9, the President signed the FY2001 defense appropriations bill, H.R. 4576, into law (P.L. 106-259), and on July 13, the President signed the FY2001 military construction appropriations bill, H.R. 4425 (P.L. 106-246). The military construction bill incorporates FY2000 supplemental appropriations for military operations in Kosovo and elsewhere, for counterdrug assistance to Colombia, and for some other defense programs.

Background

Congress provides funding for national defense programs in several annual appropriations measures, the largest of which is the defense appropriations bill. Congress also acts every year on a national defense authorization bill, which authorizes programs funded in all of the regular appropriations measures. The authorization bill addresses defense programs in almost precisely the same level of detail as the defense-related appropriations, and congressional debate about major defense policy and funding issues usually occurs mainly in action on the authorization. **Because the defense authorization and appropriations bills are so closely related, this report tracks congressional action on both measures.**

The annual defense appropriations bill provides funds for military activities of the Department of Defense (DOD) — including pay and benefits of military personnel, operation and maintenance of weapons and facilities, weapons procurement, and research and development — and for other purposes. Most of the funding in the bill is for programs administered by the Department of Defense, though the bill also provides (1) relatively small, unclassified amounts for the Central Intelligence Agency retirement fund and intelligence community management, (2) classified amounts for national foreign intelligence activities administered by the CIA and by other agencies as well as by DOD, and (3) very small amounts for some other agencies. Five other

appropriations bills also provide funds for national defense activities of DOD and other agencies including:

- the **military construction appropriations** bill, which finances construction of military facilities and construction and operation of military family housing, all administered by DOD;
- the **energy and water development appropriations** bill, which funds atomic energy defense activities administered by the Department of Energy;
- the **VA-HUD-independent agencies** appropriations bill, which finances civil defense activities administered by the Federal Emergency Management Agency, activities of the Selective Service System, and support for National Science Foundation Antarctic research;
- the **Commerce-Justice-State appropriations** bill, which funds national security-related activities of the FBI, the Department of Justice, and some other agencies; and
- the **transportation appropriations** bill, which funds some defense-related activities of the Coast Guard.

The Administration's FY2001 budget includes $305.4 billion for the national defense budget function, of which $284.3 billion is requested in the defense appropriations bill. See **Table A4** in the appendix for a breakdown of the Administration national defense budget function request by appropriations bill.

Status

Action on major defense funding bills is coming to a close this year. So far, the President has signed into law the FY2001 defense appropriations, the FY2001 military construction appropriations, and, as part of the military construction bill, FY2000 supplemental appropriations. A conference agreement on the annual defense authorization has not yet been reached, but it is expected imminently. Action on major defense bills to date includes the following:

- **FY2001 congressional budget resolution:** The House Budget Committee marked up its version of the annual budget resolution, H.Con.Res. 290, on March 14, and the full House passed a modified version on March 23. The House measure recommended $306.3 billion in budget authority ($307.3 billion in discretionary funding) for the national defense budget function. The Senate Budget Committee ordered its version of the bill, S.Con.Res. 101, to be reported on March 30, recommending $305.8 billion for national defense. On the floor, the Senate approved an amendment that added $4 billion to the total, and the Senate passed the amended measure, recommending $309.8 billion for defense, on April 7. On

April 13, both the House and the Senate approved a conference agreement on the budget resolution which includes $309.9 billion for national defense.

- **FY2000 supplemental appropriations:** By early March, the Administration had requested $5.3 billion of FY2000 supplemental appropriations, including $2.3 billion for the Department of Defense, of which $2.0 billion was for peacekeeping operations in Kosovo and $98 million for support of counter-drug activities in Colombia. On March 9, the House Appropriations Committee marked up a bill, H.R. 3908, that provided $9.1 billion in supplemental appropriations, including $5.0 billion for DOD. The additional money for DOD included $1.6 billion for petroleum price increases and $854 million for increased defense health program costs. On March 29, the full House approved an amendment to the bill that provided an additional $4 billion for defense programs, all of which was made available through September 30, 2001. The Senate, however, declined to consider the bill and decided to fold supplemental appropriations for FY2000 into regular FY2001 appropriations bills. Under the conference agreement on the FY2001 budget resolution, the extra $4 billion that the House provided for defense could be incorporated into the regular FY2001 defense appropriations bills. On June 29, the House, and on June 30, the Senate, approved a conference agreement on the FY2001 military construction appropriations bills, H.R. 4425, which includes supplemental appropriations for military operations in Kosovo and elsewhere and for counterdrug assistance to Colombia, and the President signed the measure into law (P.L. 106-246) on July 13. For a table showing congressional action on DOD programs in the supplemental, see **Table A8** in the Appendix. For a full discussion of the supplemental, see CRS Report RL30457, *Supplemental Appropriations for FY2000: Plan Colombia, Kosovo, Foreign Debt Relief, Home Energy Assistance, and Other Initiatives*, by (name redacted) et al.

- **House version of the defense authorization bill:** On May 10, the House Armed Services Committee marked up and ordered to be reported its version of the annual defense authorization bill, H.R. 4205. The bill was considered on the floor on May 17 and 18, and the House approved the measure on May 18. House and Senate conferees announced an agreement on the measure on October 6, and the House approved the conference report by a vote of 382-31 on October 11, and the Senate approved it on October 12 by a vote of 90-3. The President signed the bill into law on October 30 (P.L. 106-398).

- **Senate version of the defense authorization bill:** On May 10, the Senate Armed Services Committee marked up and ordered to be reported its version of the FY2001 defense authorization bill, S. 2549. Floor action began on June 6, and the Senate approved the measure on July 13.

- **House version of the defense appropriations bill:** On May 11, the House Defense Appropriations Subcommittee marked up its version of the FY2001 defense appropriations bill (H.R. 4576), and on May 25, the full Appropriations Committee completed its markup (H.Rept. 106-644). The House approved the measure on June 7. A conference agreement on the bill was filed on July 17 (H.Rept. 106-754), the House approved the agreement on July 19, the Senate approved it on July 27, and the President signed the bill into law on August 9 (P.L. 106-259).

- **Senate version of the defense appropriations bill:** The Senate Appropriations Committee reported its version of the FY2001 Defense appropriations bill, S. 2593 on May 18. The Senate began to consider the bill on the floor on June 8 when it took up the House version, H.R. 4576 and substituted the text of S. 2593. The Senate approved the measure on June 13.

- **Military construction appropriations:** On May 9, the House and Senate Appropriations Committees marked up different versions of the military construction appropriations bill – S. 2521 in the Senate and H.R. 4425 in the House. The House passed the bill on May 16, and the Senate on May 18. The House agreed to a conference report on the bill on June 29, and the Senate on June 30. The President signed the bill into law (P.L. 106-246) on July 13. For a full discussion, see CRS Report RL30510, *Appropriations for FY2001: Military Construction*, by Mary Tyszkiewicz.

Table 1. Status of FY2001 Defense Appropriations

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
5/11/00	5/17/00	5/25/00 H.Rept. 106-644	6/7/00 (376-58)	5/18/00 S.Rept. 106-298	6/13/00 (95-3)	7/17/00 H.Rept. 106-754	7/19/00 (367-58)	7/27/00 (91-9)	8/9/00 (P.L 106-259)

Overview of the Administration Request

Overall Funding

The Administration requested a total of $305.4 billion in new budget authority for the national defense budget function in FY2001. There are several ways to put the overall request into context – one is to compare the request to the amount Congress provided for defense in FY2000; a second is to calculate the inflation-adjusted growth or decline in projected spending from year to year; and a third is to compare the amount the Administration requested for FY2001 with the amount it planned a year earlier to request for FY2001.

- **Compared to FY2000 appropriations for defense:** In 1999, Congress appropriated a total of $289.7 billion for national defense in FY2000. The total includes amounts provided in the regular appropriations bills (both as regular appropriations and as emergency appropriations) and $3.8 billion FY2000 funds for a pay raise in the FY1999 Kosovo supplemental appropriations measure (P.L. 106-31), offset by an across-the-board reduction of 0.38% imposed by the FY2000 consolidated appropriations bill (P.L. 106-113). Compared to the FY2000 enacted level, the Administration request represented an increase of $15.7 billion for the national defense budget function, and of $14.8 billion for the Department of Defense.

- **The rate of real growth or decline:** As **Table 2** shows, the Administration plan represented real growth of about 1.3% above inflation compared to the Administration's estimate of the FY2000 defense funding level (which included, among other things, a $2.3 billion supplemental appropriations request.) The Administration projected that defense spending would decline modestly, adjusted for inflation, in FY2002 and would then be essentially level, again adjusted for inflation, through FY2005. Longer term White House projections, not shown here, assume that national defense budget authority will remain flat, adjusted for inflation, through FY2009. Although this represents an end to the decline in defense spending that had been underway since the mid-1980s, many argue that the defense budget should increase, at least at a modest pace, over the next few years in order to maintain readiness and permit an increase in weapons modernization (see below for a further discussion). Indeed, Secretary Cohen and other senior officials have agreed that weapons procurement budgets, in particular, should turn up substantially in the future. Long-term Administration defense plans, however, still assumed that budgets would be flat for the foreseeable future.

- **Compared to the previous year's Administration plan for FY2001:** In February 1999, when it presented its FY2000 budget request to Congress, the Administration projected FY2001 funding of $300.5 billion for the national defense budget function and of $286.4 billion for the Department of Defense. The February 2000 FY2001 request was $4.9 billion higher for the national defense budget function and $4.7 billion higher for DOD. The funding increases included $2.2 billion to cover increased costs of military contingency operations (mainly peacekeeping in Kosovo) and $1.4 billion to cover increased fuel costs. In the past, the Defense Department has often had to absorb such increased costs within its planned budget, and the decision to add money to cover such expenses represents a significant change in policy.[1]

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[1] It is also worth noting that the FY2001 DOD budget has more purchasing power than was (continued...)

Table 2. National Defense Budget Function and Department of Defense Budget, Administration Projections, FY1998-2005
(current and constant FY2001 dollars in billions)

Fiscal Year:	Actual 1998	Actual 1999	Est. 2000*	Proj. 2001	Proj. 2002	Proj. 2003	Proj. 2004	Proj. 2005
National Defense Budget Function								
Budget Authority								
Current year dollars	271.3	292.1	293.3	305.4	309.2	315.6	323.4	331.7
Constant FY2001 dollars	290.8	307.0	301.6	305.4	302.7	302.3	302.4	302.8
Real growth/decline	-1.7%	+5.6%	-1.8%	+1.3%	-0.9%	-0.1%	+0.0%	+0.1%
Outlays								
Current year dollars	268.4	274.9	290.6	291.2	298.4	307.4	316.5	330.7
Constant FY2001 dollars	286.9	288.7	298.8	291.2	292.2	295.0	296.6	302.7
Real growth/decline	-2.7%	+0.6%	+3.5%	-2.6%	+0.4%	+0.9%	+0.5%	+2.0%
Department of Defense Budget								
Budget Authority								
Current year dollars	258.5	278.4	279.9	291.1	294.8	300.9	308.3	316.4
Constant FY2001 dollars	277.2	292.6	287.9	291.1	288.6	288.2	288.3	288.9
Real growth/decline	-1.8%	+5.5%	-1.6%	+1.1%	-0.9%	-0.1%	+0.0%	+0.2%
Outlays								
Current year dollars	256.1	261.4	277.5	277.5	284.3	293.0	301.9	315.8
Constant FY2001 dollars	273.8	274.5	285.3	277.5	278.4	281.2	282.8	289.0
Real growth/decline	-2.8%	+0.3%	+3.9%	-2.7%	+0.3%	+1.0%	+0.6%	+2.2%

Sources: U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001* , Feb. 2000; CRS calculations based on deflators from Department of Defense Comptroller.

***Note:** The FY2000 level represents an Administration estimate that assumes congressional enactment of proposed supplemental appropriations of $2.3 billion.

Key Aspects of the Administration Request

With some notable exceptions, the FY2001 defense request, and the FY2001-2005 long-term plan, reflected the continuation of DOD priorities that had been in place for several years. Significant aspects of the Administration request, including changes from earlier plans, include:

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[1] (...continued)
planned last year for two other reasons. First, except for fuel, inflation has been lower than was expected last year, and DOD has, in effect, been allowed to keep the money saved and apply it to additional purchases. Second, last year it was assumed that the FY2001 defense budget would have to absorb $3.1 billion of "advance appropriations" for military construction projects that were actually part of the FY2000 budget request. Congress rejected the use of advance appropriations, however, and fully funded FY2000 military construction projects in the FY2000 budget. So the extra $3.1 billion is available for other purposes, since the FY2001 budget was not reduced to reflect the additional FY2000 funds.

- **Army National Guard and Reserve force levels:** Secretary of Defense Cohen decided not to complete reductions in Army National Guard and Reserve troop levels that were planned following the 1997 Quadrennial Defense Review (QDR). The QDR called for a reduction of 45,000 Army Guard and Reserve positions, of which 20,000 were implemented by the end of 1999. As a result, a decision on the remaining 25,000 positions will be deferred pending the outcome of the next QDR, to be carried out in 2001. Secretary Cohen explained that Army Guard and Reserve forces have taken on much greater responsibility for peacekeeping and other missions recently.

- **Army "transformation:"** The Army has undertaken a major effort to develop and field a more flexible and more easily deployed "medium weight" force structure. This entails, (1) as an interim step, buying an existing medium-weight armored vehicle to equip redesigned brigades; (2) accelerating several other weapons programs, such as the Line-of-Sight Anti-Tank missile, the High Mobility Artillery Rocket System, the Tactical Unmanned Aerial Vehicle, and a number of command, control, and communications programs; and (3) accelerating development of the Future Combat Vehicle (FCV). It also entails reducing other programs to offset at least part of the increased costs. Major program reductions, which were a matter of congressional scrutiny, included slowing and redesigning the Crusader artillery program, and eliminating, among other things, the Grizzly engineer vehicle and the Wolverine Heavy Assault Bridge.

- **Submarines and other ship-building programs:** DOD also made some adjustments in Navy shipbuilding programs – though they were not as extensive as some Members of Congress had expected in the autumn of 1999. Following a Joint Chiefs of Staff review of attack submarine (SSN) force levels, DOD agreed to maintain 55 SSNs in the force, rather than shrink to 50, as had been planned. The new FY2001-2005 shipbuilding plan included a reserve of $1.1 billion for either refueling overhauls of existing SSNs or to convert Trident missile submarines into attack submarines carrying large numbers of cruise missiles. Regarding surface combatant ships, the Navy extended development of the new DD-21 destroyer by one year, through FY2005, and it stretched out procurement of remaining, current-generation, DDG-51 destroyers until then. In a program of continuing interest to Congress, DOD requested no money for LHD amphibious ship procurement, even though Congress provided partial funding of $356 million for one ship, the LHD-8, in the FY2000 budget.

- **Aircraft programs:** DOD made no major changes in fighter aircraft programs, but changes in cargo aircraft procurement were significant. DOD requested 12 C-17 aircraft, rather than 15, as had been planned. Officials expected that the decline in U.S. purchases

could be made up by British procurement. DOD also requested funds for 4 C-130 aircraft in order, officials said, to avoid temporarily shutting down the production line, which would cost an estimated $600 million to restart. Some have argued that this vindicates Congress's decision to add funds for C-130s in recent years. The Navy also restructured its trainer aircraft programs.

- **Missile defense:** In its revised long-term budget plan, the Defense Department increased projected funding for National Missile Defense by $2.3 billion over the FY2001-2005 period, to a total of $10.4 billion, saying this will fully support the option of deploying an initial system in Alaska beginning in 2005. DOD also made some changes in theater missile defense (TMD) programs, the most significant being a cut of $859 million, over five years, in the Air Force Airborne Laser (ABL) program. As Congress directed in the FY2000 defense bills, DOD included separate funding lines for the Theater High-Altitude Area Defense (THAAD) system and for the Navy Theater Wide (NTW) program – both are high altitude, long-range TMD programs for defense against short- to intermediate-range missiles.

The $60 Billion Procurement Target and the Defense "Train Wreck" Debate

In presenting the FY2001 defense plan to Congress, Secretary Cohen and other senior officials emphasized one key aspect of the request – the request includes $60.3 billion for weapons procurement. The $60 billion weapons budget is particularly important because it has become a litmus test of support for a strong defense. In 1995, the Joint Chiefs of Staff urged an increase in procurement funding – then at about $45 billion – to $60 billion a year beginning in FY1998. This was, they argued, the minimum level necessary over time to "recapitalize" an inventory of weapons that would otherwise begin to age very rapidly. The Administration originally committed to reach that level by FY2000, but fell short as money was reallocated to maintain short-term readiness. Achieving the $60 billion target in FY2001, therefore, became a matter of some political significance.

As it has turned out, the $60 billion procurement level is now seen by many defense proponents in Congress as wholly inadequate. In the congressional defense committees the issue has been how far short of necessary levels the budget remains, with answers ranging from $20 or $30 billion a year at the low end to $100 billion short of what is needed at the high end. Early in the year, much of the discussion was shaped by a study by the Center for Strategic and International Studies (CSIS), entitled *Averting the Defense Train Wreck in the Next Millennium*,[2] which calculated that procurement budgets would have to average $164 billion per year (in FY2000

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[2] Daniel Goure and Jeffrey M. Ranney, *Averting the Defense Train Wreck in the New Millennium* (Washington: CSIS, 1999). The CSIS study was the subject of a hearing before the House Armed Services Committee on February 8, and prepared remarks are available at the Committee website: [http://www.house.gov/hasc/schedules/2000.html].

prices) over the next decade to replace the weapons in the current inventory with more advanced versions as systems reach the ends of their planned service lives.

The CSIS study made a number of assumptions that have been questioned. Not all parts of the weapons stock will be replaced any time soon (strategic nuclear missiles and bombers, for example, are not projected to be upgraded in the foreseeable future, and some will be retired if there is a START III agreement); Army tanks may be replaced some time after 2010, but possibly not with similar types of weapons; costs of tactical aircraft and of Navy ships may be unlikely to grow as fast in the future as CSIS assumes, since the services will be required to reduce weapons performance if necessary to stay within budget constraints; modern precision munitions ought to be able to replace older ones on much less than a one-for-one basis, and many of the newer munitions are much cheaper than older ones; and many weapons may simply be kept in the inventory much longer than nominal service life estimates call for, perhaps with upgrades that are less costly than buying new systems.

Several less extreme estimates of required procurement levels, however, still show a shortfall of some magnitude. The Center for Strategic and Budgetary Assessments calculated that the Administration's procurement program would cost about $80 billion a year (in FY1999 prices) by the later part of the decade.[3] The Congressional Budget Office testified in 1999 that it would cost about $90 billion a year (also in FY1999 prices) to sustain a "steady state" procurement rate – i.e., a rate at which enough major weapons would be bought every year to maintain roughly the current number of weapons in the stock, on the assumption that parts of the force will be allowed to grow older than has historically been the goal.[4] Most recently, CBO completed a broader study of what it called a "steady state" budget – i.e., the amount needed over the long term to maintain a force of the current size and composition.[5] CBO estimates that a "steady state" budget over the next 15 years would have to average about $340 billion a year, in FY2000 prices, of which, as CBO calculated a year earlier, about $90 billion a year would be for procurement.

For its part, the Defense Department has acknowledged that procurement budgets may have to grow further in the future, but senior civilian officials have disputed the various projections by outside analysts. In congressional testimony in February 2000, Secretary of Defense Cohen stipulated that procurement budgets will have to grow substantially beyond $70 billion a year in the period after FY2008, when several planned weapons programs are scheduled to begin full scale production. But

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[3] See Steven Kosiak and Elizabeth Heeter, "Cost of Defense Plan Could Exceed Available Funding by $26 Billion a Year Over Long Run," Center for Strategic and Budgetary Assessments, April 2, 1998. Available electronically at [http://www.csbaonline.org].

[4] Lane Pierrot, Senior Analyst, National Security Division, Congressional Budget Office, Statement on Aging Military Equipment before the Subcommittee on Military Procurement Committee on Armed Services U.S. House of Representatives, February 24, 1999. Available electronically at
[http://www.cbo.gov/showdoc.cfm?index=1096&from=3&sequence=0].

[5] Congressional Budget Office, *Budgeting for Defense: Maintaining Today's Forces*, September 2000. Available electronically at
[http://www.cbo.gov/showdoc.cfm?index=2398&sequence=0&from=7].

in testimony before the House Armed Services Committee on September 21, DOD Comptroller William Lynn insisted that the CBO overstates requirements because it assumes a one-for-one replacement of current generation weapons with like systems in the future, which is not likely given efforts to transform the force.[6]

A corollary issue concerns whether it will be possible to increase funding for weapons procurement over the next several years without a substantial increase in overall defense spending. The Clinton Administration assumes that spending on operation and maintenance (O&M) will level off over the next several years and that savings from improved efficiency will be allocated to weapons procurement. Historically, however, projected O&M savings have seldom materialized, and O&M costs have continued to grow from year to year. It remains possible that increased procurement spending could be financed by reducing the size of the force. For the present, however, each of the military services has complained that it is being overstretched by the demands of the post-Cold War international environment – debate has focused on whether and how much to increase selected elements of the force, rather than on where to make cuts.

Military Service "Unfunded Priorities Lists"

For the past several years, the military services have submitted to the congressional defense committees lists of programs that would be candidates for any additional funds made available. These lists have substantially guided congressional additions to the defense budget. In 2000, the services submitted "unfunded priorities lists" amounting to more than $16 billion in FY2001 and well over $80 billion in the FY2001-2005 period – the Ballistic Missile Defense Organization submitted its own list. As in the past, priorities were about evenly divided between readiness-related accounts and weapons programs.

The FY2001 congressional budget resolution approved by the House on March 23, 2000, provided only $1 billion more for national defense than the Administration requested, which would not leave much room for additions to service budgets later in the process. The House approved $4 billion more for defense as part of the FY2000 supplemental appropriations bill, H.R. 3908, however. All of the extra $4 billion was made available through September 30, 2001, so it would represent, in effect, an addition to the FY2001 defense budget. Later, the Senate added $4 billion to its version of the FY2001 budget resolution. These amounts, together with other measures appropriators took subsequently, provided more room for Congress to add funds for major weapons programs.

Some of the items on service unfunded priorities lists have been particular matters of discussion in Congress. The Army, for example, included proposals to restore funds for programs that were trimmed in order to provide money for the medium-weight force, including Wolverine and Grizzly. The Air Force included a proposal to restore funds for the Airborne Laser, a program that has historically been a matter of congressional interest.

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[6] Statement of William J. Lynn before the House Armed Services Committee Subcommittee on Military Procurement, September 21, 2000.

Key Issues in Congress

Several key issues emerged in Congress over the course of the FY2001 defense debate, including several matters that carried over from debates in recent years.

The Level of Defense Spending

The Administration requested $305.4 billion in new budget authority for national defense programs – an amount reestimated by CBO to total $305.3 billion. Of this total, $284.5 billion was requested in the defense appropriations bill. In initial committee action on the congressional budget resolution, neither the House nor the Senate appeared inclined to add much to the Administration request – instead, the priority in both chambers was to limit total discretionary spending to something less that a freeze with growth for inflation. The original House-passed budget resolution provided $306.3 billion in budget authority for national defense, just $1 billion more than the request. The Senate Budget Committee recommended a level of $305.8 billion, $500 million above the request.

Pressure from defense advocates to provide more for defense was growing in both chambers, however. The House responded by adding $4 billion for defense to the pending supplemental appropriations bill – in effect an addition to the FY2001 funding level. Subsequently, the Senate agreed to an amendment to the budget resolution to increase the FY2001 level by $4 billion, to $309.8 billion. The conference agreement provides $309.9 billion, $4.6 billion above the Administration request. See **Table A6** in the Appendix for detailed figures through FY2005.

The $4.6 billion added to the Administration request allowed Congress some room, at least, to provide funds for selected programs of special interest. The conference agreement also included a provision that establishes a point of order in the Senate against measures that would exceed specified levels of funding for defense and for non-defense discretionary spending – in effect reestablishing so-called "fire-walls" between defense and non-defense appropriations. In the end, this provision was, in effect, moot, because Congress later lifted caps on discretionary spending to accommodate both defense and non-defense increases.

Congressional Action: In the past two years, the appropriations committees used a number of devices to increase defense spending substantially while formally adhering to caps on total discretionary spending. In final action on FY1999 appropriations bills, for example, appropriators included in the FY1999 Omnibus Consolidated Appropriations Act, P.L. 105-277, about $21 billion in emergency supplemental appropriations, of which $8.3 billion was for the Department of Defense. Last year, in action on FY2000 bills, appropriators took several steps to provide additional funds for defense and non-defense programs, including (1) providing $1.8 billion in funding for FY2000 pay raises as emergency appropriations in an FY1999 supplemental appropriations bill; (2) moving the last pay day of the fiscal year for military personnel into FY2001; and (3) designating $7.2 billion in the FY2000 defense appropriations bill as emergency funding.

This year, appropriators have taken some similar steps. As noted above, the House added $4 billion in emergency defense funds to the FY2000 supplemental appropriations bill, H.R. 3908, all of which was made available through FY2001 – in effect, an addition to the FY2001 defense budget. The conference agreement on the supplemental (which is included in H.R. 4425, the FY2001 military construction appropriations bill), includes $1.8 billion of that amount along with some additional funds – see **Table A8** in the Appendix for a detailed account of all DOD funds in the supplemental. The conference agreement on the supplemental also moves the pay date for military personnel back into FY2000, thus freeing up additional outlays within the FY2001 discretionary spending caps. Senator Gramm objected to this step and some other related provisions in the supplemental and insisted that they be reversed. This held up final Senate action on the FY2001 defense appropriations bill.

The conference agreement on the FY2001 defense appropriations bill also includes additional measures to squeeze extra money into the budget without formally violating spending caps. In particular, the bill provides $1,779 million in emergency FY2000 appropriations. Of this amount, $1.1 billion is for the Overseas Contingency Operations Transfer Fund that provides money for operations in Kosovo, Bosnia, Southwest Asia and elsewhere, and the remaining $679 million is mainly for programs that were in the House-passed version of the FY2000 supplemental but that were removed in conference. The bill also includes a general provision that eliminates $1.1 billion in FY2001 funds for the Overseas Contingency Operations Transfer Fund. So, in effect, the bill provides FY2001 money for contingency operations as in the form of FY2000 emergency appropriations. If the FY2000 emergency funding is not counted as part of the FY2001 appropriations bill, the conference agreement provides $3.3 billion more for DOD than the Administration requested. If supplemental funding is counted, the bill provides an increase of $5.1 billion. **Table 3** provides an overview of the bill by title.

Later, however, Congress made an across-the-board cut of 0.22% in all FY2001 discretionary appropriations, including defense, in H.R. 4577, the Labor-HHS-Education appropriations bill that became a vehicle for several other appropriations measures at the end of the session. The across-the-board cut exempted funding for military personnel. In all, the defense reduction amounts to $521 million according to CBO estimates. H.R. 4577 also provided some additional FY2001 funds for defense programs. The major defense additions are $150 million to repair bomb damage to the USS Cole, $100 million for classified programs in funded through the Overseas Contingency Operations Transfer Fund, and $43.5 million for military construction programs. The bill also includes a measure to facilitate planning for expansion of the Army's National Training Center at Fort Irwin, California. **Table 4** provides an estimate of total FY2001 funding for the National Defense Budget Function, including amounts provided in H.R. 4577.

Table 3: FY2001 Defense Appropriations, Congressional Action by Title
(thousands of dollars)

	Request	House Approp.	Senate Approp.	Conference Approp.	Change to Request
Title I - Military Personnel	75,801,666	75,904,216	75,817,487	75,847,740	+46,074
Title II - Operation and Maintenance	96,280,113	97,507,228	96,720,882	96,889,774	+609,661
(By transfer)	150,000	150,000	150,000	150,000	0
Title III - Procurement /a/	59,236,234	61,558,679	57,896,122	59,232,846	-3,388
Title IV - RDT&E	37,873,184	40,170,230	39,597,489	41,359,605	+3,486,421
Title V - Revolving & Management Funds	1,304,434	1,316,934	4,195,357	4,157,857	+2,853,423
Title VI - Other Programs /b/	13,587,774	14,029,874	14,190,824	14,114,424	+526,650
Title VII - Related agencies	385,581	472,131	460,281	431,581	+46,000
Title VIII - General provisions	32,000	(2,446,492)	(1,247,942)	(4,227,773)	-4,259,773
Total, Department of Defense	284,500,986	288,512,800	287,630,500	287,806,054	+3,305,068
FY2000 Supplemental Funds	0	0	0	1,779,000	+1,779,000
Total Funding Provided	284,500,986	288,512,800	287,630,500	289,585,054	+5,084,068

Sources: H.Rept. 106-754, House Appropriations Committee.

a. Senate and Conference levels for procurement do not include C-17 procurement, which was provided instead in Title V, Revolving & Management Funds – the Senate provided $2,478,723,000 and the Conference agreement provides $2,428,723. When C-17 funding is included, the appropriations conference agreement provides about $2.5 billion more than requested for weapons procurement.
b. Includes Defense Health Program, Chemical Weapons Demilitarization, Drug Interdiction, and Office of the Inspector General.

Table 4: FY2001 National Defense Funding by Appropriations Bill
(budget authority in millions of dollars)

	Request	Enacted Appropriations	Change to Request
DOD Appropriations	284,501	287,806	+3,305
Military Construction Appropriations	8,034	8,834	+800
Energy& Water Appropriations	13,084	13,657	+573
Other Appropriations	896	1,132	+236
Offsetting Receipts	-1,202	-1,230	-28
Omnibus Appropriations Supplementals		296	+296
Omnibus Appropriations 0.22% Cut		-521	-521
Total, Regular Appropriations	305,313	309,974	+4,661

Sources: CRS based on appropriations tables from House Appropriations Committee in the *Congressional Record* and Congressional Budget Office estimates.

Defense Health Care

Last year, the Administration requested an extensive set of improvements in military pay and benefits, and Congress responded by approving a somewhat more generous package. This year, Administration officials focused on fixing perceived shortcomings in defense health care, and Congress again considered some more expansive alternatives. Two inter-related sets of issues have been particular matters

of attention: (1) adjustments in the "TRICARE" program of health benefits for military dependents and (2) military retiree health care.

The Administration supported two TRICARE reform measures, one to eliminate co-payments for families enrolled in the TRICARE HMO program, called TRICARE Prime, and another to extend a managed care option, called TRICARE Prime Remote, to family members of military personnel serving more than 50 miles from a military base. The Administration did not formally propose any changes in medical programs for military retirees, though the Joint Chiefs and other senior Defense Department officials informally supported at least two measures. One is to extend nationally a test program, called TRICARE Senior Prime, which provides HMO-type coverage to retirees with Medicare paying part of the cost for those eligible. A second is to provide mail-order pharmacy benefits and Medigap coverage to retirees over age 64 where TRICARE Senior Prime is not available. A number of demonstration projects to test alternative ways of providing retiree health care are ongoing.[7]

In Congress, several measures to reform defense health care programs were proposed.[8] The Senate-passed version of the annual defense authorization bill included a guarantee that the Defense Department will provide health care for life to military retirees. (For a discussion of current military medical programs and of some alternatives see CRS Issue Brief IB93103, *Military Medical Care Services: Questions and Answers*, by Richard A. Best; CRS Report 98-1006, *Military Health Care: The Issue of "Promised" Benefits*, by David Burrelli; and U.S. General Accounting Office, Statement of Stephen P. Backhus on "Defense Health Care: Observations on Proposed Benefit Expansion and Overcoming TRICARE Obstacles" before the House Armed Services Committee Military Personnel Subcommittee, GAO Report T-HEHS/NSIAD-00-129, March 15, 2000.)

Congressional Action: The conference agreement on the congressional budget resolution included a section that reserved funds for a possible increase in military retiree health benefits. The amount available, however, was limited to $50 million in FY2001 and $400 million over the FY2001-2005 period. This amount was not enough to cover a substantial expansion of retiree health care benefits. In its version of the defense authorization bill, however, the Senate approved a guarantee that DOD would provide care benefits to all retirees. This was a key issue in the authorization conference.

The House Armed Services Committee (HASC) version of the defense authorization approved expansion of TRICARE Prime Remote, made some administrative changes in TRICARE, and added some other benefits for TRICARE participants, including a lower limit on catastrophic costs and payment of some travel expenses. On retiree health care, the HASC bill extended current demonstration programs, established a TRICARE Senior

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[7] For an excellent overview by DOD officials, see Hon. Rudy DeLeon, et al., "The Military Health System: A Joint Overview Statement," testimony before the House Armed Services Committee, Subcommittee on Military Personnel, March 15, 2000.

[8] The Congressional Budget Office has recently prepared cost estimates of $8-10 billion per year by FY2005 for three similar bills – H.R. 2966, H.R. 3573, and S. 2003.

pharmacy program, and recommended an independent panel to propose a "roadmap" for retiree health care that would establish a permanent benefit by FY2004. The Senate Armed Services Committee (SASC) version of the authorization also extended TRICARE Remote, and it established an extensive pharmacy benefit for all retirees, including those eligible for Medicare, with no enrollment fee or deductible.

In floor action on June 7, the Senate approved an amendment to the authorization bill by Senator Warner that would eliminate a provision in current law that makes military retirees eligible for Medicare – i.e., all those over age 64 – ineligible for military medical care. The provision would take effect on October 1, 2001. In effect, this is a guarantee that the Defense Department will provide full health coverage for life to retirees. Because this measure would exceed limits on mandatory spending if extended beyond the end of FY2004, Senator Warner added a provision that would terminate the program after then – but his intention clearly was that the program, if finally approved by Congress, would continue, with an adjustment in caps on mandatory spending being made to extend it permanently. The Warner amendment also extended the TRICARE Senior Prime demonstration program.

The authorization conference agreement makes permanent the guarantees provided by the Warner amendment in the Senate bill, and it establishes a separate trust fund from which costs of the program will be paid. Once the fund is established, the Defense Department will be required to pay into the fund the actuarily determined cost of future benefits for current personnel. The conference agreement also provides a nation-wide pharmacy benefit for all beneficiaries, extends TRICARE remote, eliminates co-payments for TRICARE Prime for active duty family members, and extends the TRICARE Senior Prime demonstration program.

The budget effects of increased health care benefits are complex and have been a matter of some confusion, in part because some costs for military retiree health care benefits that the Defense Department now pays out of annual appropriations will be shifted to a new, "mandatory" account. **Table 5** provides the most recent, though still preliminary, Congressional Budget Office estimate of the budgetary impact of the retiree health care provisions in the conference agreement. To summarize:

(1) Under current law, the Defense Department is projected to provide $24.8 billion in benefits to military retirees over the ten years from FY2001 through FY2010, all of which would have to be absorbed within total discretionary appropriations for DOD.

(2) The authorization conference agreement provides an additional $40.4 billion of benefits for retirees, of which $200 million in FY2001 and $1.7 billion in FY2002 will be paid for through regular, "discretionary" DOD appropriations.

(3) The remaining $38.5 billion in additional benefits, plus $21.4 billion of the amount that DOD is already providing to retirees (i.e., a total of $59.9 billion), will be provided for retiree benefits as "mandatory" spending, in small part

through Medicare, but mainly, beginning in FY2003, through a new "Department of Defense Medicare-Eligible Retiree Health Care Fund."

(4) Also beginning in FY2003, the Defense Department will make payments to the new fund to reflect the cost of future benefits for current uniformed personnel. Through FY2010, these payments will total $29.0 billion. This funding mechanism is known as "accrual accounting," and it has been used since FY1985 to finance military retirement costs and has long been used to finance federal civilian retirement.

(5) In all, "discretionary" DOD appropriations will pay $1.9 billion more than under current law in FY2001-2002 for increased retirement benefits, $29.0 billion more for health care retirement benefits accrual from FY2003-2010, but $21.4 billion less from FY2003-2010 to reflect the shift of spending on health care for retirees beginning in FY2003 to mandatory accounts, for a net increase of $9.5 billion in discretionary funding over FY2001-2010.

(6) Total mandatory spending in the federal budget will increase by $59.9 billion from FY2001 through FY2010 – an amount that has not been offset and that therefore triggered a point of order against the measure in the Senate under current "pay-as-you-go" budget rules – the Senate waived the point of order by a vote of 84-9.

For its part, the appropriations conference agreement provides $963 million above the request for the Defense Health Program – enough, appropriators explained, to implement expanded pharmacy access for retirees as approved in the House-passed version of the defense authorization bill. The $200 million cost in FY2001 of the health care provisions in the authorization conference agreement was not provided in the appropriations bill, but it may be financed in a number of ways – it could simply be absorbed within the Defense Health Care program, financed through reprogramming of other DOD funds, or paid for by later supplemental appropriations by Congress.

Table 5: Estimated Costs of Military Retiree Health Care Provisions

(current year dollars in millions)

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	Total FY2001-05	Total FY2001-10
Direct/"Mandatory" Spending												
Retiree Health Care Trust Fund												
Warner Plan Plus RX	0	0	3,160	3,428	3,700	3,971	4,248	4,535	4,848	5,194	10,288	33,084
Current Discretionary Costs Made Mandatory	0	0	2,039	2,209	2,386	2,561	2,744	2,932	3,142	3,373	6,634	21,386
Additional Accrual Costs	0	0	204	221	239	256	274	293	314	337	664	2,138
Non-DOD Uniformed Personnel*	3	26	48	52	56	60	64	68	72	77	185	526
Sub-Total Trust Fund	3	26	5,451	5,910	6,381	6,848	7,330	7,828	8,376	8,981	17,771	57,134
Medicare												
Medicare Increase Under Warner Plan	0	116	252	273	298	311	332	354	377	402	939	2,715
Medicare Subvention	20	8	0	0	0	0	0	0	0	0	28	28
Sub-Total Medicare	20	124	252	273	298	311	332	354	377	402	967	2,743
Total Direct/"Mandatory" Spending	23	150	5,703	6,183	6,679	7,159	7,662	8,182	8,753	9,383	18,738	59,877
Appropriations/"Discretionary" Spending												
Discretionary Spending Under Current Law	1,709	1,664	2,039	2,209	2,386	2,561	2,744	2,932	3,142	3,373	10,007	24,759
Changes:												
Shift Discretionary to Mandatory	0	0	-2,039	-2,209	-2,386	-2,561	-2,744	-2,932	-3,142	-3,373	-6,634	-21,386
Annual DOD Payment to Trust Fund*	0	0	3,184	3,414	3,519	3,612	3,698	3,777	3,867	3,966	10,117	29,037
Warner Plan Added Discretionary Cost	200	1,688	0	0	0	0	0	0	0	0	1,888	1,888
Sub-Total Discretionary Changes	+200	+1,688	+1,145	+1,205	+1,133	+1,051	+954	+845	+725	+593	+5,371	+9,539
Total Subject to Annual Appropriations	1,909	3,352	3,184	3,414	3,519	3,612	3,698	3,777	3,867	3,966	15,378	34,298
Note: Net Additional Cost of Military Retiree Health Care Provisions, Discretionary and Mandatory												
Total Retiree Health Benefits	1,932	3,502	5,703	6,183	6,679	7,159	7,662	8,182	8,753	9,383	23,999	65,138
Less: Amount DOD is Now Paying	1,709	1,664	2,039	2,209	2,386	2,561	2,744	2,932	3,142	3,373	10,007	24,759
Net Increased Cost	223	1,838	3,664	3,974	4,293	4,598	4,918	5,250	5,611	6,010	13,992	40,379

Source: Congressional Budget Office Draft Estimates.

***Notes**: Non-DOD uniformed personnel include Coast Guard, Public Health Service, and National Oceanographic and Atmospheric Administration. DOD will make payments to the Department of Defense Medicare-Eligible Retiree Health Care Fund to reflect the cost of future benefits for current uniformed personnel.

National Missile Defense (NMD)

In 1996, the Clinton Administration announced a revised NMD development program, know as the "three-plus-three" plan. Under the plan, development and testing of a missile defense system would proceed for three years, after which a decision would be made on whether to deploy a system. Then, if a decision was made to go ahead, the system could begin operation another three years later. As the plan evolved, the so-called "Deployment Readiness Review" (DRR) was scheduled for June 2000, and the potential date for an initial deployment was pushed back to calendar year 2005. This year's debate over national missile defense focused mainly on whether the President should go ahead with the formal DRR as scheduled or whether, in view of a series of test failures, the President should leave a decision to his successor. After a test failure in January and some delays in other parts of the program, the DRR was pushed back to late in the summer. Another test failure on July 7 further intensified the debate. Finally, on September 1, 2000, President Clinton announced that he would leave a decision on the program to his successor.

Early in the year, much of the discussion in Congress was shaped by two official reports that raised serious questions about the pace of the NMD development program. The "National Missile Defense Review," a panel study headed by former Air Force Chief of Staff General Larry Welch, warned last November that the NMD program continues to be a high risk development effort and that additional delays could further compress the decision-making schedule. The Welch panel did not recommended deferring the DRR, however. The annual report of the Pentagon's Director of operational testing, released in February, was more critical, saying that the NMD program was being driven by an "artificial decision point." More recently, a bitter debate arose about the adequacy of planned tests of the planned NMD system's ability to discriminate between warheads and decoys. MIT scientist Ted Postol and others have argued that the test program has been deliberately "dumbed down" to avoid challenging tests of discrimination.

The international reaction to the U.S. NMD deployment plan was also a matter of debate. The Administration has pursued negotiations with Russia on changes in the 1972 Anti-Ballistic Missile (ABM) Treaty that would be necessary to permit a deployment without abrogating the agreement. The new Russian leadership has continued to oppose deployment, however, and some congressional leaders have promised to resist any measure that would extend the ABM Treaty. The Administration has also had a hard time persuading key allies of the wisdom of an NMD deployment. (For an overview of these and other NMD issues, see CRS Issue Brief IB10034, *National Missile Defense: Issues for Congress*, by (name redacted) and (name redacted).)

The cost of the system also remains an issue. A recent review by the Congressional Budget Office projects somewhat higher deployment costs than the Administration has estimated. CBO estimates that the initial, limited system that the Administration is planning would cost about $30 billion, in FY2000 prices, to deploy and operate through FY2015 – a comparable Administration cost estimate, according to CBO, is about $26 billion. CBO also estimates that the expanded "Capability 2" and "Capability 3" systems that the Administration is planning would increase total costs to about $49 billion through FY2015, with an additional $10-11 billion needed

for a space-based infrared sensor system that has other uses as well – there is no comparable Administration projection.[9]

Congressional Action: HASC added $85 million for NMD risk reduction measures, and SASC added $129 million. HASC also included a measure to transfer management of the Space-Based Infrared System-Low (SBIRS-Low) from the Air Force to the Ballistic Missile Defense Organization. This reflects ongoing criticism of Air Force management of the program by some missile defense advocates. The House Appropriations Committee did not increase NMD funding. The Senate Appropriations Committee added $129 million for NMD risk reduction and another $10 million to accelerated radar development. The conference agreement on the appropriations bill provides $135 million more for risk reduction. The authorization conference agreement provides $129 million for risk reduction.

This year's key congressional debate about NMD, however, concerned the adequacy of the test program rather than money. On July 13, by a 52-48 vote, the Senate rejected an amendment to the defense authorization bill offered by Senator Durbin that would have required operationally realistic testing against countermeasures and an independent assessment of such testing by the Welch panel.

Theater Missile Defense (TMD) Programs

Last year, Congress rejected an Administration proposal to combine funding for the land-based Theater High-Altitude Area Defense (THAAD) system and the Navy Theater-Wide (NTW) program, and the status of the two programs was an issue in Congress again this year. Under the current Administration plan, THAAD will be pursued first, followed by NTW, unless the THAAD program experiences unexpected problems. Congress has traditionally supported an acceleration of the NTW program, however, and some Navy officials claim that the program is ready to proceed more rapidly than the Administration is planning. Ballistic Missile Defense Organization (BMDO) officials have proposed a program to accelerate NTW that would cost an additional $2.2 billion over the next five years.

Other TMD programs have also been a focus of attention, including the Medium Extended Air Defense System (MEADS) and the Patriot Advanced Capability-3 (PAC-3) system. MEADS is a cooperative program with allies, and some congressional committees have been doubtful about the long-term affordability of the program. Costs of PAC-3 have increased dramatically, and DOD is trying to restructure the program to reduce the price, a matter of some interest in Congress. See **Table A4**, in the appendix, for a complete list of TMD and NMD programs and requested funding. Funding for the Air Force Airborne Laser (ABL) program was also be an issue. (For an overview of TMD programs see CRS Issue Brief IB98028, *Theater Missile Defense: Issues for Congress*, by (name redacted). For an overview

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[9] Congressional Budget Office, "Budgetary and Technical Implications of the Administration's Plan for National Missile Defense," April 2000.

of the ABL program, see CRS Report RL30185, *The Airborne Laser Anti-Missile Program*, by (name redacted) and (name redacted).)

Congressional action: HASC, SASC, the House Appropriations Committee (HAC), and the Senate Appropriations Committee (SAC) all added money for the Navy Theater Wide program, though in varying amounts – HASC added $25 million, SASC and SAC $60 million, and HAC $130 million. The appropriations conference agreement adds $80 million, as does the authorization conference agreement. HASC, SASC, and SAC also added funds for the Airborne Laser to restore the program to about the level planned last year, but HAC added no funds. The appropriations conference agreement adds $85 million, and a general provision specifically earmarks $233.6 million, the total provided, for the ABL; the authorization conference also adds $85 million for ABL. HASC also approved an amendment offered by Representative Curt Weldon to transfer management of the ABL to the Ballistic Missile Defense Organization. The appropriations conference agreement provides ABL funding to the Air Force. On a potentially controversial related program, SASC added $41 million for Army space control technology development, including the Kinetic Energy Anti-Satellite program. HASC, SASC, HAC, and SAC all added money for laser R&D programs. On MEADS, the appropriations conference agreement follows the House bill, which cut funding by $10 million – Administration officials lobbied against the cut, warning that it would disrupt administration of the program and endanger allied funding.

C-17 and C-130 Cargo Aircraft

The Administration requested funds to procure 12 C-17 cargo aircraft in FY2001, rather than the 15 that had been planned. The hope was that the gap could be made up by reaching a purchase or lease agreement with Britain for several aircraft. Congress has added funds for C-130 aircraft in recent years, but this year the Administration requested funding for 4 aircraft. (For a discussion of the C-17 program, see CRS Issue Brief IB93041, *C-17 Cargo Aircraft Program*, by (name redacted).)

Congressional Action: HASC and HAC added $76 million to procure one additional KC-130J aircraft for the Marine Corps. SASC and SAC added $165 million for one additional KC-130J and one additional EC-130J for the Air Force, and the appropriations conference agreement provides the same amounts. All of the committees approved continued funding for the C-17, though SAC proposed establishing a "National Defense Airlift Fund" and provided the C-17 funding in that account rather than in the Air Force Aircraft Procurement account. SAC intends the new airlift fund to operate like the long-established National Defense Sealift Fund, to which money to procure and operate sealift ships is appropriated. HAC made some relatively minor adjustments in the allocation of C-17 funds. The appropriations conference agreement establishes the National Defense Airlift fund, as SAC recommended, and provides funding for C-17 procurement and contractor support in that new account.

F-15 and F-16 Aircraft

The Administration did not request funds to purchase additional F-15 and F-16 aircraft. In the past, Congress has added funds for both aircraft to ensure that production lines continue. Recently, Lockheed has received a large order for F-16s from the United Arab Emirates, and sales elsewhere are substantial. Foreign F-15 orders have not been so strong, however, and the production line in St. Louis may shut down without additional purchases. Under similar conditions, Congress added funds for 5 aircraft last year.

Congressional action: HASC added funds for two F-15s and three F-16s. HAC added funds for five F-15s. SASC did not provide funds to procure either aircraft, while SAC added funds for 6 F-16s. All committees added some money for aircraft modifications and R&D. The appropriations conference report provides $400 million to procure five F-15s and $122 million to procure four F-16s. The authorization conference agreement provides $150 million for two F-15s and $52 million for two F-16s.

F/A-18E/F, F-22, and Joint Strike Fighter Programs

The big three theater aircraft modernization programs are the Navy F/A-18E/F, the Air Force F-22, and the multi-service Joint Strike Fighter. The F-22 was a focus of extensive debate last year. This year, the Administration has requested funds to procure 10 aircraft, though the status of the testing program remains a matter of congressional interest. Now the JSF is becoming a focus of particular attention in Congress as development proceeds. The General Accounting Office has raised questions about the development schedule, but program managers insist that the schedule is appropriate.[10] This summer, DOD officials reportedly were considering whether to split orders for the aircraft between Boeing and Lockheed, no matter which one wins the design competition currently underway, but finally decided not to split the program. Senator Feingold has continued to raised questions about the F/A-18E/F program. (For an overview of all three programs and references to other CRS products, see CRS Issue Brief IB92115, *Tactical Aircraft Modernization: Issues for Congress*, by (name redacted).)

Congressional action: The Joint Strike Fighter (JSF) program was a focus of considerable attention in all of the defense committees. The SASC Subcommittee on Airland Forces initially considered measures that might have reduced JSF funding if the program continued to experience delays. After meeting with Secretary Cohen, however, the full committee decided not to impose any legislative language limiting the program. The committee-approved bill eliminated $596 million requested for engineering and manufacturing development (EMD) – the final stage in a weapon's design – and increased funding for demonstration and validation – the earlier R&D stage – by $424 million. HASC provided requested funding for EMD, but included language

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[10] See U.S. General Accounting Office, *Joint Strike Fighter Acquisition: Development Schedule Should Be Changed to Reduce Risks*, GAO Report T-NSIAD-00-132, March 16, 2000.

requiring the Secretary of Defense to certify that JSF technology is mature enough to warrant beginning EMD. HAC reduced EMD funding by $300 million and increased demonstration and validation funding by $150 million. SAC followed the SASC approach, though it provided slightly less money for demonstration and validation. The appropriations and authorization conference agreements provide $203 million for EMD, $393 million below the request, and $486 million for demonstration and validation, $225 million above the request. Appropriations conferees explained that this simply reflects an acknowledged delay of three months in beginning the EMD phase. The authorization conference approved the same shift of funding from EMD to DEM/VAL. (See **Table 6** for a summary of congressional action on JSF funding). On other programs, HASC reduced requested F/A-18E/F procurement by three aircraft (from 42 to 39). All of the committees supported F-22 funding as requested, and SASC included a provision that would raise the legislatively mandated cost cap on F-22 R&D by 1%. The appropriations and authorization conferences agreements provide funds for 42 F-18s, as requested, and match the request for F-22 procurement and R&D. The authorization conference agreement also raises the cost cap on F-22 R&D by 1.5%.

Table 6: Congressional Action on FY2001 Joint Strike Fighter Funding
(budget authority in millions of dollars)

	Request	House Auth.	Senate Auth.	Auth. Conf.	House Approp.	Senate Approp.	Approp. Conf.
Navy							
63800N Dem/Val*	131.566	131.566	343.666	243.050	206.556	327.660	243.050
64800N EMD*	295.962	295.962	0.000	101.275	145.962	0.000	101.275
Air Force							
63800F Dem/Val	129.538	144.538	341.638	243.050	204.538	325.632	243.050
64800F EMD	299.540	299.540	0.000	101.275	149.540	0.000	101.275
Total							
Dem/Val	261.104	276.104	685.304	486.100	411.094	653.292	486.100
EMD	595.502	595.502	0.000	202.550	295.502	0.000	202.550
Total	856.606	871.606	685.304	688.650	706.596	653.292	688.650

Notes: Dem/Val refers to "Demonstration and Validation." EMD refers to "Engineering and Manufacturing Development."

V-22 "Osprey" Tilt-Rotor Aircraft

The status of the V-22 tilt-rotor aircraft, a system being built mainly for the Marine Corps, has been a matter of some discussion in the wake of a disastrous accident on April 8 in which 19 Marines were killed. During the Bush Administration, Congress resisted efforts by the Office of the Secretary of Defense – against the wishes of the Marine Corps – to terminate the program. Subsequently, the Clinton Administration has continued the development program, and Congress has remained supportive, occasionally adding money to Administration requests.

Congressional action: None of the committees reduced V-22 funding, except for a minor reduction by SAC. The appropriations conference report makes no reduction from the request. The authorization conference also approves planned procurement.

Shipbuilding Programs

A key issue early this year was whether Congress would continue to provide funds on an "incremental" basis to purchase LHD-8, a large-deck amphibious ship. Last year, Congress provided $356 million as a down-payment for the $1.8 billion ship, but the Administration did not request any money in the FY2001 budget, and also did not include funds in future Navy budget projections. Later in the year, a key issue became whether to provide requested funds for two LPD-17-class amphibious ships. Submarine production was also an issue, with a decision pending on whether to convert 4 Trident missile submarines into cruise missile carriers, and the Navy beginning to argue that 68 submarines are needed to fulfil current requirements. (For a general discussion of attack submarine issues, see CRS Report RL30045, *Navy Attack Submarine Programs: Background and Issues for Congress*, by Ronald O'Rourke.) The Navy has also begun to argue more and more explicitly for an increase in the overall size of the force beyond the planned 300 ships, and there continues to be some sentiment on the congressional defense committees to the effect that planned shipbuilding rates are too low. (For a discussion of shipbuilding issues, see CRS Report RS20535, *Navy Ship Procurement Rate and the Planned Size of the Navy: Background and Issues for Congress*, by Ronald O'Rourke.)

Congressional action: SASC and SAC added $460 million in incremental funding for LHD-8. SAC also eliminated $1.5 billion buy two LPD-17-class amphibious ships, complaining that the design is not stable and that costs are climbing. Instead, SAC provided $179 million in advance procurement for two ships to be purchased in FY2002 and $285 million for cost growth in the first four ships that have already been ordered. Both HASC and SASC authorized a five-year block purchase of New Attack Submarines, reflecting a desire to ensure adequate funding for the current program to split work between Newport News Shipbuilding in Virginia and General Dynamics Electric Boat Division in Connecticut. The appropriations conference agreement provides $460 million for LHD-8, and, in a major change to the Administration request, it largely follows the Senate on the LPD-17 – i.e., it eliminates $1.5 billion to procure two ships and instead provides $560 million only for advance procurement. The conference report also specifically authorizes continued incremental funding for LHD-8. The authorization conference agreement also approves $460 million in incremental funding for LHD-8, but, in contrast to the appropriators, authorizers approved the full $1.5 billion requested to procure two LPD-17s.

Army "Transformation"

The Army plan to develop a new medium weight force has been a matter of some scrutiny in congressional hearings. Some legislators have asked whether a lighter, more deployable force can also possess the firepower and survivability necessary for higher intensity conflicts. The main questions, however, concern whether planned

programs have been adequately thought through and reviewed, whether the schedule is achievable, and whether adequate funds are available. Army leaders acknowledge a shortfall in long-term funding for the program. Some legislators have urged that funds be restored for programs the Army trimmed in its effort to find money for the medium weight force.

On an indirectly related issue, Congress has been particularly interested in helicopter procurement plans. The Comanche scout helicopter continues to be a high priority for the Army – Congress has, in the past, supported the program in the face of efforts by the Office of the Secretary of Defense to slow it down, and there remains some concern that the program may again be slowed by funding constraints. Congress has also, in the past, supported higher than requested production of Blackhawk (UH-60) utility helicopters.

Congressional action: HASC and SASC both restored funds for the Army "Grizzly" and "Wolverine" programs – i.e., programs that were cut to fund the medium weight force. HAC and SAC restored funds for the Wolverine program in the FY2001 defense appropriations, and the House added funds for Grizzly to FY2000 supplemental appropriations. Though it did not revise funding, SASC expressed concern about potential delays in the Crusader self-propelled artillery program – an effort to lighten the Crusader is a part of the Army transformation program. SAC went much further, reducing funding for the Crusader program from $355 million to $200 million, and instructing that the program be redirected to develop an entirely new, lighter vehicle compatible with the Army transformation initiative. On the whole, Congress has proved to be very supportive of the Army transformation effort. HASC, SASC, and SAC added some funds for Army transformation-related programs, while HAC added much more, including $800 million to equip a second brigade with medium-weight equipment. SASC, however, included a provision that the Army strongly opposed requiring a side-by-side evaluation of alternative armored vehicles for the interim medium-weight brigade.

The appropriations conference agreement (1) restores funds for the Wolverine Heavy Assault Bridge, and another bill provides funds for Grizzly as FY2000 supplemental appropriations; (2) provides the full $355 million requested for Crusader, but prohibits obligation of the funds until 30 days after DOD submits an analysis of alternatives to Congress; (3) following HAC, provides $800 million above the request for a second Army medium-weight brigade and includes other funds to accelerate acquisition of a light-weight armored vehicle; and (4) adds funds for 8 UH-60 Blackhawk helicopters and fully funds Comanche. The authorization conference agreement provides $750 million for additional procurement and R&D on medium-weight armored vehicles. The authorization conference also follows SASC, however, in requiring the Army to carry out a test program to compare currently deployed armored vehicles with new wheeled vehicles that the Army wants to buy before a third medium weight brigade can be outfitted. Congressional support for an acceleration of the Army's transformation program is perhaps the biggest single story in this year's defense debate, though SASC's insistence that the Army evaluate current tracked armored vehicles for the medium-weight force may slow the program.

Department of Energy Security

Last year, in the wake of evidence of security lapses at Department of Energy (DOE) facilities, Congress included in the defense authorization bill a measure establishing an independent agency, called the National Nuclear Security Administration (NNSA), within DOE to oversee counterintelligence and security. Though it initially objected to the proposal, the Administration has now selected a director for the agency. Congress has continued to review implementation of the new security regime, and DOE security may remain an issue this year. (For a discussion of nuclear weapons security issues, see CRS Report RL30143, *China: Suspected Acquisition of U.S. Nuclear Weapon Data*, by (name redacted). For a discussion of DOE reorganization, see CRS Issue Brief IB10036, *Restructuring DOE and Its Laboratories: Issues in the 106th Congress*, by William C. Boesman.)

Congressional action: HASC imposed some new constraints on DOE funding under its jurisdiction, pending submission of a detailed program for implementation of the NNSA. The SASC version of the bill included a separate title, Title XXXI, that would establish regulations governing the NNSA intended to ensure the agency's independence from the Secretary of Energy. Among other things, provisions would (1) set a specific term for the first head of the agency, (2) permit the President to dismiss the agency head only for inefficiency, neglect of duty, or malfeasance, (3) limit the ability of the Secretary of Energy to reorganize, abolish, alter, consolidate, or discontinue any organizational unit or component of the NNSA, and (4) prohibit pay of any DOE employee assigned duties both within NNSA and within the rest of DOE. Several Senators objected to these restrictions, but subsequent further security breaches at the Los Alamos lab headed off any challenges on the floor. The authorization conference agreement includes the Senate-passed provisions with some very slight, technical revisions.

Cooperative Threat Reduction

The Administration has requested $458 million in the Defense Department for the Cooperative Threat Reduction (CTR) program that provides demilitarization assistance to states of the former Soviet Union. The Department of Energy budget also includes almost $200 million for related DOE programs – $150 million for the Materials Protection, Control, and Accounting (MPC&A) program, $22.5 million for Initiatives for Proliferation Prevention (IPP), and $17.5 million for the Nuclear Cities Initiative (NCI). In the past, Congress has scrutinized the CTR and related programs closely. Last year, Congress reduced funds for IPP and NCI and prohibited the use of CTR funds to construct chemical weapons destruction facilities in Russia and instead provided that funds should be used only to improve the security of chemical weapons stocks. This year, the Administration is again requesting funds for chemical weapons destruction facilities. (For an overview, see CRS Report 97-1027, *Nunn-Lugar Cooperative Threat Reduction Programs: Issues for Congress*, by (name redacted).)

Congressional action: HASC eliminated $35 million requested for chemical weapons destruction in Russia, while SASC approved the funding provided

Russia guarantees long-term financing for the program and meets some other conditions. SASC also imposed some conditions on Nuclear Cities Initiative funding. SAC directed that $25 million of the funds provided be used continue a program to dismantle and dispose of Russian nuclear submarines. The appropriations conference agreement provides $443 million for CTR, and, following SAC, allocates $25 million for submarines. The conference agreement also follows the House authorization and eliminates the $35 million requested for chemical weapons demilitarization. The authorization conference agreement also approves $443 million for CTR.

Military Operations in Kosovo, Bosnia, Colombia, and the Persian Gulf

In all, the FY2001 budget request includes $4.2 billion for ongoing military contingency operations in Kosovo, Bosnia, and the Persian Gulf. The $2 billion included for Kosovo was potentially a matter of some debate. Allied burdensharing in Kosovo, in particular, has been a contentious issue. (For an extensive discussion, see CRS Report RL30457, *Supplemental Appropriations for FY2000: Plan Colombia, Kosovo, Foreign Debt Relief, Home Energy Assistance, and Other Initiatives*, by (name redacted), et al.; CRS Issue Brief IB98041, *Kosovo and U.S. Policy*, by (name redacted) and (name redacted); CRS Report RL30398, *NATO Burdensharing and Kosovo: A Preliminary Report*, by (name redacted); CRS Issue Brief IB10027, *Kosovo: U.S. and Allied Military Operations*, by Steven R. Bowman; and CRS Issue Brief IB94040, *Peacekeeping: Issues of U.S. Military Involvement*, by Nina Serafino.

Congressional action: In the Senate, FY2000 funding for Kosovo peacekeeping was added to FY2001 Military Construction bill, and that became the focus debate over the mission. On May 18, however, the Senate eliminated from the bill a measure sponsored by Sen. Byrd to require the withdrawal of U.S. troops from Kosovo after July 1, 2001, unless Congress authorizes continued deployment. In the House, the issue was addressed in action on the defense authorization bill. On May 17, the House approved an amendment sponsored by Representatives Kasich, Shays, Frank, Condit, and Bachus that would require the withdrawal of U.S. troops from Kosovo by April 1, 2001 unless the President certifies that U.S. allies have met certain burdensharing commitments. This appears to be a major issue in the authorization conference. All of the FY2001 defense bills, however, have approved requested funding for contingency operations in Kosovo and elsewhere. The appropriations conference agreement provides requested funding, with minor adjustments to reflect reduced force levels in Bosnia, though $1.1 billion of the total provided for contingency operations is designated as FY2000 emergency appropriations. The authorization conference agreement does not include the House-passed measure that would require troop withdrawals from Kosovo, though it does include extensive reporting requirements concerning allied burdensharing. Conferees also warned that Congress may mandate troop withdrawals in the future if allies fail to meet their commitments.

Navy Live-Fire Testing at Vieques, Puerto Rico

In January, the White House announced an agreement with the government of Puerto Rico to resolve the issue of Navy live-fire testing on the island of Vieques. The plan calls for holding a referendum sometime between August 2000 and January 2001 on the future of Navy activities on the island, a $40 million economic development program for the island, and, depending on the outcome of the referendum, either transfer of Navy property to the General Services Administration for cleanup and disposal or an additional $50 million economic development program. Implementing the President's plan would require congressional approval of land-transfer legislation, the initial $40-million funding request for Vieques, and (if the referendum supports continued training on the island) the additional $50-million funding request for Vieques. The House Appropriations Committee included $40 million for Vieques in its version of the FY2000 supplemental appropriations bill (H.R. 3908). (For a further discussion see CRS Report RS20458, *Vieques, Puerto Rico Naval Training Range: Background Information and Issues for Congress*, by Ronald O'Rourke.)

Congressional action: SASC supported most elements of the Administration's agreement on Vieques, but HASC did not. SASC authorized both the $40 million development program and, with conditions, the additional $50 million, though it did address a part of the agreement transferring land on the opposite side of the island from the firing range to Puerto Rico. HASC approved the requested $40 million, but not the additional $50 million, and it included a provision prohibiting transfer of land on the opposite side of the island if the referendum rejects continued live-fire training. On May 18, however, the full House approved an amendment by Representative Skelton repealing the HASC provisions. The authorization conference agreement includes measures to implement the Administration plan.

Social Issues

Social issues, such as abortion, gays in the military, and the role of women in the armed forces, have frequently been matters of debate in defense funding bills in recent years. Two years ago, gender integrated training was a major issue. Last year Congress debated whether to lift a ban on abortions in military hospitals overseas. This year, gays in the military is again a focus of attention, though there has not been any specific proposal in Congress to revise current policy.

Congressional action: The HASC military personnel subcommittee failed, on a tie vote, to approve an amendment by Representative Sanchez to remove the prohibition on abortions in military hospitals abroad, and the full committee later rejected the same amendment. On May 18, the full House rejected a similar Sanchez amendment. HASC also approved an amendment offered by Representative Bartlett to require Congress to be notified 120 days before implementation of any plan to allow women to serve on Navy submarines. On June 20, the Senate tabled, by a 50-49 vote, an amendment to the authorization bill by Senators Murray and Snowe to repeal the restriction on use of military facilities for privately funded abortions.

Base Closures

Secretary of Defense Cohen has again urged Congress to approve more rounds of military base closures, now starting in 2003. Officials argue that cuts in the defense infrastructure have lagged far behind cuts in the size of the force and that funding for major weapons programs in the future depends on improving efficiency over the next few years. For the past three years, Congress has rejected additional base closure rounds. In part, opponents have complained that the White House politicized the base closure process in 1995 when it acted to keep aircraft maintenance facilities in Texas and California open as privately run operations after the Base Closure Commission had recommended their closure. (For a discussion, see CRS Report RL30440, *Military Base Closures: Where Do We Stand?, by* (name redacted); and CRS Report RL30051, *Military Base Closures: Time for Another Round?*, by (name redacted).)

Congressional action: Neither SASC nor HASC addressed the issue of base closures, and on June 7, by a vote of 35-63, the Senate rejected an amendment to the authorization bill by Senators Levin and McCain to authorize additional closure rounds in 2003 and 2005.

China Policy

In recent years, must-pass defense bills, particularly the defense authorization, have been used as a vehicle for measures regarding technology transfers to China and other China policy matters, and it was widely expected that security relations with Taiwan, in particular, could be a matter of debate this year. Earlier this year, the House approved H.R. 1838, the Taiwan Security Enhancement Act, that would require expanded U.S.-Taiwan military exchanges and establishment of direct military communications and that would mandate annual reports on the security situation in the Taiwan Strait. The bill as passed did not mandate sale of particular kinds of weapons to Taiwan, but China reacted very negatively to the measure and warned that it would "respond strongly" if advanced weapons were sold to Taiwan. The Senate has not yet taken up its version of the bill, S. 693. On February 21, the PRC government issued a White Paper, "The One-China Principle and the Taiwan Issue," which offered a mix of conciliatory gestures and a new ominous-sounding threat that if Taiwan authorities indefinitely delay cross-Strait talks, this may prompt use of force. (For an overview, see CRS Issue Brief IB98018, *China-U.S. Relations*, by Kerry B. Dumbaugh; CRS Issue Brief IB98034, *Taiwan: Recent Developments and U.S. Policy Choices*, by Kerry B. Dumbaugh; CRS Report RS20365, *Taiwan: Annual Arms Sales Process*, by (name redacted); CRS Report RS20483,*Taiwan: Major U.S. Arms Sales Since 1990*, by (name redacted); CRS Report RL30341, *China/Taiwan: Evolution of the "One China" Policy – Key Statements from Washington, Beijing, and Taipei*, by (name redacted); and CRS Report RL30379, *Missile Defense Options for Japan, South Korea, and Taiwan: A Review of the Defense Department Report to Congress*, by (name redacted), (name redacted), and (name redacted).)

Congressional action: HASC urged the Administration to establish a Center for the Study of Chinese Military Affairs at the National Defense University, as was

authorized last year. But China policy in general was not addressed this year's defense bills.

The Revolution in Military Affairs/Unmanned Combat Systems

All of the military services have been pursuing changes in military technology that have been loosely described as elements of a "revolution in military affairs." Periodically, some Members of Congress have urged greater efforts to pursue radical changes in weaponry and in military doctrine, but with few specific proposals. This year, Senate Armed Services Committee Chairman John Warner has joined the discussion, urging the services to pursue development of unmanned systems, both for ground and for aerial combat. In statements to the press, Senator Warner has said that he plans to set a goal of having one-third of all deep strike aircraft unmanned by 2010 and one-third of all ground combat vehicles unmanned by 2015.[11] This would require dramatic changes in current military R&D programs.

Congressional action: SASC cited its interest in harnessing new technologies as a rationale for several measures, including increased funding for unmanned aerial vehicles for surveillance and related missions (though not for combat), increased funding for counter-terrorism and protection against cyber-warfare, an increased R&D funding. SASC also included a provision requiring the Defense Department to develop a plan aimed at meeting the ambitious goals for use of unmanned combat systems that Senator Warner laid out – i.e., that unmanned systems will constitute one-third of deep-strike aircraft by 2010 and one-third of ground combat vehicles by 2015. The authorization conference agreement approves funds for a number of programs designed to strengthen domestic defenses against terrorism, biological weapons, and information warfare and to encourage development of advanced technologies. The conference agreement also includes the Senate provisions on the use of unmanned combat systems.

Legislation

Budget Resolution

H.Con.Res. 290 (Kasich)

A concurrent resolution establishing the congressional budget for the United States government for FY2001, revising the congressional budget for the United States government for FY2000, and setting forth appropriate budgetary levels for each of fiscal years 2002 through 2005. Ordered to be reported, March 14, and reported by the House Budget Committee (H.Rept. 106-530), March 20, 2000. Approved by the House, with amendments, (211-207), March 23, 2000. Taken up by the Senate, which substituted the text of S.Con.Res. 101, and passed by the Senate (51-45), April 7, 2000. Conference report filed (H.Rept. 106-577), April 12, 2000.

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[11] See "Warner Pledges to Increase Defense Budget in Coming Years," *Inside the Pentagon*, February 10, 2000.

Conference report approved by the House (220-208) and the Senate (50-48), April 13, 2000.

S.Con.Res. 101 (Domenici)

An original concurrent resolution setting forth the congressional budget for the United States government for fiscal years 2001 through 2005. Ordered favorably reported by the Senate Budget Committee, March 30, 2000. Considered by the Senate, April 4-7, 2000. Incorporated as a substitute amendment into H.Con.Res. 290 and approved by the Senate (51-45), April 7, 2000.

Supplemental Appropriations

H.R. 3908 (C.W. Bill Young)

An original bill making emergency supplemental appropriations for the fiscal year ending September 30, 2000, and for other purposes. Reported by the House Committee on Appropriations (H.Rept. 106-521), March 14, 2000. Approved by the House of Representatives, with amendments (263-146), March 30, 2000.

Defense Authorization

H.R. 4205 (Spence)

A bill to authorize appropriations for FY2001 for military activities of the Department of Defense and for military construction, to prescribe military personnel strengths for FY2001, and for other purposes. Ordered to be reported by the Armed Services Committee, May 10, 2000. Reported by the Armed Services Committee (H.Rept. 106-616), May 12, 2000. Considered by the full House, May 17-18, 2000. Approved by the House (353-63), May 18, 2000. Senate took up H.R. 4205, substituted the text of S. 2549, as amended, and approved H.R. 4205 (97-3), July 13, 2000. Conference agreement ordered to be reported (H.Rept. 106-945), October 6, 2000. Conference report approved by the House (382-31), October 11, 2000. Conference report approved by the Senate (90-3), October 12, 2000. President signed the bill into law (P.L. 106-398), October 30, 2000.

S. 2549 (Warner)

A bill to authorize appropriations for FY2001 for military activities of the Department of Defense and for military construction, to prescribe military personnel strengths for FY2001, and for other purposes. Ordered to be reported by the Armed Services Committee, May 9, 2000. Reported by the Senate Armed Services Committee (S.Rept. 106-292), May 12, 2000. Considered by the Senate, June 6, 7, 8, 14, 19, 20, and 30, and July 12 and 13, 2000. Senate took up H.R. 4205, substituted the text of S. 2549, and approved H.R. 4205 (97-3), July 13, 2000.

Defense Appropriations

H.R. 4576 (Jerry Lewis)

Making appropriations for FY2001 for the Department of Defense and for other purposes. Approved by the House Defense Appropriations Subcommittee, May 10, 2000. Approved and ordered reported by the House Appropriations Committee (H.Rept. 106-644), May 25, 2000. Approved by the House (367-58), June 7, 2000.

Senate took up H.R. 4576, deleted all after the enacting clause and substituted the text of S. 2593 as reported by the Senate Appropriations Committee, June 8, 2000. Considered by the full Senate June 8-9, and 12-13, 2000. Approved by the Senate (95-3), June 13, 2000. Conference agreement filed (H.Rept. 106-754), July 17, 2000; approved by the House (367-58), July 19, 2000; approved by the Senate (91-9), July 27, 2000. President signed the bill into law (P.L. 106-259), August 9, 2000.

S. 2593 (Stevens)

An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes. Reported by the Senate Appropriations Committee (S.Rept 106-298), May 18, 2000. Senate substituted the text of S. 2593 into H.R. 4576, June 8, 2000.

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Congressional Budget Office, *What Does the Military "Pay Gap" Mean?*, June 1999.

U.S. General Accounting Office, *Cooperative Threat Reduction: DOD's 1997-98 Reports on Accounting for Assistance Were Late and Incomplete*, GAO/NSIAD-00-40, Mar. 15, 2000.

U.S. General Accounting Office, "Defense Health Care: Observations on Proposed Benefit Expansion and Overcoming TRICARE Obstacles," by Stephen P. Backhus, Director of Veterans' Affairs and Military Health Care Issues, before the Subcommittee on Military Personnel, House Committee on Armed Services, GAO/T-HEHS/NSIAD-00-129, Mar. 15, 2000.

U.S. General Accounting Office, *F-22 Aircraft: Development Cost Goal Achievable If Major Problems Are Avoided*, GAO/NSIAD-00-68, Mar. 14, 2000.

U.S. General Accounting Office, "Joint Strike Fighter Acquisition: Development Schedule Should Be Changed to Reduce Risks," by Louis J. Rodrigues, Director of Defense Acquisitions Issues, before subcommittees of the House Committee on Armed Services. GAO/T-NSIAD-00-132, Mar. 16, 2000.

Selected World Wide Web Sites

Information regarding the defense budget, defense programs, and congressional action on defense policy is available at the following web or gopher sites.

Congressional Sites/OMB

House Committee on Appropriations
[http://www.house.gov/appropriations]

Senate Committee on Appropriations
[http://www.senate.gov/~appropriations/]

House Armed Services Committee
[http://www.house.gov/hasc/]

Senate Armed Services Committee
[http://www.senate.gov/~armed_services/]

CRS Appropriations Products
[http://www.loc.gov/crs/products/apppage.html]

Congressional Budget Office
[http://www.cbo.gov]

General Accounting Office
[http://www.gao.gov]

Office of Management and Budget
[http://www.whitehouse.gov/OMB/]

FY2000 Federal Budget Publications
[http://w3.access.gpo.gov/usbudget/index.html]

Defense Department and Related Sites

Defense LINK
[http://www.defenselink.mil/]

Defense Issues (Indexed major speeches)
[http://www.defenselink.mil/speeches/]

Under Secretary of Defense (Comptroller) FY2001 Budget Materials
[http://www.dtic.mil/comptroller/fy2001budget/]

Assistant Secretary of the Army (Financial Management & Comptroller) Budget
[http://www.asafm.army.mil/budget.htm]

Army Link — the U.S. Army Home Page
[http://www.army.mil/]

Navy On-Line Home Page
[http://www.navy.mil/index-real.html]

Navy Budget Resources
[http://navweb.secnav.navy.mil/pubbud/01pres/db_u.htm]

Navy Public Affairs Library
[http://www.navy.mil/navpalib/.www/subject.html]

United States Marine Corps Home Page
[http://www.usmc.mil/]

AirForceLINK
[http://www.af.mil/]

Air Force Financial Management Home Page
[http://www.saffm.hq.af.mil/]

Air Force Budget Resources
[http://www.saffm.hq.af.mil/FMB/pb/2001/afpb.html]

Appendix A: Summary Tables

Table A1. Defense Appropriations, FY1997 to FY2001

(budget authority in billions of current year dollars)[a]

Actual FY1997	Actual FY1998	Actual FY1999	Estimate FY2000	Request FY2001
244.3	250.7	265.7	272.7	284.3

Sources: Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2001*, Feb. 2000, and prior years.

[a.] These figures represent current year dollars, exclude permanent budget authorities and contract authority, and reflect subsequent rescissions and transfers.

Table A2. Congressional Action on Major Weapons Programs, FY2001: Authorization

(amounts in millions of dollars)

	FY2000 Estimate			FY2001 Request			House Authorization			Senate Authorization			Authorization Conference		
	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D
Army															
Apache Longbow Upgrade	—	781.4	37.1	—	744.5	17.4	—	744.5	35.8	—	902.5	37.9	—	762.0	27.4
Comanche Helicopter	—	—	463.1	—	—	614.0	—	—	614.0	—	—	614.0	—	—	614.0
Blackhawk Helicopter	19	215.9	9.8	6	86.8	29.9	12	157.9	29.9	26	283.1	29.9	18	211.7	29.9
M1A2 Abrams Tank Upgrade	120	633.1	36.5	80	512.8	82.7	—	512.8	82.7	—	512.8	82.7	—	468.4	82.7
Bradley FVS Base Sustainment	—	379.9	24.8	—	379.4	—	65	460.7	—	—	379.4	–	—	451.7	—
Crusader	—	—	266.2	—	—	355.3	—	—	355.3	—	—	355.3	—	—	355.3
Navy/Marine Corps															
AV-8B Harrier Aircraft	11	300.5	38.4	10	226.6	38.1	—	226.6	38.1	10	226.6	38.1	12	262.2	38.1
F/A-18E/F Hornet	36	2,837.8	141.8	42	2,919.7	19.2	39	2,713.8	19.2	42	2,919.7	19.2	42	2,906.6	19.2
V-22 Osprey Aircraft	11	921.9	181.9	16	1,208.5	148.2	16	1,208.5	148.2	16	1,208.5	148.2	16	1,208.5	148.2
DDG-51 Destroyer	3	2,674.7	256.1	3	3,070.4	179.7	3	3,070.4	179.7	3	3,213.6	179.7	3	3,160.4	179.7
New Attack Submarine (NSSN)	—	746.6	372.0	1	1,711.2	320.4	1	1,711.2	320.4	1	1,711.2	320.4	1	1,706.2	320.4
LPD-17 Amphibious Transport	2	1,504.4	1.3	2	1,510.0	2.6	2	1,510.0	2.6	2	1,510.0	2.6	2	1,510.0	2.6
LHD-8 Advance Procurement	—	356.2	—	—	—	—	—	—	—	—	460.0	—	—	460.0	—
ADC(X) Auxiliary Cargo Ship	1	438.8	11.9	1	339.0	—	1	339.0	—	1	339.0	—	1	339.0	—
Air Force															
B-2 Bomber Post-Production	—	112.4	297.9	–	61.3	48.3	—	61.3	48.3	—	61.3	53.3	—	61.3	115.3
C-17 Airlift Aircraft	15	3,354.9	159.0	12	2,890.9	176.4	12	2,916.8	176.4	12	2,890.9	176.4	12	2,840.9	176.4
C-130 Aircraft (incl. other services)	2	210.2	40.1	4	362.9	60.5	4	362.9	60.5	5	452.9	60.5	6	527.5	60.5
E-8C Joint Stars Aircraft	1	262.0	147.6	1	260.6	144.1	1	300.6	146.6	1	306.6	151.3	1	296.6	149.1
F-15 Aircraft	5	291.6	126.2	—	—	61.3	2	149.8	68.9	—	—	68.9	2	149.8	68.9
F-16 Aircraft	10	262.2	114.2	—	—	124.9	3	51.7	124.9	—	—	124.9	2	51.7	119.9
F-22 Aircraft	—	280.5	1,945.1	10	2,546.1	1,411.8	10	2,546.1	1,411.8	10	2,546.1	1,411.8	10	2,546.1	1,411.8
Joint/Defense-Wide															
Airborne Laser (AF)	—	—	304.2	—	—	148.6	—	—	231.0	—	—	241.0	—	—	233.6
Joint Strike Fighter (AF, Navy)	—	—	489.0	—	—	856.6	—	—	871.6	—	—	685.3	—	—	688.7
Ballistic Missile Defense (BMDO)	—	361.9	3,424.7	—	444.0	3,943.2	—	509.2	4,633.2	—	444.0	4,183.7	—	440.0	4,207.3
Space-Based Infrared System (AF)	—	—	646.0	—	—	810.2	—	—	569.2	—	—	810.2	—	—	810.2
Guard & Reserve Equipment	—	150.0	—	—	—	—	—	—	—	—	—	—	—	—	—

*__Notes__: All amounts exclude initial spares and military construction. For Ballistic Missile Defense, the military construction request is $103.5 million, which is often reported as part of the total elsewhere. For a full breakdown of Ballistic Missile Defense funding, see **Table A4** below. House authorization provides funds for the Airborne Laser program in the Ballistic Missile Defense program.

Table A3. Congressional Action on Major Weapons Programs, FY2001: Appropriations

(amounts in millions of dollars)

	FY2000 Estimate			FY2001 Request			House Appropriations			Senate Appropriations			Appropriations Conference		
	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D
Army															
Apache Longbow Upgrade	—	781.4	37.1	—	744.5	17.4	—	744.5	17.4	—	744.5	29.4	–	762.0	29.4
Comanche Helicopter	—	—	463.1	—	—	614.0	—	—	614.0	—	—	614.0	–	–	614.0
Blackhawk Helicopter	19	215.9	9.8	6	86.8	29.9	17	223.5	29.9	12	143.1	29.9	18	211.8	29.9
M1A2 Abrams Tank Upgrade	120	633.1	36.5	80	512.8	82.7	—	512.9	120.0	—	512.9	87.2	–	468.4	NA
Bradley FVS Base Sustainment	—	379.9	24.8	—	379.4	—	—	460.7	—	—	388.4	—	–	451.7	–
Crusader	—	—	266.2	—	—	355.3	—	—	355.3	—	—	200.3	–	–	355.3
Navy/Marine Corps															
AV-8B Harrier Aircraft	11	300.5	38.4	10	226.6	38.1	10	226.6	38.1	14	302.2	25.0	12	262.2	25.0
F/A-18E/F Hornet	36	2,837.8	141.8	42	2,919.7	19.2	42	2,919.7	14.2	—	2,877.1	19.2	42	2,877.1	14.2
V-22 Osprey Aircraft	11	921.9	181.9	16	1,208.5	148.2	16	1,208.5	148.2	—	1,208.5	148.2	16	1,208.5	148.2
DDG-51 Destroyer	3	2,674.7	256.1	3	3,070.4	179.7	3	3,060.4	179.7	3	3,213.6	179.7	3	3,160.4	179.7
New Attack Submarine (NSSN)	—	746.6	372.0	1	1,711.2	320.4	1	1,706.2	320.4	—	1,711.2	320.4	1	1,706.2	320.4
LPD-17 Amphibious Transport	2	1,504.4	1.3	2	1,510.0	2.6	2	1,500.0	2.0	—	464.3	2.6	–	540.0	2.6
LHD-8 Advance Procurement	—	356.2	—	—	—	—	—	—	—	—	460.0	—	–	460.0	–
ADC(X) Auxiliary Cargo Ship	1	438.8	11.9	1	339.0	—	—	349.0	—	—	339.0	—	1	339.0	–
Air Force															
B-2 Bomber Post-Production	—	112.4	297.9	–	61.3	48.3	—	61.3	145.0	—	61.3	53.3	–	61.3	130.3
C-17 Airlift Aircraft*	15	3,354.9	159.0	12	2,890.9	176.4	12	2,805.8	176.4	12	2,890.9	176.4	12	2,840.9	176.4
C-130 Aircraft (incl. other services)	2	210.2	40.1	4	362.9	60.5	5	439.2	60.5	6	527.5	60.5	6	527.5	60.5
E-8C Joint Stars Aircraft	1	262.0	147.6	1	260.6	144.1	1	290.6	151.3	1	306.6	151.3	1	296.6	149.1
F-15 Aircraft	5	291.6	126.2	—	—	61.3	5	400.0	68.9	—	—	66.3	5	400.0	68.9
F-16 Aircraft	10	262.2	114.2	—	—	124.9	—	—	133.9	6	183.0	125.9	4	122.0	123.9
F-22 Aircraft	—	280.5	1,945.1	10	2,546.1	1,411.8	10	2,546.1	1,411.8	10	2,546.1	2,546.1	10	2,546.1	1,411.8
Joint/Defense-Wide															
Airborne Laser (AF)	—	—	304.2	—	—	148.6	—	—	148.6	—	—	241.0	–	–	233.6
Joint Strike Fighter (AF, Navy)	—	—	489.0	—	—	856.6	—	—	706.6	—	—	653.3	–	–	688.7
Ballistic Missile Defense (BMDO)	—	361.9	3,424.7	—	444.0	3,943.2	—	444.0	4,111.4	—	444.0	—	–	444.0	4,262.3
Space-Based Infrared System (AF)	—	—	646.0	—	—	810.2	—	—	810.2	—	—	810.2	–	–	810.2
Guard & Reserve Equipment	—	150.0	—	—	—	—	—	—	—	—	150.0	–	–	100.0	–

*__Notes__: All amounts exclude initial spares and military construction. For Ballistic Missile Defense, the military construction request is $103.5 million, which is often reported as part of the total elsewhere. For a full breakdown of Ballistic Missile Defense funding, see **Table A4** below. The conference agreement provides C-17 procurement funds in Title V, Revolving and Management Funds, rather than in Title III, Procurement.

Table A4. Ballistic Missile Defense Funding

(budget authority in millions of dollars)

	FY2001 Request	House Auth.	Senate Auth.	Auth. Conf.	House Approp.	Senate Approp.	Approp Conf.
Procurement							
Patriot PAC-3	365.5	430.7	365.5	365.5	365.5	365.5	365.5
National Missile Defense	74.5	74.5	74.5	74.5	74.5	74.5	74.5
C4I	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Navy Area Defense	–	–	0.0	0.0	–	–	0.0
TOTAL PROCUREMENT	444.0	509.2	444.0	444.0	444.0	444.0	444.0
RDT&E							
Applied Research							
62173C Support Technologies	37.7	47.7	49.7	39.7	50.2	56.2	56.2
Advanced Technology Development							
63173C Support Technologies	93.2	122.2	130.2	121.5	123.2	134.4	132.0
63174C Space Based Lasers	74.5	74.5	74.5	74.5	58.0	74.5	74.5
Demonstration and Validation							
63861C THAAD Dem/Val	–	0.0	0.0	--	–	–	0.0
63868C Navy Theater Wide	382.7	407.7	442.7	462.7	512.7	442.7	462.7
63869C MEADS Concepts	63.2	63.2	63.2	53.5	53.5	63.2	53.5
63870C Boost Phase Intercept	–	–	–	--	–	–	–
63871C National Missile Defense	1,740.2	2,066.3	1,869.2	1,875.2	1,740.2	1,879.2	1,875.2
63872C Joint Theater Missile Defense	–	–	5.0	0.0	–	–	–
63873C Family of Systems Eng. & Integration	231.2	255.8	231.2	231.2	231.2	231.2	231.2
63874C BMD Technical Operations	270.7	315.1	280.2	291.2	292.7	304.2	313.2
63875C International Cooperative Programs	117.0	117.0	105.0	125.0	117.0	125.0	131.0
63876C Threat and Countermeasures	22.6	22.6	22.6	22.6	22.6	22.6	22.6
63xxxC Airborne Laser (from AF)	–	231.0	–	--	–	–	–
91585C Pentagon Reservation	4.8	4.8	4.8	4.8	4.8	4.8	4.8
Engineering & Manufacturing Development							
64861C THAAD EMD	549.9	549.9	549.9	549.9	549.9	549.9	549.9
64865C Patriot PAC-3 EMD	81.0	81.0	81.0	81.0	81.0	81.0	81.0
64867C Navy Area Defense EMD	274.2	274.2	274.2	274.2	274.2	274.2	274.2
TOTAL RDT&E	3,943.2	4,633.2	4,183.7	4,207.3	4,111.4	4,243.4	4,262.3
Military Construction	103.5	103.5	103.5	103.5	103.5	103.5	103.5
TOTAL Ballistic Missile Defense Organization	4,490.6	5,245.9	4,731.1	4,754.7	4,658.9	4,790.8	4,809.7
Related Programs							
12419A Aerostat Joint Project Office	25.0	25.0	27.0	27.0	25.0	27.0	27.0
63319F Airborne Laser Program	148.6	0.0	241.0	233.6	148.6	241.0	233.6
64441F Space-Based Infrared System – High	569.2	569.2	569.2	569.2	569.2	569.2	569.2
64442F Space-Based Infrared System – Low*	241.0	0.0	241.0	241.0	241.0	241.0	241.0

Sources: H.Rept. 106-616; S.Rept. 106-292; S.Rept. 106-298; H.Rept. 106-754; H.Rept. 106-945.

*__Note__: The House authorization adds $241 million for SBIRS-Low to PE 63871C, National Missile Defense.

Table A5. National Defense Budget Request by Appropriations Bill

(millions of dollars)

	Estimate FY2000	Request FY2001
Department of Defense, Military Activities (Subfunction 051)		
Defense Appropriations Bill		
Military Personnel	73,690	75,802
Operation and Maintenance	194,861	109,286
Procurement	54,208	60,270
Research, Development, Test and Evaluation	38,356	37,862
Revolving and Management Funds	1,650	1,154
Total, Defense Appropriations Bill	272,765	284,374
Military Construction Appropriations Bill		
Military Construction	4,703	4,549
Family Housing	3,597	3,85
Total, Military Construction Appropriations Bill	8,390	8,034
DOD Offsetting Receipts and Other Adjustments	-1,237	-1,321
Total DOD Military (Subfunction 051)	279,918	291,087
Atomic Energy Defense Activities (Subfunction 053)		
Energy and Water Appropriations Bill		
Atomic Energy Defense Activities	12,184	12,744
Former Sites Remedial Action	150	140
Nuclear Facilities Safety Board	17	18
Total Atomic Energy Defense Activities (Subfunction 053)	12,157	13,084
Defense-Related Activities (Subfunction 054)		
Defense Appropriations Bill		
Intelligence Community Management Staff	130	111
CIA Retirement and Disability Fund	209	216
VA-HUD-Independent Agencies Appropriations Bill		
Federal Emergency Management Agency (FEMA)	46	48
U.S. Antarctic Logistics Support (National Science Foundation)	63	63
Selective Service System	24	25
Transportation Appropriations Bill		
Coast Guard Defense-Related Activities	300	341
Commerce-Justice-State Appropriations Bill		
Maritime Security Program	96	99
Radiation Exposure	5	16
Export Administration	2	2
Department of Justice Defense-Related	27	27
Telecommunications Compliance Fund	8	8
FBI Defense-Related	292	300
Total Defense-Related (Subfunction 054)	1,202	1,250
Total National Defense Budget Function (Function 050)	293,283	305,421

Source: Department of Defense Comptroller, *National Defense Budget Estimates for Fiscal Year 2001*, March 2000.

Table A6. National Defense Budget Function Funding in the Congressional Budget Resolution

(current year dollars in billions)

Fiscal Year:	2001	2002	2003	2004	2005
Administration Request					
Budget Authority	305.4	309.2	315.6	323.4	331.7
Outlays	291.2	298.4	307.4	316.5	330.7
CBO Reestimate of Administration Request					
Budget Authority	305.3	309.0	315.4	323.1	331.4
Outlays	293.6	302.1	309.3	317.4	327.8
House-Passed Congressional Budget Resolution					
Budget Authority	306.3	309.3	315.6	323.4	331.7
Outlays	297.6	302.0	309.4	317.6	328.1
Difference from Reestimated Request					
Budget Authority	+1.0	+0.3	+0.2	+0.3	+0.3
Outlays	+4.0	-0.1	+0.1	+0.2	+0.3
Senate-Passed Budget Resolution					
Budget Authority	309.8	309.1	315.5	323.2	331.5
Outlays	296.1	302.3	309.4	317.5	328.0
Difference from Reestimated Request					
Budget Authority	+4.5	+0.1	+0.1	+0.1	+0.1
Outlays	+2.5	+0.2	+0.1	+0.1	+0.1
Budget Resolution Conference Agreement					
Budget Authority	309.9	309.2	315.6	323.4	331.7
Outlays	296.7	303.2	309.8	317.9	328.3
Difference from Reestimated Request					
Budget Authority	+4.6	+0.2	+0.2	+0.3	+0.3
Outlays	+3.1	+1.1	+0.5	+0.5	+0.5

Sources: H.Con.Res. 290; S.Con.Res. 101.

Table A7. Administration National Defense Budget Function Projection by Appropriations Title, Budget Authority, FY1999-2005

(current year dollars in billions)

	Actual FY1999	**Est.** FY2000	**Proj.** FY2001	**Proj.** FY2002	**Proj.** FY2003	**Proj.** FY2004	**Proj.** FY2005
Department of Defense (military activities only)							
Military Personnel	70.6	73.7	75.8	78.4	80.4	83.1	85.6
Operation & Maintenance	105.0	104.9	109.3	107.5	109.1	112.2	114.8
Procurement	50.9	54.2	60.3	63.0	66.7	67.7	70.9
RDT&E	38.3	38.4	37.9	38.4	37.6	37.5	36.4
Military Construction	5.4	4.8	4.5	4.3	3.8	4.6	5.4
Family Housing	3.6	3.6	3.5	3.7	3.9	4.0	4.1
Other	4.6	0.4	-0.2	-0.5	-0.5	-0.7	-0.7
Subtotal, Department of Defense	278.4	279.9	291.1	294.8	300.9	308.3	316.4
Department of Energy							
Atomic Energy Defense Activities	12.6	12.2	13.1	13.2	13.4	13.8	13.9
Other Agencies							
Defense-Related Activities	1.1	1.2	1.3	1.3	1.3	1.3	1.4
Total, National Defense	292.1	293.3	305.4	309.2	315.6	323.4	331.7

Sources: U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001*, Feb. 2000.

Table A8: FY2000 Supplemental Appropriations for the Department of Defense

(millions of dollars)

	Request	House Passed	Versus Request	Senate Passed	Versus Request	Conf. Approp.	Versus Request
Operation and Maintenance, Defense Wide							
Natural Disaster-Related Expenses	27.4	115.9	+88.5	128.2	+100.8	128.2	+100.8
Vieques-Related Activities		40.0	+40.0	40.0	+40.0	40.0	+40.0
Overseas Contingency Operations Transfer Fund							
Peacekeeping Operations in Kosovo (KFOR)	2,025.4	2,025.4	0.0	1,825.4	-200.0	2,025.4	0.0
Military Support to the International Force in East Timor	25.0	25.0	0.0	25.0	0.0	25.0	0.0
Drug Interdiction and Counter-Drug Activities, Defense							
Support of Plan Colombia FY2000-FY2001	98.4	185.8	+87.4	85.7	-12.7	154.1	+55.7
Aircraft Procurement, Army							
Airborne Reconaissance Low (ARL) Aircraft	–	–	–	30.0	+30.0	30.0	+30.0
Aircraft Procurement, Air Force							
Foreign Emergency Support Team Aircraft	73.0	73.0	0.0	73.0	0.0	73.0	0.0
Tactical Aviation Shortfalls [by transfer, non-additive]	–	[90.0]	[+90.0]	–	–	90.0	+90.0
Procurement of Weapons and Tracked Combat Vehicles, Army							
M1A2 Tank Upgrades [by transfer, non-additive]	–	[125.0]	[+125.0]	–	–	163.7	+163.7
Military Construction, Defense-Wide							
Forward Operating Location (FOL), Manta, Ecuador	38.6	61.3	+22.7	61.3	+22.7	61.3	+22.7
FOL, Aruba	–	10.3	+10.3	10.3	+10.3	10.3	+10.3
FOL, Curacao	–	43.9	+43.9	43.9	+43.9	43.9	+43.9
Military Construction Plan and Design	–	1.1	+1.1	1.1	+1.1	1.1	+1.1
Military Construction							
Army Reserve Center, Greenville, NC, Storm Damage	–	12.3	+12.3	12.3	+12.3	–	–
Army National Guard, Gulfport, MS, Storm Damage	–	–	–	9.1	+9.1	–	–
Family Housing, Storm Damage	–	6.7	+6.7	4.7	+4.7	–	–
National Missile Defense Planning	–	–	–	1.0	+1.0	1.0	+1.0
Military Construction & Family Housing Storm Damage	–	–	–	–	–	19.0	+19.0
Land Acquisition, Blount Island, FL	–	–	–	–	–	35.0	+35.0
Rescission of FY1996 Military Construction Funds	–	–	–	–	–	-35.0	-35.0
Defense Working Capital Fund (Petroleum Cost Growth)	–	1,556.2	+1,556.2	964.3	+964.3	1,556.2	+1,556.2
Defense Health Program							
Increased TRICARE Contract Costs	–	854.5	+854.5	–	–	615.6	+615.6
FY2001 DHP Costs/General Provision, DHP	–	750.0	+750.0	695.9	+695.9	695.9	+695.9
Basic Allowance for Housing (Avail. to 9/30/01)	–	221.0	+221.0	–	–	27.0	+27.0
Overseas Supplemental Food Program (Avail. to 9/30/01)	–	10.0	+10.0	–	–	–	0.0
Recruiting, Advertising, and Retention (Avail. to 9/30/01)	–	600.6	+600.6	–	–	357.3	+357.3
Depot Level Maintenance and Repair (Avail. to 9/30/01)	–	1,205.6	+1,205.6	–	–	220.0	+220.0
High-Priority Support to Deployed Forces (Avail. to 9/30/01)							
Operation and Maintenance	–	738.9	+738.9	–	–	96.0	+96.0
Procurement	–	405.8	+405.8	–	–	344.9	+344.9
RDT&E	–	68.0	+68.0	–	–	63.0	+63.0
Biometrics Information Assurance	–	–	–	7.0	+7.0	7.0	+7.0
Patriot Missile Enhancement Program	–	–	–	125.0	+125.0	125.0	+125.0
Operation Walking Shield	–	–	–	0.3	+0.3	0.3	+0.3
East Timor and Mozambique Humanitarian Assistance	–	–	–	61.5	+61.5	61.5	+61.5
Macalloy [transfer to EPA, non-additive]	–	–	–	[9.6]	[+9.6]	[9.6]	[+9.6]
Utah Olympic Games Support	–	–	–	8.0	+8.0	8.0	+8.0
Rescissions of Lapsing Prior Year Funds	–	–	–	–	–	-286.6	-286.6
Total, DOD Supplemental Appropriations	2,287.8	9,011.2	+6,723.4	4,213.0	+1,925.2	6,757.0	+4,469.2

Sources: Office of Management and Budget, Budget of the United States Government for Fiscal Year 2001: Appendix, Feb. 2000; House Appropriations Committee; House Rules Committee; H.Rept. 106-521; S.Rept. 106-290; H.Rept. 106-710.