Order Code RL33405

Defense: FY2007 Authorization and Appropriations

Updated September 28, 2006

Stephen Daggett
Specialist in National Defense
Foreign Affairs, Defense, and Trade Division

Defense: FY2007 Authorization and Appropriations

Summary

On September 26, the House approved a conference agreement on the FY2007 defense appropriations bill, H.R. 5631, by a vote of 394-22. The bill includes a continuing resolution to run the rest of the government through November 17. The Senate is expected to approve the measure this week. Meanwhile, a conference agreement on the FY2007 defense authorization bill, H.R. 5122/S. 2766, has been held up by a disagreement over House proposals to add some other legislation.

The conference agreement on the appropriations bill provides $436.6 billion for defense, including $366.6 billion in regular appropriations and $70 billion in additional appropriations, mainly as a "bridge fund" for operations abroad. The total of regular appropriations is $4 billion below the Administration request. The Senate-passed bill provided $9 billion less than the request, which freed that much to add to requested non-defense spending. The White House, however, threatened to veto the defense bill if it reduced defense by more than $4 billion.

In action on other key issues, the appropriations bill —

- rejects the Administration proposal to terminate C-17 cargo aircraft production after FY2007 and buys 22 aircraft, 12 in the regular bill and 10 in the "bridge fund" for operations abroad;
- approves a Navy proposal to provide partial funding for 2 DDG-1000 destroyers — formerly the DD(X) — rather than providing full funding for just one ship as in the House bill;
- includes funds as requested for one T-AKE cargo ship and for 2 Littoral Combat Ships (LCS), rather than eliminating T-AKE funds and procuring only one LCS, as in the Senate bill; and
- slows F-35 Joint Strike Fighter procurement, with funds to buy 2 rather than the requested 5 aircraft, but does not eliminate FY2007 aircraft procurement funds as the Senate bill did.

On the defense authorization bill, conference negotiations are essentially complete, but a report has been held up because of a disagreement between Senator Warner, the Chairman of the Senate Armed Service Committee, and House Speaker Hastert over some unrelated measures that the Speaker wants to add to the bill. So details of the conference agreement are not available on some key issues, including,

- whether to change DOD regulations that require non-denominational prayers, as in the House bill;
- whether to give the head of the National Guard a four-star rank and allow the Guard to make budget requests more independently;
- whether to accept a Senate change in the Buy American Act to allow use of foreign-supplied specialty metals in U.S.-built systems;
- whether to provide a 2.2% pay raise, as requested, or a 2.7% raise as in the House bill; and
- whether to expand reservist access to the DOD TRICARE medical insurance program as extensively as in the House or Senate bills.

Key Policy Staff

Area of Expertise	Name	Telephone	E-Mail
Acquisition	Valerie Grasso	7-7617	vgrasso@crs.loc.gov
Aviation Forces	Christopher Bolkcom	7-2577	cbolkcom@crs.loc.gov
Arms Control	Amy Woolf	7-2379	awoolf@crs.loc.gov
Arms Sales	Richard Grimmett	7-7675	rgrimmett@crs.loc.gov
Base Closure	David Lockwood Daniel Else	7-7621 7-4996	dlockwood@crs.loc.gov delse@crs.loc.gov
Defense Budget	Stephen Daggett Amy Belasco	7-7642 7-7627	sdaggett@crs.loc.gov abelasco@crs.loc.gov
Defense Industry	Gary Pagliano Daniel Else	7-1750 7-4996	gpagliano@crs.loc.gov delse@crs.loc.gov
Defense R&D	Michael Davey John Moteff	7-7074 7-1435	mdavey@crs.loc.gov jmoteff@crs.loc.gov
Ground Forces	Edward Bruner Steven Bowman Andrew Feickert	7-2775 7-7613 7-7673	ebruner@crs.loc.gov sbowman@crs.loc.gov afeickert@crs.loc.gov
Health Care; Military	Richard Best	7-7607	rbest@crs.loc.gov
Intelligence	Richard Best Al Cumming	7-7607 7-7739	rbest@crs.loc.gov acumming@crs.loc.gov
Military Construction	Daniel Else	7-4996	delse@crs.loc.gov
Military Personnel	David Burrelli	7-8033	dburrelli@crs.loc.gov
Military Personnel; Reserves	Lawrence Kapp	7-7609	lkapp@crs.loc.gov
Missile Defense	Steven Hildreth Andrew Feickert	7-7635 7-7673	shildreth@crs.loc.gov afeickert@crs.loc.gov
Naval Forces	Ronald O'Rourke	7-7610	rorourke@crs.loc.gov
Nuclear Weapons	Jonathan Medalia	7-7632	jmedalia@crs.loc.gov
Peace Operations	Nina Serafino	7-7667	nserafino@crs.loc.gov
Readiness	Amy Belasco	7-7627	abelasco@crs.loc.gov
Space, Military	Patricia Figliola	7-2508	pfigliola@crs.loc.gov
War Powers	Richard Grimmett	7-7675	rgrimmett@crs.loc.gov

Contents

List of Figures

List of Tables

Defense: FY2007 Authorization and Appropriations

Most Recent Developments

On September 26, 2006, by a vote of 394-22, the House approved a conference agreement on the FY2007 defense appropriations bill, H.R. 5631. The bill includes a continuing resolution to run the rest of the government through November 17, after Congress returns from its election recess.

Meanwhile, a conference agreement on the FY2007 defense authorization bill, H.R. 5122/S. 2766, has been held up by a disagreement over House proposals to add some unrelated legislative matters. Conference negotiations on the bill itself are essentially complete, but a report has been delayed because Senator Warner, the Chairman of the Senate Armed Service Committee, and House Speaker Hastert, disagree over whether to append some unrelated measures that the Speaker wants to add to the bill. Key issues in the conference negotiations have included whether, as in the House bill, to alter DOD provisions that require non-denominational prayer, whether, as in the Senate bill, to promote the head of the National Guard to four-star rank, and whether to approve multiyear procurement of the F-22 fighter aircraft.

The conference agreement on the appropriations bill provides $436.6 billion in new appropriations for defense, including $366.6 billion[1] in regular appropriations and $70 billion in additional appropriations as a "bridge fund" for operations abroad and for some other purposes. The total of regular appropriations is $4 billion below the Administration request. The total amount in the bill was a key issue. The Senate-passed bill provided $9 billion less than the request, which, in turn, allowed increases above the Administration request in non-defense appropriations while remaining within the budget resolution cap on total discretionary spending. But the White House threatened to veto the bill if it trimmed defense by more than $4 billion as a means of providing additional funds for non-security-related programs.

The $70 billion in additional funds approved in the conference agreement is $20 billion higher than the $50 billion that each appropriations committee originally provided. In floor action, the Senate had added $16.2 billion in emergency funding. Of that amount, $13.1 billion was added by a Stevens-Inouye amendment to provide

---

[1] An additional $11.2 billion is counted as part of the bill under budgetary rules agreed to by the House and Senate Budget Committees, the Congressional Budget Office, and the Office of Management and Budget. This is the cost of contributions DOD must make to the military retirement fund to cover the actuarially determined cost of future 65-and-over retiree medical benefits for current uniformed personnel. These contributions are considered to be permanent appropriations which count against caps on discretionary spending.

funds for the Army and Marine Corps to repair, upgrade, and replace equipment used in overseas operations in Iraq and Afghanistan. The Senate also added $1.8 billion for border security, $700 million for counter drug operations in Afghanistan, $200 million for enhanced intelligence to track down Osama bin Laden, $65 million for Predator UAVs, $20 million for peacekeepers in Sudan, and $175 million for wildfire suppression. In the conference agreement, the $20 billion added to the original $50 billion, is mainly to reset Army and Marine units. In all, according to the House Appropriations Committee, the bill provides over $17.1 billion to fully fund Army reset costs and $5.8 billion to fully fund Marine Corps reset costs. The agreement also provides $100 million for Afghan counter-drug operations and $200 million for wildfire suppression, but does not include the other Senate additions.

Status of Legislation

The House and Senate have agreed on a conference report on the FY2007 defense appropriations bill, and conference negotiations on the FY2007 national defense authorization have essentially been completed, though no report has been issues as yet. Tables 1A and 1B track congressional action on those measures.

Table 1A. Status of FY2007 Defense Authorization, H.R. 5122, S. 2766

Full Committee Markup		House Report	House Passage	Senate Report	Senate Passage	Conf. Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
5/3/06	5/4/06	H.Rept. 109-452 5/5/06	5/11/06 396-31	S.Rept. 109-254 5/9/06	6/22/06 96-0				

Table 1B. Status of FY2007 Defense Appropriations, H.R. 5631

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conf. Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
6/7/06	7/13/06	H.Rept. 109-504 6/16/06	6/20/06 407-19	S.Rept. 109-292 7/25/06	9/7/06 98-0	H.Rept. 109-676 9/25/06	9/26/06 394-22		

Earlier in the year Congress began, but never completed, action on the annual congressional budget resolution. The Senate passed its version of the resolution, S.Con.Res. 83, on March 16. The House Budget Committee reported its version of the resolution, H.Con.Res. 376, on March 31, and floor action began on April 6. But the leadership halted debate in the face of internal Republican opposition to the measure. On May 18, a compromise was announced, and the House approved the measure by a vote of 218-210.

There has been no conference agreement on the budget resolution, however. In the absence of an agreement, on May 18, the House also approved a measure "deeming" the provisions of its version of the budget resolution, including a cap of $872.8 billion on total discretionary spending, to be in effect for purposes of subsequent House action. The "deeming" resolution was included in the rule (H.Res. 818) governing debate on the FY2007 Interior and Environment appropriations bill (H.R. 5386). The Senate attached a "deeming" measure to the FY2006 supplemental appropriations bill (H.R. 4939).

In action on related legislation, the House passed the Military Quality of Life/Veterans Affairs appropriations bill, H.R. 5385, on May 19. The bill provides $58 billion for the Department of Defense, including funds for military construction and family housing, for some military personnel accounts, for some military operation and maintenance accounts, and for the defense health program. In the Senate, the military personnel, O&M, and defense health funds are provided in the regular defense appropriations bill, and the military construction and family housing funds are provided in the Military Construction/Veterans Affairs appropriations bill. That bill, also H.R. 5385, was reported by the Senate Appropriations Committee on July 20, but has not been taken up on the Senate floor. As reported, it provides $16.3 billion for Department of Defense military construction and family housing.

Facts and Figures: Congressional Action on the FY2007 Defense Budget Request

The following series of tables show congressional action on defense budget. Additional details will be added as congressional action proceeds.

Table 2 shows congressional action on the FY2007 appropriations bills that provide funding for the Department of Defense. These are (1) the defense appropriations bills in the House and the Senate (H.R. 5631) and (2) the military quality of life/Veterans Affairs appropriations bill in the House and the military construction/VA bill in the Senate (both H.R. 5385). The House military quality of life/VA appropriations bill includes about $42 billion for Military Personnel and for Operation and Maintenance accounts that are provided in the defense appropriations bill in the Senate. **Table 2** shows the total in these accounts by bill.

The conference agreement on the defense appropriation bill this year follows the organization of the House-passed bill — last year, the conference followed the Senate. So the totals shown in **Table 2** for the conference agreement do not include amounts for military personnel, for operation and maintenance, and for defense

health that will be provided in the military quality of live/VA appropriations bill, when it is completed.

Please note that while this table shows all appropriations for the Department of Defense, it does not show funding provided in other appropriations bills for defense-related activities of other agencies. The largest amount of non-DOD defense-related funding is for Department of Energy nuclear weapons programs, for which the Administration has requested about $17 billion in FY2007. Funding for DOE defense programs is provided in the annual energy and water appropriations bill (H.R. 5427). Other amounts for national defense not show here include FBI counter-intelligence activities financed in appropriations for the Department of Justice and smaller amounts in other bills.

Table 2. FY2007 Department of Defense Appropriations, House and Senate Action by Bill and Title

(budget authority in billions of dollars)

	FY2006 Enacted	House Request	House Passed	House Versus Request	Senate Request	Senate Passed	Senate Versus Request	Conf.	Conf Versus Request
Department of Defense Appropriations Bill, H.R. 5631									
Military Personnel	96.0	86.1	84.9	-1.2	99.6	99.0	-0.6	86.4	+0.3
Operation and Maintenance	122.4	122.4	120.5	-1.9	130.1	126.3	-3.8	119.8	-2.7
Procurement	75.8	82.9	81.8	-1.1	82.9	81.0	-1.9	80.9	-2.0
RDT&E	71.4	73.2	75.3	+2.2	73.2	73.0	-0.2	75.7	+2.6
Revolving and Management Funds	2.2	2.4	2.4	—	2.4	2.0	-0.4	2.4	—
Other Defense Programs*	22.5	2.4	2.4	—	23.4	23.9	0.4	2.5	+0.1
Related Agencies	0.7	0.9	0.9	—	0.9	0.9	—	0.9	—
General Provisions	-2.2	0.1	-1.9	-2.0	0.1	-2.5	-2.6	-2.2	-2.2
Total Regular Appropriations	**388.9**	**370.4**	**366.3**	**-4.1**	**412.6**	**403.6**	**-9.0**	**366.4**	**-4.0**
Additional Appropriations for War	50.0	50.0	50.0	—	50.0	66.2	16.2	70.0	+20.0
Total with Additional for War	**438.9**	**420.4**	**416.3**	**-4.1**	**462.6**	**469.8**	**7.2**	**436.4**	**+16.0**
65+ Retiree Medical Accrual**	10.7	11.2	11.2	—	11.2	11.2	—	11.2	+0.1
Total Regular w/ Accrual	**399.6**	**381.6**	**377.5**	**-4.1**	**423.8**	**414.8**	**-9.0**	**377.6**	**-4.0**
Total w/ War and Accrual	**449.6**	**431.6**	**427.5**	**-4.1**	**473.8**	**481.0**	**7.2**	**447.6**	**+16.0**
DOD Programs in Military Quality of Life/VA and Military Construction/VA Appropriations Bills, H.R. 5385									
Military Construction	9.6	12.6	11.9	-0.7	12.6	12.3	-0.3	—	—
Family Housing	4.5	4.1	4.0	-0.1	4.1	4.0	-0.1	—	—
Basic Allowance for Housing	—	13.5	13.5	—	—	—	—	—	—
Facilities Sustainment	—	6.2	6.2	—	—	—	—	—	—
Environmental Restoration	—	1.4	1.4	—	—	—	—	—	—
Defense Health Program	—	21.0	21.0	—	—	—	—	—	—
Total Department of Defense	**14.0**	**58.9**	**58.1**	**-0.8**	**16.7**	**16.3**	**-0.4**	**—**	**—**
Grand Total in Defense and Military Construction Appropriations Bills									
Total Regular Appropriations	**413.6**	**440.5**	**435.6**	**-4.9**	**440.5**	**431.1**	**-9.4**	**—**	**—**
Total With Additional for War	**463.6**	**490.5**	**485.6**	**-4.9**	**490.5**	**497.3**	**6.8**	**—**	**—**

Totals may not add due to rounding.

Source: Office of Management and Budget, House and Senate reports on respective bills, CRS and CBO for Senate floor action..

Notes:

*Other Defense Programs include Defense Health, Drug Interdiction, Chemical Weapons Demilitarization, and DOD Inspector General in the Senate bill and all but Defense Health in the House bill. In DOD briefing charts, Chemical Weapons Demilitarization is shown in Procurement and the other accounts are shown in Operation and Maintenance.

**Annual funding for accrual payments by DOD for age-65-and-over Medicare-eligible military retirees is considered a permanent appropriation. The amounts to be contributed to military retirement funds for the cost of these benefits are not technically subject to annual appropriations, but they are scored as DOD discretionary funds. As such, they count against the defense subcommittee's 302(b) allocation and against the total amount of discretionary funds available for appropriation.

Table 3 shows congressional action on the House and Senate versions of the FY2007 defense authorization bill by title. It is important to note that the authorization bill does not directly provide funds for most defense programs (the exception being some mandatory programs). Rather, it authorizes the appropriation of funds. In the appropriations bills, Congress may provide more than, less than, or the same as the amounts authorized to be appropriated, and it may provide funds for programs never specifically mentioned in authorization bills or associated report language.

Table 3. FY2007 National Defense Authorization, House and Senate Action by Title, H.R. 5122, S. 2766

(budget authority in billions of dollars)

	House Request	House-Passed	House Versus Request	Senate Request	Senate-Comm. Rept'd	Senate Versus Request	Conf.	Conf. Versus Request
Military Personnel	110.8	109.8	-1.0	110.8	112.0	+1.3	—	—
Operation & Maintenance	130.1	129.8	-0.3	130.1	129.5	-0.6	—	—
Procurement	84.2	85.9	+1.7	82.9	85.7	+2.8	—	—
RDT&E	73.2	74.1	+0.9	73.2	74.2	+1.0	—	—
Military Construction	12.6	13.0	+0.4	12.6	13.2	+0.6	—	—
Family Housing	4.1	4.1	-0.0	4.1	4.1	-0.0	—	—
Revolving & Management	2.4	2.5	+0.1	2.3	2.3	0.0	—	—
Other Defense Programs*	22.2	22.4	+0.3	23.4	23.3	-0.1	—	—
Mandatory Programs	1.9	1.9	-0.0	1.9	2.9	+1.0	—	—
Rescissions/Inflation Savings	—	-1.8	-1.6	0.0	-1.0	-1.0	—	—
Total Department of Defense	**441.5**	**441.7**	**+0.2**	**441.5**	**446.5**	**+4.9**	**—**	**—**
Atomic Energy Defense Activities	17.0	16.5	-0.5	17.0	16.4	-0.6	—	—
Other Defense-Related Activities	4.8	4.7	-0.0	4.8	4.7	-0.0	—	—
Total National Defense	**463.3**	**462.9**	**-0.4**	**463.3**	**467.7**	**+4.4**	**—**	**—**
Emergency Authorization	50.0	50.0	0.0	50.0	50.0	0.0	—	—
Total Including Emergency	**513.3**	**512.9**	**-0.4**	**513.3**	**517.7**	**+4.4**	**—**	**—**

Totals may not add due to rounding.
Source: Office of Management and Budget; H.Rept. 109-452, S.Rept. 109-254.
***Note:** Other Defense Programs include Defense Health Program; Drug Interdiction; Chemical Weapons Demilitarization; and Office of the Inspector General.

Table 4 shows congressional recommendations for defense budget authority and outlays in versions of the annual budget resolution — S.Con.Res. 83 as passed by the Senate and H.Con.Res 376 as passed by the House. These amounts are not binding on the appropriations committees, however.

Table 4. Congressional Budget Resolution, Recommended National Defense Budget Function Totals

(billions of dollars)

	FY2007*	FY2008	FY2009	FY2010	FY2011
Administration Request					
Budget Authority	513.0	485.2	505.3	515.3	526.1
Outlays	527.4	494.4	494.3	507.4	522.7
Senate Budget Committee Reported					
Budget Authority	545.4	481.7	501.8	511.9	522.8
Outlays	550.5	514.8	508.1	511.2	521.9
Senate Passed					
Budget Authority	549.4	483.0	502.8	512.9	523.9
Outlays	554.5	516.0	509.1	512.2	523.0
House Budget Committee Reported					
Budget Authority	512.9	484.7	504.8	514.9	525.8
Outlays	534.9	505.5	505.9	512.6	524.9

Sources: Office of Management and Budget; S.Con.Res. 83; H.Con.Res. 376.

***Note:** For FY2007, the Administration request includes $50 billion for a planned budget amendment for overseas operations. The Senate recommended levels for FY2007 assume $82 billion for overseas operations. The House committee-reported level assumes $50 billion, as in the request.

Table 5 shows the Administration's FY2007 national defense request, by appropriations title, separating discretionary and mandatory amounts. The total for FY2006 includes a $70 billion placeholder for supplemental appropriations. The final FY2006 supplemental appropriations bill, however, H.R. 4239, which was signed into law on June 15, P.L. 109-234, provides $67.7 billion for national defense programs, $2.3 billion less. The total for FY2007 includes a $50 billion placeholder for a budget amendment for overseas operations. If the $50 billion placeholder is removed, the total discretionary request for the Department of Defense is $439.3 billion. This was the amount most often referred to in DOD press releases as the FY2007 Department of Defense request when the budget was released in February.

Table 5. Administration Request for National Defense for FY2007, Budget Authority, Discretionary and Mandatory

(billions of dollars)

	2005 Actual	2006 Estimate	2007 Request
National Defense Discretionary (Function 050)			
Department of Defense — Military Discretionary (Subfunction 051)			
Military personnel	119.7	113.5	110.8
Operation and maintenance	178.6	177.7	152.0
Procurement	96.6	86.2	84.2
Anticipated funding for the Global War on Terror*	—	70.0	50.0
Research, development, test and evaluation	68.8	71.0	73.2
Military construction	7.3	8.9	12.6
Family housing	4.1	4.4	4.1
Revolving, management, and trust funds and other	3.8	4.8	2.4
Total, Department of Defense — Military Discretionary	**478.9**	**536.6**	**489.3**
Atomic Energy Defense Activities (Subfunction 053)			
Department of Energy defense-related activities	17.0	16.2	15.8
Formerly utilized sites remedial action	0.2	0.1	0.1
Defense nuclear facilities safety board	0.0	0.0	0.0
Total, Atomic Energy Defense Activities Discretionary	**17.2**	**16.4**	**16.0**
Defense-Related Activities (Subfunction 054)			
Federal Bureau of Investigation	1.2	2.3	2.3
Other discretionary programs	2.4	3.0	2.2
Total, Defense-Related Activities Discretionary	**3.7**	**5.3**	**4.5**
Total, National Defense Discretionary	**499.8**	**558.3**	**509.7**
National Defense Mandatory (Function 050)			
Department of Defense — Military Mandatory (Subfunction 051)			
Concurrent receipt accrual payments	1.5	2.3	2.4
Research, development, test, and evaluation	—	—	0.3
Revolving, trust and other DoD mandatory	5.0	0.8	0.8
Offsetting receipts	-1.5	-1.6	-1.5
Total, Department of Defense — Military Mandatory	**5.0**	**1.5**	**1.9**
Atomic Energy Defense Activities Mandatory (Subfunction 053)			
Energy employees occupational illness compensation program and other	0.7	1.7	1.0
Defense-Related Activities Mandatory (Subfunction 054)			
Radiation exposure compensation trust fund	0.1	0.1	0.0
Other mandatory programs	0.2	0.2	0.3
Total, Defense-Related Activities Mandatory	**0.3**	**0.3**	**0.3**
Total, National Defense Mandatory	**6.0**	**3.6**	**3.3**
Total, National Defense (Function 050)	**505.8**	**561.8**	**513.0**

Source: Office of Management and Budget, *Analytical Perspectives: Budget of the U.S. Government, FY2007*, Table 27-1.

***Note:** These are placeholder amounts for a request for supplemental appropriations for FY2006 and for a budget amendment for FY2007, not yet submitted. The final FY2006 supplemental provided $67.7 billion for national defense programs.

Overview of the Administration Request

On February 6, 2006, the White House formally released its FY2007 federal budget request to Congress. The request included $513.0 billion in new budget authority for national defense in FY2007, of which $50 billion was a placeholder for a later budget amendment to cover costs of overseas military operations, $441.2 billion was for regular operations of the Department of Defense (DOD), $17.0 billion was for Department of Energy (DOE) nuclear weapons programs, and $4.8 billion was for defense-related activities of other agencies (see **Table 5** above).

The $50 billion placeholder is not intended to cover the full costs of military operations in Iraq, Afghanistan, and elsewhere in FY2007. Rather, it is a "bridge fund" to cover costs in the initial months of FY2007. Remaining costs for the rest of the year will, if Congress agrees, be covered by a later supplemental appropriations bill.[2]

Along with the FY2007 budget request, the Pentagon released the results of the congressionally-mandated Quadrennial Defense Review (QDR) of defense policy. The year-long QDR was not a budget exercise, but it identified the kinds of military capabilities that senior DOD officials believe should be emphasized in years to come, and it endorsed a few budget decisions that were reflected in the FY2007 DOD request to Congress.

Highlights of the FY2007 Defense Budget Request

Aspects of the Defense Department's FY2007 request that appear to be of most immediate concern to Congress include:

(1) The Administration continues to request large amounts for Iraq and Afghanistan through "additional" or "emergency supplemental" appropriations not subject to limits on total discretionary federal spending and not subject to the full congressional authorization and appropriations review process. In the FY2007 budget, the Administration has, for the first time, requested part of the funding to carry on military operations in Iraq and Afghanistan before the start of the fiscal year in the form of a $50 billion budget amendment to the FY2007 request. In this, the Administration has followed Congress's lead — Congress provided a "bridge fund" of $25 billion for Iraq and Afghanistan in the FY2005 defense appropriations bill and of $50 billion in FY2006.

---

[2] On its own initiative, Congress provided a $25 billion bridge fund in the FY2005 defense appropriations act and a $50 billion bridge fund in FY2006. In each year, the White House later requested additional supplemental funds. In February 2006, the Defense Department requested $67 billion for overseas military operations in FY2006 in addition to the $50 billion appropriated last fall and $5 billion for DOD for domestic disaster costs. In the FY2006 supplemental appropriations act, H.R. 4939, P.L. 109-234, Congress provided $66.0 billion for overseas operations and $1.7 billion for DOD domestic disaster relief and repair. For a full discussion of the FY2006 supplemental, see CRS Report RL33298, *FY2006 Supplemental Appropriations: Iraq and Other International Activities; Additional Katrina Hurricane Relief*, Paul M. Irwin and Larry Nowels, coordinators.

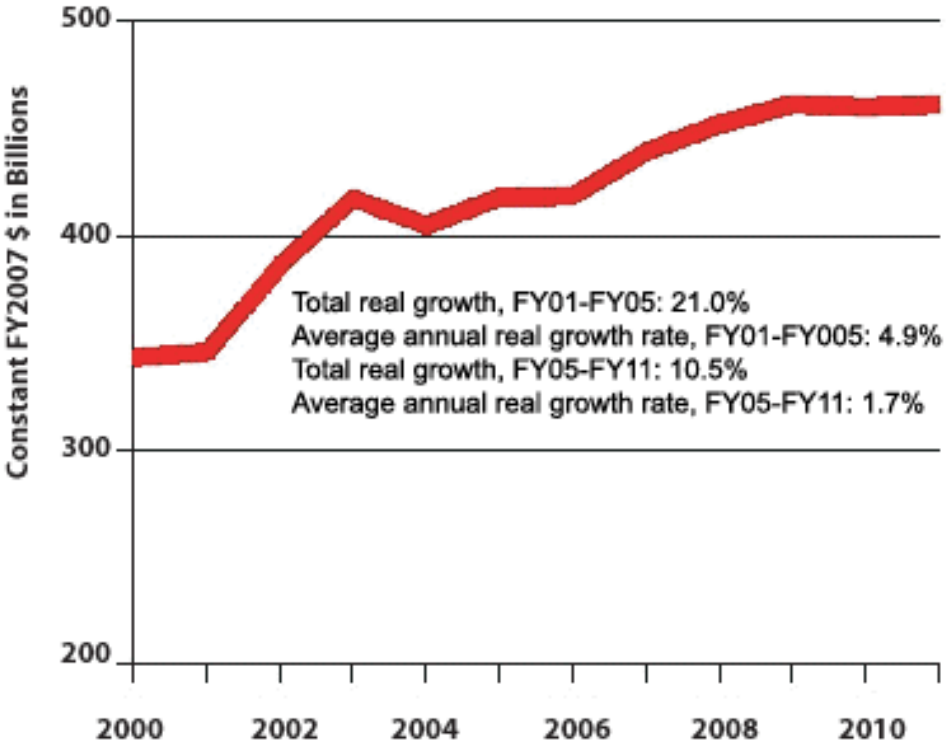
By submitting a budget amendment, the Administration gains a more direct and formal voice in proposing how to allocate the additional funds. The Administration will continue, however, to request more additional funding in an emergency supplemental appropriations bill to be submitted next year. Both the "bridge fund" and later supplemental appropriations will be requested over and above proposed limits on overall discretionary spending.

The key point remains this: Either in the form of a bridge fund or of emergency supplemental appropriations, the Administration is requesting that additional war funding not count against restrictive caps on regular annual defense and non-defense appropriations. War expenditures, however, have become a very large part of total annual defense spending, and, for that matter, of total defense and non-defense appropriations. For FY2006, Congress approved a $50 billion bridge fund for war costs last fall, and, in June of 2006, it approved additional supplemental appropriations of $66 billion, for a total of $116 billion. A few comparisons may help put this amount into perspective.

- Regular DOD appropriations for FY2006 were $411 billion, so the $116 billion for war increases defense funding by 28%.
- In last year's budget resolution, the FY2006 cap on total "non-emergency" appropriations, both for defense and for non-defense programs, was $843 billion, which was subsequently trimmed by 1% to $835 billion. The $116 billion for war adds 14% to federal discretionary funding.
- At the end of last year's budget cycle, Congress imposed an across-the-board cut of 1% in all appropriations bills, which trimmed federal spending by $8.4 billion, 7% of the amount it is providing for war costs.

An equally important point is that DOD requests for "additional" or "emergency" war appropriations are not subject to nearly the extent of review that Congress exercises over regular defense spending. The Administration decision to submit a budget amendment for a bridge fund is, at most, only a limited step in the direction of greater oversight. The amendment has not been submitted in advance of House action on the FY2007 defense authorization bill. Moreover, neither supplemental appropriations requests nor budget amendments are supported by the kind of detailed budget justification material that Congress expects to be provided with regular DOD funding requests. In part because of that, there appears to be a growing sentiment in Congress to the effect that full funding for ongoing military operations should be considered through the regular, annual defense authorization and appropriations process.

Figure 1. DOD Discretionary Budget Authority, FY2000-FY2011, Excluding Supplementals



(2) The regular DOD appropriations request for FY2007 is for $439.3 billion, $28.5 billion above the FY2006 enacted amount, an increase of 7%. Viewed in this way, the FY2007 budget appears to carry on the substantial defense buildup that has been underway for the past several years. But the story is a bit more complicated than that. The increase appears so large in part because Congress cut the FY2006 request by $8.5 billion — a $4.4 billion cut in the regular process and an additional across-the-board reduction of $4.1 billion at the end of the appropriations process.[3] Moreover, in an effort to stay within tight limits on overall appropriations for FY2007, the Office of Management and Budget trimmed DOD's FY2007 budget by $3.8 billion compared to the amount that was planned last year for FY2007. Out-year budget projections for the regular defense budget show spending leveling off to very modest rates of growth. The average increase between FY2005 and FY2011 is 1.7% per year above inflation, far below the 5% per year growth between FY2001 and FY2005 (see **Figure 1**).

That said, when additional and supplemental appropriations for war are included, total defense spending is continuing to grow. The total increase in defense between FY2005 and FY2006 will be about $56 billion if Congress approves the pending FY2006 supplemental. The increase between FY2006 and FY2007 could be as great.

---

[3] For a full discussion, see CRS Report RL32924, *Defense: FY2006 Authorization and Appropriations*, by Stephen Daggett.

So, the summary story line might be termed the "tale of two budgets." The budget is getting very tight for programs that are funded strictly within the regular defense budget — military service officials have testified that the congressional cuts in the FY2006 defense budget are requiring substantial reductions in some operations. At the same time, supplemental appropriations are soaring, and money is readily available for programs that are tied to the war effort.

(3) The Administration's FY2007 request rejects congressional proposals to increase Army and Marine Corps end-strength and cuts Air Force and Navy personnel levels. For FY2006 Congress authorized active duty end-strength of 512,400 for the Army of 179,000 for the Marine Corps. By the end of FY2007, however, the Defense Department plans to restore Army and Marine Corps end-strength to the pre-FY2004, pre-Iraq, "base-line" level — 482,400 for the Army, which is 30,000 troops lower than the current authorization, and 175,000 for the Marine Corps, which is 4,000 lower. Many Members of Congress have urged that the current authorized levels be made permanent in order to ease the pace of operations on ground forces. The Administration vigorously opposes a permanent increase, however, arguing that costs are high and that forces can be organized more efficiently to provide required combat troops.

Meanwhile, the Air Force plans to eliminate at least 40,000 full-time equivalent positions over the next five years through a mixture of reductions in active duty, reserve, and civilian personnel. And the Navy is cutting 12,000 active duty personnel between FY2006 and FY2007. Though no additional Navy cuts have been announced formally, it is widely expected that the Defense Department will trim an additional 20,000 or so positions from the Navy over the next few years.

(4) The Administration's FY2007 request provides funds for 333,000 Army National Guard (ARNG) troops rather than the 350,000 authorized and reflects a decision to reduce the number of combat brigades in the ARNG from 34 to 28. The Army has been unable to recruit and retain enough troops in the National Guard to reach its authorized end-strength. In the FY2007 request, the Army has requested funding only for 333,000 troops, though, after the budget was released, Army officials said that they would shift money into personnel and other related accounts if recruitment and retention improves. In its future plans, however, the Army projects ARNG end-strength of 333,000.

A more controversial issue is the Army plan to reduce the number of new, modularized ARNG combat brigades. As Army officials explain, the purpose of the change is to fully man the new brigades within authorized ARNG end-strength and to fully equip the combat units within available budget constraints. The change will likely mean that ARNG units in some states that will not, as had been planned, be outfitted as new, more capable combat brigades, will lose personnel. The units that remain, therefore, will also likely have less ability to carry out state disaster response and homeland defense missions. As a result, state governors and some National Guard leaders have been very critical of the plan.

(5) The FY2007 request includes only a modest 2.2% pay raise for troops and proposes increases in medical care fees and co-pays for under-age-65 military retirees. Since 1999, Congress has approved substantial

increases in military pay and benefits. Compared to economy-wide indices, uniformed military personnel now cost as much as 33% more, above inflation, than in the late 1990s.[4] In the FY2007 budget, the Administration is proposing measures to rein in the growth of pay and benefits. The proposed 2.2% military pay raise is the lowest since 1994. And the Administration has proposed increasing fees and co-pays for under-age-65 military retirees who are eligible for medical care through the military Tricare program. This is the first proposed increase in medical co-pays since the current Tricare medical care system for retirees and dependents was established in 1995.

(6) The FY2007 request proposes a few reductions in major weapons programs, some of which have been controversial in Congress. With the Defense Department carrying out its Quadrennial Defense Review in 2005, many expected some substantial changes in long-term budget priorities, including some cuts in major weapons programs. The QDR did not, however, make many far-reaching changes in on-going programs, and only a few reductions in weapons plans are reflected in the FY2007 budget request. Two have so far been controversial in Congress —

- A decision to halt procurement of the C-17 cargo plane in FY2007 after buying 180 of the aircraft since the program began in the mid-1980s; and
- A decision to drop plans to develop and buy engines for the F-35 joint strike fighter from two manufacturers and, instead, just to buy engines from one company.

(7) The Quadrennial Defense Review did not result in decisions on major, ongoing defense budget and program-related issues. The official Department of Defense report on the 2005-2006 Quadrennial Defense Review,[5] which was released along with the Administration's budget request in February, stated plainly that the year-long QDR exercise was not intended to be a systematic assessment of major defense programs. Instead, it was designed to provide a vision of the national security challenges facing the nation and to identify the kinds of military capabilities that are needed.

True to its word, the QDR report announced very few major program decisions, though it did mention some. Perhaps the most significant is to add 15,000 special operations troops, though without increasing overall military end-strength. For the most part, the QDR report simply endorsed ongoing initiatives, though often with wording carefully designed to keep options for policy-makers open. The result is to leave undecided some very far-reaching defense policy issues.

- For the Navy, the QDR report endorsed increasing "green" and "brown" water capabilities, construction of new prepositioning ships, 11 rather than 12 deployable aircraft carriers, construction of

---

[4] For a discussion, see CRS Report RL32877, *Defense Budget: Long-Term Challenges for FY2006 and Beyond*, by Stephen Daggett.

[5] Department of Defense, *Quadrennial Defense Review Report*, February, 2006. Available at [http://www.defenselink.mil/qdr/report/Report20060203.pdf].

two attack submarines per year at lower than current prices, and the conversion of a number of Trident II submarine-launched missiles to carry conventional (non-nuclear) warheads. But the report said nothing about other naval force issues. Notably, it did not mention the recently-released Navy shipbuilding plan for a combat fleet of 313 ships. Many question whether that plan is affordable.

- Regarding fighter aircraft acquisition plans in the Air Force, Navy, and Marine Corps, the QDR report endorsed a revised Air Force plan to stretch out F-22 procurement, but otherwise did not mention the number of short-range fighter and ground attack aircraft needed in the long term. The report put a great deal of emphasis on the need for long-range, prompt, global strike capabilities. This may appear to be at odds with plans to continue large investments in shorter-range strike aircraft that may have limited access to areas of combat in future conflicts, but the report did not address the issue.

- The report endorsed the Army's plan to reorganize into more deployable, modular combat brigades, but notably did not make an explicit commitment to provide the full funding needed to modularize all active and reserve combat units as the Army has planned[6]. The report also endorsed the capabilities being developed in the Army's Future Combat System development program, but, notably, did not explicitly endorse the program as a whole.

- The report said very little at all about satellites and other space programs. The only mention of a space program was to endorse an Air Force plan to restructure the Transformational Communications Satellite (TSAT) program to incorporate less risky technology. Other space programs have experienced problems like those in the TSAT program, but these are not mentioned. Space programs overall have grown dramatically as a share of the defense budget, and cost growth in major programs has been pandemic. And a major policy issue is how to protect space based systems from future threats and whether the U.S. security will be advanced by developing offensive space capabilities. The QDR discusses none of these issues.

Key Issues in Congress

Last year, congressional action on the annual defense authorization and appropriations bills featured extensive debates, first, over policy toward treatment of military detainees, and, toward the end of the year, over the pace of troop withdrawals from Iraq. This year, a continued debate over Iraq policy reemerged in congressional consideration of the FY2006 supplemental appropriations bill (H.R. 4939). That debate was renewed first in the House on June 15-16, when the

---

[6] For an overview of Army modularization, see CRS Report RL32476, *U.S. Army's Modular Redesign: Issues for Congress*, by Andrew Feickert.

leadership brought up a resolution (H.J.Res. 861) declaring "that it is not in the national security interest of the United States to set an arbitrary date for the withdrawal or redeployment of United States Armed Forces from Iraq." The House approved the resolution by a vote of 256-153.

The following week the Senate debated Iraq policy in floor action on the FY2007 defense authorization bill. On June 22, the Senate rejected two amendments on Iraq policy, one by Senator Levin calling for a phased reduction of troops to begin this year (rejected by a vote of 39-60) and another by Senator Kerry calling for withdrawal of most forces by July 1, 2007 (rejected by a vote of 13-86).

In addition to Iraq policy, other issues have emerged. What follows is a list of selected issues that have come up as debate about the FY2007 defense budget has progressed.

- **Funding cuts in the regular FY2007 defense appropriations bill:** Last year, Congress trimmed $4.4 billion from the regular FY2006 defense appropriations bill and applied the money to non-defense appropriations. Later, at the end of the process, Congress trimmed defense appropriations by an additional $4.1 billion as part of an across-the-board 1% cut in all appropriations, as an offset for Katrina-related funding. This year, the Senate took a step to avoid similar guns versus butter trade-offs in the FY2007 budget by adding $3.7 billion to the budget resolution (S.Con.Res. 83) cap on total discretionary spending. As last year, there appears to a considerable amount of opposition in Congress to proposed cuts in non-defense appropriations, and the defense bill may be seen as a source of offsetting funds because of the amount of money available for defense in emergency funding for overseas operations.

- **Limits on emergency funding:** The Senate-passed FY2007 budget resolution (S.Con.Res. 83) puts a cap of $90 billion on total emergency funding. War costs, including $50 billion that the Administration plans to request as an attachment to the regular FY2007 defense appropriations bill, plus a later emergency FY2007 supplemental request expected next February, together with requests for funds for Katrina-recovery, bird flu, border security, agricultural disaster relief, and other purposes, will almost surely exceed the cap by a substantial amount. If Congress ultimately approves such a cap, anything above $90 billion would require offsetting rescissions, including, quite likely, cuts in regular defense funding.

- **Providing full funding for overseas operations in regular defense funding bills:** Both last year and the year before, the Senate added "Sense of the Senate" language to the defense appropriations bill urging the Administration to request full funding for ongoing military operations in the regular authorization and appropriations bills. The Administration did not concur. But there appears to be more support in Congress for that approach now. On June 14, the Senate approved by 98-0 an amendment by Senator McCain to

require the President to request funding for Iraq in its regular, annual budget submission.

- **Army and Marine Corps end-strength:** The Administration is proposing ground force active duty end-strengths at the pre-2004 baseline level. Congress added 30,000 to Army and 4,000 to Marine Corps end-strength in FY2006, and there appears to be a great deal of support in Congress, particularly, but not only, among Democrats, for a permanent end-strength increase.

- **Funding for Army National Guard end-strength:** The FY2007 Army request trims about $500 million from Army personnel accounts and additional amounts from operation and maintenance accounts to reflect a troop level of 333,000 in the Army National Guard rather than the 350,000 authorized. Congress may mandate a higher force level.

- **2.2% pay raise:** Every year between 2001 and 2006, Congress approved an increase in basic pay of ½% above the employment cost index (ECI), a measure of the average growth of nationwide pay and benefits. An increase of ECI + ½% was mandated for 2004, 2005, and 2006 in the FY2004 national defense authorization act (P.L. 108-136). Now that provision has expired, and the normal pay raise, established in Section 1009 of Title 37, U.S.C., is equal to the ECI. The Administration, accordingly, has requested a pay raise equal to the ECI, which, for calendar year 2007, is 2.2%. If approved, that would be the lowest pay raise since 1994. There is considerable sentiment in Congress to provide more.

- **Increased TRICARE fees and co-pays for under-65 retirees:** There is also considerable sentiment in Congress against the Administration's proposed increases in fees and co-pays for TRICARE for retirees. The Administration argues, however, that rising medical benefits threaten to drive up military personnel costs substantially, and that concern has gained some traction in Congress.[7]

- **Flexibility for the Defense Department to provide support to foreign nations**: The Defense Department made a number of legislative proposals to expand its flexibility to provide various kinds of support to foreign nations that, in the past, have generally been provided through foreign assistance programs. Several of these proposals expand or make permanent temporary measures that Congress has approved in bills providing funds for operations in Iraq and Afghanistan. The most expansive DOD proposal is to permit the Secretary of Defense, with the approval of the Secretary of State, to use up to $750 million of defense funds per year to build the

---

[7] For a full discussion, see CRS Report RS22402, *Increases in Tricare Fees: Background and Options for Congress*, by Richard Best.

capacities of foreign militaries to engage in counterterrorist operations or to participate in or support stability operations in which the United States is engaged.[8]

- **Funding for National Guard and reserve equipment:** Funding for Guard and reserve units has become a more contentious issue in recent years, particularly as states look to National Guard units as the front line in possible homeland defense missions.

- **Adding a representative of the Guard and reserve components to the Joint Chiefs of Staff:** Several Senators have sponsored a bill to establish a 4-star rank reserve officer to serve on the JCS. The services have opposed such a measure.

- **Retiring an aircraft carrier:** The Defense Department wants to reduce the number of deployable aircraft carriers from 12 to 11. Last year, Congress included a provision in the FY2006 defense authorization act to prohibit such a reduction. Senator Warner, the Chairman of the Senate Armed Services Committee, now supports retiring a carrier, but there is still some opposition. The issue was initially addressed in action on the FY2006 supplemental appropriations bill, H.R. 4939, when Senator Warner proposed an amendment to permit retirement of the *U.S.S. Kennedy* aircraft carrier. That measure was not approved in the conference agreement on the bill, however. As a result, the Senate addressed the issue in the FY2007 appropriation authorization — see below.

- **Halting C-17 production:** The Defense Department did not request funds for new C-17 cargo aircraft in FY2007, and instead asked for funding only to terminate production after 180 aircraft have been produced. The Air Force, however, included in its FY2007 unfunded priorities list (UPL) a proposal for 7 C-17s as replacements for aircraft that may be worn out due to excessive wartime use. Some legislators want to keep production lines open for the foreseeable future.

- **B-52, F-117, and U-2 retirements:** The Air Force has proposed cutting the number of active B-52s from 94 to 56 and retiring F-117

---

[8] DOD's legislative proposals for inclusion in annual defense authorization bills are formally sent to Congress by the DOD Office of Legislative Counsel. The FY2007 proposals are posted on the internet at [http://www.defenselink.mil/dodgc/olc/legispro.html]. The proposal for authority to build the capacity of foreign military forces is in the third package of proposals, dated April 13, 2006. In the FY2007 National Defense Authorization Act, P.L. 109-163, Congress provided one-year authority for DOD to spend up to $200 million to build the capacity of foreign militaries. DOD's FY2007 legislative proposal would change the FY2006 provision in some ways. It would make the authority permanent, it would increase the maximum funding to $750 million, it would require concurrence of the Secretary of State rather than of the President, and it would allow the waiver of provisions in other laws that would otherwise prohibit assistance to specific countries or for specific purposes.

stealth attack aircraft and U-2 reconnaissance planes. In the past, Congress has repeatedly rejected Air Force proposals to retire B-52s.

- **Stretching out F-22 procurement:** The Air Force has requested stretching out F-22 production almost until F-35 procurement begins. The financing mechanism that it has proposed, however, violates long-standing DOD and Office of Management and Budget policy that requires full funding of complete end-items of equipment in annual appropriations for procurement programs. The stretch-out will increase total procurement costs, even though the Air Force wants to negotiate a multi-year contract for the remaining production. In the past, Congress has rejected Air Force proposals that violate the full funding policy, though it has supported incremental funding for more costly Navy ships.[9]

- **Eliminating funds to develop a second engine supplier for the F-35 Joint Strike Fighter:** DOD has proposed eliminating development of an alternate engine for the F-35. This would save about $1.7 billion in development costs through FY2011, according to the Air Force,[10] but it would also eliminate the benefits of ongoing competition between engine producers. Congress has held several hearings on the issue. Even senior DOD officials testifying on the matter have acknowledged being unenthusiastic about the proposal.

- **A new refueling aircraft for the Air Force:** While studies have found that current KC-135 refueling aircraft remain reliable, the Air Force wants a new tanker, arguing that possible corrosion of KC-135 air frames is a danger. Most recently, DOD has approved an initial request for information from industry about tanker options, the first step in acquiring a new aircraft.[11]

- **Converting Trident II missiles to carry non-nuclear warheads:** The Quadrennial Defense Review placed a new, high priority on capabilities to strike targets promptly at long range. In the short term, DOD is proposing to convert several Trident II missiles to carry non-nuclear warheads for rapid strike missions.[12] Congress

---

[9] For a full discussion, see CRS Report RL31404, *Defense Procurement: Full Funding Policy — Background, Issues, and Options for Congress*, by Ronald O'Rourke and Stephen Daggett.

[10] Jon Steinman and Tony Capaccio, "Pentagon Plans To Scrap F-35 Backup Engine, Cut Costs," Bloomberg.com, Dec. 29, 2005.

[11] Megan Scully, "Air Force Launches Latest Effort To Replace Aging Tankers," *National Journal Congress Daily PM*, Apr. 25, 2006

[12] For a thorough discussion and extensive background on the program, see CRS Report RL33067, *Conventional Warheads For Long-Range Ballistic Missiles: Background and Issues for Congress*, by Amy F. Woolf. Also see Michael R. Gordon, "Pentagon Seeks (continued...)

has balked at providing the funds requested for the program until it can address key questions. In addition, beginning some time after 2015, DOD is proposing to build a new, long-range strike system, which could be a manned or unmanned bomber.

- **Satellite and other space program acquisition:** For the past several years, Congress has expressed its displeasure with large cost growth and extensive schedule delays in a number of DOD space programs. Congress has cut funds substantially and mandated restructuring of some programs, including the Transformational Communications Satellite (TSAT) and Space Radar programs. Press accounts have also reported large changes in the highly classified Future Imagery Architecture program.[13] The Administration has announced a plan to restructure the TSAT program to rely on less risky technology.[14] The continuing issue for Congress is whether recent changes in space programs have reduced risk sufficiently and how fast new programs should proceed.

- **Missile defense funding and testing:** Missile defense remains the largest acquisition program in the defense budget. Congress has been reluctant to cut funding in the past, though it has trimmed some programs and defense committees have expressed concern about the testing program. The Missile Defense Agency now deploying ground-based interceptors in Alaska though the deployed system has not been tested as an integrated whole. One issue for Congress may be whether to tie funding to the test program.

- **Acquisition reform:** Last year, Congress approved a measure intended to improve tracking of cost growth in weapons programs by requiring that the Defense Department report changes compared to original estimates of the costs rather compared to periodically rebaselined program estimates. The result has been to show a substantial number of acquisition programs with cost growth exceeding or approaching levels that would trigger a program review under the requirements of the Nunn-McCurdy amendment. Last year Congress rejected, however, a requirement that programs with excessive cost growth be reevaluated compared to alternatives.

---

[12] (...continued)
Nonnuclear Tip For Sub Missiles," *New York Times*, May 29, 2006, pg. 1.

[13] Andy Pasztor, "U.S.'s Lofty Plans For Smart Satellites Fall Back To Earth: Big Delays and Cost Overruns Give Washington Pause; Technical Setbacks Loom; Reconsidering 1970s Designs," *Wall Street Journal*, Feb. 11, 2006, pg. 1.

[14] The Government Accountability Office raised some questions about the restructured program — Government Accountability Office, *Space Acquisitions: DOD Needs Additional Knowledge as it Embarks on a New Approach for Transformational Satellite Communications System*, GAO-06-537, May 24, 2006, available on line at [http://www.gao.gov/cgi-bin/getrpt?GAO-06-537].

Congressional Action on Major Issues

Bill-by-Bill Synopsis of Congressional Action to Date

Congressional Budget Resolution. In March, Congress began action on the annual congressional budget resolution, but did not reach a conference agreement. In its place both the House and the Senate approved measures "deeming" a cap of $827.8 billion on total discretionary funds to be in place. For amounts recommended for national defense in the House and Senate resolutions, see **Table 4** above.

The Senate Budget Committee reported its version of the budget resolution on March 10, and the full Senate approved the measure, S.Con.Res. 83, with amendments, on March 16. The committee recommended a level of defense spending about $3.7 billion below the Administration request. In floor action, the Senate adopted amendments that added $4 billion to the recommended defense total. The Senate also approved an amendment by Senator Lott to add $3.7 billion to the enforceable cap on total discretionary funding. This was intended to avoid cuts in defense appropriations as offsets for higher levels of non-defense spending.

The Senate measure also put a limit of $90 billion on total emergency funding in FY2007, which is substantially below the amount that appears likely to be requested to finance ongoing military operations and domestic disaster-response commitments. This effort in the Senate to place constraints on emergency spending may be a harbinger of battles later in this year's appropriations process and in next year's budget debate.

The House Budget Committee reported its version of the budget resolution, H.Con.Res. 376, on March 31. The committee measure recommended the Administration-requested level of defense spending. The leadership did not bring the measure to the floor in April in the face of internal Republican opposition. In May, however, Republicans agreed on a measure that may provide room for a substantial increase in funding for some domestic discretionary programs while officially still adhering to the Administration's proposed cap on total discretionary spending. The House passed the revised measure on May 18 after rejecting several alternative budget resolutions. The House resolution includes a cap only on non-defense emergency funding.

FY2007 National Defense Authorization. The House Armed Services Committee marked up its version of the FY2007 defense authorization bill, H.R. 5122, on May 3, and the House passed the measure on May 11. Highlights of the committee's bill and of floor action follow.

The Senate Armed Services Committee marked up its version of the bill, S. 2766, on May 4 and reported it on May 9. Floor action in the Senate began on June 12, and the Senate passed by measure on June 22. Highlights of the committee's bill and of floor action are discussed below. Also **Table 3**, above, shows the amounts authorized in each version of the defense authorization bill by title. **Table A4** in the Appendix to this report compares House and Senate authorized funding for selected major weapons programs.

It is important to note that the national defense authorization act does not provide funding for these programs, only the appropriations acts do. The appropriations acts may provide more than, less than, or the same as the amounts authorized for various programs; may provide money for programs not authorized, including new starts of programs; and may put restrictions on the use of funds that are not in the authorization or that are at odds with provisions in the authorization.

FY2007 Defense Appropriations. The House Appropriations Committee marked up its version of the FY2007 defense appropriations bill, H.R. 5631, on June 13, and the full House debated and approved the measure on June 20. The Senate Appropriations Committee marked up its version of the bill on July 20, and the full Senate began debate on the bill on August 1 and finally approved the bill on September 7. A conference agreement on the bill was announced on September 21, reported on September 25, and approved in the House on September 25. **Table 2**, above, shows funding provided in the bill and in the Military Quality of Life/VA appropriations bill in the House and in the Military Construction/VA bill in the Senate.

FY2007 Defense Authorization — Highlights of the House Armed Services Committee Bill

Among the very broad range of issues that the House authorization bill addressed a few major points stand out. One is that the House Armed Services Committee appears to have put somewhat more emphasis than DOD on maintaining current military capabilities than on pursuing long-term defense transformation. This is particularly true for some programs in which the risk of delays and cost growth in weapons development appears high.

The committee seems more inclined to support the current Army modularization program, for example, than to continue investing increasing amounts in the Future Combat System. Similarly, the committee slightly trimmed higher risk missile defense technologies in favor of more immediately deployable systems. And the committee continued, as it has in past years, to cut funding for satellite programs that may be seen as reaching too far ahead with technologically risky approaches, though cuts in the Transformational Communications Satellite (TSAT) and the Space Radar were not nearly as large as congressional cuts in the past two years.

Another key point is that the committee supported larger Army, Marine Corps, and Army National Guard end-strength than the Administration wants. This may have very large long-term budget implications.

Also, as in the past, the committee was reluctant to support proposed cuts in weapons programs. It did not agree to halt production of the C-17 cargo aircraft, for example, and it restored funds to develop an alternative, second engine supplier for the F-35 Joint Strike Fighter.

The committee also did not fully support Administration proposals to rein in the cost of personnel pay and benefits, and it added a substantial new health benefit for reservists. The committee increased the proposed military pay raise from 2.2% to

2.7%, it rejected the DOD proposal to reduce health care costs by increasing under-65 retiree medical fees and co-pays, and it made all reservists, except federal employees covered by the government health insurance program, eligible to enroll in the TRICARE medical insurance program with a fee of 28% of the cost. The committee did approve one measure to increase co-pays for some prescription drug purchases.

Significantly, the Committee did not approve a number of Administration proposals to give regional combatant commanders greater authority and resources to build the capabilities of foreign military forces. The Senate Armed Services Committee, in contrast, approved most of the Administration's proposals, although with some restrictions.

Finally, the committee slowed down two programs that might be seen to have negative international diplomatic consequences — one to develop a laser that might be used as an anti-satellite weapon and the other a high-profile Administration proposal to convert some Trident II missiles to carry conventional (non-nuclear) warheads.

Highlights of committee action include:

- **$50 billion bridge fund for overseas operations:** The committee approved $50 billion in emergency funding for costs of military operations in Iraq, Afghanistan, and elsewhere in FY2007. In FY2006, total costs of overseas operations were almost $120 billion, so average monthly $12 billion. If that rate continues, the bridge fund will cover costs for the first five months of FY2006 — that is, through January, 2007. Additional funds will then be needed to cover costs for the remaining seven months of the year.

- **Ground force end-strength:** The committee bill increases Army end-strength by 30,000 (to 512,400), and Marine Corps end-strength by 5,000 (to 180,000). The bill also authorizes funding for an end-strength of 350,000 for the Army National Guard, 17,000 above the request. End-strength may be a major dispute between Congress and the Administration this year.

- **Pay raise:** The bill provides a pay raise of 2.7% for uniformed personnel, rather than the 2.2% requested.

- **Tricare fees and co-pays for under-65 retirees:** The bill rejects increases in retiree fees and co-pays through December 31, 2007 and establishes a task force to consider ways to control DOD medical costs.
- **Tricare for reservists:** The committee added an amendment in full committee markup to allow all reservists — except federal employees eligible for the government health insurance system — to enroll in Tricare by paying 28% of the cost of the program (the same cost share as federal employees pay). Last year, in the conference on the FY2006 authorization bill, Congress rejected a

similar Senate amendment. Instead, Congress made Tricare available, with a fee of 50% of the cost, to reservists who were unemployed or who did not have access to employer-provided health insurance. This is especially significant because the House has now, for the first time, approved Tricare for reservists in its version of the defense authorization — the Senate has approved it for the past two years.

- **Budget scoring of TRICARE-for-Life costs:** In the FY2001 national defense authorization act, P.L. 106-398,Congress made over-65 military retirees eligible to receive medical care through the DOD TRICARE program as a supplement to Medicare. This has proved to be an expensive increase in benefits. In FY2007, the DOD budget includes more than $11 billion for contributions to the Medicare Eligible Retiree Health Care Fund to cover the actuarially determined cost of future benefits for current uniformed personnel. In the FY2005 defense authorization, P.L. 108-375, Congress approved a measure intended to count those costs not as expenses of the Defense Department, but as costs to the general treasury. The provision expressed the sense of Congress that the shift in costs should not reduce the defense budget, but should, instead, permit an increase in funding for weapons programs and other defense priorities. The Office of Management and Budget (OMB), however, continued to score the contributions as discretionary funds in the Department of Defense budget, though as permanent rather than as annual appropriations.[15] OMB also urged the chairmen of the House and Senate Budget Committees to direct the Congressional Budget Office to score the contributions in the same way, and both chairmen agreed. In its version of the FY2007 authorization, the House Armed Services Committee included a provision directly mandating that the costs of TRICARE-for-Life contributions not be scored as part of the DOD budget after FY2007.

- **Death gratuity for federal civilian personnel:** The bill provides the same death gratuity for civilian personnel killed in support of a military operation as for uniformed personnel. The FY2006 National Defense Authorization Act (P.L. 109-163) increased the military death gratuity from $12,000 to $100,000.

- **Funding for readiness:** The committee objected to cuts in ship steaming days, flying hours, and depot maintenance and shifted $856 million from other programs in service operation and maintenance accounts to finance increases in these readiness-related activities.

---

[15] For OMB's rationale, see Office of Management and Budget, *Analytical Perspectives: Budget of the U.S. Government, FY2006*, Chapter 6, pp. 422-425, on line at [http://www.whitehouse.gov/omb/budget/fy2006/pdf/spec.pdf].

- **Army Future Combat System development:** The committee expressed concern about cost growth, schedule delays, and the long-term affordability of the FCS program, cut $326 million from the $3.7 billion requested, and mandated a formal DOD review of program with a go/no go decision to be made by the end of 2008.

- **Army modularization:** The committee expressed concern about the affordability of the Army's program to build a new modular brigade-centered force structure in view of potentially competing costs of the FCS and of resetting the force after Iraq. The committee added funds for M-1 tank and Bradley Fighting Vehicle upgrades, saying that these programs were required to support modularization. It also required the Army to provide a long-term funding profile.

- **Guard and reserve equipment:** The committee added $318 million for Army National Guard (ARNG) equipment to support its addition of 17,000 to ARNG end-strength.

- **Navy shipbuilding:** The committee added $400 million in advance procurement to support building two Virginia-class submarines in FY2009, rather than the one now planned. The Navy has objected on the grounds that it will require too much money in FY2009 for submarines at the expense of other programs. The committee also mandated a submarine fleet of 48 boats, which is what the Navy currently plans. The committee approved the same amount of funding that the Navy requested for DD(X)/DDG-1000 destroyer procurement, but allocated all the funds to buy one ship rather than split the funding between two ships. This is of concern to some shipyard proponents, who want to begin providing funding to two shipyards. Last year, the committee had proposed eliminating the DD(X). Notably, the committee rejected an amendment in the full committee markup by Representative JoAnne Davis to provide advance funding for common long-lead items for three new aircraft carriers. Though the committee appears to support the Navy's 313 ship plan, it does not seem ready to lock in funding for some aspects of the Navy program.

- **F-22 procurement profile:** The committee rejected the Air Force plan for incremental procurement of the F-22 and added $1.4 billion in FY2007 ($2 billion was requested) to cover the full cost of buying 20 complete aircraft.

- **F-35 alternate engine and development concurrency:** The committee rejected the Air Force proposal to halt development of an alternate engine for the F-35 Joint Strike Fighter and added $408 million for second engine R&D. The committee also trimmed $241 million from long-lead funding for aircraft to be procured in FY2008, citing excessively concurrent development and procurement in the program.

- **C-17 procurement:** The committee added $300 million for three C-17s in Title IX of the bill, which authorizes emergency funding for overseas operations. The committee also required the Air Force to operate at least 299 heavy-lift cargo aircraft. So the committee would mandate at least seven more C-17s, rejecting the Administration's plan to terminate C-17 production after FY2007.

- **B-52 and U-2 retirements:** The committee prohibited any B-52 retirements until a replacement capability is available (which is not planned until some time after 2015) and prohibited retirement of any U-2s unless DOD certifies that the aircraft are not needed to mitigate any reconnaissance gaps identified in the Quadrennial Defense Review.

- **Missile defense:** The committee cut a net total of $185 million from missile defense R&D. It added $20 million for ground-based mid-course defense (GMD) testing and $40 million for Navy ship-based interceptor systems. It cut $100 million from the boost-phase Kinetic Energy Interceptor (KEI) program, $56 million for activating a third GMD site in Europe since no site has been agreed to, $65 million from the multiple kill vehicle program, and $41 million for a high-altitude airship sensor program. The committee also prohibited expenditure of $200 million for the GMD program until the system has completed two successful intercept tests. The committee also included a policy provision requiring a report on the purpose, costs, vulnerability, and international diplomatic implications of space-based interceptors.

- **Space systems:** The committee cut $80 million from the Transformational Communications Satellite (TSAT) program and $30 million from the Space Radar, reflecting continued congressional concern about technical risks in both programs. The committee provided $20 million and established a new office to promote development of new, low-cost, rapidly deployable satellites.

- **Anti-satellite weapons:** The committee included a policy provision that prohibits the use of funds to develop laser space technologies for anti-satellite weapons. This provision may be a response to Air Force development of such capabilities at a laser and optics test facility in New Mexico.[16]

- **Trident II missile conversion:** The committee included a policy provision requiring consultations with allies about the Quadrennial Defense Review decision to convert Trident II missiles to carry conventional warheads.

---

[16] William J. Broad, "Administration Conducting Research Into Laser Weapon," *New York Times*, May 3, 2006.

- **Information technology funding cut:** The committee cut $341 million from DOD information technology programs, which total $31 billion, as one means of offsetting increases in other programs.

- **VH-71 Presidential helicopter funding cut:** The committee trimmed $39 million from the program due to development delays.

- **Department of Energy nuclear weapons programs:** The committee required the Energy Department to submit a report on plans to transform the nuclear weapons production complex and specified a number of policy objectives.

- **Cooperative threat reduction with the former Soviet Union:** The committee cut $35 million for a U.S. supported Russian system to convert plutonium to non-weapons-grade fuel because of concerns that the system could, in fact, produce more plutonium. And the committee cut another $115 million from $290 million requested for another plutonium conversion technology.

- **Acquisition of programs with large cost growth:** The committee approved an amendment in full committee markup that would require DOD to allow competing contractors to make challenge bids for work on programs that exceed critical cost growth ceilings — currently 25% growth over original estimates.

- **DOD support for foreign nations:** The committee included in the bill a DOD proposal to allow up to $200 million a year to be used for logistical support of foreign nations engaged in combined military operations with the United States and to permit DOD to provide equipment temporarily to foreign military forces in combined operations. It did not include the DOD proposal to use defense funds to build the capacity of foreign militaries for counterterrorism or stability operations, as the Senate Armed Services Committee did (see below for a discussion), nor did it approve other, related Administration proposals.

- **Provisions restricting acquisition of foreign-made items in defense acquisition:** As it has in the past, the House Armed Services Committee included a number of provisions in its version of the authorization bill to limit defense acquisition of foreign-made goods. One provision, Section 812, would prohibit defense contracts with a foreign company that has received government subsidies. Another, Section 831, would prohibit procurement of a specialty metal or item critical to national security unless it is reprocessed, reused, or produced n the United States. Section 832 would establish a board to identify items critical to national security.

- **Prohibition on procurement of items from companies that provide defense goods to China:** The House committee also included a provision, Section 1211, that would prohibit defense

purchases from any company that provides material on the U.S. Munitions List to China.

FY2007 Defense Authorization — Highlights of House Floor Action

On May 9, the House Rules Committee considered almost 100 proposed floor amendments to the authorization bill. In an initial rule on the bill, it permitted just eight of them, and in a second rule, permitted 27 more — 12 as part of three *en bloc* amendments and another 15 amendments that were debated separately. Democrats objected to the Rules Committee's refusal to permit several amendments, including an amendment by Representative Skelton, the ranking Democrat on the Armed Services Committee, that would have reversed a measure in the committee bill that increased co-pays for some prescription drug purchases.

Perhaps the most high profile amendment to pass (by a vote of 252-171) was a proposal by Representative Goode to permit the Secretary of Defense to assign military personnel to support the Department of Homeland Security in border protection. Mr. Goode has offered a similar amendment for the past several years, and before that, Representative Traficante perennially offered a similar measure. The amendment has often passed in the House but has never been accepted in the final conference agreement. This year, there was an extensive floor debate. And after its approval, the President proposed a program to deploy 6,000 National Guard troops to support border operations.

The House repeated another perennial debate over an amendment by Representatives Andrews, Davis (CA), Sanchez (CA), and Harman to permit privately funded abortions for U.S. military personnel or their dependents at military hospitals overseas. It was rejected by a vote of 191-237.

The House also rejected, by a vote of 124-301, an amendment by Representative Tierney to cut $4.7 billion from the Missile Defense Agency budget and allocate the funds to other defense priorities.

And the House rejected, by a vote of 202-220, a motion by Representative Salazar to recommit the bill to committee with instructions to report back a measure that includes an amendment to change current procedures under which Survivor Benefit Plan benefits are reduced. Under current law, benefits to survivors of those who die while in service are reduced by the amount of Veterans Affairs benefits.

Other amendments permitted by the rule were all approved by voice vote. One measure that passed was to require a study of the health impact of past ocean dumping of chemical weapons.[17] In general debate on the bill, both Democrats and Republicans on the Armed Services Committee repeated lauded the committee bill as a bipartisan measure that was approved in the committee by a vote of 62-1. **Table 6** summarizes House floor action on selected amendments.

---

[17] For a discussion of this issue, see CRS Report RL33432, *U.S. Disposal of Chemical Weapons in the Ocean: Background and Issues for Congress*, by David Bearden.

Table 6: House Floor Action on Selected Amendments: Defense Authorization Bill, H.R. 5122

Sponsor	Purpose/*Congressional Record* Page Reference	Outcome
Andrews	Requires a study to determine whether any have been affected by ocean disposal of munitions (pp. H2447-48).	Agreed, voice vote
Andrews, for Davis (CA), Harmon, Sanchez (CA)	Lifts the current ban on privately funded abortions at U.S. military facilities overseas (pp. H2448-51, H2466-67).	Rejected, 191-237
Tanner	Expresses a Sense of Congress that the Army should consider converting to six-month deployments in Iraq and Afghanistan (p. H2453).	Agreed, voice vote
Franks (AZ)	Transfers $1 mn to provide health care for Iraqi children (pp. H2467-68).	Agreed, voice vote
McDermott	Directs a comprehensive study of the health effects of exposure to depleted uranium munitions (pp. Pages H2531-32)	Agreed, voice vote
Lewis (KY)	Provides that no more than 20% of a service member's paycheck can be garnished to recover overpayments through no fault of the service member (pp. H2537-40).	Agreed, in *en bloc* amendment, voice vote
Taylor (MS)	Requires DOD to equip 100% of U.S. military vehicles in Iraq and Afghanistan with IED jammers (pp. H2541-42).	Agreed, voice vote
Goode	Authorizes the Secretary of Defense to assign members armed services to border security (pp. H2526-28, H2542-43).	Agreed, 252-171
Tierney	Reduces missile defense agency funding from $9.3 bn to $4.47 bn, prohibits deployment of space-based interceptors (pp. H2532-37, H2543-44).	Rejected, 124-301

FY2007 Defense Authorization — Highlights of the Senate Armed Services Committee Bill

The Senate Armed Services Committee marked up its version of the defense authorization, S. 2769, on May 4. A few themes stand out in the markup.

One is that the Senate committee approved 30,000 more troops than requested for the Army and 5,000 more for the Marine Corps and also authorized 350,000 troops for the Army National Guard (ARNG), 17,000 above the number for which the Army requested funding. The House also approved the same, higher end-strength for ground forces. So Congress did not agree with Administration plans to reduce active ground forces to the pre-Iraq level.

The Senate committee also undertook a number of initiatives to strengthen government-wide capabilities to engage in counterterrorism and stability operations. One potentially far-reaching initiative is to agree to an Administration proposal to expand the authority of regional military commanders to train and equip foreign military forces and to provide humanitarian and other assistance to foreign nations. These activities have traditionally been managed by the State Department under legal authorities that include, among other things, human rights conditions. In bills funding operations in Afghanistan and Iraq, Congress has temporarily provided some of this authority, but the Administration wants Congress to write it into permanent law. The committee restricted funding for the most far-reaching measure to two years, saying that the program it should be regarded as a pilot project with an assessment to follow. The committee also required consultations with ambassadors and did not agree to allow waivers of human rights and other restrictions on assistance.

The Senate committee appeared more supportive of the Army Future Combat System (FCS) than the House committee, and provided the full $3.7 billion requested for the program. The committee did, however, mandate a review of the program, including an independent cost estimate of the program itself and of all associated Army programs. If the most recent Army cost estimates for the FCS appear unstable, Congress may consider ending or substantially restructuring the program.

Highlights of the committee markup include:

- **Total funding:** The Committee authorized $517.7 billion for defense, including $50.0 billion in emergency funding overseas operations and $467.7 billion in budget authority for DOD, DOE and other non-emergency programs. The total is $3.7 billion above the request and above the House authorization.

- **Army and Marine Corps end-strength:** The committee authorized end-strengths of 512,400 for the Army, 30,000 above the request, and of 180,000 for the Marine Corps, 5,000 above the request.

- **Army National Guard end-strength:** The committee also approved an end-strength of 350,000 for the ARNG, 17,000 above the request,

and stipulated that, if the Army fails to recruit and retain enough personnel to meet the authorized level, and money saved may be used only to procure ARNG equipment.

- **Military pay raise:** The committee approved the requested pay raise of 2.2% rather than the 2.7% raise the House authorized.

- **TRICARE fees and co-pays for under-65 retirees:** As did the House, the Committee rejected increases in retiree TRICARE fees and co-pays. The Committee also required the Government Accountability Office to carry out a full audit of DOD health care costs, including comparisons of the Administration's proposed fee increases with increases in federal civilian health insurance fees.

- **Flexibility for DOD to support foreign nations for counterterrorism operations:** The Senate committee agreed to a number DOD's proposals to allow regional combatant commanders flexibility to use DOD funds to train and equip foreign militaries and to provide humanitarian and reconstruction assistance to foreign governments in support of counterterrorism operations, though with some amendments. In particular, the committee agreed to make available $200 million per year for the next two years, rather than $750 million per year indefinitely, to build the capabilities of foreign militaries. The committee specified that no more than $50 million per year could be used by any one regional combatant commander, and required detailed consultations with U.S. ambassadors. The committee also required the President to develop a plan to better coordinate interagency counterterrorism practices. With the appropriations committees cutting foreign operations funding for the State Department and AID, the Defense Department is, in effect taking on many roles that the State Department formerly carried on.

- **Detainee treatment:** The committee required an official government-wide coordinated legal opinion on whether specified interrogation techniques constitute cruel and inhuman treatment.

- **Use of armed forces for domestic activities:** The committee proposed amendments to the Insurrection Act that would make it easier for the President to employ the armed forces to respond to domestic emergencies, such as the aftermath of Hurricane Katrina.

- **UAV policy:** The committee directed the Secretary of Defense to develop a comprehensive policy on UAVs and to give UAVs a preference in developing new systems.

- **Navy shipbuilding:** The committee added $1.5 billion to the shipbuilding request for a total of $12 billion. Increases include accelerating LPD procurement, increased advance procurement funds for the CVN-21 carrier and the LHA(R) amphibious ship. The committee included $50 million in advance procurement funding for

long-lead items for three new CVN-21-class carriers, a measure that the House committee specifically rejected in a vote in the full committee markup.

- **Permitting a reduction from 12 to 11 deployable aircraft carriers:** The committee bill includes a provision repealing last year's requirement that the Navy maintain 12 deployable carriers. If approved this would allow retirement of the *USS Kennedy*.

- **Continued C-17 production:** As in the House bill, the committee bill rejects the DOD proposal to terminate C-17 production. The Senate bill authorizes funds for 2 aircraft in FY2007 and advance procurement for continued production later.

- **Army Future Combat System (FCS) funding:** As opposed to the House, the Senate committee authorized the full $3.7 billion requested for FCS development. The committee also, however, required a review of the program, including an independent cost estimate, though not with a view to a go/no go decision, as the House mandated.

- **Readiness:** The committee used the $50 billion emergency "bridge" fund as a means of adding funds to regular service accounts to correct some readiness-related shortfalls. The committee added $515 million in the emergency funds, for example, for Navy operations, $231 million for Army operations, and $106 million for Marine Corps operations. So, in effect, the committee is ameliorating constraints on the regular service budgets by adding funds for regular military operations to the emergency fund.

- **Acquisition reform:** The committee approved several measures to reform defense acquisition procedures, though none nearly so far-reaching as the House committee measure to recompete projects with excessive cost growth. One Senate committee measure is to align the tenure of program managers with the progress of their programs and another to require that incentive payments be more directly linked to acquisition outcomes.

- **Land exchanges to build buffers around military facilities:** The Defense Department has long been concerned about the encroachment of civilian development on military facilities. The Senate committee approved a measure to allow DOD to exchange excess land for other land that would be a buffer for military sites.

- **Cooperative threat reduction with former Soviet states:** In contrast to the House authorization, the Senate committee made no reductions in the $1.7 billion requested for Department of Energy nonproliferation programs (which finance plutonium purchases and reprocessing, for example) or the $372 million for the Department of Defense Cooperative Threat Reduction program.

- **R&D science and technology funding target:** Congress has required that the Defense Department invest 3% of the overall budget in basic science and technology (S&T) R&D programs. DOD has perennially fallen short of that target. The Senate committee included a provision requiring annual growth of 2% per year above inflation in S&T accounts.

- **Missile defense funding:** The Senate committee approved the full $9.3 billion requested for Missile Defense Agency (MDA) R&D programs (see **Table A2** for details of the request), but, like the House, shifted funds away from longer-term, more risky programs to near term projects. The committee added $200 million for Ground-based Midcourse Defense (GMD) flight testing and $100 million for the Navy interceptor system. It cut $200 million from the $406 million requested for the boost-phase Kinetic Energy Interceptor.

- **Space systems:** The committee expressed support for DOD's restructuring of the Transformational Communications Satellite (TSAT) program, but trimmed $70 million from the program (an 8% cut) saying that it could not be executed. The committee also cut $66 million (a 24% cut) from the Space Radar program and expressed concern about the lack of a cost sharing agreement with the intelligence community.

- **Long-range strike/Trident II missile conventional warhead:** The committee expressed support for DOD's plan to develop prompt global strike capabilities, and provided the full $127 million requested to convert Trident II missiles to carry non-nuclear warheads. But, like the House committee, the Senate committee was concerned about the international diplomatic issues and prohibited expenditure of more than $32 million on conversion until the Secretary of Defense, after consulting with the Secretary of State, provides a report on the matters at issue.

- **B-52 retirements:** The committee prohibited the proposed retirement of B-52 bombers until the Air Force reports on force requirements, but also approved a measure that (1) permits the retirement of up to 18 B-52H aircraft, (2) requires that remaining B-52Hs all be equipped with the specific upgrades, and (3) says the committee expects no additional B-52H retirements.

- **F-35 Joint Striker Fighter alternative engine:** Like the House, the Senate committee added $400 million to continue development of an alternate second engine for the F-35.

- **F-35 schedule delays:** The committee cut $1.2 billion from F-35 procurement funds due to schedule delays.

- **F-22 funding:** Like the House, the Senate committee rejected the Air Force plan to stretch out F-22 production and to provide funding incrementally rather than financing the full cost of deployable aircraft in the year for which funding is requested. The committee added $1.4 billion for full funding for the requested 20 F-22s.

FY2007 Defense Authorization — Highlights of Senate Floor Action

The Senate began floor consideration of its version of the defense authorization bill, S. 2766, on June 12. On June 15, the Senate began a debate over Iraq policy. By a vote of 93-6, the Senate agreed to a motion by Senate Minority Leader Reid to table an amendment by Senator McConnell, SA 4269, requiring the President to establish a schedule for withdrawing U.S. combat troops from Iraq by December 31, 2006, leaving only troops needed to stand up Iraqi security forces. Senator McConnell brought up the measure that was originally authored by Senator Kerry, though Senator Kerry himself had not offered it, to force a debate on the matter.

Later, on June 21 and 22, the Senate considered two other Iraq policy amendments, one by Senator Levin to require that troop reductions begin this year and another by Senator Kerry requiring that most troops be withdrawn from Iraq by July 1, 2007. The Senate rejected both measures on June 22.

The Senate considered one other measure related to the war, an amendment by Senator McCain, SA 4242, to require the President to request funding for ongoing military operations with the regular federal budget request submitted in February of each year (approved by a vote of 98-0 on June 13). For the past two years, the Senate has approved amendments by Senator Byrd expressing the Sense of the Senate urging this, but the Administration has continued to request funding in supplementals.[18] In the past, in bill signing statements Presidents have, on several occasions, rejected as unconstitutional, legislative provisions that direct the Administration to include particular programs or activities in budget requests. Administrations have, nonetheless, sometimes adhered to such congressional requirements. In the conference report on the FY1996 defense appropriations act, P.L. 104-61, Congress required the Administration to request funding for Southwest Asia operations in the regular FY1997 defense request, though it did so not in the bill, but only in report language. The Clinton Administration agreed and requested funding for ongoing operations in Southwest and Bosnia in its FY1997 request.[19] The McCain amendment, like the Byrd amendments to the FY2005 and FY2006 defense appropriations bills, would mean that the full cost of ongoing military operations — almost $120 billion in FY2006 — would be considered along with the rest of the federal budget at the start of next year's Congress.

---

[18] See Section 8138 of the FY2005 defense appropriations act, P.L. 108-287, and Section 8117 of the FY2006 defense appropriations act, P.L. 109-148.

[19] For a discussion of precedents for funding operations in regular or in supplemental bills from Korea on, see CRS Report RS22455, *Military Operations: Precedents for Funding Contingency Operations in Regular or in Supplemental Appropriations Bills*, by Stephen Daggett.

Table 7 briefly reviews Senate floor action on selected amendments.

Table 7: Senate Floor Action on Selected Amendments: Defense Authorization Bill, S. 2766

Sponsor/ Number	Purpose/*Congressional Record* Page Reference	Outcome
June 14, 2006		
Lautenberg/ Stabenow #4205	To prohibit increased retail pharmacy co-payments, pages S5837, S5839-40.	Agreed voice vote
Dorgan #4230	To eliminate fraud and abuse and improve competition in Federal contracting, pages S5845-47, S5852-53, S5854-57, S5861.	Tabled 55-43
McCain #4242	To require budgeting for ongoing military operations in regular requests, pages S5859-61, S5862-65.	Agreed 98-0,
June 15, 2006		
Feingold #4256	To strengthen the Special Inspector General for Iraq Reconstruction, pages S5914-17.	Agreed voice vote
Biden #4257	To state the policy of the United States on the nuclear programs of Iran, pages S5917, S5921-22	Agreed 99-0
Warner/ Levin #4280	To repeal the statutory requirement in place since FY1985 that the Defense Department submit an annual report on Allied Contributions to the Common Defense, page 5933	Agreed voice vote
Inhofe #4284	To modify the American Servicemembers' Protection Act of 2002 to permit certain military cooperation with and aid to nations that have not exempted U.S. troops from the jurisdiction of the International Criminal Court, page 5936.	Agreed voice vote
Lugar #4285	To repeal restrictions on funding for chemical weapons demilitarization programs in Russia under the Cooperative Threat Reduction Program, page S5936.	Agreed voice vote
Santorum #4234	To authorize assistance for pro-democracy programs and activities inside and outside Iran and to enhance the Iran-Libya Sanctions Act of 1996, pages S5917-21.	Rejected 45-54
Warner #4286	To amend Buy American Act provisions regarding acquisition of certain speciality metals, page S5936.	Agreed voice vote
McConnell #4265	To require the withdrawal of United States Armed Forces from Iraq and urge the convening of an Iraq summit, pages S5927-29.	Tabled 93-6
Feingold #4192	To provide for the redeployment of United States forces from Iraq by December 31, 2006, pp. S5913-14.	Withdrawn

Sponsor/ Number	Purpose/*Congressional Record* Page Reference	Outcome
June 16, 2006		
Sessions #4295	To require a report on reporting requirements applicable to the Department of Defense, pages S5995-96.	Agreed voice vote
Obama/ Coburn #4254	To require the use of competitive procedures for Federal contracts worth over $500,000 related to hurricane recovery, subject to existing exceptions, pages S5995-96.	Agreed voice vote
June 20, 2006		
McConnell #4272	To affirm the Iraqi Government position of no amnesty for terrorists who have attacked U.S. forces, pages S6110-17.	Agreed 64-34
Nelson (FL)/ Menendez #4265	To express the sense of Congress that the Government of Iraq should not grant amnesty to persons known to have attacked, killed, or wounded members of the Armed Forces of the United States, page S6117	Agreed 97-19
Ensign/Reid #4308	To provide for expansion of the Junior Reserve Officers' Training Corps program, pages S6117-18	Agreed voice vote
Bond/Leahy #4271	Bond/Leahy) Amendment No. 4271, to increase the grade of the Chief of the National Guard Bureau from 3 to 4 stars and to enhance the Chief's authority to over certain budget requirements, pages S6117, S6118-19	Agreed voice vote
Ensign #2352	To authorize the temporary use of the National Guard to provide support for border security along the southern land border of the United States, pages S6117, S6119-20	Agreed voice vote
Ensign #4354	To require a report on technologies to defeat the threat to military rotary wing aircraft posed by portable air defense systems and rocket propelled grenades, pages S6117, S6120	Agreed voice vote
Jeffords #4215	To provide for 2 programs to authorize the use of leave by caregivers for family members of certain individuals performing military service, pages S6117, S6121-22	Agreed voice vote
Warner/ Levin # 4355	To increase authorized FY2006 general transfer authority from $3.75 to $5 billion, Pages S6117, S6122	Agreed voice vote
Warner/ Levin #4356	To authorize additional emergency supplemental appropriations for FY2006, pages S6117, S6122	Agreed voice vote
Thune #4217	To require a report on the future aerial training airspace requirements, pages S6117, S6122	Agreed voice vote
Warner #4360	To require a report on the desirability and feasibility of joint officer promotion selection boards, pages S6117, S6122	Agreed voice vote

Sponsor/ Number	Purpose/*Congressional Record* Page Reference	Outcome
Dorgan #4292	To establish a special committee of the Senate to investigate the awarding and carrying out of contracts for activities in Afghanistan and Iraq, pages S6108-10	Rejected 44-52
Frist #4323	(To Amendment No. 4322), to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions, page S6105	Withdrawn
June 21, 2006		
Kennedy #4322	To provide for an increase in the Federal minimum wage, pages S6191-S6203	Withdraw after vote of 52-46
Enzi #4376	To promote job creation and small business preservation in the adjustment of the Federal minimum wage, pages S6191, S6203-04	Withdrawn after vote of 45-53
Kerry #4442	To require the redeployment of United States Armed Forces from Iraq in order to further a political solution in Iraq, encourage the people of Iraq to provide for their own security, and achieve victory in the war on terror, pages S6324-35	Rejected 13-86
Levin #4320	To state the sense of Congress on the United States policy on Iraq, pages S6324, S6335	Agreed 98-1
	Senate agreed to the motion to close further debate on the bill, page S6335	Agreed voice vote
Hutchison #4377	To include a delineation of the homeland defense and civil support missions of the National Guard and Reserves in the Quadrennial Defense Review, page S6336	Agreed voice vote
Harkin Modified #4266	To require semiannual reports on efforts to investigate and prosecute cases of waste, fraud, and abuse in Iraq, Afghanistan, and throughout the war on terror, pages S6346, S6347	Agreed voice vote
Inhofe #4495	To require annual reports on United States contributions to the United Nations, pages S6346, S6347	Agreed voice vote
Reid Modified #4307	To appoint a coordinator for policy toward North Korea and require reports to Congress, pages S6346, S6347-48	Agreed voice vote
Lott Modified #4326	To make funds available for the Arrow ballistic missile defense system, pages S6346, S6348	Agreed voice vote
Allard #4497	To provide for an independent review of the organization and management of the Department of Defense for national security in space, pages S6346, S6349	Agreed voice vote

Sponsor/ Number	Purpose/*Congressional Record* Page Reference	Outcome
Cantwell Modified #4202	To require reports on the diversion of equipment from reserve units, pages S6346, S6350	Agreed voice vote
Martinez #4500	To give priority in allocating replacement equipment to states that have suffered a natural disaster, pages S6346, S6350	Agreed voice vote
Menendez/ Lautenberg #4441	To require a plan to replace equipment withdrawn or diverted from the reserve components for Operation Iraqi Freedom or Operation Enduring Freedom, pages S6346, S6350	Agreed voice vote
Feingold #4502	To require an annual report on the amount of the acquisitions made by the Department of Defense from outside of the United States, pages S6346, S6351	Agreed voice vote
McCain #4503	To require an annual report on foreign military sales and direct sales to foreign customers of significant military equipment manufactured inside the United States, pages S6346, S6351	Agreed voice vote
Graham/ Nelson (NE) #4504	To expand the authority of the Secretaries of the military departments to remit or cancel indebtedness of members of the Armed Forces, pages S6346, S6351-52	Agreed voice vote
Reid #4197	To modify the effect date of the termination of the phase-in of concurrent receipt of retired pay and veterans disability compensation for veterans with service-connected disabilities rated as total by virtue of unemployability, pages S6346, S6354	Agreed voice vote
Chambliss #4365	To reduce the eligibility age for receipt of non-regular military service retired pay for members of the Ready Reserve in active federal status or on active duty for significant periods and to expand eligibility of members of the Selected Reserve for coverage under the TRICARE program, pages S6346, S6355-56, S6373-7	Agreed voice vote
McCain #4241	To name the Act after John Warner, a Senator from Virginia, pages S6346, S6356	Agreed voice vote
Coburn #4371,	To improve the provisions relating to the linking of award and incentive fees to acquisition outcomes, pages S6346, S6356	Agreed voice vote
Biden #4244	Relating to military vaccination matters, pages S6346, S6356-57	Agreed voice vote
Coburn Modified #4491	To reform the Department of Defense's Travel System into Pay-For-Use-of-Service System, pages S6370-73, S6376	Agreed voice vote
Coburn #4370	To require the Secretary of Defense to report on and classify congressional earmarks of funds available to the Department of Defense, pages S6374, S6376	Agreed voice vote
Chambliss #4261	To authorize multiyear procurement of F-22A fighter aircraft and F-119 engines, pages S6336-45, S6376-77	Agreed 70-28

Sponsor/ Number	Purpose/*Congressional Record* Page Reference	Outcome
Sessions #4471	To provide, with an offset, additional funding for missile defense testing and operations.	Agreed 98-0
Warner #4520	To require a report before taking steps to reduce the number of Minuteman III Intercontinental Ballistic Missile from 500 to 450, pages S6377-78	Agreed voice vote
Cantwell #4374,	To provide for a study of the health effects of exposure to depleted uranium, pages S6377-78	Agreed voice vote
Biden #4458	To ensure payment of United States assessments for United Nations peacekeeping operations in 2005, 2006, and 2007, pages S6677-78	Agreed voice vote
Clinton #4264	To enhance the services available to members of the Armed Forces returning from deployments to assist them and their family members, in transitioning to civilian life, pages S6377, S6379-81	Agreed voice vote
Bayh #4489	To add an independent panel as part of the Quadrennial Defense Review, pages S6377, S6381-82	Agreed voice vote
Feingold #4526	To require the President to develop a comprehensive strategy toward Somalia, pages S6377, S6382	Agreed voice vote
Feingold #4527	To require a report on the feasibility of establishing a United States military regional combatant command for Africa, pages S6377, S6383	Agreed voice vote
McCain/ Warner #4434	To ensure proper education, training, and supervision of personnel providing special education services for dependents of members of the Armed Forces under extended benefits under TRICARE, pages S6377, S6383	Agreed voice vote
Akaka Modified #4393	To transfer custody of the Air Force Health Study assets to the Medical Follow-up Agency, pages S6377, S6383	Agreed voice vote
Warner/ Levin #4529	To require the Defense Department to submit Supplemental and Cost of War Execution reports, pages S6377, S6384	Agreed voice vote
Reed #4311	To provide that acceptance by a military officer of appointment to the position of Director of National Intelligence or Director of the Center Intelligence Agency shall be conditional upon retirement of the officer after the assignment, rages S6377, S6384	Agreed voice vote
Reid Modified #4439	To require reports on the implementation of the Darfur Peace Agreement, pages S6377, S6385	Agreed voice vote
Clinton #4361	To require that Congress be apprised periodically on implementation of the Darfur Peace Agreement, pages S6377, S6386	Agreed voice vote

Sponsor/ Number	Purpose/*Congressional Record* Page Reference	Outcome
Levin #4533	To make available an additional $450,000,000 for RDT&E Defense-wide and provide an offsetting reduction for a certain military intelligence program, pages S6377, S6386	Agreed voice vote
Vitter #4534	To authorize prepositioning of Department of Defense assets to improve support to civilian authorities, pages S6377, S6386	Agreed voice vote
Domenici #4451	To require annual reports on the expanded use of unmanned aerial vehicles in the national airspace system, pages S6377, S6387	Agreed voice vote
Burns/Dole #4538	To provide for the enhancement of funeral ceremonies for veterans, pages S6377, S6388	Agreed voice vote
Biden #4423	To provide that not funds may be used to establish a permanent U.S. military base in Iraq, or to exercise control over the oil resources of Iraq, pages S6377, S6388	Agreed voice vote
Allard #4366	To require an independent review of the organization and management of the Department of Defense for national security in space, pages S6377, S6389	Agreed voice vote
Kerry #4204	Stating the Sense of Congress that the President should convene an international summit o promote a comprehensive political agreement in Iraq, pages S6377, S6389	Agreed voice vote
Obama #4541	To require a report on Air Force plans for the realignment of aircraft, weapons systems, and functions at active and Air National Guard bases as a result of the 2005 round of defense base closure and realignment, pages S6377, S6390	Agreed voice vote

House Appropriations Committee 302(b) Allocations

Ultimately, the total amount provided for national defense in the regular appropriations bills (not including emergency appropriations) is determined by the allocation of funds among appropriations subcommittees. Under Section 302(a) of the Congressional Budget Act of 1974, the annual congressional budget resolution allocates a specific amount of discretionary budget authority to the appropriations committees. Under Section 302(b) of the Budget Act, the appropriations committees are required to report back on the allocation of the total to the subcommittees.

The House-committee-passed FY2007 budget resolution, H.Con.Res. 376, approves a total of $872.8 billion in discretionary budget authority, which is $475 million below the Administration request, and the resolution allocated that amount to the appropriations committee under Section 302(a) of the Budget Act. The Senate-passed budget resolution approves $877.0 billion in discretionary spending, $3.7 billion above the Administration request, and allocates the total to the appropriations committee.

On May 4, the House Appropriations Committee reported its initial subcommittee allocations under Section 302(b) of the Budget Act. **Table 8** shows the committee action. It is important to note that these allocations may be revised periodically as congressional action on the appropriations bills proceeds.

The initial House allocations trim $4.0 billion from the defense subcommittee, compared to the Administration request, $824 million from the Military Quality of Life/VA subcommittee, and $2.4 billion from the foreign operations subcommittee. These cuts, compared to the request, in defense and foreign affairs allow increases, again compared to the Administration request, mainly in Labor-HHS appropriations and homeland security appropriations. Last year, Congress trimmed $4.4 billion from DOD programs in the regular appropriations bills. The initial House allocations appear to follow the same approach.

Table 8. Initial House 302(b) Subcommittee Allocations

(budget authority in billions of dollars)

	FY2006 Enacted	FY2007 Request	Allocation	Allocation Versus Request
Agriculture	16.8	17.3	17.8	+0.5
Defense	358.3	381.4	377.4	-4.0
Energy and Water Development	30.2	29.5	30.0	+0.5
Foreign Operations	20.7	23.7	21.3	-2.4
Homeland Security	30.3	31.0	32.1	+1.1
Interior/Environment	25.9	25.5	25.9	+0.4
Labor, HHS, Education	141.1	137.8	141.9	+4.1
Legislative	3.8	4.2	4.0	-0.2
Military Quality of Life/VA	85.0	95.5	94.7	-0.8
Science, State, Justice, Comm	57.2	59.7	59.8	+0.1
Transportation, Treasury, HUD	64.1	67.6	67.8	+0.2
Total 302(a) Allocation	**833.3**	**873.3**	**872.8**	**-0.5**

Source: House Appropriations Committee.

FY2007 Defense Appropriations: Highlights of the House Appropriations Committee Bill

The House Defense Appropriations Subcommittee marked up its version of the FY2007 defense appropriations bill on June 7, and the full committee marked up the bill, which became H.R. 5631, on June 13. Among the committee's decisions, a few themes stand out.

First, in accordance with the committee's 302(b) allocations, the committee approved a total $377.6 billion in the bill, $4.1 billion below the Administration request. The committee made about $2 billion of the cuts in "General Provisions" of the bill. Of these cuts $823 million are in rescissions of prior year funds (amounts identified by the committee in cooperation with the Defense Department), $949 million in revised inflation estimates, and $100 million in savings from foreign

currency fluctuations. These are perennial sources of savings in appropriations bills. They have generally been used, however, to offset congressional additions to the budget rather than to trim the total amount in the bill.

The committee also cut a net of $1.1 billion from procurement, $1.9 billion from operation and maintenance (O&M), and $1.2 billion from military personnel accounts, while it added $2.1 billion to R&D accounts. Of the cuts in military personnel, $784 million are from projected underexecution of approved personnel levels as reported by the Government Accountability Office (GAO) and $288 million from the Air Force to reflect a shift of Operation Noble Eagle costs (which provides security at military bases and air defense overflights) to the additional emergency appropriations in Title IX of the bill. In O&M, $433 million of savings are from shifting Operation Noble Eagle costs to Title IX, and substantial additional amounts are from shifting to Title IX funds for the regular pay of military technicians who are mobilized for overseas operations.[20] In the procurement accounts, many of the committees cuts from the request are from following the authorization bill in shifting part of the requested amounts for several programs, such as M-1 tank upgrades, to emergency war funds in Title IX.

Second, the committee did not provide funds for the 2.7% military pay raise approved in the House-passed authorization bill nor did it provide funds for increases in end-strength over the requested levels. This avoided the need for any increases in the military personnel accounts compared to the request. If the authorization conference report provides a 2.7% pay raise rather than the 2.2% requested, the appropriators may then either agree to add funds to the bill in conference or, instead, require the Defense Department to absorb the costs and transfer funds from other accounts. The committee approved an increase of general transfer authority to $4.75 billion in the regular bill with an additional $2.5 billion in Title IX to accommodate such requirements. On end-strength levels, the committee appears to assume that any increases will continue to be funded from emergency appropriations for war costs in FY2007, as they have been in the past.

On major weapons programs, as is usually the case, the House appropriators generally followed the House authorization bill. As in the authorization, the appropriations —

- Cut $326 million from Army Future Combat System R&D;
- Cut funding for Transformational Communications Satellite R&D, though by $100 million rather than by $80 million;
- Cut funding for Space Radar R&D, though by $66 million rather than by $30 million;
- Added $50 million for DDG-51 destroyer modernization, though not the $200 million in the authorization;

---

[20] This is also a way of shifting costs that normally would be counted in the regular appropriations to emergency accounts. Technically, emergency funding is used to pay "incremental" costs of contingency operations — i.e., expenses over and above the normal operating costs of the forces. Pay of mobilized military technicians is not an incremental expense of the operations.

- Added $1.4 billion to cover the full cost of procuring 20 F-22 aircraft, rejecting the Air Force incremental funding plan;
- Added $200 million in R&D to develop a second engine for the F-35 Joint Strike Fighter (the authorization approved $245 million);
- Reduced funds to commence F-35 procurement;
- Eliminated funds to shut down C-17 cargo aircraft production,
- Eliminated $38 million requested to convert Trident II D-5 missiles to carry conventional warheads; and
- Shifted some procurement funds that were requested in the regular appropriations accounts to be funded with emergency funds for the war.

In contrast to the authorization, the House appropriators —

- Did not add $400 million in advance procurement for a second Virginia-class attack submarine in FY2009; and
- Eliminated funding requested to begin procurement of 12 EA-18G electronic warfare versions of the F-18 aircraft and instead shifted funds to add 12 F/A-18E/F aircraft.

FY2007 Defense Appropriations — Highlights of House Floor Action

Traditionally, House floor debate on the defense appropriations bill is very brief and, although the bill generally comes to the floor with an open rule, very few amendments are proposed. This year, however, a number of controversial amendments were considered on the floor, including several proposals to strip specific congressional earmarks of funds from the bill.

The House considered the bill on the floor on June 20, 2006. A number of less controversial amendments were approved by voice vote, including amendments

- By Representative Murtha to restore funding for the Perpetually Available and Secure Information Systems program;
- By Representative Granger to delete a provision in the committee bill that would prevent foreign sales of the F/A-22 fighter;
- By Representative Castle to prohibit award fees for performance that does not meet contract requirements;
- By Representative Markey to prohibit funds in the bill from being used in contravention laws or regulations to implement the UN Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment;
- By Representative Inslee to prohibit the use of funds to implement some provisions of the National Security Personnel System that a Federal court found not to preserve adequate collective bargaining and adverse action appeals procedures; and
- By Representative Holmes to prohibit the use of funds to privatize base operation support services at Walter Reed Army Medical Hospital.

The House also debated and rejected several amendments on matters of U.S. national security policy, including a measure to prohibit National Security Agency surveillance activities not authorized through the Foreign Intelligence Surveillance Act (FISA), a measure to prohibit military action against Iran without advance congressional approval, and a measure to delete a provision in the committee bill to prohibit the establishment of permanent basing rights agreement in Iraq. The measures that the House rejected include amendments

- By Representative Steve King to strike section 9012 of the Committee bill which prohibits funds from being used to enter into a basing rights agreement with Iraq (failed 50 - 376);
- By Representative Chocola to prohibit the use of funds from being available for the development, deployment, or operation the Defense Travel System (failed 141 - 285);
- By Representative Schiff to prohibit funds from being used to engage in electronic surveillance in the United States except as authorized under the Foreign Intelligence Surveillance Act of 1978 (failed 207 - 219);
- By Representative Hinchey to prohibit any of the funds from being used to initiate military operations against Iran except in accordance with Article I, Section 8 of the Constitution (failed 158 - 262); and
- By Representative Hinchey to prohibit any funds from being used for any contract with the Lincoln Group (failed 153 - 268).

Four amendments were proposed and then withdrawn by their sponsors, specifically amendments

- By Representative Jackson-Lee to require that not less than $10 million be used for prosthetic research;
- By Representative Engel to comment the Navy for having the highest percentage of Alternative Fuel Vehicles acquired by any federal agency during FY2005;
- By Representative Stearns to prohibit the use of funds to interpret voluntary religious discussions as "official" as specified in the Air Force revised interim guidelines concerning free exercise of religion; and
- By Representative Filner to prohibit funds from being used to place a social security account number on any military identification card.

Finally, the House rejected several amendments by Representative Flake to remove certain earmarks of funds for specific projects, including funding for

- the Wind Demonstration Project;
- the Institute for Exploration at Mystic Aquarium in New London, Connecticut;
- the JASON Education Foundation;
- the Center for Rotorcraft Innovation;
- the Illinois Technology Transition Center;
- the Northwest Manufacturing Initiative;
- the Lewis Center for Education Research;

- the Advanced Law Enforcement Rapid Response Training Program; and
- the Leonard Wood Research Institute.

Senate Appropriations Committee 302(b) Allocations

The Senate Appropriations Committee announced its initial 302(b) allocations to the subcommittees on June 22, 2006. The allocations provide $9.1 billion less than the Administration requested for the defense subcommittee, leaving substantially more for other subcommittees, particularly Labor-HHS-Education, with $5 billion more than the Administration requested (see **Table 9**).

Table 9. Initial vs. Latest Senate 302(b) Subcommittee Allocations

(budget authority in billions of dollars)

	FY2006 Enacted	FY2007 Request	Initial Allocation 6/22/06	Versus Request	Latest Allocation 9/26/06	Versus Request
Agriculture	18.4	17.4	18.2	+0.8	18.2	+0.8
Commerce, Justice, Science	49.4	49.6	51.0	+1.4	51.0	+1.4
Defense	399.3	423.6	414.5	-9.1	414.3	-9.2
District of Columbia	0.6	0.6	0.6	—	0.6	
Energy & Water	30.2	29.5	30.7	+1.3	30.7	+1.3
Homeland Security	30.5	31.0	31.7	+0.7	31.9	+0.9
Interior	25.9	25.5	26.0	+0.5	26.0	+0.5
Labor-HHS-Education	141.2	137.8	142.8	+5.0	142.8	+5.0
Legislative Branch	3.8	4.2	4.0	-0.2	3.9	-0.3
Military Construction/VA	44.0	52.8	52.9	+0.1	52.9	+0.1
State, Foreign Operations	30.1	33.7	31.3	-2.4	31.3	-2.4
Transportation, Treasury, Judiciary, HUD	67.9	67.1	69.0	+1.9	69.0	+1.9
Total 302(a) Allocation	**841.3**	**872.8**	**872.8**	**—**	**872.8**	**—**

Source: Senate Appropriations Committee.

The committee's initial 302(b) allocations put the Senate directly at odds with the White House on budget priorities and, to a degree, on the use of emergency appropriations to fund programs requested in the regular, non-emergency defense budget. The White House Statement of Administration Policy (SAP) on the House-reported version of the defense appropriations bill,[21] issued on June 20, complained that the House bill cut $4 billion from the request and shifted about $2 billion from the regular "base" DOD budget to the emergency spending accounts in Title IX of the House measure. "Base funding requirements," the White House said, "should not be shifted to supplemental bills as a way to increase non-security related discretionary

[21] Office of Management and Budget, "Statement of Administration Policy: H.R. 5631 — Department of Defense Appropriations Bill, FY2007," June 20, 2006, on line at [http://www.whitehouse.gov/omb/legislative/sap/109-2/hr5631sap-h.pdf].

funding." Moreover, the SAP warned very strongly, in text that was underlined in the official letter, that the President would veto a defense bill that cut spending too deeply: "*If the President is presented with a final DOD appropriations bill that significantly underfunds the Department of Defense to shift funds to non-security spending, his senior advisors would recommend that he veto that bill* [emphasis in the original]."

FY2007 Defense Appropriations: Highlights of the Senate Appropriations Committee Bill

The Senate committee version of the defense appropriations bill would make available $453.5 billion for the defense programs in covers, including $50 billion in funding for overseas operations. An additional $11.3 billion is available as a permanent appropriation for retiree medical benefits, increasing the total appropriation for FY2007 to $464.8 billion (see **Table 2**).

Funding Cuts and Caps on Discretionary Spending and on Emergency Spending. Perhaps the most controversial issue in the Senate bill is that the total amount is $9.1 billion below the Administration request. A House cut of $4.1 billion in its version of the bill prompted the White House to threaten a veto if the final bill "underfunds" defense in order to shift funds to non-defense programs. The Senate 302(b) allocations straightforwardly shift $9.5 billion from defense and military construction appropriations to non-defense appropriations bills.

Though usually remaining unspoken, the premise of the Senate and House 302(b) cuts in defense is that the cuts can be made up from funding provided as additional money for overseas operations. So a directly related issue is the extent to which the Senate bill shifts funding from the regular defense appropriations accounts to Title IX of the bill that provides additional funding for Iraq and Afghanistan. The White House Statement of Administration Policy (SAP) on the House version of the appropriations bill also complained about this practice. The White House estimated that the House bill shifts about $2 billion of funding from the regular defense bill to the amounts provided as additional appropriations that are exempted from the $872.8 billion cap on total discretionary funding in FY2007. The Senate bill provides funds for many of the same programs as the House bill as additional appropriations, including funds for M-1 tank and Bradley Fighting Vehicle upgrades, to continue C-17 production, and for V-22 tilt rotor aircraft.

There is a further complication in the Senate. Section 402 of the Senate-passed budget resolution, S.Con.Res. 83, (1) establishes the $872.8 billion cap on FY2007 discretionary funding, (2) exempts funding that is designated as "emergency" appropriations from the cap, but also, (3) sets a cap of $86.3 billion on emergency funding in FY2007 (the total was reduced from $90 billion in a floor amendment). The FY2006 supplemental appropriations bill, H.R. 4939 "deems" all of these requirements to apply in the Senate in the absence of a conference agreement on the budget resolution.

This presents a problem for the appropriators, however, because costs of a later emergency FY2007 supplemental request for Iraq and Afghanistan, expected next

February, together with costs of Katrina-recovery and other disaster relief, bird flu preparations, border security, agricultural disaster relief, and other purposes, will almost surely exceed the cap by a substantial amount. It will still be possible to go ahead with emergency funding for these purposes, but only with offsetting rescissions of funds for costs that exceed the cap.

As a result, the Senate Appropriations Committee took a step to reduce the potential need for offsets by declaring only part of the funding for Iraq and Afghanistan in the bill as FY2007 emergency funding. Within Title IX of the bill, only funds in Chapter 1, Military Personnel, and Chapter 2, Operation and Maintenance, are designated as emergency funding exempt from the FY2007 caps. These chapters provide $42.1 billion of the $50 billion in Title IX. Funds in Chapter 3, Procurement, Chapter 4, RDT&E, Chapter 5, Revolving and Management Funds, and Chapter 6, Related Agencies, which provide $7.9 billion, are simply made available "on enactment" of the bill. The effect is to have these amounts scored as FY2006 rather than FY2007 money. This is the key point. The additional $7.9 billion in FY2006 funds will not trigger a point of order for exceeding FY2006 discretionary spending levels, since room remains under the FY2006 budget caps due to the $8 billion across-the-board cut in appropriations that Congress made at the end of last year.

Other Issues in the Senate Defense Appropriations Bill. Aside from the overall budget issues, the Senate Appropriations Committee version of the defense appropriations bill addresses a number of other key policy matters.

The $9.1 billion of cuts in spending come mainly in operation and maintenance (O&M), $3.8 billion, and in general provisions of the bill, $2.6 billion (see **Table 2** above). Within O&M, the major cuts include

- $332 million in Army depot maintenance because of a reduced peacetime requirement, a cut of about 1/3 in the $974 million requested — Title IX of the bill provides $2.5 billion for Army depot maintenance and another $2.5 billion for Army reset, which involves some similar maintenance at the unit level;
- $245 million for an Army peacetime training offset, referring to training not done because troops are deployed abroad, a cut that otherwise might offset requirements for additional funds in Title IX;
- $188 million in Army unobligated balances;
- $215 million for a Navy peacetime training offset;
- $200 million for unexplained growth in Air Force air operations;
- $160 million from deterring some Air Force facilities repairs;
- $275 million for an overstatement of Air Force civilian personnel;
- $400 million for Air Force peacetime flying hour requirements;
- $200 million for a reduction based on the increase from prior year Air Force requirements;
- $108 million in Air Force unobligated balances;
- $220 million in Special Operations Command (SOCOM) funds realigned in part to Title IX; and
- $108.8 million in defense-wide unobligated balances.

Within General Provisions of the bill, the major cuts include

- $53.2 million cut from Federally Funded Research and Development Centers (FFRDCs);
- $985.3 million in rescissions of prior year appropriations;
- $92 million from unspecified Army and Air Force efficiencies;
- $71 million from advisory and assistance services;
- $85 million in travel funds; and
- $520 million for changed economic assumptions, applied proportionately to amounts for procurement, R&D, and some other titles of the bill.

On personnel-related policy, the committee

- provided funds for a pay raise of 2.2%, though the authorization conference agreement may agree to a 2.7% raise as in the House bill;

- agreed to an increase of 30,000 in Army and 5,000 in Marine Corps active duty end-strength, though with funds provided in Title IX (the report does not explicitly make that point, but the funding totals in Title IX reflect amounts the Administrations estimates would be need for what it calls "overstrength"); and

- provided $164 million to support an Army National Guard end-strength of 350,000 rather than the 333,000 for which funding was requested.

On major weapons programs, the committee

- cut 6 helicopters and $40 million from the 18 aircraft and $141 million requested in the Army Armed Reconnaissance Helicopter program;
- cut 223 aircraft and $18 million from the 39 aircraft and $199 million requested for the Army Light Utility Helicopter program;
- cut $78 million for Bradley Fighting Vehicle mods, but added funds in Title IX;
- cut $254 million from the $3.7 billion requested for Future Combat System R&D, compared to a $326 million cut in the House bill;
- cut $220 million for 1 of the 2 Littoral Combat Ships (LCS) requested, complaining that Navy cost figures in the past were incomplete and therefore understated costs;
- eliminated $455 million requested in the National Defense Sealift fund to build one T-AKE cargo ship saying that the Navy had not begun building 5 previously funded ships and that $2.4 billion of prior year funding remains unexpended;
- added $117 million for one oceanographic survey ship;
- eliminated the almost $1.3 billion requested in the Navy and Air Force to begin procurement of the F-35 Joint Strike Fighter, but added $340 million in R&D to continue development of an alternative aircraft engine for the program;

- like the House, added $1.4 billion to fully fund procurement of 20 F-22 fighter aircraft;
- rejected the Administration proposal to shut down C-17 production after FY2007 and shifted $329 million requested in the regular budget to fund the shutdown to Title IX to purchase 7 aircraft;
- cut 4 aircraft and $257 million from the 12 aircraft and $905 million requested for the Navy EA-18G aircraft and added $219 million for 4 F/A-18E/F aircraft — the House had cut all 12 EA-18s and added funds for 12 F/A-18s;
- cut $230 million of the $867 million requested for Transformational Communications Satellite R&D, compared to $100 million cut in the House bill;
- cut $109 million of the $266 million requested for the Space Radar compared to $66 million cut in the House bill; and
- provided $340 million for National Guard and Reserve equipment, compared to $500 million in the House bill.

For additional details on selected major weapons programs, see **Table A6**.

FY2007 Defense Appropriations — Highlights of Senate Floor Action

The Senate began floor action on the defense appropriations bill on the evening of August 1, and both the majority and minority leaders expressed the hope that the Senate could complete action before adjourning for the August recess on Friday, August 3. On August 3, however, Senator Reid said that as many as 50 Democratic amendments remained to be addressed. Although Senator Stevens argued that the Senate should stay through the night, in the end the leadership agreed to resume consideration of the fill when the Senate returned on September 5. The Senate took up the bill on September 5 and completed action on September 7.

The most high profile debate when the Senate returned was on an amendment by Senator Reid and other Democrats expressing the sense of the Senate on the need for a new direction in Iraq policy and in the civilian leadership of the Department of Defense — a direct rebuke to Secretary of Defense Rumsfeld. The Senate debated the measure for much of the day on September 6, though it was finally ruled out of order by the chair as not germane.

The largest substantive change in the bill on the Senate floor was an amendment by Senator Stevens and Senator Inouye, the chairman and ranking member of the defense subcommittee, respectively, to add $13.1 billion in emergency funds to repair and replace equipment being used by Army and Marine units in Iraq and Afghanistan. Between the time the bill was reported on July 20 and the time the it came up on the floor, an ongoing debate about Army and Marine Corps readiness became increasingly heated. In June, Army and Marine Corps officials testified to congressional committees about the estimated costs of "resetting" units to repair, upgrade, and replace equipment either worn out or lost in overseas operations or left in the theater by units returning to home. The Army estimated as yet unfunded, long term reset costs of $17 billion and the Marine Corp estimated costs of $12-13 billion.

In addition, in July, leaders of the Army National Guard have said that it would take $21 billion over the next few years to reset ground forces and to reequip the force to meet official requirements for new "modular" units.

In response, Senators Reed and Dayton announced that they would propose an amendment to the appropriations bill to add $10 billion to "reset" Army and Marine Corps units returning from operations abroad. This led Senator Stevens to work with DOD and the White House on an alternative, which ultimately became his and Senator Inouye's surprise $13.1 billion amendment.

The second largest addition of emergency funding was an amendment by Senators Sessions and Kyl to add $1.8 billion for border security. This was to fund fences and vehicle borders that the Senate authorized in action on the Immigration Reform Act, S. 2611, in May, but that was not funded in the Homeland Security Appropriations Act, H.R. 5441. Now that the Senate has approved the funding as part of the defense bill, the issue is (1) whether the defense bill, rather than the homeland security appropriations bill is the proper vehicle for it and (2) whether and how to find offsets for the increased funding.

A third debate on the Senate floor did not involve a large amount of money, but nonetheless became quite contentious. On August 2, Senator Durbin proposed an amendment earmarking $2 million in Army R&D funds for a program to improve imaging of brain injuries. Senator Stevens opposed the amendment, arguing that the Senate needed to limit the amount of money it perennially adds to the defense appropriation bill for medical R&D programs, many of which, such as breast cancer and prostate cancer research, are at best only indirectly related to military requirements. Senator Inouye supported Senator Stevens and the Senate tabled the amendment by a largely party-line vote of 54-43. Subsequently, a number of veterans organizations complained that requested FY2007 funding for an Army-funded center for treating brain injuries was lower than the FY2006 level. When the Senate returned in September, Senator Allen offered an amendment to add $19 million for brain injury programs.

Between the time it began debate on August 1 and the time it passed the appropriations bill on September 7, the Senate disposed of almost 90 amendments. As is usually the case, most of the amendments were non-controversial measures to add relatively small amounts for specific projects. In action on the more significant amendments, the Senate

- on the opening evening of debate on August 1, approved a proposal by Senators Stevens and Inouye, Senate Amendment (SA) 4751, to add $13.1 billion in emergency funds[22] to reequip Army and Marine

---

[22] Technically, the amendment designates the additional funding as "emergency" appropriations in the Senate and as "appropriations for contingency operations" in the House. Section 402 of the Senate-passed FY2007 budget resolution exempts funds that are designated as an "emergency requirement" from the cap that the resolution places on total discretionary funding. Section 402 of the House-passed resolution exempts funding "for contingency operations directly related to the global war on terrorism, and other (continued...)

Corps units returning from Iraq — this amendment was as an alternative, approved by the White House and the Defense Department, to an amendment earlier proposed by Senators Reed and Dodd to add $10.2 billion to "reset" Army and Marine forces;

- approved an amendment by Senators Bond and Leahy, SA 4827, to specify that $2.4 billion of the $13.1 billion provided in the Stevens/Inouye amendment be allocated to National Guard and Reserve units;

- approved, by a vote of 94-3, an amendment by Senator Sessions, SA 4775, adding $1.8 billion in emergency funds for fences and vehicle barriers on the Mexican border — this was a substitute for a similar amendment, SA 4788, by Senator Kyl;

- rejected, by a vote of 54-43, an amendment by Senator Durbin, SA 4781, to add $2 million, with an offset, for an Army medical R&D program — in this, the Senate supported Senator Stevens's effort to limit the amount medical R&D earmarks;

- approved a proposal by Senator Coburn, SA 4848, to require the Defense Department to list, identify the location, and assess the utility of all congressional earmarks in the defense bill;

- approved another proposal by Senator Coburn, SA 4784, with Senator Obama, to require the Defense Department to post electronically all reports to Congress required by the act within 48 hours after they are submitted and to post all budget justification material;

- approved, by a vote of 96-0, another amendment by Senator Coburn, SA 4785, to require reports on the risk of improper Department of Defense payments for travel;

- approved an additional amendment by Senator Coburn, SA 4787, to limit DOD funding for conferences to $70 million;

- approved an amendment by Senator Allen, SA 4883, to provide $19 million for a DOD/VA brain injury center;

---

[22] (...continued)
unanticipated defense-related operations." In the Senate, most of the $50 billion provided in Title IX as "Additional Appropriations" are designated as emergency funds, though, as discussed above, $7.9 billion of the amount is made available when enacted, presumably in FY2006. In the House, all of the $50 billion in Title IX for "Additional Appropriations" are designated as being for "contingency operations directly related to the global war on terrorism, and other unanticipated defense-related operations."

- rejected by a vote of 30-70 an amendment by Senators Feinstein and Leahy, SA 4882, to require that rules of engagement prohibit cluster munitions from being used near large groups of non-combatants;

- tabled by a vote of 54-44 an amendment by Senators Kennedy and Reid, SA 4885, to require that quarterly reports on Iraq include more information on trends toward civil war;

- tabled by a vote of 50-48 an amendment by Senators Mikulski and Sarbanes to privatize base support services at the Walter Reed Hospital;

- considered an amendment by Senator Rockefeller, SA 4906, that was then withdrawn, to eliminate parts of the bill authorizing intelligence activities, a measure the Senator proposed to urge passage of the intelligence authorization bill;

- approved, by a vote of 98-0, an amendment by Senator Conrad, SA 4907, to add $200 million in emergency funds enhance intelligence community efforts to capture Osama bin Laden and other key leaders of al Qaeda;

- approved, after rejected a motion to table the measure by a vote of 45-51, an amendment by Senator Schumer, SA 4897, to provide $700 million in emergency funds (in Title VI of the bill, rather than in Title IX), for counter-drug programs in Afghanistan;

- approved an amendment by Senator Boxer, SA 4913, to require a report on procedures and guidelines the event of further sectarian violence in Iraq;

- approved an amendment by Senators Kennedy and Hatch, SA 4857, to prohibit privatization of civilian work if contractors have an advantage because they provide inferior retirement benefits;

- approved an amendment by Stevens and Murkowski, SA 4917, to allow the Secretary of the Army to reimburse servicemembers and their families for financial hardships due to extended deployment overseas;

- approved an amendment by Senators Reid and Obama, SA 4912, to provide $20 million in emergency funds to assist the African Union force in Sudan;

- approved and amendment by Senator Bingaman, SA 4915, to appropriate $275 million in emergency FY20006 funds for wildfire suppression;

- approved, by a unanimous vote of 98-0, an amendment by Senators Reed and Bayh, SA 4911, to provide $65.4 million in emergency funds to procure Predator UAVs for Special Operations forces; and

- tabled by a vote of 51-44 an amendment by Senator Menendez, SA 4909, to prohibit the use of funds for a public relations program designed to monitor news media in the United States and the Middle East and promote positive coverage of the war in Iraq.

Table 10 provides a list of Senate action on these and some other selected amendments to the bill.

Table 10: Senate Floor Action on Selected Amendments: Defense Appropriations Bill, H.R. 5631

#	Purpose	Sponsor	Status
Amendments Agreed To			
August 1, 2006			
4751*	To appropriate as additional appropriations $7,800,000,000 for the Army and $5,300,000,000 for the Marine Corps for the reset of equipment due to continuing combat operations and to designate such amounts as emergency requirements.	Stevens	Agreed to in Senate by Unanimous Consent.
August 2, 2006			
4772	To provide that none of the funds appropriated or otherwise made available by this Act may be obligated or expended to provide award fees to any defense contractor for performance that does not meet the requirements of the contract.	Carper	Agreed to in Senate by Unanimous Consent.
4775*	To provide $1,829,100,000 for the Army National Guard for the construction of 370 miles of triple-layered fencing, and 461 miles of vehicle barriers along the southwest border.	Sessions	[To SA 4788] as modified agreed to in Senate by Yea-Nay Vote. 94 - 3. Record Vote Number: 220.
4788*	To provide $1,829,000,000 for the Army National Guard for the construction of 370 miles of triple-layered fencing, and 500 miles of vehicle barriers along the southwest border.	Kyl	Agreed to in Senate by Unanimous Consent. [Note: Amended by SA 4775].
4819*	To make available up to an additional $6,700,000,000 to fund equipment reset requirements resulting from continuing combat operations, including repair, depot, and procurement activities.	Dodd	Agreed to in Senate by Yea-Nay Vote. 97 - 0. Record Vote Number: 221.
August 3, 2006			
4784	To require the posting of certain reports of the Department of Defense on the Internet website of the Department of Defense.	Coburn	As modified agreed to in Senate by Voice Vote.

4785	To ensure the fiscal integrity of travel payments made by the Department of Defense.	Coburn	As modified agreed to in Senate by Yea-Nay Vote. 96 - 0. Record Vote Number: 224.
4787	To limit the funds available to the Department of Defense for expenses relating to conferences.	Coburn/ Obama	Agreed to in Senate by Voice Vote after Senate failed table the amendment by Yea-Nay Vote. 36-60 Record Vote Number: 223
4801	To make available from Shipbuilding and Conversion, Navy, up to $10,000,000 for the Carrier Replacement Program for advance procurement of nuclear propulsion equipment.	DeWine	As modified agreed to in Senate by Unanimous Consent.
4802	To require a new National Intelligence Estimate on prospects for security and stability in Iraq.	Kennedy	As modified agreed to in Senate by Unanimous Consent.
4827*	To ensure that of the $13.1 billion provided by SA 4751, $2.4 billion is available for National Guard and Reserve equipment.	Bond	As modified agreed to in Senate by Unanimous Consent.
4848	To require notice to Congress and the public on earmarks of funds available to the Department of Defense.	Coburn	Agreed to in Senate by Yea-Nay Vote. 96 - 1. Record Vote Number: 226.
4851	To prohibit the use of funds for establishing United States military installations in Iraq or exercising United States control over the oil resources of Iraq.	Biden	Agreed to in Senate by Unanimous Consent.
4858	To prohibit the use of funds by the United States Government to enter into an agreement with the Government of Iraq that would subject members of the Armed Forces to the jurisdiction of Iraq criminal courts or punishment under Iraq law.	Boxer	Agreed to in Senate by Yea-Nay Vote. 97 - 0. Record Vote Number: 225.
September 6, 2006			
4883	To make available from Defense Health Program up to $19,000,000 for the Defense and Veterans Brain Injury Center.	Allen	Agreed to in Senate by unanimous consent.
September 7, 2006			
4907*	To add $200 million in emergency funds to enhance intelligence community efforts to bring Osama bin Laden and other key leaders of al Qaeda to the justice they deserve.	Conrad	Agreed to in Senate by a unanimous vote of 96 yeas . Vote No. 235.
4897*	To make available up to an additional $700 million for Drug Interdiction and Counter-Drug Activities to combat the growth of poppies in Afghanistan, to eliminate the production and trade of opium and heroin, and to prevent terrorists from using the proceeds for terrorist activities in Afghanistan, Iraq, and elsewhere, and to designate the additional amount as emergency spending.	Schumer	Agreed to in Senate by Voice Vote. Senate earlier failed to table the amendment by 45 yeas to 51 nays . Vote No. 237.

4913	To require a report on procedures and guidelines the event of further sectarian violence.	Boxer	Agreed to in Senate by unanimous consent.
4857	To provide that none of the funds appropriated by this Act may be available for the conversion to contractor performance of certain activities or functions of the Department of Defense in cases where the contractor receives a competitive advantage by offering inferior retirement benefits to workers who are going to be employed in the performance of such activities or functions than those offered by the Department to comparable civilian employees.	Kennedy/ Hatch	Agreed to in Senate by unanimous consent.
4900*	To make available up to $2,000,000 for infrastructure for the Afghanistan military legal system.	Graham	Agreed to in Senate by unanimous consent.
4917	To provide the Secretary of the Army the ability to reimburse servicemembers and their families for financial hardships due to extended deployment overseas.	Stevens/ Murkowski	Agreed to in Senate by unanimous consent.
4912*	To increase by $20,000,000 the amount made available by chapter 2 of title IX for Operation and Maintenance, Defense-Wide for the purpose of assisting the African Union force in Sudan.	Reid/ Obama	Agreed to in Senate by unanimous consent.
4915*	To appropriate $275 million for emergency wildfire suppression.	Bingaman	Agreed to in Senate by unanimous consent.
4911*	To make available an additional $65,400,000 for additional appropriations for Aircraft Procurement, Air Force, for the procurement of Predators for Special Operations forces, and to designate the amount as an emergency requirement.	Reed/ Bayh	Agreed to in Senate by a unanimous vote of 98 yeas. Record Vote No. 238.
Amendment Rejected			
August 2, 2006			
4781	To appropriate, with an offset, an additional $2,000,000 for Research, Development, Test and Evaluation, Army for the improvement of imaging for traumatic brain injuries.	Durbin	Motion to table agreed to in Senate by Yea-Nay Vote. 54 - 43. Record Vote Number: 222.
August 3, 2006			
4844	To make available from Research, Development, Test, and Evaluation, Navy, up to $77,000,000 for the Conventional Trident Modification Program.	Sessions	Not agreed to in Senate by Yea-Nay Vote. 31 - 67. Record Vote Number: 227.
September 6, 2006			
4882	To protect civilian lives from unexploded cluster munitions.	Feinstein/ Leahy	Not agreed to in Senate by Yea-Nay Vote. 30-70. Record Vote No. 232.
4885	To include information on civil war in Iraq in the quarterly reports on progress toward military and political stability in Iraq.	Kennedy/ Reid	Motion to table agreed to in Senate by Yea-Nay Vote. 54 -44. Record Vote No. 233.

4895	To provide that none of the funds appropriated or otherwise made available by this Act may be used to enter into or carry out a contract for the performance by a contractor of any base operation support service at Walter Reed Army Medical Hospital pursuant to a private-public competition conducted under Office of Management and Budget Circular A-76 that was initiated on June 13, 2000, and has the solicitation number DADA 10-03-R-0001.	Mikulski/ Sarbanes	Motion to table amendment agreed to in Senate by Yea-Nay Vote. 50-48. Record Vote No. 234.
September 7, 2006			
4909	To prohibit the use of funds for a public relations program designed to monitor news media in the United States and the Middle East and create a database of news stories to promote positive coverage of the war in Iraq.	Menendez	Motion to table amendment agreed to in Senate by Yea-Nay Vote. 51-44. Record Vote No. 236.
Amendments Ruled out of Order			
August 2, 2006			
4768	To provide emergency supplemental appropriations for border security and immigration reform.	Cornyn	Ruled out of order by the chair.
4795	To provide for the extension and modification of certain tax relief provisions, and for Surface Mining Control and Reclamation Act amendments.	Reid	Ruled out of order by the chair.
4805	To improve Federal contracting and procurement by eliminating fraud and abuse and improving competition in contracting and procurement and by enhancing administration of Federal contracting personnel.	Dorgan	Ruled out of order by the chair.
4806	To prohibit the suspension of royalties under certain circumstances, to clarify the authority to impose price thresholds for certain leases, to limit the eligibility of certain lessees for new leases, and to restrict the transfer of certain leases.	Kyl	Ruled out of order by the chair.
August 3, 2006			
4853	To appropriate funds for a Cuba Fund for a Democratic Future to promote democratic transition in Cuba.	Nelson (FL)	Ruled out of order by the chair.
4875	To increase by $200,000,000 the amount appropriated or otherwise made available by title IX for the purpose of supplying needed humanitarian assistance to the innocent Lebanese and Israeli civilians who have been affected by the hostilities between Hezbollah and the Government of Israel.	Stabenow	Ruled out of order by the chair.
September 6, 2006			
4904	Providing a sense of the Senate on the need for a new direction in Iraq policy and in the civilian leadership of the Department of Defense	Reid	Ruled out of order by the chair.

*__Notes:__ Amendments 4788, 4819, 4827, and 4900 do not add funds to the total in the bill. SA 4788 was incorporated into a modification of SA 4775 which was subsequently approved, so the total in SA 4775 adds to the bill, but not the total in SA 4788. Amendments 4819, 4827, and 4900 all allocate funds already provided in the bill. Amendments 4751, 4775, 4897, 4907, 4912, 4915, and 4911 add a total of $16.2 billion in emergency funds.

FY2007 Defense Appropriations — Highlights of Senate Floor Action

Conferees announced an agreement on the defense appropriations bill on September 21 and issued a conference report on September 25, H.Rept. 109-676. Perhaps the most contentious issue resolved in the conference agreement was the total amount of spending in the bill. Both the House and the Senate Appropriations Committees provided less money for defense than the Administration requested as a means of freeing up funds for non-defense appropriations bills while still remaining under the cap of $872.8 billion on total discretionary spending in the House and Senate versions of the FY2007 budget resolution. The House trimmed $4.1 billion, from the request, while the Senate cut $9.1 billion.

Most of the reductions were made up, indirectly, with funding provided as emergency appropriations (or, technically, in the House, as funding for overseas contingency operations). But the White House objected to the process of, in effect, using emergency funds to offset defense cuts which, in turn, left room under discretionary spending caps to increase non-defense spending. So, in the formal OMB Statement of Administration Policy on the House-passed defense appropriations bill, the White House threatened to veto the measure if it cut funding by more than $4 billion as a means of allowing increased non-security spending. The White House stuck to this position when House and Senate appropriators proposed a compromise that would trim defense by about $6 billion. In the end, the appropriations conference agreement cut defense by $4 billion. It remains to be seen how this will play out when Congress resumes consideration of non-defense appropriations bills after it returns in November.

Another key issue resolved in the conference agreement was how to address complaints from the Army and Marine Corps about shortfalls in funding to "reset" their forces — that is, to repair, upgrade, and replace equipment used in operations in Iraq and Afghanistan. The services insisted that even the additional funding provided for reset in the $50 billion bridge fund for overseas operations in the early months of FY2007 was inadequate to meet their established requirements. In response, in floor action on the appropriations bill, the Senate added $13.1 billion in emergency funding to meet Army and Marine Corps reset goals. The conference agreement goes still further. It increases the total in the bridge fund to $70 billion, and, according to figures in a House Appropriations Committee press release on the conference agreement, it provides $17.1 billion for Army and $5.8 billion for Marine Corps reset, a total of $22.9 billion.

The Senate also added some other emergency funding to the bill during floor action, including $1.8 billion for fences and vehicle barriers on the Mexican border, $700 million for counter-drug measures in Afghanistan, $200 million for intelligence programs to help capture Al Qaeda leaders, $65 million for Predator UAVs, $20 million for help to peacekeepers in Sudan, and $275 million for wildfire suppression. The conference agreement rejected most of these measures — it left border security to be addressed in other appropriations bills, provided $200 million for Afghan counter-drug operations, $20 million for Sudan, and $200 million for wildfires — the wildfire money was provided in a new title, Title X, of the bill.

In addition, the conference agreement resolved a number of disagreements, both between Congress and the Administration and between the House and the Senate, over funding for major weapons systems. On some of the key weapons issues, the conference agreement,

- rejects the Administration proposal to terminate C-17 cargo aircraft production after FY2007 and buys 22 aircraft, 12 in the regular bill and 10 in the "bridge fund" for operations abroad;

- approves a Navy proposal to provide partial funding for 2 DDG-1000 destroyers — formerly the DD(X) — rather than providing full funding for just one ship as in the House bill;

- includes funds as requested for one T-AKE cargo ship and for 2 Littoral Combat Ships (LCS), rather than eliminating T-AKE funds and procuring only one LCS, as in the Senate bill;

- also adds $117 million, as in the Senate bill, for a T-AGS ocean survey ship;

- provides $3.4 billion for Army Future Combat system R&D, about $300 million below the request;

- slows F-35 Joint Strike Fighter procurement, with funds to buy 2 rather than the requested 5 aircraft, but does not eliminate FY2007 aircraft procurement funds as the Senate bill did, and also adds $340 million to maintain development of an alternative engine;

- provides full funding for F-22 procurement in FY2007, rather than partial funding as the Air Force requested, and also approves the requested multiyear procurement of F-22s, although the multiyear contract must also be approved in the defense authorization bill;[23]

- follows the Senate bill by shifting funds for 4 EA-18Gs to procurement of 4 F/A-18s — the House had eliminated all funds for the 8 EA-18s requested and added funds for 12 F/A-18s;

- provides $70 million in R&D for a new refueling aircraft to replace KC-135 tankers, which will allow the Air Force to carry on a request for bids in what appears to be a very high-stakes, high-profile competition between Boeing and Airbus;

---

[23] Section 2306b i (3) of Title 10 U.S. Code requires that an Act other than an appropriations Act must approve multiyear procurement — "In the case of the Department of Defense, a multiyear contract in an amount equal to or greater than $500,000,000 may not be entered into for any fiscal year under this section unless the contract is specifically authorized by law in an Act other than an appropriations Act."

- adds $290 million for National Guard and reserve equipment;

- reduces funding for the Transformational Communication Satellite (TSAT) by $130 million, for the Space Radar by $80 million, and for the Evolved Expendable Launch Vehicle by $80 million;

- for missile defense, cuts $48 million from the Kinetic Energy Interceptor, adds $200 million for the Ground-Based Missile Defense program, adds $85 million for sea-based missile defense, and adds $58 million for the U.S.-Israeli Arrow system.

On other issues, the conference agreement

- provides funding for a 2.2% military pay raise — if the authorization conference agreement approves a raise of 2.7% as in the House-passed bill, then the Defense Department can reprogram funds or ask for supplemental appropriations to cover the cost;

- provides funds for Army National Guard end-strength of 350,000, 17,000 above the request, in regular appropriations and provides funds for 30,000 additional Army and 5,000 additional Marine active duty personnel in the overseas bridge fund;

- eliminates $127 million requested for deploying conventional warheads on the Trident II missile and instead provides $5 million for a study of short- and long-term alternatives for the global strike mission and $20 million for technology common to any future system;

- in the bridge fund for operations in Iraq and Afghanistan, also provides $1.5 billion to train and equip Afghan security forces, $1.7 billion for Iraqi security forces, and $500 million for the Commander's Emergency Response Fund for military forces in Iraq to support reconstruction projects;

- requires a report on Iraq that includes measures of various trends, including information on militias; and

- provides that none of the funds provided in the Act may be used None of the funds made available in contravention of U.S. laws implementing the 1985 UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

Appendix A: Additional Tables

Table A1. Administration Projection of National Defense Funding, FY2007-FY2011

(budget authority in millions of dollars)

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
Military Personnel	115,824	113,147	114,603	117,879	121,166	124,589
Operation and Maintenance	178,346	152,646	159,338	165,260	171,925	174,523
Procurement	86,185	84,197	99,776	108,622	111,708	117,722
Research, Development, Test, and Evaluation	71,046	73,444	74,388	75,128	73,232	70,626
Military Construction	8,936	12,613	12,872	12,592	11,957	10,644
Family Housing	4,439	4,085	3,182	3,108	2,960	2,967
Other	3,374	1,118	31	1,178	949	3,150
Anticipated Funding for War on Terror	70,000	50,000	-	-	-	-
051 Subtotal, Department of Defense — Military	**538,150**	**491,250**	**464,190**	**483,767**	**493,897**	**504,221**
053 Atomic energy defense activities	**18,101**	**17,017**	**16,238**	**16,608**	**16,388**	**16,736**
054 Defense-related activities	**5,564**	**4,758**	**4,794**	**4,878**	**4,979**	**5,150**
Total, National defense	**561,815**	**513,025**	**485,222**	**505,253**	**515,264**	**526,107**

Sources: Office of Management and Budget, *Historical Tables: Budget of the United States Government, FY2007*, February 2006; Department of Defense, *National Defense Budget Estimates, Fiscal Year 2007*, March 2006.

Table A2. Proposed Missile Defense Funding, FY2007-FY2011

(budget authority in millions of dollars)

PE Number and Title	FY2007	FY2008	FY2009	FY2010	FY2011	Total FY07-11
Missile Defense Agency (MDA) RDT&E						
0603175C Ballistic Missile Defense Technology	207	183	214	223	228	1,055
0603881C Ballistic Missile Defense Terminal Defense Segment	1,038	904	682	754	469	3,847
0603882C Ballistic Missile Defense Midcourse Defense Segment	2,877	2,650	2,397	2,148	1,685	11,758
0603883C Ballistic Missile Defense Boost Defense Segment	632	577	456	457	687	2,809
0603884C Ballistic Missile Defense Sensors	515	589	647	326	220	2,298
0603886C Ballistic Missile Defense System Interceptors	406	425	895	1,202	1,675	4,603
0603888C Ballistic Missile Defense Test and Targets (includes MILCON)	600	595	629	635	656	3,114
0603889C Ballistic Missile Defense Products	507	506	510	507	513	2,542
0603890C Ballistic Missile Defense System Core	473	501	524	555	573	2,626
0603891C Special Programs - MDA	375	715	630	725	695	3,140
0603892C Ballistic Missile Defense Aegis	1,032	952	980	973	799	4,736
0603893C Space Tracking & Surveillance System	391	427	772	958	885	3,433
0603894C Multiple Kill Vehicle	165	286	357	413	505	1,726
0603895C BMD System Space Program	-	45	151	167	207	570
0901598C/ 0901585C Management Headquarters / PRMRF	103	93	92	75	75	438
0207998C Base Realignment and Closure (BRAC)	-	85	19	3	-	107
Total Missile Defense Agency R&D	**9,318**	**9,536**	**9,956**	**10,121**	**9,873**	**48,803**
RDT&E Army						
0604869A PATRIOT/MEADS Combined Aggregate Program	330	460	517	592	422	2,320
0203801A PATRIOT Product Improvement Program	11	11	11	12	13	58
RDT&E The Joint Staff						
0605126J Joint Theater Air and Missile Defense Organization	52	54	55	56	58	275
Total Army, Joint Staff R&D	**393**	**524**	**583**	**660**	**492**	**2,653**
Procurement Army						
PATRIOT PAC-3	489	473	479	0	0	1,441
PATRIOT/MEADS Combined Aggregate Program	0	90	65	430	674	1,259

PE Number and Title	FY2007	FY2008	FY2009	FY2010	FY2011	Total FY07-11
PATRIOT Modifications	70	77	50	54	56	307
Subtotal, Army Procurement	**559**	**639**	**594**	**484**	**731**	**3,006**
Operation and Support						
PE Air Force Military Personnel	8	8	9	9	9	42
PE Air Force Operations and Maintenance	12	34	33	34	35	148
PE Air Force Other Procurement	1	11	0	18	26	57
PE Army Operations and Maintenance	68	70	71	73	75	358
PE Army Natl Guard Military Personnel	24	25	26	26	26	126
PE Army Natl Guard Operations and Maintenance	0	0	0	0	0	1
PE Navy Operations and Maintenance	24	24	25	23	24	120
Subtotal Operation & Support	**138**	**173**	**164**	**183**	**195**	**852**
Grand Total Missile Defense R&D, Procurement, O&S	**10,409**	**10,871**	**11,296**	**11,448**	**11,291**	**55,314**

Sources: Department of Defense, *RDT&E Program Descriptive Summaries, FY2007: Missile Defense Agency*, and other budget justification material.

Table A3. Authorized and Actual Active Duty End-Strength, FY2004-FY2007

(number of personnel at the end of each fiscal year)

	Army	Navy	Marine Corps	Air Force	Total Active
FY2004 Actual	482,400	373,800	175,000	359,300	1,390,500
FY2005 Authorized	502,400	365,900	178,000	359,700	1,406,000
FY2005 Actual	492,728	362,941	180,029	353,696	1,389,394
FY2006 Authorized	512,400	352,700	179,000	357,400	1,401,500
FY2007 Request	482,400	340,700	175,000	334,200	1,332,300
FY2007 House	512,400	340,700	180,000	334,200	1,367,300
FY2007 House vs Request	*+30,000*	*0*	*+5,000*	*0*	*+35,000*
FY2007 Senate	512,400	340,700	180,000	334,200	1,367,300
FY2007 Senate vs Request	*+30,000*	*0*	*+5,000*	*0*	*+35,000*

Sources: Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2007: Appendix*, Feb. 2006, p. 245; H.Rept. 109-452; S.Rept. 109-254.

Table A4. House and Senate Action on Selected Weapon Programs: Authorization

(amounts in millions of dollars)

	Request			House Authorization			Senate Authorization			Conference Authorization			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	Comments
Army/Marine Corps													
Armed Recon Helicopter	18	141.4	132.8	18	141.4	132.8	18	141.4	132.8	—	—	—	—
Light Utility Helicopter	39	198.7	—	39	198.7	—	39	198.7	—	—	—	—	—
UH-60 Blackhawk Helicopter	38	740.4	127.0	38	870.4	127.0	38	740.4	127.0	—	—	—	House adds $115 mn for Army Reserve aircraft and $15 mn for engine upgrade.
AH-64 Apache Helo Mods	—	794.6	123.4	—	801.6	123.4	—	794.6	123.4	—	—	—	House adds $7 mn in proc for upgrades.
CH-47 Helicopter Mods	—	620.0	13.1	—	621.9	13.1	—	620.0	13.1	—	—	—	House adds $1.9 mn in proc for upgrades.
M-2 Bradley Vehicle Mods	—	359.7	—	—	506.7	—	—	597.7	—	—	—	—	House adds $147 mn. Senate adds $238 mn.
M -1 Abrams Tank Mods	23	536.0	12.7	23	482.4	12.7	23	707.0	12.7	—	—	—	House shifts $182.5 mn to Title XV,*adds $128.9 mn. Senate adds $170 mn.
Stryker Armored Vehicle	100	796.0	5.4	100	796.0	15.4	100	796.0	5.4	—	—	—	House adds $10 mn in R&D.
Future Combat System	—		3,745.6	—		3,419.8	—		3,745.6	—	—	—	House cuts $325.8 mn in R&D.
Hi Mob Multi-Purpose Veh.	—	617.4	—	—	582.6	—	—	617.4	—	—	—	—	House shifts $34.8 mn to Title XV.*
Family of Medium Tact. Veh.	—	695.1	1.9	—	695.1	2.3	—	695.1	1.9	—	—	—	—
Family of Heavy Tactical Veh.	—	353.2	4.0	—	353.2	4.0	—	353.2	4.0	—	—	—	—
Armored Security Vehicle	—	155.5	—	—	77.7	—	—	155.5	—	—	—	—	House shifts $77.5 mn to Title XV.*
Heavy Expanded Tactical Truck	—	220.4	—	—	110.2	—	—	220.4	—	—	—	—	House shifts $110.2 to Title XV.*
Warfighter Information Network-Tactical	—	—	158.2	—	—	118.2	—	100.0	158.2	—	—	—	House cuts $40 mn in R&D. Senate adds $100 mn in procurement.
Bridge to Future Networks	—	340.2	—	—	340.2	—	—	240.2	—	—	—	—	Senate cuts $100 mn.

	Request			House Authorization			Senate Authorization			Conference Authorization			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	Comments
Joint Tactical Radio System	—	1.3	832.3	—	1.3	832.3	—	1.3	832.3	—	—	—	—
Expeditionary Fighting Vehicle	15	256.2	188.3	15	256.2	188.3	15	256.2	188.3	—	—	—	—
Navy Shipbuilding													
CVN-21 Carrier Replacement Program	—	784.1	309.1	—	784.1	309.1	—	834.1	309.1	—	—	—	Senate adds $50 mn for long-lead items for 3 ships.
Virginia Class Submarine	1	2,452.1	169.6	1	2,852.1	214.6	1	2,452.1	234.6	—	—	—	House adds $400 mn in advance procurement for 2nd ship in FY2009 and $45 mn in R&D. Senate adds $65 mn in R&D for affordable design.
Carrier Refueling Overhaul	—	1,071.6	—	—	1,071.6	—	—	1,091.6	—	—	—	—	Senate adds $20 mn for defueling facility
Missile Submarine Conversion		226.2	—	—	226.2	—	—	226.2	—	—	—	—	—
DD(X)/DDG-1000 Destroyer	2	2,568.1	793.3	1	2,568.1	818.3	1	2,568.1	793.3	—	—	—	House provides the requested amount for procurement, but to fully fund one ship rather than partially fund two. House adds $25 mn in R&D.
DDG-51 Destroyer	—	355.8	—	—	555.8	—	—	355.8	—	—	—	—	House adds $200 mn for ship modernization.
LCS Littoral Combat Ship	2	520.7	319.7	2	520.7	319.7	2	520.7	319.7	—	—	—	—
LPD-17 Amphibious Ship	—	297.5	—	—	297.5	—	1	1,582.5	—	—	—	—	Senate adds $1.6 bn for 1 ship, cuts $298 mn for adv. proc.
LHA(R) Amphibious Ship	1	1,135.9	34.5	1	1,135.9	34.5	1	1,310.9	34.5	—	—	—	Senate adds $175 mn adv. proc.
Prior Year Shipbuilding	—	577.8	—	—	577.8	—	—	577.8	—	—	—	—	—
Other Shipbuilding	—	588.7	—	—	593.3	—	—	568.7	—	—	—	—	—
T-AKE Cargo Ship	1	455.0	—	1	455.0	—	1	455.0	—	—	—	—	—
Total Shipbuilding	**7**	**11,033.6**	**—**	**7**	**11,638.2**	**—**	**7**	**12,543.6**	**—**	**—**	**—**	**—**	**—**

	Request			House Authorization			Senate Authorization			Conference Authorization			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	Comments
Aircraft													
F-35 Joint Strike Fighter, AF	5	1,015.0	1,999.1	5	932.0	1,999.1	5	60.0	1,999.1	—	—	—	House cuts $83 mn from advance procurement to reduce concurrency. Senate cuts all procurement except $60 mn in adv proc.
F-35 Joint Strike Fighter, Navy	—	245.0	2,031.0	—	92.0	2,031.0	—	—	2,031.0	—	—	—	House cuts $153 mn from advance procurement to reduce concurrency. Senate eliminates $245 mn in adv proc to reduce production rate.
F-22 Fighter, AF	—	2,197.4	584.3	20	3,597.4	584.3	—	3,597.4	584.3	—	—	—	House and Senate add $1.4 bn for full funding of 20 aircraft.
C-17 Cargo Aircraft, AF	12	2,887.6	173.8	15	3,187.4	173.8	14	2,887.6	173.8	—	—	—	House adds $300 mn for 3 aircraft. Senate adds $400 mn for 2 aircraft, cuts $433 mn for settlement fees, adds $33 mn for adv proc.
C-130J Cargo Aircraft, AF	9	1,044.0	288.8	9	1,044.0	288.8	9	1,044.0	288.8	—	—	—	—
KC-130J Aircraft, Navy	4	298.9	—	4	298.9	—	4	298.9	0.0	—	—	—	—
C-130 Aircraft Mods, AF	—	217.7	—	—	237.0	—	—	217.7	0.0	—	—	—	House adds $19.3 mn for upgrades.
C-5 Cargo Aircraft Mods, AF	—	223.1	150.2	—	289.8	150.2	—	223.1	150.2	—	—	—	House adds $44.5 mn for upgrades and $22.2 mn for adv proc.
Global Hawk UAV, AF	6	493.2	247.7	6	493.2	247.7	6	493.2	247.7	—	—	—	—
Predator UAV, AF	26	229.1	61.5	26	114.5	61.5	26	229.1	61.5	—	—	—	House shifts $114.6 mn to Title XV.*
EA-18G Aircraft, Navy	12	905.2	372.4	12	905.2	372.4	12	905.2	372.4	—	—	—	—
F/A-18E/F Fighter, Navy	30	2,341.2	31.1	30	2,341.2	31.1	30	2,341.2	31.1	—	—	—	—
V-22 Tilt Rotor Aircraft, Navy	14	1,584.5	268.5	14	1,584.5	268.5	14	1,584.5	268.5	—	—	—	—

	Request			House Authorization			Senate Authorization			Conference Authorization			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	Comments
CV-22 Tilt Rotor Aircraft, AF	2	243.0	26.6	2	243.0	26.6	2	243.0	26.6	—	—	—	—
MH-60S Helicopter, Navy	18	548.6	83.7	18	548.6	83.7	24	660.6	83.7	—	—	—	Senate adds $118 mn for 6 aircraft.
MH-60R Helicopter, Navy	25	915.7	19.3	25	915.7	19.3	26	943.7	19.3	—	—	—	Senate adds $28 mn for 1 aircraft.
E-2C Hawkeye Aircraft, Navy	2	203.6	1.5	2	203.6	1.5	2	203.6	1.5	—	—	—	—
T-45 Goshawk Trainer, Navy	12	411.3	—	12	411.3	—	10	347.3	—	—	—	—	Senate cuts $32 mn for 2 aircraft.
JPATS Trainer Aircraft, AF	48	305.1	2.2	48	305.1	2.2	48	305.1	2.2	—	—	—	—
JPATS Trainer Aircraft, Navy	21	146.1	—	25	175.0	—	21	146.1	—	—	—	—	House adds $28.9 mn for 4 aircraft.
Missiles/Space													
Trident II Missile Mods, Navy	—	957.6	124.5	—	919.6	124.5	—	957.6	124.5	—	—	—	House cuts $38 mn for conversion to conventional warhead.
Tactical Tomahawk, Navy	350	354.6	18.6	350	354.6	18.6	350	354.6	18.6	—	—	—	—
Mobile User Objective System, Navy	—	—	655.3	—	—	655.3	—	—	655.3	—	—	—	—
Jt Air-to-Surface Standoff Msl., AF	234	187.2	40.9	234	187.2	40.9	234	187.2	40.9	—	—	—	—
Minuteman III Mods, AF	—	691.7	45.5	—	691.7	45.5	—	711.7	45.5	—	—	—	Senate adds $20 mn for propulsion replacement.
Advanced EHF Satellite, AF	—	—	633.3	—	—	633.3	—	—	633.3	—	—	—	—
Wideband Gapfiller Satellite, AF	1	414.4	37.7	1	414.4	37.7	1	414.4	46.2	—	—	—	Senate adds $8.5 mn in R&D for command and control.
Evolved Expendable Launch Vehicle, AF	4	936.5	18.5	4	936.5	18.5	4	936.5	18.5	—	—	—	—
Space-Based Infrared System-	—	—	668.9	—	—	668.9	—	—	668.9	—	—	—	—

	Request			House Authorization			Senate Authorization			Conference Authorization			Comments
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	
High, AF													
Transformational Communications Satellite, AF	—	—	867.1	—	—	787.1	—	—	797.1	—	—	—	House cuts $80 mn and Senate cuts $70 mn due to excessive risk.
Space Radar, AF	—	—	266.4	—	—	236.4	—	—	200.0	—	—	—	House cuts $30 mn and Senate cuts $66 mn due to excessive risk.

Sources: DOD; H.Rept. 109-452; S.Rept. 109-254.
***Note:** Title XV of the bill authorizes emergency funding for overseas operations. See Table A6 for procurement and R&D programs authorized in Title XV.

Table A5. House and Senate Action on Selected Weapon Programs: Appropriations

(amounts in millions of dollars)

	Request			House Appropriations			Senate Appropriations			Conference Appropriations			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	Comments
Army/Marine Corps													
Armed Recon Helicopter	18	141.4	132.8	—	70.7	112.8	12	101.8	132.8	—	—	—	House cuts $70.7 in proc for schedule risk, $20 mn in R&D. Senate cuts $39.6 mn in proc.
Light Utility Helicopter	39	198.7	—	39	198.7	—	16	91.2	—	—	—	—	Senate cuts $108 mn for 23 aircraft.
UH-60 Blackhawk Helicopter	38	740.4	127.0	39	767.1	127.0	38	740.4	127.0	—	—	—	House adds $19 mn for 1 Medevac version for reserve.
AH-64 Apache Helo Mods	—	794.6	123.4	—	794.6	123.4	—	794.6	123.4	—	—	—	—
CH-47 Helicopter Mods	—	620.0	13.1	—	620.0	17.1	—	620.0	28.1	—	—	—	Senate adds $15 mn in R&D.
M-2 Bradley Vehicle Mods	—	359.7	—	—	359.7	4.0	—	281.7	—	—	—	—	Senate cuts $78 mn, adds funds in Title IX.
M -1 Abrams Tank Mods	23	536.0	12.7	—	358.5	12.7	23	537.0	12.7	—	—	—	House shifts $177 mn to Title IX. Senate adds $1 mn.
Stryker Armored Vehicle	100	796.0	5.4	100	800.0	9.4	100	796.0	5.4	—	—	—	—
Future Combat System	—		3,745.6	—	—	3,419.8	—	—	3,502.8	—	—	—	House cuts $326 mn citing better cost controls. Senate cuts $254 mn.
Hi Mob Multi-Purpose Veh.	—	617.4	—	—	582.6	—	—	623.3	—	—	—	—	House shifts $35 mn to Title IX. Senate adds $6 mn.
Family of Medium Tact. Veh.	—	695.1	1.9	—	695.1	5.9	—	692.1	13.9	—	—	—	Senate cuts $3 mn in proc adds $12 mn in R&D.
Family of Heavy Tactical Veh.	—	353.2	4.0	—	353.2	8.7	—	353.2	17.4	—	—	—	—
Armored Security Vehicle	—	155.5	—	—	155.5	—	—	155.5	—	—	—	—	—

	Request			House Appropriations			Senate Appropriations			Conference Appropriations			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	Comments
Heavy Expanded Tactical Truck	—	220.4	—	—	110.2	—	—	220.4	—	—	—	—	House shifts $110 mn to Title IX.
Warfighter Information Network-Tactical	—	—	158.2	—	—	118.2	—	—	128.2	—	—	—	House cuts $40 mn, Senate cuts $30 mn.
Bridge to Future Networks	—	340.2	—	—	347.4	—	—	340.2	—	—	—	—	—
Joint Tactical Radio System	—	1.3	832.3	—	1.3	797.3	—	—	832.3	—	—	—	House cuts $35 mn in R&D. Senate cuts proc.
Expeditionary Fighting Vehicle	15	256.2	188.3	15	192.2	194.9	15	256.2	188.3	—	—	—	House cuts $64 mn in proc for schedule slip.
Navy Shipbuilding													
CVN-21 Carrier Replacement Program	—	784.1	309.1	—	784.1	313.6		784.1	309.1	—	—	—	—
Virginia Class Submarine	1	2,452.1	169.6	1	2,452.1	190.0	1	2,452.1	216.8	—	—	—	House adds $20 mn, Senate adds $47 mn in R&D.
Carrier Refueling Overhaul	—	1,071.6	—	—	1,071.6	—		1,071.6	—	—	—	—	—
Missile Submarine Conversion		226.2	—	—	226.2	—		226.2	—	—	—	—	—
DD(X) Destroyer	2	2,568.1	793.3	2	2,568.1	807.3	2	2,568.1	794.3	—	—	—	—
DDG-51 Destroyer	—	355.8	—	—	405.8	—		355.8	—	—	—	—	House adds $50 mn for modernization program.
LCS Littoral Combat Ship	2	520.7	319.7	2	520.7	332.3	1	300.7	321.5	—	—	—	Senate cuts $220 mn for one ship citing inaccurate Navy cost figures.
LPD-17 Amphibious Ship	—	297.5	—	—	297.5	—		297.5	—	—	—	—	—
LHA(R) Amphibious Ship	1	1,135.9	34.5	1	1,135.9	34.5	1	1,135.9	34.5	—	—	—	—
Prior Year Shipbuilding	—	577.8	—	—	436.4	—		577.8	—	—	—	—	House cuts $141 mn.
T-AGS Oceanographic Ship	—	—	—	—	—	—	1	117.0	—				Senate adds $117 mn for 1 ship.
Other Shipbuilding	—	588.7	—	—	593.2	—	—	506.6	—	—	—	—	—

	Request			House Appropriations			Senate Appropriations			Conference Appropriations			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	Comments
T-AKE Cargo Ship	1	455.0	—	1	455.0	—	—	—	—	—	—	—	Senate eliminates funding citing backlog in obligating prior year funds.
Total Shipbuilding	**7**	**11,033.6**	**—**	**7**	**10,946.7**	—	**6**	**10,393.5**	—	**—**	**—**	**—**	—
Aircraft													
F-35 Joint Strike Fighter, AF	5	1,015.0	1,999.1	4	803.0	2,200.6	—	—	2,137.4	—	—	—	House cuts $140 mn for 1 aircraft, cuts $72 mn in adv proc, adds $200 mn in R&D for alternate engine. Senate eliminates proc funds. Senate adds $170 mn for 2nd engine, cuts $32 mn for excess accumulation of withheld awards fees.
F-35 Joint Strike Fighter, Navy	—	245.0	2,031.0	—	123.0	2,033.7	—	—	2,172.3	—	—	—	House cuts $122 mn in adv proc. Senate eliminates adv proc funds. Senate adds $170 mn in R&D for 2nd engine, cuts $32 mn for excess awards fee.
F-22 Fighter, AF	—	2,197.4	584.3	20	3,597.4	584.3	—	3,547.8	584.3	—	—	—	House and Seante add $1.4 bn for full funding for 20 aircraft.
C-17 Cargo Aircraft, AF	12	2,887.6	173.8	12	2,497.6	173.8	12	2,558.1	173.8	—	—	—	House cuts $390 mn requested for shutdown. Senate shifts $329 mn for shutdown to Title IX to buy aircraft.
C-130J Cargo Aircraft, AF	9	1,044.0	288.8	9	1,044.0	258.3	9	1,007.0	290.8	—	—	—	House cuts $40 mn in R&D for specific projects. Senate cuts $37 mn for mods.
KC-130J Aircraft, Navy	4	298.9	—	4	298.9	—	2	172.3	—	—	—	—	Senate cuts $127 mn for 2 aircraft.

	Request			House Appropriations			Senate Appropriations			Conference Appropriations			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	Comments
C-130 Aircraft Mods, AF	—	217.7	—	—	192.7	—	—	156.8	—	—	—	—	Senate cuts $60.9 mn.
C-5 Cargo Aircraft Mods, AF	—	223.1	150.2	—	223.1	152.2	—	235.1	150.2	—	—	—	Senate adds $12 mn for mods.
Global Hawk UAV, AF	6	493.2	247.7	4	387.2	248.7	6	443.2	247.7	—	—	—	House cuts $88 mn for 2 aircraft and $18 mn in adv proc. Senate cuts $50 mn.
Predator UAV, AF	26	229.1	61.5	—	37.9	64.0	26	152.4	67.5	—	—	—	House shifts $115 mn to Title IX, cuts $77 mn due to SOF increase. Senate cuts $77 mn.
EA-18G Aircraft, Navy	12	905.2	372.4	—	126.2	375.4	8	647.8	372.4	—	—	—	House cuts $779 to defer production. Senate cuts $257 mn for 4 aircraft, adds 4 to F/A-18E/F.
F/A-18E/F Fighter, Navy	30	2,341.2	31.1	42	2,999.3	38.7	34	2,560.2	41.6	—	—	—	House adds $658 mn for 12 additional aircraft. Senate adds $219 mn for 4 aircraft.
V-22 Tilt Rotor Aircraft, Navy	14	1,584.5	268.5	14	1,584.5	268.5	14	1,574.5	268.5	—	—	—	—
CV-22 Tilt Rotor Aircraft, AF	2	243.0	26.6	2	243.0	26.6	2	243.0	26.6	—	—	—	—
MH-60S Helicopter, Navy	18	548.6	83.7	18	548.6	83.7	18	548.6	83.7	—	—	—	—
MH-60R Helicopter, Navy	25	915.7	19.3	25	921.1	19.3	25	915.7	19.3	—	—	—	—
E-2C Hawkeye Aircraft, Navy	2	203.6	1.5	2	203.6	6.2	2	203.6	7.5	—	—	—	—
T-45 Goshawk Trainer, Navy	12	411.3	—	12	411.3	—	10	347.3	—	—	—	—	Senate cuts $64 mn for 2 aircraft.
JPATS Trainer Aircraft, AF	48	305.1	2.2	48	305.1	2.2	48	305.1	2.2	—	—	—	—
JPATS Trainer Aircraft, Navy	21	146.1	—	21	146.1	—	21	146.1	—	—	—	—	—
Missiles/Space													
Trident II Missile Mods, Navy	—	957.6	124.5	—	919.6	129.5	—	919.6	124.5	—	—	—	House and Senate cut $38 mn for convention warhead conversion.
Tactical Tomahawk, Navy	350	354.6	18.6	350	354.6	25.6	350	354.6	18.6	—	—	—	—

	Request			House Appropriations			Senate Appropriations			Conference Appropriations			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	$	$	#	$	$	#	$	$	#	$	$	Comments
Mobile User Objective System, Navy	—	—	655.3	—	—	655.3	—	—	655.3	—	—	—	—
Jt Air-to-Surface Standoff Msl., AF	234	187.2	40.9	234	187.2	40.9	234	147.2	40.9	—	—	—	Senate cuts $40 mn in proc.
Minuteman III Mods, AF	—	691.7	45.5	—	625.3	65.0	—	691.7	45.5	—	—	—	House cuts $66 mn for propulsion replacement program, adds $15 mn in R&D for conventional warhead study.
Advanced EHF Satellite, AF	—	—	633.3	—	—	633.3	—	—	633.3	—	—	—	—
Wideband Gapfiller Satellite, AF	1	414.4	37.7	1	414.4	37.7	1	414.4	37.7	—	—	—	—
Evolved Expendable Launch Vehicle, AF	4	936.5	18.5	4	936.5	20.5	4	936.5	18.5	—	—	—	—
Space-Based Infrared System-High, AF	—	—	668.9	—	—	668.9	—	—	668.9	—	—	—	—
Transformational Communications Satellite, AF	—	—	867.1	—	—	767.1	—	—	637.1	—	—	—	House cuts $100 mn for delays. Senate cuts $230 mn.
Space Radar, AF	—	—	266.4	—	—	200.0	—	—	166.4	—	—	—	House cuts $66 mn for program moderation. Senate cuts $100 mn.
National Guard and Reserve Equipment													
National Guard and Reserve Equipment	—	—	—	—	500.0	—	—	340.0	—	—	—	—	House adds $500 mn to be allocated by Guard and reserve leadership. Senate adds $340 mn.

Sources: DOD; House Appropriations Committee, Senate Appropriations Committee.
***Note:** Title IX of both bills appropriates funding for overseas operations.

Table A6. Emergency Funding, Authorization and Appropriations

(millions of dollars)

	Authorization			Appropriations		
	House	Senate	Conf.	House	Senate Comm. Rept'd	Conf.
Military Personnel	**9,362.8**	**7,335.9**	**—**	**5,992.1**	**5,760.8**	**—**
Army	6,869.9	5,467.0	—	4,346.7	5,054.5	—
Army Reserve	150.0	—	—	—	90.9	—
Army National Guard	100.0	—	—	251.0	214.1	—
Navy	333.0	321.0	—	229.1	114.5	—
Navy Reserve	—	—	—	10.0	—	—
Marine Corps	749.4	466.1	—	495.5	142.3	—
Marine Reserve	—	—	—	—	15.4	—
Air Force	1,071.8	1,081.8	—	659.8	129.0	—
Air National Guard	36.7	—	—	—	—	—
Benefits	52.0	—	—	—	—	—
Operation and Maintenance	**31,983.3**	**32,246.2**	**—**	**33,409.4**	**36,293.2**	**—**
Army	22,397.0	22,124.5	—	24,280.0	24,037.2	—
Army Reserve	—	—	—	—	211.6	
Army National Guard	50.0	59.0	—	220.0	204.0	—
Navy	1,834.6	2,349.6	—	1,954.1	1,284.2	—
Navy Reserve	—	—	—	—	8.0	—
Marine Corps	1,485.9	1,544.9	—	1,781.5	1,809.5	—
Air Force	2,823.0	2,779.9	—	2,987.1	1,940.6	—
Air Force Reserve	—	—	—	—	65.0	—
Air National Guard	15.4	—	—	—	200.0	—
Defense-Wide	3,377.4	3,388.4	—	2,186.7	2,383.2	—
Other*	—	—	—	—	4,150.0	—
Total Procurement	**5,166.3**	**2,126.7**	**—**	**5,598.5**	**7,255.1**	**—**
Army Procurement	**3,773.8**	**1,755.1**	**—**	**3,562.1**	**3,421.8**	**—**
Aircraft	232.4	404.1	—	132.4	556.0	—
Missiles	—	450.0	—	—	—	—
Weapons & Tracked Combat Vehicles	1,029.7	214.4	—	1,214.7	1,048.3	—
Ammunition	328.3	—	—	275.2		—
Other	2,183.4	686.6	—	1,939.8	1,817.5	—
Navy/Marine Corps Procurement	**955.4**	**319.8**	**—**	**959.8**	**1,811.2**	**—**
Aircraft	—	—	—	34.9	153.7	—
Weapons	131.4	—	—	131.4	—	—
Ammunition	143.2	—	—	143.2	99.9	—
Other	44.7	—	—	28.9	276.5	—
Marine Corps	636.1	319.8	—	621.5	1,281.1	—
Air Force Procurement	**296.9**	**51.8**	**—**	**955.0**	**1,965.8**	**—**
Aircraft	201.6	—	—	912.4	720.1	—
Missiles	32.7	—	—	32.7	25.4	—
Other	62.7	51.8	—	9.9	1,220.3	—
Defense-Wide Procurement	**140.2**	**—**	**—**	**121.6**	**56.3**	**—**
Total	140.2	—	—	121.6	**56.3**	**—**
Research, Development, Test, and Evaluation	**37.5**	**—**	**—**	**—**	**298.2**	**—**
Army	25.5	—	—	—	—	—
Navy	—	—	—	—	110.0	—
Air Force	7.0	—	—	—	33.1	—
Defense-Wide	5.0	—	—	—	155.1	—

	Authorization			Appropriations		
	House	Senate	Conf.	House	Senate Comm. Rept'd	Conf.
Other Programs	**3,450.2**	**8,291.2**	**—**	**5,000.0**	**392.7**	**—**
Related Agencies	—	—	**—**	—	19.3	—
Revolving Funds, Fuel Prices	—	—	**—**	1,000.0	373.5	
Defense Health Program	950.2	960.2	**—**	—	**—**	**—**
Classified Programs	2,500.0	3,000.0	**—**	—	**—**	**—**
Joint IED Defeat Fund*	—	2,100.0	**—**	—	**—**	**—**
Iraqi Freedom Fund*	—	2,231.0	**—**	4,000.0	**—**	**—**
Grand Total	**50,000.0**	**50,000.0**	**—**	**50,000.0**	**50,000.0**	**—**

Table A7. Authorization of Emergency Funds for Procurement and R&D: Line Item Detail

(millions of dollars)

	House	Senate	Conference
Total Procurement	**5,166.3**	**2,126.7**	**—**
Army Procurement	**3,773.8**	**1,755.1**	**—**
Aircraft	**232.4**	**404.1**	**—**
AH-64 Helicopters	49.5	—	—
UH-60 Battle Losses	—	71.0	—
CH-47 Helicopter	82.9	333.1	—
Joint IED Defeat Surveillance Platform	100.0		—
Missiles	**—**	**450.0**	
Upgrade Patriot Battalions to Configuration 3	—	400.0	
Additional PAC-3 Missiles (16)	—	50.0	—
Weapons & Tracked Combat Vehicles	**1,029.7**	**214.4**	
Bradley Base Sustainment	380.0	—	
Stryker	41.5	—	—
Stryker SLAT Armor	24.4	—	—
Abrams Upgrades (from Title I)	182.5	—	—
Abrams Upgrades	187.3	136.5	—
Abrams Urban Survivability Kits	77.0	77.9	—
Machine Guns (from Title I)	39.9	—	—
Machine Guns/Carbines	55.2	—	—
Phalanx Mods	42.0	—	—
Ammunition	**328.3**	**—**	
Other Procurement, Army	**2,183.4**	**686.6**	
Up-Armor HMMWVs	500.0	508.0	
Up-Armor HMMWVs, Protection Measures	364.0	—	—
Armored Security Vehicles	83.0	—	—
Armored Security Vehicles (from Title I)	77.8	—	—
Heavy Expanded Mobility Trucks (HEMTT) Mods	25.0	125.0	—
HEMTT ESP Mods (from Title I)	110.2	—	—
HMMWV Recapitalization (from Title I)	34.8	—	—
Fuel Tank Fire Suppression Kits	19.4	—	—
SINCGARS Radios (from Title I)	58.3	—	—
SINCGARS Radios	31.6	—	—
CSEL Radios (from Title I)	8.3	—	—
CSEL Radios	35.6	—	—
Improved HF Radios (from Title I)	45.7	—	—
Improved HF Radios	50.6	—	—
Land-Mobile Radios		30.0	—
Prophet Ground	48.3	—	—
Tactical Unmanned Aerial System (from Title I)	50.2	—	—
Counter-Mortar Radar	10.5	—	—
Night Vision Devices (from Title I)	160.5	—	—
Night Vision Devices	20.9	—	—
AN/TMQ-52 Profiler	23.6	23.6	—
FireFinder Radars (from Title I)	9.6	—	—
Force XXI Battle Command Sys (from Title I)	80.1	—	—
Force XXI Battle Command System	52.0	—	—
Route Clearance Team Equipment (from Title I)	68.1	—	—

	House	Senate	Conference
HMMWV & Truck Trainers, National Guard	25.0	—	—
Joint IED Defeat Electronic Countermine	109.7	—	—
Manual Transport Robotic System	16.8	—	—
C-RAM	66.2	—	—
Navy/Marine Corps Procurement	**955.4**	**319.8**	
Weapons, Navy	**131.4**	**—**	
Hellfire II Missile, MC	122.0	—	—
Pioneer UAV Sustainment	9.4	—	—
Ammunition, Navy/Marine Corps	**143.2**	**—**	**—**
Other Procurement, Navy	**44.7**	**—**	**—**
ScanEagle UAV	39.7	—	—
Satcom Terminals	5.0	—	—
Marine Corps Procurement	**636.1**	**319.8**	
AAV Armor Kits	7.0	—	—
HIMARS Add-On Armor	170.7	85.3	—
Small Arms Mods	50.0	—	—
Weapons Under $5 mn (from Title I)	4.5	—	—
TOW Bunker Buster Missiles	30.6	—	—
Night Vision Equipment	48.1	—	—
Night Vision Equipment (from Title I)	6.9	—	—
Radio Systems	120.4	—	—
Radio Systems (from Title I)	26.8	—	—
Up-Armor HMMWVs	84.7	—	—
Up-Armor HMMWVs (from Title I)	36.2	—	—
Cougar and Buffalo		100.0	—
Assault Breacher Vehicles	12.0	12.0	—
AAV7A1 Product Improvement		22.5	—
Gunner Protection Kits		100.0	
EOD Systems	16.3	—	—
EOD Systems (from Title I)	7.4	—	—
MTVR Training Devices	3.9	—	—
Virtual Convoy Trainer	5.5	—	—
Biometric Automated Toolkits	2.3	—	—
ULCANS	3.0	—	—
Air Force Procurement	**296.9**	**51.8**	**—**
Aircraft	**201.6**	**—**	**—**
Predator UAV (from Title I)	114.6	—	—
Predator UAV	80.0	—	—
U-2 Aircraft	7.0	—	—
Missiles	**32.7**	**—**	**—**
Predator Hellfire Missiles (from Title I)	32.7	—	—
Other Procurement, Air Force	**62.7**	**51.8**	**—**
HMMWV Armored (from Title I)	4.2	—	—
HMMWV Up-Armored (from Title I)	5.7	—	—
HMMWV Up-Armored	51.8	51.8	
U-2	1.0	—	—

	House	Senate	Conference
Defense-Wide Procurement	**140.2**	**—**	**—**
MH-47 Reconstitution	4.1	—	—
Time Delay Firing Device	7.5	—	—
Persistent Predator Operations	13.4	—	—
Predator Payload Integration	6.0	—	—
Specialized Ballistic Protection	2.2	—	—
Counter Ambush Weapons System	6.3	—	—
MH-47 Radio Frequency Countermeasures	44.0	—	—
M134DT Mini-Gun Replacement	13.9	—	—
Miniature Multi-Band Beacons	8.9	—	—
Small Arms Laser Acquisition Marker	5.3	—	—
Clip-On Night Vision Device	12.6	—	—
Special Weapons Observation System	6.0	—	—
Thermal Clip-On Night Vision Device	10.0	—	—
Research, Development, Test, and Evaluation	**37.6**	**—**	**—**
Army	**25.5**	**—**	**—**
C-RAM	25.5	—	—
Air Force	**7.0**	**—**	**—**
U-2	7.0	—	—
Defense-Wide	**5.1**	**—**	**—**
Pacific Wind	4.1	—	—
Specialized Ballistic Protection	1.0	—	—

Sources: H.Rept. 109-452; S.Rept. 109-254.

For Additional Reading

CRS Report RL33110, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*, by Amy Belasco.

CRS Report RL33298, *FY2006 Supplemental Appropriations: Iraq and Other International Activities; Additional Katrina Hurricane Relief*, coordinated by Paul M. Irwin and Larry Nowels.

CRS Report RS22455, *Military Operations: Precedents for Funding Contingency Operations in Regular or in Supplemental Appropriations Bills*, by Stephen Daggett.

CRS Report 98-756C, *Defense Authorization and Appropriations Bills: FY1970-FY2006*, by Thomas Coipuram Jr.

FY2007 Defense Budget Issues for Congress: Slides from a CRS Seminar, February 10, 2006, by Stephen Daggett, Ronald O'Rourke, and Charles A. Henning. Available on line at [http://www.crs.gov/products/browse/documents/WD00005.pdf].

CRS Report RS20851, *Naval Transformation: Background and Issues for Congress*, by Ronald O'Rourke.

CRS Report RL32665, *Navy Force Structure and Shipbuilding Plans: Background and Issues for Congress*, by Ronald O'Rourke.

CRS Report RL32513, *Navy-Marine Corps Amphibious and Maritime Prepositioning Ship Programs: Background and Oversight Issues for Congress*, by Ronald O'Rourke.

CRS Report RL32418, *Navy Attack Submarine Force-Level Goal and Procurement Rate: Background and Issues for Congress*, by Ronald O'Rourke.

CRS Report RL33161, *The Joint Tactical Radio System (JTRS) and the Army's Future Combat System (FCS): Issues for Congress*, by Andrew Feickert.

CRS Report RL32888, *The Army's Future Combat System (FCS): Background and Issues for Congress*, by Andrew Feickert.

CRS Report RL32476, *U.S. Army's Modular Redesign: Issues for Congress*, by Andrew Feickert.

CRS Report RL33390, *Proposed Termination of Joint Strike Fighter (JSF) F136 Alternate Engine* by Christopher Bolkcom.

CRS Report RL33543, *Tactical Aircraft Modernization: Issues for Congress*, by Christopher Bolkcom.

CRS Report RS20859, *Air Force Transformation*, by Christopher Bolkcom.

CRS Report RL30563, *F-35 Joint Strike Fighter (JSF) Program: Background, Status, and Issues*, by Christopher Bolkcom.

CRS Report RL30685, *Military Airlift: C-17 Aircraft Program*, by Christopher Bolkcom.

CRS Report RL33067, *Conventional Warheads For Long-Range Ballistic Missiles: Background and Issues for Congress*, by Amy F. Woolf.

CRS Report RS21754, *Military Forces: What is the Appropriate Size for the United States?*, by Edward F. Bruner.

CRS Report RS22402, *Increases in Tricare Fees: Background and Options for Congress*, by Richard A. Best Jr.

CRS Report RL33446, *Military Pay and Benefits: Key Questions and Answers*, by Charles A. Henning.

CRS Report RL33432, *U.S. Disposal of Chemical Weapons in the Ocean: Background and Issues for Congress*, by David Bearden.

CRS Report RS21988, *Radioactive Tank Waste from the Past Production of Nuclear Weapons: Background and Issues for Congress*, by David Bearden.