ations to support force protection equipment, operational needs and military personnel requirements of the units deployed and engaged in the Global War on Terrorism.

Included in the force protection recommendation is funding for up-armored Humvees, tactical wheeled vehicle recapitalization and modernization programs for the most heavily used vehicles in OIF and OEF, night vision devices and improvised explosive device jammers. In addition, the committee recognizes the need to replenish critical small-arms and ammunition procurement programs, including funding for the M16 rifle, M240 medium machine gun and M4 carbine modifications, and .50 caliber cartridges, 120mm tank ammunition canisters and 155mm high explosive projectiles. Incorporated in the day-to-day operation recommendation is funding to pay for food, fuel, spare parts, maintenance, transportation, base expenses, as well as costs incurred by stateside installations for increased mobilizations and demobilizations due to OIF and OEF.

Over the past four years, the committee has recommended increases in the active component manpower to sustain the full range of capabilities required of the mission assigned to the armed forces. The committee recommends funding a cumulative active component increase of 30,000 for the Army and 5,000 for the Marine Corps over the budget request.

HEARINGS

Committee consideration of the National Defense Authorization Act for Fiscal Year 2007 results from hearings that began on February 1, 2006, and that were completed on April 7, 2006. The full committee conducted fifteen sessions. In addition, a total of thirty-two sessions were conducted by 6 different subcommittees on various titles of the bill.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATION

TITLE I—PROCUREMENT

OVERVIEW

The budget request for fiscal year 2007 contained $84.2 billion for procurement. This represents a $6.2 billion increase from the amount authorized for fiscal year 2006.

The committee recommends authorization of $85.9 billion, an increase of $1.7 billion from the fiscal year 2007 request.

The committee recommendations for the fiscal year 2007 procurement program are identified in the table below. Major issues are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT, ARMY										
	AIRCRAFT PROCUREMENT, ARMY		3,566,483		148,300		148,300				3,714,783
	MISSILE PROCUREMENT, ARMY		1,350,898		140,000		140,000				1,490,898
	PROCUREMENT OF W&TCV, ARMY		2,301,943		33,061		303,200		(270,139)		2,335,004
	PROCUREMENT OF AMMUNITION, ARMY		1,903,125		(211,650)		15,000		(226,650)		1,691,475
	OTHER PROCUREMENT, ARMY		7,718,602		(748,523)		61,100		(809,623)		6,970,079
	NATIONAL GUARD EQUIPMENT				318,000		318,000				318,000
	TOTAL ARMY		**16,841,051**		**(320,812)**		**985,600**		**(1,306,412)**		**16,520,239**
	PROCUREMENT, NAVY										
	AIRCRAFT PROCUREMENT, NAVY		10,868,771		(108,100)		44,900		(153,000)		10,760,671
	WEAPONS PROCUREMENT, NAVY		2,555,020		(38,000)				(38,000)		2,517,020
	PROCUREMENT OF AMMUNITION, NAVY & MARINE CORPS		789,943		(31,150)				(31,150)		758,793
	SHIPBUILDING & CONVERSION, NAVY		10,578,553		604,600		604,600				11,183,153
	OTHER PROCUREMENT, NAVY		4,967,916		74,850		86,850		(12,000)		5,042,766
	PROCUREMENT, MARINE CORPS		1,273,513		(49,700)		32,000		(81,700)		1,223,813
	TOTAL NAVY		**31,033,716**		**452,500**		**768,350**		**(315,850)**		**31,486,216**
	PROCUREMENT, AIR FORCE										
	AIRCRAFT PROCUREMENT, AIR FORCE		11,479,810		1,562,820		1,801,500		(238,680)		13,042,630
	PROCUREMENT OF AMMUNITION, AIR FORCE		1,072,749		4,000		4,000				1,076,749
	MISSILE PROCUREMENT, AIR FORCE		4,204,145		(32,650)				(32,650)		4,171,495
	OTHER PROCUREMENT, AIR FORCE		15,408,086		20,550		45,300		(24,750)		15,428,636
	TOTAL AIR FORCE		**32,164,790**		**1,554,720**		**1,850,800**		**(296,080)**		**33,719,510**
	PROCUREMENT, DEFNESE-WIDE										
	PROCUREMENT, DEFENSE-WIDE		2,861,461		(5,000)		10,000		(15,000)		2,856,461
	PROCUREMENT, DEFENSE PRODUCTION ACT		[18,484]								[18,484]
	CHEM AGENTS & MUNITIONS DESTRUCTION		1,277,304								1,277,304
	TOTAL DEFENSE-WIDE		**4,138,765**		**(5,000)**		**10,000**		**(15,000)**		**4,133,765**
	GRAND TOTAL DEPARTMENT OF DEFENSE		**84,178,322**		**1,681,408**		**3,614,750**		**(1,933,342)**		**85,859,730**

AIRCRAFT PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2007 contained $3.6 billion for Aircraft Procurement, Army. The committee recommends authorization of $3.7 billion, an increase of $148.3 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Aircraft Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	AIRCRAFT PROCUREMENT, ARMY										
	AIRCRAFT										
	FIXED WING										
1	JOINT CARGO AIRCRAFT	3	109,154							3	109,154
2	UTILITY F/W AIRCRAFT	1	4,060							1	4,060
	ROTARY										
3	ARMED RECONNAISSANCE HELICOPTER	18	141,418							18	141,418
4	HELICOPTER, LIGHT UTILITY (LUH)	39	198,677							39	198,677
5	UH-60 BLACKHAWK (MYP)	38	632,542		130,000					38	762,542
	HH-60L - USAR						115,000				
	UH-60A to L Engine Upgrade						15,000				
5	LESS: ADVANCE PROCUREMENT (PY)		(77,991)								(77,991)
6	ADVANCE PROCUREMENT (CY)		185,845								185,845
7	HELICOPTER NEW TRAINING										
	TOTAL AIRCRAFT		**1,193,705**		**130,000**		**130,000**				**1,323,705**
	MODIFICATION OF AIRCRAFT										
8	GUARDRAIL MODS		58,000								58,000
9	ARL MODS		48,000								48,000
10	AH-64 MODS		794,387		7,000						801,387
	Modern Signal Processing Unit						6,000				
	Bladefold Kits						1,000				
	LESS: ADVANCE PROCUREMENT (PY)		(18,746)								(18,746)
11	ADVANCE PROCUREMENT (CY)		19,000								19,000
12	CH-47 CARGO HELICOPTER MODS		607,663		1,900						609,563
	Film Laminates for Windscreens						900				
	Crashworthy Ramp Gunner Seat						1,000				

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
12	LESS: ADVANCE PROCUREMENT (PY)		(24,358)								(24,358)
13	ADVANCE PROCUREMENT (CY)		36,740								36,740
14	UTILITY/CARGO AIRPLANE MODS		9,953								9,953
15	AIRCRAFT LONG RANGE MODS		364								364
16	LONGBOW										
16	LESS: ADVANCE PROCUREMENT (PY)										
17	UH-60 MODS		30,891		5,400						36,291
	Crashworthy External Fuel System						3,000				
	Film Laminates for Windscreens						2,400				
17	LESS: ADVANCE PROCUREMENT (PY)										
18	KIOWA WARRIOR		43,654								43,654
19	AIRBORNE AVIONICS		156,452								156,452
20	GATM ROLLUP		31,666								31,666
	TOTAL MODIFICATION OF AIRCRAFT		**1,793,666**		**14,300**		**14,300**				**1,807,966**
	SPARES AND REPAIR PARTS										
21	SPARE PARTS (AIR)		9,446								9,446
	TOTAL SPARES AND REPAIR PARTS		**9,446**								**9,446**
	SUPPORT EQUIPMENT AND FACILITIES										
	GROUND SUPPORT AVIONICS										
22	AIRCRAFT SURVIVABILITY EQUIPMENT		27,920								27,920
23	ASE INFRARED CM		305,631								305,631
	OTHER SUPPORT										
24	AIRBORNE COMMAND & CONTROL		40,220								40,220
25	AVIONICS SUPPORT EQUIPMENT		5,062								5,062

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
26	COMMON GROUND EQUIPMENT		64,683								64,683
27	AIRCREW INTEGRATED SYSTEMS		35,346		4,000						39,346
	Aircraft Wireless Intercom System						4,000				
28	AIR TRAFFIC CONTROL		86,351								86,351
29	INDUSTRIAL FACILITIES		2,100								2,100
30	LAUNCHER, 2.75 ROCKET		2,353								2,353
31	AIRBORNE COMMUNICATIONS										
	TOTAL SUPPORT EQUIPMENT AND FACILITIES		**569,666**		**4,000**		**4,000**				**573,666**
	TOTAL AIRCRAFT PROCUREMENT, ARMY		**3,566,483**		**148,300**		**148,300**				**3,714,783**

Items of Special Interest

AH–64 modern signal processing unit

The budget request contained $775.6 million for AH–64 modifications, but no funds were requested for the modern signal processing unit (MSPU) initial integration and production for the AH–64.

The MSPU is an embedded digital vibration diagnostic technology already developed by the Army for the AH–64A Apache and the AH–64D Longbow to monitor the tail rotor gearbox, the intermediate gearbox, and the auxiliary power unit clutch for incipient failures. The MSPU is a direct replacement for the 30-year-old analog signal processing unit which is known to experience high failure rates and shown to be unreliable in detecting incipient gearbox failures. The improved diagnostics of the MSPU will improve flight safety and reduce maintenance test costs.

The committee recommends an increase of $6.0 million to integrate the modern signal processing unit into the AH–64A and AH–64D production line and to procure the MSPU for fielding as spares for both the active Army and Army National Guard Apache and Longbow aircraft.

Joint cargo aircraft

The committee supports the decision to establish a joint program office and to utilize a single capability development document as the basis for requirements for the Joint Cargo Aircraft (JCA). The committee believes that cost control is the most critical factor in determining the likelihood for success of the JCA program, and that the imperative for cost containment will necessitate a strict control of requirements and the use of maximum jointness and commonality in training, sustainment and maintenance. The committee recommends that the joint program office work to develop an acquisition and sustainment strategy for JCA that is joint in all phases of the program. The acquisition and sustainment strategy should address the purchase of sufficient rights in technical data required to provide competition in maintaining and sustaining the aircraft throughout its complete lifecycle. The committee notes that it has included a provision (section 802) that would require acquisition programs to acquire sufficient technical data required for lifecycle sustainment. The committee also notes that the core logistics capability for cargo aircraft currently in the Department of Defense (DOD) inventory resides largely in the Air Force Air Logistics Centers and the committee believes the JCA should be identified as a core logistics capability under subsection (a)(2) of section 2464 of title 10, United States Code, with no waiver under subsection (b), if the JCA is acquired in sufficient numbers to warrant such a designation. At a minimum, the Department should acquire the technical data necessary to enable the government to utilize its core logistics capability to maintain the JCA, if required.

The committee directs the Secretary of Defense to submit to the congressional defense committees a report on the plan to acquire and sustain the JCA. The committee directs that the report be delivered no later than 60 days after the acquisition and sustainment strategy is approved by the appropriate milestone decision authority. The committee further directs that the report shall include

DOD's recommendations regarding whether or not the JCA will be identified as a core logistics capability under subsection (a)(2) of section 2464 of title 10, United States Code, and if so identified, whether the Department intends to waive the limitation on contracting under subsection (b) of such section for the JCA.

HH–60 aircraft wireless intercom system upgrade

The budget request contained $30.9 million for H–60 modifications, but included no funds for procurement of non-encrypted aircraft wireless intercom system (AWIS) upgrades for active and reserve HH–60 medical evacuation (MEDEVAC) helicopters.

The committee notes there is no integrated or qualified wireless communication system onboard HH–60 rotorcraft for use by crewmembers. Consequently, this does not allow onboard medical personnel, while in flight or during ground operations, freedom to use both hands to perform emergency medical procedures while communicating with the flight crew. Early fielding of non-encrypted AWIS would eliminate the operational hazards and restrictions inherent in the existing tethered system for MEDEVAC crews.

The committee recommends an increase of $4.0 million to modify HH–60 rotorcraft with wireless intercom systems.

UH–60A to UH–60L helicopter upgrade

The budget request included $554.6 million in aircraft procurement for 38 UH–60M aircraft, but included no funds for the non-recurring costs of replacement of UH–60A engine transmission and engine upgrades as part of the UH–60A upgrade program.

The committee notes the significant reduction in flying hour costs, of over $700 per hour, offered by replacement of the original UH–60A engines.

The committee recommends an additional $15.0 million for the non-recurring development and engineering costs of upgrading the UH–60A engine transmission and engine to the UH–60L configuration.

MISSILE PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2007 contained $1.4 billion for Missile Procurement, Army. The committee recommends authorization of $1.5 billion, an increase of $140.0 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Missile Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MISSILE PROCUREMENT, ARMY										
	OTHER MISSILES										
	SURFACE-TO-AIR MISSILE SYSTEM										
1	PATRIOT SYSTEM SUMMARY	108	489,067							108	489,067
2	SURFACE-LAUNCHED AMRAAM SYSTEM SUMMARY:		12,039								12,039
3	ADVANCE PROCUREMENT (CY)		10,000								10,000
	AIR-TO-SURFACE MISSILE SYSTEM										
4	HELLFIRE SYS SUMMARY										
	ANTI-TANK/ASSAULT MISSILE SYSTEM										
5	JAVELIN (AAWS-M) SYSTEM SUMMARY	300	104,782							300	104,782
5	LESS: ADVANCE PROCUREMENT (PY)										
6	TOW 2 SYSTEM SUMMARY	949	50,541							949	50,541
6	LESS: ADVANCE PROCUREMENT (PY)		(18,900)								(18,900)
7	ADVANCE PROCUREMENT (CY)		32,700								32,700
8	GUIDED MLRS ROCKET (GMLRS)	702	147,795							702	147,795
9	MLRS REDUCED RANGE PRACTICE ROCKETS (RRPR)	3,762	20,926							3,762	20,926
10	MLRS LAUNCHER SYSTEMS										
11	HIGH MOBILITY ARTILLERY ROCKET SYSTEM (HIMARS	50	226,884							50	226,884
12	ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM	43	60,502							43	60,502
	TOTAL OTHER MISSILES		**1,136,336**								**1,136,336**
	MODIFICATION OF MISSILES										
	MODIFICATIONS										
13	PATRIOT		69,856		140,000						209,856
	Program Increase						140,000				
14	JAVELIN MISSILE		10,371								10,371

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
15	ITAS/TOW		84,350								84,350
16	MLRS		6,913								6,913
17	HIMARS (NON AAO)		9,374								9,374
18	HELLFIRE										
	TOTAL MODIFICATIONS OF MISSILES		**180,864**		**140,000**		**140,000**				**320,864**
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
19	SPARES AND REPAIR PARTS		25,794								25,794
	TOTAL SPARES AND REPAIR PARTS		**25,794**								**25,794**
	SUPPORT EQUIPMENT AND FACILITIES										
	SUPPORT EQUIPMENT AND FACILITIES										
20	AIR DEFENSE TARGETS		3,924								3,924
21	ITEMS LESS THAN $5.0M (MISSILES)		10								10
22	PRODUCTION BASE SUPPORT		3,970								3,970
	TOTAL SUPPORT EQUIPMENT AND FACILITIES		**7,904**								**7,904**
	TOTAL MISSILE PROCUREMENT, ARMY		**1,350,898**		**140,000**		**140,000**				**1,490,898**

Items of Special Interest

Patriot modifications

The budget request contained $69.9 million for the procurement of Patriot modifications.

The committee understands that the Army has an unfunded requirement to transition or pure fleet existing Patriot Advanced Capability–2 (PAC–2) missile battalions to an upgraded PAC–3 missile battalion configuration capable of deploying the PAC–3 missile by the end of fiscal year 2009.

The committee supports this initiative and recommends $209.9 million, an increase of $140.0 million for the purpose of restarting the PAC–3 production line, and for upgrading tactical Patriot fire units to the PAC–3 configuration capability.

TOW missile inventory

The budget request contained $31.6 million to procure 949 TOW missiles.

The committee recognizes the Army and Marine Corps face a significant challenge in maintaining an adequate inventory of TOW missiles. The TOW requirement is perceived to be at a minimum 20,000 missiles but the Army's current program of record supports an inventory of only 6,500 missiles. The committee is aware the Army and Marine Corps have fired more than 6,000 TOW missiles in Operation Iraqi Freedom (OIF), yet by 2009, based on missile shelf life, the Army will have fewer TOW missiles in its inventory than it had at the start of the OIF.

While the committee notes the Army's intent to increase TOW procurement and encourages the Army to proceed with this course of action, the committee also notes the Army staff has not defined a minimum warfighting inventory requirement for TOW missiles.

Therefore, the committee directs the Secretary of the Army to submit a report to the congressional defense committees by March 15, 2007, that details the acquisition strategy for TOW procurement across the Future Years Defense Program and specifies the current, minimum warfighting requirement for the TOW missile.

Weapons and Tracked Combat Vehicles, Army

Overview

The budget request for fiscal year 2007 contained $2.3 billion for Weapons and Tracked Combat Vehicles, Army. The committee recommends authorization of $2.3 billion, an increase of $33.1 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Weapons and Tracked Combat Vehicles, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF W&TCV, ARMY										
	TRACKED COMBAT VEHICLES										
	TRACKED COMBAT VEHICLES										
1	ABRAMS TRNG DEV MOD		899								899
2	BRADLEY BASE SUSTAINMENT		284,966		147,000						431,966
	Program Increase						147,000				
3	BRADLEY FVS TRAINING DEVICES (MOD)		4,721								4,721
4	ABRAMS TANK TRAINING DEVICES		899								899
5	STRYKER VEHICLES	100	795,978							100	795,978
	MODIFICATION OF TRACKED COMBAT VEHICLES										
6	CARRIER, MOD		22,969								22,969
7	FIST VEHICLE (MOD)		32,028								32,028
8	MOD OF IN-SVC EQUIP, FIST VEHICLE										
9	BFVS SERIES (MOD)		69,988								69,988
10	HOWITZER, MED SP FT 155MM M109A6 (MOD)		28,714								28,714
11	FAASV PIP TO FLEET										
12	IMPROVED RECOVERY VEHICLE (M88 MOD)	12	36,494							12	36,494
13	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)		66,054								66,054
14	M1 ABRAMS TANK (MOD)		364,899		(182,450)						182,449
	Transfer to Title XV								(182,450)		
15	SYSTEM ENHANCEMENT PGM: SEP M1A2	23	171,097		128,900					23	299,997
	Program Increase - M1A2 SEP Retrofit						128,900				
	SUPPORT EQUIPMENT AND FACILITIES										
16	ITEMS LESS THAN $5.0M (TCV-WTCV)		422								422
17	PRODUCTION BASE SUPPORT (TCV-WTCV)		11,685								11,685
	TOTAL TRACKED COMBAT VEHICLES		**1,891,813**		**93,450**		**275,900**		**(182,450)**		**1,985,263**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	WEAPONS AND OTHER COMBAT VEHICLES										
	WEAPONS AND OTHER COMBAT VEHICLES										
18	HOWITZER, LIGHT, TOWED, 105MM	10	20,369							10	20,369
19	INTEGRATED AIR BURST WEAPON SYSTEM FAMILY		32,339		(32,339)						
	Program Decrease								(32,339)		
20	M240 MEDIUM MACHINE GUN (7.62MM)	3,025	43,175		(21,600)					3,025	21,575
	Transfer to Title XV								(21,600)		
21	M249 SAW MACHINE GUN (5.56MM)	8,600	36,614		(18,300)					8,600	18,314
	Transfer to Title XV								(18,300)		
22	MK-19 GRENADE MACHINE GUN (40MM)	68	1,725							68	1,725
23	MORTAR SYSTEMS										
24	M16 RIFLE	2,950	1,844							2,950	1,844
25	M107, CAL. 50, SNIPER RIFLE	390	8,458							390	8,458
26	XM110 SEMI-AUTO SNIPER SYSTEM (SASS)		15,300								15,300
27	M4 CARBINE	1,475	2,221		9,300					1,475	11,521
	Program Increase						9,300				
28	SHOTGUN, MODULAR ACCESSORY SYSTEM				3,000						3,000
	Multi-Purpose Area Suppression Shotgun						3,000				
29	COMMON REMOTELY OPERATED WEAPONS STATION										
30	HOWITZER LT WT 155MM (T)	85	187,489							85	187,489
	MOD OF WEAPONS AND OTHER COMBAT VEHICLES										
31	MK-19 GRENADE MACHINE GUN MODS		3,168								3,168
32	M4 CARBINE MODS		30,871		(15,450)						15,421
	Transfer to Title XV								(15,450)		
33	M2 50 CAL MACHINE GUN MODS										
34	M249 SAW MACHINE GUN MODS		5,253								5,253
35	M240 MEDIUM MACHINE GUN MODS		5,293								5,293

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
36	PHALANX MODS										
37	HOWITZER, TOWED, 155MM, M198 (MODS)										
38	M119 MODIFICATIONS		692								692
39	M16 RIFLE MODS		1,012		5,000						6,012
	M203 Grenade Launch Module						5,000				
40	MODIFICATIONS LESS THAN $5.0M (WOCV-WTCV)		1,700								1,700
	SUPPORT EQUIPMENT AND FACILITIES										
41	ITEMS LESS THAN $5.0M (WOCV-WTCV)		507								507
42	PRODUCTION BASE SUPPORT (WOCV-WTCV)		6,331								6,331
43	INDUSTRIAL PREPAREDNESS		3,019		10,000						13,019
	Arsenal Support Initiative - Equipment Recapitalization						10,000				
44	SMALL ARMS EQUIPMENT (SOLDIER ENH PROG)		2,750								2,750
45	REF SMALL ARMS										
46	CLOSED ACCOUNT ADJUSTMENTS										
	TOTAL WEAPONS AND OTHER COMBAT VEHICLES		**410,130**		**(60,389)**		**27,300**		**(87,689)**		**349,741**
	SPARE AND REPAIR PARTS										
	SPARES										
47	SPARES AND REPAIR PARTS (WTCV)										
	TOTAL SPARE AND REPAIR PARTS										
	TOTAL PROCUREMENT OF W&TCV, ARMY		**2,301,943**		**33,061**		**303,200**		**(270,139)**		**2,335,004**

Items of Special Interest

Army current to future force modernization strategy

The Army is implementing its current to future force modernization strategy at a time when U.S. ground forces continue to operate at high operational tempos in Iraq and Afghanistan, as well as fill a critical role in the global war on terrorism. The committee notes that while the Future Combat Systems (FCS) is the Army's long-term transformation strategy, modularity and equipment reset constitutes the near-term strategy. Given fiscal realities, the Army's challenge of simultaneously funding reset and modularity, and the high technical risks associated with the development of FCS, the committee is concerned the Army may sacrifice the warfighting capability of the current force in order to resource FCS.

While conceptually supporting modularity, the committee continues to have concerns about the details, not the least of which is its escalating costs, uncertainty in adequate resources for active Army and Army National Guard equipping strategies, and whether the new modular designs for brigade combat teams (BCTs) will provide sufficient capability for sustained, high-intensity combat operations. Specifically, the committee is concerned about the Army's decision to field modular heavy BCTs with only two maneuver battalions, instead of three. The committee understands that Stryker BCTs have three maneuver battalions and FCS BCTs will also have three maneuver battalions. Accordingly, the committee is concerned that the Army's decision to field modular heavy BCTs with two instead of three maneuver battalions is resource vice strategy driven.

The committee notes that the Government Accountability Office (GAO), the Congressional Budget Office, and the Institute for Defense Analysis have also expressed similar concerns in reference to modularity. The committee further notes soldiers returning from Iraq have indicated that while technology can be a critical combat enabler, technology alone cannot serve as a replacement for force structure, "boots on the ground." The committee commends the Army for adding a reconnaissance battalion to the modular brigade design. The committee believes that although the reconnaissance battalion is a critical force multiplier, it alone should not be required to perform missions that would normally be performed by a third maneuver battalion.

The Army has stated that the procurement funding for modularity is within the Future Years Defense Program (FYDP) and the procurement funding for FCS is beyond the FYDP. However, the committee notes this position is not supported by the information provided by the Army to the committee. The committee agrees with GAO's assessment that given the degree of uncertainty in modularity cost estimates and the likely cost growth from FCS; the Army's modularity and FCS programs are at risk of becoming unaffordable.

Army modularity

The committee continues to support the Army's restructuring from a division based force to a more readily deployable brigade centric force, a process known as modularity, and the committee understands that modularity remains a top priority of the Chief of

Staff of the Army. However, the committee remains concerned that the Army has not provided sufficient information for Congress to assess the capabilities, costs, affordability, and risks of the Army's modularity implementation plans. The committee notes that the Army's cost estimate for completing modularity by 2011 has grown from an initial estimate of $28.0 billion in 2004 to a current estimate of $52.5 billion. Further, in the "2005 Modularity" report submitted to Congress, the Army states a requirement for 77 brigade combat teams (BCTs). Of the 77 BCTs, 35 were to be heavy BCTs consisting of Abrams tanks and Bradley fighting vehicles. In the "2006 Modularity" report and the 2007 budget request the requirement is for 70 BCTs, of which 33 would be heavy BCTs. The committee is concerned about the Army's rationale to reduce the total BCT requirement and furthermore, it remains unclear to the committee what impact the current modularity strategy will have on meeting the needs of the combatant commanders.

Accordingly, the committee directs the Secretary of Defense to obtain from each combatant commander, an assessment of the Army's modularity initiative to include issues or concerns regarding modularity designs, equipment, personnel and/or rotation strategy. Further, the committee directs the Secretary to submit a report, including the assessments from the combatant commanders, to the Senate Committee on Armed Services and the House Committee on Armed Services with the submission of the President's budget for fiscal year 2008.

Heavy brigade combat teams

The budget request included $171.1 million for the M1A2 Abrams System Enhancement Program (SEP) tank and $285.0 million for the Bradley base sustainment program.

The committee remains concerned about the Abrams tank and Bradley fighting vehicle modernization programs and the associated funding. Current operations continue to demonstrate that there are few conflicts where main battle tanks and Bradley fighting vehicles do not play a significant role in ensuring the survivability and offensive firepower of the armed forces. The committee remains resolute in its assessment that the Army should pure fleet, at a minimum, 18 of its active component heavy brigade combat teams (BCTs) with the M1A2 Abrams SEP tank and the Bradley A3 fighting vehicle.

The committee notes that in the Army's March 2006 report to Congress, "The Army Modular Initiative," it clearly states that one of the key criteria for modularity funding was "modernization of older equipment." The report further states that modularity equipment modernization includes major systems upgrades such as Apache and Chinook helicopters, but does not include the M1A2 Abrams SEP tank or the Bradley A3 as part of modernization. The committee believes that the M1A2 Abrams SEP tank and the Bradley A3 are critical components of modular heavy BCTs.

The committee is concerned that the Army's current procurement strategy will not adequately fund the M1A2 Abrams SEP tank program and the Bradley A3 program, to at least the minimum economic quantity of approximately 60 and 144 per year, respectively. The committee is also concerned that the Army's current plan results in paying more to get fewer M1A2 Abrams SEP tanks and

Bradley A3s, which will result in a significant delay in meeting the total requirement of 18 M1A2 Abrams SEP tanks and Bradley A3 heavy BCTs. The committee notes that even if the Army develops a plan that funds the M1A2 SEP tank and the Bradley A3 production at the minimum economic quantity it will take the Army up to 10 years to meet the total requirement for 18 M1A2 Abrams SEP tank and Bradley A3 equipped heavy BCTs.

Accordingly, the committee directs the Secretary of the Army to submit a report by February 28, 2007, to the Senate Committee on Armed Services and the House Committee on Armed Services providing the feasibility and rationale for multiyear procurement authority for the M1A2 Abrams SEP tank and the Bradley A3. At a minimum, the report shall include the impact that a multiyear procurement would have on the unit cost and the impact this authority would have on meeting the total M1A2 Abrams SEP tank and Bradley A3 requirement, consisting of 18 heavy BCTs.

Abrams tank modernization

The budget request included $171.1 million for 23 M1A2 Abrams System Enhancement Program (SEP) retrofit tanks.

The M1A2 Abrams SEP tank is an upgraded, fully digitized, first generation M1A2 Abrams tank which enhances lethality, survivability, and mobility, as well as providing improved situational awareness for its crew.

Accordingly, the committee recommends an increase of $128.9 million for the M1A2 Abrams SEP tank program.

Bradley base sustainment program

The budget request included $285.0 million for 16 Bradley A3 fighting vehicles and 90 Operation Desert Storm (ODS) vehicles.

The Bradley base sustainment program upgrades earlier variants of the Bradley A2 ODS and the Bradley A3 standard. The Bradley A3 is more lethal and survivable; provides enhanced command and control; and allows shared situational awareness. The Bradley A3 continues to maintain combat overmatch above current and future threat forces and remains compatible with the M1A2 Abrams System Enhancement Program tank.

Accordingly, the committee recommends an increase of $147.0 million for the Bradley A3 program.

Integrated air burst weapon system

The budget request contained $32.3 million for the integrated air burst weapon system family.

The committee understands this funding line would provide procurement dollars for the low rate initial production of the Objective Individual Combat Weapon, Increment One (OICW–1) program; a family of small arms that are projected to be replacements for existing carbines, rifles, and light machine guns. The committee is aware that the official request for proposals (RFP) for the OICW–1, originally announced in May 2005 was delayed and now has been terminated. The committee is also aware that the program was redirected to the Joint Requirements Oversight Council (JROC) for further review.

The committee notes the OICW–1 program has not yet been reviewed by the JROC nor has an estimated date for a review been

established. The committee understands that pending the outcome of this future JROC review, the new RFP would incorporate additional joint requirements that would require further development and refinement. The committee also notes the Army is currently restructuring the procurement program for small arms in support of the recently approved small arms acquisition strategy, and recognizes these funds would be redistributed to other small arms acquisition programs in accordance with this new strategy.

Therefore, the committee believes the budget request for the integrated air burst weapon system family is not justified and recommends a decrease of $32.3 million. The committee also recommends the redistribution of these funds to other small arms acquisition programs as reflected in this report based on urgent need and in support of the Army's recently restructured small arms acquisition strategy.

AMMUNITION PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2007 contained $1.9 billion for Ammunition Procurement, Army. The committee recommends authorization of $1.7 billion, a decrease of $211.7 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Ammunition Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF AMMUNITION, ARMY										
	AMMUNITION										
	SMALL/MEDIUM CAL AMMUNITION										
1	CTG, 5.56MM, ALL TYPES		214,555		(107,300)						107,255
	Transfer to Title XV								(107,300)		
2	CTG, 7.62MM, ALL TYPES		113,555		(56,800)						56,755
	Transfer to Title XV								(56,800)		
3	CTG, 9MM, ALL TYPES		3,848								3,848
4	CTG, .50 CAL, ALL TYPES		125,112		(62,550)						62,562
	Transfer to Title XV								(62,550)		
5	CTG, 20MM, ALL TYPES		101								101
6	CTG, 25MM, ALL TYPES		32,089								32,089
7	CTG, 30MM, ALL TYPES		19,431								19,431
8	CTG, 40MM, ALL TYPES		129,409								129,409
	MORTAR AMMUNITION										
9	60MM MORTAR, ALL TYPES		13,046								13,046
10	81MM MORTAR, ALL TYPES		54,618								54,618
11	CTG, MORTAR, 120MM, ALL TYPES		66,506								66,506
	TANK AMMUNITION										
12	CTG TANK 105MM: ALL TYPES		19,584								19,584
13	120MM TANK TRAINING, ALL TYPES		142,933								142,933
14	CTG, TANK, 120MM TACTICAL, ALL TYPES		48,004								48,004
	ARTILLERY AMMUNITION										
15	CTG, ARTY, 75MM: ALL TYPES		2,297								2,297
16	CTG, ARTY, 105MM: ALL TYPES		45,585								45,585
17	CTG, ARTY, 155MM, ALL TYPES		124,099								124,099
18	PROJ 155MM EXTENDED RANGE XM982		22,971								22,971

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
19	MODULAR ARTILLERY CHARGE SYSTEM (MACS), ALL T		73,885								73,885
	ARTILLERY FUZES										
20	ARTILLERY FUZES, ALL TYPES		4,083								4,083
	MINES										
21	MINE, TRAINING, ALL TYPES		396								396
22	MINES (CONVENTIONAL), ALL TYPES		4,221								4,221
23	MINE, CLEARING CHARGE, ALL TYPES		4,897								4,897
24	ANTIPERSONNEL LANDMINE ALTERNATIVES		85,879								85,879
	ROCKETS										
25	SHOULDER FIRED ROCKETS, ALL TYPES		7,741								7,741
26	ROCKET, HYDRA 70, ALL TYPES		136,670								136,670
	OTHER AMMUNITION										
27	DEMOLITION MUNITIONS, ALL TYPES		33,746								33,746
28	GRENADES, ALL TYPES		54,162								54,162
29	SIGNALS, ALL TYPES		26,384								26,384
30	SIMULATORS, ALL TYPES		10,791								10,791
	MISCELLANEOUS										
31	AMMO COMPONENTS, ALL TYPES		3,407								3,407
32	NON-LETHAL AMMUNITION, ALL TYPES		30,089								30,089
33	CAD/PAD ALL TYPES		2,628								2,628
34	ITEMS LESS THAN $5 MILLION		5,493								5,493
35	AMMUNITION PECULIAR EQUIPMENT		10,306		15,000						25,306
	Desert Optimized Equipment						3,000				
	Outloading Module - Crane AAP						6,000				
	Outloading Module - McAlester AAP						6,000				
36	FIRST DESTINATION TRANSPORTATION (AMMO)		9,552								9,552
37	CLOSEOUT LIABILITIES		101								101

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL AMMUNITION		**1,682,174**		**(211,650)**		**15,000**		**(226,650)**		**1,470,524**
	AMMUNITION PRODUCTION BASE SUPPORT										
	PRODUCTION BASE SUPPORT										
38	PROVISION OF INDUSTRIAL FACILITIES		116,175								116,175
39	LAYAWAY OF INDUSTRIAL FACILITIES		3,064								3,064
40	MAINTENANCE OF INACTIVE FACILITIES		4,743								4,743
41	CONVENTIONAL MUNITIONS DEMILITARIZATION		94,201								94,201
42	ARMS INITIATIVE		2,768								2,768
	TOTAL AMMUNITION PRODUCTION BASE SUPPORT		**220,951**								**220,951**
	TOTAL PROCUREMENT OF AMMUNITION, ARMY		**1,903,125**		**(211,650)**		**15,000**		**(226,650)**		**1,691,475**

Items of Special Interest

Desert optimized equipment

The budget request contained $10.3 million for ammunition peculiar equipment, but included no funds for desert optimized ammunition peculiar equipment.

The committee understands that the harsh desert conditions of Iraq and Afghanistan are causing ammunition peculiar equipment to degrade at a much greater rate than anticipated. The committee notes that there is great benefit to upgrading forward deployed ammunition peculiar equipment with desert optimized equipment.

The committee recommends an increase of $3.0 million to optimize ammunition peculiar equipment for desert environments.

Modernization of .50 caliber ammunition production line

The budget request included $116.2 million for modernization of ammunition production facilities, but included no funds to modernize the line for production of .50 caliber ammunition.

The committee notes that much of the existing facilities and equipment used in the production of .50 caliber ammunition date from the era of World War II. While this equipment has been able to support .50 caliber ammunition production in recent years, the production line is extremely difficult to maintain and the obsolete nature of this equipment limits the ability of the Army to increase production quantities on short notice.

The committee directs the Army to develop a plan to modernize the production line for .50 caliber ammunition, and submit the plan to the congressional defense committees no later than March 1, 2007. Furthermore, the plan should include a proposed schedule for modernization consistent with continued production of .50 caliber ammunition at levels similar to those occurring in 2006, and a recommended funding program associated with this schedule.

OTHER PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2007 contained $7.7 billion for Other Procurement, Army. The committee recommends authorization of $7.0 billion, a decrease of $211.7 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Other Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	OTHER PROCUREMENT, ARMY										
	TACTICAL AND SUPPORT VEHICLES										
	TACTICAL VEHICLES										
1	TACTICAL TRAILERS/DOLLY SETS		22,961								22,961
2	SEMITRAILERS, FLATBED		7,565								7,565
3	SEMITRAILERS, TANKERS		11,676								11,676
4	HI MOB MULTI-PURP WHLD VEH (HMMWV)		582,613								582,613
5	FAMILY OF MEDIUM TACTICAL VEH (FMTV)		695,121								695,121
6	FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIPME		29,286								29,286
7	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)		353,198								353,198
8	ARMORED SECURITY VEHICLES (ASV)		155,491		(77,750)						77,741
	Transfer to Title XV								(77,750)		
9	MINE PROTECTION VEHICLE FAMILY										
10	TRUCK, TRACTOR, LINE HAUL, M915/M916		31,202		9,300						40,502
	M915A3 Program Increase - ARNG						9,300				
11	HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV I		220,416		(110,200)						110,216
	Transfer to Title XV								(110,200)		
12	HMMWV RECAPITALIZATION PROGRAM		34,823		(34,823)						
	Transfer to Title XV								(34,823)		
13	MODIFICATION OF IN SVC EQUIP		2,562								2,562
14	ITEMS LESS THAN $5.0M (TAC VEH)										
15	TOWING DEVICE-FIFTH WHEEL		1,725								1,725
	NON-TACTICAL VEHICLES										
16	HEAVY ARMORED SEDAN		609								609
17	PASSENGER CARRYING VEHICLES		640								640
18	NONTACTICAL VEHICLES, OTHER		3,486								3,486

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL TACTICAL AND SUPPORT VEHICLES		**2,153,374**		**(213,473)**		**9,300**		**(222,773)**		**1,939,901**
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	COMM - JOINT COMMUNICATIONS										
19	WIN - TACTICAL PROGRAM										
20	JCSE EQUIPMENT (USREDCOM)		4,805								4,805
	COMM - SATELLITE COMMUNICATIONS										
21	SECOMP-I		16,884								16,884
22	DEFENSE ENTERPRISE WIDEBAND SATCOM SYSTEMS		53,616								53,616
23	SHF TERM		28,459								28,459
24	SAT TERM, EMUT (SPACE)		833								833
25	NAVSTAR GPS (SPACE)		61,611								61,611
26	SMART-T (SPACE)		62,342								62,342
27	SCAMP (SPACE)		954								954
28	GLOBAL BRDCST SVC - GBS		16,803								16,803
29	MOD OF IN-SVC EQUIP (TAC SAT)		9,113								9,113
	COMM - C3 SYSTEM										
30	ARMY GLOBAL CMD & CONTROL SYS (AGCCS)		25,253								25,253
	COMM - COMBAT COMMUNICATIONS										
31	ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO)		4,890								4,890
32	JOINT TACTICA RADIO SYSTEM (JTRS)		1,302								1,302
33	RADIO TERMINAL SET, MIDS LVT(2)		3,229								3,229
34	SINCGARS FAMILY		116,523		(58,250)						58,273
	Transfer to Title XV								(58,250)		
35	MULTI-PURPOSE INFORMATION OPERATIONS SYSTEMS		10,460								10,460
36	JOINT TACTICAL AREA COMMAND SYSTEMS										
37	BRIDGE TO FUTURE NETWORKS		340,231								340,231
38	COMMS-ELEC EQUIP FIELDING		5,181								5,181

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
39	SPIDER APLA REMOTE CONTROL UNIT		27,599								27,599
40	SOLDIER ENHANCEMENT PROGRAM COMM/ELECTRONICS		9,933								9,933
41	COMBAT SURVIVOR EVADER LOCATOR (CSEL)		16,541		(3,950)						12,591
	ARS 6 Mod-in-Service Terminal Guidance						4,300				
	Transfer to Title XV								(8,250)		
42	RADIO, IMPROVED HF FAMILY		91,418		(45,700)						45,718
	Transfer to Title XV								(45,700)		
43	MEDICAL COMM FOR CBT CASUALTY CARE (MC4)		10,548								10,548
	COMM - INTELLIGENCE COMM										
44	CI AUTOMATION ARCHITECTURE		1,409								1,409
	INFORMATION SECURITY										
45	TSEC - ARMY KEY MGT SYS (AKMS)		14,924								14,924
46	INFORMATION SYSTEM SECURITY PROGRAM-ISSP		90,379								90,379
	COMM - LONG HAUL COMMUNICATIONS										
47	TERRESTRIAL TRANSMISSION		14,432								14,432
48	BASE SUPPORT COMMUNICATIONS		33,754								33,754
49	ARMY DISN ROUTER										
50	ELECTROMAG COMP PROG (EMCP)		508								508
51	WW TECH CON IMP PROG (WWTCIP)		27,101								27,101
	COMM - BASE COMMUNICATIONS										
52	INFORMATION SYSTEMS		19,553								19,553
53	DEFENSE MESSAGE SYSTEM (DMS)		5,726								5,726
54	INSTALLATION INFO INFRASTRUCTURE MOD PROGRAM		279,579								279,579
55	LOCAL AREA NETWORK (LAN)										
56	PENTAGON INFORMATION MGT AND TELECOM		32,711								32,711
	ELECT EQUIP - NAT INTEL PROG (NIP)										
57	NAT INTEL PROG (NIP)										
	ELECT EQUIP - TACT INT REL ACT										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
58	TACT INT REL ACT										
59	ALL SOURCE ANALYSIS SYS (ASAS) (MIP)		34,431								34,431
60	JTT/CIBS-M (MIP)		985								985
61	PROPHET GROUND (MIP)		96,532		(48,250)						48,282
	Transfer to Title XV								(48,250)		
62	TUAS (MIP)		100,295		(50,150)						50,145
	Transfer to Title XV								(50,150)		
63	SMALL UAS		10,200								10,200
64	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (MIP)		30,729								30,729
65	DRUG INTERDICTION PROGRAM (DIP)										
66	TACTICAL EXPLOITATION SYSTEM (MIP)										
67	DCGS-A (MIP)		65,424								65,424
68	JOINT TACTICAL GROUND STATION (JTAGS)		9,852								9,852
69	TROJAN (MIP)		7,659								7,659
70	MOD OF IN-SVC EQUIP (INTEL SPT) (MIP)		5,040								5,040
71	CI HUMINT INFO MANAGEMENT SYSTEM (MIP)		19,704								19,704
72	ITEMS LESS THAN $5.0M (MIP)		29,739								29,739
	ELECT EQUIP - ELECTRONIC WARFARE (EW)										
73	LIGHTWEIGHT COUNTER MORTAR RADAR		16,326								16,326
74	WARLOCK										
75	COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES										
	ELECT EQUIP - TACTICAL SURV. (TAC SURV)										
76	SENTINEL MODS		15,125								15,125
77	NIGHT VISION DEVICES		320,989		(160,500)						160,489
	Transfer to Title XV								(160,500)		
78	LONG RANGE ADV SCOUT SURVEILLANCE SYS		179,594								179,594
79	LTWT VIDEO RECON SYSTEM (LWVRS)										
80	NIGHT VISION, THERMAL WPN SIGHT		209,537								209,537

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
81	RADIATION MONITORING SYSTEMS		4,393								4,393
82	RAPID AEROSTAT INITIAL DEPLOYMENT										
83	ARTILLERY ACCURACY EQUIP		802								802
84	MOD OF IN-SVC EQUIP (MMS)		321								321
85	MOD OF IN-SVC EQUIP (MVS)										
86	ENHANCED PORTABLE INDUCTIVE ARTILLERY FUZE SETTER		7,441								7,441
87	PROFILER		2,119								2,119
88	MOD OF IN-SVC EQUIP (FIREFINDER RADARS)		19,249		(9,600)						9,649
	Transfer to Title XV								(9,600)		
89	FORCE XXI BATTLE CMD BRIGADE & BELOW (FBCB2)		160,060		(80,050)						80,010
	Transfer to Title XV								(80,050)		
90	LIGHTWEIGHT LASER DESIGNATOR/RANGEFINDER (LLD		50,160								50,160
91	COMPUTER BALLISTICS: LHMBC XM32										
92	MORTAR FIRE CONTROL SYSTEM		38,971								38,971
93	INTEGRATED MET SYS SENSORS (MIP)		3,510								3,510
94	ENHANCED SENSOR & MONITORING SYSTEM										
	ELECT EQUIP - TACTICAL C2 SYSTEMS										
95	TACTICAL OPERATIONS CENTERS		57,707								57,707
96	ADV FA TAC DATA SYS / EFF CTRL SYS		22,035								22,035
97	MOD OF IN-SVC EQUIP, AFATDS		5,434								5,434
98	LIGHT WEIGHT TECH FIRE DIRECTION SYS		6,042								6,042
99	BATTLE COMMAND SUSTAINMENT SUPPORT SYSTEM		31,986								31,986
100	FAAD C2		21,095								21,095
101	AIR & MSL DEFENSE PLANNING & CONTROL SYS		69,289								69,289
102	FORWARD ENTRY DEVICE / LIGHTWEIGHT FED		9,305								9,305
103	KNIGHT FAMILY		24,233								24,233
104	LIFE CYCLE SOFTWARE SUPPORT (LCSS)		2,022								2,022
105	LOGTECH		97,235		(10,000)						87,235

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	Global Combat Support System - Army								(10,000)		
106	TC AIMS II		29,919								29,919
107	JOINT NETWORK MANAGEMENT SYSTEM (JNMS)		8,279								8,279
108	TACTICAL INTERNET MANAGER		11,355								11,355
109	MANEUVER CONTROL SYSTEM (MCS)		77,023								77,023
110	SINGLE ARMY LOGISTICS ENTERPRISE (SALE)		121,808								121,808
111	MOUNTED BATTLE COMMAND ON THE MOVE (MBCOTM)		79,035								79,035
	ELECT EQUIP - AUTOMATION										
112	GENERAL FUND ENTERPRISE BUSINESS SYS		78,403								78,403
113	ARMY TRAINING MODERNIZATION		21,636								21,636
114	AUTOMATED DATA PROCESSING EQUIP		139,206		(50,000)						89,206
	Global Combat Support System - Army								(50,000)		
115	CSS COMMUNICATIONS		15,861								15,861
116	RESERVE COMPONENT AUTOMATION SYS (RCAS)		28,675								28,675
	ELECT EQUIP - AUDIO VISUAL SYS (A/V)										
117	AFRTS		1,007								1,007
118	ITEMS LESS THAN $5.0M (A/V)		6,754								6,754
119	ITEMS LESS THAN $5M (SURVEYING EQUIP)		1,671								1,671
	ELECT EQUIP - MODS TACTICAL SYS/EQ										
120	WEAPONIZATION OF UAS		15,161								15,161
	ELECT EQUIP - SUPPORT										
121	ITEMS UNDER $5.0M (SSE)		17,493								17,493
122	PRODUCTION BASE SUPPORT (C-E)		497								497
	TOTAL COMMUNICATIONS AND ELECTRONICS EQUIPMENT		**3,877,957**		**(516,450)**		**4,300**		**(520,750)**		**3,361,507**
	OTHER SUPPORT EQUIPMENT										
	CHEMICAL DEFENSIVE EQUIPMENT										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
123	CBRN SOLDIER PROTECTION		38,312								38,312
124	SMOKE & OBSCURANT FAMILY: SOF (NON AAO ITEM)		4,079								4,079
	BRIDGING EQUIPMENT										
125	TACTICAL BRIDGING		69,608								69,608
126	TACTICAL BRIDGE, FLOAT-RIBBON		80,093								80,093
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT										
127	HANDHELD STANDOFF MINEFIELD DETECTION SYS-H!		52,829								52,829
128	KIT, STANDARD TELEOPERATING										
129	GRND STANDOFF MINE DETECTION SYSTEM (GSTAMII		197,675		(66,100)						131,575
	Transfer to Title XV								(66,100)		
130	ROBOTIC COMBAT SUPPORT SYSTEM (RCSS)										
131	EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPM		37,269								37,269
132	ITEMS LESS THAN $5M, COUNTERMINE EQUIP		546								546
	COMBAT SERVICE SUPPORT EQUIPMENT										
133	HEATERS AND ECU'S		10,575								10,575
134	LAUNDRIES, SHOWERS AND LATRINES										
135	SOLDIER ENHANCEMENT		9,298		1,700						10,998
	Maxa Beam Strobe						1,700				
136	LIGHTWEIGHT MAINTENANCE ENCLOSURE (LME)										
137	DISMOUNTED BATTLE COMMAND SYS		19,226								19,226
138	MOUNTED WARRIOR										
139	FIELD FEEDING EQUIPMENT		36,874								36,874
140	CARGO AERIAL DELIVERY PROGRAM		42,653								42,653
141	ITEMS LESS THAN $5.0M (ENG SPT)		5,552								5,552
142	ITEMS LESS THAN $5.0M (CSS EQ)										
	PETROLEUM EQUIPMENT										
143	QUALITY SURVEILLANCE EQUIPMENT		1,293								1,293
144	DISTRIBUTION SYSTEMS, PETROLEUM & WATER		67,867								67,867

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	WATER EQUIPMENT										
145	WATER PURIFICATION SYSTEMS		9,769								9,769
	MEDICAL EQUIPMENT										
146	COMBAT SUPPORT MEDICAL		20,467		20,000						40,467
	Blood Bag Transport Modernization						17,000				
	Combat Support Hospitals						3,000				
	MAINTENANCE EQUIPMENT										
147	SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)		54,732								54,732
148	WELDING SHOP, TRAILER MTD		3,051								3,051
149	ITEMS LESS THAN $5.0M (MAINT EQ)										
	CONSTRUCTION EQUIPMENT										
150	GRADER, ROAD MTZD, HVY, 6X4 (CCE)		2,902								2,902
151	SCRAPERS, EARTHMOVING		1,049								1,049
152	MISSION MODULES - ENGINEERING		12,108								12,108
153	LOADERS		13,023								13,023
154	HYDRAULIC EXCAVATOR		2,475								2,475
155	TRACTOR, FULL TRACKED		4,799								4,799
156	CRANES										
157	HIGH MOBILITY ENGINEER EXCAVATOR (HMEE)		47,846								47,846
158	CONST EQUIP ESP		40,209								40,209
159	ITEMS LESS THAN $5.0M (CONST EQUIP)		22,209								22,209
	RAIL FLOAT CONTAINERIZATION EQUIPMENT										
160	SMALL TUG										
161	LOGISTIC SUPPORT VESSEL (LSV)										
162	HARBORMASTER COMMAND & CONTROL CENTER		9,265								9,265
163	CAUSEWAY SYSTEMS		8,974								8,974
164	ITEMS LESS THAN $5.0M (FLOAT/RAIL)		2,536								2,536
	GENERATORS										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
165	GENERATORS AND ASSOCIATED EQUIP		69,468								69,468
	MATERIAL HANDLING EQUIPMENT										
166	ROUGH TERRAIN CONTAINER HANDLER (RTCH)										
167	ALL TERRAIN LIFTING ARMY SYSTEM (ATLAS)		20,501								20,501
	TRAINING EQUIPMENT										
168	COMBAT TRAINING CENTERS (CTC) SUPPORT		38,497		9,300						47,797
	Simulated Expandable Combat Training Capability - ARNG						9,300				
169	TRAINING DEVICES, NONSYSTEM		243,147		11,500						254,647
	Immersive Group Simulation						6,500				
	Tabletop Gunnery/Maneuver/Full-fidelity Trainers-ARNG						5,000				
170	CLOSE COMBAT TACTICAL TRAINER		16,920								16,920
171	AVIATION COMBINED ARMS TACTICAL TRAINER (AVCA		80,555								80,555
	TEST MEASURE AND DIG EQUIPMENT (TMD)										
172	CALIBRATION SETS EQUIPMENT		2,026								2,026
173	INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)		47,789								47,789
174	TEST EQUIPMENT MODERNIZATION (TEMOD)		11,827								11,827
	OTHER SUPPORT EQUIPMENT										
175	RAPID EQUIPPING SOLDIER SUPPORT EQUIPMENT (RI		50,679		5,000						55,679
	Body Ventilation System/Cooling Vests						5,000				
176	IED DEFEAT EQUIPMENT										
177	PHYSICAL SECURITY SYSTEMS (OPA-3)		66,665								66,665
178	BASE LEVEL COM'L EQUIPMENT		3,279								3,279
179	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)		35,469								35,469
180	PRODUCTION BASE SUPPORT (OTH)		2,997								2,997
181	BUILDING, PRE-FAB, RELOCATABLE										
182	SPECIAL EQUIPMENT FOR USER TESTING		19,562								19,562
183	CLASSIFIED PROGRAM (MA8975)		2,423								2,423

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization QTY.	FY 2007 Authorization COST	Committee Change QTY.	Committee Change COST	Committee Increase QTY.	Committee Increase COST	Committee Decrease QTY.	Committee Decrease COST	FY 2007 Committee Authorization QTY.	FY 2007 Committee Authorization COST
	TOTAL OTHER SUPPORT EQUIPMENT		**1,640,967**		**(18,600)**		**47,500**		**(66,100)**		**1,622,367**
	SPARE AND REPAIR PARTS										
	OPA2										
184	INITIAL SPARES - C&E		31,271								31,271
	OPA3										
185	INITIAL SPARES - OTHER SUPPORT EQUIP		2,202								2,202
	TOTAL SPARE AND REPAIR PARTS		**33,473**								**33,473**
999	CLASSIFIED PROGRAMS		12,831								12,831
	TOTAL OTHER PROCUREMENT, ARMY		**7,718,602**		**(748,523)**		**61,100**		(809,623)		**6,970,079**
	NATIONAL GUARD EQUIPMENT										
	ARMY NATIONAL GUARD				318,000						318,000
	Restoration of ARNG End Strength Funding						318,000				
	TOTAL, NATIONAL GUARD EQUIPMENT				**318,000**		**318,000**				**318,000**
	TOTAL PROCUREMENT, ARMY		**16,841,051**		**(320,812)**		**985,600**		**(1,306,412)**		**16,520,239**

Items of Special Interest

Bridge to future networks

The budget request contained $340.2 million for bridge to future networks.

The Bridge to Future Networks program is comprised of two elements: area common user system (ACUS) modernization and joint network node (JNN). The committee is concerned about the Army's plan to meet its battle command network requirement for both the current and future force. The Army began the acquisition of the JNN with funds appropriated in the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109–13) that would provide an urgent warfighting demand for a networking capability in support of the global war on terrorism. The JNN is not a program of record and the committee believes that continued procurement of JNN through emergency supplemental appropriations is not appropriate.

The committee further understands that the Department of Defense's Director of Operational Test and Evaluation and the General Counsel have determined that JNN should not proceed beyond low rate initial production before completing operational testing.

The committee also understands that the Army is developing the Warfighter Information Network-Tactical (WIN–T) program at the same time that it is procuring the JNN. According to the Army, WIN–T is the foundation for network-centric brigade operations and is applicable to not just the Future Combat Systems (FCS) force, but also to today's current force of modular brigade combat teams.

The committee is aware the Army has not developed a plan that assesses how best to transition from JNN to WIN–T. It remains unclear to the committee whether the Army will attempt to accelerate development of WIN–T or pursue a parallel course that continues to procure JNN while realigning the WIN–T program with FCS. Therefore, the committee included a provision (section 114) in this Act that would require the Secretary of the Army to submit a report to the congressional defense committees on the analysis of how the JNN and the WIN–T will be integrated and whether or not there are opportunities to leverage JNN technologies and equipment as part of the WIN–T development effort.

Combat medical support

The budget request contained $20.5 million for combat medical support, but included no funding for Golden Hour—4 units of red blood cells (GH4) and Golden Hour—30 units of red blood cells or frozen plasma (GH30) blood bags. The committee recommends more fully equipping the U.S. military with Golden Hour technology blood bags to enable safe transport of blood to the battlefield, resulting in more saved lives during military conflicts and increasing the availability of useable blood.

The committee recommends an increase of $17.0 million for Golden Hour blood bags.

Immersive group simulation

The budget request included $16.9 million for the Army's networked system of manned simulators, but included no funds for its immersive group simulation project.

The committee supports simulation efforts by the Army to replicate elements on the combined arms battlefield. This reduces overall training costs and provides training that might otherwise be foregone because of limitations on live training ranges. Immersive group simulations complement and enhance training programs by allowing groups of trainers to place groups of soldiers into synthetic training environments that replicate real world conditions to stress reactive and decision making capabilities, train on appropriate tactics and techniques, and make mistakes where the consequences are non-lethal.

Therefore, the committee recommends an increase of $6.5 million for the immersive group simulation project.

M915A3 production

The budget request contained $31.2 million for truck, tractor, and line-haul equipment, including funds to procure 160 M915A3 line-haul tractor trucks.

The M915A3 is used by Army transportation companies to transport breakbulk, containers, water and petroleum over primary and secondary roads. The committee notes that previous models of the M915 are experiencing operational readiness rates below the Army goal and are difficult to support. The committee also notes that there are significant inventory shortages across the Army, but particularly in transportation companies of the national guard and reserve forces.

The committee recommends $40.5 million for truck, tractor, and line-haul equipment, an increase of $9.3 million to accelerate fielding of the M915A3 to the Army National Guard.

Simulated combat training capability for Army National Guard

The budget request contained $38.5 million for combat training centers support and other associated costs, but included no funds for simulated combat training capability systems for the Army National Guard.

The committee understands this system would provide effective pre-mobilization and post-mobilization home-station training for Army National Guard units engaged in the global war on terrorism. The committee recognizes that although there is no substitute for the robust live-fire and simulated training capabilities provided at Combat Training Centers (CTCs) and through the Joint National Training Capability (JNTC), this particular system would supplement CTC and JNTC activities, as well as provide additional training opportunities for Army National Guard units at their home stations. Furthermore, the committee believes that this additional training capability would potentially contribute to more effective CTC and JNTC training exercises for national guard units.

The committee recommends $47.8 million, an increase of $9.3 million to provide simulated, flexible and expandable combat training capability to Army National Guard units.

AIRCRAFT PROCUREMENT, NAVY

Overview

The budget request for fiscal year 2007 contained $10.9 billion for Aircraft Procurement, Navy. The committee recommends authorization of $10.8 billion, a decrease of $108.1 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Aircraft Procurement, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	AIRCRAFT PROCUREMENT, NAVY										
	COMBAT AIRCRAFT										
	COMBAT AIRCRAFT										
1	AV-8B (V/STOL)HARRIER (MYP)										
2	EA-18G	12	891,578							12	891,578
2	LESS: ADVANCE PROCUREMENT (PY)		(26,157)								(26,157)
3	ADVANCE PROCUREMENT (CY)		39,753								39,753
4	F/A-18E/F (FIGHTER) HORNET (MYP)	30	2,362,471							30	2,362,471
4	LESS: ADVANCE PROCUREMENT (PY)		(74,218)								(74,218)
5	ADVANCE PROCUREMENT (CY)		52,954								52,954
6	F-35 ADVANCE PROCUREMENT (CY)		245,016		(153,000)						92,016
	Program Decrease								(153,000)		
7	V-22 (MEDIUM LIFT)	14	1,371,125							14	1,371,125
7	LESS: ADVANCE PROCUREMENT (PY)		(66,438)								(66,438)
8	ADVANCE PROCUREMENT (CY)		194,080								194,080
9	UH-1Y/AH-1Z	18	446,718							18	446,718
10	MH-60S (MYP)	18	573,458							18	573,458
10	LESS: ADVANCE PROCUREMENT (PY)		(115,300)								(115,300)
11	ADVANCE PROCUREMENT (CY)		90,401								90,401
12	MH-60R	25	911,854							25	911,854
12	LESS: ADVANCE PROCUREMENT (PY)		(116,592)								(116,592)
13	ADVANCE PROCUREMENT (CY)		120,480								120,480
14	E-2C (EARLY WARNING) HAWKEYE (MYP)	2	265,015							2	265,015
14	LESS: ADVANCE PROCUREMENT (PY)		(61,443)								(61,443)
15	ADVANCE PROCUREMENT (CY)										
	TOTAL COMBAT AIRCRAFT		**7,104,755**		**(153,000)**				**(153,000)**		**6,951,755**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	AIRLIFT AIRCRAFT										
	AIRLIFT AIRCRAFT										
16	UC-35										
17	C-40A										
18	C-37										
	TOTAL AIRLIFT AIRCRAFT										
	TRAINER AIRCRAFT										
	TRAINER AIRCRAFT										
19	T-45TS (TRAINER) GOSHAWK	12	376,361							12	376,361
20	JPATS	21	146,068	4	28,900					25	174,968
	Additional Systems					4	28,900				
	TOTAL TRAINER AIRCRAFT		**522,429**		**28,900**		**28,900**				**551,329**
	OTHER AIRCRAFT										
	OTHER AIRCRAFT										
21	KC-130J	4	311,179							4	311,179
21	LESS: ADVANCE PROCUREMENT (PY)		(58,000)								(58,000)
22	ADVANCE PROCUREMENT (CY)		45,737								45,737
23	F-5	5	2,530							5	2,530
24	VTUAV	4	37,570							4	37,570
	TOTAL OTHER AIRCRAFT		**339,016**								**339,016**
	MODIFICATION OF AIRCRAFT										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MODIFICATION OF AIRCRAFT										
25	EA-6 SERIES		48,983								48,983
26	AV-8 SERIES		20,506								20,506
27	ADVERSARY		2,638								2,638
28	F-18 SERIES		411,524								411,524
29	H-46 SERIES		47,401								47,401
30	AH-1W SERIES		19,760								19,760
31	H-53 SERIES		28,252		3,000						31,252
	Emergency Egress Lighting System						3,000				
32	SH-60 SERIES		33,113								33,113
33	H-1 SERIES		7,426								7,426
34	EP-3 SERIES		56,797		10,000						66,797
	Service Life Extension						10,000				
35	P-3 SERIES		204,606		3,000						207,606
	High Resolution Digital Recorders						3,000				
36	S-3 SERIES		750								750
37	E-2 SERIES		9,087								9,087
38	TRAINER A/C SERIES		17,062								17,062
39	C-2A		37,157								37,157
40	C-130 SERIES		3,547								3,547
41	FEWSG		625								625
42	CARGO/TRANSPORT A/C SERIES		30,332								30,332
43	E-6 SERIES		99,184								99,184
44	EXECUTIVE HELICOPTERS SERIES		40,190								40,190
45	SPECIAL PROJECT AIRCRAFT		14,300								14,300
46	T-45 SERIES		34,933								34,933
47	POWER PLANT CHANGES		24,580								24,580
48	JPATS SERIES		1,656								1,656

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
49	AVIATION LIFE SUPPORT MODS		14,315								14,315
50	COMMON ECM EQUIPMENT		35,886								35,886
51	COMMON AVIONICS CHANGES		177,500								177,500
52	COMMON DEFENSIVE WEAPON SYSTEM		13,656								13,656
53	ID SYSTEMS		11,148								11,148
54	V-22 (TILT/ROTOR ACFT) OSPREY		85,767								85,767
	TOTAL MODIFICATION OF AIRCRAFT		**1,532,681**		**16,000**		**16,000**				**1,548,681**
	AIRCRAFT SPARES AND REPAIR PARTS										
	AIRCRAFT SPARES AND REPAIR PARTS										
55	SPARES AND REPAIR PARTS		812,689								812,689
	TOTAL AIRCRAFT SPARES AND REPAIR PARTS		**812,689**								**812,689**
	AIRCRAFT SUPPORT EQUIPMENT & FACILITIES										
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES										
56	COMMON GROUND EQUIPMENT		426,673								426,673
57	AIRCRAFT INDUSTRIAL FACILITIES		9,472								9,472
58	WAR CONSUMABLES		34,916								34,916
59	OTHER PRODUCTION CHARGES		19,501								19,501
60	SPECIAL SUPPORT EQUIPMENT		64,968								64,968
61	FIRST DESTINATION TRANSPORTATION		1,671								1,671
62	CANCELLED ACCOUNT ADJUSTMENTS										
	TOTAL AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES		**557,201**								**557,201**
	TOTAL AIRCRAFT PROCUREMENT, NAVY		**10,868,771**		**(108,100)**		**44,900**		**(153,000)**		**10,760,671**

Items of Special Interest

EP–3E service life extension

The budget request contained $56.8 million for EP–3E aircraft modifications, but included no funds for service life extension modifications in lieu of the Aerial Common Sensor (ACS) program cancellation.

The committee is concerned about the impact the cancelled ACS program may have on the qualitative service life of the EP–3E. The committee understands that continued support of the legacy EP–3E airframes and mission systems will be tenuous until a viable joint or service-specific replacement is identified and fully operational. The EP–3E capability contributes significantly to the national collection posture of the defense intelligence community and combatant commanders.

The committee understands that the EP–3E program was not fully prepared for the cancellation of the ACS, and that significant deficiencies to aircraft mission systems are expected in fiscal year 2007.

Therefore, the committee recommends $66.8 million, an increase of $10.0 million for additional service life extension modifications needed to sustain the EP–3E.

H–53 series modifications

The budget request contained $28.3 million for H–53 series modifications, but included no funds for the advanced helicopter emergency egress lighting system (ADHEELS).

The ADHEELS provides crew escape lighting for helicopters in the event of water impact. The committee understands that the Department of the Navy has selected ADHEELS as its future helicopter escape lighting system due to its superior performance, significantly increased operational reliability, and lower life cycle costs, and has recently equipped all SH–60 helicopters with this system; and therefore, the committee recommends that the ADHEELS also be installed on the Navy's fleet of H–53 helicopters.

Consequently, the committee recommends $31.3 million for H–53 series modification, an increase of $3.0 million to begin the installation of ADHEELS in the Navy's H–53 helicopter fleet.

P–3C modernization

The budget request contained $204.6 million for P–3C aircraft modifications, but contained no funds for the P–3C high resolution digital recorder.

The committee understands the P–3C aircraft has been used extensively in the global war on terrorism as a surveillance and targeting platform to provide time-sensitive targeting information to ground forces and other airborne assets. As part of the P–3C antisurface warfare improvement program (AIP) upgrade, a next generation high resolution combined video and radar recorder has been developed to replace the legacy recorder. The committee understands that without key technology upgrades and aircraft parts obsolescence management, the P–3C ability to meet the Navy's Fleet Response Plan will be degraded.

Therefore, the committee recommends $207.6 million, an increase of $3.0 million for procurement of ten high resolution digital recorders.

WEAPONS PROCUREMENT, NAVY

Overview

The budget request for fiscal year 2007 contained $2.6 billion for Weapons Procurement, Navy. The committee recommends authorization of $2.5 billion, a decrease of $38.0 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Weapons Procurement, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization QTY.	FY 2007 Authorization COST	Committee Change QTY.	Committee Change COST	Committee Increase QTY.	Committee Increase COST	Committee Decrease QTY.	Committee Decrease COST	FY 2007 Committee Authorization QTY.	FY 2007 Committee Authorization COST
	WEAPONS PROCUREMENT, NAVY										
	BALLISTIC MISSILES										
	BALLISTIC MISSILES										
1	TRIDENT II										
1	LESS: ADVANCE PROCUREMENT (PY)										
	MODIFICATION OF MISSILES										
2	TRIDENT II MODS		957,637		(38,000)						919,637
	Conventional Trident Modification								(38,000)		
	SUPPORT EQUIPMENT AND FACILITIES										
3	MISSILE INDUSTRIAL FACILITIES		3,453								3,453
	TOTAL BALLISTIC MISSILES		**961,090**		**(38,000)**				**(38,000)**		**923,090**
	OTHER MISSILES										
	STRATEGIC MISSILES										
4	TOMAHAWK	350	354,565							350	354,565
	TACTICAL MISSILES										
5	AMRAAM	150	98,651							150	98,651
6	SIDEWINDER	174	40,380							174	40,380
7	JSOW	397	125,551							397	125,551
8	STANDARD MISSILE	75	139,672							75	139,672
9	RAM	90	56,874							90	56,874
10	HELLFIRE										
11	AERIAL TARGETS		83,299								83,299
12	DRONES AND DECOYS										
13	OTHER MISSILE SUPPORT		8,990								8,990
	MODIFICATION OF MISSILES										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
14	ESSM	108	99,571							108	99,571
15	STANDARD MISSILES MODS		54,644								54,644
	SUPPORT EQUIPMENT AND FACILITIES										
16	WEAPONS INDUSTRIAL FACILITIES		4,645								4,645
	ORDNANCE SUPPORT EQUIPMENT										
17	ORDNANCE SUPPORT EQUIPMENT		29,534								29,534
	TOTAL OTHER MISSILES		**1,096,376**								**1,096,376**
	TORPEDOES AND RELATED EQUIPMENT										
	TORPEDOES AND RELATED EQUIP.										
18	SSTD (TORPEDO DEFENSE)	1,020	5,856							1,020	5,856
19	ASW TARGETS		25,034								25,034
	MOD OF TORPEDOES AND RELATED EQUIP										
20	MK-46 TORPEDO MODS		96,505								96,505
21	MK-48 TORPEDO ADCAP MODS		61,528								61,528
22	QUICKSTRIKE MINE		3,103								3,103
	SUPPORT EQUIPMENT										
23	TORPEDO SUPPORT EQUIPMENT		26,345								26,345
24	ASW RANGE SUPPORT		13,288								13,288
	DESTINATION TRANSPORTATION										
25	FIRST DESTINATION TRANSPORTATION		3,259								3,259
	TOTAL TORPEDOES AND RELATED EQUIPMENT		**234,918**								**234,918**
	OTHER WEAPONS										
	GUNS AND GUN MOUNTS										
26	SMALL ARMS AND WEAPONS		12,508								12,508

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MODIFICATION OF GUNS AND GUN MOUNTS										
27	CIWS MODS		151,194								151,194
28	COAST GUARD WEAPONS	1	5,385							1	5,385
29	GUN MOUNT MODS		8,936								8,936
30	PIONEER		7,056								7,056
31	CRUISER MODERNIZATON WEAPONS - MK 45	2	18,470							2	18,470
32	AIRBORNE MINE NEUTRALIZATION SYSTEMS	65	3,151							65	3,151
	OTHER										
33	CANCELLED ACCOUNT ADJUSTMENTS										
	TOTAL OTHER WEAPONS		**206,700**								**206,700**
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
34	SPARES AND REPAIR PARTS		55,936								55,936
	TOTAL SPARES AND REPAIR PARTS		**55,936**								**55,936**
	TOTAL WEAPONS PROCUREMENT, NAVY		**2,555,020**		**(38,000)**				**(38,000)**		**2,517,020**

Item of Special Interest

Conventional Trident modification

The budget request contained $957.6 million for Trident II missile modifications, including $38.0 million for the conventional Trident modification (CTM) program. The budget request also contained $111.1 million for strategic missile systems equipment, including $12.0 million for CTM.

The committee understands that the Department of Defense is working to develop the prompt, precision, global conventional strike capability called for in the 2001 Nuclear Posture Review, and in the 2006 Quadrennial Defense Review. The committee also understands that the existing Trident II weapons system provides an opportunity to develop a long range conventional strike capability by leveraging existing technology at relatively low risk.

However, the committee is concerned that the development of this conventional ballistic missile capability for a submarine that has historically carried nuclear armed ballistic missiles could cause a missile launch misinterpretation regarding which type of a warhead a ballistic missile may be carrying. The committee is encouraged that the Department has begun to engage military and civilian leaders of the international community to discuss the United States' intent behind this conventional strike capability, and is also developing measures to preclude misinterpretation of a conventional launch.

However, until this vital policy matter can be resolved, the committee recommends $919.6 million for Trident II missile modifications, a decrease of $38.0 million, and $99.1 million for strategic missile systems equipment, a decrease of $12.0 million.

AMMUNITION PROCUREMENT, NAVY & MARINE CORPS

Overview

The budget request for fiscal year 2007 contained $789.9 million for Ammunition Procurement, Navy & Marine Corps. The committee recommends authorization of $758.8 million, a decrease of $31.2 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Ammunition Procurement, Navy & Marine Corps program are identified in the table below. Major changes to the Navy & Marine Corps request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF AMMO, NAVY & MARINE CORPS										
	PROC AMMO, NAVY										
	NAVY AMMUNITION										
1	GENERAL PURPOSE BOMBS		119,561								119,561
2	JDAM	3,400	84,014							3,400	84,014
3	AIRBORNE ROCKETS, ALL TYPES		15,473								15,473
4	MACHINE GUN AMMUNITION		16,140								16,140
5	PRACTICE BOMBS		44,573								44,573
6	CARTRIDGES & CART ACTUATED DEVICES		33,999								33,999
7	AIRCRAFT ESCAPE ROCKETS		11,029								11,029
8	AIR EXPENDABLE COUNTERMEASURES		72,935								72,935
9	JATOS		4,643								4,643
10	5 INCH/54 GUN AMMUNITION		24,547								24,547
11	76MM GUN AMMUNITION										
12	INTERMEDIATE CALIBER GUN AMMO		5,729								5,729
13	OTHER SHIP GUN AMMUNITION		21,772								21,772
14	SMALL ARMS & LANDING PARTY AMMO		32,647								32,647
15	PYROTECHNIC AND DEMOLITION		9,189								9,189
16	AMMUNITION LESS THAN $5 MILLION		1,197								1,197
	TOTAL PROC AMMO, NAVY		**497,448**								**497,448**
	PROC AMMO, MC										
	MARINE CORPS AMMUNITION										
17	5.56 MM, ALL TYPES		24,365		(12,200)						12,165
	Transfer to Title XV								(12,200)		
18	7.62 MM, ALL TYPES		14,814		(7,400)						7,414

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	Transfer to Title XV								(7,400)		
19	LINEAR CHARGES, ALL TYPES		8,032								8,032
20	.50 CALIBER		6,440		(3,200)						3,240
	Transfer to Title XV								(3,200)		
21	40 MM, ALL TYPES		39,369								39,369
22	60MM, ALL TYPES		2,947								2,947
23	81MM, ALL TYPES		57,351								57,351
24	120MM, ALL TYPES		32,858								32,858
25	CTG 25MM, ALL TYPES		9,536								9,536
26	9 MM ALL TYPES		4,197								4,197
27	GRENADES, ALL TYPES		16,733		(8,350)						8,383
	Transfer to Title XV								(8,350)		
28	ROCKETS, ALL TYPES		10,201								10,201
29	ARTILLERY, ALL TYPES		35,514								35,514
30	EXPEDITIONARY FIGHTING VEHICLE		9,529								9,529
31	DEMOLITION MUNITIONS, ALL TYPES		8,282								8,282
32	FUZE, ALL TYPES		565								565
33	NON LETHALS		4,030								4,030
34	AMMO MODERNIZATION		7,732								7,732
35	ITEMS LESS THAN $5 MILLION										
	TOTAL PROC. AMMO, MC		**292,495**		**(31,150)**				**(31,150)**		**261,345**
	TOTAL PROCUREMENT OF AMMUNITION, NAVY & MARINE CC		**789,943**		**(31,150)**				**(31,150)**		**758,793**

SHIPBUILDING AND CONVERSION, NAVY

Overview

The budget request for fiscal year 2007 contained $10.6 billion for Shipbuilding and Conversion, Navy. The committee recommends authorization of $11.2 billion, an increase of $604.6 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Shipbuilding and Conversion, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization QTY.	FY 2007 Authorization COST	Committee Change QTY.	Committee Change COST	Committee Increase QTY.	Committee Increase COST	Committee Decrease QTY.	Committee Decrease COST	FY 2007 Committee Authorization QTY.	FY 2007 Committee Authorization COST
	SHIPBUILDING & CONVERSION, NAVY										
	OTHER WARSHIPS										
	OTHER WARSHIPS										
1	CARRIER REPLACEMENT PROGRAM		552,502								
1	LESS: ADVANCE PROCUREMENT (PY)		(552,502)								
2	ADVANCE PROCUREMENT (CY)		784,143								784,143
3	VIRGINIA CLASS SUBMARINE	1	2,613,135							1	2,613,135
3	LESS: ADVANCE PROCUREMENT (PY)		(837,663)								(837,663)
4	ADVANCE PROCUREMENT (CY)		676,582		400,000						1,076,582
	Program Increase						400,000				
5	SSGN CONVERSION										
5	LESS: ADVANCE PROCUREMENT (PY)										
6	ADVANCE PROCUREMENT (CY)										
7	CVN REFUELING OVERHAULS		954,495								954,495
7	LESS: ADVANCE PROCUREMENT (PY)										
8	ADVANCE PROCUREMENT (CY)		117,139								117,139
9	SSN ERO		3,975								3,975
9	LESS: ADVANCE PROCUREMENT (PY)		(3,975)								(3,975)
10	ADVANCE PROCUREMENT (CY)		22,078								22,078
11	SSBN ERO	1	249,930							1	249,930
11	LESS: ADVANCE PROCUREMENT (PY)		(60,908)								(60,908)
12	ADVANCE PROCUREMENT (CY)		37,154								37,154
13	DD(X)	2	3,578,245	(1)						1	3,578,245
	Program Decrease							(1)			
13	LESS: ADVANCE PROCUREMENT (PY)		(1,010,134)								(1,010,134)
14	ADVANCE PROCUREMENT (CY)										
15	DDG-51		355,849								355,849

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
15	LESS: ADVANCE PROCUREMENT (PY)										
16	DDG MODERNIZATION PROGRAM				200,000						200,000
	Program Increase						200,000				
17	LITTORAL COMBAT SHIP	2	520,670							2	520,670
	TOTAL OTHER WARSHIPS		**8,000,715**		**600,000**		**600,000**				**8,600,715**
	AMPHIBIOUS SHIPS										
	AMPHIBIOUS SHIPS										
18	LHD-1 AMPHIBIOUS ASSAULT SHIP										
18	LESS: ADVANCE PROCUREMENT (PY)										
19	LPD-17		3,469								3,469
19	LESS: ADVANCE PROCUREMENT (PY)		(3,469)								(3,469)
20	ADVANCE PROCUREMENT (CY)		297,492								297,492
21	LHA (R)	1	1,433,560							1	1,433,560
21	LESS: ADVANCE PROCUREMENT (PY)		(297,643)								(297,643)
22	ADVANCE PROCUREMENT (CY)										
	TOTAL AMPHIBIOUS SHIPS		**1,433,409**								**1,433,409**
	AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAM										
	AUXILIARIES, CRAFT AND PRIOR YR PROGRAM COST										
23	SPECIAL PURPOSE										
24	LCU(X)										
25	OUTFITTING		410,643								410,643
26	SERVICE CRAFT		45,245	1	4,600					1	49,845
	Weapon Retrieval Vehicle					1	4,600				
27	LCAC SLEP	6	110,692							6	110,692

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
28	COMPLETION OF PY SHIPBUILDING PROGRAMS		577,849								577,849
28	SSN-774 (MEMO NON ADD)		[13,600]								[13,600]
28	LPD (MEMO NON ADD)		[93,400]								[93,400]
29	POWER UNIT ASSEMBLY FACILITY										
	TOTAL AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAMS		**1,144,429**		**4,600**		**4,600**				**1,149,029**
	TOTAL SHIPBUILDING & CONVERSION, NAVY		**10,578,553**		**604,600**		**604,600**				**11,183,153**

Items of Special Interest

313 ship navy force structure

The committee applauds the Chief of Naval Operations for developing the Navy's future force structure and the accompanying long-term shipbuilding plan to build it. This long-term plan provides the shipbuilding industry a view into the future that has been lacking. However, the committee is concerned that the plan was developed using unrealistic assumptions that will not make the plan executable. Of greatest concern to the committee is the affordability of the ship construction plan. According to the Navy's estimates, execution of this plan requires a significant increase in shipbuilding funds from $8.7 billion in fiscal year 2006 to $17.2 billion in fiscal year 2011. Obtaining these additional funds in a period of anticipated federal spending reductions will be difficult. The plan also assumes that individual ship acquisition programs can avoid the cost growth that has plagued most Navy ship acquisition programs.

The committee is concerned about the affordability of the Navy's long-term shipbuilding plan, recreating much of the uncertainty about the future of naval shipbuilding that the plan was designed to eliminate.

Aircraft carrier force structure requirements

The committee is concerned by the Chief of Naval Operation's plan to retire the USS *John F. Kennedy.* According to the Navy's long range shipbuilding plan, if the Navy retires the *Kennedy,* then the aircraft carrier force will drop to 11 between now and 2012, and then drop to 10 in 2013 and 2014. With the commissioning of CVN–78 in 2015, the aircraft carrier force increases to 11 and then back to 12 in 2019 and beyond.

The committee believes it is the objective of the Chief of Naval Operations to maintain a force of 12 aircraft carriers since the long range shipbuilding plan shows a total of 12 aircraft carriers between 2019 and the far range of the plan in 2036. It is apparent to the committee that the decision to allow the force structure to fall to 10 in the near future is fiscally rather than operationally driven.

The committee believes that the Navy should continue to maintain no less than 12 operational aircraft carriers in order to meet potential global commitments. The committee believes that a reduction below 12 aircraft carriers puts the nation in a position of unacceptable risk.

Arleigh Burke class destroyer modernization

The budget request contained $2.2 million for the *Arleigh Burke* class destroyer (DDG–51) modernization program.

The committee understands that the DDG–51 modernization program is a comprehensive mid-life modernization effort to ensure mission relevant service life of 35 years for the *Arleigh Burke* class destroyers. The modernization will include hull, mechanical and electrical technology upgrades to reduce manning and total ownership costs, combat system integrated warfighting improvements, and installation of an open architecture computing environment to allow future ballistic missile defense, air defense and other upgrades. The committee also understands that this modernization ef-

fort will focus on earlier Flight I ships (DDG–51 to DDG–71) to ensure they support the Chief of Naval Operations Sea Power 21 requirements of Sea Strike, Sea Shield and ForceNet. The committee believes that because the next generation destroyer, DD(X), will not be fielded until 2013, the DDG–51 fleet must be modernized at an accelerated rate to take earlier advantage of the operating cost reductions and the improved combat system capabilities.

Therefore, the committee recommends an increase of $200.0 million to accelerate the modernization program by two years.

Battleship transfer

In the conference report (H. Rept. 109–360) accompanying the National Defense Authorization Act for fiscal year 2006, the committee included instructions regarding the transfer of the battleships USS *Wisconsin* and USS *Iowa* to the Commonwealth of Virginia and State of California, respectively, and the President's reversion authority pursuant to a national emergency. The committee seeks to clarify that the battleships USS *Wisconsin* and USS *Iowa* must be regarded as potential mobilization assets and both the recipients and the U.S. Navy are instructed to treat them as such. The committee notes that the following measures should be taken: (1) the ships must not be altered in any way that would impair their military utility; (2) the ships must be preserved in their present condition through the continued use of cathodic protection and dehumidification systems and any other preservation methods as needed; (3) spare parts and unique equipment such as 16-inch gun barrels and projectiles, be preserved in adequate numbers to support the two ships, if reactivated; and (4) the Navy must prepare plans for the rapid reactivation of the two battleships should they be returned to the Navy in the event of a national emergency.

Incremental funding for shipbuilding

The budget request recommends incremental funding for 3 of the 7 ships in the request, including for the first time construction of a surface combatant, the next-generation destroyer DD(X). Furthermore, during the consideration of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163), the Navy sought and was granted the authority to use incremental funding for the next aircraft carrier, which will be recorded as procured in 2008.

The committee remains concerned that the use of incremental funding is not a solution to the Navy's problem in funding shipbuilding. While incremental funding can allow the Navy to smooth out the dramatic spikes in shipbuilding funding required as a result of aircraft carrier construction every four or five years, it does not fundamentally increase the number of ships that a given amount of money will purchase. During the committee's hearings on shipbuilding, all witnesses emphasized the importance of program and funding stability as the top priority for reducing the cost of shipbuilding and sustaining the shipbuilding industrial base. The committee notes that Congress adopted the full funding policy in the 1950s in part because of a concern that incremental funding was detrimental to funding stability. Future congresses may find themselves unwilling, or unable, to fund completion of ships begun in prior years and only partially funded. The committee remains

convinced that the full funding policy is the correct policy for funding shipbuilding.

The committee understands that the Department of Defense this year considered submission of a legislative proposal that would permanently authorize the use of "split funding" for aircraft carriers and large deck amphibious ships, and the Navy's fiscal year 2007 shipbuilding plan already assumes such authority for the second LHA class amphibious assault ship. The committee has approved the use of split funding for certain ships in certain cases. However, the committee does not believe that a blanket policy supporting incremental funding for any class of ship is appropriate, and has not included such a provision in the bill.

Littoral combat ship program

The committee is concerned about the uncertainty in the Navy's acquisition strategy for the Littoral Combat Ship (LCS). The Navy recently announced its intention to continue with the Flight Zero design through fiscal year 2009. The Navy plans to procure 15 LCSs through this initial design phase. How long the Navy intends to continue with two separate designs for these vessels remains unclear. The committee believes that it is also unclear when the Navy will place this program into the discipline of the normal acquisition process with definitive and mature requirements and Director, Operational Test and Evaluation, review before continuing with procurement. The Navy's long-range shipbuilding plan calls for procuring 55 LCSs, and the committee encourages the Navy to develop an acquisition strategy for the long-term that clarifies any ambiguity in the current build profile. The committee further encourages the Navy to downselect to one of the two LCS variants currently in procurement in order to achieve economy of scale, or present a compelling case to the congressional defense committees on why both variants should be procured.

Next generation destroyer

The budget request contained $2.6 billion for split procurement of two next generation destroyers (DD(X)).

The committee does not believe the DD(X) is affordable. The committee supports recent efforts by the Navy to "design cost out" of the lead ship and to focus on threshold instead of objective requirements in an effort to reduce the risk of cost growth. However, due to the unusually large number of new technologies being integrated on the next generation destroyer, the committee understands there is no prospect of being able to design and build the two lead ships for the $6.6 billion budgeted.

The committee is concerned that the Navy is attempting to insert too much capability into a single platform. As a result, the DD(X) is now expected to displace over 14,000 tons and by the Navy's estimate, cost almost $3.3 billion each. Originally, the Navy proposed building 32 next generation destroyers, reduced that to 24, then finally to 7 in order to make the program affordable. In such small numbers, the committee struggles to see how the original requirements for the next generation destroyer, for example providing naval surface fire support, can be met. In this day of netted operations, the committee advocates reducing the capabilities resident on the next generation destroyer, to instead rely on the netted sen-

sors and weapons systems of other ships in the strike group. By reducing the requirements for the DD(X), a smaller, less expensive destroyer could be procured in greater numbers.

Because of its expense, the committee does not believe that DD(X) will be procured in sufficient numbers to meet the operational need. However, the committee does believe that the DD(X) program's engineering development models show the potential for some impressive advances in warfighting capability. The committee supports the construction of up to two DD(X)s to demonstrate technologies that could be incorporated into future, more affordable, major surface combatants. The committee recommends that these ships demonstrate as wide a range of technologies as is reasonably feasible, including both the advanced induction and permanent magnet motor propulsion concepts that were originally investigated for DD(X).

Therefore, the committee recommends $2.6 billion to fund one next generation destroyer as a technology demonstrator.

Shipbuilding/ship repair industrial base capacity

The committee believes that the ability to build naval ships and submarines is a critical national asset. Therefore, it is imperative that the United States sustain a healthy ship design, engineering and construction capability.

The first tier shipbuilding/ship repair industrial base is made up of six private and four public shipyards. Since there is very little commercial large-ship shipbuilding currently being executed in these shipyards, all 10 shipyards are almost wholly dependent on Department of Defense (DOD) work for sustainment.

The committee is concerned that the U.S. shipbuilding/ship repair industrial base has significant capacity beyond what is necessary for all anticipated DOD new construction and maintenance work, and believes that Navy ship acquisition programs are paying the price.

The Navy recently published a long-term shipbuilding plan that supports the goal of building and maintaining a 313 ship Navy by 2020. Although this plan provides the needed "stability" that the U.S. shipbuilding industry has been looking for, it does not appear to generate enough work to keep the major U.S. shipbuilders operating at their current capacity. Evidence of this is most obvious at General Dynamics Electric Boat Division where the contractor is planning to lay off hundreds of designers and engineers and thousands of production workers in the next several years. The plan to increase the procurement of *Virginia* class submarines from 1 to 2 per year has been delayed for over 10 years and the latest plan has the increase happening in fiscal year 2012. Similar challenges will affect the shipyards now constructing the last of the DDG–51 destroyers. Those yards are starting to ramp up to build the next generation destroyer, however, the next generation destroyer is not expected to be built in a sufficient quantity to keep the current workforce fully employed.

The committee directs the Secretary of the Navy to report to the congressional defense committees on measures that can be taken to manage the capacity of the shipbuilding/ship repair industrial base in a manner that would make Navy shipbuilding more affordable. Such report shall be submitted by the submission of the President's

request for fiscal year 2008, as required by section 1105 of title 31, United States Code.

Ship cost estimates

The committee is deeply concerned about the process used for establishing the Navy's ship cost estimates. The committee notes that the original cost estimates on numerous existing ship classes have regularly been described by the Navy as inaccurate and unrealistic when those ships near completion of construction. The committee notes that in several cases it has been informed that ship cost estimates delivered to the committee in prior years either intentionally or unintentionally excluded certain known shipbuilding costs such as escalation, and that these cost estimates were known to be inaccurate on the day they were first delivered to the committee. The committee recommends that the process for deriving ship cost estimates be revised to ensure that all major known elements of ship cost are routinely included in all ship cost estimates.

The committee notes that Sections 122, 123, and 124 of the bill would impose cost limitations on three current ship classes based on the Navy's latest costs estimates. The committee further notes that the imposition of these statutory cost limitations makes the need for a high level of confidence in the cost estimates for these ship classes unusually important. Accordingly, the committee directs that the Secretary of the Navy revalidate the cost estimates for CVN–21, for the ships currently programmed in the LHA Replacement program, and for the eight ships of the *San Antonio* class amphibious ship that follow the lead ship. The committee further directs that the revalidated costs estimates be submitted for review and approval by the Under Secretary of Defense for Acquisition, Technology, and Logistics. Finally, the committee directs that no later than July 1, 2006, the Secretary of the Navy submit a report in writing to the congressional defense committees containing the revalidated cost estimates for these ship classes including a certification by the Secretary that all known and anticipated major elements of cost have been included in the estimate.

Virginia class submarine

The budget request contained $676.6 million for advance procurement funding for *Virginia* class submarines.

The committee believes that the Navy's attack submarine force structure must be maintained at no less than 48 submarines in order to meet potential global commitments. The Navy's Annual Long-Range Plan for Construction of Naval Vessels for fiscal year 2007 shows that the force will decrease below 48 attack submarines between 2020 and 2033, reaching a low of 40 attack submarines in 2028 and 2029. The committee believes that a reduction below 48 attack submarines puts the country in a position of unacceptable risk.

Therefore, the committee recommends $1.1 billion for advance procurement of *Virginia* class submarines, an increase of $400.0 million for the procurement of a second *Virginia* class submarine in fiscal year 2009.

OTHER PROCUREMENT, NAVY

Overview

The budget request for fiscal year 2007 contained $5.0 billion for Other Procurement, Navy. The committee recommends authorization of $5.0 billion, an increase of $74.9 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Other Procurement, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	OTHER PROCUREMENT, NAVY										
	SHIPS SUPPORT EQUIPMENT										
	SHIP PROPULSION EQUIPMENT										
1	LM-2500 GAS TURBINE		7,441								7,441
2	ALLISON 501K GAS TURBINE		16,182								16,182
	NAVIGATION EQUIPMENT										
3	OTHER NAVIGATION EQUIPMENT		31,039		4,500						35,539
	Amphib Integrated Bridge System						4,500				
	UNDERWAY REPLENISHMENT EQUIPMENT										
4	UNDERWAY REPLENISHMENT EQUIPMENT		928								928
	PERISCOPES										
5	SUB PERISCOPES & IMAGING EQUIP		73,729								73,729
	OTHER SHIPBOARD EQUIPMENT										
6	DDG MOD		2,179								2,179
7	FIREFIGHTING EQUIPMENT		17,914								17,914
8	COMMAND AND CONTROL SWITCHBOARD		2,693								2,693
9	POLLUTION CONTROL EQUIPMENT		27,889								27,889
10	SUBMARINE SUPPORT EQUIPMENT		25,231								25,231
11	VIRGINIA CLASS SUPPORT EQUIPMENT		155,510								155,510
12	SUBMARINE BATTERIES		33,814								33,814
13	STRATEGIC PLATFORM SUPPORT EQUIP		21,892								21,892
14	DSSP EQUIPMENT		4,729								4,729
15	CG-MODERNIZATION		233,666								233,666
16	LCAC		437								437
17	MINESWEEPING EQUIPMENT		17,843								17,843
18	ITEMS LESS THAN $5 MILLION		172,775		10,000						182,775
	CVN Propeller Replacement						3,500				

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	LSD 41/49 Class - Canned Lube Pumps						4,000				
	Ultrasonic Maintenance Tools						2,500				
19	CHEMICAL WARFARE DETECTORS		3,141								3,141
20	SUBMARINE LIFE SUPPORT SYSTEM		13,751								13,751
	REACTOR PLANT EQUIPMENT										
21	REACTOR POWER UNITS		126,974								126,974
22	REACTOR COMPONENTS		228,087								228,087
	OCEAN ENGINEERING										
23	DIVING AND SALVAGE EQUIPMENT		6,287								6,287
	SMALL BOATS										
24	STANDARD BOATS		41,081		1,000						42,081
	Boat Lifts for Small Boats						1,000				
	TRAINING EQUIPMENT										
25	OTHER SHIPS TRAINING EQUIPMENT		3,887								3,887
	PRODUCTION FACILITIES EQUIPMENT										
26	OPERATING FORCES IPE		53,648								53,648
	OTHER SHIP SUPPORT										
27	NUCLEAR ALTERATIONS		109,571								109,571
28	LCS MODULES		79,059								79,059
	DRUG INTERDICTION SUPPORT										
29	DRUG INTERDICTION SUPPORT										
	TOTAL SHIPS SUPPORT EQUIPMENT		**1,511,377**		**15,500**		**15,500**				**1,526,877**
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	SHIP RADARS										
30	RADAR SUPPORT				7,250						7,250
	AN/SPS-48 ROAR						7,250				

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	SHIP SONARS										
31	SPQ-9B RADAR		2,494		6,000						8,494
	LCS						6,000				
32	AN/SQQ-89 SURF ASW COMBAT SYSTEM		37,783								37,783
33	SSN ACOUSTICS		284,896								284,896
34	UNDERSEA WARFARE SUPPORT EQUIPMENT		9,204								9,204
35	SONAR SWITCHES AND TRANSDUCERS		12,524								12,524
	ASW ELECTRONIC EQUIPMENT										
36	SUBMARINE ACOUSTIC WARFARE SYSTEM		20,227								20,227
37	SURFACE SHIP TORPEDO DEFENSE (SSTD)		8,404								8,404
38	FIXED SURVEILLANCE SYSTEM		60,681								60,681
39	SURTASS		4,688								4,688
40	TACTICAL SUPPORT CENTER		5,238								5,238
	ELECTRONIC WARFARE EQUIPMENT										
41	AN/SLQ-32		30,955								30,955
42	INFORMATION WARFARE SYSTEMS		5,032								5,032
	RECONNAISSANCE EQUIPMENT										
43	SHIPBOARD IW EXPLOIT		70,782								70,782
	SUBMARINE SURVEILLANCE EQUIPMENT										
44	SUBMARINE SUPPORT EQUIPMENT PROG		83,114								83,114
	OTHER SHIP ELECTRONIC EQUIPMENT										
45	NAVY TACTICAL DATA SYSTEM										
46	COOPERATIVE ENGAGEMENT CAPABILITY		22,502								22,502
47	GCCS-M EQUIPMENT		52,508								52,508
48	NAVAL TACTICAL COMMAND SUPPORT SYS		35,311								35,311
49	ADVANCED TACTICAL DATA LINK (ATDLS)		12,458								12,458
50	MINESWEEPING SYSTEM REPLACEMENT		75,442								75,442
51	SHALLOW WATER MCM		8,269								8,269

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
52	NAVSTAR GPS RECEIVERS (SPACE)		13,291								13,291
53	ARMED FORCES RADIO AND TV		4,481								4,481
54	STRATEGIC PLATFORM SUPPORT EQUIP		3,838								3,838
	TRAINING EQUIPMENT										
55	OTHER TRAINING EQUIPMENT		19,833								19,833
	AVIATION ELECTRONIC EQUIPMENT										
56	MARINE AIR TRAFFIC CONTROL (MATCALS)		20,261								20,261
57	SHIPBOARD AIR TRAFFIC CONTROL		7,476								7,476
58	AUTOMATIC CARRIER LANDING SYSTEM		18,005								18,005
59	NATIONAL AIR SPACE SYSTEM		27,575								27,575
60	AIR STATION SUPPORT EQUIPMENT		3,968								3,968
61	MICROWAVE LANDING SYSTEM		9,157								9,157
62	FACSFAC		3,758								3,758
63	ID SYSTEMS // IFF		28,567								28,567
64	TAC A/C MISSION PLANNING SYS (TAMPS)		8,316								8,316
	OTHER SHORE ELECTRONIC EQUIPMENT										
65	DEPLOYABLE JOINT COMMAND AND CONT										
66	COMMON IMAGERY GROUND SURFACE SYSTEMS		78,321								78,321
67	RADIAC		10,373								10,373
68	GPETE		7,086								7,086
69	INTEG COMBAT SYSTEM TEST FACILITY		4,283								4,283
70	EMI CONTROL INSTRUMENTATION		5,710								5,710
71	ITEMS LESS THAN $5 MILLION		22,489								22,489
	SHIPBOARD COMMUNICATIONS										
72	SHIPBOARD TACTICAL COMMUNICATIONS										
73	PORTABLE RADIOS		40,467								40,467
74	SHIP COMMUNICATIONS AUTOMATION		209,123								209,123
75	COMMUNICATIONS ITEMS UNDER $5M		12,574								12,574

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	SUBMARINE COMMUNICATIONS										
76	SUBMARINE BROADCAST SUPPORT		666								666
77	SUBMARINE COMMUNICATION EQUIPMENT		87,900								87,900
	SATELLITE COMMUNICATIONS										
78	SATELLITE COMMUNICATIONS SYSTEMS		12,291		2,100						14,391
	Mini-DAMA on Submarines						2,100				
	SHORE COMMUNICATIONS										
79	JCS COMMUNICATIONS EQUIPMENT		2,788								2,788
80	ELECTRICAL POWER SYSTEMS		1,145								1,145
81	NSIPS										
82	JEDMICS										
83	NAVAL SHORE COMMUNICATIONS		50,429								50,429
	CRYPTOGRAPHIC EQUIPMENT										
84	INFO SYSTEMS SECURITY PROGRAM (ISSP)		101,749								101,749
	CRYPTOLOGIC EQUIPMENT										
85	CRYPTOLOGIC COMMUNICATIONS EQUIP		21,758								21,758
	OTHER ELECTRONIC SUPPORT										
86	COAST GUARD EQUIPMENT		41,133								41,133
	DRUG INTERDICTION SUPPORT										
87	OTHER DRUG INTERDICTION SUPPORT										
	TOTAL COMMUNICATIONS AND ELECTRONICS EQUIPMENT		**1,721,323**		**15,350**		**15,350**				**1,736,673**
	AVIATION SUPPORT EQUIPMENT										
	SONOBUOYS										
88	SONOBUOYS - ALL TYPES		66,943								66,943
	AIRCRAFT SUPPORT EQUIPMENT										
89	WEAPONS RANGE SUPPORT EQUIPMENT		56,226		8,000						64,226

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	Multi-Spectral Threat Emitter System						8,000				
90	EXPEDITIONARY AIRFIELDS		8,064								8,064
91	AIRCRAFT REARMING EQUIPMENT		12,246								12,246
92	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT		29,817								29,817
93	METEOROLOGICAL EQUIPMENT		14,905								14,905
94	OTHER PHOTOGRAPHIC EQUIPMENT		1,459								1,459
95	AVIATION LIFE SUPPORT		18,624		4,000						22,624
	Multi-Climate Protection System						4,000				
96	AIRBORNE MINE COUNTERMEASURES		89,727								89,727
97	LAMPS MK III SHIPBOARD EQUIPMENT		27,369								27,369
98	OTHER AVIATION SUPPORT EQUIPMENT		10,821								10,821
	TOTAL AVIATION SUPPORT EQUIPMENT		**336,201**		**12,000**		**12,000**				**348,201**
	ORDNANCE SUPPORT EQUIPMENT										
	SHIP GUN SYSTEM EQUIPMENT										
99	NAVAL FIRES CONTROL SYSTEM		3,311								3,311
100	GUN FIRE CONTROL EQUIPMENT		7,443								7,443
	SHIP MISSILE SYSTEMS EQUIPMENT										
101	HARPOON SUPPORT EQUIPMENT		100								100
102	NATO SEASPARROW		4,582								4,582
103	RAM GMLS		9,987								9,987
104	SHIP SELF DEFENSE SYSTEM		56,668								56,668
105	AEGIS SUPPORT EQUIPMENT		75,349		5,000						80,349
	AEGIS Land Based Test Site Modernization						5,000				
106	SURFACE TOMAHAWK SUPPORT EQUIPMENT										
107	TOMAHAWK SUPPORT EQUIPMENT		61,185								61,185
108	SUBMARINE TOMAHAWK SUPPORT EQUIP										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
109	VERTICAL LAUNCH SYSTEMS		6,557								6,557
	FBM SUPPORT EQUIPMENT										
110	STRATEGIC MISSILE SYSTEMS EQUIP		111,127		(12,000)						99,127
	Conventional Trident Modification								(12,000)		
	ASW SUPPORT EQUIPMENT										
111	SSN COMBAT CONTROL SYSTEMS		92,876								92,876
112	SUBMARINE ASW SUPPORT EQUIPMENT		4,946								4,946
113	SURFACE ASW SUPPORT EQUIPMENT		4,642								4,642
114	ASW RANGE SUPPORT EQUIPMENT		7,188								7,188
	OTHER ORDNANCE SUPPORT EQUIPMENT										
115	EXPLOSIVE ORDNANCE DISPOSAL EQUIP		21,494								21,494
116	ITEMS LESS THAN $5 MILLION		4,041								4,041
	OTHER EXPENDABLE ORDNANCE										
117	ANTI-SHIP MISSILE DECOY SYSTEM		54,131								54,131
118	SURFACE TRAINING DEVICE MODS		11,243								11,243
119	SUBMARINE TRAINING DEVICE MODS		24,776		3,000						27,776
	SNADIS Shore Interface						3,000				
	TOTAL ORDNANCE SUPPORT EQUIPMENT		**561,646**		**(4,000)**		**8,000**		**(12,000)**		**557,646**
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
120	PASSENGER CARRYING VEHICLES		2,184								2,184
121	GENERAL PURPOSE TRUCKS		2,200								2,200
122	CONSTRUCTION & MAINTENANCE EQUIP		25,441								25,441
123	FIRE FIGHTING EQUIPMENT		16,726								16,726
124	TACTICAL VEHICLES		29,432								29,432
125	AMPHIBIOUS EQUIPMENT		86,604								86,604

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
126	POLLUTION CONTROL EQUIPMENT		12,066								12,066
127	ITEMS UNDER $5 MILLION		39,845								39,845
128	PHYSICAL SECURITY VECHICLES		1,317								1,317
	TOTAL CIVIL ENGINEERING SUPPORT EQUIPMENT		**215,815**								**215,815**
	SUPPLY SUPPORT EQUIPMENT										
	SUPPLY SUPPORT EQUIPMENT										
129	MATERIALS HANDLING EQUIPMENT		13,716		10,000						23,716
	NCF Forklift Systems						10,000				
130	OTHER SUPPLY SUPPORT EQUIPMENT		12,080		3,000						15,080
	Serial Number Tracking System						3,000				
131	FIRST DESTINATION TRANSPORTATION		5,925								5,925
132	SPECIAL PURPOSE SUPPLY SYSTEMS		65,938								65,938
	TOTAL SUPPLY SUPPORT EQUIPMENT		**97,659**		**13,000**		**13,000**				**110,659**
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT										
	TRAINING DEVICES										
133	TRAINING SUPPORT EQUIPMENT		18,222		8,000						26,222
	Laser Marksmanship Training System - Navy Reserve						8,000				
	COMMAND SUPPORT EQUIPMENT										
134	COMMAND SUPPORT EQUIPMENT		58,576		8,800						67,376
	Man Overboard ID System						8,800				
135	EDUCATION SUPPORT EQUIPMENT		390								390
136	MEDICAL SUPPORT EQUIPMENT		5,590		6,200						11,790
	Combat Casualty Care Equipment Upgrade						6,200				

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
138	OPERATING FORCES SUPPORT EQUIPMENT		15,270								15,270
139	C4ISR EQUIPMENT		10,685								10,685
140	ENVIRONMENTAL SUPPORT EQUIPMENT		16,138								16,138
141	PHYSICAL SECURITY EQUIPMENT		166,302								166,302
142	ENTERPRISE INFORMATION TECHNOLOGY		3,995								3,995
145	JUDGMENT FUND REIMBURSEMENT										
	OTHER										
146	CANCELLED ACCOUNT ADJUSTMENTS										
	TOTAL PERSONNEL AND COMMAND SUPPORT EQUIPMENT		**295,168**		**23,000**		**23,000**				**318,168**
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
147	SPARES AND REPAIR PARTS		219,886								219,886
	TOTAL SPARES AND REPAIR PARTS		**219,886**								**219,886**
999	CLASSIFIED PROGRAMS		8,841								8,841
	TOTAL OTHER PROCUREMENT, NAVY		**4,967,916**		**74,850**		**86,850**		**(12,000)**		**5,042,766**

Items of Special Interest

AEGIS land-based test site modernization

The budget request contained $75.3 million for AEGIS support equipment, but included no funds for modernizing AEGIS land-based test sites.

The committee understands that the AEGIS land-based test sites are essential to the operational effectiveness of the AEGIS weapons system, including the development of an integrated missile defense system capable of providing a layered defense against ballistic and cruise missiles. The committee is aware that in order to maintain the highest possible level of effectiveness, the land-based test sites require state-of-the-art upgrades to peripheral emulators and switching systems used to collect and analyze combat system performance data. Modernization of the emulators and switches will ensure timely testing, certification and delivery of updated AEGIS baselines to the fleet.

The committee recommends $80.3 million for AEGIS Support Equipment, an increase of $5.0 million to be used for modernizing AEGIS land-based test sites.

Amphibious ship integrated bridge system

The budget request contained $31.0 million for other navigation equipment, but included no funds for the amphibious ship integrated bridge system.

The committee is aware that the Navy has directed that all ships in the fleet will use electronic navigation/electronic charting by the end of fiscal year 2009. The committee believes that additional funding will allow for the conversion of amphibious ships to electronic navigation/electronic charting, allowing them to meet the Navy's goal. Conversion to electronic navigation/electronic charting will allow a reduction in bridge manning, saving an estimated $0.6 million per ship per year, more than paying for the conversion in less than three years.

The committee recommends $35.5 million for other navigation equipment, an increase of $4.5 million to be used for the amphibious ship integrated bridge system.

AN/SPQ–9B radar

The budget request contained $2.5 million for the AN/SPQ–9B radar, but included no funds for testing of the AN/SPQ–9B on the littoral combat ship (LCS).

The committee is aware that the two LCS variants now under construction are to be delivered with tactical/fire control radars chosen by the prime contractors. The committee believes that the AN/SPQ–9B tactical/fire control radar, already in the Navy inventory, may provide superior self-protection against anti-ship sea skimming missiles than the radars being provided. The AN/SPQ–9B radar has been thoroughly tested by the Navy and a successful radar operational assessment was completed in September 2002. The committee is aware that an identification friend or foe capability, an LCS requirement, was successfully added in 2005. The ability to provide volume surveillance, another LCS requirement, is presently under development and scheduled for completion in the spring or summer of 2006. The committee believes that additional

funds will be used for the procurement of the AN/SPQ–9B radar for the LCS program.

The committee recommends $8.5 million for the AN/SPQ–9B radar, an increase of $6.0 million to be used for the testing of the AN/SPQ–9B on the LCS.

AN/SPS–48 radar obsolescence, availability and recovery

The budget request contained no funds for radar support and no funds for the AN/SPS–48 radar obsolescence, availability and recovery (ROAR) program.

The committee is aware that the AN/SPS–48 ROAR program's goal is to maintain and support the air defense capabilities on aircraft carriers, amphibious assault ships and the *San Antonio* class amphibious warfare ships.

The committee recommends $7.3 million for the AN/SPS–48 radar obsolescence, availability and recovery program to accelerate the ROAR program by two years.

Boat lifts for small boats

The budget request contained $41.1 million for standard boats, but included no funds for boat lifts for shore-based small boats.

The committee understands that the current inventory and generally poor material condition of boat lifts at shore activities has reduced the level of boat readiness and increased lifecycle costs. The committee is aware that modern, state-of-the-art boat lifts, due to their design and capabilities, will expand boat service life, reduce maintenance costs, and permit quick and safe docking and boarding. Therefore, the committee recommends that modern commercial-off-the-shelf boat lifts be purchased and installed at small boat shore facilities to reduce lifecycle costs and improve operational readiness of the shore-based small boat fleet.

The committee recommends $42.1 million for standard boats, an increase of $1.0 million to be used for the procurement of modern boat lifts for shore activities.

Canned lube pumps for amphibious ships

The budget request contained $172.8 million for items under $5.0 million, but included no funds for installing canned lube pumps on the *Harpers Ferry* and *Whidbey Island* class amphibious ships.

The committee believes that the currently installed lube oil pumps have a high failure rate, leak excessively, and are driving up maintenance costs. Installation of the canned lube oil pumps will provide operating efficiency and reduce maintenance costs.

The committee recommends an increase of $4.0 million for items under $5.0 million, to be used for installing canned lube pumps on the *Harpers Ferry* and *Whidbey Island* class amphibious ships.

CVN propeller replacement program

The budget request contained $172.8 million for items under $5.0 million, but included no funds for the CVN propeller replacement program.

The committee understands that the old-design propellers on the *Nimitz* class aircraft carriers suffer from blade erosion caused by cavitation and the high operating tempo of recent years. Propeller refurbishment on the outboard and inboard propellers is required

every three and six years, respectively. The committee believes that the new-design propellers will require refurbishment every 12 years, more closely corresponding to the interval of aircraft carrier drydockings. The committee also believes that propeller replacement will lead to increased ship operational availability and reduced disruptions to planned maintenance schedules.

The committee recommends an increase of $3.5 million for items under $5.0 million, to be used for the CVN propeller replacement program.

Laser marksmanship training systems

The budget request contained $18.2 million for training support equipment, but included no funds to procure laser marksmanship training systems (LMTS) for the Navy Reserve.

The LMTS is a proven laser-based marksmanship training system that simulates live-fire training, can be used in various environmental conditions and locations, as well as allowing sailors to train with their own primary personal defense weapon to engage various types of targets.

The committee is aware this system contributes to individual sailor and unit readiness, improves skill retention, reduces unit training costs and achieves environmental cost avoidance associated with traditional live-fire training exercises. The committee understands the Navy Reserve has a program to field LMTS to all Navy Reserve Centers.

The committee recommends $26.2 million for training support equipment, an increase of $8.0 million to accelerate the fielding of LMTS to all Navy Reserve Centers.

Man overboard identification system

The budget request contained $58.6 million for command support equipment, but included no funds for the man overboard identification system.

The committee is aware that the man overboard identification system provides an active means by which a Navy ship can be immediately alerted to a man-overboard incident and further allows for precise location of the individual in the water, thus reducing the chance of serious injury or death. Each sailor or marine wears a small transmitter on his life jacket, that, when activated upon water entry, transmits a signal to the ship identifying the specific sailor, the ship from which he fell and the global positioning system coordinates of the incident. A direction finder then tracks the location of the man-overboard during the rescue effort. Under the current installation plan, the Navy would provide man-overboard transmitters only to those sailors and marines identified as at risk, approximately a third of all crew onboard. The committee believes that the Navy needs to consider providing a transmitter for every crewmember on the ship, not just those considered at risk.

The committee recommends $67.4 million for command support equipment, an increase of $8.8 million to be used for the man overboard identification system.

Materials handling equipment

The budget request contained $13.7 million for materials handling equipment (MHE), but contained no funding to procure an

11,000 pound rough terrain, self deployable, manually operated forklift system capable of operating efficiently in nuclear, biological, and chemical environments for the Navy Construction Force (NCF) Seabees.

The committee is aware the NCF Seabees are in the process of recapitalizing their fleet of construction equipment and MHE. The committee supports this initiative and notes that the high operational tempo coupled with the harsh environment of Iraq has consequently resulted in some equipment becoming uneconomical to either repair or to rebuild through service life extension programs or recapitalization programs.

The committee notes this system would address NCF Seabees lift requirements for fiscal year 2007. The committee recommends $23.7 million in materials handling equipment, an increase of $10.0 million to accelerate the procurement and delivery of 100 forklift material handling equipment systems for the NCF Seabees.

Medical support equipment

The budget request contained $5.6 million for medical support equipment, but included no funding for 3,600 lightweight and NATO-standard litters and litter load carriage tools; 2,500 lightweight, combat medics' bags; or 4,500 onboard kits for tactical vehicles, which include pelvic stabilization devices, ear nose and throat packs, airway tools, and tourniquets. The committee recommends more fully equipping naval expeditionary forces to enable field medical personnel in tactical units to stabilize and evacuate casualties more rapidly, efficiently, and safely.

The committee recommends $11.8 million for medical support equipment, an increase of $6.2 million for combat casualty care equipment upgrades.

Multi-climate protective system

The budget request contained $18.6 million for various aviation life support items, but included no funds for the multi-climate protective system (MCPS).

The MCPS is a modular protective aircrew clothing ensemble that provides flame protection, thermal protection, and sufficient insulation while reducing the heat stress and bulk commonly associated with cold weather clothing systems. Components of the system can be used in a wide range of temperatures and climate conditions. The committee understands that funding to procure 5,532 MCPSs has been obligated thus far, and that the Department of the Navy's MCPS requirement is for 25,000 systems. The committee believes that procurement of the MCPS should continue.

Accordingly, the committee recommends $22.6 million for aviation life support, an increase of $4.0 million for procurement of the MCPS. Additionally, the committee strongly encourages the Department of the Navy to include the necessary funds for the MCPS in its future budget requests to meet MCPS requirements.

Multi-spectral threat emitter system

The budget request contained $56.2 million for weapons range support equipment, but included no funds for the multi-spectral threat emitter system (MTES).

The MTES provides a mobile surface-to-air and air defense artillery electronic threat simulation for aircraft along the East Coast of the United States to provide for more realistic aircrew proficiency training. The committee notes that Congress appropriated $2.5 million for fiscal year 2005 and $2.1 million for fiscal year 2006 for the MTES, and recommends authorization of additional funds to complete the procurement of two MTES systems.

Accordingly, the committee recommends $64.2 million for weapons range support equipment, an increase of $8.0 million for procurement of two MTESs.

Serial number tracking system

The budget request contained $12.1 million for other supply support equipment, but included no funds for implementation of the serial number tracking system.

The serial number tracking system provides a web-based, cradle-to-grave total asset visibility of individual components through the supply, maintenance and transportation processes. The technology enables rapid and accurate data collection for information systems and permits logistics data to be used Navy-wide for increased readiness. The committee recommends the implementation of the serial number tracking system application in the areas of shipboard medical equipment, warehouse and ground support equipment management at Naval and Marine Corps Air Stations. The committee believes that the use of modern commercial-off-the-shelf automatic identification and data collection technologies like the serial number tracking system for critical asset management will yield significant improvements in productivity and effectiveness.

The committee recommends $15.1 million for command support equipment, an increase of $3.0 million to be used for implementation of the serial number tracking system.

Submarine communications upgrades

The budget request contained $12.3 million for satellite communications systems, but included no funds for the Miniaturized Demand Assigned Multiple Access (mini-DAMA) communications set upgrades.

The committee understands that the mini-DAMA communications set provides communications links necessary for command and control of battlegroups, as well as for control, targeting and battle damage assessment for deployed tomahawk weapons. The committee is aware that due to program delays in the Joint Tactical Radio System, it is necessary to perform mini-DAMA upgrades in the submarine fleet to avoid degradation of combat missions.

The committee recommends an increase of $2.1 million to be used for mini-DAMA communications set upgrades in the submarine fleet.

Submarine non-tactical application delivery interface system shore interface

The budget request contained $24.8 million for submarine training device mods, including $2.9 million for the submarine non-tactical application delivery interface system (SNADIS) shore interface.

The committee recommends authorizing additional funds to allow the Navy to accelerate the development and integration of the shore command system with the existing deployed ship based SNADIS. When these two systems are fully integrated and sharing information, both the ship's commanding officer and shore commander will have the information available to assess and evaluate the readiness of the submarine force.

The committee recommends $27.8 million for submarine training device mods, an increase of $3.0 million to be used for the SNADIS shore interface.

Ultrasonic maintenance tools

The budget request contained $172.8 million for items less than $5.0 million, but included no funds for ultrasonic maintenance tools.

The committee understands that ultrasonic maintenance tools have the potential to significantly reduce ship maintenance manhours by eliminating several time consuming maintenance procedures currently used to locate and identify compartment integrity breeches, fluid system leaks, bearing and gear anomalies and clogged engine fuel injectors. The committee believes significant cost-savings may be attained with maintenance reducing technology.

The committee recommends an increase of $2.5 million for the procurement of ultrasonic maintenance tools.

PROCUREMENT, MARINE CORPS

Overview

The budget request for fiscal year 2007 contained $1.3 billion for Procurement, Marine Corps. The committee recommends authorization of $1.2 billion, a decrease of $49.7 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Procurement, Marine Corps program are identified in the table below. Major changes to the Marine Corps request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT, MARINE CORPS										
	WEAPONS AND COMBAT VEHICLES										
	TRACKED COMBAT VEHICLES										
1	AAV7A1 PIP		12,481								12,481
2	EXPEDITIONARY FIGHTING VEHICLE	15	239,859							15	239,859
2	LESS: ADVANCE PROCUREMENT (PY)		(9,237)								(9,237)
3	ADVANCE PROCUREMENT (CY)		25,582								25,582
4	LAV PIP		25,990								25,990
5	HIMARS										
6	IMPROVED RECOVERY VEHICLE (IRV)										
7	MODIFICATION KITS (ARMOR AND FIRE SUPPORT)										
8	M1A1 FIREPOWER ENHANCEMENTS	19	19,085							19	19,085
	ARTILLERY AND OTHER WEAPONS										
9	EXPEDITIONARY FIRE SUPPORT SYSTEM	12	7,361							12	7,361
10	155MM LIGHTWEIGHT TOWED HOWITZER	34	94,365	6	12,400					40	106,765
	Program Increase					6	12,400				
11	MODIFICATION KITS (INFANTRY WEAPONS)										
12	MARINE ENHANCEMENT PROGRAM										
13	HIGH MOBILITY ARTILLERY ROCKET SYSTEM	6	57,524							6	57,524
14	WEAPONS & COMBAT VEHICLES UNDER $5 M		8,959		(4,500)						4,459
	Transfer to Title XV								(4,500)		
	WEAPONS										
15	MODULAR WEAPON SYSTEM										
	OTHER SUPPORT										
16	MODIFICATION KITS		8,968								8,968
17	WEAPONS ENHANCEMENT PROGRAM		17,051								17,051
18	OPERATIONS OTHER THAN WAR										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL WEAPONS AND COMBAT VEHICLES		**507,988**		**7,900**		**12,400**		**(4,500)**		**515,888**
	GUIDED MISSILES AND EQUIPMENT										
	GUIDED MISSILES										
19	GROUND BASED AIR DEFENSE		3,894								3,894
20	JAVELIN										
21	HIMARS ROCKETS										
22	COMPLEMENTARY LOW ALTITUDE WEAPON SYSTEM	1	3,155							1	3,155
	OTHER SUPPORT										
23	MISSILE MODIFICATION KITS - TOW	78	3,282							78	3,282
	TOTAL GUIDED MISSILES AND EQUIPMENT		**10,331**								**10,331**
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	COMMAND AND CONTROL SYSTEMS										
24	UNIT OPERATIONS CENTER		7,752								7,752
	REPAIR AND TEST EQUIPMENT										
25	REPAIR AND TEST EQUIPMENT		13,088								13,088
26	AUTO TEST SYSTEMS										
27	GENERAL PURPOSE TOOLS & TEST SYSTEMS										
28	CALIBRATION FACILITIES										
	OTHER SUPPORT (TEL)										
29	GCCS - MC		14,304								14,304
30	MODIFICATION KITS		17,456								17,456
	COMMAND AND CONTROL SYSTEM (NON-TEL)										
31	GLOBAL COMBAT SUPPORT SYSTEM										
32	ITEMS UNDER $5 MILLION (COMM & ELEC)		4,061								4,061

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
33	AIR OPERATIONS C2 SYSTEMS		41,056								41,056
34	MAGTF CSSE &SE										
35	MULTIPLE ROLE RADAR SYSTEM										
36	JOINT TACTICAL RADIO SYSTEMS										
	RADAR + EQUIPMENT (NON-TEL)										
37	RADAR SYSTEMS		14,796								14,796
38	RADAR SET AN/TPS-59										
39	TRANSITION SWITCH MODULE										
	INTELL/COMM EQUIPMENT (NON-TEL)										
40	TACTICAL REMOTE SENSOR SYSTEM										
41	FIRE SUPPORT SYSTEMS		31,808		3,000						34,808
	Envelope Protective Covers for MEU Weapon Systems						3,000				
42	SMALL UNIT REMOTE SCOUTING SYSTEM (SURSS)										
43	INTELLIGENCE SUPPORT EQUIPMENT		26,040								26,040
44	MOD KITS (INTEL)										
	REPAIR AND TEST EQUIPMENT (NON-TEL)										
45	VISUAL INFORMATION SYSTEMS (VIS)										
	OTHER COMM/ELEC EQUIPMENT (NON-TEL)										
46	COMPLEMENTARY LOW ALTITUDE WEAPONS SYSTEM										
47	NIGHT VISION EQUIPMENT		13,675		(6,850)						6,825
	Transfer to Title XV								(6,850)		
	OTHER SUPPORT (NON-TEL)										
48	COMMON COMPUTER RESOURCES		67,230								67,230
49	COMMAND POST SYSTEMS		19,747								19,747
50	RADIO SYSTEMS		53,521		(26,750)						26,771
	Transfer to Title XV								(26,750)		
51	COMM SWITCHING & CONTROL SYSTEMS		49,190								49,190
52	COMM & ELEC INFRASTRUCTURE SUPPORT		17,137								17,137

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
53	MOD KITS MAGTF C41										
	TOTAL COMMUNICATIONS AND ELECTRONICS EQUIPMENT		**390,861**		**(30,600)**		**3,000**		**(33,600)**		**360,261**
	SUPPORT VEHICLES										
	ADMINISTRATIVE VEHICLES										
54	COMMERCIAL PASSENGER VEHICLES		351								351
55	COMMERCIAL CARGO VEHICLES		12,035								12,035
	TACTICAL VEHICLES										
56	5/4T TRUCK HMMWV (MYP)	851	72,351		(36,200)					851	36,151
	Transfer to Title XV								(36,200)		
57	MOTOR TRANSPORT MODIFICATIONS										
58	MEDIUM TACTICAL VEHICLE REPLACEMENT		656								656
59	LIGHTWEIGHT PRIME MOVER		11								11
60	LOGISTICS VEHICLE SYSTEM REP		68,785								68,785
61	FAMILY OF TACTICAL TRAILERS		12,664								12,664
	OTHER SUPPORT										
62	ITEMS LESS THAN $5 MILLION		2,869								2,869
	TOTAL SUPPORT VEHICLES		**169,722**		**(36,200)**				**(36,200)**		**133,522**
	ENGINEER AND OTHER EQUIPMENT										
	ENGINEER AND OTHER EQUIPMENT										
63	ENVIRONMENTAL CONTROL EQUIP ASSORT		2,039								2,039
64	ASSAULT BREACHER VEHICLE										
65	BULK LIQUID EQUIPMENT		17,543								17,543
66	TACTICAL FUEL SYSTEMS		4,064								4,064
67	DEMOLITION SUPPORT SYSTEMS										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
68	POWER EQUIPMENT ASSORTED		9,999								9,999
69	AMPHIBIOUS SUPPORT EQUIPMENT		13,218								13,218
70	EOD SYSTEMS		14,838		(7,400)						7,438
	Transfer to Title XV								(7,400)		
	MATERIALS HANDLING EQUIPMENT										
71	AMPHIBIOUS RAID EQUIPMENT										
72	PHYSICAL SECURITY EQUIPMENT		5,205		9,500						14,705
	Laser Perimeter Awareness System						9,500				
73	GARRISON MOBILE ENGR EQUIP (GMEE)		11,161								11,161
74	MATERIAL HANDLING EQUIP		17,031								17,031
75	FIRST DESTINATION TRANSPORTATION		5,216								5,216
	GENERAL PROPERTY										
76	FAMILY OF INCIDENT RESPONSE										
77	FIELD MEDICAL EQUIPMENT		3,224								3,224
78	FAMILY OF EOD EQUIPMENT										
79	TRAINING DEVICES		13,797		5,000						18,797
	Video Flashlight Training System						5,000				
80	CONTAINER FAMILY		3,011		2,100						5,111
	Nitrile Rubber Collapsible Storage Units						2,100				
81	FAMILY OF CONSTRUCTION EQUIPMENT		20,058								20,058
82	FAMILY OF INTERNALLY TRANSPORTABLE VEH (ITV)	21	2,759							21	2,759
83	BRIDGE BOATS										
84	RAPID DEPLOYABLE KITCHEN	152	5,148							152	5,148
	OTHER SUPPORT										
85	MODIFICATION KITS										
86	ITEMS LESS THAN $5 MILLION		10,463								10,463
87	CANCELLED ACCOUNT ADJUSTMENT (M)										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL ENGINEER AND OTHER EQUIPMENT		**158,774**		**9,200**		**16,600**		**(7,400)**		**167,974**
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
88	SPARES AND REPAIR PARTS		35,837								35,837
	TOTAL SPARES AND REPAIR PARTS		**35,837**								**35,837**
	TOTAL PROCUREMENT, MARINE CORPS		**1,273,513**		**(49,700)**		**32,000**		**(81,700)**		**1,223,813**
	TOTAL NAVY PROCUREMENT		**31,033,716**		**452,500**		**768,350**		**(315,850)**		**31,486,216**

Items of Special Interest

Envelope protective covers for marine expeditionary unit weapon systems and platforms

The budget request contained $31.8 million for fire support systems, but included no funds to procure envelope protective covers for Marine Corps Expeditionary Units' (MEUs) weapon systems and platforms.

The committee understands the Navy currently employs envelope protective covers for equipment platforms and weapon systems. The committee notes that widespread use of envelope protective covers by the Navy is generating higher equipment readiness ratings for protected naval weapon systems and platforms, as well as lower maintenance requirements, reduced manpower requirements, and higher return on equipment investments. The committee encourages the Marine Corps to field similar envelope protective covers to seven MEUs to cover such equipment platforms as the M777 lightweight 155mm howitzers and M198 155mm howitzers, as well as to capitalize on the economic and performance benefits provided by these protective covers.

The committee recommends $34.8 million in fire support systems, an increase of $3.0 million to procure envelope protective equipment covers for seven MEUs.

Intelligent surveillance systems

The budget request contained $13.8 million for training devices, but contained no funding for a modular intelligent surveillance training system.

The committee understands a modular intelligent surveillance system would provide Marine Corps trainers with improved situational awareness of military personnel conducting urban training exercises, and would provide immediate feedback to the training unit in after action review format. Further, the committee is aware this system would allow trainers to observe in real-time a training event either from a "blue" or "opposing" force perspective; a capability not currently employed by existing training systems.

The committee recommends $18.8 million for training devices, an increase of $5.0 million to procure modular intelligent surveillance training systems.

Laser perimeter awareness system

The budget request contained $5.2 million for physical security equipment, but included no funds to procure laser perimeter awareness systems (LPAS).

The LPAS is an all-weather surveillance sensor system that would detect the presence and track the motion of intruders, locating them in range, bearing, and elevation with respect to the position of the sensor.

The committee understands Marine Corps regulations governing the security of arms, ammunition, and explosives, as well as aviation assets, mandate constant surveillance and restricted access to these assets. The committee is aware that Marine Corps installations are currently equipped with base-wide electronic security systems that are outdated and require extensive modernization. The committee notes the LPAS would provide critical enhancements to

existing security and force protection technology to meet current Marine Corps security requirements outlined in the Marine Corps's Flightline Security Enhancement Program (FSEP), as well as increase the effectiveness of available security manpower.

Therefore, the committee recommends $14.7 million for physical security equipment, an increase of $9.5 million to procure three LPAS and associated equipment, as well as to address a Commandant of the Marine Corps unfunded requirement.

AIRCRAFT PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2007 contained $11.5 billion for Aircraft Procurement, Air Force. The committee recommends authorization of $13.0 billion, an increase of $1.6 billion, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Aircraft Procurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization QTY.	FY 2007 Authorization COST	Committee Change QTY.	Committee Change COST	Committee Increase QTY.	Committee Increase COST	Committee Decrease QTY.	Committee Decrease COST	FY 2007 Committee Authorization QTY.	FY 2007 Committee Authorization COST
	AIRCRAFT PROCUREMENT, AIR FORCE										
	COMBAT AIRCRAFT										
	TACTICAL FORCES										
1	F-35	5	988,109							5	988,109
1	LESS: ADVANCE PROCUREMENT (PY)		(118,405)								(118,405)
2	ADVANCE PROCUREMENT (CY)		145,310		(88,000)						57,310
	Program Decrease								(88,000)		
3	F-22A		1,503,898	20	1,400,000					20	2,903,898
3	LESS: ADVANCE PROCUREMENT (PY)										
	Program Increase					20	1,400,000				
4	ADVANCE PROCUREMENT (CY)		477,404								477,404
5	F-15E										
5	LESS: ADVANCE PROCUREMENT (PY)										
6	ADVANCE PROCUREMENT (CY)										
	TOTAL COMBAT AIRCRAFT		**2,996,316**		**1,312,000**		**1,400,000**		**(88,000)**		**4,308,316**
	AIRLIFT AIRCRAFT										
	TACTICAL AIRLIFT										
7	C-17A (MYP)	12	3,306,394	3	299,800					15	3,606,194
	Program Increase					3	299,800				
7	LESS: ADVANCE PROCUREMENT (PY)		(670,202)								(670,202)
8	ADVANCE PROCUREMENT (CY)										
9	C-17 ICS										
	OTHER AIRLIFT										
10	C-40										
11	C-130J	9	806,974							9	806,974

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
11	LESS: ADVANCE PROCUREMENT (PY)		(109,687)								(109,687)
12	ADVANCE PROCUREMENT (CY)		90,000								90,000
13	KC-X - ADVANCE PROCUREMENT (CY)		36,130		(36,130)						
	Program Decrease								(36,130)		
14	JOINT CARGO AIRCRAFT		15,783								15,783
	TOTAL AIRLIFT AIRCRAFT		**3,475,392**		**263,670**		**299,800**		**(36,130)**		**3,739,062**
	TRAINER AIRCRAFT										
	UPT TRAINERS										
15	DRUG INTERDICTION										
16	INTRO TO FLIGHT/AIRMANSHIP PROGRAM										
	OPERATIONAL TRAINERS										
17	JPATS	48	305,129							48	305,129
	TOTAL TRAINER AIRCRAFT		**305,129**								**305,129**
	OTHER AIRCRAFT										
	HELICOPTERS										
18	V-22 OSPREY	2	218,958							2	218,958
18	LESS: ADVANCE PROCUREMENT (PY)		(10,385)								(10,385)
19	ADVANCE PROCUREMENT (CY)		34,390								34,390
	MISSION SUPPORT AIRCRAFT										
20	CIVIL AIR PATROL A/C		2,193		8,000						10,193
	Program Increase						8,000				
	OTHER AIRCRAFT										
21	TARGET DRONES		82,042								82,042
22	C-37A										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
23	GLOBAL HAWK	6	493,417							6	493,417
23	LESS: ADVANCE PROCUREMENT (PY)		(64,129)								(64,129)
24	ADVANCE PROCUREMENT (CY)		63,903								63,903
25	PREDATOR UAV	26	229,095		(114,550)					26	114,545
	Transfer to Title XV								(114,550)		
	TOTAL OTHER AIRCRAFT		**1,049,484**		**(106,550)**		**8,000**		**(114,550)**		**942,934**
	MODIFICATION OF INSERVICE AIRCRAFT										
	STRATEGIC AIRCRAFT										
26	B-2A		191,282								191,282
27	B-1B		53,255		4,500						57,755
	MSOGS Improvement Program						4,500				
28	B-52		70,147								70,147
29	F-117		24,422								24,422
	TACTICAL AIRCRAFT										
30	A-10		107,432								107,432
31	F-15		92,901								92,901
32	F-16		352,054								352,054
33	F-22A		216,095								216,095
34	T/AT-37										
	AIRLIFT AIRCRAFT										
35	C-5		176,112		44,500						220,612
35	LESS: ADVANCE PROCUREMENT (PY)		(19,734)								(19,734)
	AMP Kits			8		8	32,000			8	
	Defensive System Upgrade			10		10	12,500			10	
36	ADVANCE PROCUREMENT (CY)		66,700		22,200						88,900
	RERP Kit						22,200				

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
37	C-9										
38	C-17A		251,404								251,404
39	C-21		1,322								1,322
40	C-32A		198								198
41	C-37A		404								404
	TRAINER AIRCRAFT										
42	GLIDERS		115								115
43	T-6		6,164								6,164
44	T-1		188								188
45	T-38		143,701								143,701
46	T-41 AIRCRAFT										
47	T-43		2,139								2,139
	OTHER AIRCRAFT										
48	KC-10A (ATCA)		6,761								6,761
49	C-12		929								929
50	C-20		513								513
51	VC-25A		1,027								1,027
52	C-40		198								198
53	C-130		217,677		19,300						236,977
	APN-241 Radar						5,500				
	Scathe View Communications						1,800				
	Senior Scout Shelter						7,000				
	Project RAINCOAT						5,000				
54	C-130J		39,001								39,001
55	C-135		83,541								83,541
56	COMPASS CALL		46,818								46,818
57	C-29A										
58	DARP		89,796								89,796

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
59	E-3		64,547								64,547
60	E-4		5,640								5,640
61	E-8		138,162								138,162
62	H-1		40,421								40,421
63	H-60		16,738								16,738
64	GLOBAL HAWK		11,309								11,309
65	OTHER AIRCRAFT		43,733								43,733
66	PREDATOR		58,255								58,255
67	CV-22		451								451
	OTHER MODIFICATIONS										
68	CLASSIFIED PROJECTS										
	TOTAL MODIFICATION OF INSERVICE AIRCRAFT		**2,601,818**		**90,500**		**90,500**				**2,692,318**
	AIRCRAFT SPARES + REPAIR PARTS										
69	INITIAL SPARES + REPAIR PARTS		305,207								305,207
	TOTAL AIRCRAFT SPARES AND REPAIR PARTS		**305,207**								**305,207**
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES										
	COMMON SUPPORT EQUIPMENT										
70	COMMON SUPPORT EQUIPMENT		138,918								138,918
	POST PRODUCTION SUPPORT										
71	B-1		10,320								10,320
72	B-2A		7,693								7,693
73	B-2A ICS		11,709								11,709
74	B-52		8,081								8,081
75	C-130										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
76	F-15		10,741								10,741
77	F-16		12,245								12,245
	INDUSTRIAL PREPAREDNESS										
78	INDUSTRIAL RESPONSIVENESS		23,524								23,524
	WAR CONSUMABLES										
79	WAR CONSUMABLES		25,438								25,438
	OTHER PRODUCTION CHARGES										
80	OTHER PRODUCTION CHARGES		474,853		3,200						478,053
	P5 Combat Training System						3,200				
81	DEPOT MODERNIZATION		1,370								1,370
	CLASSIFIED PROGRAMS										
XX	CLASSIFIED PROGRAMS										
	OTHER PRODUCTION CHARGES - SOF										
XX	OTHER PRODUCTION CHARGES - SOF										
85	CANCELLED ACCT ADJUSTMENTS										
	DARP										
86	DARP		13,000								13,000
999	CLASSIFIED PROGRAMS		8,572								8,572
	TOTAL AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES		**746,464**		**3,200**		**3,200**				**749,664**
	TOTAL AIRCRAFT PROCUREMENT, AIR FORCE		**11,479,810**		**1,562,820**		**1,801,500**		**(238,680)**		**13,042,630**

Items of Special Interest

B–1B molecular sieve oxygen generation system

The budget request contained $53.1 million for B–1B aircraft modifications, but included no funds for the molecular sieve oxygen generation system (MSOGS) reliability improvement program.

The committee understands the MSOGS is the B–1B oxygen generation system which consists of a concentrator, water separator, and a back-up oxygen system that provides the aircrew with an unlimited source of oxygen for breathing during flight. The committee notes that while operating in forward basing locations containing a high humidity level, the rate of repair for the MSOGS has doubled causing negative impacts to operationally available aircraft. The committee is aware that the original equipment manufacturer has identified an improved, high-efficiency water separator that would enhance the reliability of the MSOGS, increase operational availability of the aircraft, and eliminate the need for a depot level repair.

Therefore, the committee recommends $57.6 million, an increase of $4.5 million for the MSOGS reliability improvement program.

B–2 radar modification program

The budget request contained $191.3 million for B–2 modernization, including $160.7 million for the B–2 radar modification program (RMP).

The committee understands that in October 2000, the Department of Commerce notified the Department of Defense that the B–2 must vacate its current operating frequency before a classified near-term date (NTD) and relocate to a frequency band where the U.S. Government is the primary user. The committee understands that this raised a significant challenge for the Air Force due to budget cycle timing. The committee notes the Air Force started the program in fiscal year 2003 to replace the B–2 radar system by the NTD and modeled the program around a traditional acquisition structure.

The committee notes the B–2 RMP plans to make a low-rate production decision in February 2007, to procure four radar modification units in fiscal year 2007. However, the committee understands that radar flight testing will not have progressed to the point that the first of two planned radar software blocks is fully tested and certified until the beginning of fiscal year 2008. Although flight testing will be underway, only 23 percent of the flight testing is expected to be completed by the beginning of fiscal year 2007. The committee recognizes that producing RMP units before ensuring that the design is mature and functions in its intended environment can increase the likelihood of design changes that lead to cost growth, schedule delays, and performance problems.

Although the committee realizes the challenges presented to the Air Force to correct the radar frequency issue promptly, the committee strongly discourages future programs from this methodology of proceeding into low-rate production before program components have been fully tested and certified.

B–52 force structure

The budget request included a proposal to retire 18 B–52 aircraft in fiscal year 2007, and 20 B–52 aircraft in fiscal year 2008.

The committee understands that the 2006 Quadrennial Defense Review directed the Air Force to reduce the B–52 force to 56 aircraft and use the savings to fully modernize the remaining B–52s, B–1s, and B–2s to support global strike operations. However, the committee understands that the estimated $680.0 million savings garnered from the proposed B–52 retirement in the remaining Future Years Defense Program (FYDP) has not been reinvested into modernizing the current bomber force, but has instead been applied towards Air Force transformational activities. The committee also understands that the current B–52 combat coded force structure is insufficient to meet combatant commander requirements for conventional long-range strike, if the need should arise to conduct simultaneous operations in two major regional conflicts.

Additionally, the committee is concerned that the decision to retire 38 B–52 aircraft is primarily based on the nuclear warfighting requirements of the Strategic Integrated Operations Plan, and did not consider the role of the B–52 in meeting combatant commander's conventional long-range strike requirements. The committee disagrees with the decision to reduce the B–52 force structure given that the Air Force has not begun the planned analysis of alternatives to determine what conventional long-range strike capabilities and platforms will be needed to meet future requirements.

The committee is deeply concerned that retirement of any B–52 aircraft prior to a replacement long-range strike aircraft reaching initial operational capability status is premature. Further, the committee strongly opposes a strategy to reduce capability in present day conventional long-range strike capability in order to provide funding for a replacement capability that is not projected to achieve initial operational capability until well into the future.

Therefore, the committee included a provision (section 131) in this Act that would prohibit the Air Force from retiring any B–52 aircraft, except for the one B–52 aircraft no longer in use by the National Aeronautics and Space Administration for testing. Additionally, this section would require the Air Force to maintain a minimum B–52 force structure of 44 combat coded aircraft until the year 2018, or until a long-range strike replacement aircraft with equal or greater capability than the B–52H model has attained initial operational capability status.

C–130 modifications

The budget request contained $217.7 million for C–130 modifications, but included no funds for the C–130 scathe view communication systems improvement, or for procurement of the AN/APN–241 radar for the Air Force Reserve Command (AFRC).

The C–130 scathe view system provides a near-real-time imaging capability to support humanitarian relief and non-combatant evacuation operations. The committee understands that the C–130 scathe view system currently has a short-range, line-of-sight capability to transmit full motion video, but this capability could be extended to longer ranges with a tactical common data link (TCDL) upgrade. Therefore, the committee recommends an increase of $1.8

million for procurement of a TCDL upgrade to the C–130 scathe view system.

The AN/APN–241 is a weather and navigation radar that replaces the 1950's-era AN/APN–59 radar currently installed on the AFRC's C–130 aircraft fleet. The committee understands that the AN/APN–241 radar has significantly improved performance capabilities and a much lower mean-time-between-failure rate. The committee also understands that procurement and installation of the AN/APN–241 radar is the second highest C–130 unfunded priority for the AFRC. Therefore, the committee recommends an increase of $5.5 million to procure AN/APN–241 radars for the AFRC's C–130 fleet.

Therefore, the committee recommends an increase of $1.8 million for the C–130 scathe view communication systems improvement and an increase of $5.5 million for the AN/APN–241 radar for the AFRC.

C–5 modernization programs

The budget request contained $223.1 million for C–5 modernization programs, including $50.4 million for the C–5 avionics modernization program (AMP), $66.7 million for advanced procurement of three reliability and re-engining program (RERP) kits, and $28.9 million for aircraft defensive systems.

The committee understands that the average C–5 aircraft has approximately 70 percent of its forecasted structural life remaining and supports the initiatives to modernize the C–5 fleet. The committee notes that the AMP and the RERP are expected to increase the C–5 wartime operational availability from a current average of 60 percent, to at least 75 percent. Further, the committee understands that the AMP and the RERP have the potential to reduce the total ownership cost of the C–5 aircraft fleet by $24.0 billion (fiscal year 2005 dollars) over the remaining service life of the fleet, and that a return on investment of approximately $13.0 billion (fiscal year 2005 dollars) could be realized by the year 2028.

The committee understands that C–5A aircraft are prohibited from directly delivering cargo into airfields assessed as having a man-portable air defense system (MANPADS) threat. Further, the committee understands that the C–5A aircraft must land at a base outside of these MANPADS threat areas and transfer its cargo onto another aircraft installed with an operational missile warning and countermeasure system, causing an increased delay in getting supplies and equipment to the warfighter.

Therefore, the committee recommends $289.8 million, an increase of $32.0 million for procurement of 8 additional AMP kits; an increase of $12.5 million for procurement of 10, AN/AAR–47 and AN/ALE–47 missile warning and countermeasure dispensing systems; and an increase of $22.2 million for advanced procurement of 1 additional RERP kit.

C–9 hush kits

The committee understands that funds appropriated in fiscal year 2005 for Department of the Air Force C–9 hush kits remain unobligated due to the near-term retirement of these aircraft from the inventory. Hush kits are required to allow the ground maintenance of C–9 engines to meet various locality noise standards for

engine ground-run maintenance. The committee also understands that the Department of the Navy plans to maintain its C–9 aircraft for at least the next 10 years, and therefore encourages the Department of Defense to transfer the funding provided for Department of the Air Force C–9 hush kits to the Department of the Navy, ensuring that these funds will be executed to best support the needs of the Department of Defense.

F–22

The budget request contained $1.5 billion for the F–22 aircraft procurement program, but included insufficient funds to procure 20 F–22 aircraft in fiscal year 2007. The F–22 is a multi-mission fighter aircraft that combines a low-observable radar signature with an ability to cruise at supersonic speeds without the use of thrust augmentation, and performs air dominance, homeland and cruise missile defense, and air-to-ground attack missions. The F–22 achieved its initial operational capability in the first quarter of fiscal year 2006.

The budget request included an F–22 multiyear acquisition strategy to procure 3 lots, numbered as lots 7 through 9, each consisting of 20 aircraft, between fiscal years 2008 and 2010. As part of this strategy, the budget request included a plan to incrementally fund each of these three lots over a three year period through budgeting for advance procurement two years prior to full funding, subassembly activities to be budgeted one year prior to full funding, and final assembly to be budgeted in the third year. The committee understands that the Department of Defense's F–22 multiyear acquisition strategy is inconsistent with the full-funding policy which would allow for advance procurement of long-lead items to protect a delivery schedule, and require a budget for procurement of complete and useable end items in a fiscal year.

The committee considers the F–22 incremental funding acquisition strategy to be wholly unacceptable. The committee believes that the full-funding policy should apply to the F–22 aircraft procurement program, and any other Department of Defense aircraft procurement program contemplated in the foreseeable future. The committee further believes that incremental funding of aircraft procurement programs presents an unacceptable budgeting risk that, due to unforeseen circumstances, future funding increments may not be authorized and appropriated to provide the required funding increments which would result in partially completed end items that are of no military value to the Department of Defense or to warfighting commands.

Therefore, the committee recommends $2.9 billion to fully fund and procure 20 F–22 aircraft in fiscal year 2007, an increase of $1.4 billion. The committee very strongly urges the Department of Defense and the Department of the Air Force to restructure its future F–22 procurement budget plans to comply with the full-funding policy.

F–35

The budget request contained $245.0 million in Aircraft Procurement, Navy for F–35 advance procurement to procure the long-lead items necessary to build eight short take-off and vertical land (STOVL) Navy and Marine Corps variants, which would be fully

funded in fiscal year 2008. The budget request also contained $118.3 million in Aircraft Procurement, Air Force for F–35 advance procurement to procure the long-lead items necessary to build eight conventional take-off and landing (CTOL) Air Force variants, which would also be fully funded in fiscal year 2008. Additionally, the budget request contained $869.7 million for the first five CTOL Air Force F–35 variants.

The F–35 program, also known as the joint strike fighter (JSF) program, is developing a family of three strike fighter aircraft for the Air Force, Navy and Marine Corps. About 70 percent of the parts for all three fighter variants will be common. The Air Force CTOL variant will replace the F–16 and A–10 fleets; the Navy variant, or aircraft carrier version (CV), will complement the F/A–18E/F; and the Marine Corps variant, or short take-off, vertical landing (STOVL) version, will replace the AV–8B and the F/A–18C/D fleets.

In the committee report (H. Rept. 109–89) accompanying the National Defense Authorization Act for Fiscal Year 2006, the committee recommended that the F–35 program not begin its low-rate initial procurement program in fiscal year 2007 because testing to determine whether or not the redesigned, lower-weight F–35 production configuration would meet mission requirements would not be known until after the first flights of the lower-weight STOVL and CTOL test aircraft. The committee notes that the first flight of the higher-weight CTOL aircraft has been delayed by three months, resulting in corresponding delays in the first flights of the lower-weight STOVL and CTOL test aircraft, now planned for the second and fourth quarters of fiscal year 2008, respectively.

The Subcommittee on Tactical Air and Land Forces held a hearing on March 16, 2006, at which the Government Accountability Office (GAO) witness testified, that, "the JSF program remains committed to a business case that invests heavily in production before testing has demonstrated an acceptable level of performance of the aircraft," and that the "program expects to begin low-rate initial procurement in 2007 with less than one percent of the flight test program completed and no production representative prototypes built for the three JSF variants." As a result, the committee remains very concerned that concurrent development and production of the F–35 is likely to result in further cost increases and schedule delays. The committee notes that the GAO reports that only three percent of the flight test program will be complete in fiscal year 2008, and believes that JSF procurement for fiscal year 2008 should also remain at the fiscal year 2007 procurement quantity of five aircraft.

Accordingly, the committee recommends $92.0 million in Aircraft Procurement, Navy for the advance procurement of long-lead components for three STOVL F–35 aircraft in fiscal year 2008, a decrease of $153.0 million. The committee also recommends $30.3 million in Aircraft Procurement, Air Force, for the advance procurement of long-lead components for two CTOL F–35 aircraft in fiscal year 2008, a decrease of $88.0 million.

KC–135 aerial refueling aircraft recapitalization program

The budget request contained $36.1 million for advanced procurement for the KC–135 aerial refueling aircraft recapitalization pro-

gram (KC–X). The budget request included a proposal to retire 78 KC–135E aircraft.

The committee fully supports recapitalization of the KC–135 aerial refueling fleet. The committee notes that a system development and design contract would likely not be awarded until the end of fiscal year 2007, in accordance with the estimated acquisition schedule of the Air Force. The committee believes it is premature to authorize advanced procurement funding at such an early stage of the KC–X program.

The committee notes that the Air Force has been restricted since fiscal year 2004 from retiring KC–135E aircraft. However, the committee believes that it is premature to retire 78 KC–135E aircraft in fiscal year 2007 based on the tanker recapitalization program still being in its early stages of execution. The committee recognizes that 29 of the requested 78 KC–135E aircraft selected for retirement have been grounded from flight since fiscal year 2004.

Therefore, the committee included a provision (section 135) in this Act that would permit the Secretary of the Air Force to retire the 29 KC–135E grounded aircraft, and require the Secretary of the Air Force to maintain all retired KC–135Es, beginning in fiscal year 2007, in a condition that would allow recall to future service in the Air Force reserve, guard, or active forces aerial refueling force structure. The committee will consider additional KC–135E retirements based on the future progress of the KC–X program. Lastly, the committee recommends a decrease of $36.1 million for advanced procurement for the KC–X program.

P5 combat training systems

The budget request contained $474.9 million for other production charges, including $4.9 million for the P5 combat training system (P5CTS).

The P5CTS is an airborne instrumentation subsystem pod used by fighter and attack aircraft which provides the capability to conduct air-to-air, air-to-surface, and electronic warfare combat training while providing real-time aircraft monitoring and recording events for post- mission debrief and analysis. The committee notes that the P5CTS budget for fiscal year 2006 was $13.9 million and had been planned for $14.1 million in fiscal year 2007, but understands that this amount was decreased to $4.9 million because the Department of the Air Force reprogrammed $9.2 million for other purposes. As a result, the committee further understands that this decrease will delay P5CTS fielding at various Air Force Bases (AFB), including Shaw AFB where the current P5CTS fielding plan will meet only half of its requirement for 48 P5CTSs.

To address this shortfall, the committee recommends $478.1 million for other production charges, an increase of $3.2 million to procure 24 additional P5CTSs.

Strategic airlift force structure

The budget request contained $2.6 billion for procurement of 12 C–17s, including $389.6 million for shutdown costs of the production line.

The Commander, U.S. Transportation Command and the Commander, Air Mobility Command, both testified before the House Committee on Armed Services March 2, 2006, that no more than

20 C–17s, in addition to the 180 C–17s currently in the Department of Defense's program of record, are needed to meet both the inter-theater and intra-theater airlift requirements, and provide a recapitalization solution for older C–17s being used at a higher than planned utilization rate. Further, the Commanders testified that the range of 292 to 383 strategic airlift aircraft set forth in the Mobility Capability Study (MCS), should not be considered a strict composition of a specific type of aircraft, but should instead be considered a capacity requirement based on an acceptable level of risk. Lastly, the Chief of Staff of the Air Force identified seven additional C–17s as the number one request on the Air Force's unfunded priority list.

The committee is concerned that the decision by the Department to maintain a strategic airlift force structure of 292 aircraft is not based on meeting future airlift requirements, but based on fiscal constraints. Further, the committee is concerned about the acceptable level of risk provided with a strategic airlift force structure of 292 aircraft with critical uncertainties such as defining future Army modularity and intra-theater airlift requirements, the outcome of the C–5 modernization program, the C–130 wing-box repair strategy, and the viability of the Civil Reserve Airlift Fleet to augment future airlift requirements. The committee is concerned that the MCS scenarios used for the modeled year were not intended to fully stress the defense transportation system and is deeply concerned by the shortsightedness of the MCS to project capabilities required past the year 2012. The committee supports the initiative to modernize the C–5 fleet and supports the evaluation of a C–5A aircraft in the Reliability Enhancement and Re-enginging Program (RERP) configuration. Lastly, the committee urges the Secretary of the Air Force when determining the composition of the future strategic airlift fleet, to thoroughly examine the benefits of including both the C–5 and C–17 platforms.

Therefore, the committee included a provision (section 132) in this Act that would require the Secretary of the Air Force to maintain a minimum strategic airlift aircraft force structure of 299 aircraft beginning in fiscal year 2009. Additionally, the provision would repeal section 132 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136), to allow the Air Force flexibility in managing its strategic airlift fleet composition. Lastly, the committee recommends $2.9 billion, an increase of $299.8 million for procurement of 3 additional C–17s. The committee strongly encourages the Secretary of the Air Force to apply the $389.6 million of shutdown costs towards the procurement of these 3 additional C–17s.

T–38 ejection seat upgrade program

The T–38 ejection seat upgrade program (ESUP) upgrades the T–38 ejection seat system with an inter-seat sequencing system that would accommodate a larger population of pilot heights and weights.

The committee notes that the Air Force maintains an inventory of 509 T–38 aircraft, but only 243 aircraft are planned for the ESUP. The committee strongly encourages the Air Force to budget for the ESUP for the entire T–38 fleet.

AMMUNITION PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2007 contained $1.1 billion for Ammunition Procurement, Air Force. The committee recommends authorization of $1.1 billion, an increase of $4.0 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Ammunition Procurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF AMMUNITION, AIR FORCE										
	PROCUREMENT OF AMMO, AIR FORCE										
	ROCKETS										
1	ROCKETS		58,671								58,671
	CARTRIDGES										
2	CARTRIDGES		168,499								168,499
	BOMBS										
3	PRACTICE BOMBS		15,036								15,036
4	GENERAL PURPOSE BOMBS		235,533		4,000						239,533
	Insensitive Munitions Upgrade						4,000				
5	SENSOR FUZED WEAPONS	305	118,887							305	118,887
6	JOINT DIRECT ATTACK MUNITION	7,261	175,013							7,261	175,013
7	WIND CORRECTED MUNITIONS DISPENSER	250	34,704							250	34,704
	FLARE, IR MJU-7B										
8	CAD/PAD		29,909								29,909
9	EXPLOSIVE ORDNANCE DISPOSAL		3,091								3,091
10	SPARES AND REPAIR PARTS		4,705								4,705
11	INITIAL SPARES										
12	MODIFICATIONS		919								919
13	ITEMS LESS THAN $2 M		4,083								4,083
	FUZES										
14	FLARES		161,958								161,958
15	FUZES		56,777								56,777
	TOTAL PROCUREMENT OF AMMO, AIR FORCE		**1,067,785**		**4,000**		**4,000**				**1,071,785**
	WEAPONS										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	SMALL ARMS										
16	SMALL ARMS		4,964								4,964
	TOTAL WEAPONS		**4,964**								**4,964**
	TOTAL PROCUREMENT OF AMMUNITION, AIR FORCE		**1,072,749**		**4,000**		**4,000**				**1,076,749**

Item of Special Interest

Insensitive munitions upgrade

The budget request contained $235.5 million for general purpose bombs of various types and weights. The committee notes that the Department of the Air Force indicates that 40 percent of the MK–84 2,000-pound general purpose (GP) bombs requested for fiscal year 2007 would be loaded, assembled and packed with a new, more expensive explosive fill, known as MNX–795, instead of trinitroluene (TNT), which are classified as insensitive munitions (IMs).

IMs are those providing a higher degree of safety in the handling, manufacturing, storage, and use because they are more insensitive to unplanned stimuli. The committee understands that IMs will provide substantial improvements in decreasing unplanned high-order detonations due to heat induced by fire, bullet impact, fragment impact, and adjacent detonations; and the committee believes that the percentage of IMs procured for fiscal year 2007 should be expanded.

Accordingly, the committee recommends $239.5 million for general purpose bombs, an increase of $4.0 million to procure additional IMs.

MISSILE PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2007 contained $4.2 billion for Missile Procurement, Air Force. The committee recommends authorization of $4.2 billion, a decrease of $32.7 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Missile Procurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization QTY.	FY 2007 Authorization COST	Committee Change QTY.	Committee Change COST	Committee Increase QTY.	Committee Increase COST	Committee Decrease QTY.	Committee Decrease COST	FY 2007 Committee Authorization QTY.	FY 2007 Committee Authorization COST
	MISSILE PROCUREMENT, AIR FORCE										
	BALLISTIC MISSILES										
	MISSILE REPLACEMENT EQUIPMENT - BALLISTIC										
1	MISSILE REPLACEMENT EQUIP - BALLISTIC		34,344								34,344
	TOTAL BALLISTIC MISSILES		**34,344**								**34,344**
	OTHER MISSILES										
	TACTICAL										
2	JASSM	234	187,165							234	187,165
3	JOINT STANDOFF WEAPON										
4	SIDEWINDER (AIM-9X)	195	43,834							195	43,834
5	AMRAAM	215	135,869							215	135,869
6	PREDATOR HELLFIRE MISSILE	677	65,312		(32,650)					677	32,662
	Transfer to Title XV								(32,650)		
7	SMALL DIAMETER BOMB	1,343	99,062							1,343	99,062
	INDUSTRIAL FACILITIES										
8	INDUSTRIAL PREPAREDNESS/POL PREVENTION		2,236								2,236
	TOTAL OTHER MISSILES		**533,478**		**(32,650)**				**(32,650)**		**500,828**
	MODIFICATION OF INSERVICE MISSILES										
	CLASS IV										
9	ADVANCED CRUISE MISSILE		1,352								1,352
10	MISSILE REPLACEMENT EQUIP - BALLISTIC		833								833
11	MM III		691,657								691,657
12	AGM-65D MAVERICK		246								246

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
13	AIR LAUNCH CRUISE MISSILE		9,708								9,708
	TOTAL MODIFICATION OF INSERVICE MISSILES		**703,796**								**703,796**
	SPARES AND REPAIR PARTS										
	MISSILE SPARES + REPAIR PARTS										
14	MISSILE SPARES + REPAIR PARTS		50,602								50,602
	TOTAL SPARES AND REPAIR PARTS		**50,602**								**50,602**
	OTHER SUPPORT										
	SPACE PROGRAMS										
15	ADVANCED EHF										
15	LESS: ADVANCE PROCUREMENT (PY)										
16	ADVANCE PROCUREMENT (CY)										
17	WIDEBAND GAPFILLER SATELLITE (SPACE)	1	413,868							1	413,868
17	LESS: ADVANCE PROCUREMENT (PY)		(50,217)								(50,217)
18	ADVANCE PROCUREMENT (CY)		50,700								50,700
19	SPACEBORNE EQUIP (COMSEC)		10,085								10,085
20	GLOBAL POSITIONING (SPACE)		139,182								139,182
20	LESS: ADVANCE PROCUREMENT (PY)		(42,000)								(42,000)
21	ADVANCE PROCUREMENT		43,259								43,259
22	DEF METEOROLOGICAL SAT PROG(SPACE)		86,720								86,720
23	DEFENSE SUPPORT PROGRAM(SPACE)		38,391								38,391
24	DEFENSE SATELLITE COMM SYSTEM (SPACE)										
25	TITAN SPACE BOOSTERS (SPACE)		31,126								31,126
26	EVOLVED EXPENDABLE LAUNCH VEH (SPACE)	4	936,490							4	936,490
27	MEDIUM LAUNCH VEHICLE(SPACE)		102,004								102,004

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	SPECIAL PROGRAMS										
28	CANCELLED ACCOUNTS										
29	DEFENSE SPACE RECONN PROGRAM		214,262								214,262
33	SPECIAL UPDATE PROGRAMS		131,362								131,362
999	CLASSIFIED PROGRAMS		776,693								776,693
	TOTAL OTHER SUPPORT		**2,881,925**								**2,881,925**
	TOTAL MISSILE PROCUREMENT, AIR FORCE		**4,204,145**		**(32,650)**				**(32,650)**		**4,171,495**

OTHER PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2007 contained $15.4 billion for Other Procurement, Air Force. The committee recommends authorization of $15.4 billion, an increase of $20.6 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Other Procurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	OTHER PROCUREMENT, AIR FORCE										
	VEHICULAR EQUIPMENT										
	PASSENGER CARRYING VEHICLES										
1	ARMORED VEHICLE	1	487							1	487
2	PASSENGER CARRYING VEHICLES	153	14,373							153	14,373
	CARGO + UTILITY VEHICLES										
3	TRUCK, STAKE/PLATFORM										
4	TRUCK, CARGO-UTILITY, 3/4T, 4X4										
5	TRUCK, CARGO-UTILITY, 3/4T, 4X2										
6	TRUCK MAINT/UTILITY/DELIVERY VAN										
7	TRUCK CARRYALL										
8	MEDIUM TACTICAL VEHICLE		21,003								21,003
9	HIGH MOBILITY VEHICLE (MYP)		4,072								4,072
10	TRUCK TRACTOR, OVER 5T										
11	CAP VEHICLES		695								695
12	ITEMS LESS THAN $2.0 M (CARGO + UTIL)										
	SPECIAL PURPOSE VEHICLES										
13	TRUCK TANK, 1200 GAL										
14	TRUCK TANK FUEL R-11										
15	HMMWV, ARMORED		8,432		(4,200)						4,232
	Transfer to Title XV								(4,200)		
16	TRUCK REFUSE										
17	HMWWV, UP-ARMORED		11,334		(5,650)						5,684
	Transfer to Title XV								(5,650)		
18	TRACTOR, A/C TOW, MB-4										
19	TRACTOR, TOW, FLIGHTLINE										
20	TRUCK HYDRANT FUEL										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
21	ITEMS LESS THAN $2.0 M										
	FIRE FIGHTING EQUIPMENT										
22	FIRE FIGHTING/CRASH RESCUE VEH		21,492								21,492
23	ITEMS LESS THAN $2.0 M										
	MATERIALS HANDLING EQUIPMENT										
24	TRUCK, F/L 6,000 LB										
25	TRUCK, F/L 10,000 LB										
26	HALVERSEN LOADER		8,211								8,211
27	ITEMS LESS THAN $2.0 M										
	BASE MAINTENANCE SUPPORT										
28	LOADER, SCOOP										
29	LOADER, SCOOP, W/BACKHOE										
30	TRUCK, DUMP 5CY										
31	RUNWAY SNOW REMOVAL & CLEANING		30,260								30,260
32	CRANE, 7-50 TON										
33	MODIFICATIONS										
34	ITEMS LESS THAN $5.0 M (VEH)		27,918								27,918
	CANCELLED ACCOUNT ADJUSTM										
35	CANCELLED ACCOUNT ADJUSTMENTS										
	TOTAL VEHICULAR EQUIPMENT		**148,277**		**(9,850)**				**(9,850)**		**138,427**
	ELECTRONICS AND TELECOMMUNICATIONS EQUIP										
	COMM SECURITY EQUIPMENT(COMSEC)										
36	COMSEC EQUIPMENT		121,763								121,763
37	MODIFICATIONS (COMSEC)		692								692
	INTELLIGENCE PROGRAMS										
38	INTELLIGENCE TRAINING EQUIPMENT		5,235								5,235

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
39	INTELLIGENCE COMM EQUIP		1,576								1,576
	ELECTRONICS PROGRAMS										
40	TRAFFIC CONTROL/LANDING		6,241		17,300						23,541
	Mobile Approach Control System -ANG						17,300				
41	NATIONAL AIRSPACE SYSTEM		53,761								53,761
42	THEATER AIR CONTROL SYS IMPROVE		77,184								77,184
43	WEATHER OBSERVE/FORECAST		35,093								35,093
44	STRATEGIC COMMAND AND CONTROL		27,076								27,076
45	CHEYENNE MOUNTAIN COMPLEX		19,257		(14,900)						4,357
	CCIC2S								(14,900)		
46	TAC SIGINT SUPPORT										
47	DRUG INTERDICTION SPT		431								431
	SPECIAL COMM-ELECTRONICS PROJECTS										
48	GENERAL INFORMATION TECHNOLOGY		120,406								120,406
49	AF GLOBAL COMMAND & CONTROL		13,877								13,877
50	MOBILITY COMMAND AND CONTROL		10,060								10,060
51	AIR FORCE PHYSICAL SECURITY		41,382		3,000						44,382
	Near Real Time Surveillance						3,000				
52	COMBAT TRAINING RANGES		35,382		12,000						47,382
	Unmanned Threat Emitter Modernization						12,000				
53	MINIMUM ESSENTIAL EMERGENCY COMM		3,413								3,413
54	C3 COUNTERMEASURES		4,657								4,657
55	GCSS-AF FOS		31,994								31,994
56	THEATER BATTLE MGT C2 SYS		23,586								23,586
57	AIR OPERATIONS CENTER (AOC)		25,183								25,183
	AIR FORCE COMMUNICATIONS										
58	BASE INFORMATION INFRASTRUCTURE		334,655								334,655
59	USCENTCOM		32,558								32,558

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
60	AUTOMATED TELECOMMUNICATIONS										
	DISA PROGRAMS										
61	SPACE BASED IR SENSOR PGM SPACE		4,219								4,219
62	NAVSTAR GPS SPACE		6,004								6,004
63	NUDET DETECTION SYS SPACE		13,456								13,456
64	AF SATELLITE CONTROL NETWORK		85,512								85,512
65	SPACELIFT RANGE SYSTEM SPACE		120,450								120,450
66	MILSATCOM SPACE		75,846								75,846
67	SPACE MODS SPACE		25,153								25,153
	ORGANIZATION AND BASE										
68	COUNTERSPACE SYSTEM		31,434								31,434
69	TACTICAL C-E EQUIPMENT		147,658								147,658
70	COMBAT SURVIVOR EVADER LOCATOR		27,225								27,225
71	RADIO EQUIPMENT		7,730		5,000						12,730
	HF Ground Control Station Antennas						5,000				
72	TV EQUIPMENT (AFRTV)		2,743								2,743
73	CCTV/AUDIOVISUAL EQUIPMENT		8,416								8,416
74	BASE COMM INFRASTRUCTURE		135,169								135,169
75	ITEMS LESS THAN $2.0 M		3,795								3,795
	MODIFICATIONS										
76	COMM ELECT MODS		28,344								28,344
	TOTAL ELECTRONICS AND TELECOMMUNICATIONS EQUIPM		**1,748,616**		**22,400**		**37,300**		**(14,900)**		**1,771,016**
	OTHER BASE MAINTENANCE AND SUPPORT EQUIPMENT										
	TEST EQUIPMENT										
77	BASE/ALC CALIBRATION PACKAGE										
78	PRIMARY STANDARDS LABORATORY										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
79	ITEMS LESS THAN $2.0 M (TEST EQUIPMENT)										
	PERSONAL SAFETY AND RESCUE EQUIPMENT										
80	NIGHT VISION GOGGLES		19,304								19,304
81	ITEMS LESS THAN $2.0 M (SAFETY + RESCUE)				4,000						4,000
	Self-Deploying Infrared Streamers						4,000				
	DEPOT PLANT + MATERIALS HANDLING EQUIPMENT										
82	MECHANIZED MATERIAL HANDLING EQUIPMENT		14,593		4,000						18,593
	Enterprise Data Collection Solution						4,000				
83	ITEMS LESS THAN $2.0 M (DEPOT PLANT)										
	ELECTRICAL EQUIPMENT										
84	FLOODLIGHTS SET TYPE NF2D										
85	ITEMS LESS THAN $2.0 M (ELECTRICAL EQUIP)										
	BASE SUPPORT EQUIPMENT										
86	BASE PROCURED EQUIPMENT		11,417								11,417
87	MEDICAL/DENTAL EQUIPMENT		16,377								16,377
88	AIR BASE OPERABILITY		5,063								5,063
89	PHOTOGRAPHIC EQUIPMENT										
90	PRODUCTIVITY CAPITAL INVESTMENT		5,401								5,401
91	MOBILITY EQUIPMENT		26,043								26,043
92	AIR CONDITIONERS										
93	ITEMS LESS THAN $2.0 M (BASE SUPPORT)		30,876								30,876
	SPECIAL SUPPORT PROJECTS										
95	TECH SURV COUNTERMEASURES EQ										
96	DARP RC-135		21,204								21,204
97	DARP, MRIGS		195,723								195,723
99	SPECIAL UPDATE PROGRAM		467,601								467,601
100	DEFENSE SPACE RECONNAISSANCE PROG		15,171								15,171
101	FIRST DESTINATION TRANSPORTATION										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL OTHER BASE MAINTENANCE AND SUPPORT EQUIP		**828,773**		**8,000**		**8,000**				**836,773**
	SPARE AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
102	SPARES AND REPAIR PARTS		28,634								28,634
103	SPARES AND REPAIR PARTS										
	TOTAL SPARE AND REPAIR PARTS										
999	CLASSIFIED		12,653,786								12,653,786
999	**TOTAL CLASSIFIED**		**12,653,786**								**12,653,786**
	TOTAL OTHER PROCUREMENT, AIR FORCE		**15,408,086**		**20,550**		**45,300**		**(24,750)**		**15,428,636**
	TOTAL AIR FORCE PROCUREMENT		**32,164,790**								**33,719,510**

Items of Special Interest

Cheyenne Mountain complex

The budget request contained $19.3 million for procurement of the Cheyenne Mountain Complex, including $14.9 million for tactical warning/attack assessment systems.

The committee believes that the modernization and integration of the command and control systems at Cheyenne Mountain, Colorado is critical to adequately support the North American Aerospace Defense Command, U.S. Northern Command and U.S. Strategic Command. However, the committee is aware of management deficiencies in the Commander's integrated command and control system (CCIC2S) program, which are resulting in a significant cost overrun and an undefined delivery schedule. Therefore, the committee directs the Secretary of Defense to maintain essential operation and maintenance activities, and limit future investment to only the developmental activities deemed essential to national security needs.

The committee recommends $4.4 million for procurement of the Cheyenne Mountain Complex, a decrease of $14.9 million.

Combat survivor radios

The budget request contained a total of $69.2 million for combat survivor evader locator (CSEL) radios for the Departments of the Army, Navy and Air Force.

The CSEL radio provides combat forces with secure, encrypted, low probability of exploitation, two-way, over the horizon, near real-time data-burst communications with precise location and non-secure, unencrypted line-of-site voice and beacon capability to support survival evasion, and personnel recovery operations. In the committee report (H. Rept. 109–89) accompanying the National Defense Authorization Act for Fiscal Year 2006, the committee expressed its belief that procurement funds should be made available for either the CSEL, or an alternate survival radio, to meet immediate user requirements since the CSEL radio program was late in delivering radios to meet warfighter needs. The committee understands that the Department of Defense requires over 40,000 survival radios, that the CSEL radio program has been able to meet less than a third of those requirements thus far, and that combatant commanders still have an urgent need for survival radios.

Therefore, the committee directs that procurement funds requested for CSEL radios be made available to procure either CSEL radios or alternate survival radio systems that can address the urgent survival radio need.

Combat training ranges

The budget request contained $35.4 million for combat training ranges, but included no funds for the unmanned threat emitter (UMTE) modernization program.

The UMTE modernization program provides updated electronic threat simulations for combat aircrew training. The committee understands that the UMTEs located at the Eielson Air Combat Training Range have been modernized to more accurately replicate current electronic threat systems and that this upgrade has also reduced manpower, operations and support costs. The committee fur-

ther understands that five UMTEs located at the Nellis Test and Training Range require the UMTE modernization, and believes that these systems should be upgraded.

Consequently, the committee recommends $47.4 million for combat training ranges, an increase of $12.0 million for the UMTE modernization program.

Enterprise data collection solution

The budget request contained $14.6 million for mechanized material handing equipment, but included no funding for the Enterprise Data Collection Solution (EDCS). The committee understands that the EDCS assembles data from various Air Force logistics systems across the enterprise, thus eliminating the need to manually enter data for each transaction. This system will not only save time and money, but it will reduce errors and speed the flow of logistics.

The committee recommends $18.6 million for mechanized material handling equipment, an increase of $4.0 million for the procurement of common EDCS equipment for four key Air Force installations.

Force protection near real time surveillance

The budget request contained $41.4 million for various types of Air Force physical security systems, but included no funds for the force protection surveillance system (FPSS).

The FPSS consists of a tactical communications intercept system, a near real-time video surveillance system, and a tactical internet communications system for dissemination of surveillance information. The committee notes that Congress appropriated an increase of $1.0 million for fiscal year 2006, and believes that additional FPSSs should be acquired.

Accordingly, the committee recommends $44.4 million for Air Force physical security systems, an increase of $3.0 million for the acquisition, deployment and integration of the FPSS into mission planning systems and surveillance platforms.

High frequency ground control station antennas

The budget request contained $7.7 million for radio equipment, including $1.3 million for high frequency ground control station (HFGCS) antennas.

The HFGCS is a strategic and tactical command and control network that provides beyond line-of-sight interoperable voice and data for aircrews. The HFGCS serves as the primary command and control resource for the Air Mobility Command's (AMC) cargo and tanker aircraft. The committee understands that most of AMC's HFGCS antenna inventory is nearing or past its design life and that numerous high frequency antenna are inoperative. The committee notes that the Air Force Chief of Staff included 20 additional HFGCS antennas among his unfunded priorities for fiscal year 2007.

Consequently, the committee recommends $12.7 million for radio equipment, an increase of $5.0 million for the procurement of 20 HFGCS antennas.

Mobile approach control system

The budget request contained $6.2 million for air traffic control and landing systems, but included no funds to procure a mobile approach control system (MACS).

The MACS provides military forces with next-generation mobile air traffic control services, day and night, in all weather conditions, to military and civilian aircraft, and will replace the aging TPN–19 and MPN–14K landing control centers employed by the Department of the Air Force combat communications squadrons and Air National Guard (ANG) air traffic control squadrons. The committee understands that of 10 ANG air traffic control squadrons, only 4 have the MACS, and believes that its procurement for the ANG should continue.

Consequently, the committee recommends $23.5 million for air traffic control and landing systems, an increase of $17.3 million for one MACS for the ANG.

Self-deploying infra-red streamer

The budget request contained no funds for personal safety and rescue equipment items less than $2.0 million, or for the self-deploying infra-red streamer (SDIRS) system.

The SDIRS system is an 11-inch by 40 foot orange rescue streamer distress signal which includes a water-activated light system. The SDIRS is used in ejection seat-equipped aircraft and is automatically deployed in the event of a water landing. The committee believes that this system assists in more rapidly locating and rescuing downed crew members and that it should be installed on all Department of the Air Force ejection seat-equipped aircraft.

Consequently, the committee recommends $4.0 million for personal safety and rescue equipment items less than $2.0 million, an increase of $4.0 million for procurement and installation of 5500 SDIRS systems.

PROCUREMENT, DEFENSE-WIDE

Overview

The budget request for fiscal year 2007 contained $2.9 billion for Procurement, Defense-Wide. The committee recommends authorization of $2.9 billion, a decrease of $5.0 million, for fiscal year 2007.

The committee recommendations for the fiscal year 2007 Procurement, Defense-Wide program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT, DEFENSE-WIDE										
	MAJOR EQUIPMENT										
	MAJOR EQUIPMENT, OSD										
1	MAJOR EQUIPMENT, OSD		84,861								84,861
	MAJOR EQUIPMENT, NSA										
3	INFORMATION SYSTEMS SECURITY PROGRAM		12,133								12,133
5	COUNTERDRUG INTELLIGENCE										
	MAJOR EQUIPMENT, WHS										
6	WHS MOTOR VEHICLES	1	175							1	175
7	MAJOR EQUIPMENT, WHS		23,451								23,451
	MAJOR EQUIPMENT, DISA										
8	INTERDICTION SUPPORT										
9	INFORMATION SYSTEMS SECURITY		18,747								18,747
10	DEFENSE MESSAGE SYSTEM		6,247								6,247
11	GLOBAL COMMAND AND CONTROL SYSTEM		5,584								5,584
12	GLOBAL COMBAT SUPPORT SYSTEM		2,652								2,652
13	TELEPORT PROGRAM		50,280								50,280
14	GLOBAL INFORMATION GRID										
15	ITEMS LESS THAN $5 MILLION		41,386								41,386
16	NET CENTRIC ENTERPRISE SERVICES		26,952		(15,000)						11,952
	Program Decrease								(15,000)		
17	DEFENSE INFORMATION SYSTEMS NETWORK		29,870								29,870
18	PUBLIC KEY INFRASTRUCTURE		1,928								1,928
	MAJOR EQUIPMENT, DIA										
21	INTELLIGENCE SUPPORT TO OSD COUNTER-NARCOTICS										
	MAJOR EQUIPMENT, DLA										
23	MAJOR EQUIPMENT		8,694								8,694

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MAJOR EQUIPMENT, DCAA										
24	ITEMS LESS THAN $5.0M		1,520								1,520
	MAJOR EQUIPMENT, TJS										
25	MAJOR EQUIPMENT, TJS		42,988								42,988
	MAJOR EQUIPMENT, DHRA										
26	PERSONNEL ADMINISTRATION		7,915								7,915
	NATIONAL GEOSPATIAL INTELLIGENCE AGENCY										
	DEFENSE THREAT REDUCTION AGENCY										
28	VEHICLES		180								180
29	OTHER MAJOR EQUIPMENT		15,698								15,698
	DEFENSE SECURITY COOPERATION AGENCY										
30	OTHER MAJOR EQUIPMENT		507								507
	MAJOR EQUIPMENT, AFIS										
31	MAJOR EQUIPMENT, AFIS		5,636								5,636
	MAJOR EQUIPMENT, DODDE										
32	AUTOMATION/EDUCATIONAL SUPPORT & LOGISTICS		1,522								1,522
	MAJOR EQUIPMENT, DCMA										
33	MAJOR EQUIPMENT		3,257								3,257
	MAJOR EQUIPMENT, DTSA										
34	MAJOR EQUIPMENT		421								421
	MAJOR EQUIPMENT, BTA										
35	MAJOR EQUIPMENT, BTA		16,291								16,291
	MAJOR EQUIPMENT, NDU										
	TOTAL MAJOR EQUIPMENT		**408,895**		**(15,000)**				**(15,000)**		**393,895**
	SPECIAL OPERATIONS COMMAND										
	AVIATION PROGRAMS										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
36	ROTARY WING UPGRADES AND SUSTAINMENT		86,758								86,758
37	SOF TRAINING SYSTEMS										
38	MC-130H AIR REFUELING SYSTEM		1,522								1,522
39	MH-47 SERVICE LIFE EXTENSION PROGRAM		59,812								59,812
40	MH-60 SOF MODERNIZATION PROGRAM		91,902								91,902
41	MC-130H, COMBAT TALON II		158,824								158,824
42	CV-22 SOF MOD	2	168,780							2	168,780
43	AC-130U GUNSHIP ACQUISITION		1,131								1,131
44	C-130 MODIFICATIONS		49,763								49,763
45	AIRCRAFT SUPPORT		1,143								1,143
	SHIPBUILDING										
46	ADVANCED SEAL DELIVERY SYSTEM (ASDS)		12,629								12,629
47	MK8 MOD1 SEAL DELIVERY VEHICLE		2,473								2,473
	AMMUNITION PROGRAMS										
48	SOF ORDNANCE REPLENISHMENT		43,679								43,679
49	SOF ORDNANCE ACQUISITION		13,604								13,604
	OTHER PROCUREMENT PROGRAMS										
50	COMM EQUIPMENT & ELECTRONICS		70,410								70,410
51	SOF INTELLIGENCE SYSTEMS		32,743								32,743
52	SMALL ARMS & WEAPONS		105,788								105,788
54	MARITIME EQUIPMENT MODS		1,831								1,831
55	SPECIAL APPLICATIONS FOR CONTINGENCIES		9,608								9,608
56	SOF COMBATANT CRAFT SYSTEMS		20,204								20,204
57	SPARES AND REPAIR PARTS		5,302								5,302
59	TACTICAL VEHICLES		13,196								13,196
60	MISSION TRAINING AND PREPARATIONS SYS		12,841								12,841
61	COMBAT MISSION REQUIREMENTS										
62	MILCON COLLATERAL EQUIPMENT		3,090								3,090

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
63	UNMANNED VEHICLES		20,700								20,700
65	SOF MARITIME EQUIPMENT		2,655								2,655
66	DRUG INTERDICTION										
67	MISCELLANEOUS EQUIPMENT		13,074								13,074
68	SPECIAL OPERATIONS MISSION PLANNING ENVIRONMENT										
69	SOF OPERATIONAL ENHANCEMENTS		434,472		10,000						444,472
	Craft Modifications						8,200				
	LAN Crypto Devices						1,800				
70	PSYOP EQUIPMENT		93,881								93,881
	TOTAL SPECIAL OPERATIONS COMMAND		**1,531,815**		**10,000**		**10,000**				**1,541,815**
	CHEMICAL/BIOLOGICAL DEFENSE										
	CBDP										
71	INSTALLATION FORCE PROTECTION		86,157								86,157
72	INDIVIDUAL PROTECTION		76,732								76,732
73	DECONTAMINATION		16,793								16,793
74	JOINT BIOLOGICAL DEFENSE PROGRAM		47,113								47,113
75	COLLECTIVE PROTECTION		43,508								43,508
76	CONTAMINATION AVOIDANCE		236,120								236,120
	TOTAL CHEMICAL/BIOLOGICAL DEFENSE		**506,423**								**506,423**
999	CLASSIFIED PROGRAMS		414,328								414,328
	TOTAL CLASSIFIED PROGRAMS		**414,328**								**414,328**
	TOTAL PROCUREMENT, DEFENSE-WIDE		**2,861,461**		**(5,000)**		**10,000**		**(15,000)**		**2,856,461**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization		Committee Change		Committee Increase		Committee Decrease		FY 2007 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	DEFENSE PRODUCTION ACT PURCHASES										
1	DEFENSE PRODUCTION ACT PURCHASES		[18,484]								[18,484]
	TOTAL DEFENSE PRODUCTION ACT PURCHASES										
	CHEM AGENTS & MUNITIONS DESTRUCTION										
	CHEM AGENTS & MUNITIONS DESTRUCTION- O&M OPERATIONS AND MAINTANCE										
1	CHEM DEMILITARIZATION - O&M		1,046,290								1,046,290
	CHEM AGENTS & MUNITIONS DESTRUCTION- RDT&E RDT&E										
2	CHEM DEMILITARIZATION - RDT&E		231,014								231,014
	CHEM AGENTS & MUNITIONS DESTRUCTION- PROC PROCUREMENT										
3	CHEM DEMILITARIZATION- PROC										
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCTION		**1,277,304**								**1,277,304**
	TOTAL PROCUREMENT		**84,178,322**		**1,681,408**		**3,614,750**		**(1,933,342)**		**85,859,730**

Items of Special Interest

Advanced SEAL Delivery System

The committee acknowledges the Department of Defense's recent decision to cancel the Advanced SEAL Delivery System (ASDS) program due to its performance and reliability to date. The committee has expressed its continued concern regarding technical issues, contractor performance, and cost growths throughout the life of the program and will continue to closely monitor the development and fielding of this capability. Additionally, due to the troubled history surrounding the development of ASDS, the committee wants to ensure that the ASDS improvement program (AIP) and accompanying ASDS concept study consider the most current technologies for incorporation into future ASDS capabilities and designs.

Therefore, the committee directs the Secretary of Defense to conduct an ASDS design competition during fiscal year 2007 and authorizes an additional $10.0 million in research and development funding specifically for this competition. Design competition in fiscal year 2007 will ensure that ASDS program decisions made upon completion of the critical systems review portion of the AIP and of phase three of the ASDS concept study take into account current technologies and designs available through related industry research and development as well as the lessons learned from the critical systems review and ASDS concept study. Finally, the committee directs the Secretary of Defense to report to the Senate Committee on Armed Services and the House Committee on Armed Services by June 1, 2007, on the results of the AIP's critical systems review and on the status of an overall ASDS program decision.

Chemical and biological defense procurement

Section 1703 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) establishes the Chemical and Biological Defense Program. The Joint Program Executive Office for Chemical and Biological Defense (JPEO(CBD)) is now the joint services single focal point for advanced research and development, acquisition, fielding, and lifecycle support of chemical and biological defense equipment. Nevertheless, the military services possess legacy chemical and biological defense equipment, procured prior to the establishment of the JPEO(CBD). The committee directs the Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs, acting through the JPEO(CBD), in coordination with the military services, to develop a modernization plan for legacy nuclear, biological, and chemical contamination avoidance; biological defense; collective protection; individual protection; and decontamination systems and to also develop service sustainment plans for systems initially fielded by the JPEO(CBD).

Special operations forces operational enhancements

The budget request contained $434.5 million for special operations forces (SOF) operational enhancements, but included no funds for secure wireless local area network (LAN) cryptographic devices, and only $2.5 million for craft modifications.

The committee recognizes that U.S. Special Operations Command (USSOCOM) has the need to access and transmit classified data over a wireless LAN. Funding would allow USSOCOM to replace the legacy SECNET 11 wireless card with the SECNET 54 card. The committee notes that this item is on the unfunded priority list of the Commander, USSOCOM to provide required secure wireless capability.

The committee recognizes that naval special warfare relies on maritime combatant craft platforms to conduct target interdiction and insertion/extraction of combatant forces. Additional funds for craft modifications would fully equip the entire operational inventory with key technological upgrades. The committee notes that this item is on the unfunded priority list of the Commander, USSOCOM to accelerate technology insertion into this platform.

The committee recommends $444.5 million for SOF operational enhancements, an increase of $1.8 million for the procurement of secure wireless LAN cryptographic devices, and an increase of $8.2 million for craft modifications.

Unmanned aerial systems to counter improvised explosive devices

The committee is aware of numerous systems being offered by non-traditional defense companies seeking to support the global war on terrorism by providing already developed capabilities to counter the improvised explosive device threat.

The committee recommends that the Department of Defense fully review and consider all viable sensor technologies and currently available conventional and vertical take-off and landing unmanned aerial vehicles to address the improvised explosive device threat.

U.S. Special Operations Command aviation modernization

The committee recognizes that U.S. Special Operations Command (USSOCOM) relies primarily on the modification of C–130 aircraft to special operations-capable aircraft to provide its fixed wing special operations mission capability. USSOCOM has maintained its AC–130 and MC–130 fleet through several upgrade programs, to sustain USSOCOM's mission capability until a future fleet of special operations aircraft could be developed and fielded. Because of the increased operating hours placed on USSOCOM's fleet from on-going combat operations, USSOCOM will be unable to maintain its fixed wing capability until a future fleet can be fielded. The committee further understands that the C–130J model aircraft offers USSOCOM a platform that can be recapitalized and modified into tanker, infiltration/exfiltration, and gunship platforms.

Further, the committee recognizes that USSOCOM is expanding its fixed wing fleet with the CV–22 aircraft. The current CV–22 program projects an initial operating capability of 10 aircraft by fiscal year 2009 and a full operational capability of 50 aircraft by fiscal year 2017.

The committee believes that accelerated procurement both of the C–130J for conversion into special operations capable aircraft and of the CV–22 would allow USSOCOM to maintain its special operations mission capability that is currently stretched due to USSOCOM's high operational tempo. The committee directs the Secretary of Defense to submit a report by April 1, 2007, to the

Senate Committee on Armed Services and the House Committee on Armed Services on the feasibility of accelerated procurement of the CV–22 and the C–130J aircraft.

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sections 101–104—Authorization of Appropriations

These sections would authorize the recommended fiscal year 2007 funding levels for all procurement accounts.

SUBTITLE B—ARMY PROGRAMS

Section 111—Multiyear Procurement Authority for Family of Medium Tactical Vehicles

This section would grant authority to the Secretary of the Army in fiscal year 2008 to enter into a 3-year multiyear procurement (MYP) contract for the family of medium tactical vehicles (FMTV) for fiscal years 2008–2010. This section would require that should the Secretary of the Army exercise his MYP authority for FMTVs, the contract would follow all federal procurement regulations including full and open competition. Finally, this section would also require that FMTVs procured under this MYP contract to incorporate improvements from lessons learned from operations involving the global war on terrorism, as well as existing FMTV product improvement programs in the areas of force protection, survivability, reliability, network communications, situational awareness and safety.

The committee recognizes the current 5-year MYP contract for FMTV A1R vehicles ends with fiscal year 2007 funding and calendar year 2008 deliveries. The committee notes the Army's Tactical Wheeled Vehicle (TWV) Modernization Strategy Report to Congress stated, "As a risk mitigator, use of contract options will be sought to permit extension of current production models to avoid any breaks in vehicle supply." The committee is concerned that single year contract awards would be extremely costly for the Army given the large quantity requirements that continue to exist for FMTVs within the modular force construct as well as the quantity requirements that should result from the Army "resetting the force" through repair, recapitalization and replacement of vehicles across the Future Years Defense Program. The committee expects the Army to modernize and recapitalize its TWV fleet with a more capable vehicle or platform that would at the minimum incorporate lessons learned from Operation Iraqi Freedom (OIF).

The committee is aware approximately 31,000 FMTVs have been produced under three successive multiyear contracts that have saved approximately 6–10 percent versus single year procurements. Furthermore, the committee notes that a MYP contract would potentially assure favorable, cost effective prices for a more advanced configuration FMTV that would incorporate lessons learned from OIF, as well as ensure stability in the industrial base.

The committee is aware the Army is conducting an advanced concept technology demonstration (ACTD) for a future tactical truck system as part of its TWV Modernization Strategy. The com-

mittee notes an essential component of this ACTD is the maneuver sustainment vehicle (MSV). The committee also notes this vehicle would potentially replace the FMTV and other heavy TWVs, as well as understands the MSV would help shape requirements for the next medium to heavy TWV. The committee notes no formal production schedule exists for the MSV other than the Army would conduct a system demonstration in late calendar year 2006. The committee recognizes that previous comparable TWV schedules would indicate a notional schedule for an MSV production beginning in the 2011 timeframe.

Section 112—Multiyear Procurement Authority for MH–60R Helicopters and Mission Equipment

This section would authorize the Secretary of the Army, acting as the executive agent for the Department of the Navy, to enter into a five-year, multiyear procurement contract for 144 MH–60R helicopters and associated mission equipment beginning with the fiscal year 2007 program year. Further, the multiyear procurement contract authority would be executed in accordance with section 2306b of title 10, United States Code.

Section 113—Funding Profile for Modular Force Initiative of the Army

This section would require the Secretary of the Army to include the M1A2 Abrams SEP tank and Bradley A3 fighting vehicles within the Army's modularity funding profile beginning with the 2008 budget submission, in accordance with the March 2006 Army report to Congress, "The Army Modular Initiative."

Section 114—Bridge to Future Networks Program

This section would limit the amounts authorized to be appropriated or otherwise made available pursuant to the authorization of appropriations for the bridge to future networks program, to not more than 70 percent until the Secretary of the Army submits a report to the congressional defense committees. The report would include an analysis of how the Joint Network Node (JNN) and the Warfighter Information Network-Tactical (WIN–T) will be integrated and whether or not there are opportunities to leverage JNN technologies and equipment as part of the WIN–T development effort. The report would also describe the extent to which JNN and WIN–T components would be used together as elements of a single tactical network and the Army's strategy for completing the systems engineering necessary to ensure the end-to-end interoperability of this network.

SUBTITLE C—NAVY PROGRAMS

Section 121—Attack Submarine Force Structure

This section would amend section 5062 of title 10, United States Code, mandating the Secretary of Defense maintain a minimum force structure of 48 operational attack submarines.

Section 122—Adherence to Navy Cost Estimates for CVN–21 Class of Aircraft Carriers

This section would limit the total amount to be obligated or expended from funds appropriated or otherwise made available for Shipbuilding and Conversion, Navy, or for any other procurement account, for the detail design, non-recurring engineering and actual construction of the lead ship of the CVN–21 class aircraft carrier program to $10.5 billion. This section would further limit the total amount to be obligated or expended from funds appropriated or otherwise made available for Shipbuilding and Conversion, Navy, or for any other procurement account, for the actual construction of the follow-on ships of the CVN–21 class aircraft carrier program to $8.1 billion. This section would allow the Secretary of the Navy to adjust the limitation amount for economic inflation; changes in federal, State or local laws enacted after September 30, 2006; outfitting and post-delivery costs; and the amounts of increases or decreases in costs of the ship that are attributable to the insertion of new technology. The insertion of new technology would be limited to those technologies that could be used to either lower lifecycle costs or meet an emerging threat. This section would require the Secretary to report any adjustment to the cost limitation with the submission of the annual budget request.

Section 123—Adherence to Navy Cost Estimates for LHA Replacement Amphibious Assault Ship Program

This section would limit the total amount to be obligated or expended from funds appropriated or otherwise made available for Shipbuilding and Conversion, Navy, or for any other procurement account, for each ship of the LHA replacement amphibious assault ship program to $2.8 billion. This section would allow the Secretary of the Navy to adjust the limitation amount for economic inflation; changes in federal, State or local laws enacted after September 30, 2006; outfitting and post-delivery costs; and the amounts of increases or decreases in costs of the ship that are attributable to the insertion of new technology. The insertion of new technology would be limited to those technologies that could be used to either lower lifecycle costs or meet an emerging threat. This section would require the Secretary to report any adjustment to the cost limitation with the submission of the annual budget request.

Section 124—Adherence to Navy Cost Estimates for San Antonio (LPD–17) Class Amphibious Ship Program

This section would limit the total amount to be obligated or expended from funds appropriated or otherwise made available for Shipbuilding and Conversion, Navy, or for any other procurement account, for eight San Antonio class amphibious ships (LPD–18, LPD–19, LPD–20, LPD–21, LPD–22, LPD–23, LPD–24 and LPD–25) to the cost estimates submitted for those ships with the fiscal year 2007 budget request. This section would allow the Secretary of the Navy to adjust the limitation amounts for economic inflation; changes in federal, State or local laws enacted after September 30, 2006; outfitting and post-delivery costs; and the amounts of increases or decreases in costs of the ship that are attributable to the insertion of new technology. The insertion of new technology would

be limited to those technologies that could be used to either lower lifecycle costs or meet an emerging threat. This section would require the Secretary to report any adjustment to the cost limitation with the submission of the annual budget request.

Section 125—Multiyear Procurement Authority for V–22 Tiltrotor Aircraft Program

This section would authorize the Secretary of the Navy, acting as executive agent for the Secretary of the Air Force and the Commander, U.S. Special Operations Command, to enter into a multiyear contract, beginning with the fiscal year 2008 program year, for procurement of up to 211 V–22 tiltrotor aircraft, of which not more than 185 would be in the MV–22 configuration and not more than 26 would be in the CV–22 configuration.

Section 126—Quality Control in Procurement of Ship Critical Safety Items and Related Services

This section would amend chapter 633 of title 10, United States Code, by appending a new section 7317 that would require the Secretary of Defense to prescribe in regulations a quality control policy for the procurement of ship critical safety items and the procurement of modifications, repair, and overhaul of such items. This section would require the head of the design control activity for ship critical safety items establish processes to identify and manage these activities, the head of the contracting activity for a ship critical safety item enter into a contract for these activities only with an approved source, and the ship critical safety items delivered and the services performed meet the technical and quality requirements specified by the design control activity. This section would define the term "ship critical safety item" as any part, assembly, or support equipment of a vessel, the failure, malfunction, or absence of which may cause a catastrophic or critical failure resulting in loss or serious damage to the vessel, or unacceptable risk of personal injury or loss of life. This section would also make conforming amendments to section 2319 of title 10, United States Code.

Section 127—DD(X) Next-Generation Destroyer Program

This section would authorize $2.6 billion in Shipbuilding and Conversion, Navy for the next generation destroyer (DD(X)) program. This section would further authorize the Secretary of the Navy to enter into two contracts simultaneously for the DD(X) program during fiscal year 2007. One contract would provide for detail design and construction of a DD(X), while the other contract would provide only for detail design of a DD(X).

Section 128—Sense of Congress that the Navy Make Greater Use of Nuclear-Powered Propulsion Systems in its Future Fleet of Surface Combatants

This section finds that securing and maintaining access to affordable sources of oil is a vital national security interest for the United States, and that the nation's dependence of foreign oil is a threat to that security. The section expresses the sense of Congress that the Navy should make greater use of alternative technologies,

including nuclear power, as a means of vessel propulsion for its future fleet of surface combatants.

SUBTITLE D—AIR FORCE PROGRAMS

Section 131—Requirement for B–52 Force Structure

This section would prohibit the Air Force from retiring any B–52 aircraft, except for the one B–52 aircraft no longer in use by the National Aeronautics and Space Administration for testing. Additionally, this section would require the Air Force to maintain a minimum B–52 force structure of 44 combat coded aircraft until the year 2018, or until a long-range strike replacement aircraft with equal or greater capability than the B–52H model has attained initial operational capability status.

Section 132—Strategic Airlift Force Structure

This section would require the Air Force to maintain a minimum strategic airlift aircraft force structure of 299 aircraft beginning in fiscal year 2009, and would repeal section 132 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136).

SECTION 133—LIMITATION ON RETIREMENT OF U–2 AIRCRAFT

This section would preclude the Department of Defense from retiring the U–2 aircraft in fiscal year 2007, and would permit retirement after fiscal year 2007 only if the Secretary of Defense certifies to Congress that the U–2's intelligence, surveillance and reconnaissance capabilities are no longer required.

Section 134—Multiyear Procurement Authority for F–22A Raptor Fighter Aircraft

This section would authorize the Secretary of the Air Force to enter into a multiyear contract, in accordance with section 2306b of title 10, United States Code, beginning with the fiscal year 2007 program year, for procurement of up to 60 F–22A Raptor fighter aircraft, for three program years, subject to the Secretary of Defense's certification that the conditions specified in subsection (a) of section 2306b of title 10, United States Code, have been satisfied with respect to that contract, and 30 days have elapsed after the date on which the Secretary has submitted the certification to Congress.

Section 135—Limitation on Retirement of KC–135E Aircraft During Fiscal Year 2007

This section would prohibit the Air Force from retiring more than 29 KC–135E aircraft during fiscal year 2007, and require the Secretary of the Air Force to maintain all retired KC–135Es, beginning in fiscal year 2007, in a condition that would allow recall to future service in the Air Force reserve, guard, or active forces aerial refueling force structure.

Section 136—Limitation on Retirement of F–117A Aircraft During Fiscal Year 2007

This section would limit the number of F–117A aircraft to be retired by the Secretary of the Air Force in fiscal year 2007 to 10 aircraft, and would require that the Secretary of the Air Force maintain each F–117A aircraft, retired after September 30, 2006, in a condition that would allow recall of that aircraft to future service.

TITLE II—RESEARCH, DEVELOPMENT, TEST, & EVALUATION

OVERVIEW

The budget request contained $73.2 billion for research, development, test, and evaluation (RDT&E). The committee recommends $74.1 billion, an increase of $908.6 million to the budget request.