

ational test and evaluation to ensure the safety and survivability of the materiel and the personnel using the materiel.

This section would also require the Director of DTRMC to ensure that any revisions to T&E policies and practices are reflected in a description of and in the budgeting for the testing needs of the Department. Finally, this section would require USD (AT&L) to report to the congressional defense committees within nine months after the enactment of the this Act on the review conducted and on any new or revised guidance issued.

### TITLE III—OPERATION AND MAINTENANCE

#### OVERVIEW

The budget request contained approximately \$154.8 billion in operation and maintenance funds to ensure the U.S. military can meet the demands identified by each combatant commander. These funds will be used to train U.S. forces, purchase equipment and spare parts, repair older equipment, and transport equipment and personnel around the world. The budget request represents an increase of \$7.4 billion over spending levels authorized and appropriated for fiscal year 2006. The challenge for the Department of Defense is that most of the \$7.4 billion covers civilian pay raises and general inflation (\$4.0 billion) and price growth due to rising fuel costs (\$3.0 billion). The committee is concerned that the total budget increase does not accurately reflect the impact of inflation and increased fuel prices.

The committee is concerned about the state of military readiness, as the global war on terrorism (GWOT) enters its fifth year. The committee notes that the increased budget request actually funds fewer operation and maintenance related activities critical to ensuring the armed forces' ability to fight and win our nation's wars. As the Department faces rising health care costs, fuel costs and inflation, budget challenges are found in the operation and maintenance accounts. Currently, all the services are funded below the levels required to conduct the minimal training necessary to maintain military readiness. For example, the shortfalls in fiscal year 2007 budget are as follows:

- (1) Navy funds only 36 steaming days a quarter versus the required 51 steaming days per quarter;
- (2) Navy increases deferred maintenance from \$54.0 million in fiscal year 2005 to \$240.0 million in fiscal year 2007;
- (3) Army funds 615 tank miles a year versus the combined arms training strategy requirement of 899 miles;
- (4) Army funds 11.6 helicopter flying hours per month versus 14.5 helicopter flying hours per month;
- (5) Marine Corps funds 88 percent of the combat ready days—equipment and training requirement; and
- (6) Air Force funds 98 percent of the flying hour training requirement while mission capable rates are scheduled to fall to 75 percent for the first time since 1998.

In the fiscal year 2006 Future Years Defense Program (FYDP), the services anticipated receiving \$154.7 billion for operation and maintenance programs in fiscal year 2007. Instead, this year's budget request is \$154.8 billion, a decrease of \$0.1 billion. Com-

bined with the \$4.0 billion in price growth due to inflation and the \$3.0 billion in price growth due to rising fuel costs, the budget request reduces critical training and maintenance programs by close to \$7.0 billion. The committee is concerned by this overall decrease in the dollars available to conduct training and maintenance activities and its long-term impact on military readiness.

In addition, the committee notes an increasing propensity by the Department to fund activities, or portions of activities, formerly found in the procurement and military construction accounts with operation and maintenance dollars. In particular, the military services are increasing their use of service contracts for military flight simulator training and initial flight screening and classifying this training as a "commercial" service. These contracts include facility site surveys, construction of training facilities and leasing of training equipment. The committee is concerned about the consequences of poor performance on any of these service contracts and the potential gap in vital military training if these contracts are terminated, leaving the department with no organic capacity to conduct the training.

For the last three years, the committee has closely examined the ability of the secretaries of the military departments to reset and reconstitute military equipment that has returned from deployment. The committee is concerned that the high rate of equipment damage and battle loss, coupled with continuing equipment requirements in theater and at home station, present the services with a growing problem. To address this critical challenge, the service secretaries must develop sound strategies to fulfill their reset requirements. The committee believes that, despite other service initiatives such as transformation and modernization, equipment reset must be among the services' highest priorities. This requires not only a commitment to adequately fund, but also carefully considered policies in areas that support equipment reset, such as industrial facility utilization and the procurement of next generation weapons systems. The service secretaries must also base these well reasoned strategies on full and accurate information. The committee is concerned that, in some cases, a lack of information prevents the services from accurately programming for equipment reset. For example, the Department has not yet made a decision on what will be done with the equipment currently in Iraq. The committee urges the service secretaries to adequately provide for the equipment needs of the reserve component, and in the case of the Army, to identify and segregate the requirements and funding associated with equipment reset and the service's transformation to modularity.

Finally, the committee recognizes the contribution and performance of the public depots and arsenals. The GWOT requirement on these industrial facilities continues and the committee commends them for their ongoing role in ensuring our national security.

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>DEPARTMENT OF ARMY</b>						
	OPERATION AND MAINTENANCE, ARMY	24,902,380	18,355	299,256	(280,901)	24,920,735
	OPERATION AND MAINTENANCE, ARMY RESERVE	2,299,202	900	900		2,300,102
	OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD	4,838,665	250,900	250,900		5,089,565
	Total Department of the Army	32,040,247	270,155	551,056	(280,901)	32,310,402
<b>DEPARTMENT OF NAVY</b>						
	OPERATION AND MAINTENANCE, NAVY	31,330,984	(241,909)	370,325	(612,234)	31,089,075
	OPERATION AND MAINTENANCE, MARINE CORPS	3,878,962	95,119	103,969	(8,850)	3,974,081
	OPERATION AND MAINTENANCE, NAVY RESERVE	1,288,764				1,288,764
	OPERATION AND MAINTENANCE, MARINE CORPS RESERVE	211,911				211,911
	Total Department of the Navy	36,710,621	(146,790)	474,294	(621,084)	36,563,831
<b>DEPARTMENT OF AIR FORCE</b>						
	OPERATION AND MAINTENANCE, AIR FORCE	31,342,307	(243,350)	136,650	(380,000)	31,098,957
	OPERATION AND MAINTENANCE, AIR FORCE RESERVE	2,723,800				2,723,800
	OPERATION AND MAINTENANCE, AIR NATIONAL GUARD	5,336,017				5,336,017
	Total Department of the Air Force	39,402,124	(243,350)	136,650	(380,000)	39,158,774
<b>DEFENSE-WIDE</b>						
	OPERATION AND MAINTENANCE, DEFENSE-WIDE	20,075,656	(198,893)	130,220	(329,113)	19,876,763
	Total Defense-Wide	20,075,656	(198,893)	130,220	(329,113)	19,876,763
<b>TRANSFER ACCOUNTS AND MISCELLANEOUS</b>						
	TRANSFER ACCOUNTS	1,403,295				1,403,295
	MISCELLANEOUS	457,053				457,053
	Total Miscellaneous	1,860,348				1,860,348
<b>TOTAL OPERATION AND MAINTENANCE TITLE:</b>						
		130,088,996	(318,878)	1,292,220	(1,611,098)	129,770,118

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>Operation and Maintenance, Army</b>						
<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>						
<b>LAND FORCES</b>						
010	DIVISIONS	<u>3,884,885</u>	<u>83,081</u>	<u>83,081</u>		<u>3,967,966</u>
	Restoration of training requirement	992,281	21,968	20,968		1,014,249
	M-Gator			1,000		
020	CORPS COMBAT FORCES	430,556	8,620			439,176
	Restoration of training requirement			8,620		
030	CORPS SUPPORT FORCES	388,518	9,191			397,709
	Restoration of Training Requirement			9,191		
040	ECHELON ABOVE CORPS SUPPORT FORCES	884,236	25,038			909,274
	Restoration of training requirement			25,038		
050	LAND FORCES OPERATIONS SUPPORT	1,189,294	18,264			1,207,558
	Restoration of training requirement			18,264		
<b>LAND FORCES READINESS</b>						
060	FORCE READINESS OPERATIONS SUPPORT	<u>3,517,910</u>	<u>53,295</u>	<u>101,026</u>	<u>(47,731)</u>	<u>3,571,205</u>
070	LAND FORCES SYSTEMS READINESS	1,971,662				1,971,662
	Combat Development Core	571,894	(47,731)			524,163
080	LAND FORCES DEPOT MAINTENANCE	974,354	101,026		(47,731)	1,075,380
	Unfunded requirements in depot maintenance			101,026		
<b>LAND FORCES READINESS SUPPORT</b>						
090	BASE OPERATIONS SUPPORT	<u>7,627,305</u>	<u>(24,088)</u>		<u>(24,088)</u>	<u>7,603,217</u>
100	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	5,235,492				5,235,492
		1,810,774				1,810,774

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
110	MANAGEMENT & OPERATIONAL HEADQUARTERS	252,976	(19,088)			233,888
	Army management headquarters activities				(19,088)	
120	UNIFIED COMMANDS	108,594	(5,000)			103,594
	Standing Joint Forces Headquarters				(5,000)	
130	MISCELLANEOUS ACTIVITIES	219,469				219,469
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>15,030,100</b>	<b>112,288</b>	<b>184,107</b>	<b>(71,819)</b>	<b>15,142,388</b>
	<b>BUDGET ACTIVITY 02: MOBILIZATION</b>					
	<b>MOBILITY OPERATIONS</b>					
140	STRATEGIC MOBILIZATION	268,877	103,489	105,789	(2,300)	372,366
	Restoration of Prepositioned Stocks	197,583	69,450	71,750		267,033
	Logistics Modernization Program				(2,300)	
150	ARMY PREPOSITIONED STOCKS	66,594	34,039	34,039		100,633
	Restoration of prepositioned stocks					
160	INDUSTRIAL PREPAREDNESS	4,700				4,700
	<b>TOTAL, BUDGET ACTIVITY 02:</b>	<b>268,877</b>	<b>103,489</b>	<b>105,789</b>	<b>(2,300)</b>	<b>372,366</b>
	<b>BUDGET ACTIVITY 03: TRAINING AND RECRUITING</b>					
	<b>ACCESSION TRAINING</b>					
170	OFFICER ACQUISITION	470,096				470,096
180	RECRUIT TRAINING	112,359				112,359
190	ONE STATION UNIT TRAINING	38,480				38,480
200	SENIOR RESERVE OFFICERS' TRAINING CORPS	45,827				45,827
		273,430				273,430

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
	<b><u>BASIC SKILL/ ADVANCE TRAINING</u></b>	<u>1,939,345</u>	<u>5,000</u>	<u>1,000</u>		<u>1,944,345</u>
210	SPECIALIZED SKILL TRAINING	524,645				524,645
220	FLIGHT TRAINING	637,726				637,726
230	PROFESSIONAL DEVELOPMENT EDUCATION	115,231	1,000			116,231
	Leadership for Leaders Command and General Staff College			1,000		
240	TRAINING SUPPORT	661,743	4,000			665,743
	Live training instrumentation for air and missile defense units			4,000		
	<b><u>RECRUITING/OTHER TRAINING</u></b>	<u>1,205,066</u>	<u>360</u>	<u>360</u>		<u>1,205,426</u>
250	RECRUITING AND ADVERTISING	516,857				516,857
260	EXAMINING	130,238				130,238
270	OFF-DUTY AND VOLUNTARY EDUCATION	273,188				273,188
280	CIVILIAN EDUCATION AND TRAINING	136,568				136,568
290	JUNIOR RESERVE OFFICERS' TRAINING CORPS	148,215	360			148,575
	Spirit of America JROTC youth conference			360		
	<b>TOTAL, BUDGET ACTIVITY 03:</b>	<b>3,614,507</b>	<b>5,360</b>	<b>5,360</b>		<b>3,619,867</b>
	<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>					
	<b><u>SECURITY PROGRAMS</u></b>	<u>782,719</u>				<u>782,719</u>
300	SECURITY PROGRAMS	782,719				782,719
	<b><u>LOGISTICS OPERATIONS</u></b>	<u>1,628,590</u>	<u>(4,600)</u>		<u>(4,600)</u>	<u>1,623,990</u>
310	SERVICEWIDE TRANSPORTATION	451,070				451,070
320	CENTRAL SUPPLY ACTIVITIES	453,386				453,386

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
330	LOGISTICS SUPPORT ACTIVITIES	415,582	(2,400)			413,182
	Logistics Modernization Program				(2,400)	
340	AMMUNITION MANAGEMENT	308,552	(2,200)		(2,200)	306,352
	Logistics Modernization Program					
	<b><u>SERVICEWIDE SUPPORT</u></b>	<b><u>3,223,529</u></b>	<b><u>(98,182)</u></b>	<b><u>4,000</u></b>	<b><u>(102,182)</u></b>	<b><u>3,125,347</u></b>
350	ADMINISTRATION	701,834	(81,121)		(50,000)	620,713
	Army Operations Center Headquarters				(31,121)	
	Other Contracts - Excessive Growth					
360	SERVICEWIDE COMMUNICATIONS	957,811	(1,400)		(4,900)	956,411
	Future business systems					
	Army Knowledge Online Disaster Recovery			3,500		
370	MANPOWER MANAGEMENT	276,963				276,963
380	OTHER PERSONNEL SUPPORT	200,993				200,993
390	OTHER SERVICE SUPPORT	833,850	(15,661)			818,189
	Combat Readiness Center				(16,161)	
	Continue Holocaust Education Exhibits			500		
400	ARMY CLAIMS	203,144				203,144
410	REAL ESTATE MANAGEMENT	48,934				48,934
	<b><u>SUPPORT OF OTHER NATIONS</u></b>	<b><u>354,058</u></b>				<b><u>354,058</u></b>
420	SUPPORT OF NATO OPERATIONS	310,277				310,277
430	MISC. SUPPORT OF OTHER NATIONS	43,781				43,781
	<b>TOTAL, BUDGET ACTIVITY 04:</b>	<b>5,988,896</b>	<b>(102,782)</b>	<b>4,000</b>	<b>(106,782)</b>	<b>5,886,114</b>
	<b>UNDISTRIBUTED</b>					

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
	Operational Unobligated Balances Estimate		(100,000)		(100,000)	(100,000)
	<b>Total Operation and Maintenance, Army</b>	<b>24,902,380</b>	<b>18,355</b>	<b>299,256</b>	<b>(280,901)</b>	<b>24,920,735</b>
	<b>Operation and Maintenance, Navy</b>					
	<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>					
	<b>AIR OPERATIONS</b>	<b>6,162,280</b>	<b>65,000</b>	<b>75,000</b>	<b>(10,000)</b>	<b>6,227,280</b>
010	MISSION AND OTHER FLIGHT OPERATIONS	3,587,750				3,587,750
020	FLEET AIR TRAINING	863,788				863,788
030	INTERMEDIATE MAINTENANCE	56,502				56,502
040	AIR OPERATIONS AND SAFETY SUPPORT	121,303				121,303
050	AIR SYSTEMS SUPPORT	485,830				485,830
060	AIRCRAFT DEPOT MAINTENANCE	902,864	75,000			977,864
	Unfunded Aviation Requirements			75,000		
070	AIRCRAFT DEPOT OPERATIONS SUPPORT	144,243	(10,000)		(10,000)	134,243
	Navy Enterprise Resources Planning					
	<b>SHIP OPERATIONS</b>	<b>8,513,994</b>	<b>10,000</b>	<b>272,000</b>	<b>(262,000)</b>	<b>8,523,994</b>
080	MISSION AND OTHER SHIP OPERATIONS	3,166,923	121,000			3,287,923
	Restore Ship Steaming Day Reduction			121,000		
090	SHIP OPERATIONAL SUPPORT AND TRAINING	645,040				645,040
100	SHIP DEPOT MAINTENANCE	3,722,690	(114,000)			3,608,690
	Man Overboard Safety System Installation			3,000		
	Restore Ship Deferred Maintenance			145,000		
	Shipyard Rate Savings - Mission Funding Conversion				(262,000)	

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
110	SHIP DEPOT OPERATIONS SUPPORT Damage Control Inventory Management and Stowage System	979,341	3,000	3,000		982,341
	<b>COMBAT OPERATIONS/SUPPORT</b>	<b>2,406,239</b>	<b>3,700</b>	<b>3,700</b>		<b>2,409,939</b>
120	COMBAT COMMUNICATIONS	318,105				318,105
130	ELECTRONIC WARFARE	52,039				52,039
140	SPACE SYSTEMS & SURVEILLANCE	164,454				164,454
150	WARFARE TACTICS	356,815				356,815
160	OPERATIONAL METEOROLOGY & OCEANOGRAPHY	267,193				267,193
170	COMBAT SUPPORT FORCES	1,073,662				1,073,662
180	EQUIPMENT MAINTENANCE METBENCH Automated Calibration System	170,116	3,700			173,816
190	DEPOT OPERATIONS SUPPORT	3,855		3,700		3,855
	<b>WEAPONS SUPPORT</b>	<b>1,929,400</b>				<b>1,929,400</b>
200	CRUISE MISSILE	132,602				132,602
210	FLEET BALLISTIC MISSILE	946,811				946,811
220	IN-SERVICE WEAPONS SYSTEMS SUPPORT	115,230				115,230
230	WEAPONS MAINTENANCE	433,856				433,856
240	OTHER WEAPONS SYSTEMS SUPPORT	300,901				300,901
	<b>WORKING CAPITAL FUND SUPPORT</b>					
250	NWCF Support					
	<b>BASE SUPPORT</b>	<b>5,385,177</b>				<b>4,671,756</b>
260	ENTERPRISE INFORMATION	713,421				713,421
270	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	1,201,313				1,201,313

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
280	BASE OPERATIONS SUPPORT	3,470,443				3,470,443
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>24,397,090</b>	<b>78,700</b>	<b>350,700</b>	<b>(272,000)</b>	<b>24,475,790</b>
	<b>BUDGET ACTIVITY 02: MOBILIZATION</b>					
	<b>READY RESERVE AND PREPOSITIONING FORCES</b>					
290	SHIP PREPOSITIONING AND SURGE	545,607				545,607
	<b>ACTIVATIONS/INACTIVATIONS</b>	<b>201,797</b>	<b>8,000</b>	<b>8,000</b>		<b>209,797</b>
300	AIRCRAFT ACTIVATIONS/INACTIVATIONS	4,626				4,626
310	SHIP ACTIVATIONS/INACTIVATIONS U.S. Navy Ship Disposal Program	197,171	8,000	8,000		205,171
	<b>MOBILIZATION PREPAREDNESS</b>	<b>52,824</b>				<b>52,824</b>
320	FLEET HOSPITAL PROGRAM	30,928				30,928
330	INDUSTRIAL READINESS	1,660				1,660
340	COAST GUARD SUPPORT	20,236				20,236
	<b>TOTAL, BUDGET ACTIVITY 02:</b>	<b>800,228</b>	<b>8,000</b>	<b>8,000</b>		<b>808,228</b>
	<b>BUDGET ACTIVITY 03: TRAINING AND RECRUITING</b>					
	<b>ACCESSION TRAINING</b>	<b>250,000</b>				<b>250,000</b>
360	OFFICER ACQUISITION	134,960				134,960
360	RECRUIT TRAINING	9,973				9,973
370	RESERVE OFFICERS TRAINING CORPS	105,067				105,067

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
	<b><u>BASIC SKILLS AND ADVANCED TRAINING</u></b>	<b><u>1,233,250</u></b>	<b><u>1,325</u></b>	<b><u>1,325</u></b>		<b><u>1,234,575</u></b>
380	SPECIALIZED SKILL TRAINING	517,787				517,787
390	FLIGHT TRAINING	425,434				425,434
400	PROFESSIONAL DEVELOPMENT EDUCATION Continue education for childcare providers Navy National Guard RINGGOLD Linguists	121,568	1,325	975		122,893
410	TRAINING SUPPORT	168,461		350		168,461
	<b><u>RECRUITING AND OTHER TRAINING AND EDUCATION</u></b>	<b><u>516,043</u></b>	<b><u>300</u></b>	<b><u>300</u></b>		<b><u>516,343</u></b>
420	RECRUITING AND ADVERTISING Naval Sea Cadet Corps	245,469	300	300		245,769
430	OFF-DUTY AND VOLUNTARY EDUCATION	148,588				148,588
440	CIVILIAN EDUCATION AND TRAINING	75,337				75,337
450	JUNIOR ROTC	46,649				46,649
	<b>TOTAL, BUDGET ACTIVITY 03:</b>	<b>1,999,293</b>	<b>1,625</b>	<b>1,625</b>		<b>2,000,918</b>
	<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>					
	<b><u>SERVICEWIDE SUPPORT</u></b>	<b><u>2,085,271</u></b>	<b><u>(106,434)</u></b>		<b><u>(106,434)</u></b>	<b><u>1,978,837</u></b>
460	ADMINISTRATION FYDP Improvement Project PR -07 / POM -08 Planning and Analysis Unjustified Growth for HQ Staff Other Contract - Excessive Growth	719,357	(36,434)		(9,576) (3,000) (8,856) (15,000)	682,923
470	EXTERNAL RELATIONS	3,555				3,555

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
480	CIVILIAN MANPOWER & PERSONNEL MGT	103,611				103,611
490	MILITARY MANPOWER & PERSONNEL MGT	186,113				186,113
500	OTHER PERSONNEL SUPPORT	274,108				274,108
510	SERVICEWIDE COMMUNICATIONS Navy / Marine Corps Intranet	798,527	(70,000)		(70,000)	728,527
520	MEDICAL ACTIVITIES					
	<b><u>LOGISTICS OPERATIONS AND TECHNICAL SUPPORT</u></b>	<b><u>1,162,567</u></b>	<b><u>2,000</u></b>	<b><u>4,000</u></b>	<b><u>(2,000)</u></b>	<b><u>1,164,567</u></b>
530	SERVICEWIDE TRANSPORTATION	218,575				218,575
540	ENVIRONMENTAL PROGRAMS					
550	PLANNING, ENGINEERING & DESIGN NAV 2030 Vision Principles	242,607	(2,000)		(2,000)	240,607
560	ACQUISITION AND PROGRAM MANAGEMENT	518,512				518,512
570	HULL, MECHANICAL & ELECTRICAL SUPPORT Flash Detection System	58,202	4,000	4,000		62,202
580	COMBAT/WEAPONS SYSTEMS	43,143				43,143
590	SPACE & ELECTRONIC WARFARE SYSTEMS	81,528				81,528
600	<b><u>INVESTIGATIVE AND SECURITY PROGRAMS</u></b> NAVAL INVESTIGATIVE SERVICE	<b><u>391,438</u></b>				<b><u>391,438</u></b>
650	<b><u>SUPPORT OF OTHER NATIONS</u></b> INTERNATIONAL HDQTRS & AGENCIES	<b><u>10,478</u></b>				<b><u>10,478</u></b>
999	<b><u>OTHER PROGRAMS</u></b> Trident	<b><u>484,619</u></b>	<b><u>6,000</u></b>	<b><u>6,000</u></b>		<b><u>490,619</u></b>
		484,619	6,000	3,000		490,619

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
	Special Project Aircraft			3,000		
	<b>TOTAL, BUDGET ACTIVITY 04:</b>	<b>4,134,373</b>	<b>(98,434)</b>	<b>10,000</b>	<b>(108,434)</b>	<b>4,035,939</b>
	<b>UNDISTRIBUTED</b>					
	Navy Civilian Personnel Overstatement		(96,800)		(96,800)	(96,800)
	Operational Unobligated Balances Estimate		(135,000)		(135,000)	(135,000)
	<b>Total Operation and Maintenance, Navy</b>	<b>31,330,984</b>	<b>(241,909)</b>	<b>370,325</b>	<b>(612,234)</b>	<b>31,089,075</b>
	<b>Operation and Maintenance, Marine Corps</b>					
	<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>					
	<b>EXPEDITIONAL FORCES</b>	<b>1,039,003</b>	<b>52,234</b>	<b>58,084</b>	<b>(5,850)</b>	<b>1,091,237</b>
010	OPERATIONAL FORCES	503,462	3,150			506,612
	Cold Weather High Performance Layering System			2,000		
	EMI Hardened Fluorescent Stringable Tent Lighting System			7,000		
	Redesignation / Establishment of Unnecessary Command Structures				(5,850)	
020	FIELD LOGISTICS	424,331				424,331
030	DEPOT MAINTENANCE	111,210	49,084			160,294
	Marine Air Traffic Control and Landing System			9,000		
	Unfunded Requirements in Depot Maintenance			40,084		
	<b>USMC PREPOSITIONING</b>	<b>76,085</b>	<b>9,900</b>	<b>9,900</b>		<b>85,985</b>
050	MARITIME PREPOSITIONING	70,801	9,900			80,701
	Maritime Prepositioning Reconstitution			9,900		

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
060	NORWAY PREPOSITIONING	5,284				5,284
	<b><u>BASE SUPPORT</u></b>	<b><u>1,847,421</u></b>				<b><u>1,847,421</u></b>
070	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	419,418				419,418
080	BASE OPERATING SUPPORT	1,428,003				1,428,003
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>2,962,509</b>	<b>62,134</b>	<b>67,984</b>	<b>(5,850)</b>	<b>3,024,643</b>
	<b>BUDGET ACTIVITY 03: TRAINING AND RECRUITING</b>					
	<b><u>ACCESSION TRAINING</u></b>	<b><u>11,971</u></b>	<b><u>2,375</u></b>	<b><u>2,375</u></b>		<b><u>14,346</u></b>
090	RECRUIT TRAINING	11,581	2,375	2,375		13,956
100	Recruit Training Support OFFICER ACQUISITION	390				390
	<b><u>BASIC SKILLS AND ADVANCED TRAINING</u></b>	<b><u>202,485</u></b>	<b><u>33,610</u></b>	<b><u>33,610</u></b>		<b><u>236,095</u></b>
110	SPECIALIZED SKILLS TRAINING	41,130	8,600	8,600		49,730
120	Formal School Support					
130	FLIGHT TRAINING	187				187
140	PROFESSIONAL DEVELOPMENT EDUCATION	16,476				16,476
	TRAINING SUPPORT	144,692	25,010			169,702
	Training Support Requirements				25,010	
	<b><u>RECRUITING AND OTHER TRAINING EDUCATION</u></b>	<b><u>181,664</u></b>				<b><u>181,664</u></b>
150	RECRUITING AND ADVERTISING	108,883				108,883
160	OFF-DUTY AND VOLUNTARY EDUCATION	55,524				55,524
170	JUNIOR ROTC	17,257				17,257

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
	<b>BASE SUPPORT</b>	<u>192,052</u>				<u>192,052</u>
180	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	50,810				50,810
190	BASE OPERATIONS SUPPORT	141,242				141,242
	<b>TOTAL, BUDGET ACTIVITY 03:</b>	<b>588,172</b>	<b>35,985</b>	<b>35,985</b>		<b>624,157</b>
	<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>					
	<b>SERVICEWIDE SUPPORT</b>	<u>313,464</u>				<u>313,464</u>
200	SPECIAL SUPPORT	255,058				255,058
210	SERVICEWIDE TRANSPORTATION	24,140				24,140
220	ADMINISTRATION	34,266				34,266
230	<b>CANCELLED ACCOUNT</b>					
	<b>CANCELLED ACCOUNT</b>					
	<b>BASE SUPPORT</b>	<u>14,817</u>				<u>14,817</u>
240	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	2,913				2,913
250	BASE OPERATING SUPPORT	11,904				11,904
	<b>TOTAL, BUDGET ACTIVITY 04:</b>	<b>328,281</b>				<b>328,281</b>
	<b>UNDISTRIBUTED</b>					
	Operational Unobligated Balances		(3,000)		(3,000)	(3,000)
	<b>Total Operation and Maintenance, Marine Corps</b>	<b>3,878,962</b>	<b>95,119</b>	<b>103,969</b>	<b>(8,850)</b>	<b>3,974,081</b>

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>Operation and Maintenance, Air Force</b>						
<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>						
<b>AIR OPERATIONS</b>						
010	PRIMARY COMBAT FORCES	<u>13,524,695</u>	<u>129,800</u>	<u>129,800</u>		<u>13,654,495</u>
	MBU-20/P Oxygen Mask with Lights	4,307,850	51,800	2,000		4,359,650
	B-52 Attrition Reserve			49,800		
020	PRIMARY COMBAT WEAPONS	281,366				281,366
030	COMBAT ENHANCEMENT FORCES	603,703	30,000			633,703
	Unjustified Transformational Efficiencies			30,000		
040	AIR OPERATIONS TRAINING	1,439,196	8,000			1,447,196
	Nevada Test and Training Range / Utah Test and Training Range			8,000		
050	COMBAT COMMUNICATIONS	1,619,591	40,000			1,659,591
	Unjustified Transformational Efficiencies			40,000		
070	DEPOT MAINTENANCE	1,943,368				1,943,368
080	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	924,187				924,187
090	BASE SUPPORT	2,405,434				2,405,434
<b>COMBAT RELATED OPERATIONS</b>						
100	GLOBAL C3i & EARLY WARNING	<u>2,622,945</u>				<u>2,622,945</u>
110	NAVIGATION/WEATHER SUPPORT	1,147,409				1,147,409
120	OTHER COMBAT OPERATIONS SUPPORT PROGRAMS	243,878				243,878
130	JCS EXERCISES	610,059				610,059
	JCS EXERCISES	29,240				29,240
140	MANAGEMENT/OPERATIONAL HEADQUARTERS	241,730				241,730
150	TACTICAL INTELLIGENCE AND SPECIAL ACTIVITIES	350,629				350,629

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
	<b>SPACE OPERATIONS</b>	<b>1,719,370</b>	<b>(10,000)</b>		<b>(10,000)</b>	<b>1,719,370</b>
160	LAUNCH FACILITIES	324,467				324,467
170	LAUNCH VEHICLES	59,713				59,713
180	SPACE CONTROL SYSTEMS	255,325				255,325
190	SATELLITE SYSTEMS	81,845				81,845
200	OTHER SPACE OPERATIONS	320,801	(10,000)			310,801
	Counter Space Operations				(10,000)	
210	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	133,825				133,825
220	BASE SUPPORT	553,394				553,394
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>17,877,010</b>	<b>119,800</b>	<b>129,800</b>	<b>(10,000)</b>	<b>17,996,810</b>
	<b>BUDGET ACTIVITY 02: MOBILIZATION</b>					
	<b>MOBILITY OPERATIONS</b>	<b>4,259,469</b>				<b>4,259,469</b>
230	AIRLIFT OPERATIONS	2,948,518				2,948,518
240	AIRLIFT OPERATIONS C3I	47,313				47,313
250	MOBILIZATION PREPAREDNESS	204,721				204,721
260	PAYMENTS TO TRANSPORTATION BUSINESS AREA	7,134				7,134
270	DEPOT MAINTENANCE	311,703				311,703
280	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	179,242				179,242
290	BASE SUPPORT	560,838				560,838
	<b>TOTAL, BUDGET ACTIVITY 02:</b>	<b>4,259,469</b>				<b>4,259,469</b>

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>BUDGET ACTIVITY 03: TRAINING AND RECRUITING</b>						
<b>ACCESSION TRAINING</b>						
300	OFFICER ACQUISITION	<u>301,832</u>				<u>301,832</u>
310	RECRUIT TRAINING	81,429				81,429
320	RESERVE OFFICER TRAINING CORPS (ROTC)	6,306				6,306
330	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION (	95,282				95,282
340	BASE SUPPORT (ACADEMIES ONLY)	43,461				43,461
		75,354				75,354
		<u>2,190,052</u>	<u>(13,000)</u>	<u>2,000</u>	<u>(15,000)</u>	<u>2,177,052</u>
350	SPECIALIZED SKILL TRAINING	351,352	(15,000)		(10,000)	336,352
	Euro NATO Jet Pilot Training				(5,000)	
	Initial Flight Screening					
360	FLIGHT TRAINING	836,910				836,910
370	PROFESSIONAL DEVELOPMENT EDUCATION	175,225				175,225
380	TRAINING SUPPORT	89,025	2,000			91,025
	National Space Studies Center Study			2,000		
390	DEPOT MAINTENANCE	12,558				12,558
400	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	134,126				134,126
410	BASE SUPPORT (OTHER TRAINING)	590,856				590,856
		<u>505,934</u>				<u>505,934</u>
420	RECRUITING AND ADVERTISING	133,600				133,600
430	EXAMINING	3,713				3,713
440	OFF DUTY AND VOLUNTARY EDUCATION	192,847				192,847
450	CIVILIAN EDUCATION AND TRAINING	115,394				115,394
460	JUNIOR ROTC	60,380				60,380

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>TOTAL, BUDGET ACTIVITY 03:</b>						
		<b>2,997,818</b>	<b>(13,000)</b>	<b>2,000</b>	<b>(15,000)</b>	<b>2,984,818</b>
<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>						
<b>LOGISTICS OPERATIONS</b>						
470	LOGISTICS OPERATIONS	<u>2,992,220</u>				<u>2,992,220</u>
480	TECHNICAL SUPPORT ACTIVITIES	892,899				892,899
490	SERVICEWIDE TRANSPORTATION	629,064				629,064
500	DEPOT MAINTENANCE	176,222				176,222
510	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	47,817				47,817
520	BASE SUPPORT	252,911				252,911
		993,307				993,307
<b>SERVICEWIDE ACTIVITIES</b>						
530	ADMINISTRATION	<u>1,718,919</u>	<b>(6,000)</b>	<b>4,000</b>	<b>(10,000)</b>	<u>1,712,919</u>
	Administration - General Reduction	254,311	(10,000)		(10,000)	244,311
540	SERVICEWIDE COMMUNICATIONS	510,987				510,987
550	PERSONNEL PROGRAMS	222,416				222,416
560	ARMS CONTROL	49,933				49,933
570	OTHER SERVICEWIDE ACTIVITIES	280,473	4,000			284,473
	Air Force Manufacturing Technical Assistance Production			4,000		
580	OTHER PERSONNEL SUPPORT	37,775				37,775
590	CIVIL AIR PATROL CORPORATION	21,087				21,087
600	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	16,267				16,267
610	BASE SUPPORT	325,670				325,670

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>SECURITY PROGRAMS</b>						
620	SECURITY PROGRAMS Unjustified Growth	<u>1,478,190</u> 1,478,190	<u>(115,000)</u> (115,000)		<u>(115,000)</u> (115,000)	<u>1,363,190</u> 1,363,190
<b>SUPPORT TO OTHER NATIONS</b>						
630	INTERNATIONAL SUPPORT	<u>18,681</u> 18,681				<u>18,681</u> 18,681
<b>TOTAL, BUDGET ACTIVITY 04:</b>						
		<b>6,208,010</b>	<b>(121,000)</b>	<b>4,000</b>	<b>(125,000)</b>	<b>6,087,010</b>
<b>UNDISTRIBUTED</b>						
	Other Contracts - Excessive Growth		(50,000)		(50,000)	(50,000)
	Executive General Schedule		(180,000)		(180,000)	(180,000)
	Ranch Hand Data		850	850		850
<b>Total Operation and Maintenance, Air Force</b>						
		31,342,307	(243,350)	136,650	(380,000)	31,098,957
<b>Operation and Maintenance, Defense-wide</b>						
<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>						
010	JOINT CHIEFS OF STAFF	562,003	(10,000)			572,003
	JCS - Excessive Growth				(10,000)	
020	SPECIAL OPERATIONS COMMAND	2,852,620				2,852,620
<b>TOTAL, BUDGET ACTIVITY 01:</b>						
		<b>3,434,623</b>	<b>(10,000)</b>		<b>(10,000)</b>	<b>3,424,623</b>

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>BUDGET ACTIVITY 3: TRAINING AND RECRUITING</b>						
030	DEFENSE ACQUISITION UNIVERSITY	104,671				104,671
040	NATIONAL DEFENSE UNIVERSITY	85,131				85,131
	<b>TOTAL, BUDGET ACTIVITY 03:</b>	<b>189,802</b>				<b>189,802</b>
<b>BUDGET ACTIVITY 4: ADMIN &amp; SERVICEWIDE ACTIVITIES</b>						
050	AMERICAN FORCES INFORMATION SERVICE	150,329				150,329
060	CIVIL MILITARY PROGRAMS	106,503	1,000	1,000		107,503
	Starbase					
090	DEFENSE BUSINESS TRANSFORMATION AGENCY	179,255				179,255
100	DEFENSE CONTRACT AUDIT AGENCY	391,949				391,949
110	DEFENSE FINANCE AND ACCOUNTING SERVICE	452				452
120	DEFENSE INFORMATION SYSTEMS AGENCY	998,618				998,618
140	DEFENSE LEGAL SERVICES AGENCY	35,538				35,538
150	DEFENSE LOGISTICS AGENCY	297,502	26,820			324,322
	Commercial Technologies for Maintenance Activities (CTMA)			15,000		
	Meals Ready to Eat Reserve			5,000		
	Procurement Technical Assistance Program (PTAP)			6,820		
160	DEFENSE POW / MISSING PERSONS OFFICE	16,191				16,191
170	DEFENSE TECHNOLOGY SECURITY AGENCY	21,899				21,899
180	DEFENSE THREAT REDUCTION AGENCY	314,555				314,555
190	DEPARTMENT OF DEFENSE EDUCATION AGENCY	1,728,851	200			1,729,051
	Kids Voting Pilot Program			200		
200	DEFENSE HUMAN RESOURCES ACTIVITY	374,352				374,352
210	DEFENSE CONTRACT MANAGEMENT AGENCY	1,040,297				1,040,297
220	DEFENSE SECURITY COOPERATION AGENCY	140,472				140,472

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
2300	DEFENSE SECURITY SERVICE	287,059				287,059
250	OFFICE OF ECONOMIC ADJUSTMENT	73,021	5,000			78,021
	Port of Corpus Christi Military Seaport Infrastructure			5,000		
260	OFFICE OF THE SECRETARY OF DEFENSE	748,368	(3,000)			745,368
	Readiness and Environmental Protection Initiative (REPI)			30,000		
	Capital Security Cost Share				(33,000)	
270	WASHINGTON HEADQUARTERS SERVICES	466,961	(14,000)			452,961
	WHS - Excessive Growth				(14,000)	
999	OTHER PROGRAMS	9,079,059				9,079,059
	<b>TOTAL, BUDGET ACTIVITY 04:</b>	<b>16,451,231</b>	<b>16,020</b>	<b>63,020</b>	<b>(47,000)</b>	<b>16,467,251</b>
	<b>UNDISTRIBUTED</b>					
	DOD Supplementary Impact Aid		50,000	50,000		50,000
	DOD Supplementary Impact Aid - force structure / relocation		15,000	15,000		15,000
	Operational Unobligated Balances Estimate		(272,113)		(272,113)	(272,113)
	Cold War Medal		2,000	2,000		2,000
	Ranch Hand Data		200	200		200
	<b>Total Operation and Maintenance, Defense-Wide</b>	<b>20,075,656</b>	<b>(198,893)</b>	<b>130,220</b>	<b>(329,113)</b>	<b>19,876,763</b>

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>Operation and Maintenance, Army Reserve</b>						
<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>						
<u>LAND FORCES</u>						
010	DIVISION FORCES	<u>971,670</u>				<u>971,670</u>
020	CORPS COMBAT FORCES	29,104				29,104
030	CORPS SUPPORT FORCES	20,498				20,498
040	ECHOLON ABOVE CORPS FORCES	288,426				288,426
050	LAND FORCES OPERATIONS SUPPORT	190,481				190,481
		443,161				443,161
<u>LAND FORCES READINESS</u>						
060	FORCES READINESS OPERATIONS SUPPORT	<u>409,663</u>				<u>409,663</u>
070	LAND FORCES SYSTEM READINESS	187,781				187,781
080	LAND FORCES DEPOT MAINTENANCE	90,397				90,397
		131,485				131,485
<u>LAND FORCES READINESS SUPPORT</u>						
090	BASE OPERATIONS SUPPORT	<u>752,650</u>				<u>752,650</u>
100	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	528,256				528,256
110	ADDITIONAL ACTIVITIES	215,890				215,890
		8,504				8,504
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>2,133,983</b>				<b>2,133,983</b>
<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>						
<u>ADMINISTRATION AND SERVICEWIDE ACTIVITIES</u>						
120	ADMINISTRATION	<u>166,119</u>	<u>900</u>		<u>900</u>	<u>166,119</u>
		60,096				60,096

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
130	SERVICEMAN COMMUNICATIONS	8,852				8,852
140	MANPOWER MANAGEMENT	7,642				7,642
150	RECRUITING AND ADVERTISING Citizen Soldier Support Program	88,629	900	900		89,529
	<b>TOTAL, BUDGET ACTIVITY 04:</b>	<b>165,219</b>	<b>900</b>	<b>900</b>		<b>166,119</b>
	<b>Total Operation and Maintenance, Army Reserve</b>	<b>2,299,202</b>	<b>900</b>	<b>900</b>		<b>2,300,102</b>
	<b>Operation and Maintenance, Navy Reserve</b>					
	<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>					
	<b>RESERVE AIR OPERATIONS</b>	<b>743,142</b>				<b>743,142</b>
010	MISSION AND OTHER FLIGHT OPERATIONS	591,126				591,126
020	INTERMEDIATE MAINTENANCE	16,969				16,969
030	AIR OPERATIONS AND SAFETY SUPPORT	2,090				2,090
040	AIRCRAFT DEPOT MAINTENANCE	132,570				132,570
050	AIRCRAFT DEPOT OPERATIONS SUPPORT	387				387
	<b>RESERVE SHIP OPERATIONS</b>	<b>133,880</b>				<b>133,880</b>
060	MISSION AND OTHER SHIP OPERATIONS	63,574				63,574
070	SHIP OPERATIONAL SUPPORT AND TRAINING	554				554
080	SHIP DEPOT MAINTENANCE	69,215				69,215
090	SHIP DEPOT OPERATIONS SUPPORT	537				537

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
	<b><u>RESERVE COMBAT OPERATIONS SUPPORT</u></b>	<b><u>123,005</u></b>				<b><u>112,300</u></b>
100	COMBAT COMMUNICATIONS	10,705				10,705
110	COMBAT SUPPORT FORCES	112,300				112,300
	<b><u>RESERVE WEAPONS SUPPORT</u></b>	<b><u>5,861</u></b>				<b><u>5,861</u></b>
120	WEAPONS MAINTENANCE	5,861				5,861
	<b><u>BASE SUPPORT</u></b>	<b><u>259,473</u></b>				<b><u>153,660</u></b>
130	ENTERPRISE INFORMATION	105,813				105,813
140	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	52,136				52,136
150	BASE OPERATIONS SUPPORT	101,524				101,524
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>1,265,361</b>				<b>1,265,361</b>
	<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>					
	<b><u>ADMINISTRATION AND SERVICEWIDE ACTIVITIES</u></b>	<b><u>23,006</u></b>				<b><u>23,006</u></b>
160	ADMINISTRATION	4,712				4,712
170	MILITARY MANPOWER & PERSONNEL MGT	7,828				7,828
180	SERVICEWIDE COMMUNICATIONS	5,392				5,392
190	COMBAT/WEAPONS SYSTEMS	5,074				5,074
	<b><u>CANCELLED ACCOUNTS</u></b>	<b><u>397</u></b>				<b><u>397</u></b>
210	CANCELLED ACCOUNTS	397				397
999	OTHER PROGRAMS	397				397
	<b>TOTAL, BUDGET ACTIVITY 04:</b>	<b>23,403</b>				<b>23,403</b>

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
	<b>Total Operation and Maintenance, Navy Reserve</b>	<b>1,288,764</b>				<b>1,288,764</b>
	<b>Operation and Maintenance, Marine Corps Reserve</b>					
	<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>					
	<b>MISSION FORCES</b>	<b>95,682</b>				<b>95,682</b>
010	OPERATING FORCES	58,038				58,038
020	DEPOT MAINTENANCE	13,714				13,714
030	TRAINING SUPPORT	23,930				23,930
	<b>BASE SUPPORT</b>	<b>82,550</b>				<b>82,550</b>
040	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	9,579				9,579
050	BASE OPERATIONS SUPPORT	72,971				72,971
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>178,232</b>				<b>178,232</b>
	<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>					
	<b>ADMINISTRATION AND SERVICEWIDE ACTIVITIES</b>	<b>29,150</b>				<b>29,150</b>
060	SPECIAL SUPPORT	12,158				12,158
070	SERVICEWIDE TRANSPORTATION	814				814
080	ADMINISTRATION	8,087				8,087
090	RECRUITING AND ADVERTISING	8,091				8,091
	<b>BASE SUPPORT</b>	<b>4,529</b>				<b>4,529</b>

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
100	BASE OPERATIONS SUPPORT	4,529				4,529
	<b>TOTAL, BUDGET ACTIVITY 04:</b>	<b>33,679</b>				<b>33,679</b>
	<b>Total Operation and Maintenance, Marine Corps Reserve</b>	<b>211,911</b>				<b>211,911</b>
	<b>Operation and Maintenance, Air Force Reserve</b>					
	<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>					
	<b>AIR OPERATIONS</b>	<b>2,609,563</b>				<b>2,609,563</b>
010	PRIMARY COMBAT FORCES	1,798,478				1,798,478
020	MISSION SUPPORT OPERATIONS	89,340				89,340
030	DEPOT MAINTENANCE	373,336				373,336
040	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	59,849				59,849
050	BASE OPERATIONS SUPPORT	288,560				288,560
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>2,609,563</b>				<b>2,609,563</b>
	<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>					
	<b>ADMINISTRATION AND SERVICEWIDE ACTIVITIES</b>	<b>114,237</b>				<b>114,237</b>
060	ADMINISTRATION	67,419				67,419
070	RECRUITING AND ADVERTISING	18,204				18,204
080	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	21,712				21,712
090	OTHER PERSONNEL SUPPORT	6,236				6,236
100	AUDIOVISUAL	666				666

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>TOTAL, BUDGET ACTIVITY 04:</b>						
	<b>Total Operation and Maintenance, Air Force Reserve</b>	<b>114,237</b>				<b>114,237</b>
	<b>Operation and Maintenance, Army National Guard</b>	<b>2,723,800</b>				<b>2,723,800</b>
<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>						
<b>LAND FORCES</b>						
010	DIVISIONS	<u>2,202,169</u>	<u>8,000</u>	<u>8,000</u>		<u>2,210,169</u>
	Advanced Solar Covers	598,935	2,000			600,935
	Extended Cold Weather Clothing System			1,000		
020	CORPS COMBAT FORCES	560,370		1,000		560,370
030	CORPS SUPPORT FORCES	373,045				373,045
040	ECHELON ABOVE CORPS SUPPORT FORCES	642,935	6,000			648,935
	Army National Guard Battery Modernization Program			6,000		
050	LAND FORCES OPERATIONS SUPPORT	26,884				26,884
<b>LAND FORCES READINESS</b>						
060	FORCE READINESS OPERATIONS SUPPORT	<u>706,973</u>				<u>706,973</u>
070	LAND FORCES SYSTEMS READINESS	225,770				225,770
080	LAND FORCES DEPOT MAINTENANCE	129,371				129,371
		351,832				351,832
<b>LAND FORCES READINESS SUPPORT</b>						
090	BASE OPERATIONS SUPPORT	<u>1,561,051</u>	<u>22,000</u>			<u>1,583,051</u>
100	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	631,832				631,832
		387,882				387,882

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
110	<b>MANAGEMENT &amp; OPERATIONAL HEADQUARTERS</b>	488,837	22,000			488,837
	Homeland Defense Operational Planning System			10,000		
	Nationwide Dedicated Fiber Optic Network			2,500		
	Weapons of Mass Destruction Civil Support Teams	74,500		9,500		74,500
120	<b>MISCELLANEOUS ACTIVITIES</b>					
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>4,470,193</b>	<b>30,000</b>	<b>30,000</b>		<b>4,500,193</b>
	<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>					
	<b><u>SERVICEWIDE SUPPORT</u></b>	<b><u>368,472</u></b>	<b><u>900</u></b>			<b><u>369,372</u></b>
130	ADMINISTRATION	133,881				133,881
140	SERVICEWIDE COMMUNICATIONS	54,663				54,663
150	MANPOWER MANAGEMENT	53,197				53,197
160	RECRUITING AND ADVERTISING	126,731	900			127,631
	Citizen Soldier Support Program			900		
	<b>TOTAL, BUDGET ACTIVITY 04:</b>	<b>368,472</b>	<b>900</b>	<b>900</b>		<b>369,372</b>
	<b>UNDISTRIBUTED</b>					
	Restore funding to support 350K end strength		220,000	220,000		220,000
	<b>Total Operation and Maintenance, Army National Guard</b>	<b>4,838,665</b>	<b>250,900</b>	<b>250,900</b>		<b>5,089,565</b>

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>Operation and Maintenance, Air National Guard</b>						
<b>BUDGET ACTIVITY 01: OPERATING FORCES</b>						
<b>AIR OPERATIONS</b>						
010	AIRCRAFT OPERATIONS	<u>5,296,344</u>				<u>5,296,344</u>
020	MISSION SUPPORT OPERATIONS	3,434,443				3,434,443
030	DEPOT MAINTENANCE	512,771				512,771
040	FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	602,590				602,590
050	BASE OPERATIONS SUPPORT	255,322				255,322
		491,218				491,218
	<b>TOTAL, BUDGET ACTIVITY 01:</b>	<b>5,296,344</b>				<b>5,296,344</b>
<b>BUDGET ACTIVITY 04: ADMINISTRATION &amp; SERVICEWIDE ACTIVITIES</b>						
<b>SERVICEWIDE ACTIVITIES</b>						
060	ADMINISTRATION	<u>39,673</u>				<u>39,673</u>
070	RECRUITING AND ADVERTISING	29,661				29,661
		10,012				10,012
	<b>TOTAL, BUDGET ACTIVITY 04:</b>	<b>39,673</b>				<b>39,673</b>
	<b>Total Operation and Maintenance, Air National Guard</b>	<b>5,336,017</b>				<b>5,336,017</b>
<b>TRANSFER ACCOUNTS</b>						
010	ENVIRONMENTAL RESTORATION, ARMY	413,794				413,794
020	ENVIRONMENTAL RESTORATION, NAVY	304,409				304,409
030	ENVIRONMENTAL RESTORATION, AIR FORCE	423,871				423,871

**Title III - OPERATIONS AND MAINTENANCE**  
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
040	ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	18,431				18,431
050	ENVIRONMENTAL RESTORATION, FORMERLY USED DEF. SITES	242,790				242,790
	<b>TOTAL, O&amp;M, TRANSFER ACCOUNTS</b>	<b>1,403,295</b>				<b>1,403,295</b>
	<b>MISCELLANEOUS APPROPRIATIONS</b>					
060	U.S. COURT OF APPEALS FOR THE ARMED FORCES	11,721				11,721
070	SUPPORT OF INTERNATIONAL SPORTING COMPETITIONS					
080	OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND	10,000				10,000
160	IRAQ FREEDOM FUND, DEF					
170	OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC aid	63,204				63,204
180	PAYMENT TO KAHO'OLAWA ISLAND					
190	COOPERATIVE THREAT REDUCTION	372,128				372,128
	<b>TOTAL, MISCELLANEOUS</b>	<b>457,053</b>				<b>457,053</b>
	<b>TOTAL OPERATION AND MAINTENANCE TITLE:</b>	<b>130,088,996</b>	<b>(318,878)</b>	<b>1,292,220</b>	<b>(1,611,098)</b>	<b>128,770,118</b>

**Title III - REVOLVING AND MANAGEMENT FUNDS**  
(Dollars in Thousands)

PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>REVOLVING AND MANAGEMENT FUNDS</b>					
<b>DEFENSE WORKING CAPITAL FUND</b>					
Army	15,998	0	0	0	15,998
Navy	84,000	0	0	0	84,000
Air Force	44,000	0	0	0	44,000
Pentagon Reservation Maintenance	18,500	0	0	0	18,500
Defense-wide	18,000	0	0	0	18,000
Subtotal Services and Defense-wide	180,498	0	0	0	180,498
Defense Commissary Agency	1,184,000	0	0	0	1,184,000
<b>TOTAL DEFENSE WORKING CAPITAL FUND</b>	<b>1,364,498</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,364,498</b>
<b>MANAGEMENT FUNDS</b>					
National Defense Sealift Fund	1,071,932	66,800	66,800	0	1,138,732
Buyout one additional lease	54,846	0	0	66,800	54,846
Armed Forces Retirement Fund	1,126,778	66,800	66,800	0	1,193,578
<b>TOTAL MANAGEMENT FUNDS</b>	<b>2,491,276</b>	<b>66,800</b>	<b>66,800</b>	<b>0</b>	<b>2,558,076</b>

**Title III - OTHER PROGRAMS**  
(Dollars in Thousands)

PROGRAM TITLE	FY 2007 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2007 Committee Authorization
<b>DEFENSE HEALTH PROGRAM</b>					
Operations and Maintenance	20,498,163	201,400	486,000		20,699,563
Defer certain TRICARE cost share increases					
TRICARE pharmacy cost share changes				(9,000)	
Authorize anesthesia / other costs for child dental care			2,750		
Index childrens' hospitals reimbursement differential			1,700		
Offset for Transfer Ranch Hand Data (TMA)				(1,050)	
Excessive unobligated balances				(290,750)	
Air Force brain acoustic monitor			1,200		
Fort Drum health care pilot program			400		
Madigan Army Medical Center trauma assistance program			1,650		
Theatre Enterprise-wide Logistics Systems			8,500		
Procurement	396,355				396,355
Research and Development	130,603				130,603
<b>TOTAL DEFENSE HEALTH PROGRAM</b>	<b>21,025,121</b>	<b>201,400</b>	<b>502,200</b>	<b>(300,800)</b>	<b>21,226,521</b>
<b>DRUG INTERDICTION AND COUNTER-DRUG PROGRAM</b>					
Operations and Maintenance	926,890	0			926,890
SOUTHCOM				(7,000)	
NORTHCOM				(2,000)	
PACOM				(1,000)	
CENTCOM				(2,000)	
Intelligence Technology				(4,000)	
Southwest border fence			10,000		
Maritime Domain Awareness			6,000		
<b>TOTAL DRUG INTERDICTION AND COUNTER-DRUG PROGRAM</b>	<b>926,890</b>	<b>0</b>	<b>16,000</b>	<b>(16,000)</b>	<b>926,890</b>
<b>OFFICE OF THE INSPECTOR GENERAL</b>					
Operations and Maintenance	214,897				214,897
Procurement	1,400				1,400
<b>TOTAL OFFICE OF THE INSPECTOR GENERAL</b>	<b>216,297</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>216,297</b>
<b>TOTAL, OTHER DEPARTMENT OF DEFENSE PROGRAMS</b>	<b>22,168,308</b>	<b>201,400</b>	<b>518,200</b>	<b>(316,800)</b>	<b>22,369,708</b>

## ITEMS OF SPECIAL INTEREST

## BUDGET REQUEST ADJUSTMENTS—READINESS

The committee recommends the following adjustments to the fiscal year 2007 amended budget request:

*[in millions of dollars]*

Department of the Army Adjustments:	
BA 1 Army Management Headquarters Activities .....	(19.1)
BA 1 Combat Development Core .....	(47.7)
BA 1 M-Gator .....	+1.0
BA 1 Restoration of Training Requirement .....	+82.1
BA 1 Standing Joint Forces Headquarters .....	(5.0)
BA 1 Unfunded Requirements in Depot Maintenance .....	+101.0
BA 2 Logistics Modernization Program .....	(2.3)
BA 2 Restoration of Prepositioned Stocks .....	+105.8
BA 3 Live Training Instrumentation for Air and Missile Defense Units .....	+4.0
BA 3 Leadership for Leaders Command and General Staff College .....	+1.0
BA 3 Spirit of America JROTC Youth Conference .....	+0.4
BA 4 Army Operations Center Headquarters .....	(50.0)
BA 4 Army Knowledge Online Disaster Recovery .....	+3.5
BA 4 Combat Readiness Center .....	(16.2)
BA 4 Continue Holocaust Education Exhibits .....	+0.5
BA 4 Future Business Systems .....	(4.9)
BA 4 Logistics Modernization Program .....	(4.6)
BA 4 Other Contracts—Excessive Growth .....	(31.1)
Undistributed Operational Unobligated Balances Estimate .....	(100.0)
BA 1 National Guard Advanced Solar Covers .....	+1.0
BA 1 National Guard Army National Guard Battery Modernization Program .....	+6.0
BA 1 National Guard Extended Cold Weather Clothing System .....	+1.0
BA 1 National Guard Homeland Defense Operational Planning System .....	+10.0
BA 1 National Guard Nationwide Dedicated Fiber Optic Network ...	+2.5
BA 1 Weapons of Mass Destruction Civil Support Teams .....	+9.5
BA 4 National Guard Citizen Soldier Support Program .....	+0.9
Undistributed National Guard restore Funding to Support 350K End Strength .....	+220.0
BA 4 Reserve Citizen Soldier Program .....	+0.9
Department of the Navy Adjustments:	
BA 1 Damage Control Inventory Management and Stowage System .....	+3.0
BA 1 Man Overboard Safety System Installation .....	+3.0
BA 1 METBENCH Automated Calibration System .....	+3.7
BA 1 Navy Enterprise Resource Planning .....	(10.0)
BA 1 Restore Ship Deferred Maintenance .....	+145.0
BA 1 Restore Steaming Day Reduction .....	+121.0
BA 1 Shipyard Rate Savings—Mission Funding Conversion .....	(262.0)
BA 1 Unfunded Aviation Requirements .....	+75.0
BA 2 U.S. Navy Ship Disposal Program .....	+8.0
BA 3 Continued Education for Childcare Providers .....	+1.0
BA 3 Naval Sea Cadet Corps .....	+0.3
BA 3 Navy National Guard RINGGOLD Linguists .....	+0.4
BA 4 Flash Detection System .....	+4.0
BA 4 FYDP Improvement Project .....	(9.6)
BA 4 Navy/Marine Corps Intranet .....	(70.0)
BA 4 NAV 2030 Vision Principals .....	(2.0)
BA 4 Other Contracts—Excessive Growth .....	(15.0)
BA 4 PR-07/POM-08 Planning and Analysis .....	(3.0)
BA 4 Special Project Aircraft .....	+3.0
BA 4 Trident .....	+3.0
BA 4 Unjustified Growth for HQ Staff .....	(8.9)
Undistributed Navy Civilian Personnel Overstatement .....	(96.8)
Undistributed Operational Unobligated Balances Estimate .....	(135.0)
United States Marine Corps Adjustments:	
BA 1 Cold Weather High Performance Layering System .....	+2.0
BA 1 EMI Hardened Fluorescent Stringable Tent Lighting System .....	+7.0

[in millions of dollars]—Continued

BA 1	Marine Air Traffic Control and Landing System .....	+9.0
BA 1	Maritime Prepositioning Reconstitution .....	+9.9
BA 1	Redesignation / Establishment of Unnecessary Command Structures .....	(5.9)
BA 1	Unfunded Requirements in Depot Maintenance .....	+40.1
BA 3	Formal School Support .....	+8.6
BA 3	Recruit Training Support .....	+2.4
BA 3	Training Support Requirements .....	+25.0
	Undistributed Operational Unobligated Balances .....	(3.0)
Department of the Air Force Adjustments:		
BA 1	B-52 Attrition Reserve .....	+49.8
BA 1	Counter Space Operations .....	(10.0)
BA 1	MBU-20/P Oxygen Mask with Lights .....	+2.0
BA 1	Nevada Test and Training Range / Utah Test and Training Range .....	+8.0
BA 1	Unjustified Transformational Efficiencies .....	+70.0
BA 3	Euro NATO Jet Pilot Training .....	(10.0)
BA 3	Initial Flight Screening .....	(5.0)
BA 3	National Space Center Study .....	+2.0
BA 4	Administration—General Reduction .....	(10.0)
BA 4	Air Force Manufacturing Technical Assistance Production .....	+4.0
BA 4	Unjustified Growth .....	(115.0)
	Undistributed Executive General Schedule .....	(180.0)
	Undistributed Other Contracts—Excessive Growth .....	(50.0)
	Undistributed Ranch Hand Data .....	+0.9
Defense-Wide Activities Adjustments:		
BA 1	JCS—Excessive Growth .....	(10.0)
BA 4	Capital Security Cost Share .....	(33.0)
BA 4	Commercial Technologies for Maintenance Activities (CMTA) .....	+15.0
BA 4	Kids Voting Pilot Program .....	+0.2
BA 4	Meals Ready to Eat Reserve .....	+5.0
BA 4	Port of Corpus Christi Seaport Infrastructure .....	+5.0
BA 4	Procurement Technical Assistance Program .....	+6.8
BA 4	Readiness and Environmental Protection Initiative (REPI) .....	+30.0
BA 4	Starbase .....	+1.0
BA 4	WHS Excessive Growth .....	(14.0)
	Undistributed Cold War Medal .....	+2.0
	Undistributed DOD Supplementary Impact Aid .....	+50.0
	Undistributed DOD Supplementary Impact Aid—Force Structure/Relocation .....	+15.0
	Undistributed Operational Unobligated Balances Estimate .....	(272.1)
	Undistributed Ranch Hand Data .....	+0.2

#### Army Knowledge Online Disaster Recovery

The budget request contained \$70.8 million for the Army Knowledge Management program.

The Knowledge Management program is an enterprise wide program that will transform the Army into a network-centric, knowledge-based force. An essential part of this effort is the Army Knowledge Online (AKO) Disaster Recovery initiative, which serves as the communications center for AKO Disaster Recovery operations throughout the Army.

Accordingly, the committee recommends \$74.3 million for the Knowledge Management program, an increase of \$3.5 million in operation and maintenance for the Army to upgrade the AKO Disaster Recovery operation.

#### Capital Security Cost Share

The budget request contained \$126.7 million for capital security cost share.

The committee notes that a November 2004 Government Accountability Office report estimated the cost share for the Department of Defense (DOD) for fiscal year 2007 to be \$93.1 million. Furthermore, the committee is concerned that the Secretary of Defense has no accounting of defense personnel stationed in overseas diplomatic facilities and therefore can not reconcile the cost share levied by the Secretary of State. Accordingly, this Act contains a provision (Section 344) that would require the Secretary of Defense to perform an annual accounting of DOD overseas staffing requirements.

Therefore, the committee recommends \$93.7 million for the Capital Security Cost Share program, a decrease of \$33.0 million.

#### Combat Enhancement Forces and Combat Communications

The budget request contained \$603.7 million for Air Force combat enhancement forces and \$1.6 billion for combat communications.

The committee notes that most of these critical forces have been operating above maximum surge levels since the beginning of the global war on terrorism and reports continue to reflect a declining trend in the readiness of these forces. The committee strongly believes that special operations forces and weather teams, combat rescue forces, combat control teams, manned reconnaissance platforms, and electronic warfare capabilities are critical defense assets and this decline in readiness must be addressed.

The committee recommends an increase of \$40.0 million for combat enhancement forces and an increase of \$30.0 million for combat communications.

#### Homeland Defense Operational Planning System

The budget request contained no funds for operation and maintenance of the California Army National Guard's homeland defense operational planning system (HOPS).

The committee understands HOPS received initial funding in fiscal year 2004 and continued collaboration with Lawrence Livermore National Laboratory will further develop the operational capability of HOPS, which provides highly detailed situational awareness that enhances the California Army National Guard's ability to prepare for, and respond to, weapons of mass destruction attacks and to defend facilities critical to the U.S. infrastructure.

The committee recommends an increase of \$10.0 million for HOPS.

#### Maritime Prepositioning Ship Lease Buyout

The budget request contained \$35.1 million in the National Defense Sealift Fund to exercise the purchase options on 1 of the 10 remaining maritime prepositioning ships on long-term lease.

The committee is aware of the continuing need for these ships beyond the original 25-year-term and the lifecycle cost savings garnered by exercising the purchase options. The committee recommends exercising the purchase option on all of the 10 remaining maritime prepositioning ships, as soon as possible.

The committee recommends \$101.9 million in the National Defense Sealift Fund to exercise the purchase option on 2 of the 10

remaining maritime prepositioning ships on long-term lease, an increase of \$66.8 million.

#### Nationwide Dedicated Fiber Optic Network

The budget request contained no funding for the Nationwide Dedicated Fiber Optic Network (NDFON).

NDFON will provide a dedicated, high speed, high bandwidth fiber optic network backbone to support national guard operations. The committee continues to urge the Department of Defense to complete this network, which showed its value in the national guard's response to Hurricane Katrina. When no cell phones were working on the storm ravaged Gulf Coast, the NDFON backbone provided critical, reliable communications capability.

Accordingly, the committee recommends an increase of \$2.5 million in operation and maintenance for the Army National Guard to complete the NDFON nationwide engineering design package.

#### Navy Marine Corps Intranet

The committee supports the Navy Marine Corps Intranet (NMCI) and commends the Secretary of the Navy for resolving the long standing contract dispute on the NMCI contract. The committee remains concerned, however, about the cost of the contract and the enduring nature of legacy programs that a now mature NMCI was designed to replace. For that reason, the committee cannot support the increased funding contained in the budget request.

Accordingly, the committee recommends \$240.5 million in servicewide communications for NMCI, a decrease of \$70.0 million.

#### Port of Corpus Christi

The committee directs the Director of the Department of Defense Office of Economic Adjustment to provide \$5.0 million to the Port of Corpus Christi for military seaport infrastructure upgrades.

#### Readiness and Environmental Protection Initiative

The budget request contained \$20.0 million for the Readiness and Environmental Protection Initiative (REPI).

The committee expects the secretaries of the military departments to use the authority and funding available through the REPI program to enter into agreements with willing entities to prevent or limit the use of property in the vicinity of a military installation that would impede the mission of that military installation. The committee is pleased by the recent successes of the REPI program at installations such as Fort Carson, and expects the Secretary of the Army to continue to adequately fund the REPI efforts at Fort Carson, which the Army identifies as its highest priority site. The committee also encourages the other services to explore the utilization of this authority at installations such as Whiteman Air Force Base, McChord Air Force Base, Fairchild Air Force Base, and Naval Air Station Whidby.

The committee recommends \$50.0 million for the Readiness and Environmental Protection Initiative, an increase of \$30.0 million.

### Weapons of Mass Destruction Civil Support Teams

The budget request contained no funding for additional Weapons of Mass Destruction Civil Support Teams (WMD-CST).

The committee recognizes the value of the Army National Guard's WMD-CST in rapid support of civilian first responders in the event of a chemical, biological, or radiological incident. Now that each state's national guard has a WMD-CST, the committee believes that states possessing obvious targets should be identified for a second team. In that regard, the committee is pleased to note that California has a second team, and believes that New York should have a second team as well.

Accordingly, the committee recommends an additional \$9.5 million for the Army National Guard to establish a second WMD-CST in New York.

### ENVIRONMENTAL ISSUES

#### Fuel Tank Replacement at Point Loma, California

The committee is concerned about the fuel tank leakage at the Defense Energy Support Center (DESC) Fuel Storage Point (DFSP) at Naval Base Point Loma, California. Data from recent monitoring of the ground soil indicate that the leakage is more extensive than originally estimated. In addition to ongoing mitigation efforts, the committee is aware that the DESC has a military construction project in the fiscal year 2008 Future Years Defense Program that would replace all existing bulk storage infrastructure with modern, Department of Defense-standard storage tanks and support equipment. The committee notes that the DFSP is part of the strategic reserve, and its capabilities and readiness are matters of national security. The committee expects the Navy and the DESC to expedite to the furthest extent practicable their clean up actions, and to continue an ongoing dialogue about data, findings, and status with the congressional defense committees and the local community.

#### Non-thermal Treatment of Asbestos and Asbestos Containing Material

The committee is concerned about the long-term effects of the disposal of asbestos and asbestos containing material (ACM). The committee recognizes the benefits of transforming asbestos and ACM into a non-hazardous material and notes the problems associated with thermal treatment of hazardous waste. The committee is aware that the Department of Defense (DOD) is currently testing the application of non-thermal treatment processes. The committee encourages the Department to continue its exploration of non-thermal asbestos technology and to consider its use when treating asbestos or ACM at DOD installations.

#### Report on Uranium Located in Gore, Oklahoma

The committee acknowledges that since completion of work in 1993, 1.5 million pounds (approximately 1,200 barrels) of U.S. Government-provided uranium is being stored at the former Sequoyah Fuels Corporation site located in Gore, Oklahoma. This site was

used to convert DU6 to DU4 for use by the Army in anti-tank ammunition. The storage of this uranium at the Gore, Oklahoma, site may impede the efforts to decontaminate and decommission the facility.

Therefore, the committee directs the Secretary of Defense to work in conjunction with the Secretary of Energy to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services no later than six months after the enactment of this Act that would identify whether a remediation plan is necessary regarding the uranium located in Gore, Oklahoma, and, if so, the plans for remediation.

#### Site Assessment of Former World War II Ordnance Manufacturing Facility, Rosemount, Minnesota

The committee is aware that the United States Army Corps of Engineers recently completed a preliminary assessment of property in Rosemount, Minnesota. The property, once the site of an ordnance manufacturing facility (Gopher Ordnance Works), is now owned by the University of Minnesota. The committee notes that one potential next action in this environmental cleanup process is for the U.S. Army Corps of Engineers to conduct a site inspection of the property. The committee is interested in the expeditious resolution of this matter, and therefore requests the Secretary of the Army to initiate the next action in the process. Furthermore, the committee expects the Secretary to continue an ongoing dialogue about data, findings, and status with the congressional defense committees and the local community.

### INFORMATION TECHNOLOGY ISSUES

#### Information Technology Overview

The committee remains deeply concerned with information technology (IT) development, procurement, and management across the Department of Defense (DOD). The committee recognizes the challenges of building a fully integrated, secure, reliable system for a world-wide deployable military force. The committee also recognizes that the challenge is complicated by conflicting user requirements and a decentralized procurement system. In many ways, the Department's IT difficulties are a subset of DOD's larger acquisition challenges. Notwithstanding the difficulties, the committee believes that too many of the Department's IT programs are poorly managed and would benefit from increased scrutiny and a new way of doing business.

The committee supports the Department's broad goal of net centric operations, but is troubled by the procurement history of the Global Information Grid, the backbone of net centric operations. The committee notes the findings of the Government Accountability Office report "DOD Management Approach and Processes Not Well-Suited to Support Development of Global Information Grid," dated January 30, 2006. This report clearly describes the great risk of attempting to build an enterprise-wide system for which no one entity is in charge and for which no one can enforce operational or investment decisions.

For these reasons, the committee believes a prudent pause in selected IT programs is in order to allow the broader development of the Global Information Grid to progress. In that way, spending on these systems of the future can be more precisely directed to the reality of a more mature GIG backbone, resulting in greater efficiency and more rapid deployment of new systems. To that end, the committee has recommended funding reductions elsewhere in this report in several programs.

Similarly, the committee has recommended legislation that would require new business systems to come swiftly to fruition or lose funding. The committee believes that this change, along with other, broader acquisition initiatives recommended by the committee, will begin to realize greater efficiencies in DOD information technology programs. The committee believes that information technology is one of the critical elements that make our military forces as lethal as they are—but for almost \$31 billion, we must do better.

#### Business Transformation Agency and Enterprise Risk Assessment Model

The committee is heartened by the Deputy Secretary of Defense's decision to create the Business Transformation Agency (BTA), and will monitor its activities closely to ensure it adds value to the management of enterprise-wide business programs. Far too often, information technology (IT) programs are created with great promise, only to fall victim to the impossible goal of perfection. The result: expensive new programs drag on for years, not realizing their potential, while the legacy systems they were designed to replace continue to consume operation and maintenance dollars.

To that end, the committee also supports the recently announced Enterprise Risk Assessment Model (ERAM), which promises to speed the delivery of DOD wide business systems and provide streamlined execution of programs. The committee applauds these initiatives and urges the Secretary of Defense to support these new enterprises.

#### READINESS ISSUES

##### Air Force Transformation

The committee is aware that the Air Force has initiated a transformation plan in an effort to modernize and recapitalize the force structure by focusing on three major areas: streamlining the organizational structure, incorporating process efficiencies, and continuing force structure reductions to become a more lethal, agile, and balanced total force. Although not clearly justified, the fiscal year 2007 operation and maintenance budget request reflects a \$945.0 million reduction due to efficiencies that the Air Force anticipates reaping through transformation. The committee is aware of declining trends in readiness, and is concerned that these trends will continue to decline as a result of this swift move to organizational change.

Therefore, the committee directs the Secretary of the Air Force to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by April 1, 2007, describ-

ing transformational initiatives, evaluating the impact of these changes on unit-level readiness, detailing force structure realignments and reductions, and accounting actual cost savings accrued through the transformational initiatives.

#### Army Logistics Modernization

The committee is encouraged by the Army's efforts to transform its logistics processes and is interested in the potential of the Logistics Modernization Program (LMP) to streamline logistics and improve financial management. However, a June 2005 report by the Government Accountability Office (GAO), *Army Depot Maintenance: Ineffective Oversight of Depot Maintenance Operations and Systems Implementation Efforts*, describes the problems associated with the implementation of LMP at Tobyhanna Army Depot. The committee is concerned with these findings and directs the Secretary of the Army to submit a report to the House Committee on Armed Services and the Senate Committee on Armed Services by December 31, 2006, on the status of the LMP deficiencies outlined in GAO's report.

#### Base Operating Support and Facilities Recapitalization Budget Shortfalls

In the committee report (H. Rept. 109–89) accompanying the National Defense Authorization Act for Fiscal Year 2006, the committee expressed concern that shortfalls in base operating support (BOS) budgets at U.S. military installations were causing the services to consider a decrease in basic services such as child care, dining hall operations, and facilities management activities. As such, the committee urged the Department of Defense (DOD) to fully fund and execute BOS sustainment, and facilities recapitalization accounts.

Despite this level of congressional interest in and commitment to BOS and facilities recapitalization accounts, the fiscal year 2007 budget request once again contains severe shortfalls in these areas. For instance, Army BOS budgets are underfunded by at least \$1.9 billion, Army National Guard and Reserve BOS budgets are underfunded by more than \$360.0 million, and Air Force BOS budgets are underfunded by more than \$250.0 million.

In general, BOS requirements are "must pay" bills, failure to fully fund these accounts will result in a decrease in base services, such as shortened hours at dining facilities, elimination of recreational activities, or increased fees for morale, welfare, and recreation activities. While DOD leaders have expressed their intent to transfer funds into these accounts during the fiscal year, this approach is a haphazard manner of managing budget accounts that are significant both in size and impact on personnel.

In addition to the Department's general failure to support BOS requirements, analysis of facilities restoration, and modernization budgets indicates that the services have essentially ceased to fund these accounts.

The services have justified their actions, in part, by citing DOD models for facilities sustainment and recapitalization which show facilities "recap rates" that are below DOD targets. Unfortunately, these indicators were skewed by the impact of base closure activi-

ties and funding to rebuild after natural disasters. Nevertheless, these results, which effectively overstate the level of funding provided to the general inventory of facilities, have been used to justify severe decreases in restoration and modernization accounts. The committee is greatly concerned with this misapplication of facilities management model results.

After decades of failing to fund facilities construction, sustainment, restoration, and modernization budgets, the Department's recent efforts to ensure that its facilities are properly maintained over their lifecycles is "one step forward". Unfortunately, budget requests that virtually eliminate facilities restoration and modernization funding, such as the fiscal year 2007 request, represent "two steps backward".

This "pause" in restoration and modernization budgets will be difficult to reverse in the current budget environment, likely resulting in an entire generation of facilities passing through mid-lifecycle periods without renovations required to maintain the ability to support military requirements.

The committee urges the service secretaries to increase funding for facilities restoration and modernization in future budget requests. Supporting such requirements is critical to extending the useful lifecycle of DOD facilities while maintaining quality work and living environments.

In general, the committee is greatly concerned by the direction of the Department's requests for installation operation and management budgets. If the Department continues to fail to fund these accounts, there will be substantial negative impacts on both military readiness and quality of life. As such, the committee urges DOD leadership to renew its commitment to installations management budgets by fully funding BOS sustainment, restoration, and modernization accounts in current and future fiscal years.

#### Beryllium Supply Industrial Base

The Department of Defense (DOD) issued a report in May 2004, at the direction of Congress, concluding that the strategic and critical metal, beryllium, plays a key role in systems that support the transformational armed services. This report also noted that the domestic supply of beryllium is in danger of being depleted because the only domestic supplier has closed its primary metal production facility.

A total of \$10.8 million was appropriated by congress during the past two years, through the Defense Production Act purchases for the design and construction of a new beryllium production plant. In order to complete the timely construction of the plant, the committee supports the \$7.5 million in the President's request for the Beryllium Supply Industrial Base Project.

#### Depot Maintenance Strategy and Implementation Plans

The committee notes that in fiscal year 2005 the Air Force's three air logistics centers exceeded scheduled aircraft production, reduced costs, achieved the highest ever on-time delivery record, and improved overall quality of work. The committee believes that the implementation of the 2002 Air Force Depot Maintenance Mas-

ter Strategy was a driving factor in this transformational success and commends the Air Force for these achievements.

Furthermore, the committee notes that despite the direction in the committee report (H. Rept. 108–106) accompanying the National Defense Authorization Act for Fiscal Year 2004, the Secretary of Defense has not developed a comprehensive, results-oriented management plan to guide future service depot maintenance and has not provided a framework that assures the long-term viability of the depot system. The committee believes that it is essential that the Secretary build upon past strategic planning efforts, including the recent successes generated by implementation of the Air Force's Depot Maintenance Master Strategy, to help guide future service depot maintenance. Therefore, the committee directs the Secretary to develop an overarching depot maintenance strategy for the department and to submit a report on this strategy, by March 1, 2007, to the congressional defense committees. This report, at a minimum, shall include:

- (1) An assessment of the extent to which current facilities will continue to be used;
- (2) An assessment of the extent to which the appropriate work is being performed in the depots to maintain core capability;
- (3) Future planning for core capability and the identification of workloads by depot and commodity group that are currently being performed in the depots;
- (4) Current workforce breakdown and a personnel requirements strategy for maintaining the required workforce;
- (5) Planned equipment and facility improvements and the associated funding stream, by depot with distinction made for that which is planned as a replacement and that which will provide capability for a new system;
- (6) A specification of statutory, regulatory or operational impediments, if any, to achieving a strategy that enables a capital investment in facilities, equipment, processes and personnel of an amount not less than six percent of the actual total revenue; and
- (7) A description of the benchmarks established by each depot for capital investment and the relations of the benchmarks to applicable performance methods used in the private sector.

The committee directs the Comptroller General to evaluate this report and provide comment and analysis to the congressional defense committees no later than 90 days after the Secretary of Defense submits the report.

#### High Altitude Aviation Training

The committee is aware that a portion of non-hostile losses of Army rotary winged aircraft in Operation Enduring Freedom and Operation Iraqi Freedom are related to operations in high elevations and mountainous terrain. The committee believes that high altitude aviation training can reduce the number of the accidents by ensuring that crews are properly trained and current in the procedures for operating in such a challenging environment. Therefore, the committee requests the Secretary of the Army provide a report

on high altitude aviation training to the congressional defense committees by December 15, 2006. The report should include:

(1) The current location and type of high altitude training, to include the percentage of pilots who receive such training on an annual basis at each location and the types of aircraft used in such training;

(2) The number and type of helicopters required to provide the high altitude aviation training needed to sustain the war strategies contained in the 2006 Quadrennial Defense Review, assuming that priority for such training is given to commanders, instructor pilots, aviation safety officers, and deploying units; and

(3) A thorough evaluation of the accident rates for deployed Army helicopter pilots who received high altitude training and deployed helicopter pilots who did not receive such training, including the number of accidents related to power management, using high and low estimates and the number of accidents involving combat and non-combat environments.

#### National Space Studies Center Study

The committee is well aware of the increasing reliance on space to support both our warfighters and our global economy and believes that it is imperative to have a comprehensive understanding of how dependence on space assets, both military and commercial, can impact U.S. national security and economic security. Therefore, the committee directs the Secretary of Defense, through the National Space Studies Center, to expand ongoing efforts to assess the value of space contributions with emphasis on the United States dependence on space, innovative ideas contributing to ensuring freedom of action in space, and integration of all space forces.

### LEGISLATIVE PROVISIONS

#### SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

##### Section 301—Operation and Maintenance Funding

This section would authorize \$129.8 billion in operation and maintenance funding for the military departments and defense-wide activities.

##### Section 302—Working Capital Funds

This section would authorize \$2.6 billion for working capital funds of the Department of Defense and the National Defense Sealift Fund.

##### Section 303—Other Department of Defense Programs

This section would authorize \$22.4 billion for other Department of Defense Programs for (1) the Defense Health Program; (2) Chemical Agents and Munitions Destruction; (3) Drug Interdiction and Counter-Drug Activities, Defense-Wide; and (4) the Defense Inspector General.

## SUBTITLE B—ENVIRONMENTAL PROVISIONS

## Section 311—Revision of Requirement for Unexploded Ordnance Program Manager

This section would rescind the authority extended to the Secretary of Defense to delegate the unexploded ordnance program manager position to one of the military departments. This section would also add research to the list of duties for this position.

## Section 312—Identification and Monitoring of Military Munitions Disposal Sites in Ocean Waters Extending From United States Coast to Outer Boundary of Outer Continental Shelf

This section would require the Secretary of Defense to identify, research, monitor, and provide navigational and safety information on conventional and chemical military munitions disposal sites in the ocean waters that extend from the United States coast to the outer boundary of the outer continental shelf. Specifically, it would require the Secretary to review historical records to determine the number and probable locations of disposal sites, the size of these sites, and the types and quantities of military munitions disposed of at these sites. The Secretary shall release periodically to the public and submit annually to Congress the information obtained in this review. This section would also require the Secretary to cooperate with the National Oceanic and Atmospheric Administration to inform those who use the ocean environment of known or potential hazards. Finally, this section would require the Secretary to conduct research on the effects of military munitions, and to monitor certain disposal sites to recognize and track potential contamination.

## Section 313—Reimbursement of Environmental Protection Agency for Certain Costs in Connection With Moses Lake Wellfield Superfund Site, Moses Lake, Washington

This section would authorize the Secretary of Defense to transfer not more than \$111,114.03 to the Moses Lake Wellfield Superfund Site, 10–6J Special Account, to reimburse the Environmental Protection Agency for costs incurred in overseeing a remedial investigation and feasibility study performed by the Department of the Army.

## Section 314—Funding of Cooperative Agreements Under Environmental Restoration Program

This section would amend section 2701(d)(2) of title 10, United States Code, to allow cooperative agreements entered into for environmental restoration at defense facilities to extend beyond the present two-year limitation when the agreements are funded out of either the Department of Defense Base Closure Account 1990 or the Department of Defense Base Closure Account 2005.

Section 315—Analysis and Report Regarding Contamination and Remediation Responsibility for Norwalk Defense Fuel Supply Point, Norwalk, California

This section would require the Secretary of the Air Force to report to Congress not later than January 30, 2007, on matters relating to contamination and remediation of property at the Norwalk Defense Fuel Supply Point in Norwalk, California. This section would also prohibit the Secretary from conveying the property by public auction before pursuing a fair market value transfer of the property to the city of Norwalk, submitting the report required, and providing an explanation of why efforts to transfer the property to the city have not been successful.

SUBTITLE C—WORKPLACE AND DEPOT ISSUES

Section 321—Extension of Exclusion of Certain Expenditures From Percentage Limitation on Contracting for Depot-Level Maintenance

This section would extend for five years the authority to exclude amounts expended for the performance of depot-level maintenance and repair workload by non-federal government personnel at a Center of Industrial and Technical Excellence from the percentage limitation in section 2466(a) of title 10, United States Code, if the personnel performing the work are provided pursuant to a public-private partnership.

Section 322—Minimum Capital Investment for Air Force Depots

This section would require the Secretary of the Air Force to invest a minimum of six percent of the total revenue of the Air Force depots in the capital investment budget to improve or sustain depot maintenance facilities, equipment, or processes.

Section 323—Extension of Temporary Authority for Contractor Performance of Security Guard Functions

This section would amend subsection 332(c) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107-314) to extend the temporary authority to contract for increased performance of security guard functions. The authority would expire at the end of fiscal year 2008. This section would require the Secretary of Defense to submit a report by February 1, 2007, to the Senate Committee on Armed Services and House Committee on Armed Services detailing progress towards implementing the recommendations of the Government Accountability Office report entitled, “Army’s Guard Program Requires Greater Oversight and Reassessment of Acquisition Approach.” The extension of authority granted in this section would not be effective until the report is submitted to the Senate Committee on Armed Services and the House Committee on Armed Services.

## SUBTITLE D—REPORTS

## Section 331—Report on Nuclear Attack Submarine Depot Maintenance

This section would require the Secretary of the Navy to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by February 1, 2007, on criteria used when a nuclear attack submarine is sent for maintenance to a facility other than a facility located at the homeport of the submarine.

## Section 332—Report on Navy Fleet Response Plan

This section would require the Secretary of the Navy to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by December 1, 2006, on the Navy Fleet Response Plan. The committee expects the report would include assessments from senior enlisted officers, for example chief engineers and command master chiefs, who served on aircraft carriers, destroyers and cruisers that participated in the Fleet Response Plan regarding the following:

- (1) material condition of the ship;
- (2) maintenance of the ship;
- (3) en-route training;
- (4) professional development training available on the ship;
- (5) combat skill training;
- (6) personnel assignments and manning;
- (7) retention of personnel; and
- (8) suggestions for improvement.

This section would also require the Comptroller General to submit a review of the Secretary of the Navy report to the Senate Committee on Armed Services and the House Committee on Armed Services that includes a recommendation on the extension of the Fleet Response Plan to expeditionary strike groups by March 15, 2007. Finally, this section would postpone the expansion of the Fleet Response Plan beyond the carrier strike groups until October 1, 2007.

The committee has concerns regarding expansion of the Fleet Response Plan to other ships beyond those in a carrier strike group. The committee notes the Navy has neither fully tested and evaluated the Fleet Response Plan nor formally implemented the required operational, training and personnel directives to manage this program.

## Section 333—Report on Navy Surface Ship Rotational Crew Programs

This section would require the Secretary of the Navy to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by April 1, 2007, on ship rotational crew experiments. This section would also require the Comptroller General to submit an assessment of the Secretary of Navy's report to the Senate Committee on Armed Services and the House Committee on Armed Services by July 15, 2007.

This section would further require the Director of the Congressional Budget Office to submit a report to the Senate Committee

on Armed Services and the House Committee on Armed Services that examines long-term benefits and costs of surface ship crew rotational programs by July 15, 2007. Finally, this section would postpone the implementation of any new surface ship rotational crew experiment or program until October 1, 2009.

The committee is concerned about the expansion of the surface ship rotation crew program formally known as Sea Swap to other surface ships. Potential disadvantages of Sea Swap include extensive wear and tear on the deployed ship due to a lengthy period of time at sea, reduced sense of crew ownership of a given ship, reduced opportunities for transit port calls and a negative impact on crew morale and retention.

#### Section 334—Report on Army Live-Fire Ranges in Hawaii

This section would require the Secretary of the Army to submit a report to Congress by March 1, 2007, on the adequacy of live-fire training facilities in the state of Hawaii in relation to current and future training requirements, and plans for modifications or additions to the live-fire training infrastructure in Hawaii.

#### Section 335—Comptroller General Report on Joint Standards and Protocols for Access Control Systems at Department of Defense Installations

This section would require the Comptroller General to submit a report to the Senate Committee Armed Services and the House Committee on Armed Services within one year of enactment of this Act, on joint standards and protocols for access control systems at Department of Defense (DOD) installations. The report would contain an assessment of whether the establishment of joint standards and protocols for access control at DOD installations would improve access control across all installations by providing greater consistency and improved force protection.

#### Section 336—Report on Personnel Security Investigations for Industry and National Industrial Security Program

This section would require the Secretary of Defense to submit, within 90 days of enactment, a report on the future requirements of the Department of Defense with respect to the Personnel Security Investigations for Industry and the National Security Investigations for Industry Security Program of the Defense Security Service. The report would be delivered to the congressional defense committees, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

This report would include an accounting of clearance investigations completed, the number of each type of clearance granted, the unit cost of each clearance granted, the unit cost to the Department of Defense of each security clearance granted, the amount of any fee or surcharge paid by the Office of Personnel Management as a result of conducting a personnel security clearance investigation, a description of the procedures used to estimate future investigations to be performed, and a plan for meeting increased demand of clearances. It would also require subsequent semi-annual reports on future funding requirements, backlog size, and progress toward meet-

ing implemented changes in the investigation process. Lastly, it would require the Government Accountability Office to examine the Department's plan and to conduct an independent assessment after the initial report is submitted by the Department of Defense.

The Committee recommends that the Office of Management and Budget further open and extend its review and reform efforts for the security clearance process to include the appropriate external expert sources such as defense contractors, academic institutions, workforce providers, and research and development organizations to provide intelligence and resources to assist in the development of a new clear human capital management system, as current process does not fully address the needs and impacts of the institutions and organizations outside of the federal government and related agencies.

The committee is disappointed by an announcement that the Defense Security Service has suspended the processing of new clearances and is concerned about the potential impact on national security and the defense industrial base. The committee is concerned by the Defense Security Service's failure to warn Congress of this failure in advance so that the problem might have been averted. The committee remains committed to finding a solution to the problem of clearance investigations as soon as possible.

#### SUBTITLE E—OTHER MATTERS

##### Section 341—Department of Defense Strategic Policy on Prepositioning of Materiel and Equipment

This section would amend chapter 131 of title 10, United States Code, to require the Secretary of Defense to establish a comprehensive approach to Department of Defense (DOD) prepositioning programs. This section would also limit the diversion of materiel and equipment from prepositioned stocks except for the purpose of supporting a contingency operation, or in accordance with a change to the prepositioning policy required under this section. This section would require the Secretary to notify the congressional defense committees before implementing or changing the prepositioning policy. Finally, this section would require the Secretary to establish the prepositioning policy within six months after the enactment of this Act.

The committee recognizes that prepositioned materiel offers significant strategic flexibility, as demonstrated in Operation Iraqi Freedom. The committee is concerned, however, that there is a lack of clear DOD policy to guide the prepositioning programs of the services. Furthermore, the committee notes that the Secretary of Defense has failed to report on DOD prepositioned equipment and materiel as required in section 1046 of the Ronald W. Reagan National Defense Authorization Act of Fiscal Year 2005 (Public Law 108-375).

Additionally, the committee is discouraged by recent decisions regarding Army prepositioned stocks. For example, the Army recently programmed the download of an entire brigade set from its afloat prepositioned combat capability. Furthermore, the Government Accountability Office (GAO) testified before the Subcommittees on Readiness and Tactical Air and Land Forces on March 30, 2006, that the Army is making plans to reduce its contractor workforce

in Charleston, South Carolina, where it performs the maintenance on its afloat stocks. GAO also noted that the Army has a large military construction project well underway at a site in Italy, but the Army's draft prepositioning strategy identifies no significant prepositioning mission in Europe. The committee believes these recent changes to the Army prepositioning program, together with the continued challenge of maintaining the combat capability of the Army prepositioned stocks in Korea and Southwest Asia, contribute to a severe underinvestment in these assets.

**Section 342—Authority to Make Department of Defense Horses Available for Adoption at End of Useful Working Life**

This section would amend section 2583 of title 10, United States Code to include horses owned by the Department of Defense. The committee notes that currently private adoption of caisson horses from the 1st Battalion, 3rd United States Infantry Regiment is prohibited. The committee notes the contributions of these animals and their service to the public good.

**Section 343—Sale and Use of Proceeds of Recyclable Munitions Materials**

This section would authorize the Secretary of the Army to establish a separate program to sell recyclable munitions materials resulting from the demilitarization of conventional military munitions such as brass, scrap metal, propellants, and explosives. Furthermore, this section would credit the proceeds from the sales to the funds available to the Army for reclamation, recycling, and reuse of conventional military munitions. This process would be consistent with the Solid Waste Disposal Act, commonly referred to as the Resource Conservation and Recovery Act (42 U.S.C. 6901 *et seq.*) and its implementing regulations.

**Section 344—Capital Security Cost Sharing**

This section would require the Secretary of Defense to perform an annual accounting of Department of Defense (DOD) overseas staffing requirements in order to reconcile cost-sharing fees levied by the Secretary of State, in accordance with section 629(e)(1) of the Consolidated Appropriations Act, 2005 (Public Law 108-447).

**Section 345—Prioritization of Funds Within Navy Mission Operations, Ship Maintenance, Combat Support Forces, and Weapons System Support**

This section would require the Secretary of Navy to ensure that 100 percent of the requirements for steaming days per quarter for deployed and non-deployed ship operations and 100 percent of the projected ship and air depot maintenance workload are funded before funds appropriated to the Department of Navy for operation and maintenance may be expended for the Navy Expeditionary Combat Command. This section would also require the Secretary of Navy to submit a report with the annual budget request that certifies these requirements are fully funded.

The committee is aware that the Department of Navy has funded ship and air operations and depot maintenance below the oper-

ational requirements. For example, ship operation funding for deployed ships was funded at 71 percent of the requirement. Accordingly, carrier strike groups and expeditionary strike groups will be unable to fully execute missions in their assigned area of responsibility.

Against this backdrop, the committee has learned that the Department of Navy has expanded its role and function to ground and river combat missions. The Navy Expeditionary Combat Command was established on January 13, 2006, in order to expand the Navy's capabilities for participating in the global war on terrorism. The Navy will deploy Riverine Group 1 to patrol the waterways of Baghdad, Iraq in 2007. At the moment, these sailors have no boats, no manuals, and no past mission to draw experience from before they engage in combat operations.

While the committee understands the Department of Navy's desire to expand its role from the sea to the river and land, we have concerns that the traditional role and mission of the Navy is not being adequately funded.

#### Section 346—Prioritization of Funds Within Army Reconstitution and Transformation

This section would require the Secretary of the Army to fully fund in each fiscal year after fiscal year 2007 the reset of equipment used in the global war on terrorism, the fulfillment of equipment requirements for units transforming to modularity, and the reconstitution of prepositioned stocks. This section would require the Secretary to submit a report to the congressional defense committees at the time the budget request is transmitted to Congress. This report would provide information on the funding priorities described in this section and would be required annually until the requirements of these priorities are met. This section would also limit to \$2.85 billion the funds to be appropriated in any fiscal year after fiscal year 2007 for the Future Combat Systems (FCS) until the funding priorities described in this section are met in that fiscal year. If the Army does not meet this requirement, this section would require funds that were not expended for FCS to be used for the identified funding priorities.

For the purposes of this section, the requirements of the identified funding priorities shall be based on the following guidelines. The Army has testified, based on equipment combat losses and battle damage, that the amount needed in fiscal year 2006 to repair, recapitalize, and replace equipment used in the global war on terrorism is \$13.5 billion. The committee is also aware that a recent cost estimate to payback equipment to the reserve component in accordance with Department of Defense Directive 1225.6 is \$4.8 billion. The committee assumes that the current use of equipment in Operation Iraqi Freedom and Operation Enduring Freedom will continue at the same level as experienced in fiscal year 2006. Therefore, the committee calculates that at least \$72.3 billion over the fiscal year 2008 Future Years Defense Program would be required to adequately fund equipment reset in both the active and reserve components.

The committee considers the equipment requirements for units transforming to modularity to be those that were described in the Modular Force Initiative report submitted to Congress in March

2006. Additionally, the committee expects the Army to include the procurement of M1A2 Abrams SEP tanks and Bradley Fighting Vehicle A3s in the funding requirements for modularity. The cost estimate for equipment requirements for modularity stated in this section includes this additional requirement.

The committee also considers the requirement for the reconstitution of Army Prepositioned Stocks (APS) to be consistent with the materiel configuration outlined in APS Strategy 2012 or a subsequent strategy created in accordance with section 2229 of title 10, United States Code, a section added to title 10 in another section of this Act.

## TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

### OVERVIEW

The committee continues to believe that the manpower levels in the budget request for the active components of the Army and the Marine Corps are too low for the requirements placed on those services by the national security strategy. Beginning with the National Defense Authorization Act for Fiscal Year 2003, as passed by the House of Representatives, the committee has recommended active end strength levels, especially for the Army, greater than those requested. Similarly, the committee's recommendations for fiscal year 2007 increase the active Army end strength by six percent, and the Marine Corps end strength by nearly three percent above the budget request. In recognition of the integral roles and missions performed by the reserve components, the committee commends and supports the decision by the Secretary of the Army and the chief of staff of the Army to request an Army National Guard end strength of 350,000, and recommends an increase of \$789.0 million in Army National Guard personnel, operations and maintenance, defense health and procurement accounts to support the Army leadership's request.

### LEGISLATIVE PROVISIONS

#### SUBTITLE A—ACTIVE FORCES

##### Section 401—End Strengths for Active Forces

This section would authorize the following end strengths for active duty personnel of the armed forces as of September 30, 2007:

Service	FY 2006 authorized	FY 2007		Change from	
		Request	Committee recommendation	FY 2007 request	FY 2006 authorized
Army .....	512,400	482,400	512,400	30,000	0
Navy .....	352,700	340,700	340,700	0	– 12,000
USMC .....	179,000	175,000	180,000	5,000	1,000
Air Force .....	357,400	334,200	334,200	0	– 23,200
DOD .....	1,401,500	1,332,300	1,367,300	35,000	– 34,200

The authorizations contained in this section for the Army and Marine Corps exceed by 30,000 and 5,000 respectively the end