

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

ITEM OF SPECIAL INTEREST

Sale of Strategic and Critical Materials

The National Defense Stockpile (NDS) operates under authority of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98, et seq.). The Act mandates the maintenance of a stockpile of strategic and critical materials to decrease, and preclude, when possible, dependence upon foreign sources for supplies in times of national emergency. The Defense National Stockpile Center, a field activity of the Defense Logistics Agency, conducts the sale of strategic and critical materials in the NDS. Over 95 percent of the materials currently in the NDS have been determined to be in excess to the Department of Defense's (DOD) needs and are now being disposed. In the committee report (H. Rept. 109–89) accompanying the National Defense Authorization Act for Fiscal Year 2006, the committee noted concern with the increasing reliance on foreign sources of supply, particularly with respect to titanium, for defense programs. In addition, the report directed the Secretary of Defense to review DOD's current policy to dispose of material and determine whether the NDS should be re-configured to adapt to current world market conditions to ensure future availability of materials required for defense needs. The committee notes that this report was not delivered and again urges the Secretary to submit the report to the Senate Committee on Armed Services and the House Committee on Armed Services.

LEGISLATIVE PROVISIONS

Section 3301—Authorized Uses of National Defense Stockpile Funds

This section would authorize \$52.1 million from the National Defense Stockpile Transaction Fund for the operation and maintenance of the National Defense Stockpile for fiscal year 2007. This section would also permit the use of additional funds for extraordinary or emergency conditions 45 days after Congress receives notification.

Section 3302—Revision of Limitations to Required Receipt Objectives for Previously Authorized Disposals from National Defense Stockpiles

This section would authorize revisions on limitations in asset sales contained in section 3303 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) as amended by section 3402(f) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65), and section 3304(c) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107).

This section would also authorize revisions on limitations in asset sales contained in section 3305(a)(5) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85), as amended by section 3305 of the National Defense Authorization Act for Fiscal Year for Fiscal Year 2002 (Public Law 107–107).

This section would further authorize revisions on limitations in asset sales contained in section 3303(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261), as amended by section 3302 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108-375), and section 3302(a) of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163).

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISIONS

Section 3401—Authorization of Appropriations

This section would authorize \$18.8 million for fiscal year 2007 for the operation and maintenance of the Naval Petroleum and Oil Shale Reserves.

TITLE XXXV—MARITIME ADMINISTRATION

ITEM OF SPECIAL INTEREST

Fuel Assistance Payments to State and Regional Maritime Academies

Section 3502 of the National Defense Authorization Act for Fiscal Year 2006, (Public Law 109-163) required the Secretary of Transportation to make payments on an graduated basis to the six state maritime academies for fuel costs for the operation of the academies' training vessels. Section 3502 specifically required the Secretary to make a payment to each school this upcoming fiscal year in an amount of \$0.2 million. This is an increase of \$0.1 million from the amount provided for fiscal year 2006. While there may not be a specific appropriation for this expenditure in the upcoming fiscal year, the Secretary has the authority to make these payments. The committee expects the Secretary to make these payments to maritime academies, in the maximum amount provided by the National Defense Authorization Act for Fiscal Year 2006, (Public Law 109-163), as soon as the applicable appropriations act is signed into law. For an agency like the Maritime Administration, with a budget exceeding several hundred million dollars, a payment of this magnitude should not be resisted. With fuel costs at or near an all time high, payments by the Maritime Administration to these six schools, located in Massachusetts, Maine, New York, Texas, Michigan, and California, are critical to the continued ability of these schools to operate.

LEGISLATIVE PROVISIONS

Section 3501—Authorization of Appropriations for Fiscal Year 2007

This section would authorize a total of \$164.4 million for fiscal year 2007, an increase of \$19.5 million above the budget request. Of the funds authorized, \$25.7 million would be for the disposal of obsolete vessels. Within the funds included for operation and training programs, the committee recommends \$19.5 million to provide for the establishment and reimbursement of non-emergency repairs