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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2002

REPORT

[TO ACCOMPANY S. 1416]

ON

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 2002 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CONSTRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY, TO PRESCRIBE PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR FOR THE ARMED FORCES, AND FOR OTHER PURPOSES

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CONTENTS

	Page
Purpose of the Bill	1
Committee overview and recommendations	2
Fiscal year 2002 budget request	3
Committee review and recommendations	4
Improving the compensation and quality of life of U.S. forces and their families	4
Increasing military pay	5
Increasing the basic allowance for housing	5
Expanding education benefits for military families	5
Improving military facilities and family housing	5
Improving defense health care	6
Sustaining the readiness of U.S. forces	6
Improving the readiness of aviation forces	6
Training improvements	6
Improving the readiness of naval forces	6
Improving the readiness of the bomber force	7
Reductions in strategic nuclear forces	7
Improving the readiness of space launch facilities	8
Improving the readiness of the Guard and Reserve	8
Transforming U.S. forces	8
Modernization	8
Developing revolutionary military capabilities	9
Sustaining Army transformation	9
Transforming naval forces	10
Unmanned vehicle initiatives	10
Improving the capability of U.S. forces to meet nontraditional threats	11
Combating terrorism initiative	11
Combating proliferation of weapons of mass destruction	13
Other initiatives to meet nontraditional threats	13
Ballistic missile defense	13
Improving the efficiency of DOD programs and operations	15
Base realignment and closure	16
Service contracts	16
Acquisition reform	17
Making better use of modernization funding	17
Financial management systems	17
Explanation of funding summary	18
Division A—Department of Defense Authorizations	27
Title I—Procurement	27
Explanation of tables	27
Subtitle A—Authorization of Appropriations	27
Chemical agents and munitions destruction, Defense (sec. 106)	27
Subtitle B—Army Programs	28
Army Aircraft	48
UH–60 Black Hawk	48
TH–67 training helicopter	48
AH–64 Apache modifications	48
CH–47 cargo helicopter modifications (multiyear program)	48
CH–47 cargo helicopter modifications (multiyear program) (advanced procurement)	49
Longbow	49
Avionics support equipment	49
Army Missiles	49
STINGER system summary	49

Page

Title I—Procurement—Continued
Subtitle B—Army Programs—Continued
Army Missiles—Continued
Line of sight anti-tank system summary 50
Multiple launch rocket system 50
Army tactical missile system—system summary 50
AVENGER modifications 50
Tube-launched, optically tracked, wire command-link guided, improved target acquisition system modifications 51
Multiple launch rocket system modifications 51
Army Ammunition 51
Remote area denial artillery munition 51
Artillery ammunition 51
Anti-personnel obstacle breaching system 52
Other Army Procurement 52
Heavy expanded mobile tactical truck extended service program . 52
Super high frequency terminals 52
Secure enroute communications package 52
Army data distribution system (data radio) 53
Area common user system modifications program 53
Tactical unmanned aerial vehicle procurement 53
Long range advanced scout surveillance system 54
Subtitle C—Navy Programs 54
Virginia class submarine program (sec. 121) 76
Multiyear procurement authority for F/A–18E/F aircraft engines (sec. 122) 76
V–22 Osprey aircraft (sec. 123) 76
Other Navy Programs 80
Navy Aircraft 80
Integrated defensive electronic countermeasures 80
Navy joint primary aircraft training system 80
EA–6B aircraft ALQ–99 band 9/10 transmitters 81
EA–6B aircraft structural modifications 81
AV–8B precision targeting pod 82
P–3 aircraft modifications 82
Navy Weapons 83
Hellfire missiles 83
Weapons industrial facilities 83
Close-in weapons system modifications 83
Gun mount modifications 84
Navy Shipbuilding and Conversion 84
Trident submarine conversion 84
Other Navy Procurement 85
AN/WSN–7B inertial navigation system 85
Ship integrated condition assessment system 86
Ship engineering control and surveillance system 86
High resolution side-scan sonar for detecting sea mines 86
Tactical communications onboard trainer 87
AN/BPS–15H integration into tactical integrated digital system .. 87
AN/SPS–73(V) surface search radar 87
Sonobuoys 87
SPQ–9B radar 88
NULKA anti-ship missile decoy system 88
Subtitle D—Air Force Programs 88
Multiyear procurement authority for C–17 aircraft (sec 131) 102
Other Air Force Programs 102
Air Force Aircraft 102
C–130J 102
Predator unmanned aerial vehicle 103
B–52 103
F–15 aircraft modifications 103
F–16 aircraft modifications 104
C–17 simulator 104
Joint surveillance target attack radar system 105
Defense Airborne Reconnaissance Program 105
Air Force Missiles 105
Minuteman III modifications 105
Peacekeeper Ballistic Missile 106

Page

Title I—Procurement—Continued
Other Air Force Programs—Continued
Air Force Missiles—Continued
Wideband gapfiller satellites 106
Other Air Force Procurement 106
Base information infrastructure 106
Spacelift range systems 106
Night vision goggles 107
Spacetrack 107
Subtitle E—Other Matters 107
Extension of pilot program on sales of manufactured articles and services of certain Army industrial facilities (sec. 141) 113
Defense-Wide Programs 113
CV–22 procurement 113
Multiband intra/inter team radio procurement 113
Advanced lightweight grenade launcher 113
Special operations peculiar M4A1 carbine modification procurement 114
Chemical-biological individual protective equipment 114
Chemical-biological protective shelters 114
Defense Production Act 115
Laser additive manufacturing initiative 115
Other Items of Interest 115
Acquisition programs at the National Imagery and Mapping Agency 115
Acquisition programs at the National Security Agency 116
Air Force C–130 roadmap 119
Arleigh Burke-class destroyer procurement 119
Ejection seats for training aircraft 120
Family of medium tactical vehicles A1 Production and Competitive Rebuy 120
Mobility requirements for fiscal year 2005 121
Multi-cellular geocomposite containment units 121
USS Cole damage control lessons learned 122
Explanation of tables 123
Subtitle A—Authorization of Appropriations 123
Subtitle B—Program Requirements, Restrictions and Limitations 125
F–22 aircraft program (sec. 211) 125
C–5 aircraft reliability enhancement and reengining (sec. 212) 125
Review of alternatives to the V–22 Osprey aircraft (sec. 213) 126
Joint biological defense program (sec. 214) 126
Subtitle C—Missile Defense 126
Ballistic missile defenses 126
The Anti-Ballistic Missile Treaty 127
Ballistic missile defense funding 129
Presidential certification and expedited congressional approval process for certain uses of ballistic missile defense funds (sec. 221) 131
Program elements and procurement budget displays for ballistic missile defense (sec. 222) 132
Ballistic missile defense research and development program baseline document (sec. 223) 133
Annual program plan for ballistic missile defense research and development program (sec. 224) 133
Subtitle D—Other Matters 134
Technology transition initiative (sec. 231) 134
Communication of safety concerns between operational testing and evaluation officials and program managers (sec. 232) 135
Additional Matters of Interest 135
Army 135
Composite materials basic research 146
Advanced materials research for future combat systems 146
Compact kinetic energy missile 146
Commercially-based tactical truck 146
Tungsten alloy penetrator 147
Coolers for portable military applications 147
Ground vehicle batteries 147
Wireless technology testbed 148
Geosciences and atmospheric research 148
Arthropod-borne infectious disease control 148

Page

Title I—Procurement—Continued
Additional Matters of Interest—Continued
Army—Continued
Personal navigation for the objective force warrior 148
Unmanned aerial vehicle wideband radio frequency network 148
Combat vehicle technology development and support 149
Mobile parts hospital 149
Army technology for environmental enhancements 149
Plasma energy pyrolysis system 149
Comanche 149
Javelin 150
Movement tracking system 150
Night vision systems engineering development 150
BAT brilliant anti-armor submunition 150
Programwide activities 150
Combat vehicle improvement programs 151
Aircraft modifications/product improvement program 151
Aircraft engine component improvement program 151
Rapid acquisition program for transformation 152
Information operations training 152
Tactical unmanned aerial vehicle development 153
Navy 153
Navy research and development budget justification material 167
Marine mammal research 169
Ocean observing program 169
Integrated biological and chemical defense technology platform ... 169
Data fusion 169
Advanced personal communicator 169
Bioenvironmental hazards research 170
Nanotechnology research 170
Training immersion facility 170
Electronics research for naval applications 170
Ship service fuel cell technology trainer 171
Advanced composite modular ship hulls 171
DDG–51 class rudder improvement 171
Laser welding and cutting for ship manufacturing 172
Technology demonstration for future ship systems 172
Ocean modeling research for mine and expeditionary warfare 172
Deployable joint command and control 172
Electromechanical actuators 173
Submarine composite sail 173
Neutralization of facility threats 173
Urban operations environment research 174
Ship-based missile fire support for ashore forces 174
Budget technical adjustment 175
Aircrew systems development 175
Power node control centers 175
Shipboard personnel tracking and location system 175
Aegis operational readiness test system 176
Joint air-to-surface standoff missile 176
Standard missile advanced optical correlator 176
Submarine antenna technology improvement 176
Submarine tactical information management 177
Navy common command and decision system 177
Submarine combat systems modernization 177
Infrared search and track 177
NULKA anti-ship missile decoy system 178
Navy single integrated human resources strategy 178
Budget technical adjustment 179
Supply chain best practices 179
Nanotechnology for consequence management 179
Strategic submarine and weapons system support 179
Joint helmet mounted cueing system 179
MK–48 advanced capability torpedo development 180
Marine Corps communications systems 180
Vertical takeoff and landing tactical unmanned aerial vehicle development 181
Modeling and simulation 181

Page

Title I—Procurement—Continued
Additional Matters of Interest—Continued
Air Force 181
Aerospace materials manufacturing and research 192
Information protection and authentication 192
Aluminum aerostructures 192
Fly-by-light actuators 192
B–2 Spirit 193
Precision location and identification program 193
Panoramic night vision goggles 194
Joint Strike Fighter 194
Evolved expendable launch vehicle 196
squadrons 196
research 197
Spacelift range system 197
Dragon U–2 197
Global Hawk high-altitude endurance unmanned aerial vehicle 197
Spacetrack 198
NUDET detection system 198
KC–135 research and development 199
Defense-Wide 200
Ballistic missile defense funding adjustments 213
Boost defense segment 213
Space-based kinetic kill 213
Sea-based boost 213
Space-based laser 213
Airborne laser 213
Midcourse defense segment 214
Navy theater-wide 214
Ground-based midcourse system 216
2004 testbed testing 216
Sensors segment 216
Space-based infra-red system, low component 216
Terminal segment 217
Theater high altitude area defense 217
Arrow 218
Terminal defense segment program operations 218
Ballistic missile defense system 219
Ballistic missile defense advanced technology 219
Thermionic technology 219
Magdalena Ridge Observatory 220
Short-range missile defense 220
Tactical high energy laser 220
Software defined radio 220
Patriot air and missile defense 220
Aerostat design and manufacturing 221
Advanced research center 221
Space and missile defense battle lab 221
Airborne infrared surveillance system 221
Liquid fueled target program 222
Bottom anti-reflective coatings for circuit boards 222
Ultra-flat planarization technology 222
Atmospheric interceptor technology 222
National nanotechnology initiative 222
Nanotechnology research and development 224
Three-dimensional microelectronics 224
Radiation hardened electronics 224
Combating nontraditional and asymmetric threats 225
Combating Terrorism Technology Support Working Group 225
Chemical and Biological Defense Program 225
Naval unmanned combat air vehicle 227
Complex systems design 227
Competitiveness sustainment initiative 227
Unmanned ground combat vehicle 228
Environmental security technology certification program 228
Budget technical adjustments 229
Regional pilot program for infrastructure protection 229
Broadcast-request imagery technology experiment 229

Page

Title I—Procurement—Continued
Additional Matters of Interest—Continued
Defense-Wide—Continued
Intelligent spatial technologies for smart maps 230
Budget technical adjustments 230
CV–22 research and development 230
Digital imagery systems 231
Other Items of Interest 231
Air Force science & technology planning and investments 231
Defense/Industry fuel cell partnership 232
Navy shipbuilding requirements and transformation 232
Networking and information technology research and development 234
Reusable Launch Vehicles 234
Review of mine countermeasures plans and programs 235
Track conversion system for lightweight wheeled vehicles 236
Title III—Operation and Maintenance 237
Explanation of tables 237
Summary of National Defense Authorization for FY 2000 237
Subtitle A—Authorization of Appropriations 276
Armed Forces Retirement Home (sec. 303) 276
Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees (sec. 304) 276
Amount for impact aid for children with severe disabilities (sec. 305) 276
Subtitle B—Environmental Provisions 276
Establishment in environmental restoration accounts of sub-accounts for unexploded ordnance and other related constituents (sec. 311) 276
Assessment of environmental remediation of unexploded ordnance and related constituents (sec. 312) 276
Department of Defense energy efficiency program (sec. 313) 277
Extension of pilot program for the sale of air pollution emission reduction incentives (sec. 314) 277
Reimbursement of Environmental Protection Agency for certain response costs in connection with Hooper Sands Site, South Berwick, Maine (sec. 315) 278
Conformity of surety authority under environmental restoration program with surety authority under Superfund (sec. 316) 278
Procurement of alternative fueled and hybrid electric light duty trucks (sec. 317) 278
Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities 279
Rebate agreements with producers of foods provided under the special supplemental food program (sec. 321) 279
Reimbursement for use of commissary facilities by military departments for purposes other than commissary sales (sec. 322) 279
Public releases of commercially valuable information of commissary stores (sec. 323) 279
Subtitle D—Other Matters 280
Codification of authority for Department of Defense support for counterdrug activities of other agencies (sec. 331) 280
Exclusion of certain expenditures from limitation on private sector performance of depot-level maintenance (sec. 332) 280
Repair, restoration, and preservation of Lafayette Escadrille Memorial, Marnes la-Coquette, France (sec. 333) 280
Implementation of the Navy-Marine Corps Intranet contract (sec. 334) 281
Additional Matters of Interest 281
Battlefield mobility enhancement program 281
Civilian underexecution 282
Corrosion prevention 282
Foreign currency fluctuation 283
Personal gear for servicemembers 283
Army 283
Objective force task force 283
Interim brigade combat team training 283
Army installation security 284
Navy 284
Surface ship depot maintenance 284

Page

Title III—Operation and Maintenance—Continued
Additional Matters of Interest—Continued
Navy—Continued
Mk–45 gun overhauls 284
Shipyard apprentice program 284
Navy explosive detectors 284
Surf Eagle for the Naval Oceanographic Office 285
Marine Corps 285
USMC initial issue 285
USMC depot maintenance 285
Air Force 286
Spacelift range facilities 286
Civil Air Patrol 286
Defense-Wide 286
Special operations combating terrorism training 286
Commercial imagery to support military requirements 287
Information security scholarship program 287
Defense information services agency 288
Washington Headquarters Services 288
Guard and Reserve Components 288
B–1B Lancer bomber 288
Miscellaneous Additional Items of Interest 289
Drug Interdiction and Counterdrug Activities 289
Kaho'olawe Island trust fund 289
Cultural and historic activities 289
Fuel savings 289
Other Items of Interest 290
Common access cards 290
Defense Environmental Security Corporate Information Management Program 290
Environmental compliance funding 291
Factors affecting military training practices 291
Movement of household goods 292
Rocky Mountain Arsenal 292
Ship disposal project 292
Shipyard maintenance 293
St. Louis Army Ammunition Plant 294
Use of advanced battery systems for energy storage 294
Winter Harbor, Maine 294
Title IV—Military Personnel Authorizations 295
Subtitle A—Active Forces 295
End strengths for active forces (sec. 401) 295
Authorized daily average active duty strength for Navy enlisted members in pay grade E–8 (sec. 402) 295
Subtitle B—Reserve Forces 295
End strengths for Selected Reserve (sec. 411) 295
End strengths for reserves on active duty in support of the reserves (sec. 412) 296
End strengths for military technicians (dual status) (sec. 413) 296
Fiscal Year 2002 limitation on non-dual status technicians (sec. 414) . 297
Limitations on numbers of reserve personnel serving on active duty or full-time national guard duty in certain grades for administration of reserve components (sec. 415) 297
Strength and grade limitation accounting for reserve component members on active duty in support of a contingency operation (sec. 416) 297
Subtitle C—Authorization of Appropriations 298
Authorization of appropriations for military personnel (sec. 421) 298
Title V—Military Personnel Policy 298
Subtitle A—Officer Personnel Policy 298
General officer positions (sec. 501) 298
Reduction of time-in-grade requirement for eligibility for promotion of first lieutenants and lieutenants (junior grade) (sec. 502) 298
Promotion of officers to the grade of captain in the Army, Air Force, or Marine Corps or to the grade of lieutenant in the Navy without selection board action (sec. 503) 298
Authority to adjust date of rank (sec. 504) 298
Extension of deferments of retirement or separation for medical reasons (sec. 505) 299

Page

Title V—Military Personnel Policy—Continued
Subtitle A—Officer Personnel Policy—Continued
Exemption from administrative limitations of retired members ordered to active duty as defense and service attachés (sec. 506) 299
Certifications of satisfactory performance for retirements of officers in grades above major general and rear admiral (sec. 507) 299
Effective date of mandatory separation or retirement of regular officer delayed by a suspension of certain law under emergency authority of the President (sec. 508) 299
Detail and grade of officer in charge of the United States Navy Band (sec. 509) 300
Subtitle B—Reserve Component Personnel Policy 300
Reauthorization and expansion of temporary waiver of the requirement for a baccalaureate degree for promotion of certain reserve officers of the Army (sec. 511) 300
Status list of reserve officers on active duty for a period of three years or less (sec. 512) 300
Equal treatment of reserves and full-time active duty members for purposes of managing deployments of personnel (sec. 513) 300
Modification of physical examination requirements for members of the Individual Ready Reserve (sec. 514) 300
Members of reserve components afflicted while remaining overnight at duty station within commuting distance of home (sec. 515) 301
Retirement of reserve personnel without request (sec. 516) 301
Space-required travel by reserves on military aircraft (sec. 517) 301
Subtitle C—Education and Training 301
Improved benefits under the Army College First program (sec. 531) ... 301
Repeal of limitation on number of Junior Officers' Training Corps 302
Acceptance of fellowships, scholarships, or grants for legal education of officers participating in the Funded Legal Education Program (sec. 533) 302
Grant of degree by Defense Language Institute Foreign Language Center (sec. 534) 302
Authority for the Marine Corps University to award the degree of master of strategic studies (sec. 535) 302
Foreign persons attending the service academies (sec. 536) 302
Expansion of financial assistance program for health-care professionals in reserve components to include students in programs of education leading to initial degree in medicine or dentistry (sec. 537) 303
Pilot program for Department of Veterans Affairs support for graduate medical education and training of medical personnel of the armed forces (sec. 538) 303
Transfer of entitlement to educational assistance under Montgomery GI Bill by members of the armed forces with critical military skills (sec. 539) 303
Subtitle D—Decorations, Awards and Commendations 304
Authority for award of the Medal of Honor to Humbert R. Versace for valor during the Vietnam War (sec. 551) 304
Review regarding award of medal of honor to certain Jewish American war veterans (sec. 552) 304
Issuance of duplicate and replacement medals of honor (sec. 553) 304
Waiver of time limitations for award of certain decorations to certain persons (sec. 554) 305
Sense of the Senate on issuance of Korea Defense Service Medal (sec. 555) 305
Subtitle E—Funeral Honors Duty 305
Active duty end strength exclusion for reserves on active duty or full-time National Guard duty for funeral honors duty (sec. 561) 305
Participation of retirees in funeral honors details (sec. 562) 305
Benefits and protections for members in a funeral honors duty status (sec. 563) 305
Military leave for civilian employees serving as military members of funeral honors detail (sec. 564) 305
Subtitle F—Uniformed Services Overseas Voting 306
Sense of the Senate regarding the importance of voting by members of the uniformed services (sec. 571) 306
Uniform nondiscriminatory voting standards for administration of elections under State and local election systems (sec. 572) 306

Page

Title V—Military Personnel Policy—Continued
Subtitle F—Uniformed Services Overseas Voting—Continued
Guarantee of residence for military personnel (sec. 573) 306
Extension of registration and balloting rights for absent uniformed services voters to State and local elections (sec. 574) 306
Use of single application as a simultaneous absentee voter registration application and absentee ballot application (sec. 575) 306
Use of single application for absentee ballots for all Federal elections (sec. 576) 307
Electronic voting demonstration program (sec. 577) 307
Federal voting assistance program (sec. 578) 307
Subtitle G—Other Matters 307
Persons authorized to be included in surveys of military families regarding federal programs (sec. 581) 307
Correction and extension of certain Army recruiting pilot program authorities (sec. 582) 308
Offense of drunken operation of a vehicle, aircraft, or vessel under the Uniform Code of Military Justice (sec. 583) 308
Authority of civilian employees to act as notaries (sec. 584) 308
Review of actions of selection boards (sec. 585) 308
Acceptance of voluntary legal assistance for the civil affairs of members and former members of the uniformed services and their dependents (sec. 586) 309
Extension of Defense Task Force on Domestic Violence (sec. 587) 309
Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II (sec. 588) 309
Other Items of Interest 309
National Guard members of funeral honors detail 309
Notification to service members regarding adverse information 310
Title VI—Compensation and Other Personnel Benefits 311
Subtitle A—Pay and Allowances 311
Increase in basic pay for fiscal year 2002 (sec. 601) 311
Basic pay rate for certain reserve commissioned officers with prior service as an enlisted member or warrant officer (sec. 602) 311
Reserve component compensation for distributed learning activities performed as inactive-duty training (sec. 603) 311
Clarifications for transition to reformed basic allowance for subsistence (sec. 604) 311
Increase in Basic Allowance for Housing in the United States (sec. 605) 311
Clarification of eligibility for supplemental subsistence allowance (sec. 606) 312
Correction of limitation on additional uniform allowance for officers (sec. 607) 312
Payment for unused leave in excess of 60 days accrued by members of reserve components on active duty for one year or less (sec. 608) 312
Subtitle B—Bonuses and Special Incentive Pays 312
Extension of certain bonuses and special pay authorities for reserve forces (sec. 611) 312
Extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists (sec. 612) 313
Extension of special pay and bonus authorities for nuclear officers (sec. 613) 313
Extension of authorities relating to payment of other bonuses and special pays (sec. 614) 313
Hazardous duty pay for members of maritime visit, board, search, and seizure teams (sec. 615) 313
Submarine duty incentive pay rates (sec. 616) 313
Career sea pay (sec. 617) 313
Modification of eligibility requirements for Individual Ready Reserve bonus for re-enlistment, enlistment, or extension of enlistment (sec. 618) 314
Accession bonus for officers in critical skills (sec. 619) 314
Modification of the nurse officer candidate accession program restriction on students attending civilian educational institutions with Senior Reserve Officers Training programs (sec. 620) 314

Page

Title VI—Compensation and Other Personnel Benefits—Continued
Subtitle C—Travel and Transportation Allowances 314
Eligibility for temporary housing allowance while in travel or leave status between permanent duty stations (sec. 631) 314
Eligibility for payment of subsistence expenses associated with occupancy of temporary lodging incident to reporting to first permanent duty station (sec. 632) 314
Eligibility for dislocation allowance (sec. 633) 315
Allowance for dislocation for the convenience of the government at home station (sec. 634) 315
Travel and transportation allowances for family members to attend the burial of a deceased member of the uniformed services (sec. 635) 315
Family separation allowance for members electing unaccompanied tour by reason of health limitations of dependents (sec. 636) 315
Funded student travel for foreign study under an education program approved by a United States school (sec. 637) 315
Transportation or storage of privately owned vehicles on change of permanent station (sec. 638) 316
Subtitle D—Matters Relating to Retirement and Survivor Benefits 316
Payment of retired pay and compensation to disabled military retirees (sec. 651) 316
Subtitle E—Other Matters 316
Education savings plan for reenlistments and extensions of service in critical specialties (sec. 661) 316
Commissary benefits for new members of the Ready Reserve (sec. 662) 317
Authorization of transitional compensation and commissary and exchange benefits for dependents of commissioned officers of the Public Health Service and the National Oceanic and Atmospheric Administration who are separated for dependent abuse (sec. 663) 317
Title VII—Health Care 319
Subtitle A—TRICARE Benefits Modernization 319
Requirement for integration of benefits (sec. 701) 319
Domiciliary and custodial care (sec. 702) 319
Long-term care (sec. 703) 319
Extended benefits for disabled beneficiaries (sec. 704) 319
Conforming repeals (sec. 705) 319
Effective date (sec. 706) 319
Subtitle B—Other Matters 320
Repeal of requirement for periodic screenings and examinations and related care for members of Army reserve units scheduled for early deployment (sec. 711) 320
Clarification of eligibility for reimbursement of travel expenses of adult accompanying patient in travel for specialty care (sec. 712) ... 320
TRICARE program limitations on payment rates for institutional health care providers and on balance billing by institutional and non-institutional health care providers (sec. 713) 320
Two-year extension of health care management demonstration program (sec. 714) 320
Study of health care coverage of members of the Selected Reserve (sec. 715) 320
Study of adequacy and quality of health care provided to women under the Defense Health Program (sec. 716) 321
Pilot program for Department of Veterans Affairs support for Department of Defense in the performance of separation physical examinations (sec. 717) 321
Other Items of Interest 321
Defense Health Program simplification of claims processing procedures and communications 321
Electronic medical records 321
Funding the Defense Health Program 322
HIV/AIDS Oral Fluids Testing Pilot Program 322
Immunization against Hepatitis B 323
Trauma and medical care 323
Use of clinical decision support information tools 323
Title VIII—Acquisition Policy, Acquisition Management and Related Matters . 325
Subtitle A—Procurement Management and Administration 325

Page

Title VIII—Acquisition Policy, Acquisition Management and Related Matters—Continued
Subtitle A—Procurement Management and Administration—Continued
Management of procurements of services (sec. 801) 325
Savings goals for procurements of services (sec. 802) 325
Competition requirement for purchases pursuant to multiple award contracts (sec. 803) 327
Risk reduction at initiation of major defense acquisition program (sec. 804) 328
Follow-on production contracts for products developed pursuant to prototype projects (sec. 805) 329
Subtitle B—Defense Acquisition and Support Workforce 329
Report on implementation of recommendations of the Acquisition 2005 Task Force (sec. 811) 329
Moratorium on reduction of defense acquisition and support workforce (sec. 812) 330
Revision of acquisition workforce qualifications (sec. 813) 330
Applicability of competition requirements to purchases from a required source (sec. 821) 330
Consolidation of contract requirements (sec. 822) 331
Codification and continuation of Mentor-Protege Program as permanent program (sec. 823) 332
Subtitle D—Amendments to General Contracting Authorities Procedures, and Related Mattters 333
Amendments to conform with administrative changes in acquisition phase and milestone terminology and to make related adjustments in certain requirements applicable at milestone transition points (sec. 831) 333
Inapplicability of limitation to small purchases of miniature or instrument ball or roller bearings under certain circumstances (sec. 832) 333
Other Items of Interest 334
Continuity of service in critical acquisition positions 334
Direct payment of subcontractors 334
Internal controls on the use of credit cards 335
Title IX—Department of Defense Organization and Management 337
Deputy Under Secretary of Defense for Personnel and Readiness (sec. 901) 337
Responsibility of Under Secretary of the Air Force for Acquisition of space launch vehicles and space launch services (sec. 902) 337
Sense of Congress regarding the selection of officers for assignment as the Commander in Chief, United States Transportation Command (sec. 903) 337
Organizational realignment for Navy Director for Expeditionary Warfare (sec. 904) 338
Revised requirements for content of annual report on joint warfighting experimentation (sec. 905) 338
Suspension of reorganization engineering and technical authority policy within the Naval Sea Systems Command (sec. 906) 338
Conforming amendments relating to change of name of Air Mobility Command (sec. 907) 340
Title X—General Provisions 341
Subtitle A—Financial Matters 341
Transfer authority (sec. 1001) 341
Reduction in certain authorizations of appropriations for management efficiencies (sec. 1002) 341
Authorization of supplemental appropriations for fiscal year 2001 (sec. 1003) 341
United States contribution to NATO common-funded budgets in fiscal year 2002 (sec. 1004) 341
Clarification of applicability of interest penalties for late payment of interim payments due under contracts for services (sec. 1005) 342
Reliability of Department of Defense financial statements (sec. 1006) 342
Senior Financial Management Oversight Council and financial feeder systems compliance process (sec. 1007) 343
Combating terrorism readiness initiatives fund for combatant commands (sec. 1008) 343
Subtitle B—Strategic Forces 343

Page

Title X—General Provisions—Continued
Subtitle B—Strategic Forces—Continued
Repeal of limitation on retirement or dismantlement of strategic nuclear delivery systems (sec. 1011) 343
Bomber force structure (sec. 1012) 344
Additional element for revised Nuclear Posture Review (sec. 1013) 345
Subtitle C—Reporting Requirements 345
Information and recommendations on congressional reporting requirements applicable to the Department of Defense (sec. 1021) 345
Report on combating terrorism (sec. 1022) 346
Revised requirement for Chairman of the Joint Chiefs of Staff to advise Secretary of Defense on the assignment of roles and missions to the armed forces (sec. 1023) 346
Revision of deadline for annual report on commercial and industrial activities (sec. 1024) 346
Production and acquisition of vaccines for defense against biological warfare agents (sec. 1025) 347
Extension of times for Commission on the Future of the United States Aerospace Industry to report and to terminate (sec. 1026) 348
Subtitle D—Armed Forces Retirement Home 348
Amendment of Armed Forces Retirement Home Act of 1991 (sec. 1041) 348
Definitions (sec. 1042) 348
Revision of authority establishing the Armed Forces Retirement Home (sec. 1043) 348
Chief Operating Officer (sec. 1044) 349
Residents of Retirement Home (sec. 1045) 349
Local boards of trustees (sec. 1046) 349
Directors, Deputy Directors, and staff of facilities (sec. 1047) 349
Disposition of effects of deceased persons and unclaimed property (sec. 1048) 349
Transitional provisions (sec. 1049) 350
Conforming and clerical amendments and repeals of obsolete provisions (sec. 1050) 350
Amendments of other laws (sec. 1051) 350
Subtitle E—Other Matters 350
Requirement to conduct certain previously authorized educational programs for children and youth (sec. 1061) 350
Authority to ensure demilitarization of significant military equipment formerly owned by the Department of Defense (sec. 1062) 350
Conveyances of equipment and related materials loaned to state and local governments as assistance for emergency response to a use or threatened use of a weapon of mass destruction (sec. 1063) 351
Authority to pay gratuity to members of the Armed Forces and civilian employees of the United States for slave labor performed for Japan during World War II (sec. 1064) 352
Retention of travel promotional items (sec. 1065) 352
Other Items of Interest 352
Comptroller General report on policies and plans regarding the preparedness of military installations for incidents involving weapons of mass destruction 352
Department of Defense management reform initiatives 353
GAO report on advanced SEAL delivery system program 353
GAO Reports on National Reconnaissance Office and National Imagery and Mapping Agency Commissions 354
Military child care programs 354
Military spouse employment 355
Professional development and training of financial management personnel 355
Reach Out and Read Program 355
Secondary Education Transition Study 355
Title XI—Department of Defense Civilian Personnel Policy 357
Subtitle A—Intelligence Personnel 357
Authority to increase maximum number of positions in the Defense Intelligence Senior Executive Service (sec. 1101) 357
Continued applicability of certain civil service protections for employees integrated into the National Imagery and Mapping Agency from the Defense Mapping Agency (sec. 1102) 357

Page

Title XI—Department of Defense Civilian Personnel Policy—Continued
Subtitle B—Matters Relating to Retirement 357
Federal employment retirement credit for non-appropriated fund instrumentality service (sec. 1111) 357
Improved portability of retirement coverage for employees moving between civil service employment and employment by non-appropriated fund instrumentalities (sec. 1112) 357
Repeal of fiscal year 2003 limitation on exercise of voluntary separation incentive pay authority and voluntary early retirement authority (sec. 1113) 358
Subtitle C—Other Matters 358
Housing allowance for the chaplain for the corps of cadets at the United States Military Academy (sec. 1121) 358
Study of adequacy of compensation provided for teachers in the Department of Defense overseas dependents' schools (sec. 1122) 358
Pilot program for payment of retraining expenses incurred by employers of persons involuntarily separated from employment by the Department of Defense (sec. 1123) 358
Title XII—Matters Relating to Other Nations 359
Subtitle A—Cooperative Threat Reduction with States of the Former Soviet Union 359
Specification of Cooperative Threat Reduction programs and funds (sec. 1201) 359
Funding allocations (sec. 1202) 359
Chemical weapons destruction (sec. 1203) 359
Management of Cooperative Threat Reduction program and funds (sec. 1204) 360
Additional matter in annual report on activities and assistance under the Cooperative Threat Reduction programs. (Sec. 1205) 360
Subtitle B—Other Matters 361
Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities (sec. 1211) 361
Cooperative research and development projects with NATO and other countries (sec. 1212) 361
International cooperative agreements on use of ranges and other facilities for testing of defense equipment (sec. 1213) 361
Clarification of authority to furnish nuclear test monitoring equipment to foreign governments (sec. 1214) 361
Participation of government contractors in chemical weapons inspections at United States Government facilities under the Chemical Weapons Convention (sec. 1215) 361
Authority to transfer naval vessels to certain foreign countries (sec. 1216) 362
Title XIII—Contingent Authorization of Appropriations 363
Authorization of appropriations contingent on increased allocation of new budget authority (sec. 1301) 363
Reductions (sec. 1302) 364
Reference to Concurrent Resolution on the Budget for Fiscal Year 2002 (sec. 1303) 364
Division B—Military Construction Authorizations 364
Explanation of funding table 364
Summary of FY 2002 Military Construction Authorizations (in Thousands of Dollars) 366
Fiscal Year 2002 Authorization of Appropriations for Military Construction 367
Title XXI—Army 365
Summary 365
Authorized Army construction and land acquisition projects (sec. 2101) 365
Family housing (sec. 2102) 365
Improvement to military family housing units (sec. 2103) 365
Authorization of appropriations, Army (sec. 2104) 365
Modification of authority to carry out certain fiscal year 2001 projects (sec. 2105) 365
Title XXII—Navy 385
Summary 385
Authorized Navy construction and land acquisition projects (sec. 2201) 385

Page

Title XXII—Navy—Continued
Summary—Continued
Family housing (sec. 2202) 385
Improvements to military family housing units (sec. 2203) 385
Authorization of appropriations, Navy (sec. 2204) 385
Modification of authority to carry out certain fiscal year 2001 project (sec. 2205) 385
Modification of authority to carry out certain fiscal year 2000 project (sec. 2206) 386
Other Items of Interest 386
Planning and design, Navy 386
Unspecified minor construction, Navy 386
Title XXIII—Air Force 387
Summary 387
Authorized Air Force construction and land acquisition projects (sec. 2301) 387
Family housing (sec. 2302) 387
Improvements to military family housing units (sec. 2303) 387
Authorization of appropriations, Air Force (sec.2304) 387
Modification of authority to carry out fiscal year 2001 project (sec. 2305) 387
Other Items of Interest 388
Planning and design, Air Force 388
Title XXIV—Defense Agencies 389
Summary 389
Authorized Defense Agency construction and land acquisition projects (sec. 2401) 389
Energy conservation projects (sec. 2402) 389
Authorization of appropriations, Defense Agencies (sec. 2403) 389
Cancellation of authority to carry out certain fiscal year 2001 projects (sec. 2404) 390
Cancellation of authority to carry out certain fiscal year 2001 project (sec. 2405) 390
Modification of authority to carry out certain fiscal year 2000 projects (sec. 2406) 390
Modification of authority to carry out certain fiscal year 1999 projects (sec. 2407) 391
Modification of authority to carry out certain fiscal year 1995 project (sec. 2408) 391
Title XXV—North Atlantic Treaty Organization Security Investment Program 393
Summary 393
Authorized NATO construction and land acquisition projects (sec. 2501) 393
Authorization of appropriations, NATO (sec. 2502) 393
Title XXVI—Guard and Reserve Forces Facilities 395
Summary 395
Authorized Guard and Reserve construction and land acquisition projects (sec. 2601) 395
Other Items of Interest 395
Report on requirement for Regional Training Institute 395
Title XXVII—Expiration and Extension of Authorizations 397
Expiration of authorizations and amounts required to be specified by law (sec. 2701) 397
Extension of authorizations of certain fiscal year 1999 projects (sec. 2702) 397
Extension of authorizations of certain fiscal year 1998 projects (sec. 2703) 397
Effective date (sec. 2704) 397
Title XXVIII—General Provisions 397
Subtitle A—Military Construction Program and Military Family Housing Changes 397
Increase in thresholds for certain unspecified minor military construction projects (sec. 2801) 397
Unforseen environmental hazard remediation as basis for authorized cost variations for military construction and family housing construction projects (sec. 2802) 398
Repeal of requirement for annual reports to Congress on military construction and military family housing activities (sec. 2803) 398

Page

Title XXVIII—General Provisions—Continued
Subtitle A—Military Construction Program and Military Family Housing Changes—Continued
Authority available for lease of property and facilities under alternative authority for acquisition and improvement of military housing (sec. 2804) ... 398
Funds for housing allowances of members assigned to military family housing under alternative authority for acquisition and improvement of military housing (sec. 2805) ... 398
Subtitle B—Real Property and Facilities Administration ... 399
Availability of proceeds from sales of Department of Defense property when the installation where the property sold is closed (sec. 2811) . 399
Pilot efficient facilities initiative (sec. 2812) ... 399
Demonstration program on reduction in long-term facility maintenance costs (sec. 2813) ... 399
Subtitle C—Land Conveyances ... 400
Land conveyance, Engineer Proving Ground, Fort Belvoir, Virginia (sec. 2821) ... 400
Modification of authority for conveyance of Naval Computer and Telecommunications Station, Cutler, Maine (sec. 2822) ... 400
Land transfer and conveyance, Naval Security Group Activity, Winter Harbor, Maine (sec. 2823) ... 400
Conveyance of segment of Loring Petroleum Pipeline, Maine and related easements (sec. 2824) ... 401
Land conveyance, petroleum terminal serving former Loring Air Force Base and Bangor Air National Guard Base, Maine (sec. 2825) ... 401
Land conveyance, Naval Weapons Industrial Reserve Plant, Toledo, Ohio (sec. 2826) ... 401
Subtitle D—Other Matters ... 402
Development of United States Army Heritage and Education Center at Carlisle Barracks, Pennsylvania (sec. 2841) ... 402
Limitation on availability of funds for renovation of the Pentagon Reservation (sec. 2842) ... 402
Naming of Patricia C. Lamar Army National Guard Readiness Center, Oxford, Mississippi (sec. 2843) ... 402
Other Items of Interest ... 403
Competition in military housing privatization ... 403
Military unaccompanied housing privatization ... 403
Land acquisition moratorium ... 403
Review of need for military land withdrawals in Nevada ... 404
Title XXIX—Defense Base Closure and Realignment ... 405
Subtitle A—Modifications of 1990 Base Closure Law ... 405
Modifications of 1990 base closure law (secs. 2901–2904) ... 405
Subtitle B—Modification of 1988 Base Closure Law ... 407
Modification of 1988 base closure law (sec. 2911) ... 407
Other Items of Interest ... 407
Economic development conveyances ... 407
Division C—Department of Energy National Security Authorizations and Other Authorization ... 409
Title XXXI—Department of Energy National Security Programs ... 409
Atomic Energy Defense Activities ... 409
Subtitle A—National Security Programs Authorizations ... 410
National Nuclear Security Administration (sec. 3101) ... 433
Weapons activities ... 433
Directed stockpile work ... 433
Campaigns ... 433
Readiness in technical base and facilities ... 435
Defense nuclear nonproliferation ... 436
Nonproliferation and verification research and development . 436
International nuclear safety and cooperation ... 437
Highly enriched uranium transparency implementation ... 437
Arms control and nonproliferation ... 437
Initiatives for Proliferation Prevention ... 440
Nuclear Cities Initiative ... 441
Spent Fuel Activities in Kazakhstan ... 442
International Materials Protection Control and Accounting ... 442
Russian surplus fissile materials disposition ... 443

Page

Title XXXI—Department of Energy National Security Programs—Continued
Subtitle A—National Security Programs Authorizations—Continued
National Nuclear Security Administration (sec. 3101)—Continued
Weapons activities—Continued
U.S. surplus fissile materials disposition 444
Secure Transportation Asset 444
Safeguards and security 444
Facilities and infrastructure 444
Office of Administrator and program direction 444
Defense Environmental restoration and waste management (sec. 3102) 445
Closure projects 445
Site and project completion 445
Post-2006 Completion 445
Science and technology 446
Other Defense Activities (sec. 3103) 446
Security and Emergency Operations 446
Worker and community transition 446
Defense Environmental management privatization (sec. 3104) 446
Defense Nuclear Waste Disposal (sec. 3105) 447
Subtitle B—Recurring General Provisions 447
Reprogramming (sec. 3121) 447
Limits on minor construction projects (sec. 3122) 447
Limits on construction projects (sec. 3123) 447
Fund transfer authority (sec. 3124) 448
Authority for conceptual and construction design (sec. 3125) 448
Authority for emergency planning, design, and construction activities (sec. 3126) 448
Funds available for all national security programs of the Department of Energy (sec. 3127) 448
Availability of funds (sec. 3128) 448
Transfers of defense environmental management funds (sec. 3129) 449
Transfer of weapons activities funds (sec. 3130) 449
Subtitle C—Program Authorizations, Restrictions, and Limitations 449
Limitation on availability of funds for weapons activities for facilities and infrastructure (sec. 3131) 449
Limitation on availability of funds for other defense activities for national security programs administrative support (sec. 3132) 450
Nuclear Cities Initiative (sec. 3133) 451
Construction of Department of Energy operations office complex. (sec. 3134) 451
Subtitle D—Matters Relating to Management of National Nuclear Security Administration 452
Establishment of position of deputy administrator for nuclear security (sec. 3141) 452
Responsibility for national security laboratories and weapons production facilities of Deputy Administrator of National Security Administration for Defense Programs (sec. 3142) 452
Clarification of status within the Department of Energy of Administration and contractor personnel of the National Nuclear Security Administration (sec. 3143) 452
Modification of authority of Administrator for Nuclear Security to establish scientific, engineering and technical positions (sec. 3144) . 453
Subtitle E—Other Matters 453
Improvements to Energy employees occupational illness compensation program (sec. 3151) 453
Department of Energy counterintelligence polygraph program (sec. 3152) 455
One-year extension of authority of Department of Energy to pay voluntary separation incentive payments (sec. 3153) 455
Additional objective for Department of Energy defense nuclear facilities work force restructuring plan (sec. 3154) 456
Modification of date of report of panel to assess the reliability, safety, and security of the United States nuclear stockpile (sec. 3155) 456
Reports on achievement of milestones for National Ignition Facility (sec. 3156) 456
Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico (sec. 3157) 456

Page

Title XXXI—Department of Energy National Security Programs—Continued
Subtitle E—Other Matters—Continued
Improvements to Corral Hollow Road, Livermore, California (sec. 3158) 457
Subtitle F—Rocky Flats National Wildlife Refuge 457
Rocky Flats National Wildlife Refuge Act of 2001 (sec. 3171–3181) 457
Other Items of Interest 459
Fissile material disposition 459
Office of Engineering and Construction Management 461
Alternative dispute resolution 461
Title XXXII—Defense Nuclear Facilities Safety Board 463
Defense Nuclear Facilities Safety Board (sec. 3201) 463
TITLE XXXIII—National Defense Stockpile 465
National defense stockpile (secs. 3301–3304) 465
TITLE XXXIV—Naval Petroleum Reserves 467
Authorization of appropriations (sec. 3401) 467
Legislative Requirements 467
Departmental Recommendations 467
Committee Action 467
Congressional Budget Office Cost Estimate 467
Regulatory Impact 468
Changes in Existing Law 468
Minority Views of Senators John W. Warner, Storm Thurmond, Bob Smith, James M. Inhofe, Rick Santorum, Pat Roberts, Wayne Allard, Tim Hutchinson, Jeff Sessions, Susan M. Collins, and Jim Bunning 469
Minority Views of Senator Bob Smith 475
Minority Views of Senator Wayne Allard 477
Minority Views of Senator Jim Bunning 479

Calendar No. 155

107TH CONGRESS *1st Session* | SENATE | REPORT 107–62

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 2002 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CONSTRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY, TO PRESCRIBE PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR FOR THE ARMED FORCES, AND FOR OTHER PURPOSES

SEPTEMBER 12, 2001.—Ordered to be printed

Mr. LEVIN, from the Committee on Armed Services, submitted the following

REPORT

together with

MINORITY VIEWS

[To accompany S. 1416]

The Committee on Armed Services reports favorably an original bill to authorize appropriations during the fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the armed forces, and for other purposes, and recommends that the bill do pass.

PURPOSE OF THE BILL

This bill would:

(1) authorize appropriations for (a) procurement, (b) research, development, test and evaluation, (c) operation and maintenance and the revolving and management funds of the Department of Defense for fiscal year 2002;

(2) authorize the personnel end strengths for each military active duty component of the armed forces for fiscal year 2002;

(3) authorize the personnel end strengths for the Selected Reserve of each of the reserve components of the armed forces for fiscal year 2002;

(4) impose certain reporting requirements;

(5) impose certain limitations with regard to specific procurement and research, development, test and evaluation actions and manpower strengths; provide certain additional legislative authority, and make certain changes to existing law;

(6) authorize appropriations for military construction programs of the Department of Defense for fiscal year 2002; and

(7) authorize appropriations for national security programs of the Department of Energy for fiscal year 2002.

Committee overview and recommendations

The U.S. military is the most capable fighting force in the world. From Europe to the Persian Gulf to the Korean peninsula, the presence of U.S. military forces and their contributions to regional peace and security reassure our allies and deter our adversaries. U.S. forces have excelled in every mission assigned to them, including the 1999 NATO air campaign over Kosovo and ongoing enforcement of the no-fly zones over Iraq; humanitarian operations from Central America to Africa; and peacekeeping operations from the Balkans to East Timor. The U.S. Armed Forces remain the standard against which all militaries are measured; they are without peer today and will remain so for the foreseeable future.

Notwithstanding the international stability and security that U.S. military forces provide, there are significant national security challenges that could threaten our national interests. These include:

- Development and proliferation of nuclear, biological, and chemical weapons, and the means to deliver them, especially the potential for proliferation of weapons of mass destruction (WMD) or weapons-usable material from Russia;
- Cross-border aggression in regions that are important to U.S. national security, particularly the Persian Gulf region and East Asia;
- Internal conflicts, such as civil wars or regimes that oppress their own people, that can threaten U.S. national interests and the interests of our allies by creating regional instability or drawing in other countries;
- Transnational threats such as international terrorism, illegal drug trafficking and organized crime;
- Asymmetric, unconventional threats and tactics such as cyberwarfare and terrorism involving nuclear, biological, and chemical weapons; and
- Humanitarian crises caused by the failure of a nation's civil structure or natural disasters such as floods or famine.

In the face of these threats, the United States must maintain ready and versatile military forces capable of conducting the full spectrum of military operations—from deterring and defeating large-scale, cross-border aggression, to participating in smaller-scale contingencies, to dealing with terrorism and drug trafficking. Moreover, U.S. forces must be capable of conducting these operations either unilaterally or as part of a coalition.

U.S. military forces are meeting this challenge today because of important and lasting improvements in the capability of all of the military services made in prior years. Guided by the Chairman of the Joint Chief's Joint Vision 2010 and Joint Vision 2020, each of the military services is harnessing revolutionary advances in infor-

mation and communications technology in an intensive and far-reaching effort to transform their capabilities. Today, each of the military services is more lethal, more maneuverable, more versatile, and has greater situational awareness on the battlefield than at any time in history.

At the same time, each of the military services continues to face challenges that, if not addressed, threaten to undermine their ability to carry out their current missions and to meet future threats. The readiness of front-line forces—such as those on the Korean peninsula and in the Persian Gulf region—remains high, but the readiness of some of our non-deployed forces and our support establishment is not where it should be. Although every service except the Air Force is meeting its recruiting and retention goals—helped by the joint efforts of Congress and the Defense Department in recent years to improve compensation and quality of life—attracting and retaining high-quality personnel continues to be difficult. Finally, funding for the modernization of our forces continues to lag behind funding for quality of life and near-term readiness and operations.

Today's armed forces are capable and ready to help keep the peace, deter traditional and nontraditional threats to our security and our vital interests around the world, and win any major conflict decisively. Working together, Congress and the Executive branch must build on the considerable strengths of our military forces and their record of success by preserving a high quality of life for U.S. forces and their families, sustaining readiness, and transforming the armed forces to meet the threats and challenges of tomorrow.

Fiscal year 2002 budget request

The Bush Administration's fiscal year 2002 budget request for national security activities of $343.5 billion represents an increase of $32.9 billion, or 10 percent, over the fiscal year 2001 level. The committee's review of the request was complicated by the fact that the new administration did not submit its fiscal year 2002 defense budget request to the Congress until June 27, and that request did not include any details beyond fiscal year 2002.

When the committee approved the National Defense Authorization Act for Fiscal Year 2002, the administration had not completed a National Security Strategy, a National Military Strategy, or a Future Years Defense Program. The Defense Department was concluding work on the Quadrennial Defense Review, but this review is not due to be completed until the end of September. As a result, the committee's review and evaluation of the fiscal year 2002 budget request was conducted without the ability to consider the administration's national security strategy or its priorities for the future of our armed forces.

The uncertainty over the future direction of the administration's defense program has been further complicated by the overall budget situation. The Budget Resolution adopted by the Congress in May of this year included $325.1 billion in budget authority for the national defense function in fiscal year 2002, the amount requested by the Bush Administration in its initial budget blueprint in February. Subsequent to the adoption of the Budget Resolution, the administration requested an additional $18.4 billion for national

defense for fiscal year 2002. Secretary of Defense Donald Rumsfeld testified before the committee that an additional $18.3 billion will be required in fiscal year 2003 to sustain the proposed fiscal year 2002 budget level.

Under the terms of the Budget Resolution, the Chairman of the Senate Budget Committee can increase the level of funding in the Budget Resolution for national defense for fiscal year 2002 to accommodate the $18.4 billion increase proposed by the administration, as long as the increase does not reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus. However, as the August 2001 revised economic estimate from the Congressional Budget Office indicated, increasing national defense spending in fiscal years 2002 or 2003 above the level included in the Budget Resolution cannot be sustained within the current estimate of the budget surplus without spending money from the Medicare Hospital Insurance Trust Fund surplus and probably the Social Security Trust Fund surplus.

Our national security programs depend on defense budgets that are sustainable. The committee believes that in order to avoid dangerous instability in the defense budget in the future, the administration must provide a clear fiscal plan for meeting and sustaining our national security needs.

Committee review and recommendations

Following the submission of the President's amended fiscal year 2002 budget request on June 27, the committee conducted a total of 14 hearings on the request. During the course of these hearings, the committee identified five priorities to guide its actions in developing the National Defense Authorization Act for Fiscal Year 2002:

- Continuing the improvements in the compensation and quality of life of the men and women of the armed forces and their families;
- Sustaining the readiness of the military services to carry out their assigned missions;
- Encouraging the transformation of the military services to lighter, more lethal and more capable forces;
- Improving the capability of the armed forces to meet nontraditional threats, including terrorism and unconventional means of delivering weapons of mass destruction; and
- Improving the efficiency of DOD programs and operations.

The committee's actions in each of these areas is summarized below and discussed in greater detail throughout this report.

Improving the compensation and quality of life of U.S. forces and their families

Ensuring U.S. military personnel and their families receive the compensation and quality of life they deserve remains the committee's highest priority. Congressional efforts in recent years have made significant improvements to military pay and quality of life. This year, the committee adds more than $700 million to the budget request to improve compensation and quality of life, including additional funds to reduce service members' out-of-pocket housing costs, to increase higher education opportunities, and to provide personal gear to improve the safety and comfort of U.S. forces in the field.

Increasing military pay

The committee bill would authorize the administration's proposal to increase military pay in fiscal year 2002. Effective January 1, 2002, every service member would receive a pay raise of at least five percent, and personnel in certain pay grades would receive targeted pay raises ranging between six and 10 percent, the largest increase in military pay since 1982. This is the third consecutive year that the committee has authorized a significant pay raise for military personnel above the rate of inflation.

Increasing the basic allowance for housing

In January 2000, then-Secretary of Defense William Cohen proposed an initiative to close the gap between the Basic Allowance for Housing (BAH) for service members and their families living off-base and the actual cost of off-base housing. Congress approved that initiative in the fiscal year 2001 budget with a plan to eliminate this gap entirely by 2005. The committee believes that more can be done to alleviate the housing expenses borne by military personnel and families living off-base. Therefore, the committee recommends an increase of $232.0 million to accelerate the Department's current plan, eliminating all out-of-pocket housing costs for service members and their families by 2003, two years earlier than planned by the Defense Department.

Expanding education benefits for military families

The committee bill would authorize $50.0 million for new initiatives to retain personnel with critical skills by expanding educational opportunities for them and their families. Many personnel leave military service for more lucrative private sector opportunities in order to better provide for the education of family members. Therefore, the committee recommends a provision to allow personnel with critical skills to transfer up to 18 months of unused education benefits under the Montgomery G.I. Bill to family members in return for a commitment to serve for four more years, and recommends an authorization of $30.0 million for this new program in fiscal year 2002. In addition, the committee recommends an authorization of $20.0 million for an education savings plan in which service members would be provided U.S. savings bonds with attendant tax advantages if used for educational purposes in return for a commitment to serve at least six additional years of active-duty service in a critical specialty.

Improving military facilities and family housing

The committee continues to support efforts to improve the facilities in which our military personnel work and the housing in which they and their families live. The committee commends the Department of Defense for the increased emphasis on investment in military construction and family housing in the fiscal year 2002 budget request. The $10.0 billion requested represents a 10 percent increase over the fiscal year 2001 level.

The committee bill would authorize $451.2 million above the budget request to make further improvements in military facilities, including projects to enhance mission performance of military units; build additional housing for families and unaccompanied personnel; purchase key tracts of land around military installations to

reduce future encroachment problems between military activities and surrounding civilian areas; and fund legally binding cleanup requirements at facilities closed by previous rounds of base closure.

Improving defense health care

The committee supports the budget request of $17.9 billion for the Defense Health Program, which represents a significant increase for the program to meet rising costs of medical care and increased benefits for military retirees.

Sustaining the readiness of U.S. forces

Throughout the last decade, the committee provided significant resources to maintain the readiness of U.S. forces. The committee welcomed the $10.4 billion increase in the fiscal year 2002 budget request for the Operation and Maintenance (O&M) accounts of the active and reserve component forces that support readiness. However, the committee believes that more can be done to address continuing readiness challenges posed by such problems as aging equipment and shortfalls in modifications of existing systems and therefore adds more than $1 billion to the budget request for new readiness initiatives.

Improving the readiness of aviation forces

The committee recommends increased funding to improve the readiness of our aviation forces, including nearly $240.0 million to address shortfalls in Army aviation. This additional funding includes $102.5 million to procure 10 UH–60 Black Hawk helicopters, the Army's primary utility helicopter and the Army National Guard's highest unfunded priority, and $58.8 million for upgrades to the Apache, the Army's heavy attack helicopter and the highest recapitalization priority on the Army's list of unfunded requirements.

The committee also recommends $121.4 million to upgrade engines and reduce maintenance costs in the F–16, the Air Force's primary, multi-role fighter, and in the F–15, the Air Force's current air supremacy fighter; $54.0 million to buy newer, digital jamming equipment and for wing modifications to improve the Navy's EA–6B electronic warfare fleet; and $21.1 million for maintenance trainers to give C–17 aircraft support crews the training they need without leaving their home stations.

Training improvements

Committee initiatives to improve readiness include increases in funding to improve the training of new pilots. The committee recommends an additional $44.6 million for the Navy to continue modernizing the T–6A Joint Primary Aircraft Training System (JPATS) fleet, the training aircraft used by the Air Force and Navy, and $34.1 million to procure 21 additional TH–67 training helicopters for the Army.

Improving the readiness of naval forces

In addition to fully approving the budget request for a number of major modernization programs described elsewhere, the committee recommends several initiatives to improve the readiness of U.S. naval forces, including an increase of $98.8 million for mainte-

nance of surface ships and Navy and Marine Corps equipment. The committee also authorizes increases of $40.9 million above the budget request for ship navigation, monitoring and training upgrades to increase capabilities and reduce operations and sustainment costs, and $20.0 million for the sonobuoys that Navy personnel need to remain proficient in anti-submarine warfare.

Improving the readiness of the bomber force

Under current plans for Air Force bombers, the Defense Department will rely on the existing fleet of B–2s, B–52s and B–1Bs for another 40 years. Therefore, the Air Force and the Defense Department must sustain a program of aggressive upgrades, modernization, and maintenance for the existing bomber fleet. Although the budget request contains funds for upgrades to each type of bomber, the requested funds for the B–2 are not enough to continue upgrade programs begun in previous years; the funds for the B–52 do not maintain previous upgrade schedules; and the funds for the B–1B upgrades are available only as a result of the decision to retire 33 of the 126 B–1Bs. The committee recommends an additional $125.0 million in upgrades for the B–2 and B–52 bombers and supports the funds included in the budget request for B–1B upgrades.

The committee is especially troubled by the decision of the Air Force to retire 33 B–1B bombers and to consolidate the remaining B–1Bs in the active Air Force, thereby removing all bombers from the National Guard. This decision was made without a full analysis of the costs and benefits of the consolidation and before the completion of broader defense strategy reviews. The committee recommends a provision that would restrict the use of any funds available to the Department of Defense in fiscal year 2002 from being used to retire any B–1Bs or to remove any B–1Bs from the National Guard until such time as certain reports and studies are completed. In addition, the committee provided $164.0 million to maintain the B–1Bs in the Air National Guard.

Reductions in strategic nuclear forces

The committee bill includes funding and a provision that will allow for significant reductions in strategic nuclear forces. First, the committee authorizes an increase of $12.2 million to allow the Air Force to buy the equipment necessary to retire the Peacekeeper intercontinental ballistic missile. Second—and key to the ability of the Air Force to retire the Peacekeeper and the ability of the United States to move forward with additional reductions in strategic nuclear delivery systems and warheads—the committee supports the administration's request to repeal section 1302 of the National Defense Authorization Act for Fiscal Year 1998, which has prevented any meaningful reductions in strategic nuclear forces by limiting the retirement of strategic nuclear delivery vehicles.

Section 1302 of the Act required the Defense Department to maintain U.S. nuclear forces at levels agreed to under the Strategic Arms Reduction Treaty (START I) until START II entered into force. With the delay in START II entry into force, this required the United States to maintain a nuclear force structure significantly greater than was necessary under any post-Cold War requirement. Repeal of section 1302 will allow the resumption of nuclear force structure reductions, moving the United States toward

lower levels contemplated under START III and below and being considered by the administration.

Improving the readiness of space launch facilities

Maintaining the ability to operate range and space launch facilities safely and efficiently is essential as the United States becomes increasingly reliant on space and space systems for command, control, and communications. Improving the East and West Coast range and space launch facilities, which operate largely with thirty-year-old technology, was the Air Force's highest unfunded priority in fiscal year 2002. To improve the capabilities of these ranges and facilities, the committee recommends an increase of $53.9 million to improve operational safety and for improved automated scheduling that will allow faster launch turnaround times.

Improving the readiness of the Guard and Reserve

The committee bill includes recommendations to strengthen the National Guard and Reserve Components so they can continue to make critical contributions to our armed forces during times of peace and conflict. Ensuring adequate numbers of full-time guardsmen and reservists is one of the top readiness issues of the reserves. To achieve the minimally acceptable levels of manning, the Army has developed an incremental plan to increase full-time manning over 11 years. The budget request did not increase Army Guard and Reserve full-time manning for fiscal year 2002, the first year of the Army plan. Therefore, the committee bill would authorize $54.7 million to increase full-time manning in the Army reserve components.

In addition, the committee recommends increases of $8.4 million to upgrade F–15s with data links and other equipment, allowing the Air National Guard to deploy and operate more effectively with active component squadrons.

Transforming U.S. forces

The committee supports the Defense Department's efforts, guided by the Chairman of the Joint Chief's Joint Vision 2020, to transform the U.S. Armed Forces into the lighter, more lethal and more flexible force required to meet the missions of the 21st Century. The committee believes that harnessing new doctrine and technologies—especially unmanned vehicles and network centric forces that exploit information superiority—must remain a top priority for the armed forces and therefore adds more than $800 million to the budget request for new transformation initiatives.

Modernization

The fiscal year 2002 budget request proposed to decrease spending on upgrades to existing weapons systems and procurement of new systems by $500.0 million below the fiscal year 2001 enacted level. Significant funding increases for modernization and transformation were deferred pending completion of the Secretary of Defense's defense review and the Quadrennial Defense Review and will instead be reflected in the budget request for fiscal year 2003.

However, the committee notes that the uncertain budget situation raises doubt that funds required for a significant and sustained transformation of U.S. forces will be available in the future

without major reductions to current defense programs. The committee urges the administration to address this situation with a clear and sustainable modernization program.

The committee bill would authorize the requested amount for a number of major modernization programs, including development and procurement of new tactical fighter aircraft—$3.2 billion for the F/A–18E/F Super Hornet and $3.9 billion for the F–22 Raptor—and $3.5 billion for the purchase of 15 C–17 strategic airlift aircraft. To sustain Navy modernization, the committee authorizes $3.0 billion for three DDG–51 Arleigh Burke class destroyers, $2.3 billion for one SSN–774 Virginia class attack submarine, and $370.8 million for one T–AKE auxiliary cargo and ammunition ship. To sustain Army modernization, the committee authorizes $662.6 million for production of the interim armored vehicle, $590.2 million for upgrades to the M–1 Abrams tank, and $467.4 million to procure medium tactical vehicles to replace the Army's aging fleet of medium trucks.

Developing revolutionary military capabilities

The ability of the U.S. military to transform itself with revolutionary capabilities demands robust investments today in a wide range of technologies. The fiscal year 2002 budget request for defense science and technology programs was short of the administration's stated three percent goal for defense science and technology investments.

To address this shortfall, the committee recommends increases of more than $200 million for defense science and technology. In addition to science and technology designed to support other committee priorities described elsewhere—such as readiness and ensuring U.S. forces can meet nontraditional threats—the additional funding authorized by the committee would focus new resources on advanced materials and manufacturing technologies ($40.7 million), on programs aimed at developing next-generation network centric warfare capabilities ($27.5 million), and on research into nanotechnologies that will enable advances in critical defense electronics, sensors, and communications systems ($12.0 million).

The committee also recommends a provision to facilitate the rapid transition of new technologies from science and technology programs into acquisition programs and the field. Building on similar successful initiatives within the Defense Department, the provision would direct the Secretary of Defense to designate a senior defense official to act as an advocate for technology transition; to establish a fund to carry out jointly-funded technology transition projects with the military services; and to develop outreach programs and new corporate agreements to facilitate the rapid transition of cutting-edge technologies into defense acquisition programs.

Sustaining Army transformation

The committee continues to support the effort initiated by Army Chief of Staff General Eric Shinseki in 1999 to transform the Army into a lighter and more lethal, survivable and tactically mobile force capable of meeting the full spectrum of defense challenges. Despite increasing funding for this transformation in recent years, the committee remains concerned about the Army's ability to fund modernization of the existing legacy force to maintain current oper-

ational readiness, field an interim force capability, and conduct the robust research and development effort needed to create a lighter, more mobile Objective Force by fiscal year 2010. Excluding funding for programs transferred to the Army from the Ballistic Missile Defense Organization, the fiscal year 2002 budget request would actually decrease Army procurement in real terms by $630.0 million from the fiscal year 2001 level. The committee recommendations would add more than $185 million to the Army's transformation programs.

To support the Army's interim force, the committee bill would authorize $3.7 million above the budget request to fund training shortfalls for the new Interim Brigade Combat Teams (IBCTs). The committee believes that the development and fielding of the Objective Force must remain the top priority of the Army's transformation. Toward that end, the committee bill would authorize $43.1 million to support transformation to the Objective Force, fully funding all the Objective Force priorities on the Army's list of unfunded requirements in fiscal year 2002.

The committee also supports the Army's transformation efforts by recommending increased funding above the administration's request to integrate revolutionary technologies into future ground and air vehicles and infantry systems, including an increase of $62.5 million in science and technology programs to improve the lethality, efficiency and affordability of Army systems, and an increase of $28.3 million to develop an improved communications suite for the Comanche helicopter. The committee bill authorized $20.0 million to accelerate the application of quieter and more fuel efficient hybrid electric drive technologies for future ground combat vehicles.

Transforming naval forces

The administration's budget request proposed decommissioning and scrapping two of the four Trident strategic missile submarines that might otherwise be modified to carry Tomahawk cruise missiles. Given the increasing reliance of U.S. forces on Tomahawk missiles in military operations, the committee believes that the Navy should retain the option of converting all four submarines, and recommends an increase of $307.0 million to preserve this option. To assist Navy efforts to modernize the submarine fleet with new capabilities, the committee recommends an increase of $27.0 million to accelerate development and fielding of a common combat control system for all attack and ballistic missile submarines.

The committee approves the budget request of $643.5 million for the DD–21 land attack destroyer, which has the potential to provide new capabilities in support of land forces ashore and prevent potential opponents from using anti-access strategies to thwart U.S. objectives. The DD–21 land attack destroyer also holds the potential to reduce crew size by roughly 75 percent, greatly reducing the number of personnel exposed to hostile action and the demand for recruiting and retaining personnel.

Unmanned vehicle initiatives

The committee continues to support the development and fielding of unmanned combat systems—aerial vehicles and ground vehicles—designed to increase warfighting capabilities and reduce the

risk to military personnel. Last year, the committee directed the DOD to aggressively develop and field unmanned combat systems in the air and on the ground so that within 10 years, one-third of U.S. operational deep strike aircraft would be unmanned, and within 15 years, one-third of our ground combat vehicles would be unmanned. The committee authorized an additional $200.0 million for this purpose in fiscal year 2001.

This year, the committee builds on that initiative by recommending an increase of more than $80 million to fund various high-priority efforts identified by the military services to develop and field unmanned vehicles. This additional funding includes $16.0 million to improve the Air Force's Global Hawk UAV with signals intelligence capabilities; $11.0 million to accelerate the development of unmanned ground combat vehicles; and $9.0 million to accelerate work on the Navy variant of the uninhabited combat air vehicle (UCAV–N). The committee also recommends increased funding to accelerate the fielding of enhanced UAV capabilities, including increases of $16.2 million to upgrade sensors on Army Shadow UAVs; $7.0 million to accelerate the use of UAVs for chemical and biological agent sensing; and $6.0 million for increased procurement of Air Force Predator UAVs.

Improving the capability of U.S. forces to meet nontraditional threats

U.S. military forces must be prepared to deal effectively with nontraditional threats, including terrorism, unconventional means of delivering weapons of mass destruction (WMD), the proliferation of nuclear, biological, and chemical weapons, the flow of illegal narcotics into the United States and cyber-attacks on critical military infrastructure. Toward that end, the committee recommends increases of more than $600 million for new initiatives to improve the capabilities of U.S. forces against these threats.

Combating terrorism initiative

The committee welcomed the administration's budget request of $5.6 billion—an increase of $1.0 billion over fiscal year 2001—to continue improving the ability of U.S. forces to deter and defend against the growing terrorist threat. Nevertheless, more can be done in several critical areas, including antiterrorism/force protection, counterterrorism training, and research and development to protect U.S. forces against WMD attacks and to help them support domestic efforts to manage the deadly consequences of terrorist attacks using these weapons on U.S. soil.

The Subcommittee on Emerging Threats and Capabilities has spent a great deal of time analyzing the military's ability to meet these challenges. Despite consistent increases in funding in recent years to defend U.S. forces from potential WMD attacks, General Thomas Schwartz, Commander in Chief, U.S. Forces Korea, testified before the committee that "We believe force protection funding shortfalls will be significant for the fiscal year 2002, and we need your help to ensure our American personnel are properly protected."

To address some of these shortfalls, the committee's Combating Terrorism Initiative includes an increase of $217.2 million to improve the ability of U.S. forces to deter and defend against ter-

rorism. Approximately half of the funding increases in the committee's initiative—$109.2 million—would support research and development aimed at detecting, defending against, and responding to the use of weapons of mass destruction. $43.2 million is included for research into the detection of biological and chemical weapons, and $52.0 million is included for research into the detection, identification and measurement of WMD agents.

The other half of the additional funding in the committee's Combating Terrorism Initiative—$108.0 million—would increase the ability of U.S. forces to deter, and U.S. installations to defend against, terrorist attack. The budget request left the Army with a shortfall for installation security—the Army's second highest unfunded priority in fiscal year 2002. The committee bill would authorize an increase of $77.7 million for minimum antiterrorism requirements at Army installations in Europe and Asia. The committee bill would also add $13.0 million for Navy procurement of handheld explosive detectors to protect deployed vessels and research into cutting-edge standoff detection and defeat of conventional explosives, an urgent requirement identified in the aftermath of the October 2000 attack on the USS Cole.

In addition, the committee's initiative adds $10.0 million to the Chairman of the Joint Chiefs of Staff's Combating Terrorism Readiness Initiative Fund to help fund high-priority needs identified by the combatant commanders to defend against rapidly emerging vulnerabilities and terrorist threats. Because the budget request also left U.S. Special Operations Command with a $14.3 million shortfall for counterterrorism training, the committee's initiative includes the funds to ensure special operations forces have the highest proficiency in critical capabilities to thwart terrorist threats.

By improving the ability of U.S. forces to deter and defend against terrorist attacks involving biological and chemical weapons, the committee's Combating Terrorism Initiative also would enhance the military's ability to assist federal, state and local authorities in mitigating the consequences of a terrorist attack on U.S. soil involving these weapons of mass destruction. In testimony before the Emerging Threats Subcommittee, DOD officials highlighted the need for stronger DOD management and oversight of the Weapons of Mass Destruction—Civil Support Teams, teams of National Guard personnel who are specially trained and equipped to deploy and assess suspected biological, chemical, nuclear or radiological events in support of local authorities. Therefore, the committee directs the Secretary of Defense to submit a detailed report to the Congress outlining the Department's policy and plans for assisting civilian authorities in consequence management, including the role of these National Guard teams.

Finally, while the Department has made some progress in improving and coordinating its policies, programs and budget for combating terrorism, the committee believes that the Department can more clearly delineate its mission and responsibilities in this arena and better leverage defense resources to combat terrorism. The committee urges the Department to develop a coherent strategy and to prioritize its policies, plans and procedures for deterring, defending against, and managing the consequences of terrorism at home and abroad.

Combating proliferation of weapons of mass destruction

Earlier this year, in A Report Card on the Department of Energy's Nonproliferation Programs with Russia, a bipartisan task force chaired by former Senator Howard Baker and former White House Counsel Lloyd Cutler concluded that "The most urgent unmet national security threat to the United States today is the danger that weapons of mass destruction or weapons-usable material in Russia could be stolen and sold to terrorists or hostile nation states and used against American troops abroad or citizens at home."

The committee believes that the Cooperative Threat Reduction (CTR) program—which has helped to successfully destroy or dismantle more than 5,000 nuclear warheads and more than 1,000 nuclear missiles in the former Soviet Union—is critical to continuing to reduce the threats posed by offensive nuclear weapons, their delivery systems, and related materials.

In addition to authorizing the budget request of $403.0 million for the CTR program, the committee recommends an increase of $56.8 million over the budget request for Department of Energy programs to prevent the proliferation of weapons of mass destruction and related-expertise. Of this amount, $15.0 million would support the Initiatives for Proliferation Prevention program to help prevent Russian and other scientists from the former Soviet Union from exporting their knowledge of weapons of mass destruction to countries of concern. Another $14.5 million would support the Nuclear Cities Initiative to help find new, non-weapons jobs for displaced Russian nuclear complex workers and to assist the Russian Federation in reducing the size of its nuclear weapons complex.

Other initiatives to meet nontraditional threats

The committee recommends a number of initiatives to improve the ability of U.S. forces to meet nontraditional threats through improvements in weapons systems, sensors and defensive systems. The committee bill includes increases of $96.0 million to improve the ability of P–3 surveillance aircraft to contribute to future missions in shallow coastal waters; $44.0 million for night-time air warfare to improve the ability of Navy and Marine Corps AV–8B harrier aircraft to employ precision-guided munitions and to finish development of panoramic night vision goggles for the Air Force; and $42.0 million to accelerate electronic warfare programs and to improve the defenses of combat aircraft.

To help the Navy and Marine Corps defend against the unconventional threat of small boats such as that used in the attack on the USS Cole, the committee recommends $20.0 million for the procurement of Hellfire missiles and $15.0 million for Close-in Weapons System upgrades. Finally, the committee recommends an increase of $15.0 million for an infrared search and track system to help the Navy identify incoming cruise missiles and $18.0 million for modifications to NULKA decoys.

Ballistic missile defense

Ballistic missile defense was one of the most critical issues faced by the committee this year, and the committee's views and recommendations in this area are described in greater detail elsewhere in this report. The committee recommends authorization of

$7.0 billion for ballistic missile defense programs for fiscal year 2002, an increase of 37 percent compared to the fiscal year 2001 level.

Ballistic missile threats come in two distinct categories: theater ballistic missiles that threaten U.S. forces abroad and allies, and intercontinental ballistic missiles (ICBMs) that directly threaten U.S. territory. Theater ballistic missiles have long threatened forward deployed U.S. forces; countries such as North Korea, Iraq, Iran, China, Syria and Libya possess such missiles, most of which are capable of carrying chemical or biological weapons.

Given the real and growing threat of theater ballistic missiles to U.S. forces abroad and allies, the committee supports development and deployment of improved theater missile defense systems as soon as possible after rigorous testing has proven these systems to be operationally effective. Toward that end, the committee approved an increase of $625.7 million, or 30 percent, over the fiscal year 2001 funding level for theater missile defense systems such as Patriot Advanced Capability (PAC–3) and Theater High Altitude Area Defense (THAAD) and added $76.0 million for upgrades to the joint U.S.-Israeli Arrow program.

The number of potential adversaries with operational ICBMs is far smaller than those with theater ballistic missiles. Although Russia has roughly 1,000 ICBMs, the Cold War is over and the United States and Russia have agreed not to target their missiles at each other. China has a small arsenal of about 20 ICBMs which do not have warheads and fuel installed on a daily basis. This force is expected to be modernized and expanded in the coming years. North Korea is developing an ICBM capable of reaching the United States, although it has voluntarily suspended its long-range missile flight test program for the time being. Other potential adversaries, such as Iran, may also develop ICBMs in the future, particularly with assistance from other nations.

Given the potential, longer-term ICBM threat to the United States from such countries, the committee continues to support an aggressive research, development and testing program for defenses against ICBMs—i.e., national missile defense (NMD) " to give the United States the option to deploy such a system, provided four criteria are met: (1) the threat should warrant deployment; (2) the system should be demonstrated through realistic testing to be operationally effective; (3) the cost should be weighed against other critical defense needs; and (4) the deployment should make the United States more secure, taking into account the actions of other nations.

The administration has said it intends to develop a national missile defense system aimed at limited missile threats from nations such as North Korea. To support national missile defense, the committee approved an increase of $1.1 billion, or 20 percent, over the fiscal year 2001 funding level for national missile defense, including funding for a new midcourse test bed.

However, the committee is concerned about (1) the lack of clarity regarding potential conflicts between the Department's missile defense testing schedule and the ABM Treaty; (2) the administration's proposal for the greatest funding increase in response to one of the least likely threats to the United States—a long-range bal-

listic missile attack; and (3) the lack of specific plans for expenditure of missile defense funding.

Moreover, the administration appears determined to withdraw from the ABM Treaty if a testing activity conflicts with it. The committee made repeated efforts to obtain information from the Defense Department as to whether any NMD testing activities funded in the bill conflict with the ABM Treaty, and was assured that such a determination would be forthcoming and that Congress would have that information before having to decide whether to authorize expenditures for such activities. That information has not been forwarded to the committee.

Therefore, the committee recommends that expenditures for any missile defense activities in fiscal year 2002 that would conflict with the ABM Treaty, as determined by the President, should be conditioned upon Congress specifically voting to approve such expenditures, under expedited procedures. This provision does not limit the President's power to withdraw from the ABM Treaty. The Supreme Court has determined that the question of whether the President can withdraw from a treaty without Senate approval is a political, non-judiciable issue. However, Congress has the exclusive power to authorize and appropriate funds. If Congress approves funds for activities that would conflict with a treaty, and if such activities ultimately leave the United States less secure, Congress would bear joint responsibility for the consequences.

The administration requested $8.3 billion for ballistic missile defense programs, a $3.0 billion, or 57 percent, increase in missile defense funding over the fiscal year 2001 level. This increase far exceeds the 10 percent increase for the Department of Defense as a whole, even though the Joint Chiefs of Staff believe that ballistic missiles are the least likely means of delivering a weapon of mass destruction to the United States. While reducing funding in other critical defense areas, such as modernization, the administration proposes the greatest funding increase in response to the least likely threat. Therefore, while approving a substantial funding increase of 37 percent for ballistic missile defense compared to the fiscal year 2001 level, the committee has identified a significant portion of the proposed missile defense funding increase ($1.3 billion) that is poorly justified and would better be used to meet more pressing defense needs.

Improving the efficiency of DOD programs and operations

Despite many years of management reform efforts, the Department of Defense continues to waste billions of dollars annually operating excess and unneeded infrastructure, using antiquated financial management systems, adhering to inefficient approaches in the acquisition of weapons systems, and giving insufficient attention to the management of contracts for services. The Secretary of Defense testified that the Department should be able to achieve five percent savings across the board through management improvements. The committee agrees that the Department should be able to save billions of dollars through improved efficiency of defense operations and programs, and recommends a number of provisions to assist the Department in this effort.

Base realignment and closure

The committee recommends an important and long-needed step to improve the efficiency of defense operations and the effectiveness of military forces by authorizing an additional round of base realignment and closure (BRAC) in fiscal year 2003. Our top civilian and uniformed military leaders have requested this authority from the Congress for the last five years, and the committee believes that the arguments for allowing the closure of additional facilities are clear and compelling: the Department has excess facilities, closing bases saves money, and the military services have higher priority uses that could be funded with those savings.

The savings from past BRAC actions are significant. The General Accounting Office reported in July 2001 that, "audits of BRAC financial records have shown that BRAC has enabled DOD to save billions of dollars." According to the Department of Defense, previous base closure rounds are already saving $6.0 billion a year.

The committee also believes that the reshaping of our base structure is essential to the full implementation of the Quadrennial Defense Review and the successful transformation of U.S. forces.

Service contracts

The committee believes that the Defense Department can more effectively manage the $50.0 billion it spends annually on the procurement of services such as administrative and management support. Despite repeated criticism from the General Accounting Office (GAO), the DOD Inspector General (DOD IG), and this committee, the Department has failed to compete requirements for the delivery of services, has barely begun to implement requirements for performance-based services contracting, and does not even appear to have considered instituting best commercial practices such as centralizing key functions, improving personnel skills and capabilities, conducting spending analyses, rationalizing supplier bases, and expanding the use of cross-functional, commodity-based teams. The GAO and the DOD IG have found that managers in the Defense Department failed to compete services work on up to three-quarters of the cases they examined. Moreover, the Department has failed to provide its acquisition professionals with the training and guidance needed to manage the Department's service contracts in a cost-effective manner.

The committee recommends several provisions to improve the management of service contracts that, if fully implemented, should save the Department billions of dollars annually. To promote the use of best commercial practices, the committee recommends requiring the Department to establish a management structure for services contracts, establish a data collection system to provide key information for management decisions, and institute a system of program reviews for larger contracts that is comparable to the system already in place for major weapons systems. Other committee recommendations would achieve savings by establishing annual savings goals for services contracts and strengthening competition requirements for the award of task orders for services under multiple award contracts.

Acquisition reform

The committee recommends a number of initiatives to improve the effectiveness and efficiency of the Department's acquisition system. To help shorten the acquisition cycle for weapons systems, the committee recommends requiring the Department to reduce program risk prior to initiating a major defense acquisition program. To ensure the Department has sufficient staff to manage requirements in a cost-effective manner, the committee recommends a moratorium on further cuts in the acquisition workforce. Finally, the committee would authorize the Department to utilize competitive, cost saving methods to purchase products available from Federal Prison Industries (FPI).

Making better use of modernization funding

The committee recommends adjustments to two major acquisition programs that will not require the level of funding requested in the budget request. The committee remains concerned about the ability of the Marine Corps and the Air Force to meet the requirements established for the V–22 tilt-rotor Osprey aircraft, and agrees with the Panel to Review the V–22 Program that production should be kept to a minimum sustaining rate in order to minimize the number of aircraft requiring retrofit at a later date. Therefore, the committee recommends a reduction of $592.3 million to the V–22 program, transferring these funds to other high priority defense programs.

The committee also concluded that the budget request for the Joint Strike Fighter (JSF) program included excess funds for engineering and manufacturing development (EMD) but no funding to sustain the two competing contractor teams until a source selection decision is made and implemented. That decision, originally scheduled for October 2001, is supposed to decide which of the two competing contractor teams will continue on with the EMD phase of the program. However, based on likely delays in the Defense Department's strategy review and in completing the range of tasks required in the Quadrennial Defense Review, it appears that the EMD program will not be launched on time. Therefore, the committee recommends a net reduction of $247.2 million to the JSF program, transferring these funds to other high priority defense programs.

Financial management systems

The committee recommends several provisions to address the Defense Department's seriously deficient financial management systems and its continuing inability to produce reliable financial information or auditable financial statements. The committee bill would authorize the Department to redirect resources from its efforts to prepare and audit financial statements to improving financial management systems, policies, and procedures. The committee also recommends the establishment of a management process through which the Department should be able to address problems with the reliability of its financial systems and data.

During his nomination hearing, the Secretary of Defense assured the committee that improving the Department's financial management systems "will certainly be among the top priorities" of his tenure. The committee is convinced that even with the dedicated sup-

port of the Secretary of Defense, strong management attention will be required to produce the reliable and timely information needed to make sound resource decisions. The committee's recommendations are designed to hasten the achievement of that goal.

Explanation of funding summary

The administration's amended budget request for the national defense function of the federal budget for fiscal year 2002 as estimated by the Congressional Budget Office (CBO) was $343.3 billion, of which $260.1 billion was for programs that require specific funding authorization.

The following table summarizes both the direct authorizations and equivalent budget authority levels for fiscal year 2002 defense programs. The columns relating to the authorization request do not include funding for the following items: pay and benefits for military personnel, military construction authorizations provided in prior years; and other small portions of the defense budget that are not within the jurisdiction of this committee or that do not require an annual authorization.

Funding for all programs in the national defense function is reflected in the columns related to the budget authority request and the total budget authority implication of the authorizations in this bill. The committee recommends funding for national defense programs totaling $343.3 billion in budget authority, which is consistent with the level requested by the administration in the fiscal year 2002 budget request.

The funding level recommended by the committee exceeds the budget authority level for the national defense function included in the Concurrent Resolution on the Budget for Fiscal Year 2002 by $18.4 billion, the additional amount requested by the President in his amended budget request for fiscal year 2002 on June 27, 2001.

Section 217 of the Budget Resolution allows the Chairman of the Senate Budget Committee to increase the funding level for the national defense budget function if the President submits a budget amendment requesting additional resources for national defense and the Armed Services or Appropriations Committee reports a bill providing additional resources for defense above those contained in the Budget Resolution. However, the Budget Resolution prohibits an increase in defense spending that would reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus.

Since the Chairman of the Senate Budget Committee had not made a determination pursuant to section 217 at the time the committee ordered this bill reported, the committee has included a series of provisions in title XIII of the bill, which are described in more detail elsewhere in this report, that would reduce the total amount authorized to be appropriated in this act if the full amount of the increase requested by the President is not approved.

The funding summary table that follows shows the full amount of the authorizations in this bill and does not reflect the impact of the potential reductions provided for in title XIII.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2002
In Thousands of Dollars

			BUDGET AUTHORITY IMPLICATION		
	Authorization Request	Senate Authorization	FY 2002 Request	Senate Change to Request	Senate Authorization
DIVISION A					
Title I -- PROCUREMENT					
Aircraft Procurement, Army	1,925,491	2,123,391	1,925,491	197,900	2,123,391
Missile Procurement, Army	1,859,634	1,807,384	1,859,634	(52,250)	1,807,384
Procurement of W&TCV, Army	2,276,746	2,276,746	2,276,746	0	2,276,746
Procurement of Ammunition, Army	1,193,365	1,187,565	1,193,365	(5,800)	1,187,565
Other Procurement, Army	3,961,737	4,024,486	3,961,737	62,749	4,024,486
Aircraft Procurement, Navy	8,252,543	8,169,043	8,252,543	(83,500)	8,169,043
Weapons Procurement, Navy	1,433,475	1,503,475	1,433,475	70,000	1,503,475
Shipbuilding & Conversion, Navy	9,344,121	9,522,121	9,344,121	178,000	9,522,121
Other Procurement, Navy	4,097,576	4,293,476	4,097,576	195,900	4,293,476
Procurement, Marine Corps	981,724	981,724	981,724	0	981,724
Procurement of Ammunition, Navy & MC	457,099	467,099	457,099	10,000	467,099
Aircraft Procurement, Air Force	10,744,458	10,892,957	10,744,458	148,499	10,892,957
Procurement of Ammunition, Air Force	865,344	865,344	865,344	0	865,344
Missile Procurement, Air Force	3,233,536	3,263,436	3,233,536	29,900	3,263,436
Other Procurement, Air Force	8,159,521	8,081,721	8,159,521	(77,800)	8,081,721
Procurement, Defense-Wide	1,603,927	1,594,325	1,603,927	(9,602)	1,594,325
National Guard & Reserve Equipment		0			0
Defense Inspector General	1,800	2,800			0
Defense Production Act Purchases	0	4,000	50,000	4,000	54,000
Chemical Agents & Munitions Destruction, Army	1,153,557	0	1,153,557	(1,153,557)	0
Chemical Agents & Munitions Destruction, Defense		1,153,557		1,153,557	1,153,557
Defense Health Program	267,915	267,915			
Total PROCUREMENT	**61,813,569**	**62,482,565**	**61,593,854**	**667,996**	**62,261,850**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2002
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2002 Request	Senate Change to Request	Senate Authorization
Title II -- RESEARCH, DEV., TEST & EVALUATION					
RDT&E, Army	6,693,920	6,899,170	6,693,920	205,250	6,899,170
RDT&E, Navy	11,123,389	11,135,806	11,123,389	12,417	11,135,806
RDT&E, Air Force	14,343,982	14,481,157	14,343,982	137,175	14,481,157
RDT&E, Defense-Wide	15,050,787	13,878,347	15,050,787	(1,172,440)	13,878,347
Developtmental Test & Evaluation, Defense	-	0	-		0
Operational Test & Evaluation	217,355	221,355	217,355	4,000	221,355
Defense Health Program	65,304	65,304			0
Total RESEARCH, DEV, TEST & EVAL	**47,494,737**	**46,681,139**	**47,429,433**	**(813,598)**	**46,615,835**
Title III OPERATION AND MAINTENANCE					
Operation and Maintenance, Army	21,191,680	21,134,982	21,191,680	(56,698)	21,134,982
Operation and Maintenance, Navy	26,961,382	26,927,931	26,961,382	(33,451)	26,927,931
Operation and Maintenance, Marine Corps	2,892,314	2,911,339	2,892,314	19,025	2,911,339
Operation and Maintenance, Air Force	26,146,770	26,013,582	26,146,770	(133,188)	26,013,582
Operation and Maintenance, Defense-Wide	12,518,631	12,482,532	12,518,631	(36,099)	12,482,532
Operation and Maintenance, Army Reserve	1,787,246	1,803,146	1,787,246	15,900	1,803,146
Operation and Maintenance, Navy Reserve	1,003,690	1,000,369	1,003,690	(3,321)	1,000,369
Operation and Maintenance, Marine Corps Reserve	144,023	142,956	144,023	(1,067)	142,956
Operation and Maintenance, Air Force Reserve	2,029,866	2,029,866	2,029,866	0	2,029,866
Operation and Maintenance, Army National Guard	3,677,359	3,697,659	3,677,359	20,300	3,697,659
Operation and Maintenance, Air National Guard	3,867,361	4,037,161	3,867,361	169,800	4,037,161
Office of the Inspector General	150,221	149,221	152,021		152,021
US Court of Appeals, Armed Force	9,096	9,096	9,096		9,096
Environmental Restoration Fund, Army	389,800	389,800	389,800		389,800
Environmental Restoration Fund, Navy	257,517	257,517	257,517		257,517

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2002
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2002 Request	Senate Change to Request	Senate Authorization
Environmental Restoration Fund, AF	385,437	385,437	385,437		385,437
Environmental Restoration Fund, Def.	23,492	23,492	23,492		23,492
Environmental Restoration, Formerly Used Sites	190,255	190,255	190,255		190,255
Overseas Humanitarian, Disaster & Civic Aid	49,700	49,700	49,700		49,700
Drug Intrdiction & Counter-Drug Activities, Defense	820,381	860,381	820,381	40,000	860,381
Payment to Kaho'olawe Island Fund	25,000	60,000	25,000	35,000	60,000
Defense Health Program	17,565,750	17,546,750	17,898,969	(19,000)	17,879,969
Cooperative Threat Reduction	403,000	403,000	403,000		403,000
Overseas Contingency Operations Transfer Fund	2,844,226	2,844,226	2,844,226		2,844,226
Support for International Sporting Competitions	15,800	15,800	15,800		15,800
Restoration of Rocky Mtn Arsenal	0	0	6,000		6,000
Kaho'olawe Island Conv, Rm Env Restoration	0	0	25,000		25,000
Disposal of DoD Real Property	0	0	8,389		8,389
Lease of DoD Real Property	0	0	8,407		8,407
National Science Center, Army	0	0	30		30
DoD Overseas Milltary Facility Investment Recovery	0	0	3,300		3,300
Defense Burdensharing - Allies/NATO	0	0	210,000		210,000
Defense Vessels Trans Progam Account		0			
OPPLAN 34A-35 P.O.W.		0			
Subtotal OPERATION AND MAINTENANCE	**125,349,997**	**125,366,198**	**125,946,142**	**17,201**	**125,963,343**
REVOLVING AND MANAGEMENT FUNDS					
Defense Working Capital Fund, Army	170,000	170,000	170,000		170,000
Defense Working Capital Fund, Air Force	36,786	36,786	36,786		36,786
Defense Working Capital Fund, Defense Agencies	641,900	603,500	641,900	(38,400)	603,500
National Defense Sealift Fund	506,408	506,408	506,408		506,408
Defense Working Capital Fund, DECA	1,103,300	1,103,300	1,103,300		1,103,300
Subotal REVOLVING AND MANAGEMENT FUNDS	**2,458,394**	**2,419,994**	**2,458,394**	**(38,400)**	**2,419,994**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2002
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2002 Request	Senate Change to Request	Senate Authorization
Total Title III	**127,808,391**	**127,786,192**	**128,404,536**	**(21,199)**	**128,383,337**
Title IV-V-VI MILITARY PERSONNEL	**0**	**82,390,900**	**82,307,281**	**83,619**	**82,390,900**
Title X - GENERAL PROVISIONS					
Management Efficiencies (Section 1002)	(330,000)	(1,630,000)	(330,000)	(1,300,000)	(1,630,000)
TOTAL GENERAL PROVISIONS	**(330,000)**	**(1,630,000)**	**(330,000)**	**(1,300,000)**	**(1,630,000)**
TOTAL DIVISION A	**236,786,697**	**317,710,796**	**319,405,104**	**(1,383,182)**	**318,021,922**
DIVISION B					
MILITARY CONSTRUCTION					
Military Construction, Army	1,760,541	1,635,341	1,760,541	(125,200)	1,635,341
Military Construction, Navy	1,071,408	1,146,948	1,071,408	75,540	1,146,948
Military Construction, Air Force	1,068,250	1,168,289	1,068,250	100,039	1,168,289
Military Construction, Defense-Wide	694,558	859,744	694,558	165,186	859,744
Military Construction, Army National Guard	267,389	365,240	267,389	97,851	365,240
Military Construction, Air National Guard	149,072	227,232	149,072	78,160	227,232
Military Construction, Army Reserve	111,404	111,404	111,404		111,404
Military Construction, Naval Reserve	33,641	33,641	33,641		33,641
Military Construction, Air Force Reserve	53,732	53,732	53,732		53,732
Base Realignment & Closure IV	532,200	592,200	524,470	60,000	584,470
NATO Security Investment Program	162,600	162,600	162,600		162,600
				(55,000)	(55,000)
Total MILITARY CONSTRUCTION	**5,904,795**	**6,356,371**	**5,897,065**	**396,576**	**6,293,641**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2002
In Thousands of Dollars

	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2002 Request	Senate Change to Request	Senate Authorization
FAMILY HOUSING					
Family Housing Construction, Army	291,542	313,852	291,542	22,310	313,852
Family Housing Operations and Debt, Army	1,108,991	1,108,991	1,108,991		1,108,991
Family Housing Construction, Navy & MC	304,400	312,591	304,400	8,191	312,591
Family Housing Operations & Debt, Navy & MC	918,095	918,095	918,095		918,095
Family Housing Construction, Air Force	518,237	542,381	518,237	24,144	542,381
Family Housing Operations & Debt, Air Force	869,121	869,121	869,121		869,121
Family Housing Construction, Defense-Wide	250	250	250		250
Family Housing Operations & Debt, Defense-Wide	43,762	43,762	43,762		43,762
Homeowners Assistance Fund, Defense	10,119	10,119	17,849		17,849
DoD Family Housing Improvement Fund	2,000	2,000	2,000		2,000
Total FAMILY HOUSING	**4,066,517**	**4,121,162**	**4,074,247**	**54,645**	**4,128,892**
TOTAL DIVISION B	**9,971,312**	**10,477,533**	**9,971,312**	**451,221**	**10,422,533**
DIVISION C -- DEPARTMENT OF DEFENSE					
National Defense Stockpile Transaction Fund	0	0	(150,000)		(150,000)
MEMO: MANDATORY/PERMANENT DEPARTMENT OF DEFENSE AUTHORIZATIONS					
TRUST FUNDS AND OFFSETTING RECEIPTS	0	0	**(1,227,126)**	**0**	(1,227,126)
TOTAL DEPARTMENT OF DEFENSE (051)	**246,758,009**	**328,188,329**	**327,999,290**	**(931,961)**	**327,067,329**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2002
In Thousands of Dollars

DIVISION C	Authorization Request	Senate Authorization	BUDGET AUTHORITY IMPLICATION FY 2002 Request	Senate Change to Request	Senate Authorization
National Nuclear Security Administration					
Weapons Activities	5,300,025	5,452,810	5,300,025	152,785	5,452,810
NNSA Defense Nuclear Nonproliferation	773,700	830,500	773,700	56,800	830,500
Naval Reactors	688,045	688,045	688,045	0	688,045
Office of the Administrator	15,000	380,366	15,000	365,366	380,366
Total National Nuclear Security Adminstration	**6,776,770**	**7,351,721**	**6,776,770**	**574,951**	**7,351,721**
Defense Environmental Restoration & Waste Management	4,548,708	4,924,918	4,548,708	376,210	4,924,918
Defense Facilities Closure Projects	1,050,538	1,080,538	1,050,538	30,000	1,080,538
Defense Environmental Management Privatization	141,537	157,537	141,537	16,000	157,537
Other Defense Activities	527,614	501,483	527,614	(26,131)	501,483
Defense Nuclear Waste Disposal	310,000	250,000	310,000	(60,000)	250,000
Total DOE/NNSA Discretionary	**13,355,167**	**14,266,197**	**13,355,167**	**911,030**	**14,266,197**
Energy Employees Compensation Admin Expenses	0	0	63,000		63,000
Energy Employees Illness Compensation	0	0	152,000		152,000
Radiation Exposure Compensation	0	0	102,000		102,000
Radiation Exposure - Proposed Legislation	0	0	(26,000)		(26,000)
Total Department of Energy/NNSA	**13,355,167**	**14,266,197**	**13,646,167**	**911,030**	**14,557,197**
Defense Nuclear Facilities Safety Board	18,500	18,500	18,500		18,500
Formerly Used Defense Sites Remedial Action Program	0		140,000		140,000
Total Atomic Energy Defense Activities (053)	**13,373,667**	**14,284,697**	**13,804,667**	**911,030**	**14,715,697**
TOTAL DIVISION C	**13,373,667**	**14,284,697**	**13,804,667**	**911,030**	**14,715,697**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2002
In Thousands of Dollars

			BUDGET AUTHORITY IMPLICATION		
	Authorization Request	Senate Authorization	FY 2002 Request	Senate Change to Request	Senate Authorization
TOTAL NATIONAL DEFENSE AUTHORIZATION ACT	**260,131,676**	**342,473,026**	**343,181,083**	**(20,931)**	**343,160,152**
MEMO: OTHER DEFENSE PROGRAMS					
RECA proposed legislation 054	0		172,000		172,000
Other Defense Related Activities (054)	0		1,308,000		1,308,000
Total Defense Related Activities (054)	**0**	**0**	**1,480,000**	**0**	**1,480,000**
Total National Defense Function (050)	**260,131,676**	**342,473,026**	**343,283,957**	**(20,931)**	**343,263,026**

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Explanation of tables

The following tables provide the program-level detailed guidance for the funding authorized in Title I of the Act. The tables also display the funding requested by the administration in the fiscal year 2002 budget request for procurement programs and indicate those programs for which the committee either increased or decreased the requested amounts. As in the past, the administration may not exceed the authorized amounts (as set forth in the table or, if unchanged from the administration request, as set forth in the Department of Defense's budget justification documents) without a reprogramming action in accordance with established procedures. Unless noted in the report, funding changes to the budget request are made without prejudice.

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Chemical agents and munitions destruction, Defense (sec. 106)

The budget request for the Army included $1.2 billion for the Chemical Agents and Munitions Destruction (CAMD) program: $200.4 million for research and development; $789.0 million for operations and maintenance; and $164.2 million for procurement. The request also included $187.5 million for military construction described elsewhere in this report. These funds were requested in an Army account, contrary to the requirements of current law.

The committee recommends a provision that would authorize the level of funding requested, although in the account required by law: Chemical Agents and Munitions Destruction, Defense. This level of funding would permit the chemical demilitarization program to proceed with all its component parts toward the deadline for the safe and effective destruction of the U.S. chemical weapons stockpile under the Chemical Weapons Convention.

Section 1521(f) of title 50, United States Code, requires that funds for this program shall not be included in the budget accounts for any military department. The committee is disappointed that funds for this program have been included in the Army budget accounts, despite the statutory requirement to the contrary. The committee expects the Department of Defense to comply with this requirement and fund the Chemical Agents and Munitions Destruction program accordingly. The committee recommends a provision that would provide funding for chemical demilitarization in a Department of Defense budget account.

In May 2001, the Under Secretary of Defense for Acquisition, Technology and Logistics designated the chemical demilitarization program as an Acquisition Category–1D program, which means it must be reviewed by the Defense Acquisition Board and approved by the Under Secretary. The committee strongly supports the chemical demilitarization program and commends the Department for increasing the level of oversight by the Office of the Secretary of Defense, which should help streamline program decision making and management.

The Department is conducting a defense-wide review of the chemical demilitarization program, including all its components: chemical stockpile disposal; the non-stockpile materiel program, alternative technologies and approaches; the assembled chemical weapons assessment; and the chemical stockpile emergency preparedness program. The review is expected to conclude in the fall of 2001, with recommendations for how to proceed with demilitarizing the remaining stockpile sites. The committee directs the Department to provide the results of this review to the congressional defense committees when it is completed.

SUBTITLE B—ARMY PROGRAMS

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Aircraft Procurement, Army						
	Fixed Wing						
1	ARL (TIARA)						
2	UTILITY F/W (MR) AIRCRAFT						
	Rotary Wing						
3	UH-60 BLACKHAWK (MYP)	12	174,515	10	102,500	22	277,015
4	UH-60 BLACKHAWK (MYP) (AP-CY)		26,906				26,906
5	HELICOPTER NEW TRAINING			21	34,100	21	34,100
	Modification of Aircraft						
6	GUARDRAIL MODS (TIARA)		8,827				8,827
7	ARL MODS (TIARA)		12,322				12,322
8	AH1F MODS						
9	AH-64 MODS		38,473		11,800		50,273
	Increase Components in Pool for AH-64 Retrofit				[11,800]		
10	CH-47 CARGO HELICOPTER MODS (MYP)		277,460				277,460
11	CH-47 CARGO HELICOPTER MODS (MYP) (AP-CY)		17,722				17,722
12	CH-47 ICH						
13	UTILITY/CARGO AIRPLANE MODS		16,095				16,095
14	OH-58 MODS		463				463
15	AIRCRAFT LONG RANGE MODS		753				753
16	LONGBOW		888,561		47,000		935,561
	Increase Components in Pool for Longbow Retrofit				[47,000]		
17	LONGBOW (AP-CY)		29,526				29,526
18	UH-1 MODS						
19	UH-60 MODS		52,269				52,269

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
20	KIOWA WARRIOR		42,600				42,600
21	PROPHET AIR (TIARA)						
22	AIRBORNE AVIONICS		78,421				78,421
23	ASE MODS (SIRFC)						
24	ASE MODS (ATIRCM)						
25	GATM						
26	GATM ROLLUP		54,551				54,551
27	MODIFICATIONS < $5.0M						
	Spares and Repair Parts						
28	SPARE PARTS (AIR)		5,331				5,331
	Support Equipment and Facilities						
	Ground Support Avionics						
29	AIRCRAFT SURVIVABILITY EQUIPMENT		32,780				32,780
30	ASE INFRARED CM	12	36,653			12	36,653
	Other Support						
31	AVIONICS SUPPORT EQUIPMENT		7,544		2,500		10,044
	ANVIS 6 Goggles				[2,500]		
32	COMMON GROUND EQUIPMENT		19,113				19,113
33	AIRCREW INTEGRATED SYSTEMS		10,253				10,253
34	AIR TRAFFIC CONTROL		68,887				68,887
35	INDUSTRIAL FACILITIES		707				707
36	LAUNCHER, 2.75 ROCKET		4,960				4,960
37	AIRBORNE COMMUNICATIONS		19,799				19,799
38	CLOSED ACCOUNT ADJUSTMENT						
	Total - Aircraft Procurement, Army		1,925,491		197,900		2,123,391

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Missile Procurement, Army						
	Surface-to-air Missile System						
1	PATRIOT PAC-3	72	676,574			72	676,574
2	STINGER SYSTEM SUMMARY	497	45,890	-244	(22,500)	253	23,390
	Reduce Excessive Growth from Last Year's Estimate				[-22,500]		
3	AVENGER SYSTEM SUMMARY		11,624				11,624
	Air-to-surface Missile System						
4	HELLFIRE SYS SUMMARY	2200	241,811			2200	241,811
	Anit-tank/Assault Missile System						
5	JAVELIN (AAWS-M) SYSTEM SUMMARY	4139	414,632			4139	414,632
6	JAVELIN (AAWS-M) SYSTEM SUMMARY (AP-CY)						
7	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM (AP-CY)		11,427		(2,000)		9,427
	Advance Procurement Funds Budgeted Too Early				[-2,000]		
8	MLRS ROCKET						
9	GUIDED MLRS ROCKET (GMLRS)		8,480				8,480
10	MLRS LAUNCHER SYSTEMS	35	148,294	18	25,750	53	174,044
	Buy Additional Launcher Upgrade for 1 Battalion				[36,000]		
	Reduce Excessive Growth in Engineering Services				[-10,250]		
11	ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM	24	34,263		(9,000)	24	25,263
	Transfer to RDA 106				[-9,000]		
12	ATACMS BLKII SYSTEM SUMMARY	6	61,000			6	61,000
	Modification of Missiles						
13	PATRIOT MODS		37,617				37,617
14	STINGER MODS		5,830				5,830
15	AVENGER MODS		17,991		(6,100)		11,891

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Reduce Excessive Growth from Last Year's Appropriated Level				[-6,100]		
16	ITAS/TOW MODS		96,204		(35,400)		60,804
	Reduce Excessive Growth from Last Year's Appropriated Level				[-35,400]		
17	MLRS MODS		23,599		(3,000)		20,599
	Reduce Excessive Growth in Legacy System				[-3,000]		
	Spares and Repair Parts						
18	SPARES AND REPAIR PARTS		15,299				15,299
	Support Equipment and Facilities						
19	AIR DEFENSE TARGETS		3,325				3,325
20	ITEMS LESS THAN $5.0M (MISSILES)		1,039				1,039
21	MISSILE DEMILITARIZATION		1,358				1,358
22	PRODUCTION BASE SUPPORT		3,377				3,377
	Total - Missile Procurement Army		1,859,634		(52,250)		1,807,384
	Procurement of Weapons and Tracked Combat Vehicles, Army						
	Tracked Combat Vehicles						
1	ABRAMS TRNG DEV MOD		5,545				5,545
2	BRADLEY BASE SUSTAINMENT		400,779				400,779
3	BRADLEY BASE SUSTAINMENT (AP-CY)		2,681				2,681
4	BRADLEY FVS TRAINING DEVICES		2,609				2,609
5	HAB TRAINING DEVICES						
6	BRADLEY FVS TRAINING DEVICES (MOD)		8,814				8,814
7	ABRAMS TANK TRAINING DEVICES		11,814				11,814
8	INTERIM ARMORED VEHICLE (IAV) FAMILY	326	662,595			326	662,595
9	COMMAND & CONTROL VEHICLE						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
10	COMMAND & CONTROL VEHICLE (AP-CY)						
	Modification of Tracked Combat Vehicles						
11	CARRIER, MOD		48,567				48,567
12	FIST VEHICLE (MOD)		14,590				14,590
13	BFVS SERIES (MOD)		42,262				42,262
14	HOWITZER, MED SP FT 155MM M109A6 (MOD)		5,370				5,370
15	FAASV PIP TO FLEET		18,501				18,501
16	IMPROVED RECOVERY VEHICLE (M88 MOD)		58,114				58,114
17	BREACHER SYSTEM (MOD)						
18	HEAVY ASSAULT BRIDGE (HAB) SYS (MOD)		48,592				48,592
19	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)		4,025				4,025
20	M1 ABRAMS TANK (MOD)		113,485				113,485
21	M1A1D RETROFIT		11,647				11,647
22	SYSTEM ENHANCEMENT PGM: SEP M1A2		102,152				102,152
23	ABRAMS UPGRADE PROGRAM		395,802				395,802
24	ABRAMS UPGRADE PROGRAM (AP-CY)		194,438				194,438
25	MODIFICATIONS LESS THAN $5.0M (TCV-WTCV)						
	Support Equipment and Facilities						
26	ITEMS LESS THAN $5.0M (TCV-WTCV)		146				146
27	PRODUCTION BASE SUPPORT (TCV-WTCV)		9,979				9,979
	Weapons and Other Combat Vehicles						
28	ARMOR MACHINE GUN, 7.62MM M240 SERIES	716	8,033			716	8,033
29	MACHINE GUN, 5.56MM (SAW)						
30	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	1510	28,826			1510	28,826
31	81MM MORTAR (ROLL)		3,321				3,321
32	M16 RIFLE	3060	1,978			3060	1,978

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
33	XM107, CAL. 50, SNIPER RIFLE	150	2,149			150	2,149
34	5.56 CARBINE M4	2800	2,400			2800	2,400
35	HOWITZER LT WT 155MM (T)		1,107				1,107
	Modification of Weapons and Other Combat Vehicles						
36	MARK-19 MODIFICATIONS		745				745
37	M4 CARBINE MODS						
38	SQUAD AUTOMATIC WEAPON (MOD)		4,450				4,450
39	MEDIUM MACHINE GUNS (MODS)		746				746
40	HOWITZER, TOWED, 155MM, M198 (MODS)		2,823				2,823
41	M119 MODIFICATIONS		4,887				4,887
42	M16 RIFLE MODS		2,100				2,100
43	MODIFICATIONS LESS THAN $5.0M (WOCV-WTCV)		1,261				1,261
	Support Equipment and Facilities						
44	ITEMS LESS THAN $5.0M (WOCV-WTCV)		1,275				1,275
45	PRODUCTION BASE SUPPORT (WOCV-WTCV)		6,430				6,430
46	INDUSTRIAL PREPAREDNESS		4,270				4,270
47	SMALL ARMS (SOLDIER ENH PROG)		303				303
	Spares and Repair Parts						
48	SPARES AND REPAIR PARTS (WTCV)		37,135				37,135
	Total - Procurement of Weapons and Tracked Combat Vehicles, Army		2,276,746				2,276,746
	Procurement of Ammunition, Army						
	Small/Medium Caliber Ammunition						
1	CTG, 5.56MM, ALL TYPES		67,241				67,241
2	CTG 5.56MM ARMOR PIERCING M995	2605	3,551			2605	3,551

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
3	CTG, 7.62MM, ALL TYPES		11,833				11,833
4	CTG 7.62MM ARMOR PIERCING XM993	1168	2,412			1168	2,412
5	CTG, 9MM, ALL TYPES		2,657				2,657
6	CTG, .50 CAL, ALL TYPES		26,823				26,823
7	CTG CAL .50 API MK211 MOD 0	404	3,211			404	3,211
8	CTG, 20MM, ALL TYPES		85				85
9	CTG, 25MM, ALL TYPES		46,231				46,231
10	CTG, 30MM, ALL TYPES		9,811				9,811
11	CTG, 40MM, ALL TYPES		49,395				49,395
12	NONLETHAL WEAPONS CAPABILITY SET	5	5,891			5	5,891
	Mortar Ammunition						
13	60MM MORTAR, ALL TYPES		45,389				45,389
14	81MM MORTAR, ALL TYPES						
15	CTG MORTAR 120MM HE M934 W/MO FUZE	50	39,536			50	39,536
16	CTG MORTAR 120MM ILLUM XM930 W/MTSQ FZ	2	3,521			2	3,521
17	CTG 120MM WP SMOKE M929A1	11	11,480			11	11,480
18	CTG 120MM IR ILLUM XM983	2	3,521			2	3,521
	Tank Ammunition						
19	CTG, 105MM, HEP-T, W/FUZE F/TANK M393	1	6,036			1	6,036
20	CTG 120MM APFSDS-T M829A2/M829E3	5	35,596			5	35,596
21	CTG 120MM HEAT-MP-T M830A1						
22	CTG TANK 120MM TP-T M831/M831A1	86	46,200			86	46,200
23	CTG TANK 120MM TPCSDS-T M865	198	97,487			198	97,487
	Artillery Ammunition						
24	CTG ARTY 75MM BLANK M337A1	38	1,824			38	1,824
25	CTG ARTY 105MM BLANK M395						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
26	CTG ARTY 105MM DPICM XM915						
27	CTG ARTY 105MM M927		14				14
28	CTG ARTY 105MM ILLUM M314 SERIES	6	5,037			6	5,037
29	PROJ ARTY 155MM SMOKE WP M825						
30	PROJ ARTY 155MM HE M795				10,000		10,000
31	PROJ ARTY 155MM SADARM M898						
32	REMOTE AREA DENIAL ARTILLERY MUNITION (RADAM)	104	48,218		(20,800)	104	27,418
33	PROJ ARTY 155MM HE M107	224	41,400			224	41,400
34	MODULAR ARTILLERY CHARGE SYSTEM (MACS)	836	87,413			836	87,413
	Artillery Fuzes						
35	ARTILLERY FUZES, ALL TYPES		56,443				56,443
	Mines						
36	MINE, TRAINING, ALL TYPES		9,536				9,536
37	MINE AT M87 (VOLCANO)						
38	WIDE AREA MUNITIONS		2,025				2,025
	Rockets						
39	BUNKER DEFEATING MUNITION (BDM)						
40	ROCKET, HYDRA 70, ALL TYPES		136,654				136,654
	Other Ammunition						
41	DEMOLITION MUNITIONS, ALL TYPES		18,168		5,000		23,168
	Anti-personnel Obstacle Breaching System				[5,000]		
42	GRENADES, ALL TYPES		25,710				25,710
43	SIGNALS, ALL TYPES		10,611				10,611
44	SIMULATORS, ALL TYPES		3,409				3,409
	Miscellaneous						
45	AMMO COMPONENTS, ALL TYPES		6,874				6,874

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
46	CAD/PAD ALL TYPES		5,037				5,037
47	ITEMS LESS THAN $5 MILLION		11,018				11,018
48	AMMUNITION PECULIAR EQUIPMENT		8,816				8,816
49	FIRST DESTINATION TRANSPORTATION (AMMO)		5,218				5,218
50	CLOSEOUT LIABILITIES		32,213				32,213
	Ammunition Production Base Support						
51	PROVISION OF INDUSTRIAL FACILITIES		57,277				57,277
52	LAYAWAY OF INDUSTRIAL FACILITIES		13,815				13,815
53	MAINTENANCE OF INACTIVE FACILITIES		10,802				10,802
54	CONVENTIONAL AMMO DEMILITARIZATION		73,225				73,225
55	ARMS INITIATIVE		4,701				4,701
	Total - Procurement of Ammunition, Army		1,193,365		(5,800)		1,187,565
	Other Procurement, Army						
	Tactical and Support Vehicles						
	Tactical Vehicles						
1	TACTICAL TRAILERS/DOLLY SETS		3,723				3,723
2	SEMITRAILERS, FLATBED:		29,317				29,317
3	SEMITRAILERS, TANKERS		6,664				6,664
4	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M129A2C	95	7,300			95	7,300
5	HI MOB MULTI-PURP WHLD VEH (HMMWV)		130,821				130,821
6	TRUCK, DUMP, 20T (CCE)	30	8,078			30	8,078
7	FAMILY OF MEDIUM TACTICAL VEH (FMTV)		467,386				467,386
8	FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIPMENT		5,024				5,024
9	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)		157,633				157,633

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
10	ARMORED SECURITY VEHICLES (ASV)	20	14,483			20	14,483
11	TRUCK, TRACTOR, LINE HAUL, M915/M916		47,507				47,507
12	TOWING DEVICE, 5TH WHEEL	34	2,013			34	2,013
13	TRUCK, TRACTOR, YARD TYPE, M878 (C/S)	35	4,003			35	4,003
14	HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV P	169	31,304		(5,000)	169	26,304
	Align with 3rd IBCT Production & Fielding				[-5,000]		
15	LINE HAUL ESP	240	18,515			240	18,515
16	MODIFICATION OF IN SVC EQUIP		49,184				49,184
17	ITEMS LESS THAN $5.0M (TAC VEH)		1,903				1,903
	Non-tactical Vehicles						
18	HEAVY ARMORED SEDAN	3	585			3	585
19	PASSENGER CARRYING VEHICLES		1,115				1,115
20	NONTACTICAL VEHICLES, OTHER	53	5,458			53	5,458
	Communications and Electronics Equipment						
	Comm-Joint Communications						
21	COMBAT IDENTIFICATION PROGRAM		13,147				13,147
22	JCSE EQUIPMENT (USREDCOM)		5,594				5,594
	Comm-Satellite Communications						
23	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)		99,420				99,420
24	SHF TERM		16,951		(16,951)		
	Incumbent Contractor Terminated: Plans Unclear				[-16,951]		
25	SAT TERM, EMUT (SPACE)		12,640				12,640
26	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE)	7120	20,806			7120	20,806
27	SMART-T (SPACE)		21,704				21,704
28	SCAMP (SPACE)		3,562				3,562
29	GLOBAL BRDCST SVC - GBS		6,969				6,969

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
30	MOD OF IN-SVC EQUIP (TAC SAT)		2,492		13,100		15,592
	Secure Enroute Communications				[13,100]		
	Comm-C3 System						
31	ARMY GLOBAL CMD & CONTROL SYS (AGCCS)		8,622				8,622
	Comm-Combat Communications						
32	ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO)		46,332		10,000		56,332
	Enhanced Position Location & Reporting System (EPLRS)				[10,000]		
33	SINCGARS FAMILY		20,687		3,500		24,187
	Transfer from RDA 160 -- GPS in SINCGARS				[3,500]		
34	TRACTOR CAGE		1,866				1,866
35	JOINT TACTICAL AREA COMMAND SYSTEMS		971				971
36	ACUS MOD PROGRAM		113,137		40,000		153,137
	Downsize Communications Switches and Shelters				[40,000]		
37	COMMS-ELEC EQUIP FIELDING		3,412				3,412
38	SOLDIER ENHANCEMENT PROGRAM COMM/ELECTRONICS		5,136				5,136
39	PRODUCT IMPROVED COMBAT VEHICLE CREWMAN HEADS						
40	COMBAT SURVIVOR EVADER LOCATOR (CSEL)		12,720				12,720
41	MEDICAL COMM FOR CBT CASUALTY CARE (MC4)		7,703				7,703
	Comm-Intelligence Communications						
42	CI AUTOMATION ARCHITECTURE		1,635				1,635
	Information Security						
43	TSEC - ARMY KEY MGT SYS (AKMS)		12,203				12,203
44	INFORMATION SYSTEM SECURITY PROGRAM-ISSP		42,244				42,244
	Comm-Long Haul Communications						
45	TERRESTRIAL TRANSMISSION		2,038				2,038
46	BASE SUPPORT COMMUNICATIONS		11,739				11,739

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
47	ARMY DISN ROUTER		4,931				4,931
48	ELECTROMAG COMP PROG (EMCP)		462				462
49	WW TECH CON IMP PROG (WWTCIP)		2,998				2,998
	Comm-Base Communications						
50	INFORMATION SYSTEMS		166,679				166,679
51	DEFENSE MESSAGE SYSTEM (DMS)		18,463				18,463
52	LOCAL AREA NETWORK (LAN)		103,965				103,965
53	PENTAGON INFORMATION MGT AND TELECOM		33,605				33,605
	Elect Equip-Nat For Int Prog (NFIP)						
54	FOREIGN COUNTERINTELLIGENCE PROG (FCI)		877				877
55	GENERAL DEFENSE INTELL PROG (GDIP)		27,994				27,994
	Elect Equip-Tact Int Rel Act (TIARA)						
56	ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)		46,931				46,931
57	JTT/CIBS-M (TIARA)	59	10,345			59	10,345
58	PROPHET GROUND (TIARA)	28	15,734			28	15,734
59	TACTICAL UNMANNED AERIAL VEHICLE (TUAV)	12	84,300		16,200	12	100,500
	Upgrade LRIP sensors for use by Objective Force				[16,200]		
60	JOINT STARS (ARMY) (TIARA)		21,304				21,304
61	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIARA)		20,124				20,124
62	DRUG INTERDICTION PROGRAM (DIP) (TIARA)						
63	TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES						
64	TACTICAL EXPLOITATION SYSTEM/DCGS-A (TIARA)		26,168				26,168
65	COMMON IMAGERY GROUND/SURFACE SYSTEM (CIGSS)		2,611				2,611
66	TROJAN (TIARA)		4,895				4,895
67	MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)		1,744				1,744
68	CI HUMINT AUTOMATED TOOL SET (CHATS) (TIARA)		1,492				1,492

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
69	ITEMS LESS THAN $5.0M (TIARA)		2,091				2,091
	Elect Equip-Electronic Warfare (EW)						
70	SHORTSTOP		5				5
71	COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES		2,306				2,306
	Elect Equip-Tactical Surv. (TAC SURV)						
72	FAAD GBS		1,887				1,887
73	SENTINEL MODS		30,885				30,885
74	NIGHT VISION DEVICES		37,019				37,019
75	LONG RANGE ADVANCED SCOUT SURVEILLANCE SYSTEM	80	44,535		1,600	80	46,135
	Commander's Remote Display				[1,600]		
76	LTWT VIDEO RECON SYSTEM (LWVRS)	16	1,339			16	1,339
77	NIGHT VISION, THERMAL WPN SIGHT	1643	35,134			1643	35,134
78	COMBAT IDENTIFICATION / AIMING LIGHT		8,503				8,503
79	ARTILLERY ACCURACY EQUIP		10,413				10,413
80	MOD OF IN-SVC EQUIP (MMS)		935				935
81	MOD OF IN-SVC EQUIP (MVS)		251				251
82	PORTABLE INDUCTIVE ARTILLERY FUZE SETTER (PIA						
83	MOD OF IN-SVC EQUIP (TAC SURV)		21,478				21,478
84	FORCE XXI BATTLE CMD BRIGADE & BELOW (FBCB2)	1655	74,663			1655	74,663
85	LIGHTWEIGHT LASER DESIGNATOR/RANGEFINDER (LLD	21	7,059			21	7,059
86	COMPUTER BALLISTICS: MORTAR M-30						
87	MORTAR FIRE CONTROL SYSTEM	53	16,785			53	16,785
88	INTEGRATED MET SYS SENSORS (IMETS) - TIARA		2,521				2,521
	Elect Equip-Tactical C2 Systems						
89	TACTICAL OPERATIONS CENTERS		38,952				38,952
90	ADV FIELD ARTILLERY TACT DATA SYS (AFATDS)		49,476				49,476

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
91	LIGHT WEIGHT TECHNICAL FIRE DIRECTION SYS (LWT		1,677				1,677
92	CMBT SVC SUPT CONTROL SYS (CSSCS)		25,201				25,201
93	FAAD C2		8,900				8,900
94	FAADC2I MODIFICATIONS						
95	AIR & MSL DEFENSE PLANNING & CONTROL SYS (AMD		10,299				10,299
96	FORWARD ENTRY DEVICE (FED)		15,915				15,915
97	STRIKER-COMMAND AND CONTROL SYSTEM	31	21,442			31	21,442
98	LIFE CYCLE SOFTWARE SUPPORT (LCSS)		936				936
99	LOGTECH		8,212				8,212
100	TC AIMS II		25,512				25,512
101	GUN LAYING AND POS SYS (GLPS)	131	12,079			131	12,079
102	ISYSCON EQUIPMENT		32,448				32,448
103	MANEUVER CONTROL SYSTEM (MCS)	49	6,839			49	6,839
104	STAMIS TACTICAL COMPUTERS (STACOMP)		60,621		300		60,921
	Transfer from RDA 160 -- Future Finance System				[300]		
105	STANDARD INTEGRATED CMD POST SYSTEM		30,513				30,513
	Elect Equip-Automation						
106	ARMY TRAINING MODERNIZATION		26,312				26,312
107	AUTOMATED DATA PROCESSING EQUIP		146,885				146,885
108	RESERVE COMPONENT AUTOMATION SYS (RCAS)		89,319				89,319
	Elect Equip-Audio Visual Sys (A/V)						
109	SPECIAL INFORMATION OPERATIONS (SIO) (TIARA)		206				206
110	AFRTS		2,481				2,481
111	ITEMS LESS THAN $5.0M (A/V)		5,778				5,778
112	ITEMS LESS THAN $5M (SURVEYING EQUIPMENT)		631				631
	Elect Equip-Support						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
113	PRODUCTION BASE SUPPORT (C-E)		419				419
	Other Support Equipment						
	Chemical Defensive Equipment						
114	SMOKE & OBSCURANT FAMILY: SOF (NON AAO ITEM)		23,547				23,547
	Bridging Equipment						
115	TACTICAL BRIDGING, DRY SUPPORT		25,752				25,752
116	TACTICAL BRIDGE, FLOAT-RIBBON		48,181				48,181
	Engineer (Non-construction) Equipment						
117	DISPENSER, MINE M139		2,400				2,400
118	KIT, STANDARD TELEOPERATING						
119	GRND STANDOFF MINE DETECTION SYSTEM (GSTAMIDS		13,272				13,272
120	WIDE AREA MUNITIONS (REMOTE CONTROL UNIT)	274	3,317			274	3,317
121	EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPMT)	11207	4,058			11207	4,058
122	< $5M, COUNTERMINE EQUIPMENT		156				156
123	BN COUNTERMINE SIP						
	Combat Service Support Equipment						
124	HEATERS AND ECU'S		5,082				5,082
125	LAUNDRIES, SHOWERS AND LATRINES		23,232				23,232
126	SOLDIER ENHANCEMENT		3,148				3,148
127	LIGHTWEIGHT MAINTENANCE ENCLOSURE (LME)	276	3,636			276	3,636
128	FORCE PROVIDER						
129	FIELD FEEDING AND REFRIGERATION		7,043				7,043
130	AIR DROP PROGRAM						
131	CAMOUFLAGE: ULCANS						
132	ITEMS LESS THAN $5.0M (CSS-EQ)		4,001				4,001
	Petroleum Equipment						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
133	FAMILY OF TANK ASSEMBLIES, FABRIC, COLLAPSIBLE						
134	QUALITY SURVEILLANCE EQUIPMENT		7,694				7,694
135	DISTRIBUTION SYSTEMS, PETROLEUM & WATER		18,294				18,294
136	PUMPS, WATER AND FUEL						
137	ASSAULT HOSELINE SYSTEM	35	5,361			35	5,361
138	INLAND PETROLEUM DISTRIBUTION SYSTEM		1,706				1,706
139	ITEMS LESS THAN $5.0M (POL)						
	Water Equipment						
140	WATER PURIFICATION SYSTEMS		39,289				39,289
141	ITEMS LESS THAN $5.0M (WATER EQ)						
	Medical Equipment						
142	COMBAT SUPPORT MEDICAL		16,731				16,731
	Maintenance Equipment						
143	SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)	160	9,979			160	9,979
144	WELDING SHOP, TRAILER MTD	144	6,053			144	6,053
145	ITEMS LESS THAN $5.0M (MAINT EQ)		2,617				2,617
146	STEAM CLEANER, TRAILER MOUNTED						
	Construction Equipment						
147	SCRAPER, EARTHMOVING, 7 1/2 CU YD		7,230				7,230
148	DISTR, WATER, SP MIN 2500G SEC/NON-SEC	28	1,006			28	1,006
149	MISSION MODULES - ENGINEERING		6,121				6,121
150	COMPACTOR	50	4,589			50	4,589
151	LOADERS		12,669				12,669
152	HYDRAULIC EXCAVATOR	21	4,589			21	4,589
153	DEPLOYABLE UNIVERSAL COMBAT EARTH MOVERS		5,301				5,301
154	TRACTOR, FULL TRACKED		2,018				2,018

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
155	CRANES		22,029				22,029
156	CRUSHING/SCREENING PLANT, 150 TPH	2	4,474			2	4,474
157	PLANT, ASPHALT MIXING	1	2,013			1	2,013
158	ARMORED COMBAT EARTHMOVER, M9 ACE	1	1,107			1	1,107
159	TACTICAL RAPID EXCAVATION SYSTEM (TRES)	1	5,031			1	5,031
160	CONST EQUIP ESP		12,974				12,974
161	ITEMS LESS THAN $5.0M (CONST EQUIP)		12,428				12,428
	Rail Float Containerization Equipment						
162	SMALL TUG						
163	FLOATING CRANE, 100-250 TON						
164	LOGISTIC SUPPORT VESSEL (LSV)	1	25,437			1	25,437
165	LOGISTICS SUPPORT VESSEL (ESP)						
166	CAUSEWAY SYSTEMS						
167	RAILWAY CAR, FLAT, 89 FOOT						
168	ITEMS LESS THAN $5.0M (FLOAT/RAIL)		3,254				3,254
	Generators						
169	GENERATORS AND ASSOCIATED EQUIP		59,768				59,768
	Material Handling Equipment						
170	ROUGH TERRAIN CONTAINER HANDLER (RTCH)	84	43,353			84	43,353
171	ALL TERRAIN LIFTING ARMY SYSTEM	145	21,062			145	21,062
172	MHE EXTENDED SERVICE PROGRAM (ESP)	5	1,007			5	1,007
173	ROUGH TERRAIN CONTAINER CRANE						
174	ITEMS LESS THAN $5.0M (MHE)		481				481
	Training Equipment						
175	CTC INSTRUMENTATION SUPPORT		10,307				10,307
176	TRAINING DEVICES, NONSYSTEM		74,481				74,481

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
177	CLOSE COMBAT TACTICAL TRAINER		36,783				36,783
178	AVIATION COMBINED ARMS TACTICAL TRAINER (AVCA		25,227				25,227
179	FIRE SUPPORT COMBINED ARMS TACTICAL TRAINER						
	Test Measure and Dig Equipment (TMD)						
180	CALIBRATION SETS EQUIPMENT		16,001				16,001
181	INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)		52,397				52,397
182	TEST EQUIPMENT MODERNIZATION (TEMOD)		15,655				15,655
183	ARMY DIAGNOSTICS IMPROVEMENT PGM (ADIP)		18,344				18,344
	Other Support Equipment						
184	RECONFIGURABLE SIMULATORS		365				365
185	PHYSICAL SECURITY SYSTEMS (OPA3)		69,227				69,227
186	BASE LEVEL COM'L EQUIPMENT		8,696				8,696
187	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)		32,468				32,468
188	PRODUCTION BASE SUPPORT (OTH)		2,545				2,545
189	SPECIAL EQUIPMENT FOR USER TESTING		16,400				16,400
190	MA8975		6,057				6,057
191	CLOSED ACCOUNT ADJUSTMENTS						
	Spares and Repair Parts						
192	INITIAL SPARES - TSV						
193	INITIAL SPARES - C&E		43,093				43,093
194	INITIAL SPARES - OTHER SUPPORT EQUIP		971				971
	Total - Other Procurement, Army		3,961,737		62,749		4,024,486

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Chemical Agents & Munitions Destruction, Army						
1	CHEM DEMILITARIZATION - RDTE		200,379		(200,379)		
2	CHEM DEMILITARIZATION - PROC		164,158		(164,158)		
3	CHEM DEMILITARIZATION - O&M		789,020		(789,020)		
	Total - Chemical Agents & Munitions Destruction, Army		1,153,557		(1,153,557)		
	Total - Army Procurement		12,370,530		(950,958)		11,419,572

Army Aircraft

UH–60 Black Hawk

The budget request included $174.5 million for 12 UH–60L Black Hawk helicopters and eight medical evacuation mission equipment package modifications. The most recent Army aviation modernization plan identifies an outstanding requirement for an additional 240 Black Hawks. The committee recommends an increase of $102.5 million for 10 additional UH–60L helicopters to be fielded in accordance with Army priorities, a total authorization of $277.0 million.

TH–67 training helicopter

The budget request included no funding for TH–67 helicopters for aviation training. The Army aviation modernization plan establishes a requirement of 175 TH–67 aircraft until fiscal year 2014, when the requirement rises to 195, and then levels out at 210 the following year when the last of the OH–58 helicopters in the training base is retired. The committee notes that the Army is only 21 TH–67 helicopters short of the 175 requirement. These remaining 21 aircraft are essential for the Army's transition to Flight School XXI and to the planned divestiture of a large number of the UH–1 and OH–58 A/C aircraft currently in use at the Army Aviation Center Flight School. The committee recommends an authorization of $34.1 million for the 21 TH–67 helicopters needed to fulfill the Army's requirement for training helicopters through fiscal year 2014.

AH–64 Apache modifications

The budget request included $38.5 million for AH–64 Apache modifications. Retrofit of the AH–64A Apaches is the second highest priority in the recapitalization category of the Army's list of unfunded requirements for fiscal year 2002. This will be accomplished through recapitalization by spares. The committee recommends an increase of $11.8 million to address that shortfall, a total authorization of $50.3 million.

CH–47 cargo helicopter modifications (multiyear program)

The budget request included $277.5 million for CH–47 cargo helicopter modifications, including $121.0 million for the CH–47F Improved Cargo Helicopter (ICH) upgrade program. This program extends CH–47F airframe service life, introduces an open electronic architecture, and reduces operations and support costs. The fiscal year 2001 budget request forecasted the inclusion of funding to upgrade 11 CH–47D aircraft to the CH–47F version in the fiscal year 2002 budget request. However, the fiscal year 2002 budget request included no funding for aircraft conversion because of a program restructuring necessitated, in part, by an increase in production facilitization costs.

The committee is concerned with the Army's deferral of the CH–47F upgrade program, which will force the Army to continue to sustain and rely upon an aging CH–47D helicopter. The committee notes that the revised program plans to induct eight aircraft for conversion to CH–47F in fiscal year 2003. The committee expects

the Army to fully execute the $121.0 million in the revised fiscal year 2002 ICH program, including $32.0 million for production engineering of a new, "lean" forward cabin, $51.0 million for initial production facilitization, and the remainder for training materials, avionics upgrades, program management and other associated program costs. The committee believes that it is essential to begin the upgrade program no later than fiscal year 2003.

CH–47 cargo helicopter modifications (multiyear program) (advanced procurement)

The budget request included $17.7 million for CH–47 cargo helicopter modifications advanced procurement. The CH–47 cargo helicopter modifications advanced procurement funds the delivery of long lead time avionics and airframe components for the Improved Cargo Helicopter (ICH) upgrade program. Because of program delays, the Army failed to execute the $26.0 million authorized for advanced procurement of long lead items authorized in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

The committee notes that the $17.7 million in the fiscal year 2002 budget request would fund the procurement of long lead items for eight CH–47D helicopters to be inducted into the CH–47F ICH upgrade program in fiscal year 2003. The committee expects the Army to fully execute that funding and begin the upgrade program no later than fiscal year 2003.

Longbow

The budget request included $918.1 million for Apache Longbow upgrades. Increasing the number of critically short components in the pool of retrofit parts for Apache Longbow helicopters is the highest priority in the recapitalization category of the Army's list of unfunded requirements for fiscal year 2002. The Army intends to apply these parts to AH–64A aircraft on the Longbow re-manufacture line, or as a post-fielding retrofit to those previously remanufactured AH–64D Apache Longbow. The committee recommends an increase of $47.0 million for this purpose, a total authorization of $965.1 million.

Avionics support equipment

The budget request included $7.5 million for Aviators' Night Vision Imaging System (ANVIS), AN/AVS–6 goggles. The increased capability provided by the improved version of the AN/AVS–6 goggle yields enhanced mission performance and safety of flight over what is now possible using currently fielded systems. The committee supports fielding the improved version as quickly as possible, and recommends an increase of $2.5 million for that purpose, a total authorization of $10.0 million.

Army Missiles

STINGER system summary

The budget request included $45.9 million for Stinger missiles, an increase of nearly $23.0 million over last year's estimate for the fiscal year 2002 budget. The committee does not believe that such a large increase is warranted, and that a portion of this funding

can therefore be shifted from this legacy system to higher priority requirements on the Army's list of unfunded requirements for fiscal year 2002. The committee recommends maintaining Stinger production at that earlier estimate, a decrease of $22.5 million, a total authorization of $23.4 million.

Line of sight anti-tank system summary

The budget request included $11.4 million for the Line of Sight Anti-Tank (LOSAT) system, which provides highly lethal, accurate missile fire against heavy armor and field fortifications at ranges exceeding tank main gun range. The request included funding for long lead items for the 2004 production of missiles, which can be deferred for a year. The committee recommends a decrease of $2.0 million, a total authorization of $9.4 million.

Multiple launch rocket system

The budget request included $148.3 million for Multiple Launch Rocket Systems (MLRS). The committee recognizes the importance of upgrading MLRS launchers to enable them to fire the advanced Army Tactical Missile System (ATACMS) munitions. The upgrade also reduces ready-to-fire and reload times, reduces operational costs and increases launcher and crew survivability. The Army is short of the number of upgraded M270A1 launchers needed to meet its objective for the active Army and National Guard battalions of the heavy counter-attack corps. The committee notes that the Army has included two battalions of upgraded MLRS launchers on its list of unfunded requirements for fiscal year 2002. The committee recommends an increase of $36.0 million for one additional M270A1 MLRS battalion to be fielded according to Army priorities.

The committee also notes a 58 percent increase in the budget request from the fiscal year 2001 appropriated level for engineering services. The committee believes that such an increase has been inadequately justified and is not warranted. The committee recommends a decrease of $10.3 million in engineering services, a total authorization of $174.0 million.

Army tactical missile system—system summary

The budget request included $34.3 million for the Army tactical missile system (ATACMS). The June 2001 developmental test of the ATACMS BAT brilliant anti-armor submuntion was unsuccessful, requiring another developmental test prior to the initial operational test and evaluation. The committee recommends a decrease of $9.0 million in ATACMS Block 1A procurement to fund the additional testing of the ATACMS BAT, a total authorization of $25.3 million.

AVENGER modifications

The budget request included $18.0 million for Avenger modifications, a 166 percent increase from the fiscal year 2001 appropriated level. The committee does not believe that such an increase is warranted and can be sustained in future years of the defense program. Therefore, a portion of this funding can be shifted from this legacy system to higher priority programs on the Army's list of unfunded requirements for fiscal year 2002. The committee rec-

ommends a decrease of $6.1 million, for a total authorization of $11.9 million.

Tube-launched, optically tracked, wire command-link guided, improved target acquisition system modifications

The budget request included $96.2 million for Tube-launched, Optically tracked, Wire command-link guided, Improved Target Acquisition System modifications, a 50 percent increase from the fiscal year 2001 appropriated level. The committee does not believe that such an increase is warranted and can be sustained in future years of the defense program. Therefore, a portion of the funding can be shifted from this legacy system to higher priority programs on the Army's list of unfunded requirements for fiscal year 2002. The committee recommends a decrease of $35.4 million, a total authorization of $60.8 million.

Multiple launch rocket system modifications

The budget request included $23.6 million for Multiple Launch Rocket System modifications, a 44 percent increase from the fiscal year 2001 appropriated level. The committee does not believe that such an increase is warranted and can be sustained in future years of the defense program. Therefore, a portion of the funding can be shifted from this legacy system to higher priority requirements on the Army's list of unfunded requirements for fiscal year 2002. The committee recommends a decrease of $3.0 million, a total authorization of $20.6 million.

Army Ammunition

Remote area denial artillery munition

The committee understands that the Army is awaiting a decision by the Secretary of Defense on whether to continue with the Remote Area Denial Artillery Munition (RADAM) program. The RADAM delivers both anti-personnel and anti-tank mines, and is designed to allow for remote laying of minefields. The budget request included $48.2 million to procure 104 RADAM rounds, and the Army notes that an additional $27.4 million in fiscal year 2001 funds is currently being withheld pending the Secretary's decision.

The committee believes that the combination of fiscal year 2001 funds, along with a reduced amount of fiscal year 2002 funds, will be sufficient to maintain a robust production capability should the Secretary decide favorably on the RADAM program. Therefore, the committee recommends a decrease of $20.8 million, to maintain funding at the fiscal year 2001 level.

Artillery ammunition

The committee recommends an increase of $20.0 million ($10.0 million for the Army and $10.0 million for the Marine Corps) to procure additional 155mm M795 High Explosive rounds. These funds will mitigate training and war reserve shortfalls and achieve economies of scale, resulting in more cost-effective procurement.

Anti-personnel obstacle breaching system

The budget request included $9.4 million for the Anti-Personnel Obstacle Breaching System (APOBS), a two-man system used to breach a cleared path through minefields and wire obstacles. The committee recommends an increase of $5.0 million to purchase additional APOBS, allowing earlier fielding and training for a larger number of Army light units.

Other Army Procurement

Heavy expanded mobile tactical truck extended service program

The budget request included $31.3 million for the Heavy Expanded Mobile Tactical Truck (HEMTT) extended service program. Funding is included to complete the HEMTT requirement for fielding to the third Interim Brigade Combat Team (IBCT). However, other major equipment requirements for the third IBCT, such as the interim armored vehicles (IAV), will not be funded until fiscal year 2003, and will not be produced until calendar years 2004 and 2005. The committee believes the funding for the third IBCT HEMTTs can be deferred until fiscal year 2003, and the fielding schedule aligned with that of the IAVs. The committee recommends a decrease of $5.0 million, a total authorization of $26.3 million.

Super high frequency terminals

The budget request included $17.0 million to purchase super high frequency (SHF) terminals.

The Army had been acquiring systems under a program called the tri-band SHF tactical satellite terminal (STAR–T). The Army terminated this contract in June 2001 because of poor contractor performance. Since then, the Army has indicated that they would like to buy some commercially available satellite terminal, even if that system does not meet requirements. The committee would support the Army's use of a spiral development approach for meeting requirements. However, the Army appears to be laying out a plan to spend the available funds on interim systems that may not provide the spiral migration path they seek.

Therefore, the committee recommends a reduction of $17.0 million and directs the Army to propose a plan for meeting these requirements in the fiscal year 2003 budget request based on a more fully formed assessment of the available alternatives and the best capability migration path.

Secure enroute communications package

The budget request included $2.5 million in Army communications and electronics, modification of in-service equipment. These funds would begin purchases of a so-called secure enroute communications package—improved (SECOMP-I). SECOMP-I is a lightweight, compact communication system that is designed to roll on and roll off aircraft, and use radio systems existing on the aircraft. The system can also be used early during a deployment to support early arriving forces and their operations. Block I of the SECOMP-I system provides for voice and limited data communications.

The Army plans to field a Block II version of the system that would also provide a robust enroute mission planning and rehearsal system capability, including a flying local area network between command and subordinate troop carrying aircraft. The committee believes that accelerated fielding of the Block II capability would be important for supporting future, short-notice deployments that could face the Army.

Therefore, the committee recommends an increase of $13.1 million to pay for non-recurring engineering on the Block II system, flying local area network antenna modifications for aircraft and accelerated fielding of Block I systems.

The committee is aware that U.S. Special Operations Command (SOCOM) has already developed similar command and control systems that include enroute planning and rehearsal capabilities. Additionally, SOCOM and the Air Force have also completed extensive research and engineering efforts to configure C–17 and C–130 aircraft to accept these roll on/roll off packages and have modified several aircraft to accept them. The Air Force and SOCOM are considering a plan to modify the entire C–17 fleet. The committee urges the Assistant Secretary of Defense (Command, Control, Communications and Intelligence), the Assistant Secretary of the Army (Acquisition, Technology and Logistics) and the Assistant Secretary of the Air Force (Acquisition) to review the SOCOM/Air Force program to avoid possible duplication of effort and to ensure maximum interoperability of command and control systems.

Army data distribution system (data radio)

The budget request included $46.3 million for the Enhanced Position Location Reporting System (EPLRS) and the EPLRS Net Manager System. EPLRS is the critical mobile data radio required to establish the Army's wireless Tactical Internet. More than $100.0 million in funding for additional EPLRS to digitize the force is a priority on the Army's list of unfunded requirements for fiscal year 2002. The committee recommends an increase of $10.0 million for additional EPLRS, a total authorization of $56.3 million.

Area common user system modifications program

The budget request included $113.1 million for modifications to the Area Common User System (ACUS) to upgrade echelons above corps communications networks. This program supports the downsizing of ACUS legacy systems through the procurement and fielding of the Single Shelter Switch (SSS) and High Mobility Digital Group Multiplexer assemblage (HMDA) systems. Unfortunately, the budget request funded no SSSs or HMDAs, leaving the Army well short of its requirements for these systems. Therefore, the committee recommends an increase of $40.0 million for the procurement of additional SSS and HMDA systems, a total authorization of $153.1 million.

Tactical unmanned aerial vehicle procurement

The budget request included $84.3 million in Other Procurement, Army to buy tactical unmanned aerial vehicle (TUAV) systems.

The Army has been buying TUAV systems in a low rate initial production (LRIP), pending completion of operational testing this

year. The Army intends to upgrade some of the TUAV systems and payloads for the full rate production version of the system to a so-called "Block II configuration," based on development and testing results since the Army began buying these LRIP systems.

The committee believes that it would be much more efficient for the Army to operate, support and train for using a single TUAV system configuration. Therefore, the committee recommends an increase of $16.2 million to upgrade LRIP TUAV systems, including their sensor payloads, data links, and avionics suites, to the Block II configuration.

Long range advanced scout surveillance system

The budget request included $44.5 million for the Long Range Advanced Scout Surveillance System (LRAS3). Procuring the Commander's Remote Display for LRAS3, which allows scout observers and vehicle commanders to view the same sight picture, is a high priority in the Objective Force category of the Army's list of unfunded requirements for fiscal year 2002. The committee recommends an increase of $1.6 million for the Commander's Remote Display, a total authorization of $46.1 million.

SUBTITLE C—NAVY PROGRAMS

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Aircraft Procurement, Navy						
	Combat Aircraft						
1	AV-8B (V/STOL)HARRIER (MYP)						
2	AV-8B (V/STOL)HARRIER (MYP) (AP-CY)						
3	F/A-18E/F (FIGHTER) HORNET (MYP)	48	3,067,522		15,000	48	3,082,522
	Accelerate IDECM Purchases				[15,000]		
4	F/A-18E/F (FIGHTER) HORNET (MYP) (AP-CY)		88,876				88,876
5	V-22 (MEDIUM LIFT)	12	1,009,881	-3	(226,700)	9	783,181
6	V-22 (MEDIUM LIFT) (AP-CY)		48,428				48,428
7	AH-1W (HELICOPTER) SEA COBRA		1,383				1,383
8	SH-60R		25,064				25,064
9	E-2C (EARLY WARNING) HAWKEYE (MYP)	5	242,746			5	242,746
10	E-2C (EARLY WARNING) HAWKEYE (MYP) (AP-CY)		36,191				36,191
	Airlift Aircraft						
11	CH-60S (MYP)	13	181,957			13	181,957
12	CH-60S (MYP) (AP-CY)		64,212				64,212
13	UC-35						
14	C-40A						
15	C-37						
	Trainer Aircraft						
16	T-45TS (TRAINER) GOSHAWK	6	179,331			6	179,331
17	T-45TS (TRAINER) GOSHAWK (AP-CY)						
18	JPATS			10	44,600	10	44,600
	Other Aircraft						
19	KC-130J	4	299,047			4	299,047
	Modification of Aircraft						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
20	EA-6 SERIES		137,645		54,000		191,645
	Band 9 / 10 Transmitters				[38,000]		
	Wing Center Sections				[16,000]		
21	AV-8 SERIES		49,541		36,000		85,541
	Litening II+ Targeting Pods				[36,000]		
22	F-14 SERIES		4,504				4,504
23	ADVERSARY		34,769				34,769
24	F-18 SERIES		193,206				193,206
25	H-46 SERIES		38,664				38,664
26	AH-1W SERIES		10,821				10,821
27	H-53 SERIES		16,541				16,541
28	SH-60 SERIES		1,735				1,735
29	H-1 SERIES		1,149				1,149
30	H-3 SERIES		4,191				4,191
31	EP-3 SERIES		123,747				123,747
32	P-3 SERIES		113,191		96,000		209,191
	AIP Upgrades				[60,000]		
	BMUP Upgrades				[27,000]		
	CNS / ATM Upgrades				[9,000]		
33	S-3 SERIES		43,242				43,242
34	E-2 SERIES		14,636				14,636
35	TRAINER A/C SERIES		5,155				5,155
36	C-2A		27,369				27,369
37	C-130 SERIES		5,407				5,407
38	FEWSG		643				643
39	CARGO/TRANSPORT A/C SERIES		4,224				4,224

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
40	E-6 SERIES		74,847				74,847
41	EXECUTIVE HELICOPTERS SERIES		16,183				16,183
42	SPECIAL PROJECT AIRCRAFT		3,088				3,088
43	T-45 SERIES		12,778				12,778
44	POWER PLANT CHANGES		13,083				13,083
45	COMMON ECM EQUIPMENT		33,315				33,315
46	COMMON AVIONICS CHANGES		65,147				65,147
47	V-22 (TILT/ROTOR ACFT) OSPREY		35,000				35,000
	Aircraft Spares and Repair Parts						
48	SPARES AND REPAIR PARTS		1,420,252		(99,000)		1,321,252
	V-22 Spares				[-99,000]		
	Aircraft Support Equipment and Facilities						
49	COMMON GROUND EQUIPMENT		332,926				332,926
50	AIRCRAFT INDUSTRIAL FACILITIES		18,219				18,219
51	WAR CONSUMABLES		12,585				12,585
52	OTHER PRODUCTION CHARGES		27,637				27,637
53	SPECIAL SUPPORT EQUIPMENT		110,897				110,897
54	FIRST DESTINATION TRANSPORTATION		1,568				1,568
55	CANCELLED ACCOUNT ADJUSTMENTS (M)						
55a	General Reduction				(3,400)		(3,400)
	Transfer to APAF 12 -- Fix USAF JPATS Pricing Problem				[-3,400]		
	Total - Aircraft Procurement, Navy		8,252,543		(83,500)		8,169,043
	Weapons Procurement, Navy						
	Ballistic Missiles						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
1	TRIDENT II	12	559,042			12	559,042
2	TRIDENT II (AP-CY)		8,727				8,727
	Support Equipment and Facilities						
3	MISSILE INDUSTRIAL FACILITIES		1,275				1,275
	Theater Ballistic Missile Defense						
4	NAVY AREA MISSILE DEFENSE		6,983				6,983
	Other Missiles						
	Strategic Missiles						
5	TOMAHAWK	34	50,101			34	50,101
6	ESSM	38	45,017			38	45,017
	Tactical Missiles						
7	AMRAAM	57	40,028			57	40,028
8	SIDEWINDER	105	27,310			105	27,310
9	JSOW						
10	SLAM-ER	30	26,174			30	26,174
11	STANDARD MISSILE	91	195,404			91	195,404
12	RAM	90	43,024			90	43,024
13	HELLFIRE			250	20,000	250	20,000
14	PENGUIN						
15	AERIAL TARGETS		66,349				66,349
16	DRONES AND DECOYS						
17	OTHER MISSILE SUPPORT		15,840				15,840
	Modification of Missiles						
18	SIDEWINDER MODS		802				802
19	HARM MODS						
20	STANDARD MISSILES MODS		35,353				35,353

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Support Equipment and Facilities						
21	WEAPONS INDUSTRIAL FACILITIES		17,247		20,000		37,247
	Allegany Ballistics Lab Facilities Restoration				[20,000]		
22	FLEET SATELLITE COMM (MYP) (SPACE)						
23	FLEET SATELLITE COMM FOLLOW-ON		77,840				77,840
	Ordnance Support Equipment						
24	ORDNANCE SUPPORT EQUIPMENT		4,210				4,210
	Torpedoes and Related Equipment						
	Torpedoes and Related Equip.						
25	ASW TARGETS		15,335				15,335
	Mod of Torpedoes and Related Equip.						
26	MK-46 TORPEDO MODS		7,444				7,444
27	MK-48 TORPEDO ADCAP MODS		42,386				42,386
28	QUICKSTRIKE MINE		3,899				3,899
	Support Equipment						
29	TORPEDO SUPPORT EQUIPMENT		30,025				30,025
30	ASW RANGE SUPPORT		14,861				14,861
	Destination Transportation						
31	FIRST DESTINATION TRANSPORTATION		2,802				2,802
	Other Weapons						
	Guns and Gun Mounts						
32	SMALL ARMS AND WEAPONS		910				910
	Modification of Guns and Gun Mounts						
33	CIWS MODS		40,503		15,000		55,503
	Block 1B Modifications				[15,000]		
34	5/54 GUN MOUNT MODS						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
35	MK-75 76MM GUN MOUNT MODS						
36	GUN MOUNT MODS		5,748		15,000		20,748
	5"/54 for Cruiser Conversion and Other Mods				[15,000]		
37	MODS UNDER $2 MILLION						
	Other						
38	PIONEER						
39	CANCELLED ACCOUNT ADJUSTMENTS						
40	CANCELLED ACCOUNT ADJUSTMENTS						
41	PRIOR YEAR DEFICIENCIES						
42	CANCELLED ACCOUNT ADJ (88)						
43	CANCELLED ACCOUNT ADJ (89)						
	Spares and Repair Parts						
44	SPARES AND REPAIR PARTS		48,836				48,836
	Total - Weapons Procurement, Navy		1,433,475		70,000		1,503,475
	Procurement of Ammunition, Navy & Marine Corps						
	Navy Ammunition						
1	GENERAL PURPOSE BOMBS		65,155				65,155
2	CANCELLED ACCOUNT ADJUSTMENTS						
3	JDAM	1417	41,133			1417	41,133
4	2.75 INCH ROCKETS						
5	AIRBORNE ROCKETS, ALL TYPES		21,138				21,138
6	MACHINE GUN AMMUNITION		16,423				16,423
7	PRACTICE BOMBS		35,019				35,019
8	CARTRIDGES & CART ACTUATED DEVICES		26,697				26,697

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
9	AIRCRAFT ESCAPE ROCKETS		10,784				10,784
10	AIR EXPENDABLE COUNTERMEASURES		36,403				36,403
11	JATOS		4,771				4,771
12	5 INCH/54 GUN AMMUNITION		12,009				12,009
13	EXTENDED RANGE GUIDED MUNITIONS (ERGM)		5,151				5,151
14	76MM GUN AMMUNITION		990				990
15	OTHER SHIP GUN AMMUNITION		7,318				7,318
16	SMALL ARMS & LANDING PARTY AMMO		8,878				8,878
17	PYROTECHNIC AND DEMOLITION		8,439				8,439
18	MINE NEUTRALIZATION DEVICES		4,985				4,985
19	AMMUNITION LESS THAN $5 MILLION		1,343				1,343
20	CAWCF CLOSURE COSTS		6,993				6,993
	Marine Corps Ammunition						
21	5.56 MM, ALL TYPES		9,402				9,402
22	7.62 MM, ALL TYPES		7,395				7,395
23	LINEAR CHARGES, ALL TYPES		18,957				18,957
24	.50 CALIBER		6,225				6,225
25	40 MM, ALL TYPES		5,857				5,857
26	60MM, ALL TYPES		2,699				2,699
27	81MM, ALL TYPES		6,669				6,669
28	120MM, ALL TYPES		7,639				7,639
29	CTG 25MM, ALL TYPES		6,031				6,031
30	9 MM ALL TYPES		2,832				2,832
31	GRENADES, ALL TYPES		10,533				10,533
32	STINGER SLEP		7,330				7,330
33	ROCKETS, ALL TYPES		4,794				4,794

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
34	ARTILLERY, ALL TYPES		24,488		10,000		34,488
	155mm M795 HE				[10,000]		
35	DEMOLITION MUNITIONS, ALL TYPES		2,925				2,925
36	FUZE, ALL TYPES						
37	NON LETHALS		4,461				4,461
38	AMMO MODERNIZATION		7,019				7,019
39	ITEMS LESS THAN $5 MILLION		1,014				1,014
40	CAWCF CLOSURE COSTS		7,200				7,200
	Total - Procurement of Ammunition, Navy & Marine Corps		457,099		10,000		467,099
	Shipbuilding and Conversion, Navy						
	Other Warships						
1	CARRIER REPLACEMENT PROGRAM						
2	CARRIER REPLACEMENT PROGRAM (AP-CY)		138,890				138,890
3	SSGN (AP-CY)		86,440		178,000		264,440
4	VIRGINIA CLASS SUBMARINE	1	1,608,914			1	1,608,914
5	VIRGINIA CLASS SUBMARINE (AP-CY)		684,288				684,288
6	CVN REFUELING OVERHAULS	1	1,118,124			1	1,118,124
7	CVN REFUELING OVERHAULS (AP-CY)		73,707				73,707
8	SUBMARINE REFUELING OVERHAULS	2	382,265			2	382,265
9	SUBMARINE REFUELING OVERHAULS (AP-CY)		77,750				77,750
10	DDG-51	3	2,966,036			3	2,966,036
11	DDG-51 (AP-CY)						
	Amphibious Ships						
12	LHD-1 AMPHIBIOUS ASSAULT SHIP	1	267,238			1	267,238

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
13	LHD-1 AMPHIBIOUS ASSAULT SHIP (AP-CY)						
14	LPD-17						
15	LPD-17 (AP-CY)		421,330				421,330
	Auxiliaries, Craft and Prior Year Program Costs						
16	ADC(X)	1	370,818			1	370,818
17	LCAC LANDING CRAFT						
18	OUTFITTING		307,230				307,230
19	LCAC SLEP	2	41,091			2	41,091
20	COMPLETION OF PY SHIPBUILDING PROGRAMS		800,000				800,000
	Total - Shipbuilding and Conversion, Navy		9,344,121		178,000		9,522,121
	Other Procurement, Navy						
	Ships Support Equipment						
	Ship Propulsion Equipment						
1	LM-2500 GAS TURBINE		7,083				7,083
2	ALLISON 501K GAS TURBINE		6,896				6,896
	Propellers						
3	SUBMARINE PROPELLERS		4,460				4,460
	Navigation Equipment						
4	OTHER NAVIGATION EQUIPMENT		45,946		7,000		52,946
	AN/WSN-7B				[7,000]		
	Underway Replenishment Equipment						
5	UNDERWAY REPLENISHMENT EQUIPMENT		1,802				1,802
	Periscopes						
6	SUB PERISCOPES & IMAGING EQUIP		29,240				29,240

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Other Shipboard Equipment						
7	FIREFIGHTING EQUIPMENT		17,539				17,539
8	COMMAND AND CONTROL SWITCHBOARD		9,139				9,139
9	POLLUTION CONTROL EQUIPMENT		66,958				66,958
10	SUBMARINE SUPPORT EQUIPMENT		6,796				6,796
11	SUBMARINE BATTERIES		10,891				10,891
12	STRATEGIC PLATFORM SUPPORT EQUIP		11,276				11,276
13	DSSP EQUIPMENT		7,498				7,498
14	LCAC						
15	MINESWEEPING EQUIPMENT		20,168				20,168
16	ITEMS LESS THAN $5 MILLION		79,285		6,900		86,185
	Integrated Condition Assessment (ICAS) System				[5,300]		
	Engineering Control & Surveillance System				[1,600]		
17	SURFACE IMA						
18	SUBMARINE LIFE SUPPORT SYSTEM		4,940				4,940
	Reactor Plant Equipment						
19	REACTOR COMPONENTS		208,849		112,000		320,849
	Reactor Core Funding to Support 4 Conversions				[112,000]		
	Ocean Engineering						
20	DIVING AND SALVAGE EQUIPMENT		5,712				5,712
21	EOD UNDERWATER EQUIPMENT						
	Small Boats						
22	STANDARD BOATS		32,151				32,151
	Training Equipment						
23	OTHER SHIPS TRAINING EQUIPMENT		16,772				16,772
	Production Facilities and Equipment						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
24	OPERATING FORCES IPE		27,522				27,522
	Other Ship Support						
25	NUCLEAR ALTERATIONS		121,105				121,105
	Drug Interdiction Support						
26	DRUG INTERDICTION SUPPORT						
	Communications and Electronics Equipment						
	Ship Radars						
27	AN/SPS-49						
28	RADAR SUPPORT						
29	TISS						
	Ship Sonars						
30	AN/SQQ-89 SURF ASW COMBAT SYSTEM		16,561				16,561
31	SSN ACOUSTICS		113,016				113,016
32	UNDERSEA WARFARE SUPPORT EQUIPMENT		4,263				4,263
33	SURFACE SONAR WINDOWS AND DOME						
34	SONAR SUPPORT EQUIPMENT						
35	SONAR SWITCHES AND TRANSDUCERS		10,808				10,808
	ASW Electronic Equipment						
36	SUBMARINE ACOUSTIC WARFARE SYSTEM		12,624				12,624
37	FIXED SURVEILLANCE SYSTEM		33,692				33,692
38	SURTASS		17,650				17,650
39	ASW OPERATIONS CENTER		6,059				6,059
	Electronic Warfare Equipment						
40	AN/SLQ-32		1,971				1,971
41	INFORMATION WARFARE SYSTEMS		2,908				2,908
	Reconnaissance Equipment						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
42	SHIPBOARD IW EXPLOIT		57,535				57,535
43	COMMON HIGH BANDWIDTH DATA LINK						
	Submarine Surveillance Equipment						
44	SUBMARINE SUPPORT EQUIPMENT PROG		22,928				22,928
	Other Ship Electronic Equipment						
45	NAVY TACTICAL DATA SYSTEM						
46	COOPERATIVE ENGAGEMENT CAPABILITY		77,133				77,133
47	GCCS-M EQUIPMENT		61,085				61,085
48	NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)		42,826				42,826
49	ATDLS		9,965				9,965
50	MINESWEEPING SYSTEM REPLACEMENT		8,903		5,000		13,903
	High Resolution Side-scan Sonar				[5,000]		
51	SHALLOW WATER MCM						
52	NAVSTAR GPS RECEIVERS (SPACE)		9,857				9,857
53	ARMED FORCES RADIO AND TV		14,609				14,609
54	STRATEGIC PLATFORM SUPPORT EQUIP		11,361				11,361
	Training Equipment						
55	OTHER SPAWAR TRAINING EQUIPMENT		1,793				1,793
56	OTHER TRAINING EQUIPMENT		37,225		4,000		41,225
	Tactical Communications Onboard Trainer for BFTT				[4,000]		
	Aviation Electronic Equipment						
57	MATCALS		1,005				1,005
58	SHIPBOARD AIR TRAFFIC CONTROL		8,036				8,036
59	AUTOMATIC CARRIER LANDING SYSTEM		15,617				15,617
60	NATIONAL AIR SPACE SYSTEM		43,618				43,618
61	AIR STATION SUPPORT EQUIPMENT		7,421				7,421

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
62	MICROWAVE LANDING SYSTEM		5,409				5,409
63	FACSFAC		1,151				1,151
64	ID SYSTEMS		18,310				18,310
65	SURFACE IDENTIFICATION SYSTEMS						
66	TAC A/C MISSION PLANNING SYS(TAMPS)		13,411				13,411
	Other Shore Electronic Equipment						
67	GCCS-M EQUIPMENT ASHORE						
68	TADIX-B						
69	NAVAL SPACE SURVEILLANCE SYSTEM		4,898				4,898
70	GCCS-M EQUIPMENT TACTICAL/MOBILE						
71	COMMON IMAGERY GROUND SURFACE SYSTEMS		58,446				58,446
72	RADIAC		7,876				7,876
73	GPETE		4,727				4,727
74	INTEG COMBAT SYSTEM TEST FACILITY		4,502				4,502
75	EMI CONTROL INSTRUMENTATION		5,162				5,162
76	ITEMS LESS THAN $5 MILLION		6,332		23,000		29,332
	AN / SPS-73 (V)				[14,000]		
	AN / BPS-15H Integration into TIDS				[9,000]		
	Shipboard Communications						
77	SHIPBOARD TACTICAL COMMUNICATIONS						
78	SHIP COMMUNICATIONS AUTOMATION		121,242				121,242
79	SHIP COMM ITEMS UNDER $5 MILLION						
80	COMMUNICATIONS ITEMS UNDER $5M		24,278				24,278
	Submarine Communications						
81	SHORE LF/VLF COMMUNICATIONS		17,517				17,517
82	SUBMARINE COMMUNICATION EQUIPMENT		89,309				89,309

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Satellite Communications						
83	SATCOM SHIP TERMINALS (SPACE)						
84	SATELLITE COMMUNICATIONS SYSTEMS		198,143				198,143
85	SATCOM SHORE TERMINALS (SPACE)						
	Shore Communications						
86	JCS COMMUNICATIONS EQUIPMENT		4,623				4,623
87	ELECTRICAL POWER SYSTEMS		1,301				1,301
88	NSIPS		14,232				14,232
89	JEDMICS						
90	NAVAL SHORE COMMUNICATIONS		66,772				66,772
	Cryptographic Equipment						
91	INFO SYSTEMS SECURITY PROGRAM (ISSP)		78,170				78,170
	Cryptologic Equipment						
92	SPECIAL DCP						
93	CRYPTOLOGIC COMMUNICATIONS EQUIP		15,595				15,595
	Drug Interdiction Support						
94	OTHER DRUG INTERDICTION SUPPORT						
	Aviation Support Equipment						
	Sonobuoys						
95	PASSIVE SONOBUOYS (NON-BEAM FORMING)						
96	AN/SSQ-62 (DICASS)						
97	AN/SSQ-101 (ADAR)						
98	SONOBUOYS - ALL TYPES		57,886		20,000		77,886
99	MISCELLANEOUS SONOBUOYS LESS THAN $5 MILLION						
	Aircraft Support Equipment						
100	WEAPONS RANGE SUPPORT EQUIPMENT		10,129				10,129

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
101	EXPEDITIONARY AIRFIELDS		7,551				7,551
102	AIRCRAFT REARMING EQUIPMENT		12,265				12,265
103	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT		27,500				27,500
104	METEOROLOGICAL EQUIPMENT		29,833				29,833
105	OTHER PHOTOGRAPHIC EQUIPMENT		1,710				1,710
106	AVIATION LIFE SUPPORT		21,035				21,035
107	AIRBORNE MINE COUNTERMEASURES		46,860				46,860
108	OTHER AVIATION SUPPORT EQUIPMENT		13,645				13,645
	Ordnance Support Equipment						
	Ship Gun System Equipment						
109	GUN FIRE CONTROL EQUIPMENT		17,926		4,000		21,926
	SPQ-9B Solid State Transmitter				[4,000]		
110	NAVAL FIRES CONTROL SYSTEM		600				600
	Ship Missile System Equipment						
111	NATO SEASPARROW		10,670				10,670
112	RAM GMLS		31,838				31,838
113	SHIP SELF DEFENSE SYSTEM		34,378				34,378
114	AEGIS SUPPORT EQUIPMENT		155,113				155,113
115	SURFACE TOMAHAWK SUPPORT EQUIPMENT		61,241				61,241
116	SUBMARINE TOMAHAWK SUPPORT EQUIP		3,062				3,062
117	VERTICAL LAUNCH SYSTEMS		6,857				6,857
	FBM Support Equipment						
118	STRATEGIC PLATFORM SUPPORT EQUIP		9,823				9,823
119	STRATEGIC MISSILE SYSTEMS EQUIP		205,094				205,094
	ASW Support Equipment						
120	SSN COMBAT CONTROL SYSTEMS		40,716				40,716

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
121	SUBMARINE ASW SUPPORT EQUIPMENT		5,935				5,935
122	SURFACE ASW SUPPORT EQUIPMENT		3,213				3,213
123	ASW RANGE SUPPORT EQUIPMENT		6,012				6,012
	Other Ordnance Support Equipment						
124	EXPLOSIVE ORDNANCE DISPOSAL EQUIP		9,353				9,353
125	ITEMS LESS THAN $5 MILLION		5,795				5,795
	Other Expendable Ordnance						
126	ANTI-SHIP MISSILE DECOY SYSTEM		27,513		14,000		41,513
	NULKA Decoy Procurement				[12,000]		
	NULKA Modifications				[2,000]		
127	SURFACE TRAINING DEVICE MODS		7,318				7,318
128	SUBMARINE TRAINING DEVICE MODS		20,753				20,753
	Civil Engineering Support Equipment						
	Civil Engineering Support Equipment						
129	ARMORED SEDANS		440				440
130	PASSENGER CARRYING VEHICLES		1,351				1,351
131	GENERAL PURPOSE TRUCKS		1,531				1,531
132	CONSTRUCTION & MAINTENANCE EQUIP		9,587				9,587
133	FIRE FIGHTING EQUIPMENT		5,300				5,300
134	TACTICAL VEHICLES		20,154				20,154
135	AMPHIBIOUS EQUIPMENT		14,633				14,633
136	POLLUTION CONTROL EQUIPMENT		19,969				19,969
137	ITEMS UNDER $5 MILLION		11,323				11,323
	Supply Support Equipment						
	Supply Support Equipment						
138	MATERIALS HANDLING EQUIPMENT		8,786				8,786

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
139	OTHER SUPPLY SUPPORT EQUIPMENT		7,534				7,534
140	FIRST DESTINATION TRANSPORTATION		5,222				5,222
141	SPECIAL PURPOSE SUPPLY SYSTEMS		490,438				490,438
	Personnel and Command Support Equipment						
	Training Devices						
142	TRAINING SUPPORT EQUIPMENT		1,101				1,101
	Command Support Equipment						
143	TRAINING SUPPORT EQUIPMENT						
144	OTHER TRAINING EQUIPMENT						
145	COMMAND SUPPORT EQUIPMENT		28,787				28,787
146	EDUCATION SUPPORT EQUIPMENT		6,646				6,646
147	MEDICAL SUPPORT EQUIPMENT		7,693				7,693
148	INTELLIGENCE SUPPORT EQUIPMENT						
149	OPERATING FORCES SUPPORT EQUIPMENT		15,812				15,812
150	MOBILE SENSOR PLATFORM		4,006				4,006
151	ENVIRONMENTAL SUPPORT EQUIPMENT		25,205				25,205
152	PHYSICAL SECURITY EQUIPMENT		116,932				116,932
	Productivity Programs						
153	JUDGMENT FUND REIMBURSEMENT						
	Other						
154	CANCELLED ACCOUNT ADJUSTMENTS						
	Spares and Repair Parts						
155	SPARES AND REPAIR PARTS		234,136				234,136
999	CLASSIFIED PROGRAMS		15,463				15,463
	Total - Other Procurement, Navy		4,097,576		195,900		4,293,476

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Procurement, Marine Corps						
	Weapons and Combat Vehicles						
	Tracked Combat Vehicles						
1	AAV7A1 PIP	170	77,087			170	77,087
2	AAAV		1,512				1,512
3	LAV PIP		25,783				25,783
4	IMPROVED RECOVERY VEHICLE (IRV)	8	21,026			8	21,026
5	MODIFICATION KITS (TRKD VEH)		3,825				3,825
	Artillery and Other Weapons						
6	155MM LIGHTWEIGHT TOWED HOWITZER						
7	MOD KITS (ARTILLERY)		1,478				1,478
8	MARINE ENHANCEMENT PROGRAM		2,243				2,243
9	WEAPONS AND COMBAT VEHICLES UNDER $5 MILLION		274				274
	Weapons						
10	MODULAR WEAPON SYSTEM		7,501				7,501
	Other Support						
11	OPERATIONS OTHER THAN WAR		1,552				1,552
	Guided Missiles and Equipment						
	Guided Missiles						
12	JAVELIN		1,036				1,036
13	PEDESTAL MOUNTED STINGER (PMS) (MYP)						
14	ITEMS UNDER $5 MILLION						
15	PREDATOR (SRAW)						
	Other Support						
16	MODIFICATION KITS		6,612				6,612

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Communications and Electronics Equipment						
	Repair and Test Equipment						
17	AUTO TEST EQUIP SYS		616				616
18	GENERAL PURPOSE ELECTRONIC TEST EQUIP.		8,115				8,115
	Intell/Comm Equipment (Non-tel)						
19	INTELLIGENCE SUPPORT EQUIPMENT		9,615				9,615
20	MOD KITS (INTEL)		7,217				7,217
21	ITEMS UNDER $5 MILLION (INTELL)		1,654				1,654
	Repair and Test Equipment (Non-tel)						
22	GENERAL PURPOSE MECHANICAL TMDE		4,578				4,578
	Other Comm/Elec Equipment (Non-tel)						
23	NIGHT VISION EQUIPMENT		22,374				22,374
	Other Support (Non-tel)						
24	ITEMS UNDER $5 MILLION (COMM & ELEC)		9,028				9,028
25	COMMON COMPUTER RESOURCES		21,302				21,302
26	COMMAND POST SYSTEMS		17,338				17,338
27	MANEUVER C2 SYSTEMS						
28	RADIO SYSTEMS		50,911				50,911
29	COMM SWITCHING & CONTROL SYSTEMS						
30	COMM & ELEC INFRASTRUCTURE SUPPORT		7,546				7,546
31	MOD KITS MAGTF C41		21,136				21,136
32	AIR OPERATIONS C2 SYSTEMS		5,210				5,210
33	INTELLIGENCE C2 SYSTEMS		11,825				11,825
34	FIRE SUPPORT SYSTEM		16,152				16,152
	Support Vehicles						
	Administrative Vehicles						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
35	COMMERCIAL PASSENGER VEHICLES		773				773
36	COMMERCIAL CARGO VEHICLES		6,487				6,487
	Tactical Vehicles						
37	5/4T TRUCK HMMWV (MYP)	1466	109,201			1466	109,201
38	MEDIUM TACTICAL VEHICLE REPLACEMENT	1946	312,199			1946	312,199
	Other Support						
39	ITEMS LESS THAN $5 MILLION		2,564				2,564
	Engineer and Other Equipment						
	Engineer and Other Equipment						
40	ENVIRONMENTAL CONTROL EQUIP ASSORT		2,571				2,571
41	BULK LIQUID EQUIPMENT		8,130				8,130
42	TACTICAL FUEL SYSTEMS		2,721				2,721
43	DEMOLITION SUPPORT SYSTEMS		5,674				5,674
44	POWER EQUIPMENT ASSORTED		7,622				7,622
45	SHOP EQ CONTACT MAINTENANCE (SECM)						
	Material Handling Equipment						
46	COMMAND SUPPORT EQUIPMENT						
47	AMPHIBIOUS RAID EQUIPMENT		2,349				2,349
48	PHYSICAL SECURITY EQUIPMENT		4,846				4,846
49	GARRISON MOBILE ENGR EQUIP		5,938				5,938
50	MATERIAL HANDLING EQUIP		27,453				27,453
51	FIRST DESTINATION TRANSPORTATION		9,340				9,340
	General Property						
52	FIELD MEDICAL EQUIPMENT		7,530				7,530
53	TRAINING DEVICES		30,566				30,566
54	CONTAINER FAMILY		5,909				5,909

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
55	FAMILY OF CONSTRUCTION EQUIPMENT		8,281				8,281
56	FAMILY OF INTERNALLY TRANSPORTABLE VEH (ITV)		4,852				4,852
57	RAPID DEPLOYABLE KITCHEN		5,947				5,947
	Other Support						
58	MODIFICATION KITS		11,892				11,892
59	ITEMS LESS THAN $5 MILLION		7,684				7,684
60	CANCELLED ACCOUNT ADJUSTMENT (M)						
	Spares and Repair Parts						
61	SPARES AND REPAIR PARTS		26,649				26,649
	Total - Procurement, Marine Corps		981,724				981,724
	Total - Navy Procurement		24,566,538		370,400		24,936,938

Virginia class submarine program (sec. 121)

The committee recommends a provision that would modify section 123(b)(1) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001. The provision would authorize the Secretary of the Navy to enter into contracts for the procurement of material in economic order quantities, when cost savings are achievable, for up to seven Virginia-class submarines. This authority would apply to boats to be procured during the period from fiscal years 2003 through 2007.

Multiyear procurement authority for F/A–18E/F aircraft engines (sec. 122)

The committee recommends a provision that would provide authority for the Secretary of the Navy to enter into a multiyear contract for the procurement of F/A–18E/F engines.

The budget request included $3.2 billion to continue buying F/A–18E/F aircraft under a multiyear procurement program.

The Navy has not requested authority to enter into any multiyear contracts to buy the engines for these aircraft. Nevertheless, the Navy has informed the committee that the Department would be able to save money by expanding the multiyear contacting approach to cover the engines. The Navy estimates that it could save roughly $40 million over the next five years by acquiring the engine under a multiyear contract. Since it is clear that the Navy will be buying the F/A–18E/F aircraft in any case, the committee believes that the Congress should provide the Secretary of the Navy authority to obtain these savings. The committee believes that, if the Navy chooses to proceed on this matter, the Navy and the contractor should work to achieve even greater savings than the current estimates.

V–22 Osprey aircraft (sec. 123)

The budget request included a proposal to restructure the V–22 tilt-rotor aircraft program to implement recommendations from the Panel to Review the V–22 Program. To implement this restructured program, the budget request included:

(1) $546.7 million in PE 64363N for continued development of the V–22, including:

(a) $318.3 million to continue logistics, flight testing, and flight testing support, address correction of deficiencies, and provide funding for cost overruns in the Marine Corps (MV–22) and the Special Operations Command (CV–22) variants;

(b) $103.2 million to: continue CV–22 development efforts; provide engine support and repair of spare parts for CV–22 flight testing; complete CV–22 software development efforts; continue radar development testing for the CV–22; and conduct CV–22 initial operational testing and evaluation (IOT&E);

(c) $25.2 million for Navy field and other support activities; and

(d) $100.0 million to continue the development of two CV–22 aircraft for IOT&E.

(2) $1.3 billion in Aircraft Procurement, Navy, including:

(a) $1.0 billion for buying aircraft;
(b) $48.4 million for advance procurement;
(c) $35.0 million for aircraft modifications; and
(d) $232.9 million for spare parts.

(3) $136.5 million in Aircraft Procurement, Air Force, for the Special Operations Command (SOCOM), including:
(a) $95.1 million for buying aircraft;
(b) $15.0 million for advance procurement; and
(c) $26.4 million for spare parts.

The budget request also included funds in the Special Operations Command budget for CV–22-related activities. These funds are addressed elsewhere in this report.

The committee remains very concerned about how the Marine Corps and the Air Force are going to meet the requirements established for the V–22 program. Recognizing these requirements, the Congress had been providing strong support to the V–22 program.

However, two aircraft were lost during calendar year 2000, costing the lives of 23 Marines, and raising significant issues about the efficacy of the program.

There were other concerns about the program even before the second accident. The latter accident occurred after the Navy operational testers had completed the required operational test and evaluation. The program office was seeking a decision to proceed to full-rate production in early December 2000, but the Director of Operational Test and Evaluation (DOT&E) had raised concerns about the aircraft's demonstrated operational suitability. These concerns caused the Assistant Secretary of the Navy (Research, Development and Acquisition) to delay a final decision on full-rate production, during which time the second aircraft and crew were lost.

As a result of these accidents, the Secretary of Defense commissioned a review by a panel of experts of all aspects of the V–22 program. That group, called the Panel to Review the V–22 Program, conducted a review over several months. Earlier this year, the committee heard testimony from the Panel on its report. The Panel recommended that the Department, "Proceed with the V–22 Program, but temporarily reduce production to a minimum sustaining level to provide funds for a Development Maturity Phase, and keep to a minimum the number of aircraft requiring retrofit." The Panel's report made a number of other, more detailed recommendations.

While the Panel was conducting its review, allegations of falsification of maintenance data were lodged against members of the Marine Corps. The Secretary of Defense, in part at the suggestion of the committee leadership, charged the Department of Defense Inspector General (DOD IG) with investigating these allegations. The DOD IG has provided his report to the Commandant, who has referred some individuals for disciplinary procedures under the Uniform Code of Military Justice. The committee will follow the disposition of these cases.

The Department, in the request for supplemental appropriations for fiscal year 2001, proposed a major shift of funds from production to research and development activities to respond to the Panel's recommendations. The V–22 program office has developed several versions of a plan to implement the Panel's recommendations

and to proceed with the program. However, the Under Secretary of Defense (Acquisition, Technology and Logistics) (USD (AT&L)) has not made a decision about how or whether to proceed with the V–22 program.

The committee has received interim reports from the program office, pending a decision by the Under Secretary. The committee understands that these are necessarily preliminary, but there are a number of conclusions that may be drawn now:

(1) The contractor team has informed the government that the costs for producing V–22 aircraft in fiscal year 2001 have increased.

(2) The program office has concluded they may only be able to afford to buy 10 aircraft with the funds that were thought to be sufficient to buy 11 aircraft in fiscal year 2001. Affording even this quantity, however, means that the program office would have to shift some portion of the fiscal year 2001 spare parts funds from their intended purpose to buy the tenth aircraft.

(3) The program office suggests that, if Congress were to withhold funding for two CV–22 aircraft for beginning IOT&E, there are a number of other possible uses of some of those funds within the program, including:

(a) $46.0 million to invest in various cost reduction initiatives that would yield a return ratio of 14:1, and would be applicable to both the MV–22 and the CV–22 production effort;

(b) $25.0 million to continue funding of spares unique to the CV–22 EMD aircraft, and support an avionics lab effort; and

(c) $10.0 million to fund cost reduction initiatives for CV–22-unique components of the suite of integrated radio frequency countermeasures (SIRFC).

The committee recognizes the importance of fielding replacements for the helicopter fleets that the Marine Corps (CH–46) and SOCOM (MH–53) are now operating. The committee recommends a provision and additional funding elsewhere in this report to ensure that a full range of alternatives would have been reviewed and the Department would be ready to move forward in case the USD (AT&L) were to decide against proceeding with the V–22 program.

Nevertheless, the committee believes that the V–22 program should not move forward more rapidly than can be justified by actual progress in solving the problems identified by the Panel, and resolving uncertainties about operational effectiveness and operational suitability identified by the DOT&E.

The committee recommends a provision that would require that the V–22 program remain at the minimum sustaining production rate until the Secretary of Defense determines that successful operational testing has demonstrated that: (1) solutions to the problems in the reliability of hydraulics system components and flight control software are adequate to achieve low risk for aircrews and passengers in operational conditions; (2) the V–22 aircraft can achieve sufficient reliability and maintainability levels such that the operational availability of the aircraft will achieve the level required for

fleet aircraft; (3) the V–22 aircraft will be operationally effective in operations when employed with other V–22 aircraft, and when V–22 aircraft are employed in operations with other types of aircraft; and (4) V–22 aircraft can be operated effectively in spite of the downwash effects inherent in this aircraft.

Documentation submitted by the Navy supporting the fiscal year 2001 budget request estimated that four aircraft would be the minimum sustaining rate (MSR) for production. This year, the Navy has raised the estimated MSR level to 12 aircraft.

The committee agrees with the Panel that production should be kept to a minimum sustaining rate in order to minimize the number of aircraft requiring retrofit. The committee believes that reducing production in fiscal year 2002 to the previous MSR level of four aircraft would be too severe an action. However, the committee does not understand why the new MSR has been raised to a level of 12, when the contractor team delivered nine aircraft during calendar year 2000.

The committee also agrees with the Panel that more robust funding of spares and support equipment is warranted if the program moves forward. However, providing spare parts funding in fiscal year 2002 at the same level as that supporting procurement of 11 aircraft in fiscal year 2001 should be adequate to support nine aircraft in fiscal year 2002.

Finally, the committee agrees with the sentiment expressed in the statement of managers to accompany the conference report on the Fiscal Year 2001 Supplemental Appropriations Act (H. Rept. 107–138) regarding the CV–22 portion of the program. The managers concluded that, "The conferees remain supportive of the goals of the Special Operations Command concerning the CV–22, but believe that all issues with the program restructure need to be resolved before acquisition of CV–22 test articles is warranted."

Therefore, the committee recommends a series of adjustments to the funding in the budget request:

(1) for the research and development effort, the committee recommends approving all activities, except acquisition of two CV–22 aircraft for IOT&E (a reduction of $100.0 million);

(2) for the procurement for the Marine Corps, the committee recommends:

(a) approving production of nine aircraft in fiscal year 2002 (a reduction of $226.7 million);

(b) approving the same funding level for spares as that level funded for 11 aircraft in the fiscal year 2001 budget, as adjusted by the Fiscal Year 2001 Supplemental Appropriations Act (a reduction of $99.0 million); and

(c) approving the budget request for advance procurement and aircraft modifications.

(3) for procurement for the Air Force, the committee recommends no funding (a reduction of $136.5 million).

The committee is troubled by the potential actions being recommended by the program for executing the fiscal year 2001 program. Shifting funds from the spare parts account to buy a tenth aircraft would appear to violate one of the primary recommendations of the Panel. It certainly would forego the opportunity of investing fiscal year 2001 resources immediately in seeking the cost

reductions that should be at the top of the program's list of priorities. Therefore, the committee recommends that the Department use the fiscal year 2001 V–22 funds that might have gone to build a tenth aircraft instead to pursue the cost reduction initiatives and CV–22 spares and avionics lab efforts.

OTHER NAVY PROGRAMS

Navy Aircraft

Integrated defensive electronic countermeasures

The budget request included $3.1 billion for the procurement of 48 F/A–18E/F aircraft, of which $52.1 million would be to buy integrated defensive electronic countermeasures (IDECM) radio frequency countermeasures (RFCM) systems, also known as the AN/ALQ–214. The Navy plan supported by the budget involves outfitting new F/A–18E/F aircraft with only two IDECM RFCM sets of equipment for every three new aircraft. Such a situation will cause Navy wings to "cross-deck" equipment to ensure that deployed carrier air wings have full complements of equipment. This situation could cause at least two problems: (1) non-deployed squadrons will not have enough equipment with which to train; and (2) these squadrons will be cannibalizing aircraft to move the IDECM RFCM equipment among those aircraft.

The committee recommends an increase of $15.0 million for the procurement of additional IDECM RFCM equipment for F/A–18E/F aircraft.

Navy joint primary aircraft training system

The budget request included no funding for continued Navy procurement of the joint primary aircraft training system (JPATS) to support Navy training requirements. The Navy has been a partner in this joint program with the Air Force, although the Air Force began buying the aircraft five years before the Navy. Air Force long-term plans depended on the Navy's continued participation in the program. For the past two years, the Navy has procured these aircraft, 36 of which will be forming the initial cadre of primary trainers for the Navy.

The Navy had planned to buy 24 JPATS aircraft in fiscal year 2002. The Navy has now decided that its existing trainer, the T–34C, has sufficient service life remaining to allow the Navy to delay any additional JPATS procurement until later in the Future Years Defense Program (FYDP).

The committee is concerned that the Navy is willing to take such a course of action in a joint program, where its actions obviously force the Air Force to absorb greater costs than the Air Force had planned upon. Additionally, the committee believes that the improved aircrew survivability offered by the ejection seat-equipped JPATS aircraft is an important factor warranting continued purchases of the trainer by the Navy.

The committee recommends an increase of $44.6 million to buy 10 JPATS aircraft for the Navy. Continued purchases by the Navy would mean fielding a more efficient and safer primary aircraft training system. It would also, along with the planned Air Force

buy, permit the contractor to maintain a level production effort and keep Air Force unit costs at a more reasonable level.

The committee also recognizes that the Navy's elimination of funding in fiscal year 2002 has caused the Air Force to face higher costs for the airplanes it intends to buy. The Air Force has indicated that the loss of the 24 aircraft from the Navy buy would imply a cost increase in fiscal year 2002 of $5.8 million for the Air Force program.

Therefore, the committee also recommends a transfer of $3.4 million from the Aircraft Procurement, Navy account to the Aircraft Procurement, Air Force account to compensate the Air Force for the increased overhead that the Air Force will face as a result of the Navy's late decision to interrupt purchases in fiscal year 2002. The $3.4 million reduction is a general reduction to the account, but shall not be assessed against either the JPATS program or any other addition made in the authorization or appropriations legislation.

EA–6B aircraft ALQ–99 band 9/10 transmitters

The budget request included $137.6 million for modifications of the EA–6B aircraft, but requested no funds to buy additional ALQ–99 band 9/10 transmitters.

The Navy would use additional ALQ–99 band 9/10 transmitters to replace older band 9 transmitters. The ALQ–99 Band 9/10 transmitter uses digital electronics. The older band 9 transmitters employ analog technology that is much less reliable. The newer band 9/10 transmitters would also extend the frequency coverage available compared to the band 9 transmitters. The Navy needs the expanded frequency ranges and capabilities of the ALQ–99 band 9/10 transmitters to counter the electronic protection techniques used in a wide variety of threat systems.

The Navy informs the committee that an additional $38.0 million would allow them to finish buying all of the ALQ–99 band 9/10 transmitters they need before the contractor closes the production line.

Therefore, the committee recommends an increase of $38.0 million to buy EA–6B aircraft ALQ–99 Band 9/10 transmitters.

EA–6B aircraft structural modifications

The budget request included $137.6 million for modifications of the EA–6B aircraft, including $49.2 million for structural modifications and improvements.

The Navy has determined, through recent fatigue life inspection of EA–6B aircraft, that they need to buy and install additional wing center section replacements. Until these modifications are completed, 51 of the fleet of 124 aircraft will be subject to restricted flight operations.

The Navy has developed another airframe change, called "AFC–805," that would reduce the fleet maintenance burden by eliminating the need for more frequent inspection of certain areas of the wing center sections.

Finally, the Navy has identified a need to: (1) conduct expanded metallurgical fatigue analysis; and (2) conduct a study of the outer wing panel area of the aircraft, build a prototype replacement sec-

tion and test it. These activities should help the Navy prevent a recurrence of flight restrictions on the aircraft such as are being experienced in the wing center section situation.

The committee recommends an additional $16.0 million to build and install two additional wing center sections, accelerate installation of AFC–805 kits, conduct fatigue analysis and complete the outer wing sections activities.

AV–8B precision targeting pod

The budget request included $49.5 million for modifications to the AV–8B aircraft, but included no funding for precision targeting pods, called Litening II pods. The Marine Corps began acquisition of these pods to provide the AV–8B with the ability to use precision-guided weapons. Although no funds were included in the amended budget request, the Marine Corps has identified buying additional Litening II pods as a high priority item to complete the outfitting of all Marine Corps AV–8B squadrons with this capability.

The committee recommends an increase of $36.0 million for the procurement of Litening II targeting pods, a total authorization in AV–8B aircraft modifications of $85.5 million.

P–3 aircraft modifications

The budget request included $113.2 million for modifications to the P–3 aircraft. Within that total, the budget request included $34.5 million for the procurement and the installation of update III block upgrade kits, $72.4 million for the procurement of four antisurface warfare improvement program (AIP) kits, and no funding to modify P–3 aircraft to make them compliant with the International Civil Aviation Organization (ICAO) requirements for unrestricted access to international airspace. The Navy calls this last modification the communications, navigation and surveillance/air traffic management (CNS/ATM) modification.

The P–3 update III block upgrade, also know as the block modification upgrade program (BMUP), includes modern processing systems for the mission computer and acoustics sensors to achieve a common P–3C configuration with improved performance. Completing this modification will also help the Navy achieve savings by reducing the number of older system configurations that demand higher operating and support costs. Having made the BMUP upgrade is also a necessary condition for modifying the aircraft in the AIP program, discussed below. The committee recommends an increase of $27.0 million for the procurement of additional BMUP kit components.

The AIP modification has greatly expanded the capabilities of the P–3 aircraft, giving it particular capability to operate against surface targets in coastal regions. These upgrades include better ability to provide standoff surveillance and targeting. The AIP program makes these aircraft very attractive to fleet and battle group commanders to supplement the capabilities offered by other high demand, low density (HD/LD) forces. The committee recommends an increase of $60.0 million for the procurement of four additional AIP kits for the P–3 aircraft.

CNS/ATM modifications are required to provide capability to operate within international airspace. Having upgraded global positioning system (GPS) navigation systems is one requirement. Another requirement is achieving instrument landing system frequency modulation (ILS FM) immunity. The mandate for ILS FM immunity became effective in Europe on January 1, 2001. P–3 aircraft are frequently required to operate in international airspace and could find those operations encumbered by a lack of compliance with ICAO standards. Therefore, the committee recommends an increase of $9.0 million to procure and install additional CNS/ATM upgrades.

In total, the committee recommends an increase of $96.0 million for P–3 modifications, a total authorization of $209.2 million.

Navy Weapons

Hellfire missiles

The budget request included no funding for the procurement of AGM–114K Hellfire missiles. The Department of the Navy uses Hellfire missiles as a primary attack weapon for both the Marine Corps AH–1W attack helicopter and the Navy SH–60 helicopter. The committee understands that the fiscal year 2001 Hellfire inventory is only 56.3 percent of the inventory objective. Although no funds were included in the budget request, the Marine Corps has identified buying additional Hellfire missiles as a high priority item to mitigate against further erosion in the inventory level from training expenditures and from retirements due to shelf life expirations.

The committee recommends an increase of $20.0 million for the procurement of AGM–114K Hellfire missiles.

Weapons industrial facilities

The budget request included $17.2 million for various activities at government-owned, contractor-operated weapons industrial facilities. The committee recommends an increase of $20.0 million to accelerate the facilities restoration program at the Allegany Ballistics Laboratory in accordance with a request from the Department of the Navy.

Close-in weapons system modifications

The budget request included $40.5 million for modifications to the Close-in Weapons System (CIWS) for surface ship self-defense. The basic CIWS is an effective weapon for defense against antiship cruise missiles. An upgrade, called the "Block 1B" modification, enhances these capabilities, improves the reliability of the system, and expands the target set to include other threats, such as that posed by small boats.

Because of the importance of providing these capabilities to the fleet, the committee recommends an increase of $15.0 million for procurement and installation of Block 1B modifications in CIWS mounts.

Gun mount modifications

The budget request included $5.7 million in gun mount modifications, including $2.4 million for the procurement and installation of modifications to surface ship five inch, 54 caliber gun mounts. The five inch gun provides the only gun fire support from the sea for the Marine Corps and comprises a part of the layered, ship self-defense system.

The five inch gun mount modification program provides gun safety updates, shock hardens the gun and mount for future munitions, modifies five inch, 54 caliber guns to 62 caliber, and develops a rotatable pool of gun mounts for the cruiser conversion and ship overhaul programs.

Additional funding would help prevent a break in production for procurement of modification kits for the cruiser conversion program and allow continuation of other ordnance alterations. Therefore, the committee recommends an increase of $15.0 million for the five inch gun mount modifications program.

Navy Shipbuilding and Conversion

Trident submarine conversion

The budget request included a proposal to begin conversion work on two of four Trident submarines that would otherwise be retired under the Department of Defense's plan to reduce the Trident ballistic missile submarine force from the current level of 18 boats to a new level of 14 boats. To implement this plan, the budget request included $30.0 million in PE 63559N for design effort on the conversion and $86.4 million in Shipbuilding and Conversion, Navy for advance procurement items for converting two boats.

Under the administration's plan, the other two Trident submarines would be inactivated and scrapped. The budget request also included $17.0 million in Operation and Maintenance, Navy to begin inactivations of two of four Trident submarines.

This program would convert Trident nuclear ballistic missile submarines (SSBN) to a nuclear guided missile submarine (SSGN). The SSGN conversion would add the capability to carry up to 154 Tomahawk cruise missiles per submarine, and would provide additional capability to carry special operations force (SOF) personnel and their unique equipment.

The committee has been concerned about attack submarine (SSN) forces levels for some time. The study of SSN force structure requirements conducted by the Joint Chiefs of Staff (JCS) evaluated requirements of the combatant commanders in chief (CINCs). That study concluded that a submarine force structure below 55 SSNs in 2015 would be insufficient to meet war fighting requirements and that 68 SSNs would be necessary by 2015 to meet all the CINCs' and national intelligence community's highest operational and collection requirements. The study focused on intelligence, surveillance, and reconnaissance (ISR) requirements of the CINCs and also concluded that 18 Virginia-class submarines would be required in the 2015 time frame to counter the future threat.

The Navy has indicated that a Trident SSGN could perform some missions allocated to attack submarines, including perhaps some ISR missions. However, the Navy does not believe that a Trident

SSGN could perform all of the missions assigned to attack submarines. Nevertheless, the committee believes that having the four Trident SSGNs available would provide the Navy more flexibility in scheduling operations of the rest of the SSN fleet.

The more obvious contribution that a Trident SSGN could make would be in providing significant numbers of Tomahawk missiles on station. That would permit them to support theater commanders' requirements for on-call Tomahawk strike capability under the so-called "Global Naval Force Presence Policy," or GNFPP. Today, the Navy meets this GNFPP requirement primarily by sending to the theater attack submarines, cruisers and destroyers that can carry Tomahawk missiles. These ships and submarines are normally deployed with an aircraft carrier as a carrier battle group (CVBG). The GNFPP allocates the available CVBGs, amphibious ready groups, and Tomahawk land attack cruise missiles in response to war fighting CINC requirements. A notional CVBG of two cruisers, two Arleigh Burke-class destroyers, at least one Tomahawk-capable Spruance-class destroyer, and two attack submarines have the capability, in theory, to carry and launch about 500 missiles. Most frequently, however, the destroyers and cruisers would carry a larger percentage of anti-air missiles than Tomahawk cruise missiles. In contrast, one SSGN would be capable of carrying 154 tomahawk missiles. The committee believes that supporting the SSGN conversion program for all four boats may permit the Navy to meet CINC war fighting requirements that are presently not met, while providing additional flexibility for deployment of cruisers, destroyers, and submarines.

The budget request, however, would lead to eliminating two of these four boats from the SSGN conversion program. The Navy has testified that the low levels of nuclear fuel remaining in two of the four Trident SSBNs require that the decision be made in fiscal year 2002 either to: (1) induct them into a refueling program; or (2) inactivate and scrap them.

The committee does not believe that the Navy should miss this opportunity to convert half of the SSBNs that will be available for the SSGN conversion program. Therefore, the committee recommends an increase of $324.0 million, including: $34.0 million in PE 63559N to accelerate SSGN design activities; $178.0 million in Shipbuilding and Conversion, Navy for additional advance procurement to support SSGN conversion for the first two boats; and $112.0 million in Other Procurement, Navy to buy a nuclear reactor core for the first of the two extra SSGN conversions. The committee also recommends a reduction in Operation and Maintenance, Navy of $17.0 million to reflect the fact that the Navy would not inactivate the four Trident boats as planned.

Other Navy Procurement

AN/WSN–7B inertial navigation system

The budget request included $45.9 million for other navigation equipment, including $4.7 million for procurement of the AN/WSN–7 ring laser gyro navigators for surface ships and submarines to replace three aging navigation systems and to provide equipment commonality between surface combatants, submarines and aircraft

carriers. The AN/WSN–7B ring laser gyrocompass replaces the aging AN/WSN–2 stabilized gyrocompass.

The AN/WSN–7 and AN/WSN–7B provide continuous updates of a ship's position, velocity, and attitude (roll, pitch, and heading), which is critical for network centric warfare, including ship self-defense and mine warfare. Use of these systems reduces the annual operating costs of the navigation system by approximately 90 percent and results in improved systems performance. The Navy can use accelerated procurement and installation of the AN/WSN–7B systems to enhance the combat capability of ships and submarines while reaping substantial savings in maintenance costs.

Therefore, the committee recommends an increase of $7.0 million for procurement and installation of AN/WSN–7B ring laser gyro gyrocompass systems.

Ship integrated condition assessment system

The budget request included no funds for procurement of integrated condition assessment systems (ICAS) for surface ships. An ICAS system remotely monitors the operating parameters of machinery throughout a ship, analyzes the collected data and alerts operators to potential performance problems. ICAS has the potential to: (1) reduce the hours required to measure, analyze and report machinery operations; (2) reduce total operating costs; and (3) improve operational availability. ICAS has been installed in a number of surface ships and is performing well.

The committee recommends an increase of $5.3 million for procurement and installation of ICAS in surface ships.

Ship engineering control and surveillance system

The budget request did not include funds for procurement of a ship engineering control and surveillance system (ECSS). The ECSS is a ship-wide system that provides engineering machinery and damage control information to the battle organization through the command, control, and communications system. Using ECSS should result in reducing the workload on ships' crews during high stress operations. This use should also allow the crews to focus attention on other, more critical operations of the ships.

Therefore, the committee recommends an increase of $1.6 million for procurement and installation of ECSS in ships.

High resolution side-scan sonar for detecting sea mines

The budget request included no funds for procurement of a high resolution sonar for detecting sea mines. On numerous occasions, the committee has received testimony that detection, classification and destruction of sea mines is a critical warfare area. Commercial sonars are available that could immediately enhance the Navy's ability to detect and classify mines. The Navy has used these sonars in the past to search the ocean floor and is familiar with their operation and support.

The committee recommends an increase of $5.0 million for procurement, installation and support of a side-scanning sonar in a forward deployed mine countermeasures ship to conduct peacetime surveys and to meet the critical mine warfare requirement to detect and classify mines.

Tactical communications onboard trainer

The budget request included no funds for a tactical communications onboard trainer for the battle force tactical training (BFTT) system. The BFTT system provides battle groups and amphibious ready groups the capability to train as a group using onboard stimulators and simulators embedded in the ships' equipment. However, the BFTT does not include the capability to conduct tactical communications data link (Link–4, Link–11, and Link–16) training. Tactical communications are key to implementing network centric warfare and to enhancing the self- defense capabilities of ships. Using them effectively during conflicts requires that the Navy be able to train more realistically in peacetime.

Therefore, the committee recommends an increase of $4.0 million for the procurement and installation of tactical communications capabilities into the BFTT system.

AN/BPS–15H integration into tactical integrated digital system

The budget request did not include funds for integrating information from the AN/BPS–15H navigation radar into the tactical integrated digital system (TIDS) for submarines.

The AN/BPS–15H radar is a commercial off-the-shelf radar used by submarines to provide navigation, safety and target information. The AN/BPS–15H radar reduces the total operating cost of submarine navigation radars while improving performance. AN/BPS–15H navigation and radar information is key to enhancing the operational capability and navigation safety.

The TIDS distributes information collected by sensors to key operating and control positions throughout the submarine. Unfortunately, there are a number of submarines that do not have the capability to pass information seamlessly from the AN/BPS–15H to the TIDS.

Therefore, the committee recommends an increase of $9.0 million to integrate BPS–15H radars with TIDS.

AN/SPS–73(V) surface search radar

The budget request included $1.1 million to procure and install AN/SPS–73(V) surface search radar systems to replace a number of aging radars on surface ships with a single radar.

The AN/SPS–73(V) is a commercial, off-the-shelf radar that provides surface ships with a reliable, lower maintenance, and lower life-cycle cost surface search radar system. The Navy needs to continue buying these radars at a higher rate to ensure that the fleet will achieve the full potential savings in support costs and will reduce demands on maintenance personnel.

The committee recommends an increase of $14.0 million for the procurement and installation of AN/SPS–73(V) surface search radar systems.

Sonobuoys

The budget request included $57.9 million for procurement of various sonobuoys. These funds would be sufficient to buy roughly 74,000 sonobuoys, well short of replacing the sonobuoys that are needed to support annual peacetime training requirements. Faced

with such a situation, the Navy would be faced with two poor alternatives: (1) curtailing training, with an attendant adverse effect on personnel readiness; or (2) continuing training and accepting a reduction in war reserve assets, making the force less ready to operate at required higher rates in a conflict. The committee finds either alternative unacceptable.

Therefore, the committee recommends an increase of $20.0 million for sonobuoys, a total authorization of $77.9 million.

SPQ–9B radar

The budget request included $17.9 million in gun fire control equipment, including $12.8 million for procurement of SPQ–9B radars. The SPQ–9B provides surface ships a gunfire control radar that also enhances ship self-defense capabilities. Developing and fielding a solid state transmitter has the potential to reduce life cycle costs and improve performance of this radar.

Therefore, the committee recommends an increase of $4.0 million to design, build, test and integrate a solid state transmitter into the SPQ–9B radar.

NULKA anti-ship missile decoy system

The budget request included $27.5 million for anti-ship missile decoy systems, including $14.7 million for procuring 49 new NULKA decoys. The budget request did not include any funds for ordnance alterations for NULKA decoys already bought.

The Navy needs to buy additional NULKA decoys to ensure fleet installations remain on a reasonable schedule, keep production rates above the minimum sustaining level, and achieve more reasonable unit production costs.

The Navy has also developed an electromagnetic compatibility modification to the existing NULKA payload that would permit the NULKA to operate without interference in the presence of newer, more advanced friendly radar systems.

The committee recommends an increase of $14.0 million for the NULKA procurement program, including $12.0 million to purchase additional decoys, and $2.0 million to modify existing NULKA payloads with the electromagnetic compatibility modification.

SUBTITLE D—AIR FORCE PROGRAMS

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Aircraft Procurement, Air Force						
	Combat Aircraft						
	Tactical Forces						
1	F-22 RAPTOR	13	2,658,153			13	2,658,153
2	F-22 RAPTOR (AP-CY)		379,159				379,159
3	F-15A						
4	F-15A (AP-CY)						
5	F-16A (MYP)						
6	F-16A (MYP) (AP-CY)						
	Airlift Aircraft						
7	C-17A (MYP)	15	2,875,775			15	2,875,775
8	C-17A (MYP) (AP-CY)		228,100				228,100
9	C-17 ICS		441,163				441,163
10	EC-130J						
11	C-130J	2	221,809	1	99,000	3	320,809
	Additional Aircraft				[72,000]		
	Spares & Support				[9,000]		
	Maintenance Training Devices				[18,000]		
	Trainer Aircraft						
12	JPATS	48	228,409		3,400	48	231,809
	Transfer from APN -- Fix USAF JPATS Pricing Problem				[3,400]		
	Other Aircraft						
	Helicopters						
13	V-22 OSPREY		95,110		(95,110)		
14	V-22 OSPREY (AP-CY)		14,991		(14,991)		
	Mission Support Aircraft						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
15	C-32B FEST/DEST AIRCRAFT	1	72,451			1	72,451
16	CIVIL AIR PATROL A/C	27	2,629			27	2,629
17	OPERATIONAL SUPPORT AIRCRAFT						
	Other Aircraft						
18	TARGET DRONES		35,484				35,484
19	C-40 ANG						
20	EC-130H		19,000				19,000
21	E-8C	1	283,202			1	283,202
22	E-8C (AP-CY)		49,000				49,000
23	E-8C ICS						
24	HAEUAV	2	85,427			2	85,427
25	HAEUAV (AP-CY)		33,500				33,500
26	PREDATOR UAV	6	19,632	2	6,000	8	25,632
	Modification of Inservice Aircraft						
	Strategic Aircraft						
27	B-2A		11,858				11,858
28	B-1B		95,493				95,493
29	B-52		3,548		51,000		54,548
	ALQ-172 ECM Upgrades				[51,000]		
30	F-117						
	Tactical Aircraft						
31	A-10		18,547				18,547
32	F-15		212,160		25,000		237,160
	F100-PW-220E Engine Upgrades				[25,000]		
33	F-16		231,962		88,000		319,962
	F100-PW-229 Engines				[88,000]		

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
34	T/AT-37		84				84
	Airlift Aircraft						
35	C-5		103,214				103,214
36	C-9		647				647
37	C-17A		139,278		21,100		160,378
	Training Evaluation Performance Training Set				[9,800]		
	Trainer Block Concurrency Upgrades				[2,100]		
	Combined Engine / Engine Cowling Trainer				[9,200]		
38	C-21		2,675				2,675
39	C-22						
40	C-32A		40,393				40,393
41	C-37A		379				379
42	C-141		825				825
	Trainer Aircraft						
43	T-1						
44	T-3 (EFS) AIRCRAFT						
45	T-38		144,726				144,726
46	T-41 AIRCRAFT		90				90
47	T-43		3,750				3,750
	Other Aircraft						
48	KC-10A (ATCA)		31,249				31,249
49	C-12		412				412
50	C-18		830				830
51	C-20 MODS		635				635
52	VC-25A MOD		14,165				14,165
53	C-130		57,936				57,936

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
54	C-135		231,066				231,066
55	DARP		195,045				195,045
56	E-3		92,520				92,520
57	E-4		45,539				45,539
58	E-8		82,996		(11,500)		71,496
	Transfer to RDAF 138 -- SATCOM Kit Development				[-5,700]		
	Transfer to RDAF 138 -- Global Air Traffic Management (GATM) - Radio I tegration				[-5,800]		
59	H-1		288				288
60	H-60		26,519				26,519
61	OTHER AIRCRAFT		50,954				50,954
62	PREDATOR MODS		10,384				10,384
	Other Modifications						
63	CLASSIFIED PROJECTS		23,227				23,227
64	SPECIAL PROJECTS						
	Aircraft Spares and Repair Parts						
65	SPARES/REPAIR PARTS		321,539		(26,400)		295,139
	CV-22 Spares				[-26,400]		
	Aircraft Support Equipment and Facilities						
66	AIRCRAFT SUPPORT EQ. & FACILITIES		211,334				211,334
	Post Production Support						
67	A-10						
68	B-2A		12,647				12,647
69	B-2A		38,612				38,612
70	B-1B		6,400				6,400
71	C-130		1,372				1,372
72	E-4						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
73	F-15 POST PRODUCTION SUPPORT		7,409				7,409
74	F-16 POST PRODUCTION SUPPORT		14,542				14,542
75	INDUSTRIAL PREPAREDNESS		25,711				25,711
76	WAR CONSUMABLES		44,369				44,369
77	MISC PRODUCTION CHARGES		324,986				324,986
78	COMMON ECM EQUIPMENT		1,200				1,200
79	DARP		90,329		3,000		93,329
	U-2 SYERS P3I Spares				[3,000]		
999	CLASSIFIED PROGRAMS		27,620				27,620
	Total - Aircraft Procurement, Air Force		10,744,458		148,499		10,892,957
	Procurement of Ammunition, Air Force						
	Rockets						
1	ROCKETS		29,580				29,580
	Cartridges						
2	CARTRIDGES		122,907				122,907
	Bombs						
3	PRACTICE BOMBS		50,230				50,230
4	GENERAL PURPOSE BOMBS		110,522				110,522
5	CAWCF CLOSURE COSTS		7,946				7,946
6	SENSOR FUZED WEAPON	300	109,521			300	109,521
7	JOINT DIRECT ATTACK MUNITION	8383	187,257			8383	187,257
8	WIND CORRECTED MUNITIONS DISP	6838	111,853			6838	111,853
	Flare, IR MJU-7B						
9	CAD/PAD		18,170				18,170

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
10	EXPLOSIVE ORDINANCE DISPOSAL		1,421				1,421
11	INITIAL SPARES		2,727				2,727
12	MODIFICATIONS <5M		211				211
13	ITEMS LESS THAN $5,000,000		1,633				1,633
	Fuzes						
14	FLARES		108,965				108,965
15	JOINT PROGRAMMABLE FUSE(JPF)						
	Weapons						
16	SMALL ARMS		2,401				2,401
	Total - Procurement of Ammunition, Air Force		865,344				865,344
	Missile Procurement, Air Force						
	Ballistic Missiles						
1	MISSILE REPLACEMENT EQ-BALLIS		25,124				25,124
	Other Missiles						
2	ADVANCED CRUISE MISSILE						
	Tactical						
3	JASSM	76	45,010			76	45,010
4	JOINT STANDOFF WEAPON	104	54,641			104	54,641
5	SIDEWINDER (AIM-9X)	138	38,923			138	38,923
6	AGM-130 POWERED GBU-15						
7	AMRAAM	190	104,701			190	104,701
	Industrial Facilities						
8	INDUSTRIAL FACILITIES		3,040				3,040
	Missile Replacement Equipment-Other						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
9	MISSILE REPLACEMENT EQ-OTHER						
	Modification of Inservice Missiles						
	Class IV						
10	ADVANCED CRUISE MISSILE		784				784
11	SIDEWINDER (AIM-9X)						
12	MM III MODIFICATIONS		552,678		4,200		556,878
	Batteries for MM III Launch Facilities				[4,200]		
13	AGM-65D MAVERICK		966				966
14	AIR LAUNCH CRUISE MISSILE						
15	PEACEKEEPER (M-X)		5,146		12,200		17,346
	Purchase Equipment for Peacekeeper Retirement				[12.200]		
16	MODIFICATIONS UNDER $5.0M						
	Missile Spares and Repair Parts						
17	SPARES AND REPAIR PARTS		61,844				61,844
	Other Support						
	Space Programs						
18	WIDEBAND GAPFILLER SATELLITES	2	377,509			2	377,509
19	WIDEBAND GAPFILLER SATELLITES (AP-CY)		13,447		32,600		46,047
	Exercise Unfunded Options to Buy 3 More Satellites				[32,600]		
20	SPACEBORNE EQUIP (COMSEC)		9,332				9,332
21	GLOBAL POSITIONING (SPACE)		177,719				177,719
22	GLOBAL POSITIONING (SPACE) (AP-CY)		23,760				23,760
23	NUDET DETECTION SYSTEM						
24	DEF METEOROLOGICAL SAT PROG(S		47,580				47,580
25	DEFENSE SUPPORT PROGRAM(SPACE		112,456				112,456
26	DEFENSE SATELLITE COMM SYSTEM		27,004				27,004

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
27	TITAN SPACE BOOSTERS(SPACE)		385,298				385,298
28	EVOLVED EXPENDABLE LAUNCH VEH	1	98,007			1	98,007
29	MEDIUM LAUNCH VEHICLE(SPACE)		42,355				42,355
30	SBIR HIGH (SPACE) (AP-CY)		93,752				93,752
	Special Programs						
31	CANCELLED ACCOUNT						
32	SPECIAL PROGRAMS		803,946		(19,100)		784,846
33	SPECIAL UPDATE PROGRAMS		128,514				128,514
	Total - Missile Procurement, Air Force		3,233,536		29,900		3,263,436
	Other Procurement, Air Force						
	Vehicular Equipment						
	Passenger Carrying Vehicles						
1	SEDAN, 4 DR 4X2	54	686			54	686
2	STATION WAGON, 4X2	8	124			8	124
3	BUSES	72	4,307			72	4,307
4	AMBULANCES	3	252			3	252
5	LAW ENFORCEMENT VEHICLE	79	1,531			79	1,531
6	ARMORED VEHICLE	3	684			3	684
	Cargo and Utility Vehicles						
7	TRUCK, CARGO-UTILITY, 3/4T, 4		5,733				5,733
8	TRUCK MULTI-STOP 1 TON 4X2		10,367				10,367
9	FAMILY MEDIUM TACTICAL VEHICLE						
10	HIGH MOBILITY VEHICLE (MYP)		6,390				6,390
11	CAP VEHICLES		785				785

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
12	ITEMS LESS THAN $5,000,000		34,320				34,320
	Special Purpose Vehicles						
13	HMMWV, ARMORED		1,000				1,000
14	TRACTOR, TOW, FLIGHTLINE		6,035				6,035
15	TRUCK HYDRANT FUEL		5,895				5,895
16	ITEMS LESS THAN $5,000,000		19,818				19,818
	Fire Fighting Equipment						
17	TRUCK CRASH P-19						
18	ITEMS LESS THAN $5,000,000		5,029				5,029
	Material Handling Equipment						
19	TRUCK, F/L 10,000 LB		6,914				6,914
20	60K A/C LOADER	44	90,763			44	90,763
21	NEXT GENERATION SMALL LOADER(	101	53,461			101	53,461
22	ITEMS LESS THAN $5,000,000		4,106				4,106
	Base Maintenance Support						
23	TRUCK, DUMP		2,839				2,839
24	RUNWAY SNOW REMOV AND CLEANIN		12,484				12,484
25	MODIFICATIONS		3,360				3,360
26	ITEMS LESS THAN $5,000,000		11,943				11,943
	Cancelled Account Adjustments						
27	CANCELLED ACCOUNT ADJUSTMENTS						
	Electronics and Telecommunications						
	Comm Security Equipment (COMSEC)						
28	COMSEC EQUIPMENT		35,188				35,188
29	MODIFICATIONS (COMSEC)		468				468
	Intelligence Programs						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
30	INTELLIGENCE DATA HANDLING SY						
31	INTELLIGENCE TRAINING EQUIPME		1,237				1,237
32	INTELLIGENCE COMM EQUIP		1,955				1,955
	Electronics Programs						
33	AIR TRAFFIC CTRL/LAND SYS (AT		4,698				4,698
34	NATIONAL AIRSPACE SYSTEM		71,930				71,930
35	THEATER AIR CONTROL SYS IMPRO		15,057				15,057
36	WEATHER OBSERV/FORCAST		33,766				33,766
37	STRATEGIC COMMAND AND CONTROL		21,066				21,066
38	CHEYENNE MOUNTAIN COMPLEX		30,642				30,642
39	TAC SIGINT SUPPORT		976				976
40	DRUG INTERDICTION PROGRAM						
	Special Comm-Electronics Projects						
41	GENERAL INFORMATION TECHNOLOGY		56,817				56,817
42	AF GLOBAL COMMAND & CONTROL S		15,151				15,151
43	MOBILITY COMMAND AND CONTROL		8,879				8,879
44	AIR FORCE PHYSICAL SECURITY S		62,313				62,313
45	COMBAT TRAINING RANGES		67,585				67,585
46	MINIMUM ESSENTIAL EMERGENCY C		2,078				2,078
47	C3 COUNTERMEASURES		9,623				9,623
48	JOINT SURVEILLANCE SYSTEM						
49	BASE LEVEL DATA AUTO PROGRAM		12,895				12,895
50	THEATER BATTLE MGT C2 SYS		47,291				47,291
	Air Force Communications						
51	INFORMATION TRANSMISSION SYST						
52	BASE INFORMATION INFRASTRUCTURE		154,097		28,700		182,797

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Fiber Optic Communications Upgrades				[28,700]		
53	USCENTCOM		10,867				10,867
54	DEFENSE MESSAGE SYSTEM (DMS)		13,336				13,336
	DISA Programs						
55	SPACE BASED IR SENSOR PROG SP		54,347				54,347
56	NAVSTAR GPS SPACE		4,003				4,003
57	DEFENSE METEOROLOGICAL SAT PR						
58	NUDET DETECTION SYS (NDS) SPA		8,470				8,470
59	AF SATELLITE CONTROL NETWORK		29,678				29,678
60	SPACELIFT RANGE SYSTEM SPACE		132,764		17,600		150,364
	Range Safety Improvements				[17,600]		
61	MILSATCOM SPACE		21,367				21,367
62	SPACE MODS SPACE		31,915		3,600		35,515
	Transfer from RDAF 186 -- Camera Spares				[3,600]		
	Organization and Base						
63	TACTICAL C-E EQUIPMENT		95,096				95,096
64	COMBAT SURVIVOR EVADER LOCATE		2,222				2,222
65	RADIO EQUIPMENT		13,926				13,926
66	TV EQUIPMENT (AFRTV)		2,640				2,640
67	CCTV/AUDIOVISUAL EQUIPMENT		3,275				3,275
68	BASE COMM INFRASTRUCTURE		76,903				76,903
69	SPARES AND REP PARTS		16				16
70	CAP COM & ELECT						
71	ITEMS LESS THAN $5,000,000		6,094				6,094
	Modifications						
72	COMM ELECT MODS		66,386				66,386

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Other Base Maintenance and Support Equip						
	Test Equipment						
73	BASE/ALC CALIBRATION PACKAGE		11,974				11,974
74	PRIMARY STANDARDS LABORATORY		1,073				1,073
75	ITEMS LESS THAN $5,000,000		17,493				17,493
	Personal Safety and Rescue Equipment						
76	NIGHT VISION GOGGLES		3,330		4,000		7,330
77	ITEMS LESS THAN $5,000,000		7,680				7,680
	Depot Plant and Material Handling Equipment						
78	MECHANIZED MATERIAL HANDLING		14,361				14,361
79	ITEMS LESS THAN $5,000,000		9,437				9,437
	Electrical Equipment						
80	FLOODLIGHTS		6,946				6,946
81	ITEMS LESS THAN $5,000,000		6,061				6,061
	Base Support Equipment						
82	BASE PROCURED EQUIPMENT		11,957				11,957
83	MEDICAL/DENTAL EQUIPMENT		15,525				15,525
84	ENVIRONMENTAL PROJECTS		938				938
85	AIR BASE OPERABILITY		6,000				6,000
86	PHOTOGRAPHIC EQUIPMENT		5,805				5,805
87	PRODUCTIVITY ENHANCING CAPITA		7,981				7,981
88	MOBILITY EQUIPMENT		27,581				27,581
89	AIR CONDITIONERS		7,058				7,058
90	ITEMS LESS THAN $5,000,000		25,876				25,876
	Special Support Projects						
91	INTELLIGENCE PRODUCTION ACTIV		64,110				64,110

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
92	TECH SURV COUNTERMEASURES EQ		4,236				4,236
93	DARP RC135		14,247				14,247
94	DARP, MRIGS		89,478				89,478
95	SELECTED ACTIVITIES		6,070,259		(131,700)		5,938,559
96	SPECIAL UPDATE PROGRAM		161,157				161,157
97	DEFENSE SPACE RECONNAISSANCE		6,829				6,829
98	INDUSTRIAL PREPAREDNESS		1,134				1,134
99	MODIFICATIONS		209				209
100	FIRST DESTINATION TRANSPORTATION		11,822				11,822
	Spares and Repair Parts						
101	SPARES AND REPAIR PARTS		33,121				33,121
	Total - Other Procurement, Air Force		8,159,521		(77,800)		8,081,721
	Total - Air Force Procurement		23,002,859		100,599		23,103,458

Multiyear procurement authority for C–17 aircraft (sec 131)

The committee recommends a provision that would provide authority for the Secretary of the Air Force to enter into a multiyear contract, in accordance with the provisions of title 10, United States Code, for the procurement of up to 60 C–17 aircraft.

The Air Force has informed the committee that the service is evaluating a potential initiative known as the commercial application of military airlift aircraft (CAMAA). The committee believes that this could be an innovative solution to a portion of our strategic airlift requirements. However, there are several issues involved about which the Committee would require more specific information before adopting a position on this initiative. Such issues include: (1) whether the DOD wants to buy, and can afford to buy, sufficient aircraft for the Air Force inventory to make a commercial purchase financially attractive to commercial operators; (2) what combination of U.S. government inducements might be required to make such an initiative financially attractive to commercial operators; (3) whether DOD cargo that currently travels by organic airlift would have to be diverted to provide cargo that would subsidize commercial carriers' C–17 operations; (4) whether the aircraft can be certified by the Federal Aviation Administration without munitions list restrictions; (5) what level of risk will be borne by the U.S. government, the commercial carriers and by the C–17 contractor; (6) what is the business case for the commercial carriers; and (7) what is the business case for the U.S. government.

The committee expects that the Secretary of Defense would provide for a thorough review of the issues and answers to these questions before making a formal request to implement any CAMAA proposal.

The committee is aware that there may be other limitations on implementing any multiyear program, such as the requirements imposed by section 8145 of Department of Defense Appropriations Act for Fiscal Year 2000 (HR 106–371). The provision recommended by the committee would not relieve the Air Force of the responsibility of complying with such limitations.

OTHER AIR FORCE PROGRAMS

Air Force Aircraft

C–130J

The budget request included $221.8 million for the procurement of two C–130J–30 combat delivery aircraft, and included $13.6 million for the procurement of a fuselage training device.

The Air Force has indicated that, if additional funds were to be made available in fiscal year 2002, they would purchase an additional C–130J for establishing an organic training activity. The committee believes that it would be beneficial to accelerate the establishment of the unit to train C–130J aircrew and maintenance personnel. The committee recommends an increase of $81.0 million for the procurement of one C–130J, including $9.0 million for spares and support equipment.

The Future Years Defense Program (FYDP) for the C–130J also indicates the need for additional maintenance training devices. The

committee supports the acceleration of procurement of maintenance training devices to accelerate the initiation of organic maintenance training for the Air Force, consistent with the purchase of an additional aircraft in fiscal year 2002.

Therefore, the committee also recommends an increase of $18.0 million for the procurement of C–130J maintenance training devices.

Predator unmanned aerial vehicle

The budget request included $19.6 million to procure six Predator unmanned aerial vehicles (UAVs).

As with any air vehicle, the Air Force expects to lose some number of these UAVs each year to mishaps. Current production is slated to replace any UAVs lost to such attrition. Air Force officials have informed the committee that they expect attrition losses to exceed the current production rate, and that roughly two more aircraft per year would be needed to stay even.

The Predator UAV systems have been in high demand from the combatant commanders. These officers and their staffs have repeatedly stressed to the committee the high priority of having enough of these UAVs available. Any shortages due to buying too few air vehicles to replace attrition losses would impinge the Air Force's ability to support these commanders.

Therefore, the committee recommends an increase of $6.0 million to buy two additional Predator air vehicles to provide greater assurance that the Air Force has enough vehicles to absorb peacetime attrition without cutting deployed forces.

B–52

The budget request included $3.5 million in procurement for the B–52 bomber. The committee recommends an additional $51.0 million for the Electronic Countermeasure Improvement (ECMI) program, for a total authorization of $54.5 million in B–52 modifications. The ECMI will upgrade the current ALQ–172 electronic countermeasure system, improving situational awareness and adding the ability to do rapid in-flight reprogramming to counter threat changes. The additional funds will allow the Air Force to complete the buy of the ECMI kits necessary to upgrade the B–52 fleet.

F–15 aircraft modifications

The budget request included $212.2 million for modifications to the F–15 aircraft, including $24.4 million for the F100–PW–220E engine upgrade program. This program modifies F100–PW–100/-200 engines to the F100–PW–220E configuration. This modification will make these engines equivalent to the new production F100–PW–220E engine.

This upgrade would significantly improve the reliability and maintainability of the engine, and has already reduced the unscheduled engine removal rate by 35 percent. The committee believes that these upgrades are important to reduce the demands on aircrew maintenance personnel.

Therefore, the committee recommends an increase of $25.0 million for additional F–15 F100–PW–220E engine upgrades, a total authorization of $237.2 million for F–15 aircraft modifications.

The Air Force currently operates the F–15s in almost two dozen configurations of F–15A/B/C/D/E aircraft. These multiple configurations complicate managing and supporting the force. The Air Force has been and will be spending several hundred million dollars per year on making upgrades to the existing F–15 fleet. The committee believes that the Air Force should consider consolidating some or all of these efforts within a potential block upgrade program. Such an effort should focus, in priority order, on reducing threats to the aircrews, improving readiness, reducing demands for operating and support expenditures and providing upgraded combat capability. The committee directs the Air Force to provide an analysis of such an approach with the submission of the fiscal year 2003 budget request.

F–16 aircraft modifications

The budget request included $232.0 million for modifications to the F–16 aircraft, but included no funding for continuing a program to replace engines of block 42 F–16 aircraft with the F100–PW–229 engine. This re-engining program will enable Air National Guard units flying the block 42 F–16 aircraft to have comparable speed, thrust, and maneuverability with other F–16 aircraft, allowing full integration into the Expeditionary Air Force structure. Such a modification would also increase the reliability and maintainability of these aircraft.

The committee recommends an increase of $88.0 million for F100–PW–229 engines for block 42 F–16 aircraft, a total authorization of $320.0 million in F–16 aircraft modifications.

C–17 simulator

The budget request included $139.3 million for modifications to the C–17 aircraft, but included no funding for several efforts: (1) buying a training evaluation performance training set (TEPATS); (2) upgrading trainers to maintain the same configuration as newer operating aircraft (called "block concurrency upgrades"); and (3) buying a combined aircraft engine trainer and engine cowling trainer.

With C–17 aircraft being assigned to additional operating locations, there is a requirement to provide adequate training for support and maintenance crews. Absent training devices of the correct type, the Air Force would have to conduct training on actual aircraft, or send personnel on temporary duty to locations that do have the training devices. If training devices are available, but are not in the proper configuration, the training administered can be incomplete or ineffective.

To correct these potential problems, the committee recommends an overall increase of $21.1 million for C–17 aircraft modifications, a total authorization of $160.4 million, as follows:

(1) an increase of $9.8 million for the procurement of a C–17 TEPATS;

(2) an increase of $2.1 million for the procurement of C–17 aircraft trainer block concurrency upgrades; and

(3) an increase of $9.2 million for the procurement of a C–17 aircraft combined aircraft engine trainer and engine cowling trainer.

Joint surveillance target attack radar system

The budget request included $83.0 million of procurement funding for modifications to the E–8 joint surveillance target attack radar system (JSTARS) aircraft, and $147.9 million in PE 27581F for JSTARS-related research and development projects.

Of the procurement modifications request, $5.7 million was included for the procurement and installation of satellite communication (SATCOM) kits. The committee has been notified that delays in the development of the government-furnished SATCOM kits have negated the requirement for procurement funding, but established a need for continued research and development funding.

Of the procurement modifications request, $25.3 million was requested for so-called "vanguard" reliability and maintainability upgrades for the aircraft and prime mission equipment. The Air Force notified the committee that, subsequent to the delivery of the fiscal year 2002 budget request, the cost estimates for the higher priority global air traffic management (GATM) efforts in the integration of GATM-compliant radios has made this planned integration impossible without additional research and development funds.

The committee recommends a transfer of $11.5 million from JSTARS aircraft procurement modifications to PE 27581F for JSTARS systems development, including $5.7 million for SATCOM kit development and $5.8 million for GATM radio integration efforts.

Defense Airborne Reconnaissance Program

The budget request included $90.3 million for support equipment for the Defense Airborne Reconnaissance Program (DARP), but no funding for the procurement of spare parts to support operational deployment of a preplanned product improvement for the U–2 aircraft Senior Year electro-optic reconnaissance system (SYERS). This new sensor is a high resolution sensor capable of collecting image information in multiple bands of the spectrum.

This SYERS P3I sensor system completed operational testing in 2000 and is scheduled to deploy later this year. The committee believes that the Air Force needs to buy spare parts for this SYERS P3I system to ensure a high likelihood of the system's availability for deployed U–2 activities.

Therefore, the committee recommends an increase of $3.0 million for the procurement of additional U–2 SYERS spares equipment, a total authorization of $93.3 million in DARP support equipment.

Air Force Missiles

Minuteman III modifications

The budget request included $552.7 million in missile procurement Air Force for modifications to the Minuteman III Intercontinental Ballistic Missile. The committee recommends an additional $4.2 million for replacement emergency batteries.

Peacekeeper Ballistic Missile

The budget request included $5.1 million for the Peacekeeper (M–X) ballistic missile.

The committee recommends an increase of $12.2 million to fund long lead equipment items to support retirement of the Peacekeeper missile.

Wideband gapfiller satellites

The budget request included $13.4 million for the wideband gapfiller satellites. The committee recommends an additional $32.6 million in advance procurement to exercise unfunded options on the wideband gapfiller satellite contract to buy three additional satellites to increase the number of satellites on orbit from three to six. These three additional satellites will allow the Air Force to maintain global wideband communications coverage and to meet both training and operational wideband communications needs. This will also ensure that there is an on orbit backup capability for the satellite system. Additionally, this was included on the Air Force list of unfunded priorities.

The committee prohibits obligation of the additional funds until such time as the Secretary of the Air Force submits to the congressional defense committees a report explaining how the balance of the cost of the three additional satellites will be funded in the Future Years Defense Program.

Other Air Force Procurement

Base information infrastructure

The budget request included $154.1 million for the procurement and installation of base information infrastructure improvements. Within this category, the Air Force provides upgrades for the combat information transport system (CITS), including its subsets: (1) information transport system (ITS); (2) network management system; (3) voice switching system; and (4) telecommunications management system.

The Air Force has determined that ITS improvements will have direct effect on war fighting and contingency support. The Air Force has appropriately placed a high priority on providing enhancements to the ITS portion of the CITS program. This priority is based on the assessment that the current infrastructure is inadequate to support information-intensive command and control systems supporting military operations.

The committee recommends an increase of $28.7 million for accelerating procurement and installation of fiber optic communications upgrades within the ITS upgrade effort.

Spacelift range systems

The budget request included $132.8 million in Other Procurement, Air Force for spacelift range systems to support sustainment and modernization of launch facilities. The committee recommends an increase of $17.6 million to support improved operational safety and to modernize or eliminate older systems and equipment.

Improving the safety and long-term viability of the East and West Coast space ranges at Vandenberg Air Force Base, California,

and at Cape Canaveral/Patrick Air Force Base, Florida, is the number one priority on the Air Force list of unfunded priorities. The committee recommends a total increase for spacelift ranges of $53.9 million for procurement, research and development, and operations and maintenance accounts.

The additional $17.6 million recommended by the committee would support efforts to transform the ranges from an analog environment to a digital environment, and move from manual scheduling to electronic scheduling of launches and other activities. In addition, the additional funds would begin to restore some additional modernization activities to their original schedule. These activities were supposed to have been completed by 2004 under phase IIA of the Range Standardization and Automation plan but have slipped to 2006. The Air Force believes that the plan can get substantially back on schedule with the additional provided.

Night vision goggles

The budget request included $3.3 million for the procurement of night vision goggles (NVGs) for aircrew, maintenance, and security personnel. The committee supports the Air Force plan to transition to the newer, panoramic NVGs (PNVGs), and has recommended additional authorization for PNVG development elsewhere in this report.

In the meantime, the Air Force has indicated that additional funds would allow them to upgrade older versions of NVGs in the field, and to buy additional test sets. Such an effort would provide near-term upgrades to those operating with older, less capable NVGs. It would also hedge against the possibility that the PNVG program might not be able to deliver volume production as soon as the Air Force would prefer.

The committee recommends an increase of $4.0 million for the procurement of additional NVG upgrades and test sets, for a total authorization of $7.3 million.

Spacetrack

The budget request included $8.8 million in Other Procurement, Air Force, for the Spacetrack for Ground-Based Electro-Optical Space Surveillance Sustainment (GEODSS) cameras. This amount should have included $3.6 million for initial spares to support the GEODSS sustainment program. These funds were inadvertently included for Spacetrack research and development in PE 35901F. The committee recommends an increase of $3.6 to enable the Air Force to carry out the procurement of the initial spares, and a corresponding decrease in the research, development, testing and evaluation Air Force account.

SUBTITLE E—OTHER MATTERS

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Procurement, Defense-Wide						
	Major Equipment						
	Major Equipment, OSD/WHS						
1	MOTOR VEHICLES, WHS						
2	MAJOR EQUIPMENT, OSD		87,189				87,189
3	MAJOR EQUIPMENT, WHS		18,836				18,836
	Major Equipment, NSA						
4	DEFENSE CRYPTOLOGIC PROGRAM		[ ]				
5	CONSOLIDATED CRYPTOLOGIC PROGRAM		[ ]				
6	INFORMATION SYSTEMS SECURITY PROGRAM		[ ]				
7	DEFENSE AIRBORNE RECONNAISSANCE PRGM		[ ]				
8	DEFENSE COUNTERDRUG INTELLIGENCE PROGRAM						
	Major Equipment, DISA						
9	MOBILE SATELLITE SYSTEM TECH						
10	INFORMATION SYSTEMS SECURITY		43,211				43,211
11	CONTINUITY OF OPERATIONS		3,288				3,288
12	DEFENSE MESSAGE SYSTEM		19,062				19,062
13	GLOBAL COMMAND AND CONTROL SYS		3,550				3,550
14	GLOBAL COMBAT SUPPORT SYSTEM		1,843				1,843
15	STANDARD TACTICAL ENTRY POINT						
16	TELEPORTS		97,351				97,351
17	ITEMS LESS THAN $5M		29,580				29,580
18	DRUG INTERDICTION SUPPORT						
	Major Equipment, DIA						
19	INTELLIGENCE AND COMMUNICATIONS		[ ]		(5,500)		(5,500)
20	UNDISTRIBUTED NFIP ADJUSTMENTS		[ ]				

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
21	HEADQUARTERS MANAGEMENT DIA		[ ]				
	Major Equipment, DLA						
22	MAJOR EQUIPMENT		12,805				12,805
	Major Equipment, DCAA						
23	MAJOR EQUIPMENT ITEMS LESS THAN $5.0M		1,500				1,500
	Major Equipment, TJS						
24	MAJOR EQUIPMENT, TJS		35,380				35,380
	Ballistic Missile Defense Organization						
25	PATRIOT PAC-3						
26	NATIONAL MISSILE DEFENSE						
27	C4I						
28	NAVY AREA TBDM PROGRAM						
	Major Equipment, DHRA						
29	PERSONNEL ADMINISTRATION		7,352				7,352
	National Imagery and Mapping Agency						
30	MAJOR EQUIPMENT, NIMA		[ ]		(3,000)		(3,000)
	Defense Threat Reduction Agency						
31	VEHICLES		145				145
32	OTHER MAJOR EQUIPMENT		24,480				24,480
	Defense Security Cooperation Agency						
33	OTHER MAJOR EQUIPMENT		200				200
	Major Equipment, AFIS						
34	MAJOR EQUIPMENT, AFIS		5,369				5,369
	Major Equipment, DODDE						
35	AUTOMATION/EDUCATIONAL SUPPORT AND LOGISTICS		1,576				1,576
	Major Equipment, DCMA						

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
36	MAJOR EQUIPMENT		31,413				31,413
	Special Operations Command Aviation Programs						
37	SOF ROTARY WING UPGRADES		79,084				79,084
38	SOF TRAINING SYSTEMS						
39	MC-130H COMBAT TALON II		10,427				10,427
40	CV-22 SOF MODIFICATION		28,202		(28,202)		
	Reflect Delay of CV-22 Procurement				[-28,202]		
41	AC-130U GUNSHIP ACQUISITION		8,705				8,705
42	C-130 MODIFICATIONS		8,176				8,176
43	AIRCRAFT SUPPORT		1,763				1,763
	Shipbuilding						
44	ADVANCED SEAL DELIVERY SYS		33,439				33,439
45	ADVANCED SEAL DELIVERY SYS (AP-CY)		13,697				13,697
46	MK VIII MOD 1 - SEAL DELIVERY VEH		504				504
47	SUBMARINE CONVERSION						
	Ammunition Programs						
48	SOF ORDNANCE REPLENISHMENT		31,415				31,415
49	CONVENTIONAL AMMO WORKING CAPITAL FUND		1,509				1,509
50	SOF ORDNANCE ACQUISITION		5,635				5,635
	Other Procurement Programs						
51	COMM EQUIPMENT & ELECTRONICS		41,404		14,400		55,804
	AN / PRC-148 SOF Radios				[14,400]		
52	SOF INTELLIGENCE SYSTEMS		8,133				8,133
53	SOF SMALL ARMS & WEAPONS		6,936		3,700		10,636
	Advanced Lightweight Grenade Launcher				[2,500]		

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	M4A1 Carbine Modification Kits				[1,200]		
54	MARITIME EQUIPMENT MODS		1,660				1,660
55	SOF COMBATANT CRAFT SYSTEMS		6,042				6,042
56	SPARES AND REPAIR PARTS		5,036				5,036
57	SOF MARITIME EQUIPMENT		2,975				2,975
58	DRUG INTERDICTION						
59	MISCELLANEOUS EQUIPMENT		8,111				8,111
60	SOF PLANNING AND REHEARSAL SYSTEM		1,448				1,448
61	SOF OPERATIONAL ENHANCEMENTS		102,571				102,571
62	PSYOP EQUIPMENT		2,780				2,780
	Chemical/Biological Defense						
63	INDIVIDUAL PROTECTION		114,327		2,000		116,327
	M291 Decontamination Kits				[1,000]		
	M49 Chem-Bio Filters				[1,000]		
64	DECONTAMINATION		15,196				15,196
65	JOINT BIOLOGICAL DEFENSE PROGRAM		155,916				155,916
66	COLLECTIVE PROTECTION		38,940		7,000		45,940
	Chem-Bio Protective Shelters				[7,000]		
67	CONTAMINATION AVOIDANCE		24,330				24,330
999	CLASSIFIED PROGRAMS		421,436				421,436
	Total - Procurement, Defense-Wide		1,603,927		(9,602)		1,594,325

Title I-Procurement
(Dollars in Thousands)

Line No	Program	Request Qty	Request Cost	Change Qty	Change Cost	Recommended Qty	Recommended Cost
	Chemical Agents & Munitions Destruction, Defense						
1	CHEM DEMILITARIZATION - RDTE				200,379		200,379
2	CHEM DEMILITARIZATION - PROC				164,158		164,158
3	CHEM DEMILITARIZATION - O&M				789,020		789,020
	Total - Chemical Agents & Munitions Destruction, Defense				1,153,557		1,153,557
	Defense Production Act Purchases						
1	DOMESTIC RADIATION HARDENED ELECTRONICS		50,000				50,000
1a	Laser Additive Manufacturing Initiative				4,000		4,000
	Total - Defense Production Act Purchases		50,000		4,000		54,000

Extension of pilot program on sales of manufactured articles and services of certain Army industrial facilities (sec. 141)

The committee recommends a provision that would extend the pilot program for the sale of manufactured articles and services from Army industrial facilities enacted in the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85). The Inspector General audit of this program mandated by the National Defense Authorization Act for Fiscal Year 2000 also recommended extension of this pilot program.

Defense-Wide Programs

CV–22 procurement

The budget request included $28.2 million for procurement of Special Operations Forces (SOF) peculiar equipment and engineering support for the CV–22, the SOF variant of the V–22 Osprey. However, the Air Force subsequently decided to delay fielding of the CV–22 to reflect the restructuring of the overall MV/CV–22 program into a phased return to flight and fleet introduction. As a result, the fiscal year 2002 procurement funding request is in excess of requirements. The committee recommends a decrease of $28.2 million in the Special Operations Force CV–22 SOF Modification procurement account.

Multiband intra/inter team radio procurement

The budget request included $4.7 million for procurement of AN/PRC–148 Multiband Inter/Intra Team Radios (MBITRs) for Special Operations Forces (SOF). The MBITR provides SOF teams with the ability to communicate on multiple frequencies utilizing a single handheld radio. It replaces the existing system of numerous less capable, legacy handheld radios that are increasingly costly to maintain and repair. Procurement of additional MBITRs would significantly improve the operational conditions for SOF elements, significantly reducing the combat load of individual operators. The committee also notes that the Special Operations Command identified procurement of 1,609 MBITRs to fully outfit SOF components as its highest priority unfunded requirement for fiscal year 2002. Therefore, the committee recommends an increase of $14.4 million to the Special Operations Force Communications Equipment and Electronics procurement account for purchase of additional AN/PRC–148 Multiband Inter/Intra Team Radios (MBITRs).

Advanced lightweight grenade launcher

The budget request included $6.9 million for the Special Operations Forces Small Arms and Weapons procurement account, but did not include funding for Advanced Lightweight Grenade Launcher (ALGL) systems for the Special Operations Command (SOCOM). The committee recommends an increase of $2.5 million to the Special Operations Forces Small Arms and Weapons procurement account to purchase additional Advanced Lightweight Grenade Launcher (ALGL) systems, which provide first-round-hit capability on lightly armored vehicles at ranges beyond 1500 meters. The ALGL procurement would provide special forces operators with an

improved 40mm weapon system capability consisting of a lightweight 40 mm grenade launcher, day/night fire control, and mount (ground and vehicle). The system—a Special Operations Command unfunded priority for fiscal year 2002—would replace one that is twice as heavy, non-man portable, and less accurate.

Special operations peculiar M4A1 carbine modification procurement

The budget request included $1.8 million in the Special Operations Force (SOF) Small Arms and Weapons procurement account in order to purchase mini-night vision sights. These night vision sights are a component in the Special Operations Peculiar M4A1 Carbine Modifications (SOPMOD) kit, which allows the operator to tailor the configuration of the M4A1 carbine to the assigned mission and operational environment, including day and night conditions and various target ranges. The M4A1 carbine accessory kit also includes items such as a day scope, quick attach/detach grenade launcher, forward handgrip, infrared laser aiming light/illuminator, visible aiming light, flashlight, suppressor, close quarters battle sight, and rail interface system. The SOPMOD increases the combat firepower of the SOF operator, and therefore enhances operator lethality, safety, and survivability. This procurement constitutes a fiscal year 2002 unfunded requirement for the Special Operations Command (SOCOM), and was the highest unfunded requirement for SOCOM for fiscal year 2001. The committee authorized additional funding for fiscal year 2001, and continues to support accelerating procurement of the kits. Therefore, the committee recommends an increase of $1.2 million to the SOF Small Arms and Weapons procurement account for procurement of SOPMOD kits.

Chemical-biological individual protective equipment

The budget request included $114.3 million in the Procurement, Defense-Wide account for individual protection against chemical and biological warfare. Of this amount, $1.8 million was proposed for procurement of decontamination items for Navy individual protective gear, including the M291 Skin Decontaminating Kit, the most efficient, proven and safe method for military personnel to remove toxic chemical agents from their skin. They are used by all military services and by civilian personnel responsible for responding to terrorist attacks. There is a serious depletion of the national inventory of these kits. The committee recommends an increase of $1.0 million to procure additional M291 decontamination kits.

The budget request did not include funds for procurement of M49 filters for chemical-biological defense individual protective gear. Given the growing risk of chemical attacks, it is important to maintain an adequate supply of these filters. The committee recommends an increase of $1.0 million for the procurement of additional M49 filters.

Chemical-biological protective shelters

The budget request included $15.7 million for procurement of 32 Chemical Biological Protective Shelter systems in the Collective Protection portion of the Chemical-Biological Defense Program

under Defense-Wide procurement. The Chemical Biological Protective Shelter (CBPS) is being procured to satisfy an urgent need for medical and other battlefield functions requiring personnel to work without individual protective clothing and masks. The CBPS is replacing the obsolete M–51 chemical shelter system in order to provide a highly mobile, self-contained collective protection system that can provide a contamination-free work area for medical treatment in a chemically or biologically contaminated zone.

The committee recommends an addition of $7.0 million to procure additional Chemical Biological Protective Shelters to help satisfy this urgent need in a timely manner.

Defense Production Act

Laser additive manufacturing initiative

The committee recommends an increase of $4.0 million in PE 94903D to develop laser additive manufacturing technologies to produce high performance military and commercial titanium components. These technologies can help reduce weapon systems costs, speed production of critical components, and reduce the environmental impact of manufacturing processes. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

OTHER ITEMS OF INTEREST

Acquisition programs at the National Imagery and Mapping Agency

The Office of the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) (ASD (C3I)), and the Community Management Staff (CMS) required the National Imagery and Mapping Agency (NIMA) to conduct a rigorous "re-baselining" effort over most of the last year. This action proved to be very useful, as it revealed serious deficiencies in the NIMA's preparedness to task, receive, and exploit data from the Future Imagery Architecture (FIA) being developed by the National Reconnaissance Office (NRO). The re-baselining effort also produced a credible measurement of what the NIMA's capabilities will be under current plans and funding. This assessment shows that the NIMA's capabilities fall far short of threshold requirements in the key performance parameters.

The committee believes that the development of the FIA requirements, viewed in comparison to other such development processes, was a very productive effort. However, the horizon may have been set too narrowly only on the collection aspects of the problem. In hindsight, the problems that would be facing the NIMA, responsible for other parts of the information chain, are daunting.

To ensure that the NIMA will be ready to task and handle data from FIA at first launch, hundreds of millions of dollars had to be shifted from NIMA's modernization budget mostly to modify legacy systems for tasking, workflow management, and data transfer. These modernization funds originally had been intended to develop newer, more modern systems and capabilities for these functions. While it is unfortunate that scarce investment funds were devoted

to modifying legacy systems with only a limited future. In this case, however, no other course was possible because of the pressure of the FIA schedule.

The root cause of the disconnect is that the NRO was given permission to begin the FIA acquisition program before any serious thought was given to the requirements, cost, and schedule of the associated ground architecture for tasking, exploiting, and disseminating data from the satellites. What is more, once the costs of the ground requirements and architecture were defined, neither the Defense Department nor the Director of Central Intelligence (DCI) was prepared to sacrifice other programs and activities to pay the bill. As a result, the NRO is presently on a course to field a high-capacity collection capability mated to a low-performance ground infrastructure.

This is a lesson that must not be repeated or forgotten. On future programs to acquire such programs as FIA, the committee insists that the requirements trade-off process consider the complete picture, not just the more narrow question of the collection instrument. That means that no NRO satellite program should be approved to enter acquisition until the JROC and MRB have approved a set of requirements for end-to-end system performance (i.e., ground and space segments together), and cost and schedule estimates to meet those requirements have been prepared by the NRO and its mission partner or other appropriate organization and presented to the DCI, Secretary of Defense, and Congress.

The committee directs the Secretary of Defense and the Director of Central Intelligence to ensure that this policy is reflected in the acquisition policies of OSD, CMS, and the NRO.

Acquisition programs at the National Security Agency

The Floyd D. Spence National Defense Authorization Act for Fiscal year 2001 and the Intelligence Authorization Act for Fiscal Year 2001 directed the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) (ASD (C3I)), the Director of Central Intelligence's (DCI) Senior Acquisition Executive (SAE), and the Director of National Security Agency (NSA) to establish a disciplined acquisition strategy for the NSA's modernization program, with strong oversight mechanisms, but also tailored to the special needs of information technology and signals intelligence. These Acts also directed the DCI's SAE to review and report on the NSA's progress in developing a competent enterprise-wide systems engineering organization to guide its critical acquisition alternatives.

The DCI's SAE has provided very valuable analyses and judgments about the NSA's acquisition problems, but the response of the NSA, the Office of the Secretary of Defense (OSD), and the Community Management Staff (CMS) has otherwise been disappointing.

The SAE has demonstrated that the NSA still lacks a requirements process and a viable enterprise-wide systems engineering capability. Since the SAE reported her findings, the NSA established a small systems engineering organization under the Chief Technology Officer by contracting sole-source to the Johns Hopkins University Applied Physics Laboratory. No aspect of this arrangement

provides reassurance that the NSA management understands the nature or magnitude of the deficiency that the SAE has identified.

With respect to oversight, OSD and CMS have been very active in oversight of the National Imagery and Mapping Agency (NIMA), whose problems and challenges mirror those of the NSA in important respects. However, this does not appear to have been the case with the NSA. The committee believes that oversight of the NSA must be every bit as thorough and involved as what has been the case with the NIMA, since the seriousness of the NSA's problems warrants it.

In addition to these deficiencies, the committee is concerned the NSA has only just begun to plan for the integration of the various elements of its nascent modernization effort, such as Trailblazer, cryptologic mission management (CMM), customer relations management (CRM), etc., with each other. Unfortunately, the NSA appears to have no plans or processes in place to integrate these programs with its information technology infrastructure and myriad collection and access-enabling programs.

Further, the NSA is spending very large sums annually on hundreds of in-house development activities. Unfortunately, the leadership at the NSA cannot say how or even whether these activities contribute to its modernization needs, or if they do, how they translate into its acquisition plans, such as they are. In fact, as a rule, the NSA lacks the most basic information on these development activities, such as schedules, milestones, development costs, and life-cycle costs. Thus, it is impossible to know what capabilities the NSA could have by the end of the Future Years Defense Program (FYDP) at planned funding levels, much less what its modernization funding requirements overall might be.

The NSA has clearly made great strides in seeking to transform itself in many areas. However, the NSA appears to have made only modest progress in the area most important to its future: acquiring the technical ability to operate effectively against the emerging global network. The NSA has long known that packet-switched computer-to-computer communications over an integrated global network would someday overwhelm traditional circuit-switched communications. The Director of the NSA testified before Congress this year that the crossover point has already occurred and that the NSA still has only rudimentary capabilities to process packet-switched data. While funding constraints could have contributed to this failure, it is clear that management problems at the NSA also hindered success. It follows that more money now, without further reform, will not succeed either.

In light of these problems, the committee directs that OSD and CMS conduct a "baselining" of the NSA that mirrors the successful and productive effort performed at the NIMA in the current fiscal year. The elements of this baseline review are discussed below.

The NSA must create a rational requirements process and produce a prioritized requirements baseline, approved by the Joint Requirements Oversight Council (JROC) and Mission Requirements Board (MRB), with measurable key performance parameters (KPPs). The NSA's capabilities at the end of the FYDP under current budgets, and all current programs and plans, should be assessed objectively against those KPPs, as was done for the NIMA.

This requirements baseline should also be the basis for competitive contract awards for the acquisition of Trailblazer and CMM. Until this requirements baseline is established, the committee can see no reason to proceed at full speed to acquisition in these and other programs. However, OSD, CMS, and the NSA must ensure that these programs proceed to the next appropriate pre-acquisition phase to sustain momentum and to keep industry expertise intact. The committee emphasizes strongly that this requirements baseline should be structured to support a spiral-development approach to major elements of the modernization program, such as Trailblazer and CMM.

The NSA must also produce for OSD and CMS review a rationalized, integrated schedule and requirements allocation for all the major elements of its modernization effort (e.g., Trailblazer, CMM, CRM, information technology infrastructure, and access programs). The baselining effort must also produce a systems integration strategy across the entire reference model, including:

(1) a road map of how mission applications will be integrated into the Trailblazer framework from multiple vendors under the direction of a Trailblazer prime contractor; and

(2) how Trailblazer will be integrated with the other modernization programs, the information technology infrastructure, and the collection programs.

The committee directs that the NSA develop plans for OSD and CMS review that would call for turning over most or all of the systems integration job to a single industry team; options include granting total systems performance responsibility (TSPR) or a prime integration contractor (PIC) role to the winner of the Trailblazer competitive acquisition, or to the winner of a separate competition.

The committee directs further that the NSA create a detailed plan for OSD and CMS to subordinate the interim Trailblazer program under the Objective Trailblazer program upon contract award. On this note, the committee observes that the Objective Trailblazer program should be able to produce operational capabilities as quickly and more effectively as the interim program once the Objective Trailblazer program is restructured to allow the contractor to pursue disciplined spiral development.

The committee believes that the NSA should rescind its direction that the competing teams for the Objective Trailblazer program must incorporate elements of the Interim Trailblazer effort. The contractors should be free to propose what they believe makes the most sense. Interim Trailblazer achievements will be evaluated as part of an Analysis of Alternatives process.

The NSA must produce for OSD and CMS review a detailed audit of all the hundreds of ongoing development activities and programs within the Agency. OSD and CMS must be convinced that these programs translate into the NSA's objective architecture, are meeting a valid requirement, and have documented program plans, cost estimates, schedules, milestones, and interface standards and specifications; otherwise, they should be modified or canceled, and funding transferred to more productive activities.

The NSA must produce for OSD and CMS a detailed plan and schedule to establish a rigorous "make-versus-buy" decision process for all the NSA acquisition activities.

The NSA must produce a plan acceptable to OSD and the DCI's SAE for enterprise-wide systems engineering. The committee believes that most of the funds requested for enterprise-wide systems engineering should be applied to the SIGINT Directorate's efforts to guide the development activities covered by the reference model.

Upon completion of these tasks, the committee expects that OSD, CMS, and the NSA will provide detailed briefings and reports, as appropriate, to the congressional defense and intelligence committees.

If these tasks are not completed by December 1, 2002, the committee directs that the NSA's modernization effort immediately be designated a major defense acquisition program, with milestone decision authority residing with the Under Secretary of Defense (Acquisition, Technology, and Logistics), and subjected to semiannual Defense Acquisition Board program reviews until initial operational capability (IOC) is achieved.

Air Force C–130 roadmap

The Air Force has developed a long-range plan for modernizing its fleet of tactical airlift aircraft. The Air Force uses this plan, called the "C–130 Roadmap," to assist their planning and budgeting to modernize the existing force, and deploy new production aircraft that will replace those older aircraft that would be too costly to upgrade.

The committee supports methodical analysis and planning that considers the needs of the service, the condition of the aircraft to be replaced, concerns about having to operate mixed types of aircraft, and whether adequate support equipment and facilities are properly phased to accommodate the deployment.

The committee supports implementation of the C–130 Roadmap, dated July 20, 2001, recently submitted to the Congress, and encourages the Air Force to use a similar approach with other aircraft systems that it is modernizing.

Arleigh Burke-class destroyer procurement

The Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 expressed the sense of Congress that the Secretary of the Navy should procure *Arleigh Burke*-class destroyers at the most economical rate of procurement of three per year in fiscal years 2002 and 2003. The budget request included $2.9 billion for three *Arleigh Burke*-class destroyers in fiscal year 2002, the economic rate suggested by Congress. The committee recommends authorization of the amended budget request.

The Navy updated the "*Arleigh Burke* (DDG–51) Class Industrial Base Study of 1993" in November 2000 and again on August 16, 2001. Navy witnesses testified that the updated analysis, among other things, concluded that: (1) "both of the destroyer shipbuilders will have to book unprecedented amounts of additional, non-U.S. Navy work in order to maintain their workforces during the transition from DDG–51 to DD–21 production"; and (2) "the risks of the destroyer transition are not confined to the" destroyer "ship-

building industrial base. Second tier suppliers of shipboard equipment used on destroyers and other warships will also be affected . . . These effects could range from higher unit costs . . . to a corporate decision to scale back or stop production."

The committee agrees with the assessment that the destroyer industrial base is at risk unless three destroyers are built each year or unless the destroyer shipbuilders attain significant other work beyond their historic level. Therefore, the committee reiterates that the Secretary of the Navy should include procurement of three *Arleigh Burke*-class destroyers in the fiscal year 2003 budget request to attain an economic rate of production and consider options for maintaining and transitioning the industrial base, including second tier suppliers, to DD–21 production.

Ejection seats for training aircraft

The committee is aware that the ejection seats currently employed in the Air Force T–38 advanced jet training aircraft do not offer full flight envelope escape for individuals in the anthropometric population accepted for flight training. The committee requests the Secretary of the Air Force to submit a report, with the fiscal year 2003 budget request, that outlines any Air Force plan to acquire new ejection seats for its T–38 aircraft. The report should detail how the Air Force is accommodating the anthropometric population of its pilots-in-training should no such plan exist.

Family of medium tactical vehicles A1 Production and Competitive Rebuy

The committee is encouraged by the Army's response to congressional concerns regarding the Family of Medium Tactical Vehicles (FMTV) program, which is designed to replace an aging fleet of medium trucks found in the Army today. The Army restructured the program in accordance with congressional direction to conduct a fair and open competition to select one winning contractor. The Army further restructured the program to increase the reliability testing associated with the Competitive Rebuy (CR) selection process, designed to replace the FMTV A1 model truck with an improved version, called the FMTV CR model.

The committee is interested in the production and fielding of FMTV CR trucks as quickly as possible, consistent with sound acquisition procedures and testing. However, the committee is concerned with the inherent risk in the program schedule. As the program is currently structured, any slip in the seven-month competitive evaluation test phase may contribute to a possible break in production during the transition from the FMTV current production contract to the FMTV Competitive Rebuy production contract. The committee intends to review the results of the testing after the completion of the competition in March 2003 to determine whether an adjustment of the schedule is warranted.

Further, to preclude such a break in production, the committee will monitor the Army's plans for production verification testing and the transition from FMTV A1 to FMTV CR production and fielding and will work with the Army to ensure that any necessary program actions are undertaken in time to affect fiscal year 2004 production.

The committee directs the Secretary of the Army to report to the congressional defense committees on the results of the competitive evaluation test phase and FMTV CR production plans not later than thirty days after the source selection decision for the FMTV Competitive Rebuy.

Mobility requirements for fiscal year 2005

The committee concurs with the findings of the Mobility Requirements Study 2005 (MRS–05) which concluded that additional airlift is required to carry out the national security strategy considered by the study. However, the committee acknowledges that the study will have to be updated. At a minimum, the analysis needs to be adjusted to reflect the significant changes that are foreshadowed by transformation of the Army. There is also a distinct possibility that a revised national security strategy and the Department of Defense's pending strategy review could significantly alter the force structure or levels from those assumed in the study.

Unfortunately, the Air Force has not submitted the study addressing the set of so-called "Oversize-Outsize" cargo requirements that would assist Congress in evaluating the options for improving strategic airlift. The committee also notes that the analysis of the joint logistics over-the-shore (JLOTS) in MRS–05 was not comprehensive enough to determine the requirement for future capabilities. The Commander in Chief, U.S. Transportation Command (CINC TRANSCOM) testified before the committee that "four of the last five" JLOTS exercises were canceled and that he continues "to be concerned about our JLOTS capabilities." The committee concurs with CINC TRANSCOM that regional CINCs should include JLOTS scenarios in their exercise programs.

Therefore, the committee directs the Chief of Naval Operations and the Chief of Staff of the Army to review and, where possible, avail themselves of opportunities to apply, commercial transportation logistics over-the-shore research and development to solving this military problem.

Multi-cellular geocomposite containment units

The committee is aware that the military services and other agencies of the Department of Defense have tested and used multi-cellular geocomposite containment units as modern gabions for both troop protection and environmental disaster response. These multi-cellular structures are made of hexagonal double twisted wire mesh, reinforced with vertical steel rods and internally lined with a geotextile sleeve. They can be rapidly filled with dirt to create perimeter walls with dual use applications, such as aircraft and fuel point revetments and other troop protection structures as the Army has done in the Balkans, or for flood control or containment of environmental hazards in disaster response contingencies.

These containment units would appear to have great utility, and would be more cost-effective, more efficient, less manpower intensive, and would have fewer environmental consequences than using sandbags—the primary alternative. While there may be situations where the use of sandbags would be more appropriate, the committee believes that the services and agencies of the Department of Defense should be prepared to quickly deploy these containment

units when troop protection or disaster response requirements dictate. The committee realizes that these containment units can be purchased through the General Services Administration as needed, but believes that the Department of Defense should stockpile a certain amount for quick deployment, just as is currently done for sandbags.

The committee directs the Department of Defense to evaluate its use of these containment units and report the results to the congressional defense committees by March 1, 2002. At a minimum, this report should include a description of where these containment units are currently in use, testing completed to date and scheduled for the future, anticipated future uses, stockpile requirements, and projected future funding for that purpose.

USS Cole damage control lessons learned

The Navy conducted a review of the ship construction and damage control equipment, actions, and capabilities of ships as part of the investigation of the attack on the USS Cole and the study to learn lessons from that incident. The investigation and the subsequent Navy analysis suggested that the Department should take a number of actions to field equipment as soon as feasible to address the issues of emergency power, flooding control and de-watering, emergency breathing, information management, emergency communications, smoke clearance and treatment and evacuation of casualties. The Navy has informed the committee that it is implementing these recommendations.

The committee concurs with the recommendations of the Navy's "lessons learned" analysis and supports the early fielding of these improvements. In order to ensure continued attention to correcting these important deficiencies, the committee directs the Secretary of the Navy to provide:

(1) battery powered, long distance emergency communications capability to all units before they deploy overseas; and

(2) self-contained emergency breathing apparatus to all vessels during their next scheduled selected restricted availability.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Explanation of tables

The following tables provide the program-level detailed guidance for the funding authorized in title II of this Act. The tables also display the funding requested by the administration in the fiscal year 2002 budget request for research, development, test and evaluation programs and indicate those programs for which the committee either increased or decreased the requested amounts. As in the past, the administration may not exceed the authorized amounts (as set forth in the tables or, if unchanged from the administration request, as set forth in the Department of Defense's budget justification documents) without a reprogramming action in accordance with established procedures. Unless noted in the report, funding changes to the budget request are made without prejudice.

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

National Defense Authorization for Fiscal Year 2002
(Dollars in Thousands)

TITLE II Research, Development, Test & Evaluation	Authorization Request	Senate Change	Senate Authorized
Research, Development, Test & Evaluation, Army	6,693,920	205,250	6,899,170
Research, Development, Test & Evaluation, Navy	11,123,389	12,417	11,135,806
Research, Development, Test & Evaluation, Air Force	14,343,982	137,175	14,481,157
Research, Development, Test & Evaluation, Defense-wide	15,050,787	(1,172,440)	13,878,347
Operational Test & Evaluation, Defense	217,355	4,000	221,355
TOTAL	47,429,433	(813,598)	46,615,835

SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

F–22 aircraft program (sec. 211)

The committee recommends a provision that would eliminate the legislative cost cap for engineering and manufacturing development (EMD) for the F–22 program.

The Air Force has testified that delays in F–22 EMD and in developmental testing have caused the schedule for operational test and evaluation to slip by roughly nine months from the dates predicted last year. There have been a number of reasons for these delays, many of which are to be expected in such an ambitious development effort. Nevertheless, as the date for operational testing slips, this will cost money that would cause the F–22 program to exceed the EMD cost cap. The Air force has asked for relief from the EMD cost cap.

The committee has repeatedly expressed concern about the potential effects of diminishing test content that have been reflected in successive Air Force budget requests. For this reason, in section 131 of the National Defense Authorization Act for Fiscal Year 2000, the Congress insisted that the Secretary of Defense certify the adequacy of the EMD test plan before the Air Force would be permitted to award a low rate initial production contract.

The committee has also relied on the independent advice of the Director of Operational Test and Evaluation (DOT&E) in determining the adequacy of the F–22 test program. The DOT&E Acting Director testified this year that the Air Force would not be ready to enter operational testing on the original schedule. He also recommended that Congress eliminate the EMD cost cap to ensure that there would be adequate developmental testing for the Air Force and for the Defense Department to have high confidence that the F–22 would be successful in operational testing.

The committee believes that it would be irresponsible to ignore the possibility that, just short of completing development on an important and expensive program, the pressures of a legislative cost cap would eliminate or truncate rigorous testing, the very activity needed to ensure that the program is ready to be fielded.

C–5 aircraft reliability enhancement and reengining (sec. 212)

The budget request included $227.0 million in research and development for C–5 airlift aircraft, including $216.9 million for the reliability enhancement and reengining program (RERP).

Last year, the engineering and manufacturing development (EMD) plan encompassed developing upgrade kits for two aircraft, with both of the kits slated for C–5B aircraft. The committee has been concerned that the Air Force is focusing upgrade efforts on the newer C–5B aircraft in an attempt to optimize operational readiness rates in the near-term, with severe effects on the overall airlift force readiness in the immediate future. In the Senate report accompanying S. 2549 (S. Rept. 106–292), the committee gave the Air Force direction in two areas:

(1) the Secretary of the Air Force was required to submit a report containing analysis to support the Air Force's rec-

ommendation on the sequence of C–5 aircraft upgrades based on the lift requirements in the mobility requirements study–2005 (MRS–05); and

(2) the EMD kit development efforts for two aircraft should be for one C–5A and one C–5B.

The Air Force submitted the required report on April 5, 2001. The report included two sections, one dealing with the specific questions in the original Senate report, and another section providing the analysis of alternatives (AoA) of potential improvements to strategic airlift capability prepared by the Institute for Defense Analyses. The AoA concluded that, "the $5 billion required for the upgrades in Alt 6" (i.e., upgrades for all C–5A and C–5B aircraft) "more than pays for itself in reduced operating costs over the 40–year period examined."

Notwithstanding this conclusion, the Air Force now intends to include four C–5B aircraft in the RERP EMD program and no C–5A aircraft. The Air Force has clearly chosen not to comply with the committee's direction on including one C–5A aircraft in the EMD program at this time.

Therefore, the committee is recommending a provision that would require the Air Force to include an equal number of C–5A and C–5B kits in the RERP EMD program.

Review of alternatives to the V–22 Osprey aircraft (sec. 213)

The committee recommends a provision that would require that the Under Secretary of Defense (Acquisition, Technology and Logistics) (USD (AT&L)) conduct a review of potential alternatives for the V–22 program. The committee has supported the V–22 program in the past, and has recommended substantial funding for continuing the program in the fiscal year 2002 budget.

Modernizing the Marine Corps medium lift helicopter (CH–46) and the Special Operations Command aircraft (MH–53) is an important requirement. The committee believes that it would be prudent to conduct a thorough review of alternative systems that the Department might procure to meet these requirements if the Department decides not to continue the V–22 program.

The committee recommends an additional $5.0 million in PE 64262N for this purpose.

Joint biological defense program (sec. 214)

The committee recommends a provision that would amend section 217(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 to define permissible obligations and to identify reports to be delivered to the Congress for fiscal year 2002 for the anthrax vaccine procurement program. The committee notes that continuing program oversight and funding visibility are necessary due to remaining challenges associated with the procurement of the vaccine for the biological warfare agent anthrax.

SUBTITLE C—MISSILE DEFENSE

Ballistic missile defenses

Ballistic missile defense was one of the most critical issues the committee faced this year. Ballistic missile threats come in two dis-

tinct categories: theater ballistic missiles that threaten U.S. forces and allies abroad, and intercontinental ballistic missiles (ICBMs) that directly threaten U.S. territory.

Theater ballistic missiles have long threatened forward deployed U.S. forces; countries such as North Korea, Iran, Iraq, China, Syria and Libya possess such missiles, most of which are capable of carrying chemical or biological weapons. The threat of theater ballistic missiles is real and growing, and the committee believes that development and deployment of improved theater missile defense systems should occur as soon as possible. Deployment should occur, however, only after rigorous testing has proven the systems to be operationally effective. Past experience has shown that attempting to deploy early "contingency capabilities" prior to adequate testing can actually delay missile defense programs for years and result in significant cost increases.

The number of potential adversaries with operational ICBMs is far smaller than those with theater ballistic missiles. Although Russia has roughly 1,000 ICBMs, the Cold War is over and the United States and Russia have agreed not to target their missiles at each other. China has a small arsenal of about 20 ICBMs that do not have warheads and fuel installed on a daily basis. This force is expected to be modernized and expanded in the coming years. North Korea is developing an ICBM capable of reaching the United States, although it has voluntarily suspended its long-range missile flight test program for the time being. Other potential adversaries, such as Iran, may also eventually develop ICBMs, facilitated by assistance from other nations.

The administration has said it intends to develop a missile defense system aimed at limited missile threats from nations such as North Korea. Given the potential, longer-term ICBM threat to the United States from countries such as North Korea, the committee continues to support an aggressive research, development and testing program for defenses against ICBMs, i.e., national missile defense. This will give the United States the option to deploy such a system if the situation warrants. The following four criteria have been and should continue to be applied prior to a national missile defense deployment:

(1) the threat should warrant deployment;

(2) the system should be demonstrated through realistic testing to be operationally effective;

(3) the cost should be weighed against other critical defense needs; and

(4) the deployment should make the United States more secure, taking into account the actions of other nations.

The Anti-Ballistic Missile Treaty

The National Missile Defense Act of 1999 included a statement that it is U.S. policy to deploy an effective limited national missile defense as soon as technologically possible. The Act also stated that it is the policy of the United States to "seek continued negotiated reductions in Russian nuclear forces." Russia has threatened to cease adhering to existing nuclear arms reduction treaty obligations or to add new warheads to its nuclear arsenal if the United States unilaterally abrogates or withdraws from the Anti-Ballistic

Missile (ABM) Treaty. Hence, if the United States were to abrogate or withdraw from the ABM Treaty, it could preclude further negotiated reductions, and thus conflict with the National Missile Defense Act of 1999.

The committee is hopeful that the ABM Treaty can be modified or replaced with a new mutually agreed strategic framework with Russia to permit a limited deployment of missile defenses while preserving strategic stability. Fortunately, the administration has adequate time to explore options with Russia. The Department of Defense has requested only Research, Development, Testing and Evaluation (RDT&E) funding for national missile defense for fiscal year 2002 because the technology is not yet mature enough to go into production, and the basic architecture for such a system is still uncertain.

Moreover, at this time the ABM Treaty is not an obstacle to continued development or testing of a missile defense system. On July 19, 2001, Philip Coyle, former Department of Defense Director of Operational Test and Evaluation, testified to the committee that because of the early technological level of national missile defense, and because the ABM Treaty permits considerable testing, there is no reason to conduct tests in the near future that would conflict with the ABM Treaty. "Since additional test ranges can be established under the ABM Treaty," Mr. Coyle testified, "the treaty is not now an obstacle to proper development and testing of a National Missile Defense system. Development of an effective NMD network, even one with only a limited capability to intercept and destroy long-range missiles, will take a decade or more. This is for simple technical and budgetary reasons. In the near-term, the ABM Treaty hinders neither development nor testing."

The administration has been vague and inconsistent regarding potential conflicts between the ABM Treaty and the missile defense testing schedule. On June 13, 2001, Lieutenant General Ronald Kadish, Director of the Ballistic Missile Defense Organization, briefed the committee on the Department of Defense missile defense strategy review. General Kadish told the committee that as far as he knew at the time, the missile defense program proposal that resulted from the review did not include any activities that would violate the ABM Treaty in fiscal year 2002. On June 28, 2001, Secretary of Defense Donald Rumsfeld told the committee he "didn't know" if any ballistic missile defense activities in fiscal year 2002 would conflict with the ABM Treaty.

The administration prepared a policy paper in early July that stated, "as we have informed our allies and Russia, we expect our RDT&E efforts will conflict with the ABM Treaty limitations in a matter of months, not years." On July 12, Deputy Secretary of Defense Paul Wolfowitz testified to the committee that "one or more aspects" of the missile defense testing program "will inevitably bump up against treaty restrictions. Such an event is likely to occur in months rather than in years. It is not possible to know with certainty whether it will occur in the coming year." He also stated that "bump up against" is different than "conflict with." These inconsistencies and uncertainties on such a critical issue as whether proposed missile defense activities, using funds requested

for fiscal year 2002, would conflict with a treaty leave Congress without important, clear and unambiguous information.

No country can have a veto over U.S. defense decisions. But the reactions of other countries to the possible withdrawal of the United States from the ABM Treaty should be considered and weighed in determining whether such withdrawal would leave the United States more secure. As noted above, unilateral U.S. withdrawal from the ABM Treaty could lead Russia to stop dismantling nuclear weapons, and to retain or eventually increase its multiple warheads on long-range missiles. It also could lead other nations to speed the deployment or increase the number of their long-range nuclear missiles.

All these activities would result in more nuclear warheads on the territory of other nations and could lead to an increased risk of theft or proliferation of such warheads or their materials to rogue states or terrorists. A bipartisan task force chaired by former Senate Majority Leader Howard Baker and former White House Counsel Lloyd Cutler stated in its January 2001 report that "the most urgent unmet national security threat to the U.S. today is the danger that weapons of mass destruction . . . could be stolen and sold to terrorists or hostile nation states and used against American troops abroad or citizens at home."

Finally, in response to unilateral U.S. withdrawal from the ABM Treaty, Russia and China would produce, deploy and probably sell missile defense countermeasures and decoys to our potential adversaries. A spiraling competition in countermeasures and counter-countermeasures would then ensue.

This provision does not limit the President's power to withdraw from the ABM Treaty. The Supreme Court has determined that the question of whether the President can withdraw from a treaty without Senate approval is a political, non-judiciable issue. However, Congress has the exclusive power to authorize and appropriate funds. If Congress approves funds for activities that would conflict with a treaty, and if such activities ultimately leave the United States less secure, Congress would bear joint responsibility for the consequences. Therefore, the committee recommends that expenditures for any missile defense activities that would conflict with the ABM Treaty, as determined by the President, should be conditioned upon Congress specifically voting to approve such expenditures, under expedited procedures.

Ballistic missile defense funding

The administration has requested $8.3 billion for ballistic missile defense programs for fiscal year 2002, a $3.0 billion, or 57 percent, increase in missile defense funding over the fiscal year 2001 level. This increase far exceeds the 10 percent increase for the Department of Defense as a whole. This funding was proposed for missile defense despite reduced funding for needs in other defense areas, such as modernization. As noted elsewhere in this report, in spite of the large increase in funding requested for the Defense Department in fiscal year 2002, overall funding for modernization in the budget request is actually below the fiscal year 2001 enacted level.

The increased funding for national missile defense was also proposed even though a ballistic missile attack on the United States

is the least likely threat to our country, according to the Joint Chiefs of Staff and the Intelligence Community. Intelligence officials have stated that there are far more accurate and cheaper means of delivering a weapon of mass destruction: e.g., by truck, ship or suitcase. Unlike a ballistic missile, these means of delivery would not leave a "return address" which the United States could easily identify and immediately and devastatingly retaliate against. The committee has also been informed that the number one North Korean goal is regime survival, but if North Korea used a nuclear missile against the United States, it would be promptly destroyed, regime and all. Nevertheless the Department of Defense has proposed the greatest funding increase in response to this highly unlikely threat to our security—an attack by a rogue nation on the United States with a long-range missile.

Despite the large proposed funding increase, the Department of Defense has been extremely vague about its plans for missile defenses. No specific multi-year plan has been proposed. Rather, the Department expects to decide how to proceed with missile defense as it goes along. As Deputy Secretary of Defense Wolfowitz told the committee on July 17, 2001: "...when you're doing a development, by definition you're feeling your way. You do one test to see where you go with the next test." General Kadish told the committee on July 12, 2001: "I cannot tell you today exactly what the [national missile defense] system will look like 15, 10 or even 5 years from now." These are inadequate justifications for the expenditure of billions of dollars of taxpayer money.

In its budget request, the Defense Department proposed aggregating nearly two dozen existing, well-defined missile defense activities into six large, amorphous programs with unclear goals and insufficient program structure, creating ambiguity where previously there was clarity. Yet clarity is required to spend billions of dollars of missile defense funding wisely and effectively. Congress must know what activities and programs will be executed with the authorized missile defense funding. Congress needs to know the general and specific plans for expenditure of missile defense funding, as well as the objectives and projected outyear costs of programs that are begun now.

The committee has identified a significant portion of the proposed missile defense funding increase ($1.3 billion) that is poorly justified and would be better used elsewhere in the Department. Furthermore, the committee recommends a provision that would require the Department of Defense to prepare a missile defense baseline document and an annual R&D plan, to be updated and submitted with the budget request, following the Department's annual missile defense review. These documents would contain a comprehensive cost, schedule, and testing baseline and program plan of the type required by other major defense programs. This will help ensure that Congress can perform its required oversight function in this important area.

Presidential certification and expedited congressional approval process for certain uses of ballistic missile defense funds (sec. 221)

The committee recommends a provision that would allow the obligation or expenditure of funds authorized for ballistic missile defense for any activity that would be inconsistent with the requirements of the Anti-Ballistic Missile (ABM) Treaty, as determined by the President, if: (1) the ABM Treaty has been modified or replaced by another agreement that would permit such activity, or (2) Congress has enacted a joint resolution specifically authorizing the obligation or expenditure in accordance with expedited procedures, following a presidential certification.

In testimony before the committee, administration witnesses stated that planned or proposed ballistic missile defense activities of the Department of Defense (DOD) might pose a conflict with the ABM Treaty "within months, not years." The witnesses identified three specific activities that could pose such a conflict in the coming months. Other proposed activities are also under review for treaty compliance. However, while saying it is determined to proceed with tests that violate the treaty as developments unfold, the DOD has not reached a conclusion as to whether the activities for which it seeks funding would be in conflict with the ABM Treaty.

The committee believes that before authorizing funds for an activity that could result in unilateral withdrawal from a treaty that has allowed nuclear arms reductions and promoted stability, Congress should make a clear and informed choice based on an understanding of the circumstances at the time the activities are proposed. No such understanding exists now.

Under the provision recommended by the committee, a joint resolution approving the expenditure of funds for activities inconsistent with the ABM Treaty would be considered by Congress pursuant to the expedited procedures specified in paragraphs (3) through (8) of section 8066(c) of the Department of Defense Appropriations Act, 1985, as contained in section 101(h) of Public Law 98–473, 98 Stat. 1936 (except that the resolution would be referred to the Committees on Armed Services of the Senate and the House of Representatives and that 20 hours of floor time would be provided for debate on the resolution).

Under these expedited procedures, such a resolution would be considered within 30 days, without the possibility of filibuster or delay, and would be approved or disapproved by majority vote in each House. The procedures specify that the two Committees on Armed Services would have 15 days to consider the resolution. If the measure were not reported in that time, the committees would be discharged from further consideration of the resolution. The resolution would be placed directly on the calendar and it would be in order for any Member of the respective House to move to proceed to its consideration at any time. The motion to proceed would not be debatable, could not be laid aside to take up other business, and would not be subject to any motions. Debate on the resolution would be limited to not more than 20 hours, equally divided, with no amendments or motions (including motions to proceed to other business) in order. A resolution approved by one House would not

be referred to committee in the other House, and would be subject to the same expedited floor procedures described above.

This provision would ensure that Congress has an opportunity to vote specifically on whether to authorize the obligation or expenditure of funds for activities that would be in conflict with the ABM Treaty. Given that the ABM Treaty permits withdrawal of a party six months after giving notification, the 30–day limit for this process leading to such a congressional vote would not delay the national missile defense program, unless Congress votes not to permit funding of the inconsistent activities. The vote would take place within the six-month window prior to any withdrawal once the administration provides the required certification and notification of its intent to carry out activities inconsistent with the ABM Treaty.

Program elements and procurement budget displays for ballistic missile defense (sec. 222)

The budget request for ballistic missile defense proposed a significant change in the program element structure of the Ballistic Missile Defense Organization (BMDO). Instead of some 20 program elements, including Major Defense Acquisition Programs for the core ballistic missile defense programs required by section 223 of title 10, United States Code, the budget request proposed six new major program elements for $7.0 billion of research and development funding. Within these six elements there would be considerable flexibility to transfer funding without prior congressional approval. The committee is concerned that the proposed program element structure would make it more difficult for Congress to exercise required oversight of ballistic missile defense programs and activities.

The budget request also proposed to transfer to the relevant military departments three theater ballistic missile defense programs, while transferring to the BMDO three programs that were previously within, or partially funded by, the Air Force. Patriot Advanced Capability–3 (PAC–3) and the Medium Extended Area Defense System (MEADS) would be transferred to the Army, and the Navy Area Defense program would be transferred to the Navy. The Airborne Laser (ABL) program, the Space-Based Laser (SBL) program, and the Space-Based Infrared System-Low Component (SBIRS-Low) would all be transferred into the BMDO. These proposed changes would require a change to section 224 of title 10, United States Code.

The committee recommends a provision that would amend section 223 of title 10, United States Code, and repeal section 224 of title 10. The provision would establish the six major program elements proposed by the Department and set forth certain additional information required to be included in each program element with the budget justification materials submitted to Congress with each annual budget request. The provision would provide the Secretary of Defense with authority, under defined circumstances, to vary the amounts of funding within each program element, pending notification to Congress and after a period of 15 days.

This provision is intended to allow restructuring of the Department's missile defense program in the manner proposed by the Secretary of Defense, while ensuring that Congress receives the level

of information needed to perform oversight of the BMDO's programs and activities and that funds authorized and appropriated for those programs are spent in a manner consistent with congressional intent.

Ballistic missile defense research and development program baseline document (sec. 223)

The budget request proposed a substantially expanded research, development and test program for ballistic missile defense for fiscal year 2002. However, the budget request did not include a plan or schedule for the revised research and development program.

The committee recommends a provision that would require the Secretary of Defense to submit a baseline document for the ballistic missile defense research and development program for the Future Years Defense Program submitted with the budget request by February 2002.

The baseline document would include a statement of objectives for the program, including the intended standards for achieving the stated objectives. It would also include an explanation of the technology or technologies to be pursued for each established missile defense program and class of systems identified in the budget request, including the research and development objectives, cost baseline and testing baseline for each technology. The provision would require that the baseline document be updated and submitted annually to Congress for the period fiscal years 2003–2010.

Annual program plan for ballistic missile defense research and development program (sec. 224)

The budget request did not include a detailed plan for ballistic missile defense research and development activities. The committee recommends a provision that would require the Secretary of Defense to submit, with the baseline document and with each annual update of the baseline document described previously, an annual plan providing details on the proposed program of research and development for that fiscal year and the following two fiscal years.

The annual plan would include detailed information about the planned expenditures and schedule for the program and each major activity included in the program plan, including procurement, military construction, and research and development activities. It would also include a preliminary assessment of whether the funding and activities proposed are consistent with current United States treaty obligations.

The provision would also require the submission, within 60 days of the enactment of the National Defense Authorization Act for Fiscal Year 2002, of an interim program plan covering the planned activities for fiscal years 2002 and 2003. No more than 25 percent of the funds authorized for the Ballistic Missile Defense Organization (BMDO) for fiscal year 2002 would be available for obligation or expenditure until the interim program plan is submitted. No more than 50 percent of the funding authorized for the BMDO would be available until the submission of the baseline document and the annual plan.

The provision would require that research, development, test and evaluation (RDT&E) activities of the BMDO be conducted in ac-

cordance with the program plan. The Secretary of Defense would be permitted to modify the plan at any time, after providing appropriate notice to the congressional defense committees.

SUBTITLE D—OTHER MATTERS

Technology transition initiative (sec. 231)

The committee recommends a provision that would require the Secretary of Defense to carry out a technology transition initiative to facilitate the rapid transition of new technologies from science and technology programs of the Department of Defense (DOD) into acquisition programs for the production of the technologies.

The Senate report accompanying the National Defense Authorization Act for Fiscal Year 2001 (S. Rept. 106–292) required the Under Secretary of Defense for Acquisition, Technology and Logistics to report to the congressional defense committees on alternative approaches to ensuring that successful research initiatives are fielded in a timely manner. The Under Secretary's June, 2001 report points out a number of obstacles to the successful transition of new technologies into production. For example, the report states:

> A key reason why technology transition is difficult is because it requires the collaboration of three diverse groups of individuals—researchers, acquisition program managers, and military users. Each group has a vital and unique mission that leads to different cultural perspectives when transition is required. . . . Effective transition requires these communities to work together as a team, which is frequently a difficult issue.

The report points to a number of promising initiatives initiated by the Defense Advanced Research Projects Agency (DARPA) and the military services to address these issues. For example: (1) DARPA frequently teams with a military service to jointly fund a technology for the service, in some cases even establishing a joint service-DARPA program office; (2) the Navy has established a Chief Technology Officer (CTO) with the responsibility to serve as the senior advocate for the movement of technology; and (3) the Army has established a Warfighter Rapid Acquisition Program (WRAP) to address the gap in funding resulting from the time necessary to plan, program, budget and receive appropriations for the procurement of a new technology.

The provision recommended by the committee would build on these successful initiatives by requiring the Secretary to: (1) designate a senior official to serve as a senior advocate for technology transition, comparable to the Navy's CTO; (2) develop memoranda of agreement, joint funding agreements, and other cooperative arrangements for the transition of technologies into production, similar to those initiated by DARPA; and (3) establish a technology transition fund, similar to the Army's WRAP program, to carry out jointly-funded technology transition projects with the military services.

The committee directs each of the military services to designate a senior official to serve as a senior advocate for technology transition within the military service and to work with the DOD Tech-

nology Transition Initiative Manager designated pursuant to this provision. The senior technology transition advocates in the military services should work to identify and transition both technologies that are developed within the DOD science and technology programs and technologies that are developed in the private sector.

In particular, the committee believes that the military services should establish outreach programs to reach out to the small, nontraditional suppliers that produce much of today's rapidly evolving, cutting-edge technology. These outreach programs would facilitate the rapid insertion of cutting edge technologies developed by high-tech, small businesses into DOD acquisition programs. The military departments should also consider the use of third-party partners, who can help create and maintain contacts and relationships with the appropriate high-tech communities.

Communication of safety concerns between operational testing and evaluation officials and program managers (sec. 232)

The committee recommends a provision that would require the Director of Operational Test and Evaluation to ensure that safety concerns developed during operational test and evaluation are made available to system program managers.

The committee supports the independence of the operational test agencies in conducting the initial operational test and evaluation for weapons systems prior to a decision to enter full rate production. This independent assessment is critical in determining the effectiveness and suitability of the system for its intended purpose, as well as its survivability and vulnerability, or lethality, as appropriate.

However, the committee is aware that, in certain cases, this independence in conducting the evaluation has been applied in a manner that places unreasonable limitations on the exchange of information during the course of the operational evaluation. Factual data, including failure items and modes of failure, have in some cases not been made available to the developing agency in an accurate or timely manner, as revealed in testimony before the committee in the case of a catastrophic airborne hydraulic failure on the V–22 aircraft. Under the provision recommended by the committee, the developing agency should have no influence over the conduct or results of the operational test and evaluation simply by receiving factual data. In fact, the developing agency could possibly continue trend analyses that may be useful in system development and system safety determinations.

The committee believes that this provision should lead, at a minimum, to a concise, consistent, and unambiguous policy that will give developing agencies visibility of factual data produced during operational test and evaluation, while not allowing the developmental agency any influence in the outcome of those evaluations.

ADDITIONAL MATTERS OF INTEREST

Army

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY			
1	0601101A	In-House Laboratory Independent Research	14,815	0	14,815
2	0601102A	Defense Research Sciences	138,281	0	138,281
3	0601104A	University and Industry Research Centers	69,147	750	69,897
		Lightweight Composite Materials		[750]	
4	0602104A	TRACTOR ROSE	0	0	0
5	0602105A	Materials Technology	13,794	6,000	19,794
		Advanced Materials Processing Program		[4,000]	
		Composite Materials Technology		[2,000]	
6	0602120A	Sensors and Electronic Survivability	25,797	0	25,797
7	0602122A	TRACTOR HIP	7,741	0	7,741
8	0602211A	Aviation Technology	49,265	0	49,265
9	0602270A	EW Technology	17,449	0	17,449
10	0602303A	Missile Technology	40,112	7,000	47,112
		Compact Kinetic Energy Missile Inertial (CKEM --Future Missile Technology Integration)		[5,000]	
		CKEM Inertial Measurement Unit (IMU)		[2,000]	
11	0602307A	Advanced Weapons Technology	19,043	0	19,043
12	0602308A	Modeling and Simulation Technology	20,579	0	20,579
13	0602601A	Combat Vehicle and Automotive Technology	82,441	20,000	102,441
		Combat Truck Initiative (COMBATT)		[20,000]	
14	0602618A	Ballistics Technology	61,502	0	61,502
15	0602622A	Chemical, Smoke and Equipment Defeating Technology	3,561	0	3,561
16	0602623A	Joint Service Small Arms Program	5,611	0	5,611
17	0602624A	Weapons and Munitions Technology	35,549	5,000	40,549

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Single Alloy Tungsten Penetrator		[5,000]	
18	0602705A	Electronics and Electronic Devices	27,819	3,500	31,319
		Actuated Coolers for Portable Military Applications		[2,000]	
		Ground Vehicle Battery		[1,500]	
19	0602709A	Night Vision Technology	20,598	0	20,598
20	0602712A	Countermine Systems	16,689	0	16,689
21	0602716A	Human Factors Engineering Technology	16,466	0	16,466
22	0602720A	Environmental Quality Technology	16,150	0	16,150
23	0602782A	Command, Control, Communications Technology	24,342	1,000	25,342
		Commercial Wireless Reliability Testbed		[1,000]	
24	0602783A	Computer and Software Technology	6,154	0	6,154
25	0602784A	Military Engineering Technology	42,850	3,000	45,850
		Geosciences and Atmospheric Research		[3,000]	
26	0602785A	Manpower/Personnel/Training Technology	16,315	0	16,315
27	0602786A	Warfighter Technology	27,061	0	27,061
28	0602787A	Medical Technology	82,494	3,000	85,494
		Arthropod-borne Infectious Disease Control		[3,000]	
29	0602789A	ARMY Artificial Intelligence Technology	0	0	0
30	0602805A	Dual Use Science and Technology	10,045	0	10,045
31	0603001A	Warfighter Advanced Technology	60,332	5,000	65,332
		Personal Warfighter Navigation - MEMS		[5,000]	
32	0603002A	Medical Advanced Technology	17,541	0	17,541
33	0603003A	Aviation Advanced Technology	44,843	3,000	47,843
		UAV Wideband Radio Frequency Network		[3,000]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
34	0603004A	Weapons and Munitions Advanced Technology	29,684	0	29,684
35	0603005A	Combat Vehicle and Automotive Advanced Technology	193,858	18,000	211,858
		Imp Matls & Powertrain Arch for 21st Century Truck (IMPACT)		[5,000]	
		Mobile Parts Hospital Technology (MPHT) Program		[8,000]	
		Networked STEP-Enabled Production		[5,000]	
36	0603006A	Command, Control, Communications Advanced Technology	31,865	0	31,865
37	0603007A	Manpower, Personnel and Training Advanced Technology	3,120	0	3,120
38	0603009A	TRACTOR HIKE	10,415	0	10,415
39	0603017A	TRACTOR RED	0	0	0
40	0603020A	TRACTOR ROSE	9,293	0	9,293
41	0603105A	Military HIV Research	5,937	0	5,937
42	0603122A	TRACTOR HIP	0	0	0
43	0603238A	Global Surveillance/Air Defense/Precision Strike Technology Demonstration	32,267	0	32,267
44	0603270A	EW Technology	13,868	0	13,868
45	0603313A	Missile and Rocket Advanced Technology	59,518	0	59,518
46	0603322A	TRACTOR CAGE	3,312	0	3,312
47	0603606A	Landmine Warfare and Barrier Advanced Technology	23,062	0	23,062
48	0603607A	Joint Service Small Arms Program	5,828	0	5,828
49	0603654A	Line-Of-Sight Technology Demonstration	57,384	0	57,384
50	0603710A	Night Vision Advanced Technology	37,081	0	37,081
51	0603728A	Environmental Quality Technology Demonstrations	4,826	0	4,826
52	0603734A	Military Engineering Advanced Technology	4,747	0	4,747
53	0603772A	Advanced Tactical Computer Science and Sensor Technology	18,513	0	18,513
54	0603308A	Army Missile Defense Systems Integration (Dem/Val)	19,491	0	19,491

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
55	0603619A	Landmine Warfare and Barrier - Adv Dev	21,651	0	21,651
56	0603639A	Tank and Medium Caliber Ammunition	32,986	6,000	38,986
		Transfer from RDA 160 -- XM 1028 cartridge		[6,000]	
57	0603653A	Advanced Tank Armament System (ATAS)	101,461	0	101,461
58	0603713A	Army Data Distribution System	0	0	0
59	0603747A	Soldier Support and Survivability	17,482	0	17,482
60	0603766A	Tactical Electronic Surveillance System - Adv Dev	16,749	0	16,749
61	0603774A	Night Vision Systems Advanced Development	12,756	0	12,756
62	0603779A	Envronmental Quality Technology Dem/Val	7,536	4,000	11,536
		Plasma Energy Pyrolysis System (PEPS)		[3,000]	
		Managing Army Technology Environmental Enhancement Program		[1,000]	
63	0603782A	Warfighter Information Network-Tactical - DEM/VAL	15,075	0	15,075
64	0603790A	NATO Research and Development	8,633	0	8,633
65	0603801A	Aviation - Adv Dev	9,105	0	9,105
66	0603802A	Weapons and Munitions - Adv Dev	31,670	0	31,670
67	0603804A	Logistics and Engineer Equipment - Adv Dev	7,456	0	7,456
68	0603805A	Combat Service Support Control System Evaluation and Analysis	8,696	0	8,696
69	0603807A	Medical Systems - Adv Dev	15,506	0	15,506
70	0603850A	Integrated Broadcast Service (JMIP/DISTP)	1,985	0	1,985
71	0603851A	TRACTOR CAGE (Dem/Val)	3,718	0	3,718
72	0603854A	Artillery Systems - Dem/Val	447,949	0	447,949
73	0603856A	SCAMP Block II Dem/Val	9,895	0	9,895
74	0603869A	MEADS Concepts - Dem/Val	73,645	0	73,645
75	0604201A	Aircraft Avionics	57,474	0	57,474

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
76	0604220A	Armed, Deployable OH-58D	2,345	0	2,345
77	0604223A	Comanche	787,866	28,300	816,166
		Accelerate Development of Communications Suite		[28,300]	
78	0604270A	EW Development	57,010	0	57,010
79	0604280A	Joint Tactical Radio	80,449	0	80,449
80	0604321A	All Source Analysis System	42,166	0	42,166
81	0604328A	TRACTOR CAGE	3,888	1,280	5,168
		Transfer from RDA 160 -- Classified Program		[1,280]	
82	0604329A	Common Missile	16,731	0	16,731
83	0604601A	Infantry Support Weapons	0	0	0
84	0604604A	Medium Tactical Vehicles	1,962	0	1,962
85	0604609A	Smoke, Obscurant and Target Defeating Sys-Eng Dev	7,920	0	7,920
86	0604611A	JAVELIN	492	5,200	5,692
		Software & Hardware Mods to Counteract Active Protection Systems		[5,200]	
87	0604619A	Landmine Warfare	18,938	0	18,938
88	0604622A	Family of Heavy Tactical Vehicles	0	3,000	3,000
		Develop Movement Tracking System Interfaces with Other Systems		[3,000]	
89	0604633A	Air Traffic Control	2,197	0	2,197
90	0604641A	Tactical Unmanned Ground Vehicle (TUGV)	0	0	0
91	0604642A	Light Tactical Wheeled Vehicles	2,523	0	2,523
92	0604645A	Armored Systems Modernization (ASM)-Eng. Dev.	0	0	0
93	0604649A	Engineer Mobility Equipment Development	9,279	0	9,279
94	0604710A	Night Vision Systems - Eng Dev	24,201	4,160	28,361
		Develop Enhanced, Reduced-size Goggles		[2,000]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Transfer from RDA 160 -- Digital Reconnaissance, Surveillance & Target Acquisition System (DRSTA)		[2,160]	
95	0604713A	Combat Feeding, Clothing, and Equipment	91,002	2,700	93,702
		Transfer from RDA 160 -- Authorized Stockage List Mobility System (ASLMS)		[2,700]	
96	0604715A	Non-System Training Devices - Eng Dev	26,319	0	26,319
97	0604716A	Terrain Information - Eng Dev	8,840	0	8,840
98	0604726A	Integrated Meteorological Support System	1,911	0	1,911
99	0604738A	JSIMS Core Program	30,985	0	30,985
100	0604739A	Integrated Broadcast Service	0	0	0
101	0604741A	Air Defense Command, Control and Intelligence - Eng Dev	18,233	0	18,233
102	0604742A	Constructive Simulation Systems Development	66,164	0	66,164
103	0604746A	Automatic Test Equipment Development	11,582	0	11,582
104	0604760A	Distributive Interactive Simulations (DIS) - Engineering Development	26,058	0	26,058
105	0604766A	Tactical Surveillance Systems - Eng Dev	68,205	0	68,205
106	0604768A	Brilliant Anti-Armor Submunition (BAT)	123,899	9,000	132,899
		Transfer from MPA 11 -- Additional ATACMS / BAT Development Testing		[9,000]	
107	0604770A	Joint Surveillance/Target Attack Radar System	8,093	0	8,093
108	0604778A	Positioning Systems Development (SPACE)	0	0	0
109	0604780A	Combined Arms Tactical Trainer (CATT) Core	13,645	0	13,645
110	0604783A	Joint Network Management System	26,130	0	26,130
111	0604801A	Aviation - Eng Dev	2,263	0	2,263
112	0604802A	Weapons and Munitions - Eng Dev	7,046	0	7,046
113	0604804A	Logistics and Engineer Equipment - Eng Dev	30,673	2,200	32,873
		Transfer from RDA 160 -- Unit Water Pod (CAMEL)		[1,200]	
		Transfer from RDA 160 -- Load Handling System Compatible Water Tankrack (HIPPO)		[1,000]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
114	0604805A	Command, Control, Communications Systems - Eng Dev	122,644	0	122,644
115	0604807A	Medical Materiel/Medical Biological Defense Equipment - Eng Dev	8,228	0	8,228
116	0604808A	Landmine Warfare/Barrier - Eng Dev	89,153	0	89,153
117	0604814A	Artillery Munitions - EMD	67,258	0	67,258
118	0604817A	Combat Identification	3,014	0	3,014
119	0604818A	Army Tactical Command & Control Hardware & Software	50,887	4,410	55,297
		Transfer from RDA 160 -- Information Dissemination Management - Tactical (IDM - T)		[4,410]	
120	0604819A	LOSAT	21,596	0	21,596
121	0604820A	Radar Development	5,162	0	5,162
122	0604823A	Firefinder	26,956	0	26,956
123	0604854A	Artillery Systems - EMD	62,481	0	62,481
124	0604865A	Patriot PAC-3 Theater Missile Defense Acquisition - EMD	107,100	0	107,100
125	0605013A	Information Technology Development	98,178	0	98,178
126	0604256A	Threat Simulator Development	16,011	0	16,011
127	0604258A	Target Systems Development	25,212	0	25,212
128	0604759A	Major T&E Investment	49,897	0	49,897
129	0605103A	Rand Arroyo Center	19,972	0	19,972
130	0605301A	Army Kwajalein Atoll	150,071	0	150,071
131	0605326A	Concepts Experimentation Program	33,067	0	33,067
132	0605502A	Small Business Innovative Research	0	0	0
133	0605601A	Army Test Ranges and Facilities	114,411	0	114,411
134	0605602A	Army Technical Test Instrumentation and Targets	34,259	0	34,259
135	0605604A	Survivability/Lethality Analysis	27,794	0	27,794
136	0605605A	DOD High Energy Laser Test Facility	14,570	0	14,570

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
137	0605606A	Aircraft Certification	3,582	0	3,582
138	0605702A	Meteorological Support to RDT&E Activities	6,890	0	6,890
139	0605706A	Materiel Systems Analysis	8,884	0	8,884
140	0605709A	Exploitation of Foreign Items	3,525	0	3,525
141	0605712A	Support of Operational Testing	89,047	0	89,047
142	0605716A	Army Evaluation Center	31,365	0	31,365
143	0605801A	Programwide Activities	69,096	18,800	87,896
		Accelerate Objective Force Task Force Integration		[18,800]	
144	0605803A	Technical Information Activities	33,749	0	33,749
145	0605805A	Munitions Standardization, Effectiveness and Safety	16,072	0	16,072
146	0605856A	Environmental Compliance	0	0	0
147	0605857A	Environmental Quality Technology Mgmt Support	1,733	0	1,733
148	0605898A	Management Headquarters (Research and Development)	7,268	0	7,268
149	0909999A	Financing for Cancelled Account Adjustments	0	0	0
150	0603778A	MLRS Product Improvement Program	111,389	0	111,389
151	0102419A	Aerostat Joint Project Office	30,408	0	30,408
152	0203610A	Domestic Preparedness Against Weapons of Mass Destruction	0	0	0
153	0203726A	Adv Field Artillery Tactical Data System	36,969	0	36,969
154	0203735A	Combat Vehicle Improvement Programs	195,602	20,000	215,602
		Accelerate Hybrid Electric Power System for IAV		[20,000]	
155	0203740A	Maneuver Control System	40,231	0	40,231
156	0203744A	Aircraft Modifications/Product Improvement Programs	143,631	21,500	165,131
		Buy Aerial Common Sensor Aircraft, Sensors & Risk Reduction for R&D Program		[21,500]	
157	0203752A	Aircraft Engine Component Improvement Program	13,017	10,000	23,017

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Full Authority Digital Engine Control (FADEC)		[8,000]	
		Liquid or Light-end Air (LOLA) Boost Pump		[2,000]	
158	0203758A	Digitization	29,302	0	29,302
159	0203759A	Force XXI Battle Command, Brigade and Below (FBCB2)	56,872	0	56,872
160	0203761A	Rapid Acq Program For Transformation	23,593	(23,550)	43
		Transfer to RDA 56 -- XM 1028 cartridge		[-6,000]	
		Transfer to RDA 81 -- Classified Program		[-1,280]	
		Transfer to RDA 94 -- Digital Recon, Surveillance & Target Acq. System (DRSTA)		[-2,160]	
		Transfer to RDA 95 -- Authorized Stockage List Mobility System (ASLMS)		[-2,700]	
		Transfer to RDA 113 -- Unit Water Pod (CAMEL)		[-1,200]	
		Transfer to RDA 113 -- Load Handling System Compatible Water Tankrack (HIPPO)		[-1,000]	
		Transfer to RDA 119 -- Information Dissemination Management - Tactical (IDM - T)		[-4,410]	
		Transfer to RDA 169 -- Future Finance System		[-1,000]	
		Transfer to OPA 104 -- Future Finance System		[-300]	
		Transfer to OPA 33 -- GPS in SINCGARS		[-3,500]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
161	0203801A	Missile/Air Defense Product Improvement Program	8,539	0	8,539
162	0203802A	Other Missile Product Improvement Programs	84,935	0	84,935
163	0203808A	TRACTOR CARD	6,551	0	6,551
164	0208010A	Joint Tactical Communications Program (TRI-TAC)	21,615	0	21,615
165	0208053A	Joint Tactical Ground System	5,221	0	5,221
166	0301359A	Special Army Program	5,072	5,000	10,072
167	0303028A	Security and Intelligence Activities	452	0	452
168	0303140A	Information Systems Security Program	8,261	1,000	9,261
		Information Operations Training (Functional Area 30)		[1,000]	
169	0303141A	Global Combat Support System	94,177	1,000	95,177
		Transfer from RDA 160 -- Future Finance System		[1,000]	
170	0303142A	SATCOM Ground Environment (SPACE)	47,647	0	47,647
171	0303150A	WWMCCS/Global Command and Control System	13,501	0	13,501
172	0305114A	Traffic Control, Approach and Landing System-FY 1987 and Prior	785	0	785
173	0305204A	Tactical Unmanned Aerial Vehicles	38,210	6,000	44,210
		LIDAR Sensors		[5,000]	
		BAT / Hunter Experiment		[1,000]	
174	0305206A	Airborne Reconnaissance Systems	6,862	0	6,862
175	0305208A	Distributed Common Ground Systems (JMIP)	85,242	0	85,242
176	0708045A	End Item Industrial Preparedness Activities	45,697	0	45,697
177	1001018A	NATO Joint STARS	2,109	0	2,109
		Total, RDT&E Army	6,693,920	205,250	6,899,170

Composite materials basic research

The budget request included $69.1 million in PE 61104A for multi-disciplinary basic research in university and industry research centers. The committee recommends an increase of $750,000 for basic research into lightweight multi-functional composite armor to support Army transformation goals.

Advanced materials research for future combat systems

The budget request included $13.8 million in PE 62105A for applied research in Materials Technology. The committee recommends an increase of $6.0 million for materials research that can contribute to the development of future combat systems. Of this amount, $4.0 million is to be used for advanced materials processing research in nanomaterials, polymer composites, metals, and ceramics and $2.0 million is to be used for the development and transition of emerging multifunctional materials, development of new simulation tools for rapid design, and technology insertion activities.

Compact kinetic energy missile

The budget request included $40.1 million in PE 62303A for applied research in missile technology. The committee recognizes the lethality capability that the smaller, lighter compact kinetic energy missile can provide to future combat systems. The committee recommends an increase of $5.0 million for continuing efforts to incorporate enabling technologies in the next generation of tactical missiles, especially the compact kinetic energy missile. The committee also recommends an increase of $2.0 million for development of miniaturized inertial measurement units to provide precision navigational capabilities for the compact kinetic energy missile. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Commercially-based tactical truck

The committee recommends an increase of $20.0 million in PE 62601A for an accelerated development program for hybrid platforms under the National Automotive Center (NAC) Commercially Based Tactical Truck (COMBATT) program, which is part of the Army 21st Century Truck program. The NAC has been working under a cost-shared program with industry to develop a commercial vehicle that could replace a portion of the existing High Mobility Multi-purpose Wheeled Vehicle (HMMWV) fleet. Work to date has focused on mobility, durability, and electronic enhancements to commercially available trucks. Under Phase I of the COMBATT program, modifications were made to an existing HMMWV to enhance its safety, increase reliability, and enhance performance with state-of-the-art electronics.

Advancements in alternative propulsion technologies and the integration of these technologies into future Army fleet vehicles is a critical ingredient for success of the Army's transformation. Hybrid technology offers tremendous potential to reduce fuel consumption and provide greater mobility and agility in military operations. Under phase II of the COMBATT program, ongoing work in fiscal

year 2001 is focused on developing and testing hybrid platforms that will offer the potential to reduce significantly fuel consumption and provide increased agility and mobility in operation.

The $20.0 million recommended by the committee would enable the NAC to initiate phase III of the COMBATT program. This phase will include continued research and development, design, and performance and endurance testing of hybrid platforms. Under phase III, hybrid prototypes will be developed and a total of 18 commercial vehicles will be procured.

If hybrid technology proves to be successful in meeting military needs, as many as 50,000 to 100,000 hybrid trucks could be required to replace or augment the existing HMMWV fleet of 100,000 vehicles. To provide a basis for future decisions in this area, the committee directs the NAC to prepare a road map for further development and production of hybrid trucks. The road map should include an assessment of what additional development or testing would be required to move forward with rapid large-scale production of these vehicles and should include an estimate of the funding and time required to complete the job.

Tungsten alloy penetrator

The budget request included $35.5 million in PE 62624A for applied research on weapons and munitions technology. The committee recommends an increase of $5.0 million for the development of affordable processes to manufacture tungsten kinetic energy penetrators for advanced munitions. The committee notes the possibility of replacing depleted uranium penetrators with potentially less environmentally-dangerous tungsten penetrators without reducing the lethality of munitions.

Coolers for portable military applications

The budget request included $27.8 million in PE 62705A for electronics and electronic devices. The committee recommends an increase of $2.0 million for research on man-portable cooling systems that will cool soldiers in nuclear, biological, and chemical (NBC) protective gear and potentially generate power for future Objective Warrior technologies including navigation, communications, and computing equipment. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Ground vehicle batteries

The budget request included $27.8 million in PE 62705A for applied research electronics and electronic devices. The committee notes the need for advanced battery technologies to support requirements of critical ground systems, especially during silent watch missions. Therefore, the committee recommends an increase of $1.5 million to develop battery and charger systems to replace lead acid battery systems. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Wireless technology testbed

The budget request included $24.3 million in PE 62782A for Command, Control, and Communications Technology. The committee recommends an increase of $1.0 million for the development of a testbed to evaluate commercial wireless technologies for specific military applications so that the military can better leverage technology advancements made by the civilian telecommunications industry. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Geosciences and atmospheric research

The budget request included $42.9 million in PE 62784A for Military Engineering Technology. The committee recommends an increase of $3.0 million for research in the environmental sciences, including hydrometeorology, climatology, and remote sensing data fusion techniques. The committee recognizes that this research can contribute to tactical weather technologies and improve weather intelligence and situational awareness for mission planning and execution.

Arthropod-borne infectious disease control

The budget request included $82.5 million in PE 62787A for Medical Technology. The committee is concerned about the potential effects of arthropod-borne infectious diseases such as malaria, dengue fever, Lyme disease, and West Nile virus, as well as the effect these diseases could have on readiness in overseas deployments. The committee recommends an increase of $3.0 million for research to establish the molecular basis for vaccines to prevent disease transmission by ticks and mosquitos. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Personal navigation for the objective force warrior

The budget request included $60.3 million in PE 63001A for Warfighter Advanced Technology. The committee recommends an increase of $5.0 million to develop microelectromechanical systems (MEMS)-based combination inertial navigation system and global positioning system (INS/GPS) precision location information systems to support soldiers operating in urban environments. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Unmanned aerial vehicle wideband radio frequency network

The budget request included $44.8 million in PE 63003A for Aviation Advanced Technology. The committee recommends an increase of $3.0 million to develop data links for unmanned aerial vehicles. These capabilities will promote implementation of network centric warfare concepts and enhance the use of unmanned vehicles to provide battlefield commanders with improved situational awareness. The committee directs that all applicable competitive

procedures be used in the award of contracts and other agreements under this program.

Combat vehicle technology development and support

The budget request included $193.9 million for Combat Vehicle and Automotive Advanced Technology. The committee recommends an increase of $10.0 million for research and development on advanced combat vehicle technologies to support the goals of Army transformation.

Of this amount, $5.0 million would be used for research into lightweight steels, vehicle weight and cost reduction, corrosion control, and vehicle architecture optimization. The committee notes that novel light truck architectures combined with advanced structural materials could reduce vehicle weight without degrading performance or increasing costs, and could support the Army's transformation into a lighter, more lethal, survivable and tactically mobile force.

In addition, the committee recommends that $5.0 million be used for the expansion of the use of standardized product data sets in Army ground vehicle design and life cycle support activities to ensure timely delivery of replacement parts and to reduce vehicle life cycle costs.

Mobile parts hospital

The committee recommends an increase of $8.0 million in PE 63005A for the continuation of the Army's effort to develop a self-contained, mobile manufacturing center that can produce spare parts at the point of need. In developing the program, consideration should be given to possible partnership with academic institutions with demonstrated expertise in systems engineering and manufacturing. The committee directs that cost sharing be used to the maximum extent practicable.

Army technology for environmental enhancements

The budget request included $7.5 million in PE 63779A for environmental quality technology demonstrations and validation. The committee recommends an additional $1.0 million for the implementation of the Managing Army Technologies for Environmental Enhancement (MANATEE) program.

Plasma energy pyrolysis system

The budget request included $7.5 million in PE 63779A for Environmental Quality Technology Demonstration and Validation. The committee recommends an increase of $3.0 million for industrial-scale systems for the destruction of hazardous wastes at Army facilities using plasma energy pyrolysis technologies.

Comanche

The budget request included $787.9 million for development and operational testing of the RAH–66 Comanche. The Comanche program requires a communications suite that is compatible with air and ground components in a joint environment. To meet this requirement, the Comanche Program Office had intended to leverage the development of satellite communications and Link 16 capabili-

ties and miniaturized avionics by the Joint Strike Fighter (JSF) program. However, delays in the JSF program require the Army to develop those capabilities to support Comanche fielding. This is the highest priority in the modernization category of the Army's list of unfunded requirements for fiscal year 2002. The committee recommends an increase of $28.3 million for a communications suite for the Comanche, a total authorization of $816.2 million.

Javelin

The budget request included $492,000 in PE 64611A for Counter Active Protection System (CAPS) countermeasures software. Additional software modifications and the installation of attachment points and electrical connections needed to incorporate CAPS into the Javelin missile are high priorities on the Army's list of unfunded requirements for fiscal year 2002. The committee recommends an increase of $5.2 million for this purpose, a total authorization of $5.7 million.

Movement tracking system

The budget request included no funding in PE 64622A for the Movement Tracking System. Developing the ability of the Movement Tracking System to interface with other command and control systems, such as the Army Battle Command System and the Global Combat Support System-Army, is a priority on the Army's list of unfunded requirements for fiscal year 2002. The committee recommends an authorization of $3.0 million for this purpose.

Night vision systems engineering development

The budget request included $16.4 million in PE 64710A for the development of night vision systems. The Army has begun a program to identify, test, evaluate and fully develop a new night vision goggle to eliminate some of the shortcomings of the current AN/PVS–7 goggle. The Army has funded development of the direct view version of the Enhanced Night Vision Goggle, but has not allocated funding to follow up on the funding provided by Congress in fiscal year 2001 to continue the development of the electronic version. The committee recommends an increase of $2.0 million for this purpose, a total authorization of $18.4 million.

BAT brilliant anti-armor submunition

The budget request included $123.9 million in PE 64768A for development of the BAT brilliant anti-armor submunition for the Army Tactical Missile System, including $23.4 million for testing. The June 2001 BAT developmental test was unsuccessful, requiring another developmental test prior to the initial operational test and evaluation. The committee recommends an increase of $9.0 million for additional BAT testing, a total authorization of $132.9 million.

Programwide activities

The budget request included $69.1 million in PE 65801A for management support activities. The Army has undertaken the extremely complex task of transforming the force to meet emerging threats while maintaining current readiness to deter and defeat the

threats of today. The committee commends the Army for chartering a task force to integrate and coordinate the myriad efforts required to ensure a successful transformation to the Objective Force. The Task Force is the first priority in the Objective Force category of the Army's list of unfunded requirements for fiscal year 2002. The committee recommends an increase of $18.8 million for the Objective Force Task Force, a total authorization of $87.9 million.

Combat vehicle improvement programs

The budget request included $195.6 million in PE 23735A for combat vehicle improvement programs, including $12.6 million for ground combat vehicle horizontal technology integration efforts. Accelerating the development of advanced propulsion hybrid electric drive for combat vehicle platforms is a high priority on the Army's list of unfunded requirements for fiscal year 2002. The committee supports the Army in this initiative and recommends an increase of $20.0 million for hybrid electric drive development, a total authorization of $215.6 million.

Aircraft modifications/product improvement program

The budget request included $143.6 million in PE 23744A for aircraft modifications and product improvements, including $25.9 million for the Aerial Common Sensor (ACS). Risk reduction efforts for the Aerial Common Sensor are a high priority in the Objective Force category of the Army's list of unfunded requirements for fiscal year 2002. The committee believes that transforming to the Objective Force must be among the Army's highest priorities and recommends an increase of $21.5 million for ACS:

(1) $9.0 million for additional communications intelligence and electronics intelligence sensor packages to support ACS developmental and operational testing;

(2) $2.5 million for a risk reduction initiative that provides for the tailoring of existing system models and simulation data bases to provide a more realistic virtual environment for Milestone I and II decisions; and

(3) $10.0 million for purchase, vice leasing, of ACS aircraft for research and development efforts. The total authorization is $165.1 million.

Aircraft engine component improvement program

The budget request included $13.0 million in PE 23752A to develop, test and qualify improvements to aircraft engine components, but included no funding to continue the work funded in fiscal year 2001 to further develop the Universal Full Authority Digital Engine Control (FADEC) and the Liquid-Or-Light-End (LOLA) Air Boost Pump.

The Universal FADEC will be applicable to all current and future Army turbine engines, significantly reducing procurement costs while enhancing engine and aircraft operability. The Army estimates that qualifying and installing the FADEC will result in cost savings exceeding $100.0 million. More importantly, it will greatly increase the safety of Army aviators through reduced pilot workload.

Similarly, installing the LOLA boost pump will increase the safety of Army aviators by preventing potential engine flame-outs and onboard or post-crash fires. Cost savings are estimated at $13.0 million for every $1.0 million invested.

Therefore, the committee recommends an increase of $8.0 million to continue the development and qualification of an Universal FADEC, and an increase of $2.0 million to develop the LOLA, a total authorization of $23.0 million.

Rapid acquisition program for transformation

The budget request included $23.59 million in PE 23761A for the Rapid Acquisition Program for Transformation (RAPT). The committee supports this program's goal of rapidly fielding proven technologies to soldiers as quickly as possible using a streamlined acquisition process and believes that the program has successfully saved significant time and dollars. The committee notes that 23 of the 25 initiatives approved by the Congress since fiscal year 1997 have been fielded, that the General Accounting Office's recommendations for improvements to the process have been implemented, and that the Air Force has initiated a very similar program based upon the observed success of the Army program.

The committee recommends the transfer of funding from the RAPT program element to the program elements supporting the systems chosen by the Army for entry into the program for fiscal year 2002 as follows:

(1) $6.0 million in PE 63639A for XM 1028 Cartridge;

(2) $1.2 million in PE 64804A for Unit Water Pod (CAMEL);

(3) $1.0 million in PE 64804A for Load Handling System Compatible Water Tankrack (HIPPO);

(4) $1.3 million in PE 64328A for Project D (Classified Program);

(5) $4.4 million in PE 64818A for Information Dissemination Management—Tactical (IDM–T);

(6) $2.7 million in PE 64713A for Authorized Stockage List Mobility System (ASLMS);

(7) $2.2 million in PE 64710A for Digital Reconnaissance, Surveillance, and Target Acquisition System (DRSTA);

(8) $1.0 million in PE 33141A and $0.3 million in Other Procurement Army, budget line 104, for the Future Finance System; and

(9) $3.5 million in Other Procurement Army, budget line 33, for Global Positioning System (GPS) capability in the Single Channel Ground and Airborne Radio System (SINCGARS).

Information operations training

The budget request included $8.3 million in PE 33140A for the Information Systems Security Program. The committee notes the critical need for training of officers in information security technologies and operations, especially as the military moves toward more joint, network centric operations. Therefore, the committee recommends an increase of $1.0 million to supplement the training of officers in Information Operations to better integrate efforts to protect the force's command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR) and other ca-

pabilities, attack adversary C4ISR and respond to potentially hostile C4ISR.

Tactical unmanned aerial vehicle development

The budget request included $38.2 million in PE 35204A to develop tactical unmanned aerial vehicle (TUAV) systems, including $16.4 million to continue development of advanced payloads.

The Army proposed to use the advanced payloads funding to evaluate the maturity of various technology efforts and pursue those that might lead to an employable TUAV capability. The Army would also use these funds to transition technologies that could directly support the Army's Objective Force capabilities. The Army has identified needed payloads as those that would contribute to missions such as countermine, counter camouflage, and counter weapons of mass destruction.

The Army has informed the committee of two opportunities for exploring new payloads. One opportunity would involve repackaging a laser light detection and ranging (LIDAR) sensor that was demonstrated in the rapid terrain visualization (RTV) advanced concept technology demonstration (ACTD). The RTV ACTD effort demonstrated acquiring high-resolution digital terrain elevation data in support of war fighter exercises. The Army estimates that, with an additional $5.0 million, they would be able to repackage this sensor and make it ready for employment on the TUAV.

The second initiative would involve demonstrating a potential TUAV attack capability. This demonstration would investigate employing a brilliant anti-tank (BAT) munition on a surrogate vehicle, an existing Hunter UAV. The Army has estimated that this effort would entail spending an additional $1.0 million in fiscal year 2002.

The committee believes that these would be important activities for supporting objective force capabilities and should proceed as quickly as is prudent. Therefore, the committee recommends an increase of $6.0 million in PE 35204A to support these additional tasks in fiscal year 2002.

Navy

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY			
1	0601152N	In-House Laboratory Independent Research	16,291	0	16,291
2	0601153N	Defense Research Sciences	389,829	9,000	398,829
		Southeast Atlantic Coastal Ocean Observing System (SEA-COOS)		[8,000]	
		Marine Mammal Low Frequency Sound Research		[1,000]	
3	0602111N	Air and Surface Launched Weapons Technology	0	44,092	44,092
		Transfer from RDN 7 -- Restore FY 01 PE Structure		[44,092]	
4	0602114N	Power Projection Applied Research	66,322	2,000	68,322
		Integrated Biological & Chemical Warfare Defense Technology Platform		[2,000]	
5	0602121N	Ship, Submarine & Logistics Technology	0	56,064	56,064
		Transfer from RDN 7 -- Restore FY 01 PE Structure		[56,064]	
6	0602122N	Aircraft Technology	0	0	0
7	0602123N	Force Protection Applied Research	117,072	(117,072)	0
		Restore Funding to FY 01 PE Structure		[-117,072]	
8	0602131M	Marine Corps Landing Force Technology	31,248	0	31,248
9	0602232N	Communications, Command and Control, Intelligence, Surveillance	0	5,000	5,000
		Fusion of Hyperspectral & Panchromatic Data		[5,000]	
10	0602233N	Human Systems Technology	0	0	0
11	0602234N	Materials, Electronics and Computer Technology	0	14,278	14,278
		Transfer from RDN 7 -- Restore FY 01 PE Structure		[14,278]	
12	0602235N	Common Picture Applied Research	83,557	3,000	86,557
		Advanced Personal Communicator		[3,000]	
13	0602236N	Warfighter Sustainment Applied Research	71,294	9,000	80,294
		Biosensor Nanotechnology		[4,000]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Integrated Bioenvironmental Hazards Research Program		[3,000]	
		Modeling, Simulation, & Training Immersion Facility		[2,000]	
14	0602270N	Electronic Warfare Technology	0	0	0
15	0602271N	RF Systems Applied Research	62,141	12,000	74,141
		High Brightness Electron Source Program		[2,500]	
		High Performance Wave Form Generator		[3,000]	
		Nanoscale Devices (Wide Bandgap Materials)		[1,000]	
		Nanoscience and Technology		[3,000]	
		Wide Bandgap Semiconductor Research Initiative		[2,500]	
16	0602314N	Undersea Warfare Surveillance Technology	0	15,569	15,569
		Transfer from RDN 20 -- Restore FY 01 PE Structure		[15,569]	
17	0602315N	Mine Countermeasures, Mining and Special Warfare	0	0	0
18	0602435N	Ocean Warfighting Environment Applied Research	50,738	0	50,738
19	0602633N	Undersea Warfare Weaponry Technology	0	63,579	63,579
		Transfer from RDN 7 -- Restore FY 01 PE Structure		[2,638]	
		Transfer from RDN 20 -- Restore FY 01 PE Structure		[60,941]	
20	0602747N	Undersea Warfare Applied Research	76,510	(76,510)	0
		Restore Funding to FY 01 PE Structure		[-76,510]	
21	0602782N	Mine and Expeditionary Warfare Applied Research	57,668	0	57,668
22	0602805N	Dual Use Science and Technology Program	10,000	0	10,000
23	0603114N	Power Projection Advanced Technology	76,410	0	76,410
24	0603123N	Force Protection Advanced Technology	85,297	(85,297)	0
		Restore Funding to FY 01 PE Structure		[-85,297]	
25	0603217N	Air Systems and Weapons Advanced Technology	0	0	0

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
26	0603235N	Common Picture Advanced Technology	48,583	0	48,583
27	0603236N	Warfighter Sustainment Advanced Technology	57,685	0	57,685
28	0603238N	Precision Strike and Air Defense Technology	0	0	0
29	0603270N	Advanced Electronic Warfare Technology	0	0	0
30	0603271N	RF Systems Advanced Technology	76,876	0	76,876
31	0603508N	Surface Ship & Submarine HM&E Advanced Technology	0	83,958	83,958
		Transfer from RDN 24 -- Restore FY 01 PE Structure		[66,658]	
		Ship Service Fuel Cell Technology Verification and Training Program		[5,000]	
		DDG-51 Composite Twisted Rudder		[3,000]	
		Future Ship Systems Technology Demos		[2,000]	
		Laser Welding and Cutting		[4,300]	
		Modular Advance Composite Hull (MACH) Form		[3,000]	
32	0603640M	Marine Corps Advanced Technology Demonstration (ATD)	51,310	0	51,310
33	0603706N	Medical Development	0	0	0
34	0603707N	Manpower, Personnel and Training Adv Tech Dev	0	0	0
35	0603712N	Environmental Quality and Logistics Advanced Technology	0	0	0
36	0603727N	Joint Experimentation	118,802	0	118,802
37	0603729N	Warfighter Protection Advanced Technology	17,678	0	17,678
38	0603747N	Undersea Warfare Advanced Technology	56,303	0	56,303
39	0603758N	Navy Warfighting Experiments and Demonstrations	43,277	0	43,277
40	0603782N	Mine and Expeditionary Warfare Advanced Technology	48,279	1,700	49,979
		Ocean Modeling for MCM & Expeditionary Warfare		[1,700]	
41	0603792N	Advanced Technology Transition	0	18,639	18,639
		Transfer from RDN 24 -- Restore FY 01 PE Structure		[18,639]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
42	0603794N	C3 Advanced Technology	0	0	0
43	0603207N	Air/Ocean Tactical Applications	32,332	0	32,332
44	0603216N	Aviation Survivability	25,572	(18,034)	7,538
		Transfer to RDN 90a -- Budget Request Included TADIRCM in RDN 44 total in error		[-18,034]	
45	0603237N	Deployable Joint Command & Control	50,000	(20,000)	30,000
		Fund a More Reasonable Start-up Level for This New Activity		[-20,000]	
46	0603254N	ASW Systems Development	12,922	0	12,922
47	0603261N	Tactical Airborne Reconnaissance	1,934	0	1,934
48	0603382N	Advanced Combat Systems Technology	3,458	0	3,458
49	0603502N	Surface and Shallow Water Mine Countermeasures	135,284	0	135,284
50	0603506N	Surface Ship Torpedo Defense	4,818	0	4,818
51	0603512N	Carrier Systems Development	165,150	0	165,150
52	0603513N	Shipboard System Component Development	288,382	0	288,382
53	0603525N	PILOT FISH	99,600	0	99,600
54	0603527N	RETRACT LARCH	50,441	0	50,441
55	0603536N	RETRACT JUNIPER	0	0	0
56	0603542N	Radiological Control	1,056	0	1,056
57	0603553N	Surface ASW	3,724	0	3,724
58	0603559N	SSGN Coversion	30,000	34,000	64,000
		Accelerate Design Effort to Convert 4 Boats		[34,000]	
59	0603561N	Advanced Submarine System Development	110,766	3,900	114,666
		Electromechanical Actuator Development		[1,900]	
		Submarine Composite Sail		[2,000]	
60	0603562N	Submarine Tactical Warfare Systems	5,405	0	5,405

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
61	0603563N	Ship Concept Advanced Design	1,949	0	1,949
62	0603564N	Ship Preliminary Design & Feasibility Studies	14,922	0	14,922
63	0603570N	Advanced Nuclear Power Systems	175,176	0	175,176
64	0603573N	Advanced Surface Machinery Systems	3,921	0	3,921
65	0603576N	CHALK EAGLE	35,313	0	35,313
66	0603582N	Combat System Integration	42,915	0	42,915
67	0603609N	Conventional Munitions	22,299	0	22,299
68	0603611M	Marine Corps Assault Vehicles	263,066	0	263,066
69	0603635M	Marine Corps Ground Combat/Support System	25,957	6,000	31,957
		Nanoparticles for Neutralization of Facility Threats (Weapon)		[2,000]	
		Urban Operations Environment Lab		[4,000]	
70	0603654N	Joint Service Explosive Ordnance Development	12,918	0	12,918
71	0603658N	Cooperative Engagement	74,231	0	74,231
72	0603713N	Ocean Engineering Technology Development	16,077	0	16,077
73	0603721N	Environmental Protection	46,117	0	46,117
74	0603724N	Navy Energy Program	5,025	0	5,025
75	0603725N	Facilities Improvement	1,728	0	1,728
76	0603734N	CHALK CORAL	48,187	0	48,187
77	0603739N	Navy Logistic Productivity	11,735	0	11,735
78	0603746N	RETRACT MAPLE	148,856	0	148,856
79	0603748N	LINK PLUMERIA	62,601	0	62,601
80	0603751N	RETRACT ELM	22,200	0	22,200
81	0603755N	Ship Self Defense - Dem/Val	8,353	0	8,353
82	0603764N	LINK EVERGREEN	26,151	0	26,151

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
83	0603787N	Special Processes	58,858	0	58,858
84	0603790N	NATO Research and Development	11,551	0	11,551
85	0603795N	Land Attack Technology	130,993	(19,483)	111,510
		Future Missile System		[15,000]	
		Land Attack Standard Missile (LASM)		[-34,483]	
86	0603800N	Joint Strike Fighter (JSF) - Dem/Val	0	30,000	30,000
		Reflect Delay in Decision About Down-select of JSF Winning Team		[30,000]	
87	0603851M	Nonlethal Weapons - Dem/Val	34,008	0	34,008
88	0603857N	All Service Combat Identification Evaluation Team (ASCIET)	13,530	0	13,530
89	0603879N	Single Integrated Air Picture (SIAP) System Engineer (SE)	43,140	0	43,140
90	0603889N	Counterdrug RDT&E Projects	0	0	0
90a	0604272N	Tactical Aircraft Directed InfraRed Countermeasure (TADIRCM)		18,034	18,034
		Transfer from RDN 44 -- Budget Request Included TADIRCM in RDN 44 total in error		[18,034]	
91	0604327N	Hard and Deeply Buried Target Defeat System (HDBTDS) Program	0	0	0
92	0604707N	Space and Electronic Warfare (SEW) Architecture/Engineering Support	32,259	0	32,259
93	0603208N	Training System Aircraft	0	0	0
94	0603662N	Foreign Counter-Intelligence (FCI) - RDT&E	[ ]	[ ]	0
95	0604212N	Other Helo Development	64,392	0	64,392
96	0604214N	AV-8B Aircraft - Eng Dev	32,897	0	32,897
97	0604215N	Standards Development	120,552	(53,804)	66,748
		Transfer to RDN 156a -- Budget Request Included MMA in RDN 97 total in error		[-53,804]	
98	0604216N	Multi-Mission Helicopter Upgrade Development	149,418	0	149,418
99	0604217N	S-3 Weapon System Improvement	428	0	428
100	0604218N	Air/Ocean Equipment Engineering	6,346	0	6,346

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
101	0604221N	P-3 Modernization Program	3,220	0	3,220
102	0604231N	Tactical Command System	64,832	0	64,832
103	0604234N	E-2C Radar Modernization Program	96,000	0	96,000
104	0604235N	Navy Area Missile Defense	388,496	0	388,496
105	0604245N	H-1 Upgrades	170,068	0	170,068
106	0604261N	Acoustic Search Sensors	16,825	0	16,825
107	0604262N	V-22A	546,735	(95,000)	451,735
		Defer Building SOCOM CV-22 EMD Aircraft		[-100,000]	
		USD (AT&L) Review of Alternatives		[5,000]	
108	0604264N	Air Crew Systems Development	7,717	6,000	13,717
		Modular Helmet Development		[6,000]	
109	0604270N	EW Development	112,473	0	112,473
110	0604300N	SC-21 Total Ship System Engineering	355,093	4,000	359,093
		Personnel Tracking & Locating System		[1,000]	
		Power Node Control Center (PNCC)		[3,000]	
111	0604307N	Surface Combatant Combat System Engineering	262,037	6,000	268,037
		AEGIS Operational Readiness Training System (ORTS)		[6,000]	
112	0604311N	LPD-17 Class Systems Integration	1,001	0	1,001
113	0604312N	Tri-Service Standoff Attack Missile	1,946	8,100	10,046
		Joint Air-to Surface Standoff Missile (JASSM) Integration on F-18		[8,100]	
114	0604366N	Standard Missile Improvements	1,309	5,000	6,309
		Advanced Optical Correlator		[5,000]	
115	0604373N	Airborne MCM	52,041	0	52,041
116	0604503N	SSN-688 and Trident Modernization	43,706	13,300	57,006

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Improved Antenna Technology		[3,300]	
		Tactical Control Information Management		[10,000]	
117	0604504N	Air Control	12,821	0	12,821
118	0604507N	Enhanced Modular Signal Processor	1,013	0	1,013
119	0604512N	Shipboard Aviation Systems	16,375	0	16,375
120	0604518N	Combat Information Center Conversion	5,392	5,000	10,392
		Common Command & Decision (CC&D) Upgrade		[5,000]	
121	0604524N	Submarine Combat System	0	0	0
122	0604528N	SWATH (Small Waterplane Area Twin Hull) Oceanographic Ship	0	0	0
123	0604558N	New Design SSN	201,596	0	201,596
124	0604561N	SSN-21 Developments	5,770	0	5,770
125	0604562N	Submarine Tactical Warfare System	29,246	27,000	56,246
		Accelerate Combat Control System Consolidation		[27,000]	
126	0604567N	Ship Contract Design/ Live Fire T&E	130,388	0	130,388
127	0604574N	Navy Tactical Computer Resources	3,836	0	3,836
128	0604601N	Mine Development	0	0	0
129	0604603N	Unguided Conventional Air-Launched Weapons	12,890	0	12,890
130	0604610N	Lightweight Torpedo Development	10,310	0	10,310
131	0604618N	Joint Direct Attack Munition	56,285	0	56,285
132	0604654N	Joint Service Explosive Ordnance Development	8,123	0	8,123
133	0604703N	Personnel, Training, Simulation, and Human Factors	1,300	0	1,300
134	0604710N	Navy Energy Program	3,157	0	3,157
135	0604721N	Battle Group Passive Horizon Extension System	8,130	0	8,130
136	0604727N	Joint Standoff Weapon Systems	26,852	0	26,852

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
137	0604755N	Ship Self Defense - EMD	52,163	15,000	67,163
		Infrared Search & Track (IRST)		[15,000]	
138	0604756N	Ship Self Defense - Hard Kill	33,530	0	33,530
139	0604757N	Ship Self Defense - Soft Kill	41,670	4,000	45,670
		NULKA Decoy Developments		[4,000]	
140	0604771N	Medical Development	5,455	0	5,455
141	0604777N	Navigation/ID System	23,884	0	23,884
142	0604784N	Distributed Surveillance System	34,711	0	34,711
143	0604800N	Joint Strike Fighter (JSF) - EMD	767,259	(153,600)	613,659
		Reflect Delay in Decision About Down-select of JSF Winning Team		[-153,600]	
144	0604805N	Commercial Operations and Support Savings Initiative	0	0	0
145	0604910N	Smart Card	896	0	896
146	0605013M	Information Technology Development	11,031	0	11,031
147	0605013N	Information Technology Development	49,333	5,000	54,333
		Human Resource Enterprise Strategy		[5,000]	
148	0605014N	Defense Integrated Military Human Resources System (DIMHRS) - RDT&E	47,184	0	47,184
149	0605015N	Joint Counter-Intelligence Assessment Group (JCAG) - RDT&E	6,000	0	6,000
150	0508713N	Navy Standard Integrated Personnel System (NSIPS)	13,082	0	13,082
151	0604256N	Threat Simulator Development	30,110	0	30,110
152	0604258N	Target Systems Development	49,511	0	49,511
153	0604759N	Major T&E Investment	41,804	0	41,804
154	0605152N	Studies and Analysis Support - Navy	6,679	0	6,679
155	0605154N	Center for Naval Analyses	44,891	0	44,891
156	0605155N	Fleet Tactical Development	2,912	0	2,912

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
156a	0605500N	Multi-Mission Maritime Aircraft (MMA)		53,804	53,804
		Transfer from RDN 97 -- Budget Request Included MMA in RDN 97 total in error		[53,804]	
157	0605502N	Small Business Innovative Research	0	0	0
158	0605804N	Technical Information Services	951	6,000	6,951
		Supply Chain Best Practices		[6,000]	
159	0605853N	Management, Technical & International Support	21,628	0	21,628
160	0605856N	Strategic Technical Support	2,391	0	2,391
161	0605861N	RDT&E Science and Technology Management	54,825	0	54,825
162	0605862N	RDT&E Instrumentation Modernization	11,601	0	11,601
163	0605863N	RDT&E Ship and Aircraft Support	71,735	0	71,735
164	0605864N	Test and Evaluation Support	277,414	0	277,414
165	0605865N	Operational Test and Evaluation Capability	11,649	0	11,649
166	0605866N	Navy Space and Electronic Warfare (SEW) Support	3,433	0	3,433
167	0605867N	SEW Surveillance/Reconaissance Support	12,693	0	12,693
168	0605873M	Marine Corps Program Wide Support	9,614	3,200	12,814
		Nanoparticle Responses to Chem Bio Threats		[3,200]	
169	0305885N	Tactical Cryptologic Activities	85,000	0	85,000
170	0909999N	Financing for Cancelled Account Adjustments	0	0	0
171	0603660N	Advanced Development Projects	[ ]	[ ]	0
172	0603661N	Retract Violet	[ ]	[ ]	0
173	0603662N	Foreign Counter-Intelligence (FCI) - RDT&E	[ ]	2,000	2,000
174	0604227N	HARPOON Modifications	0	0	0
175	0604805N	Commercial Operations and Support Savings Initiative	0	0	0
176	0101221N	Strategic Sub & Weapons System Support	43,322	0	43,322

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Re-entry Systems Application Program (RSAP) (Fence--Non-add)		[2,000]	
177	0101224N	SSBN Security Technology Program	34,091	0	34,091
178	0101226N	Submarine Acoustic Warfare Development	996	0	996
179	0101402N	Navy Strategic Communications	4,205	0	4,205
180	0204136N	F/A-18 Squadrons	253,257	27,000	280,257
		Joint Helmet Mounted Cueing System (JHMCS) for F/A-18C/D		[27,000]	
181	0204152N	E-2 Squadrons	20,583	0	20,583
182	0204163N	Fleet Telecommunications (Tactical)	21,136	0	21,136
183	0204229N	Tomahawk and Tomahawk Mission Planning Center (TMPC)	76,036	0	76,036
184	0204311N	Integrated Surveillance System	20,041	0	20,041
185	0204413N	Amphibious Tactical Support Units	24,387	0	24,387
186	0204571N	Consolidated Training Systems Development	22,407	0	22,407
187	0204575N	Electronic Warfare (EW) Readiness Support	7,659	0	7,659
188	0205601N	HARM Improvement	13,630	0	13,630
189	0205604N	Tactical Data Links	39,362	0	39,362
190	0205620N	Surface ASW Combat System Integration	28,119	0	28,119
191	0205632N	MK-48 ADCAP	17,130	5,000	22,130
		Expand Advance Processing Build (APB) Process in MK-48 Upgrades		[5,000]	
192	0205633N	Aviation Improvements	41,430	0	41,430
193	0205658N	Navy Science Assistance Program	4,945	0	4,945
194	0205667N	F-14 Upgrade	0	0	0
195	0205675N	Operational Nuclear Power Systems	55,202	0	55,202
196	0206313M	Marine Corps Communications Systems	104,835	8,000	112,835
		Unit Operations Center (UOC) Development		[8,000]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
197	0206623M	Marine Corps Ground Combat/Supporting Arms Systems	43,935	0	43,935
198	0206624M	Marine Corps Combat Services Support	8,483	0	8,483
199	0207161N	Tactical AIM Missiles	16,402	0	16,402
200	0207163N	Advanced Medium Range Air-to-Air Missile (AMRAAM)	10,795	0	10,795
201	0301303N	Maritime Intelligence	[ ]	[ ]	0
202	0301327N	Technical Reconnaissance and Surveillance	[ ]	[ ]	0
203	0303109N	Satellite Communications (SPACE)	54,230	0	54,230
204	0303140N	Information Systems Security Program	20,942	0	20,942
205	0304111N	Special Activities	[ ]	[ ]	0
206	0305160N	Navy Meteorological and Ocean Sensors-Space (METOC)	23,492	0	23,492
207	0305188N	Joint C4ISR Battle Center (JBC)	13,618	0	13,618
208	0305192N	Joint Military Intelligence Programs	7,179	0	7,179
209	0305204N	Tactical Unmanned Aerial Vehicles	66,349	11,000	77,349
		Increased Scope of R&D Effort & Risk Reduction Testing		[11,000]	
210	0305206N	Airborne Reconnaissance Systems	5,736	0	5,736
211	0305207N	Manned Reconnaissance Systems	29,232	0	29,232
212	0305208N	Distributed Common Ground Systems	4,467	0	4,467
213	0305927N	Naval Space Surveillance	4,237	0	4,237
214	0308601N	Modeling and Simulation Support	7,828	7,000	14,828
		Develop Better Modeling & Simulation Tools to Aid Interoperability		[7,000]	
215	0702207N	Depot Maintenance (Non-IF)	13,569	0	13,569
216	0708011N	Industrial Preparedness	70,605	0	70,605
217	0708730N	Maritime Technology (MARITECH)	20,065	0	20,065
999N		Classified Programs	885,347	0	885,347

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Total, RDT&E Navy	11,123,389	12,417	11,135,806

Navy research and development budget justification material

The budget justification materials provided to Congress are required by the Department of Defense (DOD) Financial Management Regulation (DOD 7000.14–R) to include, at a minimum, the following information:

(1) clear and concise exhibits;

(2) project justification for each project that has funding greater than $1.0 million;

(3) new starts within the project;

(4) the military requirements the project is being designed to meet;

(5) total funding, schedule, and technical changes since the previous budget submission;

(6) related efforts by appropriation, budget activity, line item and program element/line number;

(7) justification narratives for the past year, the current year, and the budget year;

(8) total funding in the narratives that matches total funding in the program element; and

(9) if program element restructuring and project realignment diminish the value of cumulative resource information for the past year, explanation of the program elements that were restructured and realigned.

The Navy's fiscal year 2002 research and development budget justification did not comply with the DOD Financial Management Regulation and was insufficient for the committee to determine the status of past year and current year programs. In addition, the justification materials did not provide the information summarized in the items (1) through (9) for the fiscal year 2002 budget request.

Upon discovering that the amended budget request justification materials provided neither the DOD required information nor a coherent track of prior, current, and future years funding, the committee requested additional explanatory information from the Navy. The Navy provided some additional information that made it apparent that a number of programs previously funded were not accounted for and previous investments were not carried forward.

Of particular concern was the Navy's request to combine program elements into a lesser number of program elements. The Navy has completed a two-year effort to restructure the science and technology planning process and realigned the science and technology (S&T) funding under a new set of program elements. Although the committee has been generally supportive of realignments to streamline the management of the S&T process, this proposed program element realignment would result in the loss of visibility for a number of key efforts that have been robustly funded in previous Navy budget requests and closely scrutinized by this committee. The committee notes that the Air Force has proposed a realignment of its S&T program elements that did not cause this loss of visibility and is accompanied by adequate budget justification material.

The committee considers program element organization vital to focus key efforts throughout the budget planning and execution cycle and is unwilling to relinquish oversight responsibilities by

combining a number of program elements into larger, less focused efforts for which the service provides inadequate budget justification material.

In addition, the committee is concerned with a statement by a senior Navy official which indicated that the fiscal year 2002 and subsequent budget requests would not include research and development to correct fleet problem areas. However, a survey of Pacific and Atlantic fleet type commanders revealed that there are a number of current fleet operational issues that require research and development to correct, including some that relate directly to force protection "lesson learned" from the USS Cole incident.

The committee believes that funding technologies for future concepts must be balanced with correcting current and future fleet known deficiencies. Therefore, the committee directs the Assistant Secretary of the Navy (Research, Development and Acquisition) (ASN (RD&A)) to report, no later than January 31, 2002, to the congressional defense committees, a plan that focuses on transition of S&T products into operational systems.

In addition, the committee recommends restoring the program element structure included in previous budget requests. The committee directs the ASN (RD&A) to provide the defense committees of Congress, no later than 30 days after passage of the Senate authorization of the budget request, and prior to the execution of any funds authorized by this Act, an amended justification of estimates for budget activities 1–3 in the research, development, test & evaluation accounts. This amended justification will include clear accounting for all programs funded in fiscal years 2000 and 2001 and the migration of programs and funding levels in new program elements proposed in fiscal year 2002.

The Secretary of the Navy is directed to provide, in future budget requests, the information to Congress as required by the DOD Financial Management Regulation.

The following program elements requested in the amended budget request are authorized as follows:

PE	Project Number/Title	Budget request	Committee recommended
62123N	Force Protection Advanced Technology	117,072	0
62111N	Surface/Aerospace Surveillance & Weapons Technology	0	44,092
	Missile Defense and Directed Energy		(33,804)
	Navy Air Vehicle Technology		(10,288)
62121N	Surface Ship Technology	0	56,064
62234N	Materials and Radio Frequency/Electro-optics/Infrared Electronics Technology	0	14,278
62633N	Undersea Warfare Weapons Technology	0	2,638
62747N	Undersea Warfare Applied Research	76,510	0
62633N	Undersea Warfare Weapons Technology	0	60,941
62314N	Undersea Surveillance and Weapons Technology	0	15,569
63123N	Force Protection Advanced Technology	85,297	0
63508N	Surface Ship and Sub HM&E Advanced Technology	0	66,658
	R2224/Automation to Reduce Manning	0	(1,000)
	Advanced Electrical Systems	0	(16,800)
	Advanced Coating Systems, Machinery Flanking/heavy truss	0	(9,358)
	Dynamic and Passive Magazine Protection	0	(2,000)
	Advanced Damage Countermeasures	0	(1,000)
	Near Field De-amping	0	(1,200)
	Ship Surveillance & Protection	0	(8,100)
	Electronic Building Blocks	0	(7,200)
	Ship hull design for AOE–10 class & MPF (Future)	0	(20,000)
63792N	Air Systems & Weapons Advanced Technology Transition	0	18,639

PE	Project Number/Title	Budget request	Committee recommended
	R0466 Advanced Avionics Subsystems	0	(3,586)
	W2014 Integrated High Performance Turbine Engine Technology	0	(7,534)
	R0477 Weapons Advanced Technology	0	(7,519)
	Total	278,879	278,879

Marine mammal research

The budget request included $389.8 million in PE 61153N for Defense Research Sciences. The committee notes the recent finding of the National Research Council that there is an inadequacy of knowledge of how marine mammals react to natural and human-made sound. Therefore, the committee recommends an increase of $1.0 million for basic research on the effects of military and commercial operations, especially the generation of low frequency sound, on the behavior of marine mammals. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Ocean observing program

The budget request included $389.8 million in PE 61153N for Defense Research Sciences. The committee recommends an additional $8.0 million for basic research to establish an integrated, sustained ocean observing system to support safe navigation, maritime operations, and characterization of environmental conditions for training exercises.

Integrated biological and chemical defense technology platform

The budget request included $66.3 million in PE 62114N for Power Projection Applied Research. The committee recommends an increase of $2.0 million for development of a network that links harmful agent sensors with appropriate medical, government, and military officials. These efforts are part of the committee's thrust in developing technologies to address terrorist threats, particularly those involving the use of weapons of mass destruction. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Data fusion

The committee recommends an increase in PE 62232N of $5.0 million for the development of a dedicated data fusion processor and its algorithms which will lead to the ability to fuse hyperspectral and panchromatic data. Data fusion technology is critical for warfighters to make use of the full capabilities of advanced battlefield sensors and achieve the potential of network centric warfare, which is designed to integrate information systems, weapons systems and decision-makers.

Advanced personal communicator

The budget request included $83.6 million in PE 62235N for Common Picture Applied Research to develop technologies to improve situational awareness for the warfighter. The committee rec-

ommends an increase of $3.0 million for the development of handheld software radio technology to emulate multiple diverse wireless devices in accordance with military requirements. This technology can allow military personnel to communicate with numerous radios and other wireless devices in support of concepts of network centric operations.

Bioenvironmental hazards research

The budget request included $71.3 million in PE 63236N for Warfighter Sustainment Applied Research. The committee continues to be concerned that there is insufficient understanding of the full impact and hazards to humans, animals, and plants from the use of biological agents. The committee recommends an increase of $3.0 million for bioenvironmental hazards research, including the development of biosensors and biomarkers.

Nanotechnology research

The committee recognizes the revolutionary capabilities that the application of nanoscience and nanotechnology can have on future Naval operations. As part of the Department's participation in the National Nanotechnology Initiative, the committee recommends an increase of $8.0 million in naval research into this burgeoning scientific field.

The committee recommends an increase of $4.0 million in PE 62271N for nanotechnology research to support Future Naval Capabilities. Of this amount, $3.0 million would be used for research into highly multi-functional nanoscale sensors that combine sensing, processing, computation, and communications functions; and $1.0 million would be used for research to characterize the properties of wide bandgap semiconductor nanomaterials.

The committee also recommends an increase of $4.0 million in PE 62236N for research on the development of biosensor nanotechnology to sense low, sublethal concentrations of biological agents at long ranges.

Training immersion facility

The budget request included $71.3 million in PE 62236N for Warfighter Sustainment Applied Research. The committee recognizes the potential of exploiting advances in virtual reality technologies to develop more realistic training environments for warfighters. The committee recommends an increase of $2.0 million to initiate development of a modeling, simulation and training immersion facility and to carry out research in immersive training technologies.

Electronics research for naval applications

The budget request included $62.1 million in PE 62271N for applied research in radio frequency systems. The committee recommends an increase of $8.0 million for applied research in electronics that will enable future naval technologies, especially those required to support network centric operations. Of this amount, $3.0 million would be used for developing semiconductor and superconducting technology to produce a flexible digital waveform generator for future RF systems; and $2.5 million would be used for re-

search on wide bandgap semiconductor materials and devices for application in advanced power electronics, communications, and sensor systems. The committee also recommends an increase of $2.5 million for research on high brightness electron sources for vacuum electronics applications. The committee directs that all applicable competitive procedures be used in the award of contracts or other agreements under these programs and that cost sharing be used to the maximum extent practicable.

Both solid state and vacuum electronics are critical defense technologies and are integral to the performance of numerous current and future military systems. The committee recognizes the importance of a balanced research investment in radio frequency electronics and directs the Department of Defense to ensure that the variety of technologies within this area continue to receive adequate funding to exploit new discoveries and the evolution of past research.

Ship service fuel cell technology trainer

The committee supports the development of energy efficient and environmentally sound power plants for future use on Naval vessels and recommends an increase of $5.0 million in PE 63508N for the establishment of a ship service fuel cell technology trainer.

Advanced composite modular ship hulls

The budget request included no funds for advanced composite modular hull research, development, test and evaluation. The Navy intends to increase the use of composite construction materials in future Navy ships. Constructing composite hull sections and connecting them to form a hull module would be a building block toward increasing the knowledge base for ship construction using composites. Composites have the potential to increase ship self-defense capabilities by enabling a wider range of hull design options. In addition, embedding sensors in composites has the potential to reduce life cycle costs by reducing maintenance requirements.

Therefore, the committee recommends an increase of $3.0 million in PE 63508N for construction and testing of advanced composite modular ship hull sections.

DDG–51 class rudder improvement

The budget request included no funds to initiate a corrective design action for the excessive corrosion the Navy has been experiencing on the rudders of DDG–51–class destroyers. Rudder corrosion is causing unexpected increases in cost and schedule for DDG–51 ship maintenance availabilities. Any such increase directly leads to reduced operational availability.

Using composites for construction, and applying a design modification to reshape a section of the rudder, have the potential to: (1) solve the excessive corrosion problems; (2) reduce cost and schedule delays in maintenance; and (3) increase operational availability.

Therefore, the committee recommends an increase of $3.0 million in PE 63508N for DDG–51–class composite rudder design and testing.

Laser welding and cutting for ship manufacturing

The budget request included no funds for the optimized laser manufacturing program in PE 63508N. Improvements in laser welding and cutting technology have the potential to reduce the cost of manufacturing the smaller components required to build ships that require more precision than large sheets of steel or aluminum. The current process that cuts small components out of I-beams creates an amount of useless scrap and is not precise. More effective use of laser welding and cutting has the potential to reduce the scrap and cut precise parts by cutting components from sheets of metal instead of I-beams. Therefore, the committee recommends an increase of $4.3 million in PE 63508N to continue and complete an initiative started in fiscal year 2001 for demonstration and qualification of laser welding and cutting technologies.

Technology demonstration for future ship systems

The budget request included no funds in PE 63508N for a focused effort to demonstrate specific technologies in a shipboard environment. Such demonstrations could help mitigate risk in fielding new capabilities for future Navy ships.

The committee believes that there are a number of maturing technologies that would benefit from shipboard testing prior to being included in ship designs. These maturing technologies include electric waste systems, electronic generators using wind as the motive force, electronic valve controls, wearable computer technology, gas plasma antennas, embedded sensor systems, and power electronic building blocks. These technologies have the potential to lower total operating costs, reduce maintenance requirements, and improve operational effectiveness of future Navy ships.

Therefore, the committee recommends an increase of $2.0 million in PE 63508N for at-sea demonstrations of the maturing technologies listed above.

Ocean modeling research for mine and expeditionary warfare

The budget request included $48.3 million in PE 63782N for various mine and expeditionary warfare advanced technology efforts, including ocean modeling and simulation to provide concept-based assessment for organic mine countermeasures. The Navy established a limited network of sensors for ocean modeling and simulation to collect key information including current and eddy flow, bottom contour and content, thermal layer behavior, and cold water phenomena. The Navy needs additional sensors to provide effective undersea and expeditionary warfare environmental information in the form of situational awareness predictions for regional commanders in chief (CINCs) and tactical commanders.

Therefore, the committee recommends an increase of $1.7 million in PE 63782N to expand the network of sensors and continue ocean modeling research.

Deployable joint command and control

The budget request included $50.0 million in PE 63237N for a new start effort to develop a future command center. The single page of budget justification material indicates that the Department

would use these funds to create a prototype command center, provide manning during the testing phase, keep it ready to deploy in case of contingencies, and turn the prototype over to the unified commands when the next iteration of a command center is ready for testing.

There is no indication that the effort involves utilizing ongoing efforts and funding from the other services' programs to support this activity. Nevertheless, the committee considers this goal reasonable, but questions whether the Department could effectively use this amount of money on such a new start activity.

The committee recommends a reduction of $20.0 million in PE 63237N and directs the Secretary of the Navy to provide more thorough budget justification material in future budget requests, consistent with direction the committee is recommending elsewhere in this report.

Electromechanical actuators

The budget request included no funds for continuing a small business innovation research (SBIR) initiative to replace maintenance-intensive, hydraulic valve actuators with electromechanical actuators. The SBIR program demonstrated the potential for electromechanical actuators to increase reliability, decrease maintenance, and reduce total operating costs for ships and submarines.

Therefore, the committee recommends an increase of $1.9 million in PE 63561N to continue the SBIR initiative to replace hydraulic actuators with electromechanical actuators.

Submarine composite sail

The budget request included no funding for development of composite material components for a submarine's sail area. A composite sail has the potential to improve operational performance while reducing total operating costs of future submarines. An effort to develop and test a composite sail is consistent with the technology insertion approach of the Virginia-class submarine program. Therefore, the committee recommends an increase of $2.0 million in PE 63561N for development of an advanced submarine composite sail.

Neutralization of facility threats

The budget request included $26.0 million in PE 63635M for Marine Corps ground combat supporting arms systems. The committee is concerned that technologies to neutralize and destroy threats posed by chemical and biological weapons have not been integrated into operational systems. The committee recommends an increase of $2.0 million for environmental testing, concept-of-operations development, and research and development to rapidly field operational systems utilizing nanotechnologies that are capable of clearing facilities of chemical and biological agent contamination. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Urban operations environment research

The budget request included $26.0 million in PE 63635M for Marine Corps ground combat supporting arms systems. The committee recommends an increase of $4.0 million for assessment, analysis, and development of environmental remediation capabilities to support the use of nonlethal weapons to minimize environmental effects. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Ship-based missile fire support for ashore forces

The budget request included $34.5 million in PE 63795N for the land attack standard missile (LASM) and no funding for the advanced land attack missile (ALAM). In addition, the budget request included no procurement funding for LASM.

Congress supported the Navy's requests in fiscal years 1999 through 2001 for rapid development and fielding of an interim land attack missile system to provide fire support for Marines ashore. LASM, the interim system proposed by the Navy, was purported to be a low risk, minimum cost system that would refurbish and reuse standard missile (SM–2) Block II and III missiles already in the Navy inventory. In addition, the system was supposed to be an interim step to provide fire support capability while the Navy completed an analysis of alternatives to determine what ALAM option would meet the Marine Corps requirements for fire support.

The Navy has completed the analysis of alternatives, but has not funded development of the ALAM, the objective fire support missile system. The committee recognizes that the former Under Secretary of Defense (Acquisition, Technology and Logistics) (USD(AT&L)) had approved the Navy's plan to move forward with the LASM program, but only on the condition that the ALAM program move forward as well. If the current USD(AT&L) has made a decision to truncate the ALAM effort, such a decision has not been conveyed to the committee.

In addition, the LASM program has been experiencing development delays and cost increases. These delays have resulted in the Navy canceling the fiscal year 2002 procurement and delaying the fiscal year 2003 initial operating capability (IOC) of LASM to a later fiscal year. It is not apparent whether or not the Department of Defense intends to complete development, testing, and fielding of LASM because there is no Future Years Defense Program for Congress to review. In addition, given the LASM program delay, increased development cost, delayed IOC, and completion of the ALAM analysis of alternatives, it is prudent to reassess the requirement, cost, schedule, and war fighting impact of continuing the LASM development.

Therefore, the committee recommends a decrease of $19.5 million in PE 63795N for land attack missile development. Further, the committee directs the USD(AT&L) to review the Navy's plan to provide fire support for the Marine Corps, and to report to the congressional defense committees no later than December 1, 2001 on his recommendations regarding the plan.

Budget technical adjustment

The budget request included $25.6 million in PE 63216N for aviation survivability activities. The Navy informed the committee that the intended request for this program element was $7.5 million. The amount requested in that line included $18.0 million that should have been requested in PE 64272N for the tactical aircraft directed infrared countermeasure (TADIRCM) program.

The committee recommends adjusting the two budget lines to correct this error.

Aircrew systems development

The budget request included $7.7 million in PE 64264N for aircrew systems development, but included no funding for developing the Navy's integrated common display helmet concept. This modular helmet concept would be based around a common inner helmet, which would provide basic life support functions. The Navy would attach other, mission-specific equipment to the common inner helmet, such as night vision and target cueing systems. Such a common helmet approach could help reduce stress on aircrews and make it easier for the Navy to field newer technologies more efficiently.

The committee recommends an increase of $6.0 million in PE 64264N for the development and flight evaluation of the Navy common display helmet, a total authorization of $13.7 million for aircrew systems development.

Power node control centers

The budget request included no funds for the continued development of power node control centers (PNCC). PNCCs integrate shipboard power functions, including conversion, switching, distribution, and protection. The technology is applicable to all ship classes, and will be a building block as the Navy transitions to an all electric ship.

Therefore, the committee recommends an increase of $3.0 million in PE 64300N to install, test and evaluate PNCCs.

Shipboard personnel tracking and location system

The budget request included no funds in PE 64300N for shipboard personnel tracking and location technologies. The Navy has indicated that one of their challenges to reduced manning on ships is to know where personnel are located within the ship. A system that provides personnel location and status could be crucial in making critical damage control and "search and rescue" decisions.

The Navy had previously begun to explore the possibility of using ultra wideband (UWB) radio frequency technology to solve the challenge of providing personnel location information aboard ships. Systems that employ UWB technology have the potential to provide precision tracking, better performance in multi-path environments, and lower power requirements compared to traditional radio frequency technologies.

Therefore, the committee recommends an increase of $1.0 million in PE 63400N to build upon previous research for a shipboard personnel tracking and location system using UWB technology.

Aegis operational readiness test system

The budget request included $0.3 million in PE 64307N to continue design efforts for a replacement for the Aegis operational readiness test system. This system provides real time analysis and testing which enables operators to maximize performance of both the Aegis radar and the MK 99 missile fire control system. The present testing system is based upon a legacy desktop computer. The fact that this computer is no longer in production raises serious concerns about the Navy's ability to support this test system over the long-term.

Therefore, the committee recommends an increase of $6.0 million in PE 64307N for development and operational tests for an Aegis operational readiness replacement.

Joint air-to-surface standoff missile

The budget request included $1.9 million in PE 64312N for continued Navy unique testing for the joint air-to-surface standoff missile (JASSM). Carrier operability is one of the key performance parameters against which the JASSM program is being measured.

Although the Navy has not programmed any funds to integrate JASSM on a particular aircraft, there are several Navy candidate platforms for the missile once the Air Force completes the development phase. JASSM offers the potential of improved performance and lower cost than alternative weapons that the Navy could employ. The committee believes the missile has reached a maturity level sufficient to begin serious integration tasks on Navy platforms, particularly the F/A–18E/F.

The committee recommends an increase of $8.1 million in PE 64312N to begin JASSM integration efforts on the F/A–18E/F, for a total authorization of $10.0 million.

Standard missile advanced optical correlator

The budget request included no funds for the standard missile advanced optical correlator. Using optical correlation enhances the ability to recognize and track targets. This enhanced ability translates into significantly better performance of ship self-defense systems.

Therefore, the committee recommends an increase of $5.0 million in PE 64366N for continued development of an optical correlator to improve the standard missile performance.

Submarine antenna technology improvement

The budget request included $43.7 million in submarine systems development, including $2.9 million for various submarine integrated antenna systems developments.

Participating fully in the Navy's new efforts to implement network centric warfare requires that ships have higher data rate communications than are currently available on submarines. The Navy has developed a preliminary design of a modification to a current mast antenna system that could help submarines achieve the objective of increasing connectivity across all submarine missions.

The committee recommends an increase of $3.3 million to develop an engineering change proposal package to upgrade ultra high fre-

quency (UHF) antenna systems to provide the required higher data rate communications.

Submarine tactical information management

The budget request included $43.7 million in PE 64503N to develop and improve systems to increase the operational effectiveness of submarine system equipment. The program to field the multipurpose processor (MPP) and advance processor build (APB) have been successful in upgrading submarine sonar information processing capabilities.

A small business innovation research (SBIR) phase III program demonstrated that a similar process has potential to improve the information processing within a submarine's control center. Therefore, the committee recommends an increase of $10.0 million in PE 64503N for an SBIR phase III follow-on to apply the MPP and APB process to improve submarine tactical control information.

Navy common command and decision system

The budget request included $5.4 million in PE 64518N for development of a common command and decision computer program for the Aegis weapon system and the ship self defense system (SSDS) MK 2. A common computer program for these systems has the potential to reduce life cycle costs, improve inter-operability among systems and ease the introduction of new capabilities by eliminating redundant and conflicting processing.

Therefore, the committee recommends an increase of $5.0 million in PE 64518N for continued development of the common command and decision system.

Submarine combat systems modernization

The budget request included $29.2 million in PE 64562N to develop and integrate software upgrades to integrate improved weapons capabilities within the various submarine combat control systems (CCSs). This program also develops improvements to submarine hardware which has become increasingly difficult and costly to maintain.

The thrust of the CCS improvement program is the fleet introduction of an improved CCS system within which the Navy will converge multiple submarine combat system developments into a single effort to minimize submarine life cycle costs. Current plans include converging CCS systems for the SSN–688–class, the SSN–688I-class and the SSBN–726–class. Additional funding would allow the Navy to accelerate the upgrade of the Seawolf-class combat control systems and achieve fleet commonality by as much as 36 months earlier than planned.

Therefore, the committee recommends an increase of $27.0 million in PE 64562N to achieve commonality in combat control systems sooner among all the various submarine classes and configurations within those classes.

Infrared search and track

The budget request included $52.2 million for ship self-defense development in PE 64755N, including $2.7 million for continued

development of an infrared search and track (IRST) system for use aboard Navy vessels.

Such an IRST system has demonstrated high potential for improving a ship's ability to detect anti-ship cruise missiles in the presence of environmental and geographical conditions that degrade radar system performance. The amended budget would not provide sufficient funds to continue the IRST program along a reasonable development path, leading to robust field testing. In fact, the committee is concerned that the Navy schedule and funding for the IRST development effort would fail to field any capability in the fleet for the foreseeable future.

Therefore, the committee recommends an increase of $15.0 million for the IRST program to: (1) conduct robust field testing; (2) integrate IRST electronics into standard Navy consoles; and (3) begin integrating the IRST capability into combat systems.

NULKA anti-ship missile decoy system

The budget request included in $41.7 million for ship self-defense-soft kill systems development in PE 64757N, including $0.5 million to develop a capability for radar systems to cue the launch of the NULKA decoy to defeat anti-ship missiles (ASMs).

The Navy has identified a series of three potential improvements in the NULKA payload that are required to deal with emerging threats:

(1) an improved payload that would provide radio frequency coverage of more than one band of the spectrum to deal with anti-ship missiles;

(2) an improved capability to prevent loss of the technology through reverse engineering, by developing anti-tamper capability for the NULKA payload; and

(3) an improved guidance and propulsion system to allow more precise positioning of the decoy during operations.

The committee recommends an increase of $4.0 million for the NULKA development program to develop an enhanced payload, pursue anti-tamper technologies and develop an improved guidance and propulsion system.

Navy single integrated human resources strategy

The budget request included $49.3 million in PE 65013N for information technology development. The Navy has been designated as the lead agency for a program to develop and manage software that will be used by all services to consolidate pay and personnel reporting systems. This program is called the Defense Integrated Military Human Resources System (DIMHRS). The budget request also included $47.2 million in PE 65014N for DIHMRS development.

The Navy needs to continue development of upgrades to Navy legacy systems that will provide input data to the DIMHRS. The committee recommends an additional $5.0 million in PE 65013N to support business process re-engineering of Navy legacy systems in support of the overall DIMHRS program.

Budget technical adjustment

The budget request included $120.6 million in PE 64215N for standards development. The Navy informed the committee that the intended request for standards development was $66.7 million. The amount requested in that line included $53.8 million that should have been requested in PE 65500N for the multi-mission maritime aircraft (MMA) program.

The committee recommends adjusting the two budget lines to correct this error.

Supply chain best practices

The budget request included $1.0 million in PE 65804N to reduce life-cycle costs for technical information services by fostering relationships between industry and the Navy. The Navy requires the services of a number of information systems to ensure ships, submarines, and aircraft receive supplies and repair parts. The industry and Navy have identified a number of electronic commerce and technical information initiatives that have the potential to reduce the cost of supplies and repair parts while improving response times for fleet requests.

Therefore, the committee recommends an increase of $6.0 million in PE 65804N to develop and field supply chain best practices which have the potential to reduce support costs and improve responsiveness of the total supply system.

Nanotechnology for consequence management

The budget request included $9.6 million in PE 65873M for Marine Corps program wide support. The committee recognizes an urgent need for consequence management (including decontamination and neutralization) as well as protection from the effects of weaponized chemical and biological agents. Therefore, the committee recommends an increase of $3.2 million to develop, test and field nanoparticle-based countermeasures, decontamination agents, and protection technologies for chemical and biological threats. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Strategic submarine and weapons system support

The budget request included $43.3 million for strategic submarine and weapons systems support. The committee continues to support research and development efforts to develop low cost materials for ballistic missile reentry systems. The committee directs that $2.0 million shall be available for the continuation of this effort.

Joint helmet mounted cueing system

The budget request included $253.3 million in PE 24136N for operational systems development of the F/A–18 series of aircraft, including $136.6 million for F/A–18 improvements. The budget request supports finishing integration tasks for outfitting the F/A–18E/F aircraft with the joint helmet mounted cueing system (JHMCS). The budget request, however, included no funding for integrating the JHMCS into the F/A–18C/D aircraft.

The JHMCS system, when combined with the new AIM–9X air-to-air missile, has the potential to offer significant qualitative advantage to our aircraft in air-to-air combat. The JHMCS system also has the potential to enhance flexibility for air crews in cueing weapons and sensors in the stressful air-to-ground tactical environment.

The Marine Corps has indicated that an additional $27.0 million would permit the Department of the Navy to complete integrating JHMCS into the F/A–18C/D. This would be particularly important to the Marine Corps, since the Marine Corps will not be operating the F/A–18E/F aircraft.

Therefore, the committee recommends an increase of $27.0 million in PE 24136N for integration of JHMCS on the F/A–18C/D aircraft, a total authorization of $280.3 million.

MK–48 advanced capability torpedo development

The budget request included $17.1 million in PE 25632N to develop improvements for the MK–48 advanced capability (ADCAP) heavyweight torpedo. The Navy has begun applying a new approach, called the advanced processor build (APB) program, to torpedo upgrade programs. The Navy found that this approach has worked very successfully in achieving upgraded submarine sonar information processing capabilities.

The committee believes that, with additional funding, the Navy could avail itself of additional opportunities to use the APB process. Such opportunities should include developing, evaluating and implementing science and technology algorithms from Navy laboratories, university laboratories, and small businesses. This would be a particularly important opportunity, since the Navy needs to improve torpedo capability to operate in harsh conditions in shallower water operations. The committee also understands that the fleets have identified a number of requirements that remain unmet, but that the Navy might be able to meet using such an expanded process.

Therefore, the committee recommends an increase of $5.0 million in PE 25632N to apply more widely the APB process to improve MK–48 ADCAP capabilities.

Marine Corps communications systems

The budget request included $104.8 million for the operational systems development of Marine Corps communications systems in PE 26313M, of which $9.9 million was for the development of a unit operations center (UOC). The Marine Corps believes that the UOC will be the cornerstone of ground command and control. That view is based on an assessment that the UOC will enhance the Marine Corps' ability to fight and win in future conflicts by providing the command element with an integrated facility and components. The Marine Corps has identified extra funds to provide additional risk reduction funding for the engineering and manufacturing development effort for the UOC as a high priority requirement.

Therefore, the committee recommends an increase of $8.0 million to accelerate the UOC development effort.

Vertical takeoff and landing tactical unmanned aerial vehicle development

The budget request included $66.3 million in PE 35204N to develop tactical unmanned aerial vehicle (TUAV) systems, including $48.2 million to continue development of a vertical takeoff and landing tactical UAV (VTUAV).

The Navy proposed to use these funds to continue VTUAV development activities, including:

(1) continue contractor engineering and manufacturing development (EMD) design, fabrication and testing;

(2) continue testing and engineering, logistics and integration support activities; and

(3) complete developmental testing and begin operational test and evaluation (OT&E).

The Navy has informed the committee that there have been unforeseen changes in the scope of work in the VTUAV EMD effort. Absent additional funding in fiscal year 2002, the VTUAV program could be delayed in order to afford additional software effort. The Navy informs the committee that it would use additional funds to complete these tasks and to perform risk reduction testing.

The committee believes that fielding the capability that is promised by the VTUAV program is important, and should proceed as quickly as is prudent. Therefore, the committee recommends an increase of $11.0 million in PE 35204N to enable the Navy to complete the additional software tasks and conduct risk reduction testing.

Modeling and simulation

The budget request included $7.8 million in PE 38601N for Navy modeling and simulation development activities. The Navy has been using modeling and simulation to provide important information to make certain acquisition and program decisions, which thereby reduces the research, development, test and evaluation costs for Navy programs. The Navy has found that they are able to eliminate a number of acquisition and program possibilities using computer simulation based on validated models. Narrowing the range of possibilities has yielded proven cost savings.

Therefore, the committee recommends an increase of $7.0 million in PE 38601N to continue enhancements to, and usage of, computer modeling and simulation in Navy research and development activities.

Air Force

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		RESEARCH, DEVELOPMENT, TEST & EVAL, AIR FORCE			
1	0601102F	Defense Research Sciences	220,869	0	220,869
2	0602102F	Materials	77,164	16,500	93,664
		Environmentally Sound Coatings		[1,500]	
		Metals Affordability Initiative		[5,000]	
		Titanium Matrix Composites		[7,500]	
		UV Free Electron Laser		[2,500]	
3	0602201F	Aerospace Vehicle Technologies	97,465	0	97,465
4	0602202F	Human Effectiveness Applied Research	69,080	0	69,080
5	0602203F	Aerospace Propulsion	149,211	0	149,211
6	0602204F	Aerospace Sensors	84,149	0	84,149
7	0602269F	Hypersonic Technology Program	0	0	0
8	0602601F	Space Technology	61,086	0	61,086
9	0602602F	Conventional Munitions	49,270	0	49,270
10	0602605F	Directed Energy Technology	36,678	0	36,678
11	0602702F	Command, Control and Communications	61,659	3,000	64,659
		Information Protection and Authentication		[3,000]	
12	0602805F	Dual Use Science and Technology Program	10,417	0	10,417
13	0603106F	Logistics Systems Technology	0	0	0
14	0603112F	Advanced Materials for Weapon Systems	32,748	5,000	37,748
		Advanced Aluminum Aerostructures		[5,000]	
15	0603202F	Aerospace Propulsion Subsystems Integration	0	0	0
16	0603203F	Advanced Aerospace Sensors	55,809	0	55,809
17	0603205F	Flight Vehicle Technology	0	0	0

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
18	0603211F	Aerospace Technology Dev/Demo	26,269	4,000	30,269
		Fly-by-light Avionics for UCAV		[4,000]	
19	0603216F	Aerospace Propulsion and Power Technology	114,335	0	114,335
20	0603227F	Personnel, Training and Simulation Technology	0	0	0
21	0603231F	Crew Systems and Personnel Protection Technology	32,356	0	32,356
22	0603245F	Flight Vehicle Technology Integration	0	0	0
23	0603253F	Advanced Sensor Integration	0	0	0
24	0603270F	Electronic Combat Technology	28,221	0	28,221
25	0603302F	Space and Missile Rocket Propulsion	0	0	0
26	0603311F	Ballistic Missile Technology	0	0	0
27	0603401F	Advanced Spacecraft Technology	54,528	0	54,528
28	0603410F	Space Systems Environmental Interactions Technology	0	0	0
29	0603444F	Maui Space Surveillance System (MSSS)	6,484	0	6,484
30	0603601F	Conventional Weapons Technology	37,617	0	37,617
31	0603605F	Advanced Weapons Technology	43,758	0	43,758
32	0603723F	Environmental Engineering Technology	0	0	0
33	0603726F	Aerospace Info Tech Sys Integration	0	0	0
34	0603789F	C3I Advanced Development	32,644	0	32,644
35	0603876F	Space-Based Laser	0	0	0
36	0603260F	Intelligence Advanced Development	4,482	0	4,482
37	0603319F	Airborne Laser Program	0	0	0
38	0603421F	NAVSTAR Global Positioning System III	78,358	0	78,358
39	0603430F	Advanced EHF MILSATCOM (SPACE)	549,659	0	549,659
40	0603432F	Polar MILSATCOM (SPACE)	18,724	0	18,724

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
41	0603434F	National Polar-orbiting Operational Environmental Satellite Sys (SPACE) - D	157,394	0	157,394
42	0603438F	Space Control Technology	33,022	0	33,022
43	0603617F	Command, Control, and Communication Applications	0	0	0
44	0603742F	Combat Identification Technology	11,523	0	11,523
45	0603790F	NATO Research and Development	5,616	0	5,616
46	0603800F	Joint Strike Fighter	0	30,000	30,000
		Reflect Delay in Decision About Down-select of JSF Winning Team		[30,000]	
47	0603850F	Integrated Broadcast Service (Dem/Val)	20,529	0	20,529
48	0603851F	Intercontinental Ballistic Missile - Dem/Val	44,484	0	44,484
49	0603854F	Wideband Gapfiller System RDT&E (Space)	96,670	0	96,670
50	0603856F	Air Force/National Program Cooperation (AFNPC)	4,433	0	4,433
51	0603859F	Pollution Prevention (Dem/Val)	2,688	0	2,688
52	0603860F	Joint Precision Approach and Landing Systems - Dem/Val	9,554	0	9,554
53	0604327F	Hard and Deeply Buried Target Defeat System (HDBTDS) Program	0	0	0
54	0603840F	Global Broadcast Service (GBS)	34,544	0	34,544
55	0604012F	Joint Helmet Mounted Cueing System (JHMCS)	5,960	0	5,960
56	0604201F	Integrated Avionics Planning and Development	0	0	0
57	0604222F	Nuclear Weapons Support	13,120	0	13,120
58	0604226F	B-1B	194,507	0	194,507
59	0604227F	Distributed Mission Training (DMT)	0	0	0
60	0604233F	Specialized Undergraduate Pilot Training	4,885	0	4,885
61	0604239F	F-22 EMD	865,464	0	865,464
62	0604240F	B-2 Advanced Technology Bomber	155,004	74,000	229,004
		Link 16 Improvements		[63,000]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Hand-held Holographic Radar Gun		[2,900]	
		Correction of Other Shortfalls		[8,100]	
63	0604251F	Space-Based Radar EMD	50,000	0	50,000
64	0604270F	EW Development	41,267	13,300	54,567
		Precision Location & Identification (PLAID)		[13,300]	
65	0604328F	Extended Range Cruise Missile (ERCM)	40,235	0	40,235
66	0604329F	Small Diameter Bomb (SDB) (DEM/VAL)	40,000	0	40,000
67	0604441F	Space Based Infrared System (SBIRS) High EMD	405,229	0	405,229
68	0604442F	Space Based Infrared System (SBIRS) Low EMD	0	0	0
69	0604479F	Milstar LDR/MDR Satellite Communications (SPACE)	232,084	0	232,084
70	0604600F	Munitions Dispenser Development	0	0	0
71	0604602F	Armament/Ordnance Development	3,838	0	3,838
72	0604604F	Submunitions	4,809	0	4,809
73	0604617F	Agile Combat Support	6,674	0	6,674
74	0604618F	Joint Direct Attack Munition	27,956	0	27,956
75	0604703F	Aeromedical/Chemical Defense Systems	0	0	0
76	0604706F	Life Support Systems	4,586	8,000	12,586
		Panoramic Night Vision Goggle (PNVG) Development		[8,000]	
77	0604708F	Civil, Fire, Environmental, Shelter Engineering	0	0	0
78	0604727F	Joint Standoff Weapons Systems	0	0	0
79	0604735F	Combat Training Ranges	25,943	0	25,943
80	0604740F	Integrated Command & Control Applications (IC2A)	224	0	224
81	0604750F	Intelligence Equipment	1,323	0	1,323
82	0604754F	Tactical Data Link Infrastructure	17,648	0	17,648

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
83	0604762F	Common Low Observables Verification System (CLOVerS)	6,713	0	6,713
84	0604779F	Tactical Data Link Interoperability	5,677	0	5,677
85	0604800F	Joint Strike Fighter EMD	769,511	(153,600)	615,911
		Reflect Delay in Decision About Down-select of JSF Winning Team		[-153,600]	
86	0604805F	Commercial Operations and Support Savings Initiative	0	0	0
87	0604851F	Intercontinental Ballistic Missile - EMD	81,086	0	81,086
88	0604853F	Evolved Expendable Launch Vehicle Program (SPACE) - EMD	320,321	0	320,321
		Composite Materials (Fence--Non-add)		[3,800]	
89	0605011F	RDT&E for Aging Aircraft	20,115	0	20,115
90	0207249F	Precision Attack Systems Procurement	5,984	0	5,984
91	0305176F	Combat Survivor Evader Locator	11,486	0	11,486
92	0401318F	CV-22	10,008	0	10,008
93	0604256F	Threat Simulator Development	38,153	0	38,153
94	0604759F	Major T&E Investment	49,857	0	49,857
95	0605101F	RAND Project Air Force	25,098	0	25,098
96	0605306F	Ranch Hand II Epidemiology Study	10,950	0	10,950
97	0605502F	Small Business Innovation Research	0	0	0
98	0605712F	Initial Operational Test & Evaluation	28,998	0	28,998
99	0605807F	Test and Evaluation Support	396,583	0	396,583
100	0605854F	Pollution Prevention	0	0	0
101	0605860F	Rocket Systems Launch Program (SPACE)	8,538	0	8,538
102	0605864F	Space Test Program (STP)	50,523	0	50,523
103	0804731F	General Skill Training	309	0	309
104	0909900F	Financing for Expired Account Adjustments	0	0	0

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
105	0909980F	Judgment Fund Reimbursement	10,000	0	10,000
106	1001004F	International Activities	3,846	0	3,846
107	0101113F	B-52 Squadrons	66,874	0	66,874
108	0101120F	Advanced Cruise Missile	2,487	0	2,487
109	0101122F	Air-Launched Cruise Missile (ALCM)	6,841	0	6,841
110	0102325F	Atmospheric Early Warning System	0	0	0
111	0102326F	Region/Sector Operation Control Center Modernization Program	0	0	0
112	0102411F	North Atlantic Defense System	0	0	0
113	0203761F	Warfighter Rapid Acquisition Process (WRAP) Rapid Transition Fund	30,247	0	30,247
114	0207027F	AC2ISR Center	0	0	0
115	0207028F	Joint Expeditionary Force Experiment	64,005	0	64,005
116	0207131F	A-10 Squadrons	3,049	0	3,049
117	0207133F	F-16 Squadrons	110,797	0	110,797
118	0207134F	F-15E Squadrons	101,439	8,420	109,859
		IFF Systems Integration & Testing		[8,420]	
119	0207136F	Manned Destructive Suppression	22,239	0	22,239
120	0207138F	F-22 Squadrons	16,092	0	16,092
121	0207141F	F-117A Squadrons	2,305	0	2,305
122	0207161F	Tactical AIM Missiles	5,771	0	5,771
123	0207163F	Advanced Medium Range Air-to-Air Missile (AMRAAM)	57,702	0	57,702
124	0207247F	AF TENCAP	10,811	0	10,811
125	0207248F	Special Evaluation Program	100,027	0	100,027
126	0207253F	Compass Call	3,908	0	3,908
127	0207268F	Aircraft Engine Component Improvement Program	175,101	0	175,101

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
128	0207277F	CSAF Innovation Program	1,961	0	1,961
129	0207320F	Sensor Fused Weapons	0	0	0
130	0207325F	Joint Air-to-Surface Standoff Missile (JASSM)	79,197	0	79,197
131	0207410F	Aerospace Operations Center (AOC)	19,514	0	19,514
132	0207412F	Control and Reporting Center (CRC)	7,047	0	7,047
133	0207417F	Airborne Warning and Control System (AWACS)	39,787	0	39,787
134	0207423F	Advanced Communications Systems	9,324	0	9,324
135	0207424F	Evaluation and Analysis Program	204,467	0	204,467
136	0207433F	Advanced Program Technology	107,716	0	107,716
137	0207438F	Theater Battle Management (TBM) C4I	37,331	0	37,331
138	0207581F	Joint Surveillance and Target Attack Radar System (Joint STARS)	147,859	11,500	159,359
		Transfer from APAF 58 -- SATCOM Kit Development		[5,700]	
		Transfer from APAF 58 -- Global Air Traffic Management (GATM) - Radio Integration		[5,800]	
139	0207590F	Seek Eagle	17,833	0	17,833
140	0207591F	Advanced Program Evaluation	82,397	0	82,397
141	0207601F	USAF Modeling and Simulation	25,345	0	25,345
142	0207605F	Wargaming and Simulation Centers	5,033	0	5,033
143	0207701F	Full Combat Mission Training	3,763	0	3,763
144	0208006F	Mission Planning Systems	16,904	0	16,904
145	0208021F	Information Warfare Support	1,803	0	1,803
146	0208031F	War Reserve Materiel - Equipment/Secondary Items	0	0	0
147	0208060F	Theater Missile Defenses	0	0	0
148	0208160F	Technical Evaluation System	154,621	0	154,621
149	0208161F	Special Evaluation System	42,334	0	42,334

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
150	0301310F	National Air Intelligence Center	[ ]	[ ]	0
151	0301314F	COBRA BALL	[ ]	[ ]	0
152	0301315F	Missile and Space Technical Collection	[ ]	[ ]	0
153	0301324F	FOREST GREEN	[ ]	[ ]	0
154	0301357F	NUDET Detection System	0	0	0
155	0301398F	Management Headquarters GDIP	[ ]	[ ]	0
156	0302015F	E-4B National Airborne Operations Center (NAOC)	23,359	0	23,359
157	0303110F	Defense Satellite Communications System (SPACE)	3,895	0	3,895
158	0303112F	Air Force Communications (AIRCOM)	31,828	0	31,828
159	0303131F	Minimum Essential Emergency Communications Network (MEECN)	5,982	0	5,982
160	0303140F	Information Systems Security Program	7,936	5,000	12,936
		Cyber Security Research		[5,000]	
161	0303141F	Global Combat Support System	48,911	0	48,911
162	0303150F	Global Command and Control System	3,521	0	3,521
163	0303401F	Communications Security (COMSEC)	4,131	0	4,131
164	0303601F	MILSATCOM Terminals	41,763	0	41,763
165	0304111F	Special Activities	[ ]	58,900	58,900
166	0304311F	Selected Activities	79,208	0	79,208
167	0305099F	Global Air Traffic Management (GATM)	9,331	0	9,331
168	0305110F	Satellite Control Network (SPACE)	56,349	0	56,349
169	0305111F	Weather Service	11,452	0	11,452
170	0305114F	Air Traffic Control, Approach, and Landing System (ATCALS)	26,982	0	26,982
171	0305128F	Security and Investigative Activities	472	0	472
172	0305142F	Applied Technology and Integration	[ ]	[ ]	0

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
173	0305144F	Titan Space Launch Vehicles (SPACE)	21,293	0	21,293
174	0305159F	Defense Reconnaissance Support Activities (SPACE)	46,578	0	46,578
175	0305160F	Defense Meteorological Satellite Program (SPACE)	12,259	0	12,259
176	0305164F	NAVSTAR Global Positioning System (User Equipment) (SPACE)	53,093	0	53,093
177	0305165F	NAVSTAR Global Positioning System (Space and Control Segments)	186,459	0	186,459
178	0305172F	Combined Advanced Applications	[ ]	[ ]	0
179	0305182F	Spacelift Range System (SPACE)	65,097	18,000	83,097
		Range Safety Improvements		[18,000]	
180	0305202F	Dragon U-2 (JMIP)	32,804	4,000	36,804
		SYERS Polarimetric Sensor Upgrade		[4,000]	
181	0305205F	Endurance Unmanned Aerial Vehicles	190,237	16,000	206,237
		Global Hawk SIGINT Demonstration		[16,000]	
182	0305206F	Airborne Reconnaissance Systems	77,766	0	77,766
183	0305207F	Manned Reconnaissance Systems	0	0	0
184	0305208F	Distributed Common Ground Systems	11,429	0	11,429
185	0305906F	NCMC - TW/AA System	15,797	0	15,797
186	0305910F	SPACETRACK (SPACE)	32,591	4,400	36,991
		Space Surveillance Modernization - Camera Augmentation		[8,000]	
		Transfer to OPAF 62 -- Camera Spares		[-3,600]	
187	0305911F	Defense Support Program (SPACE)	6,363	0	6,363
188	0305913F	NUDET Detection System (SPACE)	18,823	12,800	31,623
		Incorporate NUDET on First GPS Block IIF		[12,800]	
189	0305917F	Space Architect	0	0	0
190	0308601F	Modeling and Simulation Support	0	0	0

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
191	0308699F	Shared Early Warning (SEW)	3,697	0	3,697
192	0401115F	C-130 Airlift Squadron	80,533	0	80,533
193	0401119F	C-5 Airlift Squadrons	166,508	0	166,508
194	0401130F	C-17 Aircraft	110,619	0	110,619
195	0401134F	Large Aircraft IR Countermeasures (LAIRCM)	62,530	0	62,530
196	0401214F	Air Cargo Material Handling (463-L) (Non-IF)	0	0	0
197	0401218F	KC-135s	5,416	(3,045)	2,371
		KC-135 Replacement Study		[-3,045]	
198	0401219F	KC-10s	22,774	0	22,774
199	0404011F	Special Operations Forces	0	0	0
200	0702207F	Depot Maintenance (Non-IF)	1,542	0	1,542
201	0708011F	Industrial Preparedness	53,782	0	53,782
202	0708026F	Productivity, Reliability, Availability, Maintain. Prog Ofc (PRAMPO)	20,689	0	20,689
203	0708071F	Joint Logistics Program - Ammunition Standard System	106	0	106
204	0708611F	Support Systems Development	24,221	0	24,221
205	0708612F	Computer Resources Support Improvement Program (CRSIP)	2,376	0	2,376
206	0901218F	Civilian Compensation Program	7,019	0	7,019
207	1001018F	NATO Joint STARS	0	0	0
999F		Classified Programs	4,424,521	1,000	4,425,521
			========	========	========
		Total, RDT&E Air Force	14,343,982	137,175	14,481,157

Aerospace materials manufacturing and research

The budget request included $77.2 million in PE 62102F for applied research in materials and processing technologies to improve performance and reduce life cycle costs of current and future air force systems. It is critical that the United States metals industry maintains strong research efforts in order to remain globally competitive and have the capability to meet future defense aerospace requirements. Therefore, the committee recommends an increase of $16.5 million in funding in this area, reflecting a dual concern of the need for research to address materials issues associated with aging aircraft and high operational tempos, as well as the need for new materials technologies to support the development of future air force systems, including space-based systems and unmanned vehicles. Of this amount, $5.0 million would be used for improvements in the manufacturing of speciality aerospace materials; $7.5 million for the development of titanium matrix composites technology for transition to aerospace applications; $1.5 million for research on environmentally-sound corrosion coatings for military and commercial aircraft; and $2.5 million for the development and application of a high power, tunable, ultraviolet laser processing tool for the fabrication of micro-engineered components.

Information protection and authentication

The budget request included $61.7 million in PE 62702F for Command, Control, and Communications. The committee recommends an increase of $3.0 million for applied research toward securing national security information through techniques including steganography and digital watermarking. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Aluminum aerostructures

The budget request included $32.7 million in PE 63112F for advanced materials for weapon systems. The committee notes the need for a materials research portfolio that balances efforts in all types of aerospace materials, including composites, ceramics, and metals. Therefore, the committee recommends an increase of $5.0 million for research on the use of aluminum aerostructures for aerospace components, which improve processing technologies and reduce installment and life cycle costs.

Fly-by-light actuators

The budget request included $26.3 million in PE 63211F for aerospace technology development and demonstration. This program element reflects a realignment by the Department under which the program element now includes those projects that had previously been in the flight vehicle technology integration program.

The committee is aware of continuing advances in flight control systems, with fiber optic cabling having the potential to offer significant weight and performance advantages over conventional hydraulic systems. These advantages would be particularly significant in vehicles like unmanned combat air vehicles (UCAVs), where every pound of saved platform weight equates to an additional pound of payload or additional endurance.

The committee recommends an increase of $4.0 million in PE 63211F for the demonstration of a light-controlled flight actuator with potential UCAV application, a total authorization of $30.3 million.

B–2 Spirit

The budget request included $155.0 million in PE 64240F for the B–2 bomber. The committee recommends an additional $74.0 million in upgrades for the B–2 bomber. Of this amount the committee recommends an additional $63.0 million to continue the Link–16/CID/IFR integration effort, and $11.0 million for other upgrades and improvements, for a total authorization of $229.0 million.

The Link–16 mission management system is the primary method of tactical information exchange, cooperative identification (friend or foe), and position reporting in the tactical theater. This upgrade satisfies the B–2 requirement for two-way line-of-sight jam-resistant digital data link communications. In addition, this upgrade will allow the B–2 to be fully integrated into the joint command, control, and communications network and increases the flexibility of the B–2 and the crew's situation awareness. All Air Force platforms must have Link–16 by 2005. This was included on the Air Force list of unfunded priorities.

The committee also recommends an additional $11.0 million to address a number of shortfalls in the B–2 program including $2.9 million for hand-held holographic radar guns to ensure that repairs to the low observable coatings do not change the radar signature of the B–2. The remaining $8.1 million is available to address requirements identified on the Air Force list of unfunded priorities for fiscal year 2002 for the B–2.

The committee is concerned that the Department of Defense and the Air Force are not adequately supporting the aging bomber fleet. Under current assumptions the fleet of B–2, B–52 and B–1B bombers will remain in the inventory until 2037 and beyond. In order to reach this extraordinary goal and be able to continue to rely on the performance capabilities demonstrated in Operation ALLIED FORCE, the Air Force must sustain an aggressive bomber upgrade effort.

Precision location and identification program

The budget request included $41.3 million in PE 64270F for electronic warfare development, including $1.8 million for engineering and manufacturing development (EMD) for the precision location and identification (PLAID) program. The PLAID program is intended to lead to modernization of several families of radar warning receivers.

Under the current schedule, the Air Force would begin production of PLAID-derivative hardware in fiscal year 2003. The PLAID program has not completed development of the geo-location capability, one of the key performance parameters for the PLAID program. The Air Force would prefer to conduct activities, including flight test demonstrations, that would lead to reducing the risk of successfully completing the PLAID program. However, the budget request provided no funding for this activity.

The committee recommends an increase of $13.3 million in PE 64270F to fund options to the EMD contract that would provide PLAID performance enhancements, including risk reduction flight test activities, that would lead to having higher confidence of successfully completing the PLAID EMD program.

Panoramic night vision goggles

The budget request included $4.6 million in PE 64706F for life support systems, but included no funding for panoramic night vision goggles (PNVGs). The Air Force has informed the committee that the tremendous improvement in field-of-view offered by PNVGs will greatly improve situational awareness, reduce aircrew spatial disorientation, and enable quicker, more accurate target identification. The improvements directly translate to greatly enhanced aircrew safety. The Air Force needs an additional $8.0 million in fiscal year 2002 to complete development and qualification of the basic PNVGs, leading to a transition to production in fiscal year 2003.

The committee recommends an increase of $8.0 million in PE 64706F to complete development and qualification of the basic PNVGs.

Joint Strike Fighter

The budget request included $767.3 million in PE 64800N and $769.5 million in PE 64800F for the Joint Strike Fighter (JSF) program. These funds would be used to begin the engineering and manufacturing development (EMD) phase of the JSF program. This transition to EMD would be preceded by selection of a single contractor team, a winner-take-all approach for at least the EMD portion of the program. The budget request included no funds in either PE 63800N or PE 63800F to continue any JSF concept demonstration activities leading to EMD.

The purpose of the JSF program is to provide an affordable replacement strike fighter aircraft for major portions of the fleets of the Air Force, the Navy and the Marine Corps. The Air Force variant will be a conventional takeoff and landing aircraft (called CTOL), the Navy variant will be aircraft carrier capable (called CV), and the Marine Corps variant will be capable of short takeoff and vertical landing (called STOVL). Central to the whole JSF program is achieving an affordable option for these modernization efforts. Commonality within this family of aircraft is crucial to keeping the overall tactical aviation modernization program affordable.

Leading up to the source selection decision, each contractor team was required to fly concept demonstration aircraft to prove that they could achieve, for each of the three variants: (1) commonality; and (2) required performance levels.

When the committee reviewed the program last year, the program had been scheduled to enter EMD at the middle of fiscal year 2001. It was clear to the committee that the final phase of testing for the STOVL concept demonstrator aircraft was far enough behind schedule that the Department of Defense (DOD) could not, and should not, make a final decision on the source selection as had been scheduled.

The two contractor teams have only recently completed their flying demonstrations. The committee understands that the two teams achieved the objectives that the program office set for them during this phase of the testing program. The program office believes that the two teams are ready to make their final proposals to the Department on a schedule that would permit DOD to make a decision on the winning team in October.

DOD officials claim that they will be ready to make a decision in October. However, the ability of the DOD to make this decision in October is far from certain, given its recent experience with other major acquisition programs:

(1) In February 2001, the F–22 program had met all of the exit criteria established to measure whether the program should move to low rate initial production (LRIP). However, DOD officials have informed the committee that it was not until August 2001 that the Air Force received approval to move to LRIP by the Defense Acquisition Board (DAB).

(2) The Navy had originally planned to award a major contract for the next generation land attack destroyer, called DD–21, in April 2001. Additional discussions between the Navy and the contractor teams on their proposals had taken longer than planned. Thereafter, the Navy had been ready to make a decision in June 2001. Just before the Navy was ready to proceed, DOD leadership initiated a study of the Navy's shipbuilding plan between now and about 2030. Now the decision on the DD–21 program seems to have been postponed, with no indication when the program might go forward.

By law, the DOD must submit to Congress the results of the Quadrennial Defense Review (QDR) by September 30, 2001. The committee had expected that major questions of future force structure, transformation path(s) forward, and choices among major investment and modernization alternatives would have been completed as part of the QDR. Central to any discussion of modernization and affordability of the military departments is the subject of tactical aviation modernization.

However, recent statements by senior DOD officials have indicated that many of these answers may be deferred until the submission of the fiscal year 2003 budget, or later. The committee understands that a number of major acquisition programs, including the JSF program, are to be studied further as a result of direction in an internal planning document called the Defense Planning Guidance.

The JSF program manager believes that he needs to complete the source selection and start EMD to ensure that the program will be able to achieve first flight of the CTOL and STOVL version of the aircraft and make a JSF LRIP decision in fiscal year 2006. This assumes completion of first flights in March 2006. The program could delay this decision by a couple of months and still make the decision during fiscal year 2006. Certainly, the JSF program should not be launched with no margin for error in the schedule. Nevertheless, the fact that the Department could delay a decision without affecting the initial operational capability (IOC) of the JSF indicates that this will likely be the outcome.

The committee believes that, under these circumstances, the Department is not likely to make a decision on the JSF program or its future in accordance with the current schedule. Therefore, the committee recommends a net reduction of $247.2 million, evenly divided between the Navy and Air Force accounts, representing a two-month delay in an EMD decision. The committee recommends adding $30.0 million each to PE 63800N and PE 63800F to keep the two platform contractor teams, an engine contractor team and the program office together pending a transition to EMD. The committee also recommends a reduction of $153.6 million each to PE 64800N and PE 64800F.

The committee has not changed its view about the importance of the JSF program, or about the need to modernize our aviation forces. However, the committee, believes that it would be inappropriate to leave a portion of the JSF EMD funds unused when other programs could make better use of the funds. Funds in the EMD program lines would likewise be unavailable to the program until a decision is made. This situation could require the contractor teams to invest private funds in the program pending a decision, a situation that the committee has consistently opposed. The recommendation involves shifting funds to PE 63800N and PE 63800F sufficient to support program office and contractor team activities until a decision is made.

Evolved expendable launch vehicle

The budget request included $320.3 million for the Evolved Expendable Launch Vehicle (EELV) program. The committee continues to support the development of composite materials manufacturing and processing technologies for space launch structures, such as payload fittings and fairings, to improve the performance and lower the cost of U.S. space launch. The committee directs that of the funds available for EELV, $3.8 million shall be available for composite materials manufacturing.

F–15E squadrons

The budget request included $101.4 million in PE 27134F for continued operational systems development of the F–15 aircraft, but included no funds to begin F–15 integration tasks that would lead to replacing aging identification friend or foe (IFF) equipment.

The current IFF systems are exhibiting high failure rates and are becoming an increasingly difficult burden on aircraft maintenance crews. The Air Force believes that there are commercial, off-the-shelf (COTS) non-developmental items available to replace the current IFF system. However, there are a number of integration and testing tasks that the Air Force will need to complete before they will be ready to purchase new IFF systems for the F–15.

The Air Force estimates that it will not be able to buy spare parts for the current systems starting in fiscal year 2004. The Air Force needs to begin necessary integration tasks in fiscal year 2002 to be ready to begin production and installation of a new system in fiscal year 2004.

Therefore, the committee recommends an increase of $8.4 million in PE 27134F to integrate and test a replacement for the current F–15 IFF system.

Cyber security research

The budget request included $7.9 million in PE 33140F for information systems security. The committee notes the critical role that this type of research will play in combating future asymmetric threats, including global cyber-terrorist threats. The committee further notes the lead role that the Air Force and its research laboratories and systems centers play in developing the technologies to detect and combat cyber threats. The committee recommends an increase of $5.0 million for research on computer system vulnerabilities and threats, including intrusion detection, identification of mailicous code, cyber forensics, damage assessment, and vulnerability analyses.

Spacelift range system

The budget request included $65.1 million in PE 35182F for Air Force spacelift range systems. The committee recommends an increase of $18.0 million to improve range safety and operations by reducing reliance on antiquated and manpower intensive systems and eliminating potential launch delays. Making the improvements is the Air Force's highest priority on its list of unfunded priorities in fiscal year 2002.

As part of its Range Standardization and Automation project, the Air Force is moving from analog to digital telemetry. The increase recommended by the committee would help accelerate this transition and restore the project to its original 2004 schedule. In addition, this increase would accelerate work on electronic range scheduling and video surveillance systems. These systems will allow faster, more accurate launch scheduling and faster launch turnaround times, which will make the ranges and facilities available to more users. These upgrades will allow the ranges to operate more efficiently and reduce user costs.

Dragon U–2

The budget request included $32.8 million in PE 35202F for continued operational systems development of the U–2 reconnaissance aircraft, but included no funding for the continued polarimetric preplanned product improvement program for the Senior Year electro-optic reconnaissance system (SYERS). This system is designed to defeat potential enemy camouflage, concealment, and deception techniques. The committee recommends an increase of $4.0 million in PE 35202F to provide an operational demonstration of the polarimetric preplanned product improvement version of SYERS on the U–2 aircraft, a total authorization of $36.8 million.

Global Hawk high-altitude endurance unmanned aerial vehicle

The budget request included $190.2 million in PE 35205F for operational systems development of endurance unmanned aerial vehicle (EUAV) systems, of which $184.2 million is for engineering and manufacturing development of the RQ–4A Global Hawk high-altitude endurance unmanned aerial vehicle (HAE UAV).

The Global Hawk spiral development plan has been designed to improve the vehicle to carry imagery and signals intelligence (SIGINT) sensors that would match the capability provided by the

U–2 aircraft and its sensors. The committee is encouraged by the recent Defense Department decision to accelerate the development and fielding of the Global Hawk.

Under this new plan, the Air Force would begin producing newer air vehicles in fiscal year 2003. These vehicles would provide more electrical generating capability, greater cooling ability, and larger payloads. The plan would also have the Air Force begin integrating the high band subsystem (HBSS) of the joint signals intelligence architecture family (JSAF) into the improved Global Hawk during fiscal year 2003.

The committee understands that conducting a demonstration of this capability could reduce the risk of such an integration effort and yield a better understanding of future concepts of operations. Although some have suggested that such a demonstration might be conducted overseas to support a regional combatant commander, the committee believes otherwise. The Air Force should conduct such a demonstration under controlled test situations using ranges within the continental United States. Such a demonstration, with more readily verifiable results, could lead to accelerated fielding of improved SIGINT capability.

The committee recommends an increase of $16.0 million in PE 35205F to: (1) begin integration of JSAF–HBSS into an existing Global Hawk HAE UAV; and (2) conduct a test to demonstrate the potential contributions of a Global Hawk carrying a SIGINT payload. If this demonstration were to prove successful, the committee expects that the results would serve as the basis for developing a validated requirement for a SIGINT payload for Global Hawk.

Spacetrack

The budget request included $32.6 million in PE 35910F for the Air Force for space surveillance survivability and space control. The committee recommends an increase of $8.0 million to modernize the space surveillance network and a decrease of $3.6 million that was included in the Spacetrack research and development budget request that should have been included in the procurement budget request. The $3.6 million is moved to Spacetrack procurement to purchase initial spares to support upgrades to the Ground Based Electro-Optical Deep Space Surveillance Sustainment (GEODSS). Thus, the committee recommends $37.0 million in PE 35910F.

The space surveillance network involves 31 optical, radar and passive radio frequency sensors world-wide to track objects in space, to notify U.S. forces of satellite flyovers, to provide satellite attack warnings and to improve situational awareness in space. The additional $8.0 million funds full power operations of the Cobra Dane radar facility consistent with the Space Surveillance task force recommendations and begins the small aperture telescope augmentation procurement for the GEODSS camera.

NUDET detection system

The budget request included $18.8 million in PE 35913F for the NUDET detection system. The committee recommends an additional $12.8 million to ensure the NUDET detection system is incorporated in the first Global Positioning System (GPS) block IIF

satellite, to retain the ability to process the signals from the gamma neutron sensors on the Defense Support Program (DSP) early warning satellites, and to ensure follow-on gamma neutron sensors are available. This item was included on the Air Force's list of unfunded priorities for fiscal year 2002.

The NUDET detection system provides the capability to detect, locate, and report nuclear detonations on a global basis in near real time. The sensors that make up the NUDET system include optical, x-ray, electromagnetic pulse, and dosimeter sensors. Currently, NUDET sensors fly on both GPS and the DSP satellites. The DSP satellite system will be replaced by new early warning satellites. During the transition period from DSP to the new satellites, the new control system that will be responsible for controlling the new early warning satellites will also control DSP through the end of its life. Without the increase recommended by the committee the new control system will not have the capability to receive the information provided by the NUDET sensors current on DSP satellites.

KC–135 research and development

The budget request included $5.4 million in PE 41218F for conducting research and development supporting the KC–135 strategic tanker fleet, including $3.0 million for KC–135 replacement analysis of alternatives (AoA).

The Commander in Chief, U.S. Transportation Command, testified before the committee this year on a number of transportation priorities. Among the analyses that he mentioned in his testimony were two efforts relating to the strategic tanker fleet: (1) the Tanker Requirements Study 2005; and (2) an Economic Service Life Study.

The Tanker Requirements Study 2005 is a companion to the Mobility Requirements Study–2005 (MRS–05), a study that was required to be submitted to the Congress by section 1034 of the National Defense Authorization Act for Fiscal Year 2000.

The Air Force has informed the committee that the KC–135 Economic Service Life Study consisted of studies for structure, systems, and component support as well as cost benefit analyses to support an AOA. The Air Force says that this AOA would address a replacement for the KC–135 based on economic decision points and requirements for the tanker fleet.

The services are operating aircraft fleets that are increasing in terms of average age. Each of the services has indicated that supporting this aging population is causing exorbitant annual increases in operation and maintenance funding. One of the aircraft categories cited most frequently is the strategic tanker fleet, consisting primarily of KC–135 tankers. Air Force officials cite anecdotal evidence of very much longer programmed depot maintenance (PDM) cycle times as evidence of the problem.

A recent report by the Congressional Budget Office (CBO) called into question this generally-accepted assertion that the aging aircraft fleet is absorbing an accelerating portion of the budget. There have also been indications that at least part of the problem contributing to increased KC–135 PDM cycle times is maintenance management policy. There have been reports that aircraft will be

parked awaiting maintenance and that those "parked" days are then charged to the PDM overhead.

The committee believes that there are increases associated with supporting aging aircraft. However, despite repeated attempts to get the Air Force to provide the Tanker Requirements Study 2005 and the Economic Service Life Study, the Air Force has refused.

The committee cannot agree to support new initiatives such as this one when the service is unwilling to respond to a legitimate request for information. Therefore, the committee recommends a decrease of $3.0 million in PE 41218F for the follow-on tanker study activities.

Defense-Wide

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		RESEARCH, DEVELOPMENT, TEST & EVAL, DEFWIDE			
1	0601101D8Z	In-House Laboratory Independent Research	2,097	0	2,097
2	0601101E	Defense Research Sciences	121,003	0	121,003
3	0601103D8Z	University Research Initiatives	240,374	5,000	245,374
		National Nanotechnology Initiative		[5,000]	
4	0601105D8Z	Force Health Protection	26,952	0	26,952
5	0601108D8Z	High Energy Laser Research Initiatives	11,877	0	11,877
6	0601111D8Z	Government/Industry Cosponsorship of University Research	3,421	0	3,421
7	0601114D8Z	Defense Experimental Program to Stimulate Competitive Research	9,901	0	9,901
8	0601384BP	Chemical and Biological Defense Program	39,066	0	39,066
9	0602110E	Next Generation Internet	0	0	0
10	0602173C	Support Technologies - Applied Research	0	0	0
11	0602227D8Z	Medical Free Electron Laser	14,660	0	14,660
12	0602228D8Z	Historically Black Colleges and Universities (HBCU) Science	14,484	0	14,484
13	0602234D8Z	Lincoln Laboratory Research Program	21,969	0	21,969
14	0602301E	Computing Systems and Communications Technology	382,294	0	382,294
15	0602302E	Embedded Software and Pervasive Computing	75,561	0	75,561
16	0602383E	Biological Warfare Defense	140,080	0	140,080
17	0602384BP	Chemical and Biological Defense Program	125,481	7,500	132,981
		Chem Bio Regenerative Air Filtration System		[2,000]	
		Mustard Gas Antidote		[1,000]	
		WMD Response Planning Models		[1,000]	
		Bioinformatics Program		[1,500]	
		Fluorescence-based Chem Bio Point Detectors		[2,000]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
18	0602702E	Tactical Technology	173,885	0	173,885
19	0602708E	Integrated Command and Control Technology	0	0	0
20	0602712E	Materials and Electronics Technology	358,254	6,500	364,754
		Detection and Destruction of CW - Nanotechnology		[1,500]	
		Fabrication of 3D Structures		[2,000]	
		Nanomaterials for Frequency Tunable Devices		[3,000]	
21	0602715BR	Nuclear Sustainment & Counterproliferation Technologies	295,132	3,000	298,132
		0.25/0.18 Micrometer Radiation Hardening Process		[3,000]	
22	0602787D8Z	Medical Technology	8,971	0	8,971
23	0602890D8Z	High Energy Laser Research	36,005	0	36,005
24	0305108K	Command and Control Research	0	0	0
25	0603002D8Z	Medical Advanced Technology	2,086	0	2,086
26	0603104D8Z	Explosives Demilitarization Technology	8,815	0	8,815
27	0603121D8Z	SO/LIC Advanced Development	8,799	0	8,799
28	0603122D8Z	Combating Terrorism Technology Support	42,243	25,000	67,243
		Aerogel Chem Bio Detectors		[3,000]	
		Blast Mitigation Testing		[7,000]	
		Device Pre-Detonation Technologies		[2,000]	
		Electrostatic Decontamination System		[8,000]	
		Standoff Detection of Explosives		[5,000]	
29	0603160BR	Counterproliferation Advanced Development Technologies	89,772	0	89,772
30	0603173C	Support Technologies - Advanced Technology Development	0	0	0
31	0603174C	Space Based Laser (SBL)	0	0	0
32	0603175C	Ballistic Missile Defense Technology	112,890	0	112,890

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
33	0603225D8Z	Joint DoD-DoE Munitions Technology Development	19,178	0	19,178
34	0603232D8Z	Automatic Target Recognition	7,716	0	7,716
35	0603285E	Advanced Aerospace Systems	153,700	9,000	162,700
		Accelerate Navy Version of UCAV		[9,000]	
36	0603384BP	Chemical and Biological Defense Program - Advanced Development	69,249	7,000	76,249
		Safeguard		[7,000]	
37	0603704D8Z	Special Technical Support	11,019	2,000	13,019
		Complex Systems Design (MULTIVIEW)		[2,000]	
38	0603711BR	Arms Control Technology	52,474	0	52,474
39	0603712S	Generic Logistics R&D Technology Demonstrations	30,373	2,000	32,373
		Competitiveness Sustainment Initiative		[2,000]	
40	0603716D8Z	Strategic Environmental Research Program	69,376	0	69,376
41	0603727D8Z	Joint Warfighting Program	7,613	0	7,613
42	0603728D8Z	Agile Port Demonstration	0	0	0
43	0603738D8Z	Cooperative DoD/VA Medical Research	0	0	0
44	0603739E	Advanced Electronics Technologies	177,264	0	177,264
45	0603750D8Z	Advanced Concept Technology Demonstrations	148,917	0	148,917
46	0603755D8Z	High Performance Computing Modernization Program	188,376	0	188,376
47	0603760E	Command, Control and Communications Systems	117,451	0	117,451
48	0603762E	Sensor and Guidance Technology	203,095	0	203,095
49	0603763E	Marine Technology	41,497	0	41,497
50	0603764E	Land Warfare Technology	153,067	11,000	164,067
		Unmanned Ground Combat Vehicles (FCS)		[11,000]	
51	0603765E	Classified DARPA Programs	142,395	0	142,395

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
52	0603781D8Z	Software Engineering Institute	21,091	0	21,091
53	0603805S	Dual Use Application Programs	0	0	0
54	0603826D8Z	Quick Reaction Projects	25,000	0	25,000
55	0603832D8Z	Joint Wargaming Simulation Management Office	45,065	0	45,065
56	0603924D8Z	High Energy Laser Advanced Technology Program	16,005	0	16,005
57	0605160D8Z	Counterproliferation Support	1,781	0	1,781
58	0303132G	Global Grid Communications	[ ]	[ ]	0
59	0603228D8Z	Physical Security Equipment	33,543	0	33,543
60	0603709D8Z	Joint Robotics Program	11,302	0	11,302
61	0603714D8Z	Advanced Sensor Applications Program	15,780	0	15,780
62	0603736D8Z	CALS Initiative	1,614	0	1,614
63	0603851D8Z	Environmental Security Technical Certification Program	25,314	5,000	30,314
		UXO Remediation		[5,000]	
64	0603861C	Theater High-Altitude Area Defense System - TMD - Dem/Val	0	0	0
65	0603868C	Navy Theater Wide Missile Defense System	0	0	0
66	0603869C	Meads Concepts - Dem/Val	0	0	0
67	0603870C	Boost Phase Intercept Theater Missile Defense Acquisition - Dem/Val	0	0	0
68	0603871C	National Missile Defense - Dem/Val	0	0	0
69	0603872C	Joint Theater Missile Defense - Dem/Val	0	0	0
70	0603873C	Family of Systems Engineering and Integration (FoS E&I)	0	0	0
71	0603874C	BMD Technical Operations	0	0	0
72	0603875C	International Cooperative Programs	0	0	0
73	0603876C	Threat and Countermeasures	0	0	0
74	0603880C	Ballistic Missile Defense System Segment	779,584	(204,000)	575,584

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		BMDO-wide Systems Engineering & Architecture	0	[-33,000]	0
		BMDO-wide Modeling & Simulation	0	[-49,000]	0
		BMDO-wide Test Support	0	[-55,000]	0
		Program-wide Test & Evaluation	0	[-67,000]	0
		Atmospheric Intercept Technology (AIT) (Fence--Non-add)	0	[10,000]	0
75	0603881C	Ballistic Missile Defense Terminal Defense Segment	988,180	(147,938)	840,242
		Ground-based Terminal		0	0
		THAAD	[909,242]	[-210,000]	[699,242]
		Arrow	[65,000]	[76,000]	[141,000]
		Sea-based Terminal	[0]	0	0
		Program Operations	[13,938]	[-13,938]	[0]
76	0603882C	Ballistic Missile Defense Midcourse Defense Segment	3,940,534	(677,000)	3,263,534
		Ground-based Midcourse	[3,230,725]	0	[2,900,725]
		Block 2006 Ground-based Midcourse System	0	[-240,000]	0
		2004 Testbed Testing	0	[-90,000]	0
		Sea-based Midcourse	0	0	0
		Navy Theater-Wide	[596,000]	0	[249,000]
		Interceptors for Contingency Deployment	0	[-100,000]	0
		Concept Definiton	0	[-50,000]	0
		Radar Risk Reduction Effort	0	[-87,000]	0
		AEGIS LEAP Interceptor Testing	0	[-110,000]	0
		Systems Engineering & Integration	[44,000]	0	[44,000]
		Program Operations	[69,809]	0	[69,809]
		Thermionic Technology (Fence--Non-add)		[8,000]	0

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Magdelena Ridge Observatory (Fence--Non-add)		[9,000]	
		Short Range Missile Defense - Optimal Radar Distribution (SWORD) (Fence--Non-add)	0	[1,900]	0
		Tactical High Energy Laser (THEL) (Fence--Non-add)	0	[9,000]	0
		Software Defined Radio (Fence--Non-add)	0	[5,000]	0
		Patriot Ground Equipment (Fence--Non-add)	0	[7,600]	0
		Aerostat Design & Manufacturing (ADAM) for CMD (Fence--Non-add)	0	[3,800]	0
		SMDC Advanced Research Center (Fence--Non-add)	0	[8,000]	0
		Space and Missile Defense Battlelab (Fence--Non-add)	0	[11,000]	0
		Airborne IR Surv. System (AIRS) (Fence--Non-add)	0	[8,000]	0
		Excalibur/Scorpius Liquid Fueled Target (Fence--Non-add)	0	[15,000]	0
		Bottom Anti-reflective Coatings (BARC) (Fence--Non-add)	0	[2,500]	0
		Ultra-flat Planarization (Fence--Non-add)	0	[7,500]	0
77	0603883C	Ballistic Missile Defense Boost Defense Segment	685,363	(163,000)	522,363
		Sea-based Boost Segment	[50,000]	[-40,000]	[10,000]
		Air-based Boost Segment	0	0	
		Airborne Laser	[410,000]	0	[330,000]
		Long Lead Materials for Full Power ABL	0	[-10,000]	0
		Spare Parts & Support Excess to FY 03 Test Program Needs	0	[-70,000]	0
		Space-based Boost Segment	0	0	0
		Space-based Laser	[170,000]	[-28,000]	[142,000]
		Space-based Kinetic Kill	[20,000]	[-15,000]	[5,000]
		Systems Engineering & Integration	[15,000]	0	[15,000]
		Program Operations	[20,363]	0	[20,363]
78	0603884BP	Chemical and Biological Defense Program - Dem/Val	82,636	0	82,636

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
79	0603884C	Ballistic Missile Defense Sensors	495,600	(96,602)	398,998
		Space Sensors		0	0
		SBIRS-Low	[384,799]	[-96,602]	[288,197]
		Russian-American Observation Satellites (RAMOS)	[75,342]	0	[75,342]
		Systems Engineering & Integration	[10,000]	0	[10,000]
		Test & Evaluation	[15,000]	0	[15,000]
		Program Operations	[10,459]	0	[10,459]
80	0603892D8Z	ASAT	0	0	0
81	0603920D8Z	Humanitarian Demining	13,512	0	13,512
82	0603923D8Z	Coalition Warfare	12,943	0	12,943
83	0604722D8Z	Joint Service Education and Training Systems Development	0	0	0
84	0901585C	Pentagon Reservation	0	0	0
85	0604384BP	Chemical and Biological Defense Program - EMD	159,943	0	159,943
86	0604709D8Z	Joint Robotics Program - EMD	13,197	0	13,197
87	0604764K	Advanced IT Services Joint Program Office (AITS-JPO)	14,254	0	14,254
88	0604771D8Z	Joint Tactical Information Distribution System (JTIDS)	16,572	0	16,572
89	0604805D8Z	Commercial Operations and Support Savings Initiative	0	0	0
90	0604861C	Theater High-Altitude Area Defense System - TMD - EMD	0	0	0
91	0604865C	Patriot PAC-3 Theater Missile Defense Acquisition - EMD	0	0	0
92	0604867C	Navy Area Theater Missile Defense - EMD	0	0	0
93	0605013BL	Information Technology Development	2,469	0	2,469
94	0605013D8Z	Information Technology Development	0	0	0
95	0605014S	Information Technology Development (DHRA)	0	0	0
96	0605014SE	Information Technology Development	0	0	0

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
97	0605015BL	Information Technology Development-Standard Procurement System (SPS)	9,747	0	9,747
98	0605016D8Z	Financial Management Modernization Program	100,000	0	100,000
99	0303129K	Defense Message System	11,423	0	11,423
100	0303140K	Information Systems Security Program	11,767	0	11,767
101	0303141K	Global Combat Support System	16,483	0	16,483
102	0305840K	Electronic Commerce	25,519	0	25,519
103	0603858D8Z	Unexploded Ordnance Detection and Clearance	1,165	0	1,165
104	0604943D8Z	Thermal Vicar	5,952	0	5,952
105	0605104D8Z	Technical Studies, Support and Analysis	33,805	0	33,805
106	0605110BR	Critical Technology Support	3,313	0	3,313
107	0605114E	BLACK LIGHT	5,000	0	5,000
108	0605116D8Z	General Support to C3I	21,061	0	21,061
109	0605117D8Z	Foreign Materiel Acquisition and Exploitation	31,951	0	31,951
110	0605123D8Z	Interagency Export License Automation	10,559	0	10,559
111	0605124D8Z	Defense Travel System	29,955	0	29,955
112	0605126J	Joint Theater Air and Missile Defense Organization	26,865	0	26,865
113	0605128D8Z	Classified Program USD(P)	0	0	0
114	0605130D8Z	Foreign Comparative Testing	30,907	0	30,907
115	0605160BR	Counterproliferation Support	0	0	0
116	0605384BP	Chemical and Biological Defense Program	31,276	0	31,276
117	0605502D8Z	Small Business Innovative Research	0	0	0
118	0605502E	Small Business Innovative Research	0	0	0
119	0605710D8Z	Classified Programs - C3I	56,653	(40,000)	16,653
		Transfer to O&M, DW -- Information Assurance Scholarship Program		[-1,500]	

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Transfer to O&M, DW -- Other OSD Programs		[-30,500]	
		Transfer to RDDW 108 -- General Support to C3I		[-8,000]	
120	0605790D8Z	Small Business Innovation Research/Challenge Administration	2,068	0	2,068
121	0605798S	Defense Technology Analysis	5,109	0	5,109
122	0605801K	Defense Technical Information Services (DTIC)	44,228	0	44,228
123	0605803S	R&D in Support of DoD Enlistment, Testing and Evaluation	0	0	0
124	0605803SE	R&D in Support of DoD Enlistment, Testing and Evaluation	8,834	0	8,834
125	0605804D8Z	Development Test and Evaluation	46,382	0	46,382
126	0605898E	Management Headquarters (Research and Development) DARPA	36,937	0	36,937
127	0901585C	Pentagon Reservation	6,571	0	6,571
128	0901598C	Management Headquarters-BMDO	27,758	0	27,758
129	0604805D8Z	Commercial Operations and Support Savings Initiative	10,805	0	10,805
130	0605127T	Partnership for Peace (PfP) Information Management System	1,922	0	1,922
131	0208045K	C4I Interoperability	41,389	0	41,389
132	0208052J	Joint Analytical Model Improvement Program	12,163	0	12,163
133	0300205R	Information Technology Systems	550	0	550
134	0301011G	Cryptologic Activities	[ ]	1,000	1,000
135	0301301L	General Defense Intelligence Program	[ ]	60,000	60,000
136	0301398L	Management Headquarters GDIP, DIA	[ ]	[ ]	0
137	0302016K	National Military Command System-Wide Support	1,014	0	1,014
138	0302019K	Defense Info Infrastructure Engineering and Integration	6,544	0	6,544
139	0303126K	Long Haul Communications (DCS)	10,744	0	10,744
140	0303127K	Support of the National Communications System	4,968	0	4,968
141	0303131K	Minimum Essential Emergency Communications Network (MEECN)	6,988	0	6,988

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
142	0303140G	Information Systems Security Program	414,844	0	414,844
		Regional Pilot Program for Infrastructure Protection (Fence--Non-add)		[5,000]	
143	0303149J	C4I for the Warrior	9,622	0	9,622
144	0303149K	C4I for the Warrior	0	0	0
145	0303153K	Joint Spectrum Center	8,849	0	8,849
146	0303610K	Teleport Program	14,371	0	14,371
147	0304210BB	Special Reconnaissance Capabilities (SRC) Program	4,422	0	4,422
148	0304345BQ	National Imagery and Mapping Program	[ ]	10,000	10,000
149	0305102BQ	Defense Imagery and Mapping Program	115,209	4,000	119,209
		Broadcast-request Imagery Technology Development (BRITE)		[3,000]	
		Intelligence Spatial Technologies for Smart Maps		[1,000]	
150	0305127V	Foreign Counterintelligence Activities	664	0	664
151	0305146D8Z	Defense Joint Counterintelligence Program (JMIP)	5,977	0	5,977
152	0305190D8Z	C3I Intelligence Programs	10,552	0	10,552
153	0305191D8Z	Technology Development	40,000	(5,000)	35,000
		Transfer to RDDW 161a -- Joint Electromagnetic Technology Program		[-5,000]	
154	0305202G	Dragon U-2 (JMIP)	4,019	0	4,019
155	0305206G	Airborne Reconnaissance Systems	16,515	0	16,515
156	0305207G	Manned Reconnaissance Systems	4,556	0	4,556
157	0305208BQ	Distributed Common Ground Systems	[ ]	[ ]	0
158	0305208G	Distributed Common Ground Systems	[ ]	[ ]	0
159	0305208L	Distributed Common Ground Systems	1,006	0	1,006
160	0305884L	Intelligence Planning and Review Activities	[ ]	[ ]	0
161	0305885G	Tactical Cryptologic Activities	105,455	0	105,455

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
161a	0305889D8Z	Joint Electromagnetic Technology Program		5,000	5,000
		Transfer from RDDW 153 -- Technology Development		[5,000]	
162	0305889G	Counterdrug Intelligence Support	0	0	0
163	0708011S	Industrial Preparedness	17,544	0	17,544
164	0902298J	Management Headquarters (OJCS)	11,312	0	11,312
165	0902740J	Joint Simulation System	0	0	0
166	1160279BB	Small Business Innovative Research/Small Bus Tech Transfer Pilot Prog	0	0	0
167	1160401BB	Special Operations Technology Development	0	0	0
168	1160402BB	Special Operations Advanced Technology Development	0	0	0
169	1160404BB	Special Operations Tactical Systems Development	0	0	0
170	1160405BB	Special Operations Intelligence Systems Development	0	0	0
171	1160407BB	SOF Medical Technology Development	0	0	0
172	1160408BB	SOF Operational Enhancements	85,109	0	85,109
173	1160444BB	SOF Acquisition	252,334	(1,900)	250,434
		CV-22 Development		[-1,900]	
999D		Classified Programs	1,829,938	0	1,829,938
		Total, RDT&E Defense-Wide	15,050,787	(1,172,440)	13,878,347
		DEVELOPMENTAL TEST & EVAL, DEFENSE			
1	0604940D8Z	Central Test and Evaluation Investment Development (CTEIP)	0	0	0
2	0605130D8Z	Foreign Comparative Testing	0	0	0
3	0605804D8Z	Development Test and Evaluation	0	0	0

Title II-RDT and E
(Dollars in Thousands)

Line No.	Program Element	Program Title	FY2002 Request	Change	Recommended
		Total, Developmental Test & Evaluation, Defense	0	0	0
		OPERATIONAL TEST & EVAL, DEFENSE			
1	0603941D8Z	Test, Evaluation Science and Technology	16,000	0	16,000
2	0604940D8Z	Central Test and Evaluation Investment Development (CTEIP)	113,642	4,000	117,642
		Digital Imagery Systems		[4,000]	
3	0605118D8Z	Operational Test and Evaluation	17,379	0	17,379
4	0605131D8Z	Live Fire Testing	9,887	0	9,887
5	0605804D8Z	Development Test and Evaluation	59,447	0	59,447
6	0605806D8Z	Implementing DSB Recommendations	1,000	0	1,000
		Total, Operational Test & Evaluation, Defense	217,355	4,000	221,355
		Total RDT&E	47,429,433	(813,598)	46,615,835

Ballistic missile defense funding adjustments

The committee's adjustments to the funding request for ballistic missile defense programs are discussed below.

Boost defense segment

The budget request included $685.4 million in PE 63883C for boost phase defense programs, of which $20.0 million was for Space-Based Kinetic Kill, $50.0 million was for Sea-Based Boost, $170.0 million was for Space-Based Laser, $410.0 million was for Airborne Laser, and $35.4 million was for systems engineering and integration and program operations.

Space-based kinetic kill

The budget request included $20.0 million in PE 63883C to begin concept of operations, concept definition and experiment design work on a Space-Based Kinetic Kill program. The committee believes that $20.0 million is a large amount to spend on such preliminary design activities. Therefore, the committee recommends a maximum of $5.0 million for Space-Based Kinetic concept definition.

Sea-based boost

The budget request included $50.0 million in PE 63883C for a new initiative intended to develop and test a new, fast booster design and conduct concept development and assessment of sea-based boost-phase intercept alternatives. However, the committee understands that the design of the new booster does not yet exist, and that the Navy has not been involved in the conceptual design process. Boost-phase technology is extremely challenging, and since boost-phase hardware does not yet exist, it is unlikely that actual tests of such hardware would be warranted or possible in the first year of such an initiative. Therefore, the committee recommends a maximum of $10.0 million for sea-based boost concept definition, and urges the Ballistic Missile Defense Organization (BMDO) to involve the Navy in sea-based boost concept development before proceeding further.

Space-based laser

The budget request included $170.0 million in PE 63883C to continue and accelerate development of a Space-Based Laser. This program aims to conduct a technology demonstration experiment in fiscal year 2012. However, since the program is more than twelve years away from the first technology demonstration, the committee does not consider such acceleration warranted. Therefore, the committee recommends a reduction of $28.0 million, the amount added for program acceleration.

Airborne laser

The budget request included $410.0 million in PE 63883C for Airborne Laser (ABL). The request included funding for procurement of long-lead materials for a full-power ABL demonstration as early as 2008. The committee is concerned that procurement of long-lead materials for a demonstration over six years away is premature. Half-power ABL testing is not scheduled until fiscal year

2003, and prior to the results of those tests, the performance of the half-power ABL will not be known. Furthermore, even if the half-power ABL tests are successful, the program still must demonstrate the ability to scale the laser components up to the full-power system. The program is currently struggling to overcome concerns over the laser system's weight, which, if not controlled, will diminish the viability of the full-power ABL. Therefore, the committee recommends a decrease of $10.0 million, the cost of the long-lead materials for the full-power ABL aircraft.

The budget request also included significant funding for spare parts procurement for the ABL test aircraft. However, the committee believes that funding of spare parts is not warranted for a program at this early stage of development. Therefore, the committee recommends a reduction of $70.0 million for the cost of the spare parts and other support activities not directly related to the fiscal year 2003 ABL test program.

Midcourse defense segment

The budget request included $3.9 billion in PE 63882C for the Midcourse Defense Segment, of which $3.2 billion was for the ground-based midcourse system (the former National Missile Defense program), $596.0 million was for Navy Theater-Wide (Sea-based Midcourse), $44.0 million was for Systems Engineering and Integration, and $69.8 million was for Program Operations.

Navy theater-wide

The budget request included $596.0 million in PE 63882C for the Navy Theater-Wide program. Of this funding, $100.0 million was to initiate procurement of extra interceptors to support a possible "contingency deployment" of the system in 2004. The proposed interceptor procurement would start prior to the completion of the ambitious series of intercept tests of the system, planned for fiscal year 2002. Moreover, problems with the Navy Theater-Wide interceptor divert system, which is critical to the interceptor's ability to hit a target, call into question the reliability and affordability of the interceptor design. Therefore, the committee believes it would be unwise to procure extra interceptors at this time, and recommends a reduction of $100.0 million for that purpose.

The budget request included $60.0 million for concept definition for the Navy Theater-Wide program. It is not clear to the committee why this much funding is required for concept definition work. Therefore, the committee recommends a reduction of $50.0 million for Navy Theater-Wide concept definition.

The budget request included $177.0 million for Block II risk reduction efforts, including funds for both S-band and X-band radar technology. The committee is encouraged that the Department of Defense is funding radar technology work for the Navy Theater-Wide program, but is concerned that the Ballistic Missile Defense Organization (BMDO) has not yet decided which radar technology is best suited for ballistic missile defense.

In a briefing provided to the committee in February 2001, Rear Admiral John Morgan, BMDO Deputy for Acquisition Strategy, stated that the BMDO recommended X-band radar technology for Navy Theater-Wide. In a briefing to the committee on July 27,

2001, Lieutenant General Ronald Kadish, Director of the Ballistic Missile Defense Organization, stated that "we have not changed our point of view over the value of X-band" because "in order to do the countermeasure problem you are going to need the kind of fine discrimination capability afforded by the X-band."

Therefore, the committee recommends a reduction of $87.0 million for Navy Theater-Wide radar risk reduction efforts. The committee urges the BMDO to focus the remaining $90.0 million on the radar technology that the BMDO determines is best suited for ballistic missile defense.

The budget request included $260.0 million for Aegis Leap Intercept (ALI) testing of the Block I Navy Theater-Wide interceptor in fiscal year 2002. The committee is encouraged by the strong testing focus, but is concerned about the large increase in the funding for the ALI test program—almost double what was planned last year for fiscal year 2002. A total of five flight tests are planned in 2002 alone. This is a large number for any ballistic missile defense program—more than any other such program has achieved in a single year. Furthermore, the Block I interceptor has had developmental problems that have called into question the reliability and producibility of the interceptor's divert system, which is critical to the missile's ability to hit a target. As such, the likelihood of successfully conducting all five planned flight tests in fiscal year 2002 seems remote. Therefore, the committee recommends a reduction of $110.0 million for the Aegis Leap Interceptor testing program.

Earlier this year, BMDO representatives briefed the committee on the results of a BMDO-led study that determined the optimal path to pursue for Navy Theater-Wide was to focus efforts on the more capable Block II system. This determination was based on concerns that the Block I system did not adequately address the likely threat, and that the limited planned quantities of Block I missiles added little military value. Furthermore, the study stated that if the Block I effort was not pursued, the Block II system could be accelerated by two years and $3.8 billion could be saved over the life of the program.

The results of the BMDO study are consistent with a report issued in 1998 by an independent review panel led by General Larry Welch, which was set up by the BMDO and the Director, Operational Test and Evaluation to investigate ballistic missile defense test programs. The panel's report, entitled "Reducing Risk in Ballistic Missile Defense Test Programs," recommended that ballistic missile defense programs not try to deploy minimal operational capabilities early, since "regardless of the desire for 'early' capability, this approach is unlikely to be productive for programs of this complexity . . . the drive for early capability is proving to be counterproductive."

Therefore, the committee directs the Secretary of Defense to submit a report to the congressional defense committees no later than April 30, 2002 on the Department's ultimate plans for the Navy Theater-Wide system. The report should indicate whether the Department still plans on pursuing a Block I variant of the system, and if so, provide technical and force structure details on Block I and a quantitative analysis as to the military value of Block I. The report should also specify the planned date of deployment of the ob-

jective (Block II) Navy Theater-Wide system, the technical characteristics of the objective system (e.g., radar and missile type and performance), and the total planned objective force structure of ships and missiles. The report should also provide year-by-year and total life cycle cost estimates for the objective system and separate year-by-year and total life cycle costs for any planned Block I system.

Ground-based midcourse system

The budget request included $2.4 billion in PE 63882C for the Block 2006 Ground-Based Midcourse system, formerly known as the National Missile Defense system. This represents a substantial, 32 percent increase over the fiscal year 2001 level of $1.8 billion. However, the Department of Defense has yet to commit to the Ground-Based Midcourse system as part of the national missile defense architecture or to specify the requirements and the schedule for the system. Given the uncertainties in the Department's missile defense plans, the committee recommends a reduction of $240.0 million in PE 63882C for the Block 2006 Ground-Based Midcourse system, which still represents a funding increase of 20 percent over last year's level.

2004 testbed testing

The budget request included $786.5 million in PE 63882C for the new, Block I midcourse testbed, scheduled to be completed in 2004. Included in the request for the testbed was $98.5 million for the actual Block I test program. However, since the testbed has not yet been constructed, substantial funding will not be needed in fiscal year 2002 for the test program. Therefore, the committee recommends a reduction of $90.0 million, leaving $8.5 million for Block I midcourse test program planning.

Sensors segment

The budget request included $495.6 million in PE 63884C for the Sensors Segment, of which $384.8 million was for Space-Based Infra-Red System, Low Component (SBIRS-Low), $75.3 million was for the Russian-American Observation Satellite (RAMOS) program, and $35.4 million was for Systems Engineering, Test and Evaluation, and Program Operations.

Space-based infra-red system, low component

The budget request included $384.8 million in PE 63884C for the SBIRS-Low program, which is being designed primarily to support the National Missile Defense (NMD) mission by tracking and discriminating incoming warheads from decoys during their midcourse phase of flight. The requested funding for SBIRS-Low would accelerate deployment of the full constellation of SBIRS-Low satellites to fiscal year 2011.

SBIRS-Low is a large, complex system of interlinked low-earth-orbit missile tracking satellites—a type of system never before developed. The technical risks associated with SBIRS-Low are not trivial, nor are the expected costs for the program, rough estimates of which currently approach $20.0 billion. The committee is concerned about emerging cost growth for the SBIRS-Low system and

a lack of consensus within the Department of Defense as to what the ultimate SBIRS-Low requirements, architecture, and design will be.

A joint BMDO/Program Analysis and Evaluation study is currently underway to determine the contributions SBIRS-Low could make toward the NMD mission, and whether there might be other, more cost effective ways to obtain the tracking and discrimination data SBIRS-Low is being designed to provide. The committee directs that the Secretary of Defense submit a report to the congressional defense committees on SBIRS-Low by March 31, 2002. This report should contain the following:

(1) an analysis of what essential national missile defense requirements the proposed SBIRS-Low system will fulfill, and what alternative systems (e.g., ground-based radars, laser radars, and/or other sensor platforms, including the Airborne Infrared Surveillance system (AIRS) being developed by the BMDO) could also fulfill such requirements;

(2) a quantitative assessment of the national missile defense system performance (e.g. threat missile leakage probability) without SBIRS-Low or any alternative system;

(3) a quantitative assessment of the national missile defense system performance with SBIRS-Low and with each alternative system;

(4) an estimate of the year-by-year costs of SBIRS-Low, and of each alternative system, beginning with fiscal year 2002, including all previous fiscal years and all fiscal years through deployment of a fully operational system;

(5) a risk assessment of SBIRS-Low, and of each alternative system; and

(6) a qualitative assessment of the strengths and weaknesses of SBIRS-Low and each alternative system.

The budget request included funding to award a new "program definition extension" contract to the two SBIRS-Low competitors. The committee believes that such a contract extension, as well as acceleration of the program, are both premature pending the outcome of the study and report discussed above. Furthermore, acceleration of the program is inadvisable as the Department has not yet decided upon the final design of the satellite, the overall system architecture, or the system cost. Moreover, this could result in buying satellites before full testing is completed, a strategy that might result in the need to replace numerous satellites at great expense. Therefore, the committee recommends a reduction of $96.6 million, the funding for the SBIRS-Low contract extensions.

Terminal segment

The budget request included $988.2 million in PE 63881C for the Terminal Defense Segment, of which $909.3 million was for the Theater High Altitude Area Defense (THAAD) program, $65.7 million was for the Arrow program, and $13.2 million was for Program Operations.

Theater high altitude area defense

The budget request included $909.3 million in PE 63881C for the THAAD program. This would fund THAAD development toward a

2006 First Unit Equipped (FUE), accelerate delivery of the first radar, and procure 10 additional prototype missiles to provide a "contingency capability" in fiscal year 2004. However, flight testing for THAAD is not scheduled to begin until fiscal year 2004. The committee supports the development of THAAD as the premier land-based upper-tier theater missile defense system, but believes that hasty procurement of a radar and prototype missiles two years prior to beginning flight testing is imprudent, and runs the risk of changing the focus from a well-managed THAAD program to establishing an early contingency capability with experimental missiles. A similar acquisition strategy caused a series of high-profile test failures for THAAD several years ago.

Partly as a result of the previous THAAD test problems, a panel was set up by BMDO and the Director, Operational Test and Evaluation to investigate ballistic missile defense test programs. The panel, led by General Larry Welch, issued a report in early 1998 entitled "Reducing Risk in Ballistic Missile Defense Test Programs." This report concluded that the THAAD program's "rush-to-failure" was caused in part by the decision to buy operational missiles early. It stated that aiming for an early operational capability "compromised the best practices for test missiles and the test program" and contributed to the early THAAD test failures.

Even if the 10 extra missiles function properly, the value of these missiles in an actual conflict would be minimal, since our potential adversaries have substantial short-range, theater ballistic missile arsenals that could easily overwhelm such a minimal inventory of defensive missiles.

The committee seeks to avoid a return to the failed strategy for THAAD, and also seeks to avoid buying missiles that are not fully tested and have doubtful military utility. Therefore, the committee recommends a reduction of $210.0 million, the cost to accelerate the radar and procure 10 extra prototype missiles.

Arrow

The budget request included $65.7 million in PE 63881C for the Arrow ballistic missile defense system. The Arrow program is the most advanced cooperative military project between the United States and Israel, and a joint program critical to the defense of Israel against existing and growing regional ballistic missile threats. The Arrow system could also help protect U.S. forces in the region during a conflict, and is intended to be interoperable with U.S. theater missile defense systems. It is essential that the Arrow program be upgraded to cope with evolving missile threats such as Iran's Shahab–3 missile and to be made interoperable with U.S. missile defense systems such as PAC–3, Navy Area Defense, THAAD, and Navy Theater-Wide. Therefore, the committee recommends an increase of $76.0 million to continue the Arrow System Improvement Program (ASIP) and for further joint interoperability efforts.

Terminal defense segment program operations

The budget request included $13.9 million in PE 63881C for terminal defense segment program operations. This funding is separate from the funding request for THAAD and Arrow, the only two

programs currently in the terminal defense segment. Since the committee understands that there is no work planned in fiscal year 2002 on any other terminal defense program besides THAAD and Arrow, it is not clear why funding is required for general terminal defense segment program operations. Therefore, the committee recommends a reduction of $13.9 million for this purpose.

Ballistic missile defense system

The budget request included $779.6 million in PE 63880C for the Ballistic Missile Defense (BMD) System program element. This program element funds a variety of BMDO-wide activities, including systems engineering and architecture, battle management, modeling and simulation, communications, and test and evaluation. None of these activities are specifically tied to a particular BMD program.

Most of the activities in this program element were funded in fiscal year 2001 at significantly lower levels. It is not clear to the committee that such substantial increases in these BMDO-wide activities are required, especially since so much funding was added in other program elements for similar tasks. For example, over $800.0 million was added to the Midcourse Segment program element for test and evaluation, systems engineering, and modeling and simulation.

Therefore, the committee recommends a reduction of $33.0 million for BMDO-wide systems engineering and architecture, a reduction of $49.0 million for BMDO-wide modeling and simulation, a reduction of $55.0 million for BMDO-wide test support, and a reduction of $67.0 million in Program-wide test and evaluation. This reduces funding for these efforts to the fiscal year 2001 level, plus inflation.

Ballistic missile defense advanced technology

The committee supports research and development of advanced technology for ballistic missile defense, and is concerned that the budget request for this work, $110.1 million in PE 63175C, is significantly lower than the 2001 level of $186.5 million. This is despite the large funding increase in other ballistic missile defense program elements. For example, the budget request increased funding for programs within PE 63882C, the Midcourse Defense Segment by more than $1.0 billion. The committee notes that a number of critical ballistic missile defense technology activities could be funded by transferring funds from lower-priority activities in PE 63882C. Specific recommendations are listed in the following paragraphs.

Thermionic technology

Thermionic power systems use highly efficient solid-state energy converters to transform heat directly into electricity, enabling more efficient, lighter and more reliable electrical power for space-based surveillance systems. The committee recommends that, of the funding authorized for PE 63882C, $8.0 million be used for thermionic technology development.

Magdalena Ridge Observatory

The Magdalena Ridge Observatory is a facility supporting missile defense testing at the White Sands Missile Range. The facility will be used to provide detailed images to enhance understanding of lethality and kill assessment during intercept tests for national missile defense, THAAD, and PAC–3 systems. The committee recommends that, of the funding authorized for PE 63882C, $9.0 million be used to procure three large telescopes and adaptive optics planned for the observatory.

Short-range missile defense

The Army Space and Missile Defense Command has conducted the Short-range missile defense With Optimal Radar Distribution (SWORD) technology development program for almost a decade to develop a radar capable of command guiding a hit-to-kill missile against short-range theater ballistic missiles and cruise missiles. Successful development of this technology could result in cost savings for missile defense, since command guided interceptors do not need an onboard sensor and guidance system. The committee recommends that, of the funding authorized for PE 63882C, $1.9 million be used for the SWORD program.

Tactical high energy laser

The Tactical High Energy Laser (THEL) program is an important joint program between the United States and Israel to develop a technology demonstrator to defeat short-range rocket and artillery attacks. The THEL demonstrator is undergoing field testing against live Katyusha rockets and artillery in flight. The current demonstrator configuration lacks mobility and thus deployability. Israel and the United States allocated funding in fiscal year 2001 to initiate a joint study of a mobile THEL (MTHEL) system. In light of past test successes and the desire to evaluate a mobile version of the system with much more operational utility for the United States and for Israel, the committee recommends that, of the funding authorized for PE 63882C, $9.0 million be used for the MTHEL program.

Software defined radio

Software defined radio (SDR) is a new technology that has the potential to solve problems of existing wireless communications systems, improve communication performance and reduce infrastructure and operating costs. Phases I and II of this program have already been funded under the BMDO Small Business Innovative Research budget. The committee recommends that, of the funding authorized for PE 63882C, $5.0 million be used for Phase III the Software Defined Radio program.

Patriot air and missile defense

The Patriot air and missile defense system is an important program that requires periodic upgrades to modernize and reduce the obsolescence of older components, while at the same time adding to the overall system's capability through programs such as PAC–3. The committee understands the Army is considering a program, a Patriot ground equipment Service Life Extension Program (SLEP),

that is intended to reduce the size of Patriot equipment, making the system more transportable, while reducing projected obsolescence.

The committee recommends that, of the funding authorized for PE 63882C, $7.6 million be used for Patriot ground equipment upgrades and life extension efforts.

Aerostat design and manufacturing

The Army is developing an aerostat surveillance platform called the Joint Land Attack Cruise Missile Defense Elevated Netted Sensor (JLENS) system. One potential problem for JLENS is the vulnerability of the aerostat to climatic conditions. The Aerostat Design and Manufacturing (ADAM) Program was created to facilitate the design and manufacture of affordable aerostats with improved performance and continuous availability. The committee recommends that, of the funding authorized for PE 63882C, $3.8 million be used for the ADAM Program.

Advanced research center

The Army Space and Missile Defense Command's Advanced Research Center (ARC) continues to be a premier facility which supports the nation's missile defense efforts. The ARC plans to expand its customer testbed capability, as well as augmenting the Integrated System Test Capability (ISTC), deemed critical to the National Missile Defense (NMD) Program. The committee recommends that, of the funding authorized for PE 63882C, $8.0 million be used for the ARC.

Space and missile defense battle lab

The Army Space and Missile Defense Battle Lab coordinates, conducts and participates in space and missile defense-related exercises, analysis efforts, and simulations for the Army and jointly with the other military services. Current capabilities include the Israeli testbed, which was jointly developed to provide missile defense simulation capability to Israel. The committee understands that the funding for the Space and Missile Defense Battle Lab proposed in the budget request was reduced significantly from the fiscal year 2001 level. In order to mitigate this decrease, the committee recommends that, of the funding authorized for PE 63882C, $11.0 million be used for the Space and Missile Defense Battle Lab.

Airborne infrared surveillance system

The Airborne Infrared Surveillance System (AIRS) will fulfill two ballistic missile defense missions. The first is to gather critical infrared signature data on foreign re-entry vehicles in their midcourse stage of flight, and the second is to downlink fire control solutions to interceptor platforms, such as Navy Theater-Wide. Variants of the AIRS could eventually be placed on long-endurance, high-altitude platforms to gather data similar to what the SBIRS-Low system will gather, for a small fraction of the cost of SBIRS-Low. The AIRS will be installed on a Gulfstream aircraft in early fiscal year 2002, and the BMDO plans to install it on the Global Hawk unmanned aerial vehicle. Without additional funding, however, the technical team supporting AIRS may have to be dis-

banded. The committee recommends that, of the funding authorized for PE 63882C, $8.0 million be used for the AIRS program.

Liquid fueled target program

The BMDO is pursuing a liquid fueled booster program to provide more threat-representative targets. Both the Scorpius low-cost launch program and the Excalibur low-cost reusable booster program are developing liquid fueled booster technology that is potentially applicable to the BMDO target program. Therefore, the committee recommends that of the funding authorized for PE 63882C, $15.0 million be used for the Excalibur and Scorpius concepts.

Bottom anti-reflective coatings for circuit boards

Bottom Anti-Reflective Coatings (BARC) are used for ultra high-density circuits to reduce the feature size on circuit boards. If the BARC program is successful, printed circuit cards could be reduced in size by as much as 40 percent, ultimately allowing the size and weight of computers in missile defense components, such as interceptors, to be reduced commensurately. The committee recommends that of the funding authorized for PE 63882C, $2.5 million be used for BARC.

Ultra-flat planarization technology

Ultra-flat planarization technology, once developed, will allow integrated circuits to have multiple levels of wiring using a process more efficient than the current chemical-mechanical process. This technology could also substantially outperform the current process, thereby ultimately enhancing the capacity of missile defense computing systems. The committee recommends that of the funding authorized for PE 63882C, $7.5 million be used for ultra-flat planarization technology.

Atmospheric interceptor technology

The Atmospheric Interceptor Technology (AIT) program objective is to identify, develop, integrate and test promising advanced lightweight component technology that can enhance the performance and reduce the cost of future interceptors. The AIT program has potential application across a number of different ballistic missile defense (BMD) systems. Therefore, the committee recommends that of the funding authorized for PE 63880C, the BMD System program element, $10.0 million be used for AIT.

National nanotechnology initiative

The budget request included $240.4 million in PE 61103D8Z for University Research Initiatives. The committee recognizes the importance of this program in performing revolutionary fundamental research in areas that will lead to the development of the next generation of military capabilities. In addition, this program provides significant support for the training of the next generation of scientists and engineers, many of whom will continue to work on defense research and technology problems throughout their careers. The committee recommends an increase of $5.0 million in this program for basic research related to the National Nanotechnology Initiative. The committee directs that all applicable competitive proce-

dures be used in the award of contracts and other agreements under this program.

The committee recognizes that military and civilian investments in nanoscience and nanotechnology research and development are fundamental to the genesis of revolutionary military technologies. Furthermore, the committee notes the revolutionary potential of nanoscience and nanotechnology to transform military operations. Advances in nanoscience and nanotechnology may lead to new and more sensitive sensors, including portable chemical and biological agent sensors; miniaturized electronics, providing more efficient and smaller communications systems, information systems, navigation aids, and computer processors; novel materials with enhanced structural, mechanical, electrical, and optical performance; medical technologies, including bio-nanodevices for mitigation of threats to humans; miniaturized platforms with enhanced reconnaissance and offensive capabilities; and novel manufacturing technologies. These investments will also enable the United States to maintain technological dominance in military operations by training the next generation of scientists and engineers, and will provide resources required for building and sustaining the national infrastructure supporting training and research in these fields.

The National Nanotechnology Initiative, launched in 2000, manages a set of increased investments across a range of disciplines and in a number of federal agencies, and will lay the foundation for the development of the commercial and military technologies enabled by nanosystems. The Department of Defense, including all the armed services and the Defense Advanced Research Projects Agency, have made significant and valuable investments in these areas of research and technology development. These investments, in coordination with the overall federal nanotechnology research and development program, have created new innovations and technologies that could contribute to fulfilling the requirements of warfighters and also could provide many benefits both for the commercial sector and for medical and scientific research. The Department of Defense's financial commitments to the National Nanotechnology Initiative investment strategy, in current and future fiscal years, are important to the long-term planning for nanoscience and nanotechnology research. Not honoring such commitments may compromise progress in these important research areas and jeopardize the Department's position as a leader in this multi-agency initiative.

The committee directs the Department of Defense to renew its commitment to the National Nanotechnology Initiative, including participation in the broad federal coordination activities of the Interagency Working Group on Nanoscience, Engineering and Technology, and to coordinate its own investments in nanoscience and nanotechnology within the broader federal program.

The increase for the National Nanotechnology Initiative is one element in an overall increase of $22.7 million recommended by the committee across the Department of Defense for basic and applied research aimed at developing nanotechnology to meet military needs. Other recommended increases discussed elsewhere in this report include $4.5 million in research in Defense Advanced Research Projects Agency accounts and $13.2 million in Navy RDT&E

accounts, including significant investments to combat future terrorist and chemical and biological agent threats.

Nanotechnology research and development

The budget request included $358.3 million in PE 62712E for Materials and Electronics Technology. The committee recommends an increase of $4.5 million to this account for research in nanoscience and nanotechnology, which are fundamental to the genesis of revolutionary military technology and operations. Of this amount, $1.5 million would be used for research on nanotechnologies for the detection and destruction of chemical weapons and an additional $3.0 million would be used for the development of frequency-tunable nanocomposite materials for antenna, circuit, filter, and coating applications. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Three-dimensional microelectronics

The budget request included $358.3 million in PE 62712E for applied research on materials and electronics technology. The committee recommends an increase of $2.0 million for the design and fabrication of three-dimensional device structures for novel microelectronics. This work will address device architecture and performance issues as transistors and other electronics get smaller and technology moves toward three-dimensional circuits. These advances will support the development of the next generation of miniaturized integrated circuits for use in commercial and military systems.

Radiation hardened electronics

The budget request included $295.1 million in PE 62715BR for applied research in nuclear sustainment and counterproliferation technologies. The committee notes the critical need to develop radiation hardened microelectronics that can approach the capabilities of advanced commercial electronics in order to the meet the requirements of many advanced weapon systems, especially those involved in space operations. Therefore, the committee recommends an increase of $3.0 million to improve the manufacturability of radiation hardened microelectronics for large scale integrated circuit technologies. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

The committee further notes and supports the efforts of the Secretary of Defense to include radiation hardened electronics as part of the Department of Defense's Advanced Electronics Initiative, a strategy for electronics technology development to support future warfighter needs. This includes funding in the science and technology activities of the military services and defense agencies as well as under the authority of the Defense Production Act. The committee directs the military services and defense agencies to align their future investment strategies in radiation hardened microelectronics to be consistent with the stated Department strategy and funding plan in order to support this critical strategic capability.

Combating nontraditional and asymmetric threats

The committee recommends an increase of $69.7 million in investments in the fundamental science and technology necessary to support Department of Defense activities in combating nontraditional and asymmetric threats in the future. The committee recommends increases of $41.0 million in Defense-Wide Research, Development, Test, and Evaluation (RDT&E) accounts, $3.0 million in Army RDT&E accounts, $14.2 million in Navy RDT&E accounts, $8.0 million in Air Force RDT&E programs, and $3.5 million in Defense-Wide Operations and Maintenance accounts towards this initiative.

Combating Terrorism Technology Support Working Group

The committee commends the efforts of the Combating Terrorism Technology Support Working Group (TSWG) in investing in the scientific research, and performing the technology development and system field testing, necessary to rapidly field the next generation of systems to combat future terrorist threats.

The budget request included $42.2 million in PE 63122D8Z for Combating Terrorism Technology Support. The committee recommends an increase of $25.0 million to fund these activities. Of this amount, $5.0 million would be used to supplement ongoing standoff explosive detection work by soliciting and developing additional approaches in a rapid prototyping mode. This investment supports the efforts of TSWG, in the aftermath of the USS *Cole,* to develop standoff explosive detection technologies to meet critical military requirements. Additionally, $3.0 million would be used for the continued development of real-time, lightweight, man portable aerogel-based chemical and biological detectors; $7.0 million would be used for blast mitigation testing, including the development of retrofits for buildings and components, and the performance of testing using large-scale computer simulation, testing in controlled and repeatable laboratory environments and the qualification of new structural designs; $8.0 million would be used for the testing and evaluation of environmentally safe, non-corrosive, and affordable chemical and biological agent decontamination technologies; and $2.0 million would be used to develop a proof of concept system for protection of critical assets by pre-detonation of improvised explosive devices. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

Chemical and Biological Defense Program

The committee recognizes the threat of terrorist attack using weapons of mass destruction (WMD), especially chemical and biological agents, that are relatively easy to procure, produce, and weaponize. The committee has identified a number of priority science and technology programs that will address critical standoff detection, sample collection and analysis, protection, and decontamination issues that are central to programs in chemical biological defense.

The budget request included $125.5 million in PE 62384BP for applied research in chemical and biological defense. The committee

recommends an increase of $7.5 million in this account for applied research in protecting military personnel and civilians in the presence of chemical or biological agents. Of this amount, $2.0 million would be used for modeling and testing of regenerative air filtration devices for ground vehicles and aircraft; $1.5 million to develop a database of biological pathogen information and bioinformatics tools to support development of medical biological countermeasures; $1.0 million for research on the protection of the pulmonary system from the effects of mustard gas; $2.0 million for sensors for portable biological and chemical agent detectors; and $1.0 million for improving the capability of the Joint Forces Command, government agencies, state and local authorities to model chemical, biological, or radiological incidents from the initial detection of the attack and the resultant effects through the medical response to the incident in an integrated, interoperable manner. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

The budget request included $69.2 million in PE 63384BP for advanced technology development in chemical and biological defense. The committee recommends an increase of $7.0 million for the Safeguard project to develop joint standoff detection capabilities for biological and chemical agents from unmanned aerial vehicles (UAVs). The funds would be used to address systems integration and operational issues involved in putting chemical and biological agent sensor systems on UAVs, including sensor package payload impacts on UAV operations, on-board information processing and communications, and utilization of UAVs for chemical and biological agent sensing in a joint operational environment. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

The committee directs the Department to conduct a review of technology development efforts, concepts-of-operation, and acquisition plans to use UAVs in chemical and biological defense and report back to the congressional defense committees on the Department's budget plan and schedule to implement these technologies in operational environments as part of the fiscal year 2003 budget request.

The committee notes that the Marine Corps Systems Command is committed to developing chemical and biological warfare agent decontamination technologies. These advanced decontamination technologies are an essential tool for the Marine Corps' Chemical and Biological Incident Response Force (CBIRF).

Decontamination of casualties, contaminated personnel, and sensitive equipment is a fundamental CBIRF mission. For this reason, CBIRF teams deploy with Marine Corps units worldwide and the teams also deploy around the nation in support of homeland defense preparedness. The committee notes the recent CBIRF deployment in support of the January 2001 presidential inauguration activities and pending deployment to support the Winter Olympics.

The committee recommends that the Department continue to support the development of chemical and biological decontamination technologies by the Marine Corps Systems Command through the Chemical and Biological Defense Program.

Naval unmanned combat air vehicle

The budget request included $153.7 million in PE 63285E to develop advanced aerospace systems, including $27.0 million to continue development of a naval unmanned combat air vehicle (UCAV–N).

The Defense Advanced Research Projects Agency (DARPA) proposed to use these funds to:

(1) demonstrate technologies, processes, and systems attributes that would lead to determining the feasibility of employing UCAV–N systems from ships to conduct maritime operations using network centric warfare principles, including:

(a) demonstrate shipboard suitability;

(b) demonstrate robust and secure command, control and communications; (c) explore the full range of man-in-the-loop controls and mission planning approaches;

(d) evaluate sensors, weapons load-out and mission effectiveness; and

(e) demonstrate real-time targeting and weapons delivery compatibility.

(2) initiate detailed design of a UCAV–N demonstrator aircraft.

The committee appreciates the fact that DARPA is moving toward achieving the goals established in section 220 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001. This section, based on an initiative sponsored by this committee, established the goal that, within 10 years, one-third of U.S. military operational deep strike aircraft would be unmanned, and, within 15 years, one-third of all U.S. military ground combat vehicles would be unmanned.

The committee believes that DARPA should be able to make additional progress. The committee recommends an increase of $9.0 million in PE 63285E to enable DARPA to make greater progress in the UCAV–N development efforts described above. Additional recommendations on development of unmanned ground combat vehicles are described elsewhere in this report.

Complex systems design

The budget request included $11.0 million in PE 63704D8Z for special technology support. The committee recommends an increase of $2.0 million for development of non-proprietary multi-view data standards for use in data integration during systems engineering of complex defense systems. These standards have the potential to improve the interoperability of computer-based analysis tools during the life cycle of complex defense systems.

Competitiveness sustainment initiative

The budget request included $2.0 million in PE 78011S for the Competitiveness Sustainment Initiative. This initiative plays an important role in the effort of the Defense Logistics Agency (DLA) to reduce the cost of sustaining existing weapons systems and to improve their readiness through the application of new business practices. The committee recommends an increase of $2.0 million in PE 78011S to fund additional projects intended to promote effective supply partnerships and streamlined maintenance processes.

However, the committee believes that funding for the program in future years would more appropriately be provided through the operation and maintenance accounts of the Department of Defense. The committee directs that all applicable competitive procedures be used in the award of contracts or other agreements under this program and that cost sharing be used to the maximum extent practicable.

Unmanned ground combat vehicle

The budget request included $90.0 million in PE 63764E for future combat systems. The committee recommends an increase of $11.0 million for research and development of Unmanned Ground Combat Vehicles (UGCV) as part of the DARPA/Army Future Combat Systems (FCS) program.

The committee notes that the future military requirement for unmanned systems, including unmanned aircraft with advanced capability, unmanned ground combat vehicles and unmanned underwater craft, is clear. The ability of unmanned systems to provide deep strike and high risk mission support will be critical in future military engagements. Due to the increasing need for this capability, the committee last year added $200.0 million to Defense Advanced Research Projects Agency (DARPA) -led unmanned and robotics efforts to expand the pursuit of technologies for fielding remotely controlled combat systems, and established the goal that within 10 years one-third of U.S. military operational deep strike aircraft would be unmanned and within 15 years one-third of all U.S. military ground combat vehicles would be unmanned.

For fiscal year 2002, the budget request included over $250.0 million for unmanned and robotics programs. While the committee applauds the effort made by the Department of Defense, and in particular DARPA, to increase the budget to support the congressionally-mandated goal for unmanned systems, additional funding is needed in this area. Therefore, the committee is recommending increases totaling $20.0 million for unmanned and robotics systems, including increases for both the Naval Unmanned Combat Air Vehicle (UCAV–N) and UGCV programs.

Environmental security technology certification program

The budget request included $25.0 million in PE 63851D8Z for the Environmental Security Technology Certification Program (ESTCP). The committee recommends an increase of $5.0 million in PE 63851D8Z to sustain efforts initiated within the ESTCP program last year for the demonstration and validation of viable, cost effective solutions that will help the military departments meet the extraordinary challenge of remediating unexploded ordnance (UXO) and related constituents at active, inactive, closed, transferred, and transferring ranges.

The committee notes that the budget request included $20.0 million in PE 63716D8Z for advanced research on the remediation of UXO and related constituents through the Strategic Environmental Research and Development Program (SERDP). This investment is an important step toward bringing down the cost of addressing the Department of Defense's UXO problem, which has been estimated at more than $100 billion. The committee urges the Department to

maintain stable funding for UXO-related science and technology in both the SERDP program and the ESTCP program in future years.

Budget technical adjustments

The budget request included $56.7 million in PE 65710D8Z for classified programs for the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) (ASD (C3I)). The Defense Department informed the committee that the intended request for this program element was $16.7 million. The amount requested in that line included:

(a) $8.0 million that should have been requested in PE 65116D8Z for general support to C3I; and

(b) $32.0 million that should have been requested in Operation and Maintenance, Defense-wide for the Office of the Secretary of Defense.

The committee recommends adjusting the budget lines to correct this error.

Regional pilot program for infrastructure protection

The budget request included $414.8 million in PE 33140G for the information systems security program, including a number of programs focusing on infrastructure protection.

Presidential Decision Directive 63 (PDD 63) requires the development and implementation of systems and procedures designed to protect strategic infrastructure, critical facilities and military, industrial and information support services necessary to preserve critical domestic services (e.g., air traffic control systems, petroleum refineries, power generation facilities, pipelines, etc.), project U.S. combat power overseas in times of conflict and sustain our military and industrial infrastructure.

The committee believes that the Department of Defense could undertake a regional pilot program where representative critical facilities and military support services reside. The program could identify opportunities for providing necessary support for DOD operations defending against transnational threats, information sabotage and attempts to exploit sensitive technology or extract sensitive data.

The committee understands that the Department would need to expend some funds to develop the appropriate defenses and protections that could ensure the safety of our populace and the continuous operation of critical military and industrial facilities in the event of a terrorist attack or security threat. The costs of repair, replacement and interruption of such critical military and nonmilitary services would far exceed the insurance provided by the information derived from the design and implementation of a regional pilot program for infrastructure protection.

Therefore, the committee recommends that, of the funds available within the information systems security program, $5.0 million be applied to these purposes.

Broadcast-request imagery technology experiment

At the request of U.S. Special Operations Command (SOCOM), the National Reconnaissance Office (NRO) developed a unique capability to disseminate timely, tailored imagery products to for-

ward-deployed special operations elements via existing communications architectures. This capability has been named broadcast-request imagery technology experiment (BRITE). In accordance with normal procedures, once developmental work on this program was completed, NRO has transferred responsibility for BRITE to the National Imagery and Mapping Agency (NIMA) for fielding and sustainment. NIMA has been very supportive of this technology, but competing priorities did not allow NIMA to include this program in the budget request.

The committee understands the funding challenges facing NIMA, but is also concerned that a capability that has been developed to meet an urgent operational requirement will not be fielded in the foreseeable future.

Therefore, the committee recommends an increase of $3.0 million to PE 35102BQ to ensure timely fielding of BRITE capability to operational elements.

Intelligent spatial technologies for smart maps

To meet implicit and derived requirements of Joint Vision 2020, the National Imagery and Mapping Agency (NIMA) initiated several research and development efforts to develop appropriate software tools to enable military operators and planners to better use and integrate geospatial data. One such program, intelligent spatial technologies for smart maps, has shown great promise. With additional development, this technology could be transferred to commercial developers where its commercial and military potential will be fully developed and made available to military and other users at reasonable cost. NIMA has been very supportive of this program, and has assessed that it would have high military value. However, competing priorities did not permit NIMA to include continued funding for intelligent spatial technologies in the budget request.

The committee is concerned that an ongoing program requiring continuity of funding to develop its potential has not been recommended for continued funding.

Therefore, the committee recommends an increase of $1.0 million to PE 35102BQ to ensure continued development of this important program.

Budget technical adjustments

The budget request included $40.0 million in PE 35191D8Z for the technology development program. The Defense Department informed the committee that the intended request for this program element was $35.0 million. The amount requested in that line included $5.0 million that should been requested in PE 35889D8Z for the joint electromagnetic technology program.

The committee recommends adjusting the two budget lines to correct this error.

CV–22 research and development

The budget request included $101.7 million in PE 1160444BB for research, development, test and evaluation for the CV–22, the Special Operations Forces (SOF) variant of the V–22 Osprey. However, the Air Force subsequently decided to delay fielding of the CV–22

to reflect the restructuring of the overall MV/CV–22 program into a phased return to flight and fleet introduction. Most of the research and development planned for fiscal year 2002 is necessary to achieve full operations capability for the CV–22, and the committee supports a continuation of this work. However, a portion of the fiscal year 2002 request is no longer needed, and the committee recommends a decrease of $1.9 million in PE 1160444BB.

Digital imagery systems

The budget request included $113.6 million in PE 64940D8Z for the Central Test and Evaluation Investment Development Program (CTEIP), which seeks to improve the efficiency of management of the Department of Defense's test and evaluation facilities, and modernize the technologies used to test the next generation of defense systems. Given the importance of test and evaluation activities in reducing the risks and costs associated with new acquisition programs, the committee recommends an increase of $4.0 million for the development and implementation of digital video systems to replace film-based munitions and missile test observation systems and convert test data from analog film to digital formats. The committee directs that all applicable competitive procedures be used in the award of contracts and other agreements under this program.

The committee also directs the Department to consider the recommendations of the Defense Science Board's recent evaluation of test and evaluation capabilities, as it works to reorganize and improve the management and coordination of these critical assets and capabilities. The committee directs the Department to develop a budget plan and schedule for the implementation of the Defense Science Board's recommendations, to be submitted along with the fiscal year 2003 budget request.

OTHER ITEMS OF INTEREST

Air Force science & technology planning and investments

Section 252 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 required the Secretary of the Air Force to complete a review of the long-term challenges and short-term objectives of the Air Force science and technology (S&T) program. Though this review is ongoing, the committee is encouraged by the progress reported to date. The Air Force appears to have embraced a modified planning process and has initiated important science and technology strategic reviews. In addition, the Air Force has involved high-ranking decision-makers in the process and appears to have the concurrence of the Secretary of the Air Force on the importance of the planning process and the science and technology program as a whole.

The committee remains concerned, however, about the level of investment in the Air Force science and technology program. The science and technology base has atrophied over the past decade and, as a result, the Air Force has possibly undermined long-term superiority in several key technology areas. This finding is outlined in a recent National Research Council review, which reports that the Air Force investment in science and technology is down by 46 percent in real dollars since fiscal year 1989. Areas of specific con-

cern are the investment in air- and space-based technologies and information systems. The committee encourages the Secretary of the Air Force to review the findings of the National Research Council, and take into account their expert guidance during future priority-setting and budget planning and programming activities.

Defense/Industry fuel cell partnership

The committee directs the National Automotive Center (NAC) to develop a plan for the establishment of a Defense/Industry Fuel Cell Partnership to leverage the investments of both the military and the private sector in the area of fuel cell technology.

Fuel cell technology is currently being developed for use as auxiliary power units and for vehicle propulsion, both of which offer great benefits to the Army's transformation strategy in reducing the size of the deployed logistics footprint and the signature of future Army platforms. Use of fuel cell technology also offers potential for increased range and enhanced stealth missions due to its inherent high efficiency and quiet operation. Significant advancements have been made in the development of fuel cell technology, but the committee believes that more could be accomplished, particularly if this work is done in cooperation with private industry.

A Defense/Industry Fuel Cell Partnership offers the best opportunity to take technology advancements in the commercial sector and adapt them to the needs of the military. The key to establishing such a partnership will be development of a research plan to assess and evaluate current and future fuel cell technologies and to assess where such technologies can meet current and future military requirements. The committee directs the NAC to develop the plan, in cooperation with industry and other appropriate federal agencies, and to submit the plan to the congressional defense committees by no later than April 30, 2002.

Navy shipbuilding requirements and transformation

The committee is concerned that the Navy may intend to use scarce resources for ship research and development programs other than those that would support ships included in the long-range shipbuilding plan delivered to Congress on June 26, 2000. This approach is of concern because budget requests and the result of congressional actions have not been sufficient to procure the number of ships required to recapitalize the fleet. Additionally complicating this situation is the fact that the projected costs of ships have not always been within normal estimating ranges.

Despite the Navy's having received additional resources in the fiscal year 2002 budget, the Chief of Naval Operations has submitted a list of fiscal year 2002 unfunded ship construction research and development projects.

The Chief of Naval Operations (CNO) established a three star admiral position on his staff, Deputy Chief of Naval Operations for Warfare Requirements and Programs (DCNO, WR&P, N7), as the focal point for determining Navy warfare requirements and the possible means of meeting those requirements. The committee has been told that all Navy requirements are vetted through this office and that analysis of alternatives are conducted prior to making de-

cisions to invest funds for research and development and procurement.

Subsequent to the establishment of the new N7 organization, the Navy has built, leased, and entered into international agreements for testing improvements in ship construction as well as key technologies that should reduce the total operating costs of ships while improving operational performance. The Navy efforts underway include:

(1) Testing electric ship and integrated power systems are being tested in the large-scale vehicle. In addition, the Navy entered into an agreement with Great Britain which resulted in the British designing their trimaran research and development vessel to accept U.S. integrated power systems for research and development testing.

(2) Gathering significant data from U.S.-funded instrumentation on the British vessel with a trimaran hull structure.

(3) Investigating composite mast, composite submarine sail, and modular construction of advanced hull forms in ongoing research programs that could yield insights into structures issues.

(4) Conducting ongoing research and development for undersea manned and unmanned vessels and unmanned aerial vehicles appear to accomplish many of the same tactical missions that would be expected of a small, manned surface combatant.

(5) Investing significant resources in cruiser conversion, CVN–77, CVN(X), *Virginia*-class technology insertion, DD–21 and smart ship programs to achieve reduced manning and operating costs, and to foster electric ship initiatives.

(6) Leasing in fiscal year 2001, in partnership with the Army, a high speed vessel to explore potential missions including:

(a) deploying and operating an expeditionary sensor grid;

(b) providing logistics support or the Army and Marine Corps; and

(c) operating different variants of high speed vessels to support so-called "street fighter" missions.

The committee fully supports these efforts. In particular, the committee notes that the Army has identified a need for additional funds to continue gathering data from the lease of a high speed vessel in fiscal year 2002. Although the Navy participated with the Army in this program during fiscal year 2001, the Navy did not include funds in the fiscal year 2002 budget request to continue this effort.

The committee concurs with a General Accounting Office (GAO) report on Navy Transformation which concluded, "the Navy has devoted little of its experimentation effort exploring long-term force structure and operational issues such as new ship design concepts." The fact that the CNO submitted an unfunded requirements list for fiscal year 2002 that identifies ship design shortfalls provides further testimony to the GAO conclusion.

Therefore, the committee encourages the Navy to focus ship design efforts on programs that will collect the type of information that will be needed to make decisions on future combatant ships,

the future amphibious ship (LH(X)), the future joint command and control ship (JCC(X)), and the maritime prepositioning force ship of the future (MPF(F)), rather than duplicating efforts already underway.

Networking and information technology research and development

The committee notes the sustained and successful investments by the Department of Defense, and especially the Defense Advanced Research Projects Agency, in High Performance Computing and Communications research and technologies. These investments, in coordination with the overall federal information technology research and development program, have created new innovations and technologies that have contributed to fulfilling the requirements of warfighters, especially in the areas of information security and assurance, reliable software, networking of battlefield systems, modeling and simulation, and the Department of Energy's Accelerated Strategic Computing Initiative. These efforts have also provided many benefits for the commercial sector, medical and scientific research, and efficiency of government services.

Given the importance of these technologies in meeting the emerging threats of the new century, and in shaping and controlling the battlefields of the future through network centric operations, the committee directs the Department of Defense to continue its participation in the on-going federal Networking and Information Technology Research and Development program, including the Interagency Working Group and the National Coordination Office for Information Technology Research and Development, and to coordinate its own investments in Information Technology Research and Development within the broader federal program.

Reusable Launch Vehicles

The committee has been concerned for a number of years about the high cost and unreliability of launch operations. To address these issues, since 1994, NASA and the Air Force have shared responsibility for launch vehicle development. The Air Force has had primary responsibility for the development of expendable launch vehicles and has developed the Evolved Expendable Launch Vehicle (EELV). The EELV is intended to provide 25 to 50 percent launch cost savings over the current generation of launch vehicles through a low-risk, evolutionary development approach. NASA has had primary responsibility for development of next-generation reusable launch vehicles (RLVs). In March 2001, NASA terminated its RLV technology demonstration efforts, the X–33 and X–34 RLVs, and instituted a program to explore technologies relevant to RLV development with no commitment to a specific vehicle design. Since then, NASA and the Air Force have also abandoned the X–37 space maneuver vehicle effort, and have agreed not to provide funds to sustain any of these programs.

The committee believes that an assured, rapid, on-demand, and low-cost launch capability could be provided by RLVs and could have significant military and civil utility. The committee recognizes that the Air Force has a substantial interest in the successful de-

velopment of RLVs, as it is responsible for space launch for the Department of Defense.

The committee believes that the Department of Defense should review the 1994 agreement between NASA and the Air Force that assigned primary responsibility for RLV and expendable launch vehicle development, respectively. As part of this review, the committee urges the Department of Defense to look at the possibility of establishing a joint NASA-Air Force program where the Air Force would have responsibility for developing a military variant of an RLV. In the event that the Secretary of the Air Force determines that a joint effort is not feasible, the committee urges the Secretary to explore how DOD would develop and pursue a an RLV program independent of NASA.

The committee continues to believe, however, that even an independent program should be conducted in close coordination with NASA. The committee further directs the Secretary to submit his findings in a report to the congressional defense committees by May 1, 2002.

The committee also directs the Secretary of the Air Force to determine if there are any defense requirements for an RLV. If the Secretary determines that there are such requirements, then the Secretary shall describe and define the operational requirements to be met by RLVs, study concepts of operations that will support those requirements, identify key and militarily unique RLV technologies, and plan a critical path forward for those technologies. These requirements shall be included in the report to the congressional defense committees due on May 1, 2002.

Review of mine countermeasures plans and programs

The Navy requested that fiscal year 2001 funds be reprogrammed from two sources in order to fully fund a refueling overhaul for USS *Albuquerque*. One of the sources of funds was procurement funding to buy shallow water assault breaching system (SABRE) and distributed explosive technology (DET) systems for shallow water mine countermeasures (MCM). Navy witnesses have testified that the systems did not perform well in operational testing.

The committee has maintained a strong interest in these programs and finds this change of heart troubling from several aspects:

(1) First, the committee understands that the Navy may have changed its mind about buying these systems because they were being tested against a more stringent requirement than those against which the systems were developed.

(2) Secondly, the committee is concerned that the original requirement for these systems, in retrospect, may not have been drawn in a manner adequate to meet the needs of the fleets. Given the attention the Navy has claimed that was being paid to these programs, it is hard for the committee to reconcile this situation with those previous claims.

(3) Finally, since there are no near-term alternatives available to satisfy this mission, the committee believes that the Navy is being somewhat short-sighted. It is hard to see why

we are better off waiting for a perfect solution some time in the future, when we have nearly no capability now.

At a minimum, the committee believes that the Navy must conduct a thorough review of all MCM programs and requirements to verify that the fleet operators will stand behind all requirements documents, and that all MCM programs are operating under a validated set of requirements.

The committee directs the Secretary of the Navy to provide a report on this review with the submission of the fiscal year 2003 budget request.

Track conversion system for lightweight wheeled vehicles

In 1997, the Army tested a track conversion system for lightweight wheeled vehicles at the Aberdeen Test Center, noting several advantages, including increased soft soil mobility, soft soil drawbar pull and reduced ground pressure, which increased the probability of mine overpass. The test also documented limitations in the areas of speed, steering and other performance characteristics. The committee understands that those limitations have been substantially corrected through subsequent improvements to the system. The committee directs the Army to assess those improvements to determine whether additional testing is warranted and to report its findings to Congress.

TITLE III—OPERATION AND MAINTENANCE

Explanation of tables

The following tables provide the program-level detailed guidance for the funding authorized in title III of this Act. The tables also display the funding requested by the administration in the fiscal year 2002 budget request for operations and maintenance programs and indicate those programs for which the committee either increased or decreased the requested amounts. As in the past, the administration may not exceed the authorized amounts (as set forth in the tables or, if unchanged from the administration request, as set forth in the Department of Defense's budget justification documents) without a reprogramming action in accordance with established procedures. Unless noted in the report, funding changes to the budget request are made without prejudice.

Summary of National Defense Authorization for FY 2000

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	Operation and Maintenance, Army			
	BUDGET ACTIVITY 01: OPERATING FORCES			
	LAND FORCES			
10	DIVISIONS	1,171,981	11,200	1,183,181
	ECWCS/MSS		[10,000]	
	OBJECTIVE FORCE TASK FORCE		[1,200]	
20	CORPS COMBAT FORCES	341,802	0	341,802
30	CORPS SUPPORT FORCES	315,109	0	315,109
40	ECHELON ABOVE CORPS SUPPORT FORCES	476,280	0	476,280
50	LAND FORCES OPERATIONS SUPPORT	997,837	0	997,837
	LAND FORCES READINESS			
60	FORCE READINESS OPERATIONS SUPPORT	1,132,933	6,600	1,139,533
70	LAND FORCES SYSTEMS READINESS	467,197	0	467,197
80	LAND FORCES DEPOT MAINTENANCE	810,561	0	810,561
	LAND FORCES READINESS SUPPORT			
90	BASE OPERATIONS SUPPORT	2,799,321	0	2,799,321

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
100	FACILITIES SUST, RESTORATION & MOD (OPERATING FORCES)	1,178,502	0	1,178,502
110	MANAGEMENT & OPERATIONAL HEADQUARTERS	234,907	0	234,907
120	UNIFIED COMMANDS	77,907	0	77,907
130	MISCELLANEOUS ACTIVITIES	264,215	0	264,215
	TOTAL, BA 01: OPERATING FORCES	**10,268,552**	**17,800**	**10,286,352**
	BUDGET ACTIVITY 02: MOBILIZATION			
	MOBILITY OPERATIONS			
140	STRATEGIC MOBILIZATION	385,289	0	385,289
150	ARMY PREPOSITIONED STOCKS	133,675	0	133,675
160	INDUSTRIAL PREPAREDNESS	46,442	0	46,442
170	FACILITIES SUST, RESTORATION & MOD (MOBILITY OPS)	16,478	0	16,478
	TOTAL, BA 02: MOBILIZATION	**581,884**	**0**	**581,884**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	BUDGET ACTIVITY 03: TRAINING AND RECRUITING			
	ACCESSION TRAINING			
180	OFFICER ACQUISITION	79,842	0	79,842
190	RECRUIT TRAINING	17,265	0	17,265
200	ONE STATION UNIT TRAINING	20,485	0	20,485
210	SENIOR RESERVE OFFICERS' TRAINING CORPS	183,376	0	183,376
220	BASE OPERATIONS SUPPORT (ACCESSION TRAINING)	80,840	0	80,840
230	FACILITIES SUST, RESTORATION & MOD (ACCESSION TNG)	57,432	0	57,432
	BASIC SKILL/ ADVANCE TRAINING			
240	SPECIALIZED SKILL TRAINING	261,446	0	261,446
250	FLIGHT TRAINING	403,105	0	403,105
260	PROFESSIONAL DEVELOPMENT EDUCATION	114,373	0	114,373
270	TRAINING SUPPORT	485,815	3,701	489,516
280	BASE OPS SUPPORT (BASIC SKILL/ADVANCED TRAINING)	898,129	0	898,129
290	FACILITIES SUST, RESTORATION & MOD (BASIC SKL/ADV TNG)	401,885	0	401,885

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	RECRUITING/OTHER TRAINING			
300	RECRUITING AND ADVERTISING	442,612	0	442,612
310	EXAMINING	78,260	0	78,260
320	OFF-DUTY AND VOLUNTARY EDUCATION	142,515	0	142,515
330	CIVILIAN EDUCATION AND TRAINING	82,563	0	82,563
340	JUNIOR RESERVE OFFICERS' TRAINING CORPS	88,873	0	88,873
350	BASE OPERATIONS SUPPORT (RECRUIT/OTHER TRAINING)	259,491	0	259,491
	TOTAL, BA 03: TRAINING AND RECRUITING	**4,098,307**	**3,701**	**4,102,008**
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
	SECURITY PROGRAMS			
360	SECURITY PROGRAMS	479,506	0	479,506
	LOGISTICS OPERATIONS			
370	SERVICEWIDE TRANSPORTATION	517,218	0	517,218
380	CENTRAL SUPPLY ACTIVITIES	454,682	0	454,682

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
390	LOGISTICS SUPPORT ACTIVITIES	570,911	5,400	576,311
400	AMMUNITION MANAGEMENT	357,033	0	357,033
	SERVICEWIDE SUPPORT			
410	ADMINISTRATION	536,030	0	536,030
420	SERVICEWIDE COMMUNICATIONS	532,013	0	532,013
430	MANPOWER MANAGEMENT	160,159	0	160,159
440	OTHER PERSONNEL SUPPORT	175,429	0	175,429
450	OTHER SERVICE SUPPORT	615,653	0	615,653
460	ARMY CLAIMS	112,947	0	112,947
470	REAL ESTATE MANAGEMENT	51,431	0	51,431
480	BASE OPERATIONS SUPPORT (SERVICEWIDE SUPPORT)	1,167,160	0	1,167,160
490	FACILITIES SUST, RESTORATION & MOD (SERVICEWIDE SPT)	277,609	0	277,609
	SUPPORT OF OTHER NATIONS			
500	INTERNATIONAL MILITARY HEADQUARTERS	180,812	0	180,812
510	MISC. SUPPORT OF OTHER NATIONS	54,344	0	54,344

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
520	EXPANSION OF NATO	0	0	0
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**6,242,937**	**5,400**	**6,248,337**
	ARMY INSTALLATION SECURITY		77,700	77,700
	OVERSTATED CIVILIAN BUYOUT COSTS		-40,640	-40,640
	CLASSIFIED PROGRAM	0	20,000	20,000
	CIVILIAN UNDEREXECUTION		-51,300	-51,300
	FOREIGN CURRENCY FLUCTUATIONS		-89,359	-89,359
	Total Operation and Maintenance, Army	**21,191,680**	**-56,698**	**21,134,982**
	Operation and Maintenance, Navy			
	BUDGET ACTIVITY 01: OPERATING FORCES			
	AIR OPERATIONS			
10	MISSION AND OTHER FLIGHT OPERATIONS	3,206,849	0	3,206,849

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
20	FLEET AIR TRAINING	950,969	0	950,969
30	INTERMEDIATE MAINTENANCE	62,487	0	62,487
40	AIR OPERATIONS AND SAFETY SUPPORT	103,355	0	103,355
50	AIRCRAFT DEPOT MAINTENANCE	854,298	0	854,298
60	AIRCRAFT DEPOT OPERATIONS SUPPORT	54,194	0	54,194
	SHIP OPERATIONS			
70	MISSION AND OTHER SHIP OPERATIONS	2,315,172	0	2,315,172
80	SHIP OPERATIONAL SUPPORT AND TRAINING	545,279	0	545,279
90	INTERMEDIATE MAINTENANCE	387,282	0	387,282
100	SHIP DEPOT MAINTENANCE	2,917,829	75,400	2,993,229
110	SHIP DEPOT OPERATIONS SUPPORT	1,330,524	13,000	1,343,524
	COMBAT OPERATIONS/SUPPORT			
120	COMBAT COMMUNICATIONS	384,534	0	384,534
130	ELECTRONIC WARFARE	15,466	0	15,466
140	SPACE SYSTEMS & SURVEILLANCE	182,165	0	182,165
150	WARFARE TACTICS	163,864	0	163,864

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
160	OPERATIONAL METEOROLOGY & OCEANOGRAPHY	258,051	0	258,051
170	COMBAT SUPPORT FORCES	618,874	0	618,874
180	EQUIPMENT MAINTENANCE	173,381	0	173,381
190	DEPOT OPERATIONS SUPPORT	1,737	0	1,737
	WEAPONS SUPPORT			
200	CRUISE MISSILE	124,342	0	124,342
210	FLEET BALLISTIC MISSILE	812,743	0	812,743
220	IN-SERVICE WEAPONS SYSTEMS SUPPORT	47,762	0	47,762
230	WEAPONS MAINTENANCE	396,836	0	396,836
	WORKING CAPITAL FUND SUPPORT			
240	NWCF SUPPORT	1,421	0	1,421
	BASE SUPPORT			
250	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,019,891	0	1,019,891
260	BASE SUPPORT	2,572,092	0	2,572,092
	TOTAL, BA 01: OPERATING FORCES	**19,501,397**	**88,400**	**19,589,797**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	BUDGET ACTIVITY 02: MOBILIZATION			
270	SHIP PREPOSITIONING AND SURGE	506,394	0	506,394
280	AIRCRAFT ACTIVATIONS/INACTIVATIONS	5,506	0	5,506
290	SHIP ACTIVATIONS/INACTIVATIONS	261,649	-17,000	244,649
	SSBN INACTIVATION		[-17,000]	
300	FLEET HOSPITAL PROGRAM	23,803	0	23,803
310	INDUSTRIAL READINESS	1,177	0	1,177
320	COAST GUARD SUPPORT	17,490	0	17,490
	TOTAL, BA 02: MOBILIZATION	**816,019**	**-17,000**	**799,019**
	BUDGET ACTIVITY 03: TRAINING AND RECRUITING			
	ACCESSION TRAINING			
330	OFFICER ACQUISITION	96,581	0	96,581
340	RECRUIT TRAINING	6,724	0	6,724

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
350	RESERVE OFFICERS TRAINING CORPS	79,526	0	79,526
	BASIC SKILLS AND ADVANCED TRAINING			
360	SPECIALIZED SKILL TRAINING	306,012	0	306,012
370	FLIGHT TRAINING	367,343	0	367,343
380	PROFESSIONAL DEVELOPMENT EDUCATION	111,404	0	111,404
390	TRAINING SUPPORT	192,931	0	192,931
	RECRUITING, AND OTHER TRAINING AND EDUCATION			
400	RECRUITING AND ADVERTISING	238,727	0	238,727
410	OFF-DUTY AND VOLUNTARY EDUCATION	97,957	0	97,957
420	CIVILIAN EDUCATION AND TRAINING	59,745	0	59,745
430	JUNIOR ROTC	32,519	0	32,519
	BASE SUPPORT			
440	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	195,939	0	195,939
450	BASE SUPPORT	365,425	0	365,425
	TOTAL, BA 03: TRAINING AND RECRUITING	**2,150,833**	**0**	**2,150,833**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
460	ADMINISTRATION	692,748	0	692,748
470	EXTERNAL RELATIONS	4,131	0	4,131
480	CIVILIAN MANPOWER & PERSONNEL MGT	111,789	0	111,789
490	MILITARY MANPOWER & PERSONNEL MGT	94,896	0	94,896
500	OTHER PERSONNEL SUPPORT	195,729	0	195,729
510	SERVICEWIDE COMMUNICATIONS	603,354	0	603,354
520	MEDICAL ACTIVITIES	0	0	0
530	SERVICEWIDE TRANSPORTATION	185,483	0	185,483
540	ENVIRONMENTAL PROGRAMS	0	0	0
550	PLANNING, ENGINEERING & DESIGN	343,754	0	343,754
560	ACQUISITION AND PROGRAM MANAGEMENT	723,156	0	723,156
570	AIR SYSTEMS SUPPORT	400,955	0	400,955
580	HULL, MECHANICAL & ELECTRICAL SUPPORT	52,908	2,000	54,908
590	COMBAT/WEAPONS SYSTEMS	40,850	0	40,850
600	SPACE & ELECTRONIC WARFARE SYSTEMS	54,639	0	54,639

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
610	SECURITY PROGRAMS	673,912	0	673,912
620	INTERNATIONAL HDQTRS & AGENCIES	9,994	0	9,994
630	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	102,588	0	102,588
640	BASE SUPPORT	202,247	0	202,247
650	CANCELLED ACCOUNT	0	0	0
660	PROBLEM DISBURSEMENTS	0	0	0
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**4,493,133**	**2,000**	**4,495,133**
	NAVOCEANO SURF EAGLE		4,000	4,000
	HANDHELD EXPLOSIVE DETECTORS		6,000	6,000
	OVERSTATED CIVILIAN BUYOUT COSTS		-34,290	-34,290
	CLASSIFIED PROGRAM		15,000	15,000
	CIVILIAN UNDEREXECUTION		-32,600	-32,600
	FOREIGN CURRENCY FLUCTUATION		-15,445	-15,445
	NAVY-MARINE CORPS INTRANET		-49,516	-49,516
	Total Operation and Maintenance, Navy	**26,961,382**	**-33,451**	**26,927,931**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	Operation and Maintenance, Marine Corps			
	BUDGET ACTIVITY 01: OPERATING FORCES			
10	OPERATIONAL FORCES	459,739	15,000	474,739
20	FIELD LOGISTICS	257,952	0	257,952
30	DEPOT MAINTENANCE	107,849	14,400	122,249
40	BASE SUPPORT	842,631	0	842,631
50	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	363,528	0	363,528
60	MARITIME PREPOSITIONING	83,506	0	83,506
70	NORWAY PREPOSITIONING	5,169	0	5,169
	TOTAL, BA 01: OPERATING FORCES	**2,120,374**	**29,400**	**2,149,774**
	BUDGET ACTIVITY 03: TRAINING AND RECRUITING			
	ACCESSION TRAINING			
80	RECRUIT TRAINING	11,053	0	11,053

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
90	OFFICER ACQUISITION	317	0	317
100	BASE SUPPORT	62,055	0	62,055
110	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	22,285	0	22,285
	BASIC SKILLS AND ADVANCED TRAINING			
120	SPECIALIZED SKILLS TRAINING	32,280	0	32,280
130	FLIGHT TRAINING	170	0	170
140	PROFESSIONAL DEVELOPMENT EDUCATION	8,553	0	8,553
150	TRAINING SUPPORT	95,066	0	95,066
160	BASE SUPPORT	65,140	0	65,140
170	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	28,078	0	28,078
	RECRUITING AND OTHER TRAINING EDUCATION			
180	RECRUITING AND ADVERTISING	109,012	0	109,012
190	OFF-DUTY AND VOLUNTARY EDUCATION	21,994	0	21,994
200	JUNIOR ROTC	12,808	0	12,808
210	BASE SUPPORT	12,209	0	12,209

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
220	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	2,644	0	2,644
	TOTAL, BA 03: TRAINING AND RECRUITING	**483,664**	**0**	**483,664**
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
230	SPECIAL SUPPORT	209,125	0	209,125
240	SERVICEWIDE TRANSPORTATION	31,118	0	31,118
250	ADMINISTRATION	29,895	0	29,895
260	BASE SUPPORT	16,335	0	16,335
270	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,803	0	1,803
280	CANCELLED ACCOUNT	0	0	0
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**288,276**	**0**	**288,276**
	CIVILIAN UNDEREXECUTION		-3,600	-3,600
	FOREIGN CURRENCY FLUCTUATION		-1,379	-1,379
	NAVY-MARINE CORPS INTRANET		-5,396	-5,396
	Total Operation and Maintenance, Marine Corps	**2,892,314**	**19,025**	**2,911,339**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	Operation and Maintenance, Air Force			
	BUDGET ACTIVITY 01: OPERATING FORCES			
	AIR OPERATIONS			
10	PRIMARY COMBAT FORCES	3,247,230	0	3,247,230
20	PRIMARY COMBAT WEAPONS	325,948	0	325,948
30	COMBAT ENHANCEMENT FORCES	234,838	0	234,838
40	AIR OPERATIONS TRAINING	1,227,042	0	1,227,042
50	DEPOT MAINTENANCE	1,361,089	0	1,361,089
60	COMBAT COMMUNICATIONS	1,356,865	0	1,356,865
70	BASE SUPPORT	2,212,409	0	2,212,409
80	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	835,329	0	835,329
	COMBAT RELATED OPERATIONS			
90	GLOBAL C3I AND EARLY WARNING	843,775	0	843,775
100	NAVIGATION/WEATHER SUPPORT	170,965	0	170,965

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
110	OTHER COMBAT OPS SUPPORT PROGRAMS	404,665	0	404,665
120	JCS EXERCISES	37,839	0	37,839
130	MANAGEMENT/OPERATIONAL HEADQUARTERS	174,580	0	174,580
140	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	228,775	0	228,775
	SPACE OPERATIONS			
150	LAUNCH FACILITIES	258,792	18,300	277,092
150	SPACE RANGE FACILITIES		[18,300]	
160	LAUNCH VEHICLES	147,510	0	147,510
170	SPACE CONTROL SYSTEMS	251,738	0	251,738
180	SATELLITE SYSTEMS	53,780	0	53,780
190	OTHER SPACE OPERATIONS	146,175	0	146,175
200	BASE SUPPORT	425,643	0	425,643
210	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	131,643	0	131,643
	TOTAL, BA 01: OPERATING FORCES	**14,076,630**	**18,300**	**14,094,930**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	BUDGET ACTIVITY 02: MOBILIZATION			
	MOBILITY OPERATIONS			
220	AIRLIFT OPERATIONS	2,056,383	0	2,056,383
230	AIRLIFT OPERATIONS C3I	37,706	0	37,706
240	MOBILIZATION PREPAREDNESS	169,421	0	169,421
250	DEPOT MAINTENANCE	296,014	0	296,014
260	PAYMENTS TO TRANSPORTATION BUSINESS AREA	473,243	0	473,243
270	BASE SUPPORT	487,654	0	487,654
280	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	97,627	0	97,627
	TOTAL, BA 02: MOBILIZATION	**3,618,048**	**0**	**3,618,048**
	BUDGET ACTIVITY 03: TRAINING AND RECRUITING			
	ACCESSION TRAINING			
290	OFFICER ACQUISITION	66,566	0	66,566
300	RECRUIT TRAINING	5,943	0	5,943

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
310	RESERVE OFFICER TRAINING CORPS (ROTC)	64,289	0	64,289
320	BASE SUPPORT (ACADEMIES ONLY)	70,412	0	70,412
330	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (AC	60,434	0	60,434
	BASIC SKILLS AND ADVANCED TRAINING			
340	SPECIALIZED SKILL TRAINING	310,216	0	310,216
350	FLIGHT TRAINING	657,993	0	657,993
360	PROFESSIONAL DEVELOPMENT EDUCATION	115,049	0	115,049
370	TRAINING SUPPORT	83,778	0	83,778
380	DEPOT MAINTENANCE	14,748	0	14,748
390	BASE SUPPORT (OTHER TRAINING)	543,005	0	543,005
400	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (OT	148,663	0	148,663
	RECRUITING, AND OTHER TRAINING AND EDUCATION			
410	RECRUITING AND ADVERTISING	139,189	0	139,189
420	EXAMINING	3,640	0	3,640
430	OFF DUTY AND VOLUNTARY EDUCATION	91,757	0	91,757

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
440	CIVILIAN EDUCATION AND TRAINING	82,238	0	82,238
450	JUNIOR ROTC	41,829	0	41,829
	TOTAL, BA 03: TRAINING AND RECRUITING	**2,499,749**	**0**	**2,499,749**
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
	LOGISTICS OPERATIONS			
460	LOGISTICS OPERATIONS	1,052,171	0	1,052,171
470	TECHNICAL SUPPORT ACTIVITIES	404,678	0	404,678
480	SERVICEWIDE TRANSPORTATION	249,055	0	249,055
490	DEPOT MAINTENANCE	305,525	0	305,525
500	BASE SUPPORT	1,115,273	0	1,115,273
510	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	239,442	0	239,442
	SERVICEWIDE ACTIVITIES			
520	ADMINISTRATION	213,767	0	213,767
530	SERVICEWIDE COMMUNICATIONS	342,864	0	342,864

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
540	PERSONNEL PROGRAMS	164,480	0	164,480
550	RESCUE AND RECOVERY SERVICES	72,375	0	72,375
560	ARMS CONTROL	34,742	0	34,742
570	OTHER SERVICEWIDE ACTIVITIES	602,561	0	602,561
580	OTHER PERSONNEL SUPPORT	36,984	0	36,984
590	CIVIL AIR PATROL CORPORATION	18,303	4,500	22,803
600	BASE SUPPORT	233,256	0	233,256
610	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	21,792	0	21,792
620	SECURITY PROGRAMS	824,906	0	824,906
630	INTERNATIONAL SUPPORT	20,169	0	20,169
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**5,952,343**	**4,500**	**5,956,843**
	B-1B		-64,800	-64,800
	OVERSTATED CIVILIAN BUYOUT COSTS		-30,480	-30,480
	CLASSIFIED PROGRAM	0	-22,600	-22,600
	LAFAYETTE ESCADRILLE		2,000	2,000
	CIVILIAN UNDEREXECUTION		-15,700	-15,700

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	FOREIGN CURRENCY FLUCTUATION		-24,408	-24,408
	Total Operation and Maintenance, Air Force	**26,146,770**	**-133,188**	**26,013,582**
	Operation and Maintenance, Defense-wide			
	BUDGET ACTIVITY 1: OPERATING FORCES			
10	JOINT CHIEFS OF STAFF	373,832	10,000	383,832
10a	CINCS COMBATING TERRORISM READINESS FUND		[10,000]	
20	SPECIAL OPERATIONS COMMAND	1,404,797	0	1,404,797
20a	SPECIAL OPERATIONS COUNTER-TERRRORISM TRAINING		14,300	14,300
30	PROBLEM DISBURSEMENTS	0	0	0
	TOTAL, BUDGET ACTIVITY 1:	**1,778,629**	**24,300**	**1,802,929**
	BUDGET ACTIVITY 2: MOBILIZATION			
50	DEFENSE LOGISTICS AGENCY	44,691	0	44,691
	TOTAL, BUDGET ACTIVITY 2:	**44,691**	**0**	**44,691**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING			
60	AMERICAN FORCES INFORMATION SERVICE	11,135	0	11,135
70	DEFENSE ACQUISITION UNIVERSITY	101,196	0	101,196
80	DEFENSE CONTRACT AUDIT AGENCY	3,833	0	3,833
90	DEFENSE FINANCE AND ACCOUNTING SERVICE	8,900	0	8,900
100	DEFENSE HUMAN RESOURCES ACTIVITY	86,190	0	86,190
110	DEFENSE SECURITY SERVICE	7,590	0	7,590
120	DEFENSE THREAT REDUCTION AGENCY	1,246	0	1,246
130	SPECIAL OPERATIONS COMMAND	53,573	0	53,573
	TOTAL, BUDGET ACTIVITY 3:	**273,663**	**0**	**273,663**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
140	AMERICAN FORCES INFORMATION SERVICE	96,637	0	96,637
150	CIVIL MILITARY PROGRAMS	94,596	0	94,596
160	CLASSIFIED PROGRAMS	4,718,802	-52,800	4,666,002
170	DEFENSE CONTRACT AUDIT AGENCY	354,348	0	354,348

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
180	DEFENSE CONTRACT MANAGEMENT AGENCY	948,932	0	948,932
190	DEFENSE FINANCE AND ACCOUNTING SERVICE	1,492	0	1,492
200	DEFENSE HUMAN RESOURCES ACTIVITY	198,157	0	198,157
210	DEFENSE INFORMATION SYSTEMS AGENCY	803,122	-24,700	778,422
220	DEFENSE LOGISTICS AGENCY	191,990	0	191,990
230	DEFENSE LEGAL SERVICES AGENCY	12,075	0	12,075
240	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,465,814	0	1,465,814
250	DEFENSE POW /MISSING PERSONS OFFICE	15,211	0	15,211
260	DEFENSE SECURITY COOPERATION AGENCY	65,211	0	65,211
270	DEFENSE SECURITY SERVICE	87,118	0	87,118
280	DEFENSE THREAT REDUCTION AGENCY	258,597	0	258,597
290	OFFICE OF ECONOMIC ADJUSTMENT	16,972	0	16,972
300	OFFICE OF THE SECRETARY OF DEFENSE	437,141	35,500	472,641
300a	TRANSFER FROM PE65710D8Z		[30,500]	
300b	INFORMATION ASSURANCE SCHOLARSHIPS-Transfer		[1,500]	
300c	INFORMATION ASSURANCE SCHOLARSHIPS-Addition		[3,500]	
310	SPECIAL OPERATIONS COMMAND	46,891	0	46,891
320	SPECIAL ACTIVITIES	115,000	0	115,000

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
330	JOINT CHIEFS OF STAFF	169,340	0	169,340
340	WASHINGTON HEADQUARTERS SERVICES	324,202	-18,100	306,102
350	PROBLEM DISBURSEMENTS	0	0	0
	TOTAL, BUDGET ACTIVITY 4:	**10,421,648**	**-60,100**	**10,361,548**
	COMMERCIAL IMAGERY INITIATIVE		10,000	10,000
	IMPACT AID		35,000	35,000
	IMPACT AID - CHILDREN WITH DISABILITIES		5,000	5,000
	OVERSTATED CIVILIAN BUYOUT COSTS		-21,590	-21,590
	LEGACY RESOURCE MANAGEMENT PROGRAM		8,000	8,000
	CIVILIAN UNDEREXECUTION		-29,400	-29,400
	FOREIGN CURRENCY FLUCTUATION		-7,309	-7,309
	Total Operation and Maintenance, Defense-Wide	**12,518,631**	**-36,099**	**12,482,532**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	Operation and Maintenance, Army Reserve			
	BUDGET ACTIVITY 01: OPERATING FORCES			
	LAND FORCES			
10	DIVISION FORCES	14,382	6,000	20,382
20	CORPS COMBAT FORCES	24,571	0	24,571
30	CORPS SUPPORT FORCES	232,891	0	232,891
40	ECHELON ABOVE CORPS FORCES	115,183	0	115,183
50	LAND FORCES OPERATIONS SUPPORT	364,700	0	364,700
	LAND FORCES READINESS			
60	FORCES READINESS OPERATIONS SUPPORT	139,280	0	139,280
70	LAND FORCES SYSTEM READINESS	60,481	0	60,481
80	DEPOT MAINTENANCE	60,719	0	60,719
	LAND FORCES READINESS SUPPORT			
90	BASE SUPPORT	406,137	0	406,137

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
100	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	161,321	0	161,321
110	ADDITIONAL ACTIVITIES	2,536	0	2,536
	TOTAL, BA 01: OPERATING FORCES	**1,582,201**	**6,000**	**1,588,201**
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
120	ADMINISTRATION	39,256	0	39,256
130	SERVICEWIDE COMMUNICATIONS	30,865	0	30,865
140	PERSONNEL/FINANCIAL ADMIN (MANPOWER MNGMT)	44,201	0	44,201
150	RECRUITING AND ADVERTISING	90,723	0	90,723
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**205,045**	**0**	**205,045**
	FULL TIME SUPPORT		9,900	9,900
	Total Operation and Maintenance, Army Reserve	**1,787,246**	**15,900**	**1,803,146**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	Operation and Maintenance, Navy Reserve			
	BUDGET ACTIVITY 01: OPERATING FORCES			
	RESERVE AIR OPERATIONS			
10	MISSION AND OTHER FLIGHT OPERATIONS	405,515	0	405,515
30	INTERMEDIATE MAINTENANCE	17,223	0	17,223
40	AIR OPERATION AND SAFETY SUPPORT	1,961	0	1,961
50	AIRCRAFT DEPOT MAINTENANCE	116,328	0	116,328
60	AIRCRAFT DEPOT OPS SUPPORT	324	0	324
	RESERVE SHIP OPERATIONS			
70	MISSION AND OTHER SHIP OPERATIONS	46,572	0	46,572
80	SHIP OPERATIONAL SUPPORT AND TRAINING	623	0	623
90	INTERMEDIATE MAINTENANCE	7,053	0	7,053
100	SHIP DEPOT MAINTENANCE	71,858	0	71,858
110	SHIP DEPOT OPERATIONS SUPPORT	2,652	0	2,652

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	RESERVE COMBAT OPERATIONS SUPPORT			
120	COMBAT SUPPORT FORCES	37,579	0	37,579
	RESERVE WEAPONS SUPPORT			
130	WEAPONS MAINTENANCE	5,531	0	5,531
	BASE SUPPORT			
140	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	51,102	0	51,102
150	BASE SUPPORT	148,046	0	148,046
	TOTAL, BA 01: OPERATING FORCES	**912,367**	**0**	**912,367**
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
160	ADMINISTRATION	11,131	0	11,131
170	CIVILIAN MANPOWER & PERSONNEL	1,934	0	1,934
180	MILITARY MANPOWER & PERSONNEL	34,625	0	34,625

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
190	SERVICEWIDE COMMUNICATIONS	37,355	0	37,355
200	COMBAT/WEAPONS SYSTEM	5,606	0	5,606
210	OTHER SERVICEWIDE SUPPORT	672	0	672
	CANCELLED ACCOUNTS			
220	CANCELLED ACCOUNTS	0	0	0
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**91,323**	**0**	**91,323**
	NAVY-MARINE CORPS INTRANET		-3,321	-3,321
	Total Operation and Maintenance, Navy Reserve	**1,003,690**	**-3,321**	**1,000,369**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	Operation and Maintenance, Marine Corps Reserve			
	BUDGET ACTIVITY 01: OPERATING FORCES			
	MISSION FORCES			
10	OPERATING FORCES	50,898	0	50,898
20	DEPOT MAINTENANCE	7,784	0	7,784
30	BASE SUPPORT	25,610	0	25,610
40	TRAINING SUPPORT	18,144	0	18,144
50	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	10,027	0	10,027
	TOTAL, BA 01: OPERATING FORCES	**112,463**	**0**	**112,463**
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
60	SPECIAL SUPPORT	8,596	0	8,596
70	SERVICEWIDE TRANSPORTATION	491	0	491

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
80	ADMINISTRATION	8,632	0	8,632
90	BASE SUPPORT	5,719	0	5,719
100	RECRUITING AND ADVERTISING	8,122	0	8,122
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**31,560**	**0**	**31,560**
	NAVY-MARINE CORPS INTRANET		-1,067	-1,067
	Total Operation and Maint, Marine Corps Reserve	**144,023**	**-1,067**	**142,956**
	Operation and Maintenance, Air Force Reserve			
	BUDGET ACTIVITY 01: OPERATING FORCES			
	AIR OPERATIONS			
10	PRIMARY COMBAT FORCES	1,266,511	0	1,266,511
20	MISSION SUPPORT OPERATIONS	61,637	0	61,637
30	DEPOT MAINTENANCE	322,507	0	322,507

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
40	BASE SUPPORT	245,126	0	38,521
50	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	38,521	0	245,126
	TOTAL, BA 01: OPERATING FORCES	**1,934,302**	**0**	**1,934,302**
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
60	ADMINISTRATION	52,083	0	52,083
70	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	11,848	0	11,848
80	RECRUITING AND ADVERTISING	24,466	0	24,466
90	OTHER PERSONNEL SUPPORT	6,547	0	6,547
100	AUDIOVISUAL	620	0	620
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**95,564**	**0**	**95,564**
	Total Operation and Maintenance, Air Force Reserve	**2,029,866**	**0**	**2,029,866**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	Operation and Maintenance, Army National Guard			
	BUDGET ACTIVITY 01: OPERATING FORCES			
	LAND FORCES			
10	DIVISIONS	472,117	4,000	476,117
20	CORPS COMBAT FORCES	565,861	0	565,861
30	CORPS SUPPORT FORCES	280,054	0	280,054
40	ECHELON ABOVE CORPS FORCES	476,828	0	476,828
50	LAND FORCES OPERATIONS SUPPORT	22,333	0	22,333
	LAND FORCES READINESS			
60	FORCE READINESS OPERATIONS SUPPORT	19,354	3,100	22,454
70	LAND FORCES SYSTEMS READINESS	95,719	0	95,719
80	LAND FORCES DEPOT MAINTENANCE	193,414	0	193,414
	LAND FORCES READINESS SUPPORT			
90	BASE OPERATIONS SUPPORT	538,487	0	538,487

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
100	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	351,768	0	351,768
110	MANAGEMENT & OPERATIONAL HEADQUARTERS	399,117	0	399,117
120	MISCELLANEOUS ACTIVITIES	38,415	0	38,415
	TOTAL, BA 01: OPERATING FORCES	**3,453,467**	**7,100**	**3,460,567**
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
130	STAFF MANAGEMENT	84,106	0	84,106
140	INFORMATION MANAGEMENT	21,070	0	21,070
150	PERSONNEL ADMINISTRATION	35,902	0	35,902
160	RECRUITING AND ADVERTISING	82,814	0	82,814
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**223,892**	**0**	**223,892**
	FULL TIME SUPPORT		13,200	13,200
	Total Operation and Maintenance, Army National Guard	**3,677,359**	**20,300**	**3,697,659**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	Operation and Maintenance, Air National Guard			
	BUDGET ACTIVITY 01: OPERATING FORCES			
	AIR OPERATIONS			
10	AIRCRAFT OPERATIONS	2,545,143	0	2,545,143
10a	B-1B		164,800	164,800
20	MISSION SUPPORT OPERATIONS	348,442	0	348,442
30	BASE SUPPORT	377,859	0	377,859
40	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	92,092	0	92,092
50	DEPOT MAINTENANCE	490,912	0	490,912
	TOTAL, BA 01: OPERATING FORCES	**3,854,448**	**164,800**	**4,019,248**
	BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES			
	SERVICEWIDE ACTIVITIES			
60	ADMINISTRATION	2,935	0	2,935

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
70	RECRUITING AND ADVERTISING	9,978	0	9,978
	TOTAL, BA 04: ADMIN & SERVICEWIDE ACTIVITIES	**12,913**	**0**	**12,913**
	ECWCS/MSS		5,000	5,000
	Total Operation and Maintenance, Air National Guard	**3,867,361**	**169,800**	**4,037,161**
	TRANSFER ACCOUNTS			
10	ENVIRONMENTAL RESTORATION, ARMY	389,800	0	389,800
20	ENVIRONMENTAL RESTORATION, NAVY	257,517	0	257,517
30	ENVIRONMENTAL RESTORATION, AIR FORCE	385,437	0	385,437
40	ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	23,492	0	23,492
50	ENVIRONMENTAL REST, FORMERLY USED DEFENSE SITES	190,255	0	190,255
60	DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES	820,381	40,000	860,381
	NATIONAL GUARD COUNTER-DRUG ACTIVITIES		[40,000]	
70	OVERSEAS CONTINGENCIES	2,844,226	0	2,844,226
80	PENTAGON RENOVATION	0	0	0
	TOTAL, O&M, TRANSFER ACCOUNTS	**4,911,108**	**40,000**	**4,951,108**

Title III - Operation & Maintenance

(Dollars in Thousands)

Line	Activity/Subactivity	FY 2002 Request	Senate Change	Senate Authorized
	MISCELLANEOUS			
90	OFFICE OF THE INSPECTOR GENERAL	152,021	0	152,021
100	RIFLE PRACTICE, ARMY	0	0	0
110	U.S. COURT OF APPEALS FOR THE ARMED FORCES	9,096	0	9,096
120	SUPPORT OF INTERNATIONAL SPORTING COMPETITIONS	15,800	0	15,800
130	OVERSEAS HUMANITARIAN, DISASTER, & CIVIC AFFAIRS /1	57,200	0	57,200
140	PAYMENT TO KAHO'OLAWE ISLAND	25,000	35,000	60,000
150	EMERGENCY RESPONSE FUND, DEFENSE	0	0	0
160	DEFENSE HEALTH PROGRAM	17,898,969	-19,000	17,879,969
170	FORMER SOVIET UNION THREAT REDUCTION	403,000	0	403,000
180	DEFENSE EXPORT LOAN GUARANTEE PROGRAM	0	0	0
190	QUALITY OF LIFE ENHANCEMENTS	0	0	0
200	DEFENSE VESSELS TRANSFER PROGRAM	0	0	0
210	OPPLAN 34A-35 P.O.W.	0	0	0
	TOTAL, MISCELLANEOUS	**18,561,086**	**16,000**	**18,577,086**
	TOTAL OPERATION AND MAINTENANCE TITLE:	**125,692,516**	**17,201**	**125,709,717**

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Armed Forces Retirement Home (sec. 303)

The committee recommends a provision that would authorize the appropriation of $71.4 million from the Armed Forces Retirement Home Trust Fund for fiscal year 2002.

Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees (sec. 304)

The committee recommends a provision that would authorize $35.0 million for continuation of the Department of Defense assistance program to local educational agencies that benefit dependents of service members and Department of Defense civilian employees.

Amount for impact aid for children with severe disabilities (sec. 305)

The committee recommends a provision that would authorize $5.0 million for continuation of the Department of Defense assistance program to local educational agencies that benefit dependents with severe disabilities.

SUBTITLE B—ENVIRONMENTAL PROVISIONS

Establishment in environmental restoration accounts of sub-accounts for unexploded ordnance and other related constituents (sec. 311)

The committee recommends a provision that would amend section 2703 of title 10, United States Code, by inserting a new paragraph that would designate sub-accounts for the remediation of unexploded ordnance and other related constituents on active ranges, sites subject to base realignment and closure, and formerly used defense sites.

Assessment of environmental remediation of unexploded ordnance and related constituents (sec. 312)

The committee recommends a provision that would require the Department of Defense (DOD) to develop a comprehensive assessment of the extent of problems with unexploded ordnance (UXO) and related constituents at current and former DOD facilities. This assessment would be included in the annual environmental remediation report required by section 2706(a) of title 10, United States Code.

The four military services have been firing ordnance on training ranges for decades. It now appears that the cost of addressing problems with UXO and related constituents on active facilities, closed and closing installations, and formerly used defense sites could run into the hundreds of billions of dollars.

The Senate Report on the National Defense Authorization Act for Fiscal Year 2000 required the Department to develop a comprehensive estimate of the costs of addressing problems with UXO and related constituents at the Department's current and former facilities. Unfortunately, the report provided by the Department fails to provide this information.

The provision recommended by the committee would address this problem by placing a statutory requirement on the Department to develop a comprehensive reliable estimate of the costs of addressing problems with UXO and related constituents and a roadmap for doing so.

Department of Defense energy efficiency program (sec. 313)

The committee recommends a provision that would require the Secretary of Defense to carry out a program to significantly improve the energy efficiency of the Department of Defense (DOD) over the next 10 years.

The committee believes that energy conservation is an essential element in addressing rising energy prices and supply problems. The DOD has a robust energy conservation program in place, which has already reduced the Department's energy consumption by more than 20 percent over the last 10 years, resulting in billions of dollars of cost avoidance.

The provision recommended by the committee would codify the existing Department of Defense energy conservation program and extend it through 2010. The energy efficiency goals established by the provision would not be mandatory, but should ensure that the Department continues to achieve reduced energy consumption and resulting savings. DOD officials have indicated that these goals are achievable.

The provision would also require that the Secretary pursue a number of proven energy efficiency strategies, including: the purchase of energy-efficient products; the use of energy savings performance contracts and other contracts designed to achieve energy conservation objectives; the use of life-cycle cost analysis (including life-cycle energy costs) in making purchases; the use of energy-efficiency audits; the use of more energy efficient steam systems, boiler systems, and industrial processes; and the early retirement of inefficient equipment where replacement results in lower life-cycle costs.

With regard to the purchase of energy-efficient products for DOD facilities, the committee directs the Department to develop and submit to the congressional defense committees, by no later than March 1, 2002, a comprehensive plan for replacing standard light bulbs with energy-efficient light bulbs, to the maximum extent practicable, over a five-year period.

The information required in annual reports to the congressional defense committees pursuant to this provision is consistent with the information already required in annual reports to the President on the same dates, pursuant to Executive Order 13123. The committee expects to receive the same information in the same format as the President. For this reason, the reporting requirement should not impose any additional burden on the Department.

Extension of pilot program for the sale of air pollution emission reduction incentives (sec. 314)

The committee recommends a provision that would extend the authority for the Department of Defense to conduct a pilot program for the sale of air pollution emission reduction incentives.

Section 351 of the National Defense Authorization Act for Fiscal Year 1998 authorized the Department to retain proceeds from the sale of Clean Air Act emission reduction credits, allowances, offsets, or comparable economic incentives. This authority had enabled the Department to participate in emissions trading pursuant to the Clean Air Act Amendments of 1990 (Public Law 101–549). The provision recommended by the committee would extend the authority through September 30, 2003.

Reimbursement of Environmental Protection Agency for certain response costs in connection with Hooper Sands Site, South Berwick, Maine (sec. 315)

The committee recommends a provision that would authorize the Secretary of Defense to reimburse the Environmental Protection Agency for costs incurred by the agency for actions taken pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9602, et seq.) (CERCLA). The committee understands that activities of the Navy are liable for these costs under CERCLA as generators who arranged for disposal of the hazardous substances that ended up at the site.

Conformity of surety authority under environmental restoration program with surety authority under Superfund (sec. 316)

The committee recommends a provision that would eliminate the sunset date in section 2701 of title 10, United States Code, making permanent the protection that this provision provides to sureties for Defense Environmental Restoration Program response actions. This change would conform section 2701 to a parallel surety provision in section 119 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), covering response actions under the Superfund program, which was made permanent in 1998.

Procurement of alternative fueled and hybrid electric light duty trucks (sec. 317)

The committee recommends a provision that would require the Secretary of Defense to coordinate with the Administrator of General Services to ensure that only hybrid electric vehicles are procured for the Department of Defense (DOD) fleet of light duty trucks beginning in fiscal year 2005. This requirement applies to those vehicles not otherwise considered "covered" fleet vehicles under the Energy Policy Act (EPAct). The Secretary, in consultation with the Administrator, may waive the requirement under certain circumstances if necessary to meet specific requirements for vehicle capabilities, to meet applicable standards for procurement of fleet vehicles, or to adjust to limitations on the commercial availability of hybrid electric light duty trucks.

The provision also would require that the Secretary coordinate with the Administrator to ensure that certain additional requirements are met with respect to the Department of Defense's light duty trucks that are considered part of its "covered" fleet vehicles under EPAct. Specifically, the provision would require that: (1) five percent of the "covered" fleet vehicles acquired in fiscal years 2005

and 2006 by the DOD be either alternative fuel vehicles or hybrid electric vehicles; and (2) 10 percent of the "covered" fleet vehicles acquired in fiscal year 2007 and thereafter by the DOD be either alternative fuel vehicles or hybrid electric vehicles. These requirements for acquisition of alternative fuel vehicles or hybrid electric vehicles in fiscal year 2005 and thereafter are in addition to those already required under EPAct.

The DOD acquires approximately 22,400 new light duty vehicles annually, approximately half of which are light duty trucks and half are sedans. Manufacturers are expected to produce significant quantities of hybrid electric light duty trucks beginning in 2005. Hybrid electric vehicle technology offers tremendous potential to reduce fuel consumption and significantly increase fuel efficiency. Use of this technology in federal fleets will help reduce petroleum costs significantly and will assist in meeting overall targets for reduction of fuel consumption in the Federal Government.

SUBTITLE C—COMMISSARIES AND NONAPPROPRIATED FUND INSTRUMENTALITIES

Rebate agreements with producers of foods provided under the special supplemental food program (sec. 321)

The committee recommends a provision that would authorize the Secretary of Defense to enter into annual contracts for rebates with producers of food products for the exclusive right to provide food in commissary stores as supplemental food for the Women, Infants, and Children (WIC) Overseas Program. The recommended provision would allow rebates to be credited to the appropriation available for carrying out the WIC program and would require the use of competitive procedures to enter into contracts for rebates.

Reimbursement for use of commissary facilities by military departments for purposes other than commissary sales (sec. 322)

The committee recommends a provision that would require service secretaries to reimburse the Defense Commissary Agency for a share of the depreciated value of a commissary facility when a military department uses, for non-commissary related purposes, a facility previously acquired, constructed or improved with commissary surcharge funds.

Public releases of commercially valuable information of commissary stores (sec. 323)

The committee recommends a provision that would authorize the Secretary of Defense to limit release to the public of commercially valuable commissary store information and to use competitive contracting procedures to sell commissary sales data, customer demographic information, and information pertaining to commissary transactions and operations. The recommended provision would prohibit release of information in a form that would make it possible to identify a customer. The recommended provision would also authorize the Secretary to sell or license the use of business programs, systems, and applications and to release, without charge,

information about items sold in commissaries to the manufacturer of the item.

SUBTITLE D—OTHER MATTERS

Codification of authority for Department of Defense support for counterdrug activities of other agencies (sec. 331)

The committee recognizes that with the passage of time and several amendments over the years, it has become increasingly difficult for Department of Defense (DOD) personnel in the field to keep abreast of section 1004 of the National Defense Authorization Act for Fiscal Year 1991, which authorizes DOD support for the counterdrug activities of any other department or agency of the Federal Government or of any state, local or foreign law enforcement agency. Therefore, the committee recommends a provision that would codify that section in Chapter 18 of title 10, United States Code.

Exclusion of certain expenditures from limitation on private sector performance of depot-level maintenance (sec. 332)

The committee recommends a provision that would allow the military departments to exclude private sector depot-level maintenance and repair performed in partnerships at Centers of Industrial and Technical Excellence from the calculations of public and private sector maintenance required by section 2466 of title 10, United States Code. All other provisions of chapter 146 of title 10 would continue to apply to such maintenance.

The committee supports the goal of increasing public-private partnerships to increase the efficiency and effectiveness of the maintenance of military equipment and urges the military departments to more fully utilize the partnering authorities under section 2474 of title 10. The authority to exclude private sector work performed in such partnerships from the requirements of section 2466 of title 10 contained in this provision represents an additional incentive to create such partnerships.

Repair, restoration, and preservation of Lafayette Escadrille Memorial, Marnes la-Coquette, France (sec. 333)

The committee recommends a provision that would authorize the Secretary of the Air Force to provide a grant to the Lafayette Escadrille Memorial Foundation, Inc. to repair and restore the Lafayette Escadrille Memorial in Marnes la-Coquette, France.

The committee does not intend this provision to establish a precedent for federal funding of privately owned memorials. However, the committee believes that in this instance a contribution by the United States government is appropriate in order to honorably preserve the remains of American pilots who volunteered to fight in World War I. The memorial has suffered severe water damage. The committee understands that the government of France is also contributing funds to the restoration of this memorial. The committee expects the Lafayette Escadrille Memorial Foundation to ensure that this memorial is maintained in the future without additional government contributions once this restoration is accomplished.

Implementation of the Navy-Marine Corps Intranet contract (sec. 334)

The budget request included $647.7 million to support 270,000 work stations for the Navy-Marine Corps Intranet (NMCI) in fiscal year 2002. Due to schedule slippage, the committee believes that the Navy has overestimated the number of work stations it will be able to purchase during fiscal year 2002. Therefore, the committee recommends a decrease of $59.3 million from Department of the Navy operation and maintenance accounts. Additionally, the committee understands that approximately 23 percent of the fiscal year 2002 funding was requested as part of Navy working capital fund (NWCF) operations. The committee directs the Navy to ensure that the NWCF bears a proportionate share of the above reduction.

The committee further understands that slower schedules have affected the Navy's ability to fulfill requirements for system testing established in section 814 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001. The committee continues to believe that the NMCI program must be tested and proven before it is fully deployed. Therefore, the committee recommends a provision establishing an event-driven plan for phased NMCI implementation throughout fiscal year 2002. Under the plan, the Navy will limit contracts for additional workstations to 15 percent of the projected steady-state purchase pending completion of three-phased, government-observed contractor and user testing. The Under Secretary of Defense for Acquisition, Technology and Logistics will then review the results of those tests and determine whether a second increment of work stations may be ordered. Notification of this determination will be provided to the congressional defense committees.

At the point at which 20,000 work stations are operational and meeting all performance targets established in service-level agreements, the Under Secretary of Defense for Acquisition, Technology and Logistics will make another determination about the program's continued viability. A favorable determination will result in the release of a third increment of work station orders, again with notification to the congressional defense committees. Finally, the original evaluation of program viability included in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 will be conducted once 15 percent of NMCI work stations are fully operational. Under existing law, results of these tests will be used to make a certification to the Congress that the continued implementation of NMCI is in the best interests of the Department of the Navy. If at that point the testing schedule has proceeded favorably, and the Navy determines that additional funds will increase cost effectiveness and/or operational efficiency, the Navy may request a reprogramming to return the program to the originally-requested level of 270,000 work stations in fiscal year 2002.

ADDITIONAL MATTERS OF INTEREST

Battlefield mobility enhancement program

The committee recommends an increase of $9.7 million to Army operation and maintenance accounts to enhance its capabilities for casualty evacuation and resupply. The committee recommends that

the Army use $6.6 million of these funds to purchase 452 M-Gators, a light-weight tactical utility vehicle. The committee recommends that the Army National Guard use the remaining $3.1 million to purchase 200 M-Gators and associated training and support packages.

Civilian underexecution

The Department of Defense has consistently underexecuted funding requested for civilian personnel. Therefore, the committee recommends a decrease of $132.6 million, based on past levels of underexecution. Of this amount, the committee recommends that operation and maintenance funds be reduced by $51.3 million for the Army, $32.6 million for the Navy, $3.6 million for the Marine Corps, $15.7 million for the Air Force, and $29.4 million for Defense-Wide accounts.

Corrosion prevention

The committee is strongly interested in efforts to mitigate the effects of corrosion on military equipment, facilities, and infrastructure. All of the military services maintain facilities and operate equipment in high-salt, wet, and desert environments, conditions that accelerate corrosion.

Addressing this problem imposes a significant maintenance workload on military personnel. In addition, corrosion shortens the service life of parts, critical equipment, and facilities that are important both to military operations and to service members' quality of life. This results in higher-than-necessary replacement rates for many items, and thus higher costs.

The committee is aware that each of the military services is pursuing anti-corrosion technologies and products. The committee is concerned, however, that these efforts lack coherence and result in inefficiency. Therefore, the committee directs the Department of Defense to identify a single office with overall responsibility for anti-corrosion programs. The designated office should develop and execute an action plan to address corrosion, and include a description of how information and data on accepted practices and products are to be collected and disseminated to all interested parties, especially ship and installation commanders. The designated office shall also develop and issue common product testing and certification criteria. Assessments of anti-corrosion technologies shall address product effectiveness, cost effectiveness, and environmental impacts. Finally, the designated office shall serve as the coordinator and joint representative for anti-corrosion efforts in the Department of Defense's internal resourcing process.

While the committee believes that anti-corrosion initiatives must be rationalized and consolidated in the future, it understands that each of the military services continues to face current corrosion problems. Therefore, the committee recommends an increase of $5.4 million to Army operation and maintenance funds to continue applications of anti-corrosion treatments for new and existing equipment, and to support further anti-corrosion efforts in the Pacific theater. The committee further urges the Army to expand its focus on equipment, to include infrastructure and facilities.

The committee also understands that technological advances such as ambient temperature-cured glass coatings may contribute significantly to efforts to combat corrosion and facilities degradation. Therefore, the committee recommends an increase of $2.0 million to Navy operations and maintenance funds to expand testing of these technologies.

Foreign currency fluctuation

The committee recommends a decrease of $137.9 million from operation and maintenance funds for anticipated savings from foreign currency fluctuations. Of this amount, the committee recommends a reduction of $89.4 million for the Army, $15.4 million for the Navy, $1.4 million for the Marine Corps, $24.4 million for the Air Force, and $7.3 million for Defense-Wide accounts.

Personal gear for servicemembers

The committee is concerned that the budget request would not adequately fund personal gear for soldiers and airmen. Sufficient funding for these programs is essential for the safety and comfort of our service members in the field. Therefore, the committee recommends an increase of $25.0 million in the operation and maintenance accounts ($10.0 million for the Army, $6.0 million for the Army Reserves, $4.0 million for the Army National Guard, and $5.0 million for the Air National Guard) to purchase items of individual combat clothing and equipment, including the Extended Cold Weather Clothing System (ECWCS) and the Mobile Sleep System (MSS).

Army

Objective force task force

As stated elsewhere in this report, the committee commends the Army for chartering a task force to integrate and coordinate the myriad efforts required to ensure a successful transformation to the Objective Force. The Task Force is the first priority in the Objective Force category of the Army's list of unfunded requirements for fiscal year 2002. The committee believes that transforming to the Objective Force must be among the Army's highest priorities. Consistent with actions taken elsewhere in the budget to fund the Task Force, the committee recommends an increase of $1.2 million in Operation and Maintenance, Army, to fund the personnel and support requirements of the Objective Force Task Force.

Interim brigade combat team training

The committee fully supports the Army's efforts to transform to a lighter, more rapidly-deployable force. The development of Interim Brigade Combat Teams (IBCTs) are a key component of the Army's transformation plan, and, as new organizations, these units have new training requirements. To support those requirements, the committee recommends an increase of $3.7 million to Army operations and maintenance funds. Of these funds, $2.3 million would be spent to fund mobile training teams, which would go to IBCT locations to train soldiers in new tactics, techniques and procedures for IBCT operations. The subcommittee recommends an additional

$1.4 million for an IBCT Warfighter exercise at the Battle Command Training Program. This capstone training event would allow IBCT leaders to practice integrating IBCT and legacy forces under unique, stressing conditions. The Army would also be able to apply the lessons learned from this event to future IBCT development, accelerating and improving the process of transformation.

Army installation security

The committee recommends an increase of $77.7 million to address force protection vulnerabilities on Army installations in Europe and Asia. The budget request included $128.0 million to establish entry and access control at Army installations in the United States and abroad. However, the request left an unfunded priority of $306.0 million, required to provide the minimum requirements for securing overseas and domestic installations. The $77.7 million recommended by the committee would be used to complete the process of establishing minimum controls (barriers, blast mitigation devices, intrusion detection devices, vehicle registration, visitor pass control facilities, guard shacks, vehicle inspection areas and security personnel) at the most vulnerable Army installations overseas.

Navy

Surface ship depot maintenance

The budget request included $2.9 billion for ship depot maintenance. This amount funded 86 percent of the requirement for surface ships, 92 percent for carriers, and 90 percent for submarines. The committee recommends an increase of $75.4 million to raise the funding for surface ship depot maintenance to 90 percent of the requirement in fiscal year 2002.

Mk–45 gun overhauls

The committee recommends an increase of $9.0 million to the Navy's operation and maintenance account to fund overhauls for two Mk–45 guns. These overhauls will improve the operational availability of the Mk–45 gun weapons system and maintain critical workforce skills in support of the Navy's Cruiser Conversion Program.

Shipyard apprentice program

The committee is concerned about the continued vitality of the shipyard workforce as it adjusts to downsizing and infrastructure realignment. Therefore, the committee recommends an increase of $4.0 million in the operation and maintenance accounts for the Navy to support apprentice programs. These programs allow Navy managers to hire new apprentices and other skilled workers, ensuring the long-term health of our shipyard workforce.

Navy explosive detectors

The budget request included $2.0 million to purchase explosive detectors for seagoing Navy vessels. The committee recommends an increase of $6.0 million to purchase and deploy hand held explosive detection devices as on-board inventory items for all carrier battle

groups. The detection equipment would use ion trap mobility spectrometer technology on board deploying Navy vessels to screen people, mail and cargo approaching and coming aboard ships. This additional funding would procure at least 150 units along with the associated training, maintenance and warranty contracts. The procurement of these devices addresses one of the Navy's highest post-USS Cole attack priorities for force protection. The Navy is encouraged to explore complementing these devices with other means of detection, including canine detection.

Surf Eagle for the Naval Oceanographic Office

The Naval Oceanographic Office (NAVOCEANO) is responsible, within the Department of Defense, for acquiring and analyzing data on the oceans and on littoral areas. NAVOCEANO and the National Imagery and Mapping Agency (NIMA) have been running a joint program to provide geospatial products to its customers called Surf Eagle.

The committee understands that the Navy needs to upgrade and expand their capabilities, including expanding the ability to perform feature extraction and developing feature attribution tools, to increase the productivity of oceanographic and imagery analysts. Such productivity increases will be necessary to keep up with demand and handle the much larger volumes of data that can be expected over the next several years.

Therefore, the committee recommends an increase of $4.0 million for these purposes.

Marine Corps

USMC initial issue

The committee is concerned that the budget request would not adequately fund personal items for new members of the Marine Corps. Many of these items are important for the safety and comfort of our Marines in the field. Therefore, the committee recommends an increase of $15.0 million in the operation and maintenance accounts for the Marine Corps to purchase individual combat clothing and equipment items, including polar fleece pullovers, modular tents, ultra-light camouflage, and combat casualty care equipment.

USMC depot maintenance

The committee remains concerned about the rising costs and time required to repair aging equipment, trends that impede unit readiness and strain limited resources. The budget request included $107.8 million for depot maintenance, an amount the committee believes is inadequate to support the maintenance that must be performed to restore equipment readiness. Therefore, the committee recommends an increase of $14.4 million to depot-level maintenance for Marine Corps equipment. The committee understands that this increase will support 90 percent of the Marine Corps' executable requirement in fiscal year 2002.

Air Force

Spacelift range facilities

The budget request included $258.8 million for Operation and Maintenance, Air Force for launch facilities. The committee recommends an increase of $18.3 million to improve the safety and operating efficiency of launch facilities at Vandenberg Air Force Base and Cape Canaveral/Patrick Air Force Base. This is the highest priority on the Air Force's list of unfunded priorities for fiscal year 2002.

For several years, the Air Force has been in the process of automating and standardizing the East and West Coast ranges. The recommended increase would allow the Air Force to test and integrate new systems more quickly and with less disruption to operational activities. This would also include continuation of the core crew concept to ensure there are sufficient launch crews to support both all launch and range activities. The additional funds would also support greater use of commercial satellite communication systems.

Civil Air Patrol

The budget request included $18.3 million for the Civil Air Patrol (CAP) Corporation, a voluntary auxiliary of the Air Force. The committee recommends an increase of $4.5 million to Air Force operation and maintenance funds for CAP operations. The additional funds are allocated to support the thousands of CAP volunteers who assist their communities in search and rescue, disaster relief, drug interdiction, humanitarian support, and other key missions.

Defense-Wide

Special operations combating terrorism training

The budget request included funding for counterterrorism training, but did not include full funding for enhanced counterterrorism training, a crucial readiness requirement ensuring that U.S. Special Operations Forces (SOF) are prepared to counter terrorist threats and/or rescue hostages during terrorist attacks. Combating terrorism through defensive means and through counterterrorism operations is one of the primary missions of special operations forces. The enhanced training for such operations is geared toward providing the most realistic potential terrorist scenarios, through elements such as locale and enemy weaponry. Counterterrorism training promotes operator survivability and accomplishment of future missions. The committee regards this shortfall in funding as a critical item in need of redress, because of its impact on combating terrorism, and its negative impact on readiness. Therefore, the committee recommends an increase of $14.3 million for the U.S. Special Operations Command (SOCOM) operation and maintenance account for SOCOM's combating terrorism training activities. This increase would bolster U.S. efforts to combat terrorism, and it would eliminate SOCOM's third highest unfunded requirement. The increase would remedy a gap in SOCOM readiness that was not addressed by the budget request.

Commercial imagery to support military requirements

The budget request included $30.0 million for purchasing commercial imagery products in support of national needs.

The committee continues to support the use of commercial sources to help meet the imagery requirements of United States and coalition forces, and the geospatial requirements of the National Imagery and Mapping Agency (NIMA). The committee also continues to support the objectives of Presidential Decision Directive—23 (PDD–23), which sought to: (1) establish the United States as the world's leader in commercial remote sensing; and (2) contribute to a stable, sustainable customer base for the U.S. satellite industry.

The committee understands that the intelligence community and the Department of Defense are developing a commercial imagery strategy to help meet the NIMA's mapping and military support functions. The committee strongly endorses the development of such a strategy and believes that, to be successful, the U.S. Government will need to become a reliable customer of commercial imagery. To date, the objectives of PDD–23 remain unfulfilled due to the slow pace of the U.S. Government in articulating a clear strategy for the use of commercial imagery, and in providing adequate funding to help sustain a U.S. commercial base to provide those images and geospatial data.

NIMA officials have represented to the committee that there may be opportunities for establishing stronger ties with the private sector. They have suggested that NIMA might enter into prototype contracts with commercial remote sensing entities to provide commercial imagery for NIMA. Under such an approach, NIMA would contract with one or more U.S. commercial imagery providers to provide support to a customer or group of customers in a particular region, as opposed to merely trying to fill random customer orders.

The committee believes that such an approach might provide the Department of Defense, the intelligence community, combatant commanders and the committee the information needed to better evaluate the value of commercial imagery, the mechanisms needed to fully utilize the unique advantages of commercial imagery to support military requirements, and procedures to support in-theater tasking, receipt and utilization of commercial imagery.

For these purposes, the committee recommends an increase of $10.0 million above the President's budget request. The committee understands that NIMA would want to use these funds, along with other funds in the budget, to establish these prototype contracts.

In the longer term, NIMA officials have suggested the possibility of establishing an "anchor-tenant" business relationship between the Department of Defense and one or more remote sensing entities will be central to any commercial imagery strategy. The committee understands that this may be an attractive approach, but needs to understand more about such an alternative before endorsing it. The committee looks forward to hearing a more formal proposal from the administration on this issue.

Information security scholarship program

The budget request included $1.5 million in PE 65710D8Z, Research, Development, Test and Evaluation, Defense-wide for the in-

formation assurance scholarship program. This program was established by section 922 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

The committee strongly supports moving forward with this program. Department of Defense officials have indicated that they fully support the intent of the program to bolster the number of, and training for, personnel in the Defense Department's information assurance career field. The committee believes that the Department is being too tentative in its implementation, and that making more funds available would result in more near-term progress.

The committee recommends an additional $3.5 million to increase the number of grants and scholarships that the Department will be able to implement during fiscal year 2002.

Department of Defense officials have indicated that requesting the funds in this research and development account was an error. The funds are more appropriately budgeted within the Operation and Maintenance, Defense-wide account.

The committee agrees with this assessment. Therefore, the committee recommends providing the funds, $5.0 million in total, in the Operation and Maintenance, Defense-wide account.

Defense information services agency

The budget request included $803.1 million for the Defense Information Systems Agency (DISA), an increase of $42.6 million over the fiscal year 2001 level. The committee has not received sufficient justification for the requested program growth, and therefore recommends a decrease of $24.7 million. This decrease will maintain DISA activities at the fiscal year 2001 level, after accounting for $17.9 million in price increases.

Washington Headquarters Services

The budget request included $324.2 million for activities of Washington Headquarters Services (WHS). The committee has not received sufficient justification for the requested program growth, and therefore recommends a decrease of $18.1 million from the Operation and Maintenance, Defense-Wide account for WHS. This decrease will maintain WHS activities at the fiscal year 2001 level, after accounting for price increases.

Guard and Reserve Components

B–1B Lancer bomber

The budget request contained no funds for the Air National Guard for operations and maintenance for the B–1B Lancer bomber. The budget request included $64.8 million in the Air Force operation and maintenance for the B–1B Lancer bomber. The committee recommends an increase of $164.8 million in Air National Guard operation and maintenance for the B–1B Lancer bomber and a decrease of $64.8 million in Air Force operations and maintenance. The additional funds will allow the National Guard to continue to maintain the B–1Bs that will remain in the National Guard until such time as the study that would be required by section 1012 is completed.

Miscellaneous Additional Items of Interest

Drug Interdiction and Counterdrug Activities

The budget request included $1.0 billion for drug interdiction and other counterdrug activities of the Department of Defense (DOD): $820.4 million in the central transfer account; $166.8 million in the operating budgets of the military services for authorized counterdrug operations; and $12.5 million in the military construction account for infrastructure improvements at the forward operating locations.

The committee recommends the following fiscal year 2002 budget for the Department's counterdrug activities.

Drug Interdiction and Counterdrug Activities, Operation and Maintenance

[In thousands of dollars—may not add due to rounding]

Fiscal Year 2002 Counterdrug Request	$999.7
Goal 1 (Educate America's Youth)	25.3
Goal 2 (Increase safety of citizens)	78.5
Goal 3 (Reduce health and social costs)	77.7
Goal 4 (Shield America's frontiers)	334.5
Goal 5 (Break drug sources of supply)	304.5
Increases: National Guard Support	40.0
Total Fiscal Year 2002 Drug and Counterdrug Funding	1,039.7

National Guard counterdrug activities

The committee values the contribution that the National Guard makes to the national counterdrug effort. Therefore, the committee recommends an increase in $40.0 million for the counterdrug activities of the National Guard, including National Guard State Plans and the National Guard Counterdrug Schools.

Kaho'olawe Island trust fund

The budget request included $25.0 million for the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund. The committee recommends an increase of $35.0 million dollars to maintain the Fund's activities at current levels.

Cultural and historic activities

The budget request included $289,000 for cultural and historic preservation activities funded through the Legacy Resource Management Program. The committee recommends an increase of $8.0 million for the recovery and preservation of sunken vessels of cultural and historic significance.

The committee is aware of a number proposals to recover and preserve sunken vessels that have considerable cultural and historical significance. The committee directs the Department of Defense to use competitive procedures to select recovery and preservation efforts for funding based on the merits of the proposals received and the cultural and historical significance of the vessels to be recovered and preserved.

Fuel savings

The committee believes that recent declines in fuel prices have resulted in an overestimation of future fuel costs. Therefore, the

committee recommends a decrease of $34.8 million to the Defense Working Capital Fund.

OTHER ITEMS OF INTEREST

Common access cards

The committee is concerned with the problems that the Department of Defense is experiencing in the deployment of the Common Access Card (CAC). A central part of the problem appears to be that there is no single office in the Department of Defense that is in charge of the overall deployment of the CAC. Several offices have significant responsibilities for elements of the deployment and these offices tend to "stovepipe" in such a way that the integration of the various efforts is far less than optimal. As a result, the committee is very concerned that much of the smart card functionality developed by the Department over the previous five years may be lost.

The primary reason Congress has supported DOD smart card development in past years has been the technology's ability to streamline administrative processes, dramatically improve readiness processing and provide functionality to the war-fighter. DOD has invested significant amounts of money in developing these applications and they should continue to be at the forefront as DOD migrates to the CAC.

Although the committee understands that the Department of the Navy has been designated as the lead agency for the deployment of the CAC, its role is less than that of an executive agent. As a result, while the Department of the Navy has expended considerable resources and effort in attempting to integrate the deployment of the CAC, it lacks the kind of management and resource authority required to manage the deployment of the CAC effectively and efficiently. The committee believes that such authority should be vested in the Department of the Navy so that there will be a single office that can be held responsible for the proper deployment of the CAC.

To build on the progress made to date and achieve the potential that smart cards hold for the military services, the committee urges the Department of Defense to designate the Department of the Navy as the executive agent for the common access card.

Defense Environmental Security Corporate Information Management Program

On May 25, 2001, the Under Secretary of Defense for Acquisition, Technology and Logistics terminated the Defense Environmental Security Corporate Information Management System (DESCIM) and delegated executive agent authority to the Secretary of the Army for the 10 systems formerly associated with the DESCIM program.

As a result of this delegation of responsibility, the Secretary of the Army is responsible for oversight and implementation of the next generation of Department of Defense environmental security information technology management. For this reason, the committee expects the Secretary of the Army to: (1) provide guidance and establish requirements to ensure that the next generation in-

formation technology program meets the needs of the Department of Defense and the military departments; (2) develop and implement a phased plan for the program by the end of fiscal year 2002; (3) establish measures of merit by which to evaluate the effectiveness of the program; (4) monitor and evaluate program effectiveness; and (5) prioritize and allocate resources to manage and execute the program.

Environmental compliance funding

The committee has been concerned by reports that the military departments may not have provided full funding to some installations for high priority environmental compliance efforts. Although it is the policy of the Department of Defense (DOD) to fully fund environmental compliance activities if the failure to fund those activities would leave the Department in violation of applicable requirements of law or regulation, the committee understands that the Department's lengthy budget cycle may result in a failure to fund some of these essential activities.

The committee directs the Comptroller General of the United States to review the methods by which the military departments identify, prioritize, track, and fund environmental compliance requirements. The Comptroller General's report to Congress should specifically address the issue of requirements that are identified after the initial development of budget priorities, and should include any recommendations the Comptroller General may have for addressing this issue.

Factors affecting military training practices

Over the last several years, the military services have had to adjust training practices and incur added expenses to address concerns about endangered species, critical habitats, the marine environment, airspace management, air pollution, unexploded ordnance, noise pollution, and the assignment of radio frequency spectrum away from the Department of Defense (DOD).

Witnesses at the March 20, 2001, hearing of the Readiness Subcommittee on this issue expressed concern that the cumulative effect of these constraints may be starting to have an adverse impact on the military's ability to perform its mission. For example, Major General R. L. Van Antwerp, the Army Assistant Chief of Staff for Installation Management, testified that: "Our training practices bring noise, dust, expenditure of munitions, and ground activities that can be viewed as a nuisance and annoyance to those who have become our neighbors." However, General Van Antwerp testified: "Live-fire training in the Army cannot be reduced without serious degradation to readiness and the concurrent increased risk to American soldiers." The result of this conflict was summarized by Vice Admiral James F. Amerault, Deputy Chief of Naval Operations for Fleet Readiness and Logistics, who testified: "We are witnessing a loss of training realism. . . . Training schedules are becoming more complex—resulting in increased time away from home, higher training costs, and decreased readiness."

The committee recognizes that the underlying cause of many of these problems—the increasing urbanization and population of the United States—may be beyond the control of the Department or

the Congress. Moreover, the DOD environmental program is essential to protect our forces, their families, and military communities from environmental health and safety hazards. The committee understands that the Department's good faith effort to comply with applicable environmental laws and regulations enables it to retain the confidence of the American people that it will act as a responsible custodian of public lands and as a good neighbor to the communities in which DOD bases are located.

In many cases, there are likely to be constructive ways for the DOD to comply with applicable laws and regulations with a minimum impact on training and readiness. In other cases, it may be possible to address military-unique issues in other ways without adversely impacting the underlying purpose of the laws or regulations. However, it will take hard work with regulators and impacted communities on a case-by-case basis to achieve these solutions. Accordingly, the committee directs the Secretary of Defense to provide the Armed Services Committees of the Senate and the House of Representatives a copy of the sustainable ranges action plan being developed by the Senior Readiness Oversight Council to address factors affecting military readiness.

Movement of household goods

The committee supports the Department of Defense's efforts to improve the quality of shipments of household goods for service members. These efforts include pilot programs to evaluate different models of providing moving services. However, the committee is concerned that the Department is not providing sufficient funds to complete ongoing demonstration programs. The committee believes that these programs, when fully executed, will provide the best information to assess which features of the moving process are most important to service members and their families, and to shaping the program that ultimately will be extended to all military personnel worldwide. Therefore, the committee directs the Department to complete all demonstration programs that were initiated prior to October 1, 2000 using existing funds available for household moves.

Rocky Mountain Arsenal

The cleanup of the Rocky Mountain Arsenal (RMA) is an important priority for the State of Colorado and the Department of the Army. The committee commends the cooperation shown by the Army and the State in successfully disposing of six sarin nerve gas bomblets found at RMA late in calendar year 2000. The committee continues to strongly support the cleanup of RMA and urges the Secretary of the Army to ensure that this critical cleanup effort is completed in a timely and safe manner.

Ship disposal project

In 1999, the Navy initiated a competitive pilot program, known as the ship disposal project, to assemble appropriate data on the cost of scrapping naval vessels in an environmentally responsible manner. Section 318 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 required the Department of Defense to continue to carry out the ship disposal project during fiscal year 2001.

The committee expects the Secretary of the Navy to remain committed to reducing and eliminating any environmental risks posed by the Department's inactive ships, and to reduce the size of the inactive fleet in the manner most advantageous to the Navy. The committee directs the Secretary to continue to evaluate the full range of options for ship disposal, taking into consideration the environment, worker safety and health, cost performance, schedule performance, and the benefits of competitive contracting procedures.

Shipyard maintenance

The committee is concerned that the Navy has not managed its ship maintenance and repair program as effectively as possible. For example, the committee understands that the uncertainty over whether scheduled maintenance availabilities will actually materialize and the fluctuation of ship maintenance workloads over the course of the fiscal year at private sector shipyards result in costly inefficiencies. In addition, fluctuating employment levels act as a disincentive for workers to enter or remain in skilled trades critical to shipyard work. The Navy has also had difficulty in accurately determining its requirement for ship maintenance funding, which has led to an excessive reliance on supplemental appropriations.

The committee is also aware of proposals that might make depot-level maintenance and repair of Navy ships less, rather than more, efficient. These proposals include reassigning maintenance of certain ship classes on the East Coast to Coast Guard or other shipyards with less experience than those shipyards currently performing this work.

The committee believes that the Department of Defense's maintenance policy and practices must balance a complex set of factors, including the importance of competition as a means to improve efficiency, the need to maintain an inherent governmental capability for ship repair, and the desirability of conducting ship maintenance at home ports where sailors are stationed, to lower costs and improve sailors' quality of life.

The committee directs the Navy to review its current procedures to determine whether any improvements can be made that would more evenly distribute the maintenance and repair workload throughout the year. The committee further directs the Navy to evaluate its policies for assigning ship maintenance and repair work in public and private shipyards on both the East and West coasts, and to apply those policies that best meet the needs of the Navy.

If, upon completion of the review, the Navy determines that changes are required, the Navy shall submit a report to the congressional defense committees stating the reasons for, and projected savings from, any proposed changes. The report should include an analysis of the impact of the changes on (a) the preservation of an inherent governmental repair capability; (b) competition between and among public and private shipyards; (c) direct and indirect costs of ship repair and construction, including the impact of any excess capacity created by diversion of maintenance work into shipyards not currently performing such work; (d) quality of life for service members; (e) the training, development, and retention of

skilled workers in both the public and private sectors; and (f) any other relevant factors.

St. Louis Army Ammunition Plant

The committee is concerned that the site of the former St. Louis Army Ammunition Plant remains contaminated with exceptionally high levels of polychlorinated biphenyls. This 21-acre site has been completely vacated since 1998. The committee is also concerned that the current condition of the property has hindered economic development efforts. Although the Department of the Army determined in 1989 that this site was no longer required to support its mission, the environmental baseline studies required to facilitate the property's disposal remain incomplete. The committee directs the Army to submit a report on its plans for the cleanup of this site, including a description of any proposed schedule or estimated cost for the cleanup, to the committee when the Department of Defense submits the fiscal year 2003 budget request.

Use of advanced battery systems for energy storage

The committee recommends that the Department of Defense (DOD) evaluate the potential benefits of utilizing advanced battery systems for energy storage at DOD facilities and installations to reduce peak energy needs for these facilities. Advanced battery systems currently being demonstrated by some local utility systems could reduce the high-cost electrical energy required during peak load periods at DOD facilities and installations by use of less expensive energy generated and stored by the battery system during non-peak periods. Increased use of battery systems for energy storage could also minimize the extent to which additional generating facilities are required, reduce overall energy costs at DOD facilities, and improve the overall quality of power at DOD facilities by protecting against electrical interruptions or disturbances.

Winter Harbor, Maine

The committee is concerned that the Department of the Navy closure of the Naval Security Group Activity (NSGA) Winter Harbor, Maine, may have significant economic impacts for the small surrounding communities. The committee urges the Department of the Navy to work with the Department of the Interior to participate in an economic transition plan for the activity and for the areas impacted by its closure.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

SUBTITLE A—ACTIVE FORCES

End strengths for active forces (sec. 401)

The committee recommends a provision that would authorize active duty end strengths for fiscal year 2002, as shown below:

	2001 authorization	2002 request	2002 recommendation
Army	480,000	480,000	480,000
Navy	372,642	376,000	376,000
Marine Corps	172,600	172,600	172,600
Air Force	357,000	358,800	358,800

Authorized daily average active duty strength for Navy enlisted members in pay grade E–8 (sec. 402)

The committee recommends a provision that would increase the authorized daily average of enlisted members in the pay grade of E–8 for the Navy, consistent with the authority already provided to the Army. The committee recognizes the need for more senior level experience because of the shift in grade balance that has occurred in the top enlisted ranks in the Navy over the course of the force drawdown, increased fleet requirements, and the impact of additional technical responsibilities.

SUBTITLE B—RESERVE FORCES

End strengths for Selected Reserve (sec. 411)

The committee recommends a provision that would authorize Selected Reserve end strengths for fiscal year 2002, as shown below:

	Fiscal year—		
	2001 authorization	2002 request	2002 recommendation
The Army National Guard of the United States	350,526	350,000	350,000
The Army Reserve	205,300	205,000	205,000
The Navy Reserve	88,900	87,000	87,000
The Marine Corps Reserve	39,558	39,558	39,558
The Air National Guard of the United States	108,022	108,400	108,400
The Air Force Reserve	74,358	74,700	74,700
The Coast Guard Reserve	8,000	8,000	8,000

End strengths for reserves on active duty in support of the reserves (sec. 412)

The committee recommends a provision that would authorize the full-time support end strengths for fiscal year 2002, as shown below:

	Fiscal year—		
	2001 authorization	2002 request	2002 recommendation
The Army National Guard of the United States	22,974	22,974	23,698
The Army Reserve	13,106	13,108	13,406
The Navy Reserve	14,649	14,811	14,811
The Marine Corps Reserve	2,261	2,261	2,261
The Air National Guard of the United States	11,170	11,591	11,591
The Air Force Reserve	1,336	1,437	1,437

Full-time support has been identified as the top readiness issue of the reserve components and directly impacts the ability to train, administer and prepare ready units and individuals for transition from a peacetime to a wartime posture. The Army developed a plan to incrementally increase the Reserve Component Full-Time Support Program over 11 years, beginning in fiscal year 2002, to achieve a level of full-time support manning of 90 percent for units that deploy in less than 30 days, 80 percent for units that deploy between 30 and 75 days, 70 percent for units that deploy between 75 and 180 days, and 65 percent for units deploying after 180 days.

The committee is disappointed that the requested end strength for reserves on active duty in support of the reserves is less than required to implement this plan in fiscal year 2002. The recommended increase of 298 in the Army Reserve and 724 in the Army National Guard would bring the end strength up to the end strength in the plan for fiscal year 2002.

End strengths for military technicians (dual status) (sec. 413)

The committee recommends a provision that would authorize the minimum level of dual status technician end strengths for fiscal year 2002, as shown below:

	Fiscal year—		
	2001 authorization	2002 request	2002 recommendation
The Army Reserve	5,921	5,999	6,249
The Army National Guard of the United States	23,128	23,128	23,615
The Air Force Reserve	9,785	9,818	9,818
The Air National Guard of the United States	22,247	22,422	22,422

Full-time support has been identified as the top readiness issue of the reserve components and directly impacts the ability to train, administer and prepare ready units and individuals for transition from a peacetime to a wartime posture. The Army developed a plan to incrementally increase the Reserve Component Full-Time Sup-

port Program over 11 years, beginning in fiscal year 2002, to achieve a level of full-time support manning of 90 percent for units that deploy in less than 30 days, 80 percent for units that deploy between 30 and 75 days, 70 percent for units that deploy between 75 and 180 days, and 65 percent for units deploying after 180 days.

The committee is disappointed that the requested end strength for dual status technicians is less than required to implement this plan in fiscal year 2002. The recommended increase of 487 dual status military technicians in the Army Reserve and 250 dual status military technicians in the Army National Guard would bring the end strength up to the end strength in the plan for fiscal year 2002.

Fiscal Year 2002 limitation on non-dual status technicians (sec. 414)

The committee recommends a provision that would establish numerical limits on the number of non-dual status technicians who may be employed in the Department of Defense as of September 30, 2002, as shown below:

	Fiscal year—		
	2001 authorization	2002 request	2002 recommendation
The Army Reserve	1,195	1,095	1,095
The Army National Guard of the United States	1,600	1,600	1,600
The Air Force Reserve	10	0	0
The Air National Guard of the United States	326	350	350

Limitations on numbers of reserve personnel serving on active duty or full-time national guard duty in certain grades for administration of reserve components (sec. 415)

The committee recommends a provision that would authorize senior grade Active Guard and Reserve member end strengths by a table similar to that used for Active component senior grade officers. The table would correlate the number of senior grade authorizations to the size of the Active Guard and Reserve force.

Strength and grade limitation accounting for reserve component members on active duty in support of a contingency operation (sec. 416)

The committee recommends a provision that would authorize the Secretary of Defense to increase the limit on active duty end strengths of members of the reserve components in pay grades E–8, E–9, 0–4, 0–5, 0–6, and general and flag officers by the number in those pay grades serving on active duty, with their consent, in support of a contingency operation. Currently, members involuntarily ordered to active duty are exempt from end strength limitations. The recommended provision would make no distinction between reserve members who volunteer or are involuntarily ordered to active duty, which would make it easier for the services to use volunteers to meet contingency operation mission requirements.

SUBTITLE C—AUTHORIZATION OF APPROPRIATIONS

Authorization of appropriations for military personnel (sec. 421)

The committee recommends a provision that would authorize a total of $82.4 billion to be appropriated to the Department of Defense for military personnel, $89.6 million more than the fiscal year 2002 budget request.

TITLE V—MILITARY PERSONNEL POLICY

SUBTITLE A—OFFICER PERSONNEL POLICY

General officer positions (sec. 501)

The committee recommends a provision that would increase the grade of the Vice Chief of the National Guard Bureau to lieutenant general, the grades of the heads of the Nurse Corps for the Army and the Air Force to major general and of the Navy to rear admiral (upper half), and the grade of the Chief of Army Veterinary Corps to brigadier general. The recommended provision would authorize one additional Marine general above the grade of major general and exclude an officer serving as the Senior Military Assistant to the Secretary of Defense in the grade of general or lieutenant general, or admiral or vice admiral, from the limit on officers serving in that grade for his or her service.

Reduction of time-in-grade requirement for eligibility for promotion of first lieutenants and lieutenants (junior grade) (sec. 502)

The committee recommends a provision that would reduce the minimum time in grade for promotion of lieutenants and lieutenants (junior grade) from two years to 18 months.

Promotion of officers to the grade of captain in the Army, Air Force, or Marine Corps or to the grade of lieutenant in the Navy without selection board action (sec. 503)

The committee recommends a provision that would authorize the promotion of officers on the active-duty list and on the reserve active-status list to captain in the Army, Air Force, or Marine Corps, or to the grade of lieutenant in the Navy without selection board action when the secretary concerned determines that all fully qualified officers eligible for consideration for promotion are needed in the next higher grade to accomplish mission objectives. The recommended provision would provide that an officer who is not promoted because the secretary concerned determines that the officer is not fully qualified for promotion will be treated as having failed of selection for promotion.

Authority to adjust date of rank (sec. 504)

The committee recommends a provision that would authorize the service secretaries to adjust dates of rank of officers in grades 0–6 and below when the officers' promotions are delayed because of unusual circumstances causing an unintended delay in the processing or approval of a report of a selection board or promotion list.

The secretary concerned would be required to report to the Committee on Armed Services of the Senate the names of the officers concerned and the reason for the changes when dates of rank are changed to a date earlier than the date of Senate confirmation.

This provision is intended to authorize the service secretaries to correct problems caused by inadvertent administrative delays in processing reports of selection boards and promotion lists. It would apply only where the entire report or list is unintentionally delayed.

Extension of deferments of retirement or separation for medical reasons (sec. 505)

The committee recommends a provision that would authorize the service secretaries to extend for an additional 30 days the separation or retirement of members whose mandatory separation or retirement had been deferred for medical reasons. The recommended provision would afford members up to 30 days to transition to civilian life.

Exemption from administrative limitations of retired members ordered to active duty as defense and service attachés (sec. 506)

The committee recommends a provision that would exclude retired members recalled to active duty for service as defense or service attachés from the limitations on the number of retired members who can be recalled to active duty and from the time limit on the period of a recall to active duty.

Certifications of satisfactory performance for retirements of officers in grades above major general and rear admiral (sec. 507)

The committee recommends a provision that would authorize the Secretary of Defense to delegate authority to the Under Secretary of Defense for Personnel and Readiness or the Deputy Under Secretary of Defense for Personnel and Readiness to certify to the President and to Congress that certain officers have served satisfactorily in the grade of general, admiral, lieutenant general, or vice admiral before authorizing retirement in that grade. The recommended provision would require the Secretary of Defense to act personally on cases where there is potentially adverse information that has not previously been reported to the Senate in connection with a previous appointment.

Effective date of mandatory separation or retirement of regular officer delayed by a suspension of certain law under emergency authority of the President (sec. 508)

The committee recommends a provision that would delay by an additional 90 days the mandatory separation or retirement dates of regular officers whose mandatory dates of separation or retirement were delayed pursuant to section 12305 of title 10, United States Code. The recommended provision would afford members whose mandatory dates of separation or retirement were delayed due to a suspension of law under emergency authority a period of time to transition to civilian life following termination of the suspension.

Detail and grade of officer in charge of the United States Navy Band (sec. 509)

The committee recommends a provision that would authorize the Navy to detail an officer above the grade of lieutenant as Officer in Charge of the United States Navy Band. The officer would serve in the grade of captain while in this position.

SUBTITLE B—RESERVE COMPONENT PERSONNEL POLICY

Reauthorization and expansion of temporary waiver of the requirement for a baccalaureate degree for promotion of certain reserve officers of the Army (sec. 511)

The committee recommends a provision that would extend by three years, to September 30, 2003, the authority of the Secretary of the Army to waive, on a case by case basis, the requirement for reserve officers commissioned through the Army Officer Candidate School to possess a baccalaureate degree before being promoted to the grade of captain.

The committee expects that the Secretary of the Army will only grant waivers to those individuals who have demonstrated progress toward achieving the goal of earning a baccalaureate degree.

Status list of reserve officers on active duty for a period of three years or less (sec. 512)

The committee recommends a provision that would amend section 641(1)(D) of title 10, United States Code, to provide that reserve officers ordered to active duty for three years or less would be placed on the active duty list unless their orders to active duty specify continuation on the reserve active-status list. The recommended provision would authorize the service secretaries retroactively to place officers on the active duty list or the reserve active-status list of their service in accordance with this provision. Prior changes to section 641(1)(D) of title 10, United States Code inadvertently excluded a number of reserve officers on active duty for three years or less who should properly be considered on the active duty list.

Equal treatment of reserves and full-time active duty members for purposes of managing deployments of personnel (sec. 513)

The committee recommends a provision that would amend the definition of deployment for reservists to include performance of duty that makes it impossible or infeasible to spend off-duty time in the housing that the member usually occupies during off-duty time when on garrison duty.

Modification of physical examination requirements for members of the Individual Ready Reserve (sec. 514)

The committee recommends a provision that would eliminate the requirement that members of the Individual Ready Reserve receive a physical examination every five years. The recommended provision would require a physical examination as necessary to determine the member's physical fitness for military duty or for pro-

motion, attendance at an armed forces' school, or other action related to career progression.

Members of reserve components afflicted while remaining overnight at duty station within commuting distance of home (sec. 515)

The committee recommends a provision that would authorize certain benefits for members of the reserve components who become injured or ill in the line of duty when they are authorized to remain overnight at an inactive duty training site that is within a reasonable commuting distance of home. The benefits include medical and dental care for the member and the member's dependents; eligibility for disability retirement or separation; recovery, care, and disposition of remains; basic pay; and compensation for inactive-duty training.

Retirement of reserve personnel without request (sec. 516)

The committee recommends a provision that would authorize the service secretaries to transfer to the Retired Reserve, unless the member requests not to be transferred to the Retired Reserve, officers who are required to be removed from active status because of failure of selection for promotion, length of service or age, and warrant officers and enlisted members who are required to be discharged or removed from active status because of years of service or age.

Currently, service secretaries must remove from active status or discharge these individuals unless they request transfer to the Retired Reserve, in many cases resulting in a diminished retirement benefit. This provision would require reservists who elect not to transfer to the Retired Reserve to make a positive election to be discharged or transferred to an inactive status with a full understanding of the possible economic consequences of that decision.

Space-required travel by reserves on military aircraft (sec. 517)

The committee recommends a provision that would remove annual training duty from section 18501 of title 10, United States Code, which authorizes space-required travel for reservists traveling for annual training duty or inactive-duty training. Reservists performing annual training duty are already authorized to travel in a space-required status by other authority.

SUBTITLE C—EDUCATION AND TRAINING

Improved benefits under the Army College First program (sec. 531)

The committee recommends a provision that would modify the Army College First program by extending the period of delayed entry from two years to 30 months and increasing the monthly allowance to the higher of $250 or the amount of subsistence allowance for members of the Senior Reserve Officers' Training Corps.

Repeal of limitation on number of Junior Officers' Training Corps units (sec. 532)

The committee recommends a provision that would repeal the limitation on the number of Junior Reserve Officers' Training Corps (JROTC) units. Removal of the statutory limit on the number of JROTC units would enable the Department of Defense to be responsive to schools that request a JROTC unit.

Acceptance of fellowships, scholarships, or grants for legal education of officers participating in the Funded Legal Education Program (sec. 533)

The committee recommends a provision that would authorize an officer attending law school under the Funded Legal Education Program to accept a scholarship from the law school or other entity. The recommended provision would require that the officer serve consecutively the service obligations incurred for participation in the Funded Legal Education Program and for acceptance of the scholarship.

Grant of degree by Defense Language Institute Foreign Language Center (sec. 534)

The committee recommends a provision that would authorize the Foreign Language Center of the Defense Language Institute to grant an Associate of Arts degree. The Secretary of Education has endorsed the recommendation of the Accrediting Commission for Community and Junior Colleges of the Western Association of Schools and Colleges that the Institute obtain degree-granting status.

Authority for the Marine Corps University to award the degree of master of strategic studies (sec. 535)

The committee recommends a provision that would authorize the Marine Corps University to confer a degree of master of strategic studies to graduates of the Marine Corps War College, and the degree of master of military studies to graduates of the Command and Staff College. The authority to award the master of strategic studies degree cannot be exercised until the Secretary of Education notifies the Secretary of the Navy of a determination that the requirements for the degree are in accordance with the requirements typically imposed for awards of the degree of master of arts by institutions of higher education in the United States.

Foreign persons attending the service academies (sec. 536)

The committee recommends a provision that would authorize the service secretaries to permit 60 persons from foreign countries to attend the service's academy at any one time. The recommended provision would authorize the Secretary of Defense to waive, in whole or in part, the requirement for reimbursement of the cost of providing instruction to a foreign cadet.

The committee expects the Department to exercise its authority to waive reimbursement in a fiscally prudent manner, recognizing the extraordinary value of a service academy education. The Department should give full consideration to all the factors concerning the ability of the foreign country to provide partial or complete re-

imbursement. The committee directs the Secretary of Defense to include in the justification materials submitted with the annual budget request an exhibit describing the number of waivers granted and the rationale for approving the waivers in each service.

Expansion of financial assistance program for health-care professionals in reserve components to include students in programs of education leading to initial degree in medicine or dentistry (sec. 537)

The committee recommends a provision that would authorize payment of a financial assistance stipend to a student who has been accepted into an accredited medical or dental school. The recommended provision would also provide for subsequent financial assistance to officers who have completed medical or dental school and enter residency training in a healthcare professions wartime skill designated by the Secretary of Defense as critically short.

The recommended provision would allow service obligations to be reduced to one-for-one when a physician or dentist accepts additional financial assistance for residency training and allows those service obligations that require a two-for-one payback to be incurred in six-month increments.

The recommended provision would provide recruiters with a robust incentive program to offer students in the healthcare professions to entice them into accepting an appointment as an officer in a reserve component of the armed forces.

Pilot program for Department of Veterans Affairs support for graduate medical education and training of medical personnel of the armed forces (sec. 538)

The committee recommends a provision that would authorize the Secretary of Defense and the Secretary of Veterans Affairs to jointly carry out a pilot program of graduate medical education and training for medical personnel of the armed forces in Department of Veterans Affairs' medical centers.

The committee is aware of the Department of Defense's concern about the ability to conduct graduate medical education in military hospitals if large numbers of retirees elect health care treatment outside of military treatment facilities. This pilot program would evaluate the effectiveness of conducting graduate medical education for military personnel in Veterans Administration facilities.

Transfer of entitlement to educational assistance under Montgomery GI Bill by members of the armed forces with critical military skills (sec. 539)

The committee recommends a provision that would authorize the service secretaries to permit certain service members with critical military skills to transfer up to 18 months of unused basic Montgomery GI Bill (MGIB) benefits to family members. To be eligible for this benefit, a service member must complete at least six years of service and enter into an agreement to serve at least four more years. Spouses could use transferred benefits immediately, while children could use the transferred benefits only after the service member completes 10 years of service. The services would deposit the actuarially determined increased cost for use of the transferred

benefit into the Department of Defense Education Fund. The recommended provision would authorize $30.0 million for this purpose for fiscal year 2002.

All services report that they are having difficulty retaining service members with critical skills, even with increased retention bonuses. The committee believes that the ability to transfer unused MGIB benefits would be a powerful retention tool that would appeal to many of these members who would otherwise leave the service. The small cost of the increased use of an otherwise unused benefit is far more economical than training new members to replace the experienced members leaving the service. The committee encourages the services to use a portion of the funds currently used for bonuses for transferability of benefits under this program to assess its effectiveness in retaining members with critical skills.

SUBTITLE D—DECORATIONS, AWARDS AND COMMENDATIONS

Authority for award of the Medal of Honor to Humbert R. Versace for valor during the Vietnam War (sec. 551)

The committee recommends a provision that would waive the statutory time limits and authorize the President to award the Medal of Honor to Humbert R. Versace for valor during the Vietnam War.

Review regarding award of medal of honor to certain Jewish American war veterans (sec. 552)

The committee recommends a provision that would direct the service secretaries to conduct a review of Jewish American war veterans' service records to determine whether or not a veteran should be awarded the Medal of Honor. The recommended provision provides for the review of the records of any Jewish American war veteran who was previously awarded the Distinguished Service Cross, the Navy Cross, or the Air Force Cross, and any other Jewish American war veteran whose name is submitted, within a one year period, to the secretary concerned by the Jewish War Veterans of the United States of America. The recommended provision authorizes the President to award the Medal of Honor in accordance with the recommendation of the service secretary.

Issuance of duplicate and replacement medals of honor (sec. 553)

The committee recommends a provision that would authorize the service secretaries to issue a duplicate medal of honor to medal of honor recipients. Issuance of a duplicate medal of honor would allow recipients to place their original medal in safe keeping or donate them to institutions for permanent display while retaining the duplicate for other purposes. The recommended provision would also authorize the free replacement of certain medals stolen without fault or neglect of the persons to whom the medals were awarded.

Waiver of time limitations for award of certain decorations to certain persons (sec. 554)

The committee recommends a provision that would waive the statutory time limits for award of military decorations to certain individuals who have been recommended by the service secretaries for these awards.

Sense of the Senate on issuance of Korea Defense Service Medal (sec. 555)

The committee recommends a provision that would express the sense of the Senate that the Secretary of Defense should consider authorizing the issuance of the Korea Defense Service Medal to individuals who served in the armed forces in the Republic of Korea, or the waters adjacent thereto, during the period beginning on July 28, 1954, and ending on a date determined by the Secretary.

SUBTITLE E—FUNERAL HONORS DUTY

Active duty end strength exclusion for reserves on active duty or full-time National Guard duty for funeral honors duty (sec. 561)

The committee recommends a provision that would exclude from active duty end strengths members of reserve components on active duty or full-time National Guard duty preparing for and performing funeral honors functions.

Participation of retirees in funeral honors details (sec. 562)

The committee recommends a provision that would authorize military retirees to serve as a member of a funeral honors detail. The recommended provision would authorize payment of funeral honors duty allowance to military retirees who volunteer to perform honors at the funeral of a veteran. The retiree would not forfeit any retired or retainer pay, disability compensation, or any other compensation received.

Benefits and protections for members in a funeral honors duty status (sec. 563)

The committee recommends a provision that would provide to members of the reserve components in a funeral honors duty status the same benefits and protections as are provided when they are performing inactive duty training or traveling to or from inactive duty training.

Military leave for civilian employees serving as military members of funeral honors detail (sec. 564)

The committee recommends a provision that would authorize federal employees to take military leave from their civilian employment to serve as military members performing funeral honors duty.

SUBTITLE F—UNIFORMED SERVICES OVERSEAS VOTING

Sense of the Senate regarding the importance of voting by members of the uniformed services (sec. 571)

The committee recommends a provision that would express the sense of the Senate that each administrator of a Federal, State, or local election should be aware of the importance of the ability of each uniformed services voter to exercise their right to vote, and that the administrators should perform their duties with the intent to ensure that each uniformed services voter receives the utmost consideration and cooperation when voting, and that each valid ballot cast by such a voter is duly counted.

Uniform nondiscriminatory voting standards for administration of elections under State and local election systems (sec. 572)

The committee recommends a provision that would require States to ensure that voting systems used for Federal, State and local elections provide overseas voters and absent uniformed service voters with a meaningful opportunity to exercise their voting rights as United States citizens. The recommended provision requires States to count absentee ballots of these voters for Federal, State and local elections if they are submitted in a timely manner and are otherwise valid.

Guarantee of residence for military personnel (sec. 573)

The committee recommends a provision that would provide that for purposes of voting in any Federal, State of local election, a person absent from a State pursuant to military orders would not, solely by reason of that absence, be deemed to have (1) lost a residence or domicile in that State, (2) acquired a residence or domicile in another State, or (3) become a resident in or of any other State.

Extension of registration and balloting rights for absent uniformed services voters to State and local elections (sec. 574)

The committee recommends a provision that would require States to permit uniformed services voters to use absentee procedures to register and vote in State and local elections. The recommended provision would also require States to accept and process any otherwise valid voter registration application from absent uniformed services voters if the application is received not less than 30 days before the election.

Use of single application as a simultaneous absentee voter registration application and absentee ballot application (sec. 575)

The committee recommends a provision that would require States to accept and process the official post card form as a simultaneous absentee voter register application and absentee ballot application.

Use of single application for absentee ballots for all Federal elections (sec. 576)

The committee recommends a provision that would require States to accept and process a single absentee ballot application from an absent uniformed services voter or overseas voter for all general, special, primary, and runoff Federal elections occurring during a year if the application is received not less than 30 days before the first Federal election occurring that year.

Electronic voting demonstration program (sec. 577)

The committee recommends a provision that would require the Secretary of Defense to carry out a demonstration project under which absent uniformed services voters would be permitted to cast ballots through an electronic voting system in the November, 2002, Federal election.

In the committee's view, the Federal Voting Assistance Program's Voting Over the Internet (VOI) Pilot Project is an important first step in assessing how to use the internet to enhance absentee voting. This pilot demonstrated that a remote internet registration and voting system can provide electoral process integrity; it reduced traditional barriers to participation in elections by absentee voters; and it provided insight into issues that must be considered for broader use of remote registration and voting via the internet. The committee encourages the Department of Defense to build on the experience gained in this groundbreaking project with a follow-on demonstration project designed to ensure a judicious and methodical progression from the current by-mail process to a secure, easy-to-use, and expedient remote internet registration and voting system.

Federal voting assistance program (sec. 578)

The committee recommends a provision that would require the Secretary of Defense to promulgate regulations to ensure that each service complies with directives implementing the Federal Voting Assistance Program (FVAP). The recommended provision would require the Inspector General of each of the services to conduct an annual review of compliance with the FVAP and report the results to the Department of Defense Inspector General, who will report annually to Congress on the effectiveness and compliance with the FVAP.

SUBTITLE G—OTHER MATTERS

Persons authorized to be included in surveys of military families regarding federal programs (sec. 581)

The committee recommends a provision that would authorize the Secretary of Defense to add family members of retirees or surviving spouses to those who may be surveyed to determine the effectiveness of federal programs relating to military families and the need for new programs.

Correction and extension of certain Army recruiting pilot program authorities (sec. 582)

The committee recommends a provision that would require the Secretary of the Army to include replacement of Army Reserve recruiters by contract recruiters in the pilot program involving contract recruiting initiatives. The recommended provision would also remove the requirement that contract recruiters operate under the military recruiter chain of command, extends the termination date for the pilot programs to September 30, 2007, and changes the date for the report to Congress to February 1, 2008.

Offense of drunken operation of a vehicle, aircraft, or vessel under the Uniform Code of Military Justice (sec. 583)

The committee recommends a provision that would amend Article 111 of the Uniform Code of Military Justice (10 U.S.C. 911) to lower the blood alcohol concentration necessary to establish drunken operation of a motor vehicle, aircraft, or vessel from 0.1 to 0.08 grams or more of alcohol per 100 milliliters of blood or 0.08 per 210 liters of breath. The amendment would take effect on the date of enactment and would apply to offenses committed on or after that date.

Authority of civilian employees to act as notaries (sec. 584)

The committee recommends a provision that would clarify the authority of civilian attorneys in military legal assistance offices to perform notarial acts. The recommended provision would also authorize civilian employees of a military department or the Coast Guard who are designated by service regulation to perform such acts while serving outside the United States.

Review of actions of selection boards (sec. 585)

The committee recommends a provision that would provide that service members or former service members challenging the results of selection boards or promotion boards are not entitled to relief in a judicial proceeding unless the matter was first considered by a special board or a special selection board, or the secretary concerned denied such consideration. The recommended provision would authorize the service secretaries to establish special boards to review decisions of selection boards. Selection boards are boards convened to recommend persons for appointment, enlistment, reenlistment, assignment, certain promotions, or retention in the armed forces, or for separation, retirement, or transfer to inactive status in a reserve component. Special selection boards, already authorized in section 628 of title 10, United States Code, would review the actions of certain promotion boards. The recommended provision provides a standard for judicial review of the actions of the secretary concerned, special boards, and special selection boards, and requires the court to remand cases for corrective action when the court determines that the action of the board or the secretary concerned was unlawful.

The recommended provision would not deny service members or former members access to courts concerning actions of selection boards and promotion boards. It would provide for exhaustion of administrative remedies prior to taking an action to court. If the

administrative process does not provide the relief requested, the member still has access to court. If the administrative process resolves the member's concern, there is no need for court action. If relief is granted, the recommended provision provides for retroactive and prospective restoration to the same status, rights, and entitlements (less appropriate offsets against back pay and allowances) as the person would have had if the challenged selection board or promotion board made the correct decision.

The recommended provision would take effect on the date of enactment, and would apply to any proceeding pending on or after that date without regard to whether a challenge to an action of a selection board was initiated before, on, or after that date. The recommended provision would not apply to any action commenced in a court of the United States before the date of enactment.

Acceptance of voluntary legal assistance for the civil affairs of members and former members of the uniformed services and their dependents (sec. 586)

The committee recommends a provision that would authorize the service secretaries to accept voluntary legal services. The recommended provision would treat a volunteer providing legal services the same as an attorney on the legal staff within the Department of Defense for defense of legal malpractice.

Extension of Defense Task Force on Domestic Violence (sec. 587)

The committee recommends a provision that would extend the termination date of the Defense Task Force on Domestic Violence to April 24, 2003.

Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II (sec. 588)

The committee recommends a provision that would authorize the Secretary of Defense to provide transportation to and from annual meetings sanctioned by the Department of Defense (DOD) for the next-of-kin of persons who are unaccounted for from the Korean conflict, the Cold War, Vietnam War era, or the Persian Gulf War.

The committee intends that this authority would be used to provide transportation to no more than two persons from the family of an unaccounted for military member to attend annual Government briefings on efforts to account for missing service members in the same manner as DOD has provided transportation under the Counter Insurgency Assistance (Coin Assist) Program, and would be limited to one meeting each year.

OTHER ITEMS OF INTEREST

National Guard members of funeral honors detail

Section 1491(b)(2) of title 10, United States Code, requires that a funeral honors detail for a deceased veteran include at least two members of the armed forces, at least one of whom is a member of the veteran's armed force. Members of the Army National Guard of the United States and the Air National Guard of the United

States are members of the armed forces even when performing in a state status. They can participate in a funeral honors detail in either a state or federal status, and should be considered as one of the required members of the armed forces.

Notification to service members regarding adverse information

The committee is concerned about reports that military personnel are not always informed in a timely manner of administrative determinations that allegations of potentially adverse information concerning them are substantiated. On occasion, this results in delay or denial of favorable personnel actions with little or no notice to the affected service members even though the information is known to the service and could have been made available to the members.

The committee directs the Secretary of Defense to promulgate regulations requiring timely notice to service members when an allegation of potentially adverse information concerning them is substantiated. The notification should, as a minimum, inform the member of the nature of the potentially adverse information, any appeal available to the member, and whether and to what extent this determination can be considered in future personnel actions. If a favorable personnel action is denied or delayed because of allegations of potentially adverse information concerning a member and the investigation is not complete, the member should be given reasonable notice that the personnel action will be denied or delayed and provided as much information about the allegation as can be given, consistent with sound investigative practices.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

SUBTITLE A—PAY AND ALLOWANCES

Increase in basic pay for fiscal year 2002 (sec. 601)

The committee recommends a provision that would waive section 1009 of title 37, United States Code, and restructure the pay tables to provide a targeted pay raise ranging from five percent to 10 percent, effective January 1, 2002.

Basic pay rate for certain reserve commissioned officers with prior service as an enlisted member or warrant officer (sec. 602)

The committee recommends a provision that would authorize payment at the 0–1E, 0–2E or 0–3E rate to reserve component commissioned officers in the pay grade of 0–1, 0–2, or 0–3, who are not on active duty, but have accumulated the equivalent of four years of active duty service as a warrant officer or enlisted member. These officers have gained significant similar military experience over a longer period of time through the nature of their part-time service. Allowing these officers to receive this increase in pay recognizes and rewards that experience on the same basis as officers who gained their experience through active duty service.

Reserve component compensation for distributed learning activities performed as inactive-duty training (sec. 603)

The committee recommends a provision that would authorize compensation for members in grades E–6 and below for distributed learning activities performed as inactive-duty training.

Clarifications for transition to reformed basic allowance for subsistence (sec. 604)

The committee recommends a provision that would define the baseline for determining future rates for basic allowance for subsistence as $233. The recommended provision would also allow the Secretary of Defense and the Secretary of Transportation, with respect to the Coast Guard when it is not operating as a service in the Navy, to prescribe a higher rate of basic allowance for subsistence for enlisted members when messing facilities of the United States are not available to them. The recommended provision also changes the effective date for early termination of basic allowance for subsistence transitional authority to January 1, 2002.

Increase in Basic Allowance for Housing in the United States (sec. 605)

The committee recommends a provision that would accelerate the current five-year plan to eliminate out-of-pocket housing expenses

by two years, increasing the Basic Allowance for Housing so that, after September 30, 2002, it would not be less than the median cost of adequate housing for members in that grade and dependency status in that area. The recommended provision would limit out-of-pocket housing expenses in fiscal year 2002 to 7.5 percent of the median cost of adequate housing for members in that grade and dependency status in that area and makes $232.0 million available for this purpose.

Clarification of eligibility for supplemental subsistence allowance (sec. 606)

The committee recommends a provision that would make a technical correction to section 402a(b)(1) of title 37, United States Code, to clarify that only members with dependents are entitled to payment of the supplemental subsistence allowance designed to remove the member's household from eligibility for benefits under the food stamp program.

Correction of limitation on additional uniform allowance for officers (sec. 607)

The committee recommends a provision that would authorize a technical correction to the additional uniform allowance for officers enacted in section 610 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001. That provision increased the one-time initial uniform allowance to $400 and the one-time additional uniform allowance to $200. The recommended provision would remove a limitation that the additional uniform allowance may not be paid to an officer who has received an initial uniform allowance of more than $200.

Payment for unused leave in excess of 60 days accrued by members of reserve components on active duty for one year or less (sec. 608)

The committee recommends a provision that would authorize payment for accrued leave in excess of the current limit of 60 days to certain members of the reserve components. The recommended provision applies to reservists on active duty for more than 30 days but less than 365 days for missions other than in support of contingency operations. Many reservists ordered to active duty for these missions are not afforded the opportunity to use leave during the period they are ordered to active duty and, as a result, they forfeit accrued leave. The recommended provision is similar to authority currently in effect for reservists serving on active duty in support of contingency operations.

SUBTITLE B—BONUSES AND SPECIAL INCENTIVE PAYS

Extension of certain bonuses and special pay authorities for reserve forces (sec. 611)

The committee recommends a provision that would extend, until December 31, 2002, the authority to pay the special pay for critically short wartime health care specialists in the Selected Reserve, the Selected Reserve re-enlistment bonus, the Selected Reserve enlistment bonus, the special pay for enlisted members assigned to

certain high priority units in the Selected Reserve, the Selected Reserve affiliation bonus, the Ready Reserve enlistment and re-enlistment bonus, and the prior service enlistment bonus. The recommended provision would extend, until January 1, 2003, the authority for the repayment of education loans for certain health professionals who serve in the Selected Reserve.

Extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists (sec. 612)

The committee recommends a provision that would extend, until December 31, 2002, the authority to pay certain bonuses and special pay for nurse officer candidates, registered nurses, and nurse anesthetists.

Extension of special pay and bonus authorities for nuclear officers (sec. 613)

The committee recommends a provision that would extend, until December 31, 2002, the authority for special pay for nuclear-qualified officers extending their period of active service, the nuclear career accession bonus, and the nuclear career annual incentive bonus.

Extension of authorities relating to payment of other bonuses and special pays (sec. 614)

The committee recommends a provision that would extend, until December 31, 2002, the authority to pay the aviation officer retention bonus, the re-enlistment bonus for active members, the bonus for enlistment for two or more years, and the retention bonus for members with critical skills.

Hazardous duty pay for members of maritime visit, board, search, and seizure teams (sec. 615)

The committee recommends a provision that would authorize hazardous duty incentive pay for members of teams that conduct visit, board, search, and seizure operations aboard vessels in support of maritime interdiction operations. The recommended provision would provide financial recognition to personnel participating in these unusually hazardous operations.

Submarine duty incentive pay rates (sec. 616)

The committee recommends a provision that would authorize the Secretary of the Navy to adjust submarine duty incentive pay rates up to a maximum rate of $1000 when changes are needed to support submarine accession and retention requirements. The recommended provision would afford greater flexibility in responding to recruiting and retention requirements for submarine duty.

Career sea pay (sec. 617)

The committee recommends a provision that would ensure receipt of career sea pay by all military members, regardless of rank, pay grade, or accrued time in service, if they are assigned to qualifying sea duty.

Modification of eligibility requirements for Individual Ready Reserve bonus for re-enlistment, enlistment, or extension of enlistment (sec. 618)

The committee recommends a provision that would modify existing provisions to authorize payment of a bonus to individuals who possess a skill that is designated as critically short to meet wartime requirements and who agree to enlist, reenlist or voluntarily extend an enlistment in the Individual Ready Reserve. This would authorize payment to service members serving in combat service support skills as well as combat and combat support skills.

Accession bonus for officers in critical skills (sec. 619)

The committee recommends a provision that would authorize an accession bonus of up to $20,000 for persons who agree to accept a commission as an officer and serve on active duty in a skill designated as critical by the Secretary of Defense.

Modification of the nurse officer candidate accession program restriction on students attending civilian educational institutions with Senior Reserve Officers Training programs (sec. 620)

The committee recommends a provision that would extend eligibility for financial assistance under the Nurse Officer Candidate Accession Program to nurse officer candidates who attend civilian educational institutions with a Senior Reserve Officers Training Program but who are not eligible for enrollment in that program. Current law restricts eligibility for participation in the Nurse Officer Candidate Accession Program to students enrolled in a nursing program at civilian education institutions that do not have a Senior Reserve Officers Training Program. The recommended provision would eliminate this restriction and expand the applicant pool of future nurse officers.

SUBTITLE C—TRAVEL AND TRANSPORTATION ALLOWANCES

Eligibility for temporary housing allowance while in travel or leave status between permanent duty stations (sec. 631)

The committee recommends a provision that would authorize payment of a temporary basic allowance for housing to any service member in a leave or travel status between permanent duty stations. Presently, only members in pay grade E–4 (4 or more years of service) and above receive this allowance.

Eligibility for payment of subsistence expenses associated with occupancy of temporary lodging incident to reporting to first permanent duty station (sec. 632)

The committee recommends a provision that would authorize payment of subsistence expenses to officers making their first permanent change of station. Enlisted members are currently entitled to payment of subsistence expenses when making their first permanent change of station.

Eligibility for dislocation allowance (sec. 633)

The committee recommends a provision that would authorize payment of a dislocation allowance to a member when the member's dependents make an authorized move in connection with the member's move to the first duty station. The recommended provision would also authorize payment of a single dislocation allowance to married service members, where both husband and wife are members without dependents, when both move to a new duty station and occupy government family quarters.

Allowance for dislocation for the convenience of the government at home station (sec. 634)

The committee recommends a provision that would authorize payment of a partial dislocation allowance of $500 to service members who are ordered, for the convenience of the government, to move into or out of military family housing at their current duty station. The recommended provision would permit payment in advance and would require that the amount be increased at the same time and in the same amount as increases in basic pay.

Travel and transportation allowances for family members to attend the burial of a deceased member of the uniformed services (sec. 635)

The committee recommends a provision that would authorize allowances for family members and others to attend burial ceremonies of deceased members of the uniformed forces who die while on active duty or inactive duty. The recommended provision would consolidate and standardize benefits currently authorized in three different statutes and provide uniform treatment of family members of personnel who die while on active or inactive duty.

Family separation allowance for members electing unaccompanied tour by reason of health limitations of dependents (sec. 636)

The committee recommends a provision that would authorize payment of a family separation allowance to members who elect to serve an unaccompanied tour instead of an accompanied tour, because the member's dependents cannot accompany the member to a permanent duty station for medical reasons certified by a health care professional.

Funded student travel for foreign study under an education program approved by a United States school (sec. 637)

The committee recommends a provision that would extend the authority to pay funded student travel to dependents of members who are stationed outside the continental United States. To qualify, a dependent under the age of 23 who is enrolled in a school located in the continental United States must attend a school outside the United States as part of a school-sponsored exchange program. The recommended provision would remedy an inequity under existing law for those members whose dependents are enrolled in a school in the United States but participate in a temporary exchange program outside the United States by reimbursing travel expenses for one annual trip.

Transportation or storage of privately owned vehicles on change of permanent station (sec. 638)

The committee recommends a provision that would authorize advance payment of vehicle storage costs in commercial facilities. The recommended provision would also authorize payment for shipping a privately owned vehicle between permanent duty stations in the continental United States when it is more advantageous and cost effective for the government to do so.

SUBTITLE D—MATTERS RELATING TO RETIREMENT AND SURVIVOR BENEFITS

Payment of retired pay and compensation to disabled military retirees (sec. 651)

The committee recommends a provision that would authorize retired members of the armed forces who have a service connected disability to receive military retired pay concurrently with veterans' disability compensation.

Currently, disabled military retirees are prohibited from concurrent receipt of military retired pay and Veterans' Administration disability compensation. They can receive disability compensation only if they agree to waive a portion of their retired pay equal to the amount of disability compensation.

The committee believes that the requirement to offset disability compensation with a reduction in retired pay is unfair to disabled career service members who, in effect, pay their own disability compensation. Military retirement pay and disability compensation were earned and awarded for entirely different purposes. Military retired pay is awarded for a career of service in the armed forces. Disability compensation is awarded to compensate a veteran for injury incurred in the line of duty. The committee believes that a veteran who has earned retired pay and has suffered a disability should receive compensation for both.

The allocation of mandatory spending authority provided to the Committee on Armed Services in the Concurrent Resolution on the Budget for Fiscal Year 2002 was not increased to accommodate the substantial direct spending cost of this provision. Because no direct spending offset is available to the committee, this provision is contingent on the President proposing, and Congress enacting, legislation that would offset the increased monetary outlays for fiscal years 2003 through 2012.

SUBTITLE E—OTHER MATTERS

Education savings plan for reenlistments and extensions of service in critical specialties (sec. 661)

The committee recommends a provision that would authorize the Secretary of Defense to purchase U.S. savings bonds with a face value of up to $30,000 for military personnel who have completed specified periods of active duty and enter into a commitment to perform at least six additional years of active duty service in a specialty designated as critical by the Secretary. The recommended provision would authorize $20.0 million for this purpose for fiscal year 2002.

Service members in critical specialities, who agree to a service commitment, would be provided resources that could be applied to cover the expenses of higher education for their families, including their spouse and children. The committee encourages service members to use this program for educational obligations where the increased value of the savings bond would be exempt from federal taxes.

Commissary benefits for new members of the Ready Reserve (sec. 662)

The committee recommends a provision that would grant new members of the Ready Reserve access to commissary stores. Access to commissary stores would accrue at the rate of two days for each month in which the member participates satisfactorily in required training.

Authorization of transitional compensation and commissary and exchange benefits for dependents of commissioned officers of the Public Health Service and the National Oceanic and Atmospheric Administration who are separated for dependent abuse (sec. 663)

The committee recommends a provision that would authorize transitional benefits for the dependents of commissioned officers of the Public Health Service and the National Oceanic and Atmospheric Administration separated for dependent abuse. The benefits would be the same as the benefits available to dependents of members of the armed forces who are separated for dependent abuse.

TITLE VII—HEALTH CARE

SUBTITLE A—TRICARE BENEFITS MODERNIZATION

Requirement for integration of benefits (sec. 701)

The committee recommends a provision that would terminate the Individual Case Management Program and integrate the beneficiaries of that program into the modified TRICARE program. The recommended provision grandfathers persons who received benefits under the Individual Case Management Program prior to October 1, 2001.

Domiciliary and custodial care (sec. 702)

The committee recommends a provision that would define domiciliary and custodial care in a manner that is consistent with the definitions in most federal health plans.

Long-term care (sec. 703)

The committee recommends a provision that would align the provision of long-term care benefits under the TRICARE program with the benefits under Medicare. The recommended provision would integrate these benefits with the benefits provided on a less than a long-term basis under the TRICARE program. The long-term care benefits include extended care services, post-hospital extended care services, and comprehensive intermittent home health services.

Extended benefits for disabled beneficiaries (sec. 704)

The committee recommends a provision that would authorize extended benefits for certain dependents who have moderate or severe mental retardation, a serious physical disability, or an extraordinary physical or psychological condition. The extended benefits would include comprehensive health care and case management services for the dependent, and respite care for the primary caregiver. The recommended provision would authorize expanded home health supplies and services when medically appropriate and when the cost is equal to or less than the cost of similar supplies and services in a skilled nursing facility.

Conforming repeals (sec. 705)

The committee recommends a provision that would repeal prior provisions of law defining custodial care and providing for domiciliary and custodial care under the Individual Case Management Program.

Effective date (sec. 706)

The committee recommends a provision that would make the TRICARE Benefits Modernization provisions effective on October 1, 2001.

SUBTITLE B—OTHER MATTERS

Repeal of requirement for periodic screenings and examinations and related care for members of Army reserve units scheduled for early deployment (sec. 711)

The committee recommends a provision that would repeal the requirement to provide certain medical and dental services to members of the Selected Reserve of the Army scheduled for deployment within 75 days after mobilization. The recommended provision would eliminate the requirement for an annual medical screening, a full medical examination every two years for members over 40 years of age, an annual dental screening, and dental care required to meet mobilization standards.

Clarification of eligibility for reimbursement of travel expenses of adult accompanying patient in travel for specialty care (sec. 712)

The committee recommends a provision that would clarify the eligibility for coverage of travel expenses by a parent, guardian or family member while accompanying a covered beneficiary referred for specialty care to be received more than 100 miles from the location of primary care. The committee believes that when a covered beneficiary is unable to travel alone, whether due to the beneficiary's age, physical incapacity, or other similar condition, it is reasonable to reimburse travel expenses incurred by the attending parent, guardian or responsible family member.

TRICARE program limitations on payment rates for institutional health care providers and on balance billing by institutional and non-institutional health care providers (sec. 713)

The committee recommends a provision that would reinforce and expedite reform of TRICARE payment methods. The recommended provision would expedite adoption of Medicare's prospective payments rates for nursing home care, outpatient services, and durable medical equipment.

Two-year extension of health care management demonstration program (sec. 714)

The committee recommends a provision that would extend, until December 31, 2003, the demonstration of simulation modeling to improve health care delivery in the Defense Health Program. This demonstration was authorized in section 733 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001. However, funding constraints have limited full implementation. The committee recognizes the value of simulation models in studying alternative health care delivery policies, processes, organizations, and technologies and encourages the full implementation of this demonstration program.

Study of health care coverage of members of the Selected Reserve (sec. 715)

The committee recommends a provision that would require the Comptroller General of the United States to conduct a study of the

health care coverage of members of the Selected Reserve and to report on cost effective options for providing health care benefits to members of the Selected Reserve and their families.

Study of adequacy and quality of health care provided to women under the Defense Health Program (sec. 716)

The committee recommends a provision that would require the Comptroller General of the United States to conduct a study of the adequacy and quality of the health care provided to women under the Defense Health Program. The study would include an intensive review of the availability and quality of reproductive health care services.

Pilot program for Department of Veterans Affairs support for Department of Defense in the performance of separation physical examinations (sec. 717)

The committee recommends a provision that would authorize the Secretary of Defense and the Secretary of Veterans Affairs to carry out a pilot program in which the Veterans Administration would conduct physical examinations of members separating from the uniformed services.

OTHER ITEMS OF INTEREST

Defense Health Program simplification of claims processing procedures and communications

The committee directs the Department of Defense to carefully examine current processes and procedures related to the processing, payment, and dissemination of information related to health care delivery claims. Technological advances hold much promise in expediting the payment of claims and simplifying and clarifying for beneficiaries information related to procedures and resources associated with health care delivery. The current explanation of benefits information provided to beneficiaries is not timely and is highly technical and confusing. The Department is encouraged to reduce the high cost of claims processing, improve the timeliness of payment of claims and explanation of benefits, and simplify the information provided to beneficiaries related to such claims through lower cost and more automated processing that is flexible and understandable.

Electronic medical records

The committee continues to support efforts to integrate more fully and utilize efficiently the health care capabilities of the Department of Defense and the Department of Veterans Affairs. The committee supported the initiation of the Government Computer-Based Patient Record (GCPR) project to allow health care providers from the Department of Veterans Affairs, the Department of Defense, and the Indian Health Service to share patient information using an electronic medical record. An April 2001 report issued by the General Accounting Office indicated that the GCPR program lacks central oversight and full agency commitment and that it is not moving forward as anticipated.

The committee directs the Secretary of Defense to provide a report to the Committees on Armed Services of the Senate and the House of Representatives by March 31, 2002, on the planning, development, oversight, management, scope, objectives, and timetable for allowing health care providers to share comprehensive patient information electronically between the Veterans Administration and the Department of Defense. The report should include a clear statement of an agreed upon mission, goals, objectives, performance measures, schedule, and financing; designation of a lead entity with clear authority to oversee this program; and plans for privacy and security of patient health data.

Funding the Defense Health Program

The committee recognizes the difficulty in forecasting costs of the Defense Health Program accurately. Historically, budget estimates for the Defense Health Program have not been adjusted to include the health care inflation indices normally associated with private sector health plans. These indices are much higher than the average annual government-wide inflation factors that have been routinely applied to medical programs. The Defense Health Program still has to deal with the same variable factors as private health plans—the impact of medical technology growth and intensity, medical supplies, and cost increases in health care services.

The committee is concerned about the large variation in estimates of costs associated with the expansion of military retiree health benefits. While health care costs are extremely volatile, a more reliable forecasting method is critical to appropriate financing of this system.

The committee is pleased with recent efforts to fully fund the Defense Health Program. The proposed fiscal year 2002 budget of $17.9 billion funds the new Medicare-eligible health care and pharmacy benefits authorized by the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 and is based on a 15 percent growth rate for pharmacy benefits and 12 percent growth rate for civilian purchased care. These indices are in line with reasonable estimates in the private sector. Funding decisions about the Defense Health Program for fiscal year 2003 and beyond will be of paramount importance, particularly while incorporating the Medicare-eligible retirees into the system. The committee encourages the Department of Defense to continue to take actions to improve funding projection mechanisms for the Defense Health Program that take into account the realities of the health care delivery market.

HIV/AIDS Oral Fluids Testing Pilot Program

The committee directs the Department of Defense to conduct a pilot program utilizing a Food and Drug Administration (FDA) approved oral fluids HIV/AIDS testing method. It is anticipated that FDA approval of such a method will occur in the near future, and the committee believes such new testing may have merit. The committee directs the Secretary of Defense to report to the Committees on Armed Services of the Senate and the House of Representatives on the feasibility and desirability of utilizing oral fluids testing for HIV/AIDS.

Immunization against Hepatitis B

Hepatitis B is a chronic, incurable, and life threatening illness acquired through exposure to semen, blood, and saliva. Approximately 350 million people worldwide carry the Hepatitis B virus.

Many children in the United States receive a three-shot series of vaccine that immunizes them for the Hepatitis B virus. Current military policy requires vaccination of all military healthcare personnel and active duty personnel deployed to high risk areas.

The committee directs the Secretary of Defense to assess whether medical readiness warrants requiring immunization of all military personnel against the Hepatitis B virus and to submit a report on the findings and recommendations of this assessment to the Committees on Armed Services of the Senate and the House of Representatives by March 1, 2002. The assessment should address the feasibility and desirability of (1) screening all active duty members for documentation showing they have already been immunized for the Hepatitis B virus and (2) requiring vaccination of those who have not been immunized.

Trauma and medical care

Military medical trauma centers frequently provide medical care to seriously injured patients. Current reimbursement rates for care provided to patients not entitled to military medical care for trauma and other emergency medical care are less than the cost of providing the care. The committee directs the Department of Defense to implement procedures using itemized billing charges, where appropriate, to ensure proper reimbursement for medical care provided to non-beneficiaries.

Use of clinical decision support information tools

The Department of Defense has made significant strides in improving the quality of health care in the military health care system through the use of computer-based technologies to access health care information, use decision support technology tools to facilitate diagnoses, and integrate beneficiary surveys. The next step is to use these technologies to generate information that will support improvements in care through the use of applied clinical research methods to measure, evaluate, and improve clinical outcomes and quality of care. The committee encourages the continued integration of clinical decision support information tools into the military health care system.

The committee directs the Secretary of Defense to conduct a study on the use of clinical decision support information tools to measure, evaluate, and improve clinical outcomes and quality of care in the military health care system and to submit a report to the Committees on Armed Services of the Senate and the House of Representatives on the study by March 31, 2004.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

SUBTITLE A—PROCUREMENT MANAGEMENT AND ADMINISTRATION

Management of procurements of services (sec. 801)

The committee recommends a provision that would improve the Department of Defense's management of the acquisition of services. The committee continues to be concerned that the DOD has not adjusted its contracting and oversight practices to meet the increasing significance of services contracting.

The provision recommended by the committee would require the Undersecretary of Defense for Acquisition, Technology, and Logistics to establish a management oversight structure for the acquisition of services. This structure would be designed to provide management visibility and establish accountability for services contracts, and to ensure that appropriate contracting vehicles such as performance-based contracts and task orders are used to the maximum extent practicable. Under this provision, contracts or task orders for services that are not performance-based would be prohibited in the absence of a determination that exceptional circumstances justify the use of another contracting method in the best interests of the Department of Defense.

The provision would also require the Secretary of Defense to establish an automated data system to help track and manage purchases of services in excess of the simplified acquisition threshold. The committee is concerned that there is insufficient data available to effectively support management decisions in determining whether the Department is choosing the most appropriate vehicle to obtain the best price or best value in its purchases of services. The data collection system required by this provision is comparable to the system required for information technology purchases under section 2225 of Title 10, United States Code. The committee believes that the Department should be able to use a single data collection system to meet both requirements.

Finally, the provision would require the Department to establish a program review structure for major services acquisitions that is similar to the review structure already in place for the major weapons systems acquisitions. The committee understands that an effort to develop such a system is already under way within the Department.

Savings goals for procurements of services (sec. 802)

The committee recommends a provision that would establish savings goals for the Department of Defense (DOD) to achieve through the use of improved management practices for procurements of services, including performance-based services contracting; com-

petition for task orders under services contracts; and program review, spending analyses, and other best practices commonly used in the commercial sector.

The committee believes that the Department can achieve significant savings without any reduction in services through effective management of its services contracts. The Secretary of Defense has testified that the Department should be able to achieve 5 percent savings across the board through management improvements. At a committee hearing on July 10, 2001, each of the three service secretaries was asked whether the Department should be able to achieve significant savings by instituting best commercial practices for the management of its $50.0 billion of service contracts. The Secretary of the Army responded: "Yes, I do. It's done all the time in the business world." The secretaries of the other two military departments agreed.

Over the last decade, the Department's expenditures for the procurement of services have increased by 20 percent, to more than $50.0 billion a year, while expenditures for the procurement of weapon systems and other products have remained flat. Unfortunately, the Department has never provided the management attention needed to ensure that this money is well spent.

Last year, the DOD Inspector General reviewed the Department's $10.0 billion of annual expenditures for professional, administrative, and management support services, and found an almost complete failure to comply with basic contracting requirements. Other reviews by the Inspector General and the General Accounting Office (GAO) have revealed that the Department has failed to complete requirements for the delivery of services, as required by law and regulation, and has barely begun to implement requirements for performance-based services contracting. The GAO and the DOD Inspector General have found that DoD managers failed to complete services work in up to three-quarters of the cases they examined.

At a more fundamental level, DOD has no centralized management structure for services contracts. Rather, the award of these contracts is dispersed throughout the Department with little management oversight. As a result, the Department has never conducted a comprehensive spending analysis of its services contracts and has made little effort to leverage its buying power, improve the performance of its services contractors, rationalize its supplier base, or otherwise ensure that its dollars are well spent. Moreover, the Department has failed to provide its acquisition professionals with the training and guidance needed to manage the Department's service contracts in a cost-effective manner.

The GAO has informed the committee that a number of companies in the private sector have achieved significant savings without any reduction in services by instituting best practices such as centralizing key functions, promoting strategic orientation, improving personnel skills and capabilities, conducting spending analyses, rationalizing supplier bases, and expanding the use of cross-functional, commodity-based teams.

The committee believes that the Department already has the freedom to manage these contracts in a cost-effective manner. Sec. 801 would promote the use of best commercial practices by requir-

ing the Department to establish a management structure for services contracts and to institute a system of program review for larger contracts that is comparable to the system already in place for major weapons systems. Sec. 803 would address management deficiencies by strengthening competition requirements for the award of task orders for services under multiple award contracts. These new provisions would build on sec. 821 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, which required the Department to establish a preference for performance-based services contracting, provide enhanced training in services contracting for its acquisition personnel, and establish centers of excellence to identify best practices in services contracting.

The provision recommended by the committee would establish savings goals of 3 percent in fiscal year 2002, 4 percent in fiscal year 2003, 5 percent in fiscal year 2004, and 10 percent in fiscal year 2011.

Competition requirement for purchases pursuant to multiple award contracts (sec. 803)

The committee recommends a provision that would require that each individual procurement of products and services in excess of $50,000 awarded under a multiple award contract shall be made on a competitive basis. This requirement could be waived by a contracting officer of the Department of Defense (DOD) under conditions specified in section 2304(c) paragraphs 1–4 of title 10, United States Code.

The committee is concerned about the failure of the Department to comply with existing requirements to compete task orders under multiple award contacts. Recent reports by the Department of Defense Inspector General and the General Accounting Office (GAO) have documented serious issues with the Department's compliance with competition requirements and ordering procedures in placing orders under government-wide acquisition contracts (GWAC's), multiple agency contracts (MAC's), and the General Service Administration's multiple award schedule program.

The committee is also aware that the military departments have failed to use competitive procedures to award task orders under multiple award contracts for the performance of a variety of environmental services. In one case, a military service informed the committee that it has been using a process that it called "internal competition," in which task orders are negotiated with a single contractor without providing any other contractor with notice or an opportunity to compete. This is not competition at all.

The committee is convinced that competitive practices have continually proven to be in the best interest of DOD and the taxpayers. The Department of Defense must reinforce its management controls to ensure that the acquisition reform tools developed over the last decade are not used to circumvent competition. The provision recommended by the committee would require the Department to establish such management controls and ensure that competition actually takes place.

Risk reduction at initiation of major defense acquisition program (sec. 804)

The committee recommends a provision that would help shorten the acquisition cycle by requiring the Department of Defense (DOD) to reduce program risk prior to initiating a major defense acquisition program.

For the last three years, at the direction of the committee, the General Accounting Office (GAO), has conducted a review comparing the Department's approach to incorporating technology into new products to approaches successfully applied in the private sector. The GAO found that private industry fields new products faster and more successfully because they make sure that new technologies have been proven in the laboratory before they try to incorporate them into new products. According to the GAO:

> The experiences of DOD and commercial technology development cases GAO reviewed indicate that demonstrating a high level of maturity before new technologies are incorporated into product development programs puts those programs in a better position to succeed. . . . Leading commercial firms recognize a distinct difference between technology development and product development; accordingly, they develop technology before introducing it into product development programs. They minimize risk, improve cost and schedule outcomes, reduce cycle time, and improve quality during product development by gaining significant knowledge about a technology before launching the product development.

According to the GAO, "It is a rare program that can proceed with a gap between product requirements and the maturity of key technologies and still be delivered on time and within costs."

The DOD, however, frequently tries to move technologies to product development programs before they are mature. According to the GAO, the effort to field immature technologies almost always leads to schedule delays and cost increases:

> [Technology development problems need to be addressed] at a time when the product should be undergoing design and manufacturing development. As a result, the pace of technology advances outruns the time to develop a weapon system and some of the more mature components designed into a weapon system become obsolete before the weapon is manufactured. For example, the F–22 will have almost 600 obsolete components by fiscal year 2000 while the aircraft is still in development.

The provision recommended by the committee would address this problem by requiring that critical technologies be successfully demonstrated in a relevant environment before they may be incorporated into a major defense acquisition program. To ensure that the Department retains needed flexibility, the provision authorizes the Under Secretary of Defense for Acquisition, Technology and Logistics to waive the requirement when it is in the best interest of the Department to do so. A separate provision (Sec. 231) would es-

tablish a technology transition program to assist the Department in bringing critical technologies to the required level of maturity.

Follow-on production contracts for products developed pursuant to prototype projects (sec. 805)

The committee recommends a provision that would authorize the Department of Defense to enter follow-on production contracts for a limited number of items developed pursuant to transactions (other than contracts, grants, or cooperative agreements) on a sole-source basis. Such sole-source contracts would be authorized only in the case of prototype projects for which parties other than the Federal Government have provided at least one-third of the funds. The number of items that could be purchased on a sole source basis would be established in the initial transaction, based on a balancing of the extent to which parties other than the Federal Government have invested their own funds and the interest of the Federal Government in competition for the acquisition of the items.

SUBTITLE B—DEFENSE ACQUISITION AND SUPPORT WORKFORCE

Report on implementation of recommendations of the Acquisition 2005 Task Force (sec. 811)

The committee recommends a provision that would require the Secretary of Defense to report on the implementation of the recommendations of the Department of Defense Acquisition 2005 Task Force included in the report entitled "Shaping the Civilian Acquisition Workforce of the Future."

The committee is concerned about the impact of reductions in the acquisition workforce on the Department of Defense's ability to manage effectively the acquisition of more than $140.0 billion in goods and services each year. The DOD has reduced its acquisition workforce by about 50 percent in the last 10 years while the workload has remained essentially constant, and even increased by some measures. Over the next five years, the Department is projected to lose an additional 55,000 of its most experienced acquisition personnel.

The Department established the Acquisition 2005 Task Force to address these challenges. The provision recommended by the committee would require the Secretary to report on actions taken to implement the recommendations of the Task Force, and any additional actions taken by the DOD to address concerns about the size and structure of the acquisition workforce.

The committee expects the Department to conduct a thorough review of the personnel system to identify any enhanced personnel flexibility that may be needed to attract and retain quality acquisition personnel. The committee notes that section 4308 of the National Defense Authorization Act for Fiscal Year 1996 authorized the Department to establish an acquisition workforce demonstration project. This authority, which enables the Department to waive certain regulatory requirements, has been utilized only on a small scale to date. The Department's review should identify any steps that would enable it to make better use of the demonstration authority.

Moratorium on reduction of defense acquisition and support workforce (sec. 812)

The committee recommends a provision that would establish a moratorium on further cuts in the acquisition workforce for three years. The Secretary of Defense would be authorized to waive this prohibition upon certification to Congress that any reductions to the workforce would not negatively impact the ability of the workforce to efficiently and effectively carry out its legally required functions.

Twelve consecutive years of downsizing have left the Department of Defense (DOD) with a workforce that is smaller (by 51 percent), older (with an average age of 46.7 years), more senior (with an average of 20.2 years of service), higher grade, and rapidly approaching retirement. Last year, the Department of Defense Inspector General reported that expected acquisition workload reductions had not occurred, and as a result many defense components now have insufficient staff to manage requirements in a cost effective manner. Further cuts in the acquisition workforce are likely to exacerbate this problem.

The Department has embarked upon a human resource strategic planning effort to address acquisition workforce issues. The committee believes that no further cuts should be made until the strategic planning effort has been completed and the Department is prepared to address shortcomings in the workforce on a comprehensive basis.

Revision of acquisition workforce qualifications (sec. 813)

The committee recommends a provision that would clarify that the amendments made to section 1724 of title 10, United States Code by Section 808 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 apply only to new entrants into the acquisition workforce, not to employees who were already in the workforce prior to the enactment of the amendments. The provision would also add a new section 1724a to title 10, authorizing the Secretary of Defense to establish a contracting workforce to deploy in support of contingency operations.

SUBTITLE C—USE OF PREFERRED SOURCES

Applicability of competition requirements to purchases from a required source (sec. 821)

The committee recommends a provision that would amend chapter 141 of title 10, United State Code, to change the procedures the Department of Defense (DOD) uses to make purchases from Federal Prison Industries (FPI).

The provision would permit DOD to perform market research to determine whether products offered by private sector companies provide a better value than FPI. If FPI offers a product that is comparable in price, quality, and time of delivery to the most suitable products available from the private sector, the Department would be required to purchase that product on a sole-source basis from FPI. If DOD determines that the FPI product is not competitive, it would conduct a competition in which FPI would be permitted to participate.

The provision would also permit the Department of Defense to purchase from a source other than FPI a product that is integral to, or embedded in, another product. For example, in a major construction project, the Department's prime contractor would be permitted to utilize its usual commercial sources and purchase products in the most economical manner.

In addition, the provision would exempt national security systems from the FPI mandatory source requirement, reflecting the committee's view that it is not appropriate to require the Department of Defense (as FPI has done in the past) to purchase missile guidance systems or other critical defense items that are made with prison labor.

Finally, the provision would permit DOD to make purchases of less than $2,500 from sources other than FPI. This provision is consistent with the "micro-purchase threshold" that has been set in law to enable DOD officials to use credit cards for small purchases. Under current regulations, FPI exempts only purchases of $25 or less—an approach that is inconsistent with the Department's acquisition streamlining efforts.

Consolidation of contract requirements (sec. 822)

The committee recommends a provision that would prohibit the consolidation of contract requirements in excess of $5.0 million absent a written determination that the benefits of the acquisition strategy including the consolidated contract requirements substantially exceed the benefits of alternative contracting approaches that would involve a lesser degree of consolidation.

Sections 411 through 413 of the Small Business Reauthorization Act of 1997 (Public Law 105–135) require federal agencies to conduct market research to assess the potential impact of "bundled contracts," and to proceed with such contracts only if the benefits of bundling substantially exceed the benefits of proceeding with separate contracts. Section 414 requires agencies to collect data regarding bundling of contract requirements in excess of $5.0 million.

Unfortunately, it appears that the Department of Defense and other agencies have failed fully to comply with these requirements. This failure appears to be attributable, in significant part, to the narrow interpretation that has been given to the provision.

For example, the Small Business Reauthorization Act defined bundling to include consolidated contracts that are "likely to be unsuitable for award to a small business concern." The General Accounting Office recently concluded that a contract cannot be considered unsuitable for award to a small business concern if a team of contractors, including small business concerns, could bid on the contract. Since a team of contractors could bid on virtually any requirement, this interpretation would appear to exclude virtually all contracts from the application of the bundling provisions.

The provision recommended by the committee would address these problems by requiring the Department to justify any consolidation of contract requirements in excess of $5.0 million, regardless of whether the consolidation constitutes "bundling." The Department would also be required to modify its data reporting systems to identify whether a procurement in excess of $5.0 million has been consolidated or not.

The committee is concerned that efforts to impose new record-keeping requirements with regard to bundled contracts could unduly burden the defense acquisition system. For this reason, the provision would prohibit the Department from implementing new data collection systems with regard to the bundling or consolidation of contracts, except as necessary to comply with the requirement to identify consolidated contracts in excess of $5.0 million.

The committee is also aware that in some cases where contracts are legitimately consolidated, small-business-only joint ventures may serve as an effective means to enable small businesses to continue to participate in the procurement process. The committee directs the Department to work with the Small Business Administration in conducting outreach to promote such joint ventures and encourage their participation in the procurement process.

Codification and continuation of Mentor-Protege Program as permanent program (sec. 823)

The committee recommends a provision to codify the pilot Mentor-Protege program established by section 831 of the National Defense Authorization Act for Fiscal Year 1991 and make the program permanent.

The Mentor-Protege program provides incentives to major defense contractors to assist small disadvantaged businesses, woman-owned businesses, and qualified organizations employing the severely disabled to enhance their capabilities as contractors on Department of Defense contracts. The Mentor-Protege program does not guarantee contracts to qualified small businesses. Instead, it is designed to equip these businesses with the knowledge and expertise that they need to win such contracts on their own, in the competitive market place.

Section 811 of the National Defense Authorization Act for Fiscal Year 2000 incorporated a number of management controls to ensure the success of the program. These included: limiting program participation terms to three years, absent exceptional circumstances; limiting the annual funding of a Mentor-Protege agreement to $1.0 million a year, absent exceptional circumstances; requiring annual reviews of the performance of Mentor-Protege agreements by the Defense Contract Management Command; making incremental funding of Mentor-Protege agreements contingent upon past performance; and requiring annual reports to Congress on program performance. These program reforms, which appear to have resulted in significantly improved program performance, are incorporated into the codified provision.

The committee expects the Department to continue to work to strengthen the Mentor-Protege program by improving compliance with tracking and reporting requirements and enforcing the required linkages between performance and funding.

SUBTITLE D—AMENDMENTS TO GENERAL CONTRACTING AUTHORITIES PROCEDURES, AND RELATED MATTERS

Amendments to conform with administrative changes in acquisition phase and milestone terminology and to make related adjustments in certain requirements applicable at milestone transition points (sec. 831)

The committee recommends a provision that would make a series of modifications to title 10, United States Code, and related statutes, to substitute references to the acquisition milestones established by revised Department of Defense Directive 5000.2 for obsolete references currently contained in those statutes.

The committee is aware that the Department recently rewrote its basic acquisition policy directives to focus on providing proven technology to the warfighter faster, reducing total ownership cost, and emphasizing affordability, supportability, and interoperability. The new directives are intended to separate technology development from system integration, allow multiple entry points into the acquisition process, and require demonstration of utility, supportability, and interoperability prior to making a commitment to production. As part of the rewrite, milestone names were changed to Milestone A (approval to begin analysis of alternatives), Milestone B (approval to begin integrated system development and demonstration), and Milestone C (approval to begin low-rate production).

The phases of acquisition were changed to Concept and Technology Development (in which alternative concepts are considered and technology development is completed), System Development and Demonstration (in which components are integrated into a system and the system is demonstrated), and Production and Deployment (in which the system is produced at a low-rate to allow for initial operational test and evaluation, creation of a production base, efficient ramp-up of production to full-rate, and deployment). Within the Production and Deployment phase is the Full-Rate Production Decision Review at which the results of operational test and evaluation and live-fire test are considered.

Under the new approach, program initiation begins later than under the old model. The new model anticipates more extensive technology development before committing to a new program using those technologies, while the old model completed technology development after program initiation. This is consistent with sec. 804, which requires that critical technologies be successfully demonstrated in a relevant environment before they may be incorporated into a major defense acquisition program.

The provision recommended by the committee would make technical changes to existing statutes to reflect the new milestone process established by the revised directives.

Inapplicability of limitation to small purchases of miniature or instrument ball or roller bearings under certain circumstances (sec. 832)

The committee recommends a provision that would provide certain exceptions to the requirement in section 2534 of title 10, United States Code, to purchase ball and roller bearings from do-

mestic sources. This provision would provide added flexibility to the Department of Defense while reserving large and complex purchases of ball and roller bearings for the national technology and industrial base.

OTHER ITEMS OF INTEREST

Continuity of service in critical acquisition positions

Section 1734 of title 10, United States Code, addresses the issue of continuity of service in critical acquisition positions in the Department of Defense (DOD). Section 1734(a) mandates a three-year assignment period for any person assigned to a critical acquisition position, while section 1734(b) requires that program managers and deputy program managers be assigned to a program until completion of the major milestone that occurs closest to the time at which the person has served in the position for four years.

The administration has proposed to limit the three-year tenure requirement to program managers, deputy program manager, and senior contracting officials. The committee does not believe that the Department's interest in effective management of large, complex, and time-consuming acquisitions would be served by the elimination of tenure requirements for thousands of critical acquisition positions. Frequent turnover in these positions can make it more difficult for the Department to maintain an appropriate focus on long-term goals, such as shortening the acquisition cycle, minimizing concurrency, ensuring the maintainability and reliability of new systems, and reducing life-cycle costs.

The committee understands that the Under Secretary of Defense for Acquisition, Technology and Logistics has undertaken a comprehensive review of issues affecting the acquisition workforce. The committee believes that as the Department considers how to reshape the acquisition workforce, it should give strong consideration to the problems that can be caused by frequent turnovers in key acquisition positions.

Direct payment of subcontractors

A number of small businesses currently performing work under the Navy-Marine Corps Intranet (NMCI) contract have expressed concerns to the committee about a provision in the contract requiring that the government, rather than the prime contractor, make payments to subcontractors on the program. These companies state that direct payment has increased, rather than decreased, the amount of time it takes for them to be paid. The committee is also concerned that direct payment may blur the lines of responsibility for ensuring that subcontractors are performing in accordance with the terms of the contract and that payments are made when due.

The committee directs the Secretary of the Navy to review this issue in consultation with the Under Secretary of Defense for Acquisition, Technology and Logistics and to determine the circumstances, if any, under which it is in the interest of the Department of Defense to pay subcontractors directly. The committee believes that payments to subcontractors should be made by prime contractors, not the government, unless and until the Department of Defense has determined that appropriate systems, guidance, and

training are in place to ensure that direct payments can be made quickly and accurately, and in a manner that does not undermine the contractual responsibilities of the prime contractor.

Internal controls on the use of credit cards

Earlier this year, the General Accounting Office (GAO) completed a review of internal controls and accounting practices for purchase card transactions and payments for two Navy units based in San Diego. The GAO found a weak overall internal control environment, flawed or nonexistent policies and procedures, and a lack of adherence to those policies and procedures that were in place. According to the GAO:

> [M]anagement was not effectively utilizing internal reviews and audits to determine whether purchase card internal controls were being effectively implemented. In fact, we found evidence that . . . management ignored internal review results that demonstrated some . . . serious problems . . . primarily because of complaints from cardholders and their supervisors regarding the administrative burden associated with procedural changes that would be needed to address the review findings.

The committee continues to believe that credit cards can play an important role in streamlining the procurement system and eliminating unneeded paperwork. However, streamlined purchasing techniques such as purchase cards can also be abused in the absence of appropriate internal controls and management attention. The committee directs the Department of Defense (DOD) to review this issue and take action to ensure that: (1) appropriate internal controls for credit card purchases are in place throughout the Department; and (2) DOD credit card holders and their managers are fully trained and aware of the importance of compliance with these policies and procedures.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Deputy Under Secretary of Defense for Personnel and Readiness (sec. 901)

The committee recommends a provision that would establish a new position of Deputy Under Secretary of Defense for Personnel and Readiness and eliminate one Assistant Secretary of Defense position.

Responsibility of Under Secretary of the Air Force for Acquisition of space launch vehicles and space launch services (sec. 902)

The committee recommends a provision that would assign responsibility for the acquisition of space launch vehicles and space launch services for the Department of Defense and the National Reconnaissance Office (NRO) to the Under Secretary of the Air Force. The provision would ensure the acquisition of space launch vehicles and services for the Department of Defense and the NRO is coordinated and consolidated so that the Department can take full advantage of the cost savings that come from a such an approach.

This provision maintains the current Air Force responsibility for space launch and is consistent with long-term plans for reinvigorating U.S. launch capabilities, particularly efforts to regain a competitive U.S. heavy launch capability.

Sense of Congress regarding the selection of officers for assignment as the Commander in Chief, United States Transportation Command (sec. 903)

The Goldwater-Nichols Department of Defense Reorganization Act of 1986 envisioned that an officer would be assigned to serve as the commander of a combatant command on the basis of being the best qualified officer for the assignment, rather than the best qualified officer of the armed service that has historically supplied an officer to serve in that assignment.

Most of the positions of commanders of the combatant commands have been filled successively by officers of more than one of the armed services since the enactment of that Act. However, the position of Commander in Chief, U.S. Transportation Command has only been filled by general officers of the Air Force. Until the most recent Air Force nominee to this position, that officer has usually had limited experience in the transportation services.

The U.S. Transportation Command and its component commands could benefit from the appointment of an officer selected from the two armed services that are the primary users of their transportation resources, namely the Army and the Marine Corps.

Therefore, the committee recommends a provision that would express the sense of Congress that when deciding on the next officer to be nominated to the position of Commander in Chief, U.S. Transportation Command, the Secretary of Defense shall consider nominating highly qualified officers from the ranks of Army and Marine Corps flag officers.

Organizational realignment for Navy Director for Expeditionary Warfare (sec. 904)

The committee recommends a provision that would reflect a recent organizational realignment within the Office of the Chief of Naval Operations by amending section 5038(a) of title 10, United States Code, to recognize that the Director for Expeditionary Warfare is now in the Office of the Deputy Chief of Naval Operations for Warfare Requirements and Programs. The committee notes, however, that the Director for Expeditionary Warfare maintains the same roles and responsibilities.

Revised requirements for content of annual report on joint warfighting experimentation (sec. 905)

The committee continues to strongly support joint warfighting experimentation and to believe that it will play a key role in the Department's transformation efforts. In that regard, the committee notes with satisfaction that the budget request increased substantially funding for joint warfighting experimentation for U.S. Joint Forces Command to $118.8 million for fiscal year 2002. This should provide sufficient funding to conduct the congressionally-mandated Millennium Challenge 2002, the Department's first major joint field experiment, as well as to carry out ongoing joint concept development and experimentation. The committee is also encouraged by the fact that the services, U.S. Special Operations Command and the Defense Agencies are participating so robustly in the planning for, and are budgeting sufficient funds to participate meaningfully in, Millennium Challenge 02.

The committee believes that the time has come to consider providing additional authorities to the Commander in Chief, U.S. Joint Forces Command to facilitate the conduct of joint warfighting experimentation and to develop and acquire promising technology of unique relevance to conducting joint military operations. Accordingly, the committee recommends an amendment to section 485 of title 10, United States Code, to require the annual joint warfighting report to include a specific assessment of whether there is a need for a major force program, or some other resource mechanism, for funding joint warfighting experimentation and for funding the rapid development and acquisition on uniquely joint warfighting technologies that have been empirically demonstrated through such experimentation.

Suspension of reorganization engineering and technical authority policy within the Naval Sea Systems Command (sec. 906)

The committee is concerned that the Naval Sea Systems Command (NAVSEA) may launch a reorganization that would change the engineering and technical authority reporting chain of com-

mand within the Command and within the organizations that report to the Command, including the naval warfare centers. This reorganization would apparently imply centralizing day-to-day management of subsets of the activities within the warfare centers to an official or officials within the NAVSEA headquarters.

The Congress and the Navy depend upon the quality of the research activities of the naval warfare centers to yield integrated, well engineered improvements in warfighting capability to the fleet. The committee is concerned that the proposed reorganization would undermine the efficiency and effectiveness of the warfare centers. The Navy established the warfare centers, concentrating all of the work and talent associated with one technical area at one activity, in order to: (1) eliminate unwarranted duplication of effort; and (2) develop centers of technical excellence and a critical mass of capability.

The committee also recognizes that the warfare centers were established to operate under a common set of working capital fund rules and guidelines, which focuses their efforts on efficiency, quality and customer satisfaction. This arrangement would appear to be consistent with the more business-like approach that the administration has identified as a central focus of their efforts to make the Defense Department more efficient.

The committee believes that realigning the management of the warfare centers along functional lines, such as engineering or directing technical activities, is potentially much less effective than the current approach of having the warfare centers managing mission areas, such as surface warfare and undersea warfare. The proposed reorganization would appear to violate a number of tenets of good management:

(1) The more normal business model would involve central establishment of policy by the NAVSEA headquarters, with decentralized management by field operating activities.

(2) Centralizing day-to-day management of engineering and technical direction authority within the NAVSEA headquarters would appear to violate the well-understood policy of unity of command. When several people are in charge, no one is really in charge. More importantly, however, when several people are in charge, no one is responsible.

(3) As a general rule, the Department of Defense has been reorganizing its acquisition and development programs to create integrated product teams, where different functional specialities are brought together to focus on delivery of a product or capability in a more efficient manner. The proposed NAVSEA reorganization would appear to imply breaking apart the integrated product teams within the naval warfare centers that are focusing different scientific and technical disciplines on mission needs. The Navy could then be faced with recreating what it is breaking apart by this reorganization.

Therefore, the committee recommends a provision that would delay the implementation of this realignment until such time as the Secretary of the Navy provides his analysis of the proposed reorganization and how he believes such a reorganization would contribute to: (1) eliminating unwarranted duplication of effort; (2) developing and supporting centers of technical excellence and critical

masses of capability; (3) improving business-like management procedures for conducting the activities of the naval warfare centers; and (4) improving the quality of support to the fleet in meeting critical mission needs.

Conforming amendments relating to change of name of Air Mobility Command (sec. 907)

The committee recommends a provision that would amend references to the former Military Airlift Command to refer to the command by its current designation as the Air Mobility Command.

TITLE X—GENERAL PROVISIONS

SUBTITLE A—FINANCIAL MATTERS

Transfer authority (sec. 1001)

The committee recommends a provision that would provide for the transfer of funds authorized in Division A of this Act to unforeseen higher priority needs in accordance with normal reprogramming procedures.

Reduction in certain authorizations of appropriations for management efficiencies (sec. 1002)

The Secretary of Defense has testified that the Department of Defense should be able to achieve five percent savings across the board through management improvements. The committee believes that the Department should be able to achieve significant savings in fiscal year 2002 through improved management efficiency; reform of business processes; improved processes for the procurement of property and services; and increased use of best business practices adopted from the private sector.

The committee recommends a provision that would reduce the authorizations of appropriations for the Department of Defense in this Act by $1,630.0 million. The committee expects the Department of Defense to achieve these savings by implementing the requirements of Title VIII and by pursuing other management efficiencies developed by the Business Initiative Council that do not require enactment of new legislation by the Congress.

Authorization of supplemental appropriations for fiscal year 2001 (sec. 1003)

This provision would authorize the supplemental appropriations for fiscal year 2001 enacted in the Supplemental Appropriations Act, 2001 (Public Law 107–20).

United States contribution to NATO common-funded budgets in fiscal year 2002 (sec. 1004)

The resolution of ratification for the Protocols to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary and the Czech Republic contained a provision (section 3(2)(c)(ii)) that requires a specific authorization for U.S. payments to the common-funded budgets of NATO for each fiscal year, beginning in fiscal year 1999, that U.S. payments exceed the fiscal year 1998 total. The committee recommends a provision to authorize the U.S. contribution to NATO common-funded budgets for fiscal year 2002, including the use of unexpended balances from prior years.

Clarification of applicability of interest penalties for late payment of interim payments due under contracts for services (sec. 1005)

Section 1010 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 extended prompt payment requirements to interim payments due under contracts for services.

The committee recommends a provision clarifying that the change made by section 1010 applies to payments due on or after the date of enactment of that provision under all Department of Defense contracts, regardless of when they may have been entered.

Reliability of Department of Defense financial statements (sec. 1006)

The committee recommends a provision that would enable the Department of Defense (DOD) to save resources that are currently expended to prepare and audit financial statements that are considered by the General Accounting Office to be essentially unauditable. The provision would direct that the resources saved be used to address underlying problems in the Department's financial management systems and facilitate the Department's ability to routinely produce reliable financial information by no later than fiscal year 2006.

The committee is aware that because the Department's financial management systems are seriously deficient, it has been unable to produce reliable financial information or auditable financial statements. Nonetheless, the DOD expends significant resources preparing, reviewing and correcting financial statements, and the Department's Inspector General expends considerable resources trying to audit them. The committee considers these practices to be a waste of resources that could better be used to improve the Department's financial management systems so that reliable financial information is available on the Department's activities.

The provision recommended by the committee would direct the Department to streamline its processes for preparation and audit of financial statements until the Department's systems are able to generate reliable information, which the committee expects will take place in time to produce financial statements for fiscal year 2006.

In particular, the provision would direct the Department to identify in advance financial statements that will be unreliable and to minimize the resources that are used to prepare them. The DOD Comptroller would be required to estimate the amount of resources saved by minimizing efforts on these financial statements, and to redirect these resources to the improvement of the Department's financial management systems, policies, and procedures.

In addition, the Inspector General would be directed to perform only those audit procedures that are consistent with generally accepted government auditing standards for financial statements that management has reported as unreliable. The committee expects that the Inspector General will use the resulting savings to improve the oversight of Department of Defense management and help the Department identify actions needed to improve financial management policies, procedures and internal controls or to verify that improvements in these areas have been made.

Senior Financial Management Oversight Council and financial feeder systems compliance process (sec. 1007)

The committee recommends a provision that would require the Secretary of Defense to establish a Senior Financial Management Oversight Council, to establish a financial and feeder systems compliance process, and to supervise and monitor the actions that are necessary to carry out that process.

In the committee's view, the Department of Defense must address problems with the reliability of financial and feeder systems data and interfaces between these systems in order to ensure proper accountability and control over its physical assets, proper accounting for the costs of operations, and proper recording and reconciling of disbursements.

Section 1008 of the National Defense Authorization Act for Fiscal Year 1998 required the Department to submit to Congress biennial financial improvement plans. Through the process of developing these plans, the Department is finally beginning to develop a roadmap of actions necessary to address the deficiencies in its financial and feeder systems. Although this roadmap is still far from complete, it provides an important first step toward addressing the Department's financial management problems.

The provision recommended by the committee would build on this progress by requiring the Department to establish an oversight council and a management process for implementing changes identified in the congressionally-mandated financial management improvement plans.

Combating terrorism readiness initiatives fund for combatant commands (sec. 1008)

The committee recommends a provision that would codify in title 10, United States Code, the authority and specific activities to be funded under the combating terrorism readiness initiatives fund. The fund, which was established in fiscal year 1996, is designed to meet emergency and emergent high-priority combating terrorism requirements of the combatant commanders. The fund, which is managed by the Chairman of the Joint Chiefs of Staff, was characterized by the Crouch/Gehman USS COLE Commission Report as "a responsive and relevant program." The committee agrees and recommends authorizing $38.0 million for the fund, an increase of $10.0 million over the requested amount.

SUBTITLE B—STRATEGIC FORCES

Repeal of limitation on retirement or dismantlement of strategic nuclear delivery systems (sec. 1011)

The committee recommends a provision that would repeal section 1302 of the National Defense Authorization Act for Fiscal Year 1998, which requires the United States to maintain a Strategic Arms Reduction Treaty (START) I force structure level until START II enters into force.

President Bush has called for substantial reductions in the number of nuclear warheads. On May 23, 2000, then-Governor Bush said: "I will pursue the lowest possible number [of nuclear weapons] consistent with our national security. It should be possible to

reduce the number of American nuclear weapons significantly further than what has been already agreed to under START II without compromising our security in any way."

More recently, President Bush, in a speech at the National Defense University on May 1, 2001, said: "I am committed to achieving a credible deterrent with the lowest-possible number of nuclear weapons consistent with our national security needs, including our obligations to our allies. My goal is to move quickly to reduce nuclear forces. The United States will lead by example to achieve our interests and the interests for peace in the world."

Repeal of section 1302 would allow the President to carry out such reductions in nuclear forces and for the United States to be a leader in reducing nuclear forces.

Bomber force structure (sec. 1012)

The committee recommends a provision that would prohibit the use of any funds available to the Department of Defense for fiscal year 2002 from being used to retire, move or dismantle any B–1B Lancer bombers until certain specified events occur.

In June 2001, the Air Force announced a plan to retire 33 B–1B Lancer bombers and to consolidate the remaining B–1B Lancer bombers in the active duty Air Force. This decision would remove all B–1B Lancer bombers from the Air National Guard. Under the plan as announced, this consolidation and retirement was to have been completed by the end of fiscal year 2001. Subsequent to the announcement, Congress passed the Fiscal Year 2001 Supplemental Appropriations Act, prohibiting the Air Force from implementing the consolidation using fiscal year 2001 funds.

The committee is concerned that the decision to retire 33 B–1B Lancer bombers and consolidate the remaining bombers was made without a full analysis of the costs and benefits of all potential options for the B–1B Lancer bomber fleet. In addition, the committee believes that any decision on the future of the B–1B Lancer bomber fleet should be made only after larger defense strategy reviews have been completed. As a result, the committee recommends a provision that would prohibit the use of fiscal year 2002 funds available to the Department of Defense from being used to implement the decision to retire or consolidate the B–1B Lancer bomber until after the National Security Strategy has been submitted to Congress, the Quadrennial Defense Review and the Nuclear Posture Review are completed, and the Secretary of Defense submits to the congressional defense committees a report on the B–1B Lancer bomber.

The report would include a review of the future roles, missions, and makeup of the bomber force structure; a comparative cost analysis of maintaining, upgrading, basing, and operating the B–1B Lancer bombers in the active and reserve components; and the plans for assigning other missions to the National Guard units that currently fly B–1B Lancer bombers.

The provision would also require the Comptroller General of the United States to conduct a study on the same matters that would be required in the report to be prepared by the Secretary of Defense. This report would be due on January 31, 2002.

The budget request did not include any funds to maintain the B–1B Lancer bomber in the National Guard units in fiscal year 2002. The budget request assumed the consolidation would have been completed during the course of fiscal year 2001 and, thus, no funds would be needed by the National Guard in fiscal year 2002 for the B–1B Lancer. As a result of the Fiscal Year 2001 Supplemental Appropriations Act, the National Guard will continue to be responsible for the B–1s beyond the end of FY 2001. In Title III of this bill the committee has recommended including the funds that are necessary to allow the National Guard to maintain the B–1 through fiscal year 2002.

Additional element for revised Nuclear Posture Review (sec. 1013)

The committee recommends a provision that would amend section 1041 of the National Defense Authorization Act for Fiscal Year 2001 by adding a new element to the nuclear posture review. In keeping with President Bush's desire to dealert nuclear weapons, this provision would add deactivation or dealerting as an additional element to the nuclear posture review.

In remarks at the National Press Club on May 23, 2000, then-Governor Bush said: "[T]he United States should remove as many weapons as possible from high alert, hair-trigger status, another vestige of the Cold War confrontation. Preparation for quick launch within minutes after a warning of an attack was the rule during the era of superpower rivalry. But today, for two nations at peace, keeping so many weapons on high alert may create unacceptable risks of accidental or unauthorized launch."

The committee believes this provision would ensure that dealerting and deactivation are included as elements in the upcoming nuclear posture review. The committee urges the Secretary of Defense to ensure that all options are explored, in the context of the nuclear posture review, that could enhance the safety and security of U.S. nuclear forces and warheads. In addition, the committee urges the Secretary to implement any such steps as soon as possible.

SUBTITLE C—REPORTING REQUIREMENTS

Information and recommendations on congressional reporting requirements applicable to the Department of Defense (sec. 1021)

The committee recommends a provision that would provide the Secretary of Defense an opportunity to address concerns about the proliferation of recurring reporting requirements in the Department of Defense (DOD). This provision is a successor to the Federal Reports Elimination and Sunset Act of 1995 (P.L. 104–66), which eliminated numerous reporting requirements previously imposed on DOD and other federal agencies.

The provision recommended by the committee would require the Secretary to compile a list of all provisions of law that require the Department to report to Congress on a recurring basis. The list would include the Secretary's assessment of the continuing utility of each report and any recommendation of the Secretary for the

consolidation or elimination of reports. The committee notes that the reporting requirement contained in this section was requested by the Department of Defense.

Report on combating terrorism (sec. 1022)

The committee recommends a provision that would require the Secretary of Defense to submit a report to Congress on the Department of Defense (DOD) policies, plans and procedures for combating terrorism. The Subcommittee on Emerging Threats and Capabilities held a hearing on May 1, 2001 relating to the Department's Weapons of Mass Destruction—Civil Support Teams (WMD–CSTs) in the aftermath of a DOD Inspector General (IG) report that revealed numerous problems with a number of aspects of the teams. In the course of that hearing, it became apparent that the structure, strategy, roles, relationships and responsibilities of the various DOD entities with responsibilities relating to combating terrorism remain unclear. The committee appreciates that the Secretary of Defense has only recently implemented a provision of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 by designating the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict (ASD/SOLIC) with the duty to provide overall direction and supervision for policy, program planning and execution, and allocation and use of resources for combating terrorism. The committee expects the preparation of this report to serve as the means by which the ASD/SOLIC assists the Secretary of Defense in addressing the various issues pertaining to combating terrorism.

Revised requirement for Chairman of the Joint Chiefs of Staff to advise Secretary of Defense on the assignment of roles and missions to the armed forces (sec. 1023)

The committee recommends a provision that would repeal the requirement contained in section 153(b) of title 10, United States Code, for the Chairman of the Joint Chiefs of Staff to submit a review of roles and missions of the armed forces to the Secretary of Defense every three years. The provision would, instead, amend section 118(e) of title 10, United States Code, to require the Chairman of the Joint Chiefs of Staff to include his review of roles and missions of the armed forces in his assessment of the congressionally-mandated Quadrennial Defense Review.

Revision of deadline for annual report on commercial and industrial activities (sec. 1024)

The committee recommends a provision that would change the due date for the Commercial Activities Report to Congress, required by section 2461(g) of title 10, United States Code, from February 1 to June 30 of each year, as requested by the Department. The change in the due date of the report should give the Department time to consider challenges to the previous year's inventory prior to compiling a new report to Congress.

Production and acquisition of vaccines for defense against biological warfare agents (sec. 1025)

The committee recommends a provision that would authorize the Secretary of Defense, subject to the availability of authorized and appropriated funds for such purpose, to design, construct, and operate on a military installation a government-owned, contractor-operated (GOCO) vaccine production facility. The provision would also authorize the Secretary to use Department of Defense (DOD) funds to qualify and validate the GOCO vaccine production facility in accordance with Food and Drug Administration (FDA) guidelines and standards. Lastly, the provision would require the Secretary of Defense to develop a long-range plan for the production and acquisition of vaccines to defend against biological warfare agents and to report to the congressional defense committees on that plan by February 1, 2002.

The Department of Defense is considering various options for the production of biological warfare defense vaccines to meet the Department's current and future requirements. These options include private sector production; a government-owned, contractor operated (GOCO) facility; and other options.

The committee understands that, as Department officials indicated earlier this year, any new vaccine production facility will take five to seven years to build, obtain FDA approval, and begin production of various vaccines. The committee also notes that a significant amount of analysis and review has been conducted by both the Department and the committee on a GOCO vaccine production facility in particular.

Given the urgent requirement to vaccinate military personnel against biological warfare agents, and the need to transition several newly developed vaccines from the Joint Vaccine Acquisition Program (JVAP) to a production process in approximately three to five years, the Department should ensure that vaccine production facilities are available when required.

It is important that the Department prepare a plan and report to Congress expeditiously, as required in this provision, in order to proceed with vaccine production and acquisition efforts as soon as practicable. The committee supports the fiscal year 2002 budget request of $3.1 million for a GOCO vaccine production facility program management office and preliminary design.

The requirement in this provision for a plan and report would not supercede or replace previously directed requirements for developing and reporting on Department of Defense vaccine acquisition plans. The statement of managers accompanying the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (S. Rept. 106–945) has specific reporting requirements to the congressional defense committees that would not be rescinded by this provision. The provision would require the Department to consider, in preparing the plan and report required by this provision, the analysis and information developed to meet the requirements of section 218 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 and of S. Rept. 106–945.

Should the Secretary proceed with a GOCO facility for vaccine production, the committee directs that all applicable competitive procedures be used in site selection and in the award of contracts

or other agreements to construct and operate a GOCO vaccine production facility. Cost sharing should be used to the maximum extent practicable. Lastly, the committee recommends that the Department maximize the participation of FDA officials in the planning, design, and construction of the GOCO vaccine production facility.

Extension of times for Commission on the Future of the United States Aerospace Industry to report and to terminate (sec. 1026)

The committee recommends a provision that would amend section 1097 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 to ensure that the Commission on the Future of the United States Aerospace Industry has a full year to carry out its work and to allow the commission 60 rather than 30 days to archive documents and complete other activities after the submission of its final report.

SUBTITLE D—ARMED FORCES RETIREMENT HOME

Amendment of Armed Forces Retirement Home Act of 1991 (sec. 1041)

The committee recommends a revision of the Armed Forces Retirement Act of 1991 to implement changes resulting from a Department of Defense review of the management structure of the Armed Forces Retirement Home. The recommended provisions would change the names of the facilities to Armed Forces Retirement Home-Washington and Armed Forces Retirement Home-Gulfport, and would authorize appointment of: (1) a Chief Operating Officer responsible for the overall operation of the Armed Forces Retirement Home; (2) a military officer as director for each facility; (3) a civilian with experience in running a retirement home as deputy director for each facility; and (4) a local board of trustees for each facility to serve in an advisory capacity to the director. The recommended provisions would establish a three-tier fee structure and authorize a temporary reduced fee for residents of Armed Forces Retirement Home-Gulfport until their residence is renovated.

Definitions (sec. 1042)

The committee recommends a provision that would define the terms Retirement Home, Local Board, Armed Forces Retirement Home Trust Fund, and Fund.

Revision of authority establishing the Armed Forces Retirement Home (sec. 1043)

The committee recommends a provision that would establish the Armed Forces Retirement Home as an independent establishment of the executive branch to provide residences and related services for certain retired and former members of the armed forces. The Retirement Home would operate two facilities, the Armed Forces Retirement Home-Washington and the Armed Forces Retirement Home-Gulfport. The recommended provision authorizes the Secretary of Defense to acquire property for the benefit of the Retire-

ment Home, to dispose of property of the Retirement Home, and to provide Department of Defense support to the Retirement Home on a non-reimbursable basis.

Chief Operating Officer (sec. 1044)

The committee recommends a provision that would authorize the Secretary of Defense to appoint a Chief Operating Officer for the Retirement Home who would be responsible for the overall direction, operation, and management of the Armed Forces Retirement Home and who would report to the Secretary of Defense. The recommended provision would authorize the Chief Operating Officer to appoint a staff to assist in the administration of the Retirement Home and to accept gifts on behalf of the home.

Residents of Retirement Home (sec. 1045)

The committee recommends a provision that would repeal the requirement for a resident to reapply for acceptance as a resident when absent from the home for more than 45 consecutive days. The recommended provision would authorize the Chief Operating Officer to prescribe the monthly fees for the residents of the Armed Forces Retirement Home based on the financial needs of the Retirement Home and the ability of the residents to pay. The fees would be the same for each facility of the Retirement Home, except for residents of the Armed Forces Retirement Home-Gulfport, who would pay a reduced rate until the resident occupies a renovated room.

Local boards of trustees (sec. 1046)

The committee recommends a provision that would require the Secretary of Defense to appoint a local board of trustees for each facility of the Armed Forces Retirement Home to serve in an advisory capacity to the Director of the facility and to the Chief Operating Officer.

Directors, Deputy Directors, and staff of facilities (sec. 1047)

The committee recommends a provision that would require the Secretary of Defense to appoint a Director and a Deputy Director for each facility of the Armed Forces Retirement Home. The Director of a facility would be an active duty military officer in a grade above lieutenant colonel or commander, and would be responsible for the day-to-day operation of the facility. The Deputy Director would be a civilian with experience as a continuing care retirement community professional. The recommended provision authorizes the Director of a facility to appoint staff to assist in the operation of the facility.

Disposition of effects of deceased persons and unclaimed property (sec. 1048)

The committee recommends a provision that would authorize the Director of a facility of the Armed Forces Retirement Home to designate an attorney who is a full-time officer or employee of the United States or a member of the armed forces on active duty to serve as attorney or agent for the facility in certain probate proceedings.

Transitional provisions (sec. 1049)

The committee recommends a provision that would authorize the Armed Forces Retirement Home Board to continue to serve and perform the duties of the Chief Operating Officer until the Secretary of Defense appoints the first Chief Operating Officer. The recommended provision would also authorize the person serving as the Director of the Armed Forces Retirement Home-Washington to continue to serve as the Director of that facility until April 2, 2002, and the persons serving as the Deputy Directors of the facilities to serve until a Deputy Director is appointed for that facility.

Conforming and clerical amendments and repeals of obsolete provisions (sec. 1050)

The committee recommends a provision that would make conforming technical amendments to title 24, United States Code.

Amendments of other laws (sec. 1051)

The committee recommends a provision that would amend section 4301(2) of title 5, United States Code, to exclude the Chief Operating Officer and the Deputy Directors of the Armed Forces Retirement Home from the definition of employee for purposes of performance appraisals under chapter 43 of title 5, United States Code. The recommended provision would amend various sections of title 10, United States Code, to exclude general or flag officers, while serving as Directors of facilities of the Armed Forces Retirement Home, from limitations applicable to general and flag officers on active duty.

SUBTITLE E—OTHER MATTERS

Requirement to conduct certain previously authorized educational programs for children and youth (sec. 1061)

The committee recommends a provision that would require the Secretary of Defense to conduct the National Guard Challenge Program and the STARBASE program.

One of the key recommendations from the Secretary of Defense's Defense Strategy Review is to engage the American public by expanding citizenship and community outreach programs. The committee strongly endorses this recommendation.

Two of the Department of Defense's most effective community outreach programs are the National Guard Challenge program and the STARBASE program. The direct role of the military in both programs is key to their success. These programs enhance a positive image of the armed forces as they expose youth, parents, and teachers to the value of military service. They also serve as an entree for military recruiters seeking access to secondary schools.

Authority to ensure demilitarization of significant military equipment formerly owned by the Department of Defense (sec. 1062)

The committee recommends a provision that would provide authority to ensure demilitarization of significant military equipment formerly owned by the Department of Defense (DOD).

The possession of improperly demilitarized DOD property by individuals and business entities was the subject of a recent study of the Defense Science Board and has raised considerable public concern. Section 1051 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 required DOD to develop a plan for improving the demilitarization of excess and surplus defense property and propose appropriate legislation to clarify the authority of the government to recover critical defense property that has not been properly demilitarized. The Department complied with this requirement and proposed legislation addressing this issue.

The provision recommended by the committee would make it unlawful for any person to possess significant military equipment formerly owned by DOD that has not been demilitarized, without proper authorization. Under this provision, the Secretary of Defense would be required to notify the Attorney General of potential violations of this prohibition, and the Attorney General would be authorized to take appropriate steps to ensure that the equipment is demilitarized or returned.

The committee notes that military equipment would be covered by this provision only if it is specifically designated as significant military equipment. Public safety should be the foremost consideration in making any such designation, but the Secretary may also take into consideration the historic or cultural significance of certain equipment. For example, the committee does not believe that civil war cannon would or should be designated as significant military equipment. Similarly, the committee does not expect that World War II aircraft from which all weapons systems have been removed would or should be designated as significant military equipment.

Conveyances of equipment and related materials loaned to state and local governments as assistance for emergency response to a use or threatened use of a weapon of mass destruction (sec. 1063)

The committee recommends a provision that would require the Department of Defense (DOD) to transfer to state and local authorities training equipment it has loaned to them as part of the Domestic Preparedness Program, which was established in accordance with the Defense Against Weapons of Mass Destruction Act of 1996 (otherwise known as the Nunn-Lugar-Domenici Act).

The equipment was purchased by the Department on behalf of cities participating in the Domestic Preparedness Program. That equipment has been permanently retained and maintained on loan due to the legal prohibition against transferring DOD property directly to non-federal government agencies. As a result, the Department has been required to inventory, and to hold some liability for, this equipment. In addition, local authorities have incurred the additional task of maintaining records to DOD standards. This one-time transfer will eliminate the financial cost, labor and liabilities associated with this equipment so long as it remains DOD property.

Authority to pay gratuity to members of the Armed Forces and civilian employees of the United States for slave labor performed for Japan during World War II (sec. 1064)

The committee recommends a provision that would authorize the Secretary of Veterans Affairs to pay a $20,000 gratuity to a veteran or civilian internee, or the surviving spouse of a veteran or civilian internee, who (1) served in or with United States combat forces during World War II, (2) was captured and held as a prisoner of war by Japan, and (3) was required to perform slave labor for Japan.

Retention of travel promotional items (sec. 1065)

The committee recommends a provision that would authorize Federal employees of the Executive Branch, members of the foreign service, military members, and their family members to retain for personal use promotional items received as a result of using travel or transportation services paid for by the Executive Branch. The promotional items, including frequent flyer miles, upgrades, and access to carrier clubs or facilities, could be retained if awarded under the same conditions as offered to the general public and at no additional cost to the government.

OTHER ITEMS OF INTEREST

Comptroller General report on policies and plans regarding the preparedness of military installations for incidents involving weapons of mass destruction

The committee directs the Comptroller General to study and provide a report to the Congress on Department of Defense (DOD) policies and plans to ensure the preparedness of military installations for terrorist incidents involving weapons of mass destruction (WMD). The report shall include an assessment of existing efforts to improve military installation preparedness against terrorist attacks involving WMD. The report should also evaluate whether current policies facilitate defense-wide sharing of priorities and information, and/or foster efficiencies in allocating resources.

A recent DOD study of the Installation Pilot Program (mandated by the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, Public Law 106–398) revealed a lack of preparedness at military installations to manage the consequences of a WMD terrorist attack. The study demonstrated that standards, priorities and implementation schedules varied from service to service and from installation to installation. In addition, this study and the DOD-directed study of Fort Bragg and Pope Air Force Base indicated that military installations lack sufficient coordination with civilian first responders in the surrounding communities. Therefore, the Comptroller's report shall describe planning and training with local community first responders and efforts to achieve military and civil-military interoperability.

The committee directs the Comptroller General to include within the report a description of the Department's utilization and management of resources to carry out this critical mission. The report should be submitted to Congress no later than March 4, 2002.

Department of Defense management reform initiatives

In November 1997, the Secretary of Defense initiated a set of initiatives, known as the Defense Reform Initiative (DRI), aimed at improving the effectiveness and efficiency of the Department of Defense's business operations. Major elements of the DRI included: adopting private sector best business practices, consolidating operations, subjecting more commercial-type activities to public-private competition, modernizing logistics operations, and improving the acquisition process.

Earlier this year, the new Secretary of Defense announced his own management reform program and created a Senior Executive Committee and a Business Initiative Council to oversee the improvement of the Department's business management practices. The Secretary's program appears to include a number of initiatives that are similar to those undertaken by the last administration.

The committee believes that the reform of the Department's business practices will not be successful without many years of sustained effort continuing through several administrations. To ensure that valuable initiatives have not been dropped in the transition from one administration to the next, the committee directs the Department to review each element of the DRI and make a determination by no later than March 1, 2002, which of these initiatives should be continued and incorporated into the new management reform program.

Further, the committee directs the General Accounting Office to review the determinations made by the Department and report to Congress by no later than May 1, 2002, on which DRI initiatives have been incorporated into the new management reform program and which initiatives have been dropped.

GAO report on advanced SEAL delivery system program

The committee directs the Comptroller General to conduct a review and provide a report on the progress of the Advanced SEAL Delivery System (ASDS) program. The program has encountered significant technical, financial and management problems over the past several years. The National Defense Authorization Act for Fiscal Year 2000 required the Department of Defense to review this program and consider elevating it to a higher level of acquisition review. The Department has conducted a review and has instituted a more rigorous oversight mechanism.

The committee recognizes the technical challenges associated with this unique system and feels the program management team has been making progress addressing these challenges. Nevertheless, the committee is concerned about subsequent delays and additional cost growth. To address these outstanding concerns, the committee directs the Comptroller General to report to the congressional defense committees on the ASDS program no later than March 11, 2002. At a minimum, the report should include an assessment of the results of contractor testing concluded in September 2001, as well as the results of the overarching integrated product team review of the ASDS program to be conducted subsequent to that testing.

GAO Reports on National Reconnaissance Office and National Imagery and Mapping Agency Commissions

Two important commissions, the National Commission for the Review of the National Reconnaissance Office and the Independent Commission on the National Imagery and Mapping Agency, reviewed the activities and performance of the National Reconnaissance Office (NRO) and the National Mapping and Imagery Agency (NIMA) and reported their findings and recommendations in fiscal year 2001. Both commissions made substantive recommendations to enhance the effectiveness of the NRO and NIMA.

The committee reviewed both reports and received testimony from representatives of both commissions. The committee has been generally receptive to the recommendations of both commissions. The committee wants to fully understand how the Department of Defense and the intelligence community are implementing the commissions' respective recommendations.

The committee directs the Comptroller General of the United States to conduct two studies, as follows:

(1) a study of the measures undertaken by the Secretary of Defense, the Director of Central Intelligence, and the Director of the NRO to implement the recommendations of the National Commission for the Review of the NRO; and

(2) a study of the measures undertaken by the Secretary of Defense, the Director of Central Intelligence, the Director of the NRO, and the Director of NIMA to implement the recommendations of the Independent Commission on the NIMA.

The committee further directs that the Comptroller General submit these reports to the congressional defense and intelligence committees no later than February 15, 2002.

Military child care programs

The military Child Development Program is a model for the nation for providing high-quality, affordable child care. As demonstrated by the level of national accreditation, military programs have achieved quality unequaled in the civilian community. Despite these achievements, little is known about the impact on the developmental outcomes of children receiving care in these facilities.

The committee directs the Secretary of Defense to carry out a study on how military child development programs that meet accreditation standards of an appropriate national early childhood accrediting body affect the development of preschool-age children. The study shall compare the developmental status and educational performance of children who attended Department of Defense certified child development programs as compared to children who attended non-military child care programs. The children in the study must be enrolled in child care for at least one year prior to school entry and must have completed at least the first grade at the time their developmental status is evaluated.

The Secretary should report the results of this study to the Committees on Armed Services of the Senate and the House of Representatives no later than March 15, 2003.

Military spouse employment

Opportunities for spouse employment play a key role in the quality of life of military families. Many military career decisions are influenced by the ability of the member's spouse to find meaningful employment.

The committee directs the Under Secretary of Defense for Personnel and Readiness to examine current Department of Defense and other federal, state, and nongovernmental programs to explore opportunities to improve retention of military personnel by increasing employability of military spouses and assisting spouses in gaining access to financial and other assistance for job training and education. The examination should include the feasibility and desirability of a program for direct financial assistance to military spouses to increase their qualifications for employment.

The committee directs the Under Secretary of Defense for Personnel and Readiness to submit a report on the results of this examination not later than March 30, 2002, to the Committees on Armed Services of the Senate and the House of Representatives.

Professional development and training of financial management personnel

The committee remains concerned about the education, technical competence, and experience of personnel serving in financial management positions in the Department of Defense (DOD). Section 1007(d) of the National Defense Authorization Act for Fiscal Year 2000 required the Department to develop a financial management competency plan to address this issue. The committee directs the DOD Comptroller to report to the congressional defense committees on the status of the required plan and the Department's efforts to enhance the professional qualifications of key financial managers in the Department.

Reach Out and Read Program

The Reach Out and Read Program, available in 50 states, Puerto Rico, and the District of Columbia, facilitates development of reading skills in young children. Volunteers participating in this program read to children in waiting rooms while children await pediatric check-ups, and the program provides children's books to pediatricians, nurses, and early childhood educators to give to parents of young children.

The committee recognizes the link between programs to improve literacy and the quality of life of military personnel and encourages the Department of Defense to make this program available to children through military medical treatment facilities, TRICARE contractors, child development programs and new parent support programs.

Secondary Education Transition Study

Children of military families face unique challenges in their pursuit of educational excellence. On average, these children move every two to six years and attend schools in six different school districts between kindergarten and high school graduation. In order to understand and address problems faced by military families with high school age children, the Army conducted the Secondary Edu-

cation Transition Study. As a result of this study, nine high school districts serving large military installations have agreed to a number of measures to address transition issues faced by military high school students as they move from one school district to another. These measures include improving the timely transfer of school records; developing systems to ease student transition during the first two weeks of enrollment; promoting practices to foster access to extracurricular programs; establishing procedures to lessen the adverse impact of moves from the end of junior year through the senior year; communicating variations in school calendars and schedules; creating and implementing professional development systems; continuing strong, child-centered partnerships between installations and the supporting school; providing information concerning graduation requirements; and providing specialized services for students applying for funding for post-secondary study. Additionally, the Army will hire school liaison officers at Army installations to help the schools to understand and address concerns of military families, and to help military families to understand and comply with school policies and procedures.

The committee commends the Army for this initiative. The lessons learned from this important study apply to all military services. The committee encourages all services to examine the findings and recommendations of this study and to work with supporting schools to address the transition issues faced by children of military families.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL POLICY

SUBTITLE A—INTELLIGENCE PERSONNEL

Authority to increase maximum number of positions in the Defense Intelligence Senior Executive Service (sec. 1101)

The committee recommends a provision that would authorize the Secretary of Defense to increase the number of Defense Intelligence Senior Executive Service positions by the number of Senior Intelligence Service positions eliminated from the Cental Intelligence Agency. The recommended provision would limit the total number of Defense Intelligence Senior Executive Service positions to 544 positions.

Continued applicability of certain civil service protections for employees integrated into the National Imagery and Mapping Agency from the Defense Mapping Agency (sec. 1102)

The committee recommends a provision that would clarify that former Defense Mapping Agency personnel transferred into the National Imagery and Mapping Agency pursuant to the National Defense Authorization Act for Fiscal Year 1997 retain certain civil service protections for as long as they remain Department of Defense employees employed without a break in service in the National Imagery and Mapping Agency.

SUBTITLE B—MATTERS RELATING TO RETIREMENT

Federal employment retirement credit for non-appropriated fund instrumentality service (sec. 1111)

The committee recommends a provision that would authorize federal employees the opportunity to receive either Civil Service Retirement System or Federal Employees Retirement System credit for prior non-appropriated fund service. Under this provision, employees who choose to receive this credit would have their Civil Service Retirement System or Federal Employees Retirement System annuity reduced commensurate with the cost of funding the present value of the non-appropriated fund service.

Improved portability of retirement coverage for employees moving between civil service employment and employment by non-appropriated fund instrumentalities (sec. 1112)

The committee recommends a provision that would remove the requirement that employees who move between non-appropriated and appropriated fund employment systems have five or more years of service in a system to elect to continue in the Civil Service

Retirement System, Federal Employees Retirement System, or Non-appropriated Fund Retirement Systems, as applicable. The committee recognizes that employees who render valuable federal service in both capacities move between the two systems, sometimes not remaining in either system long enough to become vested in a retirement program.

Repeal of fiscal year 2003 limitation on exercise of voluntary separation incentive pay authority and voluntary early retirement authority (sec. 1113)

The committee recommends a provision that would authorize the Secretary of Defense, during fiscal year 2003, to use voluntary separation incentives and voluntary early retirement authority for workforce restructuring to meet mission needs, achieve strength reductions, correct skill imbalances or reduce the number of high-grade, managerial, or supervisory positions. This authority would be limited to separation of 4,000 employees.

SUBTITLE C—OTHER MATTERS

Housing allowance for the chaplain for the corps of cadets at the United States Military Academy (sec. 1121)

The committee recommends a provision that would authorize a housing allowance for the chaplain for the Corps of Cadets at the United States Military Academy.

Study of adequacy of compensation provided for teachers in the Department of Defense overseas dependents' schools (sec. 1122)

The committee recommends a provision that would require the Comptroller General to conduct a study and report on whether compensation for teachers in the defense dependents' education program is adequate for recruiting and retaining high quality teachers, and whether changes in the methodology for computing teacher pay are necessary. The recommended provision requires the Comptroller General to report conclusions and recommendations to Congress by March 1, 2002.

Pilot program for payment of retraining expenses incurred by employers of persons involuntarily separated from employment by the Department of Defense (sec. 1123)

The committee recommends a provision that would authorize a three-year pilot program to facilitate the reemployment of Department of Defense (DOD) employees who are involuntarily separated because of reductions in force or transfers of functions. The recommended provision would authorize retraining incentive payments of up to $10,000 to civilian employers who agree to hire, train, and employ the DOD employee for at least one year.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

SUBTITLE A—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Specification of Cooperative Threat Reduction programs and funds (sec. 1201)

The committee recommends a provision that would define the Cooperative Threat Reduction (CTR) program, define the funds as those authorized to be appropriated in section 301, and authorize the CTR funds to be available for obligation for three fiscal years.

Funding allocations (sec. 1202)

The committee recommends a provision that would authorize $403.0 million, the amount included in the budget request, for the Cooperative Threat Reduction (CTR) programs. The provision would also establish the funding levels for each of the program elements in the CTR program and provide limited authority to vary the amounts authorized for specific program elements.

The committee continues to support the CTR program and believes it is one of the most important national security efforts to reduce the threats posed by former Soviet Union offensive nuclear weapons and delivery systems, weapons-usable plutonium and uranium, and chemical and biological weapons and materials.

Chemical weapons destruction (sec. 1203)

The committee recommends a provision that would amend section 1305 of the National Defense Authorization Act for Fiscal Year 2000 to establish an annual certification process by the Secretary of Defense that must be completed before any funds could be spent for design and construction of a facility to destroy Russian chemical munitions at Shchuch'ye, Russia.

The budget request included $50.0 million for destruction of Russian chemical weapons. The committee recommends this amount be included in the funds authorized for the Cooperative Threat Reduction (CTR) program in section 301.

The provision would prohibit the funds authorized in section 301 for the Cooperative Threat Reduction (CTR) program from being obligated until the Secretary of Defense certifies that Russia has: (1) accurately disclosed the size of its existing chemical weapons stockpile; (2) demonstrated an annual commitment of at least $25.0 million to chemical weapons elimination; (3) developed a plan to destroy its stockpiles of nerve agents; (4) enacted a law that would provide for the elimination of all Russian nerve agents at a single site; (5) agreed to destroy its chemical weapons production facilities at Volgograd and Novocheboksark; and (6) demonstrated a commitment from the international community to fund and build infrastructure needed to support and operate the facility.

The committee believes that destruction of the Russian chemical munitions at Shchuch'ye is the only sure way to prevent these and other chemical munitions from being lost or stolen. Until such time as these munitions are destroyed, the committee will support efforts to improve the physical security of the munitions.

Russia has recently begun to demonstrate its commitment to support chemical weapons destruction. The U.S. commitment is to build the destruction facility itself. Russia and the international community must plan to fund and build the infrastructure needed to support the facility as well as operate the facility until all the nerve agent is destroyed. It is only with this continued commitment on the part of the Russian government and the international community that the committee believes the United States should provide funds to design and build the facility.

The committee directs the Department of Defense to include in its annual budget request for the CTR program the financial commitment the Department expects to receive from Russia and from the international community for the fiscal year for which the budget request is submitted.

Management of Cooperative Threat Reduction program and funds (sec. 1204)

The committee recommends a provision that would require the Cooperative Threat Reduction (CTR) program to continue to be financed, managed, and implemented by the Department of Defense. In addition, the provision would require the Defense Threat Reduction Agency (DTRA) to continue in its role as the executive agent for the CTR program.

The committee recommends this provision to ensure that responsibility for and management of the CTR program is not transferred to any other federal agency. Nothing in this provision is intended by the committee to interfere in any way with the current relationships that the CTR program has with other federal agencies. The committee believes that the cooperation and coordination that has been instituted among the CTR program and other related programs, particularly at the Department of Energy and the Department of State, is working well and should be maintained.

Additional matter in annual report on activities and assistance under the Cooperative Threat Reduction programs. (Sec. 1205)

The committee recommends a provision that would amend the annual report on Cooperative Threat Reduction (CTR) to add a new reporting requirement. The provision would direct the Secretary of Defense to include in the report a description of the amount of the financial commitment received, from the international community and from Russia, for the chemical weapons destruction facility located at Shchuch'ye, Russia. The report would include a description of the commitment received during the reporting year.

SUBTITLE B—OTHER MATTERS

Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities (sec. 1211)

The committee recommends a provision that would extend, through fiscal year 2002, the authority of the Department of Defense to support United Nations-sponsored inspection and monitoring efforts to ensure Iraqi compliance with its international obligations to destroy its weapons of mass destruction programs and associated delivery systems. The provision would limit the assistance that could be provided by the Secretary of Defense to $15.0 million for fiscal year 2002.

Cooperative research and development projects with NATO and other countries (sec. 1212)

The committee recommends a provision that would amend section 2350 of title 10, United States Code, to expand the entities, to include friendly foreign countries, with which the Department of Defense is authorized to enter into cooperative research and development agreements.

International cooperative agreements on use of ranges and other facilities for testing of defense equipment (sec. 1213)

The committee recommends a provision that would authorize the Secretary of Defense, with the concurrence of the Secretary of State, to enter into a formal agreement with an eligible foreign country or international organization to provide reciprocal access to each other's ranges and other facilities for testing of defense equipment.

Clarification of authority to furnish nuclear test monitoring equipment to foreign governments (sec. 1214)

The committee recommends a provision that would amend section 1203 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 to clarify that the Department of Defense has the authority to transfer title of existing nuclear test monitoring equipment to foreign host nations, and to inspect and maintain such equipment to ensure that it continues to provide the data needed to satisfy United States nuclear test monitoring requirements.

The committee understands that the existing section 1203 is unclear regarding the Department's authority to transfer title for the equipment to host nations, and that this situation is jeopardizing existing bilateral cooperation on nuclear test monitoring with some nations. The Department of Defense has requested a revision to the existing section to resolve this problem.

Participation of government contractors in chemical weapons inspections at United States Government facilities under the Chemical Weapons Convention (sec. 1215)

The committee recommends a provision that would amend section 303(b)(2) and section 304(c) of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6723(b)(2) and 6724(c))

to permit federal contractor personnel to participate in inspections of U.S. Government facilities conducted under the Act. The provision makes clear that federal contractor personnel may participate in such inspections only at U.S. Government facilities and only if led by a Federal Government employee.

The committee understands that the existing sections of the Act preclude contractor personnel from participating in such inspections to accompany inspection teams. The Department of Defense has requested that the committee amend the Act to provide the Department with greater flexibility in providing personnel to accompany inspection teams while implementing the Act. The committee realizes that with the downsizing of the U.S. Government, more contractor personnel are used to support government activities and that this process has proven to be more economical and efficient. Consequently, the committee believes the Department should have this flexibility to facilitate better implementation of the Act.

Authority to transfer naval vessels to certain foreign countries (sec. 1216)

The committee recommends a provision that would transfer to various countries:

(1) on a grant basis, one Oliver Hazard Perry-class frigate and six *Knox*-class frigates; and

(2) on a sale basis, four *Kidd*-class destroyers and two *Oliver Hazard Perry*-class frigates.

The provision would direct that, to the maximum extent practicable, the President shall require, as a condition of transfer, that repair and refurbishment associated with the transfer be accomplished in a shipyard located in the United States.

The authority under this provision would expire at the end of the two-year period that begins on the date of enactment of the National Defense Authorization Act for Fiscal Year 2002.

TITLE XIII—CONTINGENT AUTHORIZATION OF APPROPRIATIONS

Authorization of appropriations contingent on increased allocation of new budget authority (sec. 1301)

The committee recommends a provision that would make the authorization of specified amounts contingent upon the availability of funds in accordance with the requirements of the congressional budget process.

Section 217 of the Concurrent Resolution on the Budget for Fiscal Year 2002, H.Con.Res. 83, provides that:

> (a) IN GENERAL.—Subject to subsection (b), if the President submits a budget amendment and the Committee on Appropriations or the Committee on Armed Services of the Senate reports a bill, or an amendment thereto is offered, or a conference report thereon is submitted, that provides additional resources for defense spending in response to the recommendations of the President's National Defense Review, the chairman of the Committee on the Budget may increase the allocation of new budget authority and outlays to that committee for fiscal year 2002 by the amount of new budget authority (and the outlays resulting therefrom) provided by that measure for that purpose.
>
> (b) SURPLUS.—Legislation described in subsection (a) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to section 211), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

On June 27, 2001, the President submitted a budget amendment, in accordance with the requirements of section 217(a), that would increase the amount available for the Department of Defense by $18.4 billion over the amount for the National Defense function in the Concurrent Resolution on the Budget for Fiscal Year 2002. However, the chairman of the Committee on the Budget has not determined whether this amount can be made available consistent with the requirements of section 217(b), and has not made an allocation of new budget authority for defense spending.

The amounts authorized in this bill include the $18.4 billion increase recommended by the President. The committee recognizes, however, that some or all of this amount may not be available. For this reason, the provision recommended by the committee would make the authorization of certain funds contingent upon either: (1) an allocation by the chairman of the Committee on the Budget in accordance with the requirements of section 217; or (2) a vote to waive the point of order under the Congressional Budget and Im-

poundment Control Act of 1974 and make additional amounts available, notwithstanding the requirements of section 217.

The provision would also specify that if an amount less than $18.4 billion is made available, the reduction shall be distributed on a proportionate basis across the specified budget accounts.

Reductions (sec. 1302)

Section 1301 of the bill would make the authorization of $15.2 billion contingent upon the availability of funds in accordance with the requirements of the congressional budget process. The provision recommended by the committee would specify the amounts of funds that are made contingent.

The amounts and accounts specified are those that were identified by the President in his June 27, 2001 budget amendment. As outlined by the Department of Defense, these amounts include $1.6 billion for base operations support; $1.3 billion for flying hours; $2.6 billion for depot maintenance, spares, range and training center modernization, and force protection; $2.6 billion for facility construction and repair, and utilities; $850.0 million for the National Foreign Intelligence Program; $3.6 billion for command and control systems, information operations systems, airlift spares and aircraft, ships, and experimentation; and $600.0 million for missile defense.

Amounts provided for military pay ($2.0 billion) would not be made contingent because the committee believes that providing fair compensation to our men and women in uniform must be our first priority. Amounts provided for military health care ($1.6 billion) would not be made contingent because these amounts are necessary to meet the requirements of Title VII of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

Reference to Concurrent Resolution on the Budget for Fiscal Year 2002 (sec. 1303)

The committee recommends a provision providing a proper reference for the Concurrent Resolution on the Budget for Fiscal Year 2002, for the purpose of sections making reference to such Concurrent Resolution.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Explanation of funding table

Division B of this Act authorizes funding for military construction projects of the Department of Defense. It includes funding authorizations for the construction and operation of military family housing and military construction for the reserve components, the defense agencies, and the NATO Security Investment program. It also provides authorization for the base closure account that funds environmental cleanup and other activities associated with the implementation of previous base closure rounds.

The following tables provide the project-level authorizations for the military construction funding authorized in Division B of this Act and summarize that funding by account. The tables also display the funding requested by the administration in the fiscal year 2002 budget amendment for military construction and family housing projects.

TITLE XXI—ARMY

SUMMARY

The Army requested authorization of $1,760,541,000 for military construction and $1,400,533,000 for family housing for fiscal year 2002. The committee recommends authorization of $1,635,341,000 for military construction and $1,422,843,000 for family housing for fiscal year 2002.

The amounts authorized for military construction and family housing reflect a reduction of $3.3 million to be achieved from savings in the foreign currency account. This reduction shall not cancel any military construction authorized by title XXI of this bill.

Authorized Army construction and land acquisition projects (sec. 2101)

This section contains the list of authorized Army construction projects for fiscal year 2002. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Family housing (sec. 2102)

This section would authorize new construction and planning and design of family housing units for the Army for fiscal year 2002.

Improvement to military family housing units (sec. 2103)

This section would authorize improvements to existing family housing units for fiscal year 2002.

Authorization of appropriations, Army (sec. 2104)

This section would authorize specific appropriations for each line item contained in the Army's budget for fiscal year 2002. This section also provides an overall limit on the amount the Army may spend on military construction projects.

Modification of authority to carry out certain fiscal year 2001 projects (sec. 2105)

The committee recommends a provision that would amend the Military Construction Authorization Act for Fiscal Year 2001 (division B of Public Law 106–398) to increase the total project authorizations for the following projects by the following amounts: $4.4 million for a basic training barracks project at Fort Leonard Wood, Missouri; $3.0 million for a battle simulation center at Fort Drum, New York; and $3.0 million for a digital training range at Fort Hood, Texas.

Summary of FY2002 Military Construction Authorizations
(In Thousands of Dollars)

	FY2002 Request	Senate Change	Senate Authorized
Military Construction			
Military Construction, Army	1,760,541	(125,200)	1,635,341
Military Construction, Navy	1,071,408	75,540	1,146,948
Military Construction, Air Force	1,068,250	100,039	1,168,289
Military Construction, Def-Wide	694,558	165,186	859,744
Military Construction, Army National Guard	267,389	97,851	365,240
Miltary Construction, Air National Guard	149,072	78,160	227,232
Miltary Construction, Army Reserve	111,404	-	111,404
Military Construction, Naval/MC Reserve	33,641	-	33,641
Military Construction, Air Force Reserve	53,732	-	53,732
Base Realignment and Closure IV	532,200	60,000	592,200
NATO Security Investment Program	162,600		162,600
Total Military Construction	5,904,795	451,576	6,356,371
Family Housing			
Family Housing Construction, Army	291,542	22,310	313,852
Family Housing Operations & Debt, Army	1,108,991		1,108,991
Family Housing Construction, Navy	304,400	8,191	312,591
Family Housing Operations & Debt, Navy	918,095	-	918,095
Family Housing Construction, Air Force	518,237	24,144	542,381
Family Housing Operations & Debt, Air	869,121	-	869,121
Family Housing Construction, Defense-Wide	250	-	250
Family Housing Operations & Debt, Defense	43,762		43,762
Family Housing Improvement Fund	2,000		2,000
Homeowners Assistance Fund	10,119		10,119
Total Family Housing	4,066,517	54,645	4,121,162
Total FY2002 Authorizations	9,971,312	506,221	10,477,533
Reduction in Prior Year Authorizations		(55,000)	
Net Change to Request		451,221	

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
1	Alabama	Army	Anniston AD	Component Maintenance Facility	2,300		2,300
2	Alabama	Army	Anniston AD	Rebuild Shop And Facility	2,850		2,850
3	Alabama	Army	Fort Rucker	Commanche Simulator Training Facility	11,400		11,400
4	Alabama	Army	Redstone Arsenal	Dining Facility	7,200		7,200
5	Alabama	Air Force	Maxwell AFB	Add/Alter SOS Academic Facility	9,000		9,000
6	Alabama	Air Force	Maxwell AFB	Replace OTS Dormitory (120 Rm)	11,800		11,800
7	Alabama	Air Force	Maxwell AFB	Squadron Officer School Dormitory	13,600		13,600
8	Alabama	Army National Guard	Huntsville	Unit Training Equipment Site (UTES)	7,498		7,498
9	Alabama	Army National Guard	Mobile	Readiness Center, Addition And Alteration	5,333		5,333
10	Alabama	Air Force Reserve	Maxwell AFB	Replace Fuel Cell Maintenance Facility	7,300		7,300
11	Alabama	Air Force Reserve	Maxwell AFB	Replace Maintenance Hangar	9,900		9,900
12	Alabama	Air National Guard	Dothan AGS	280th Combat Comm Sqd Complex		11,000	11,000
13	Alaska	Army	Fort Richardson	Barracks Complex D Street Phase	45,000		45,000
14	Alaska	Army	Fort Richardson	MOUT College Training Facility		18,000	18,000
15	Alaska	Army	Fort Wainwright	Assembly Building	4,200		4,200
16	Alaska	Army	Fort Wainwright	Power Plant Cooling Tower	23,000		23,000
17	Alaska	Air Force	Eareckson AFB	Upgrade Wastewater System	4,600		4,600
18	Alaska	Air Force	Elmendorf AFB	Add/Alter Aircraft Fuel System Maintenance	12,200		12,200
19	Alaska	Air Force	Elmendorf AFB	Dormitory	20,000		20,000
20	Alaska	Defense Logistics Agency	Eielson AFB	Replace Bulk Fuel Storage Tanks	8,800		8,800
21	Alaska	Tri-Care Management Activity	Fort Wainwright	Hospital Replacement (Ph III)	18,500	-18,500	-
22	Alaska	Army National Guard	Juneau	Readiness Center		7,568	7,568
23	Alaska	Air National Guard	Elmendorf AFB	Upgrade 206th Combat Comm Facilities	5,000		5,000
24	Arizona	Army	Fort Huachuca	Effluent Reuse System	6,100		6,100
25	Arizona	Navy	MCAS Yuma	Air Traffic Control Tower	6,750		6,750
26	Arizona	Navy	MCAS Yuma	Land Acquisition	8,660		8,660
27	Arizona	Navy	MCAS Yuma	Station Ordnance Area	7,160		7,160
28	Arizona	Air Force	Davis-Monthan AFB	Dormitory	8,700		8,700
29	Arizona	Air Force	Davis-Monthan AFB	Replace Aircraft Reclamation/Parts Process	8,600		8,600
30	Arizona	Army National Guard	Marana	Aviation Maintenance Hangar	14,358		14,358
31	Arizona	Army Reserve	Mesa	USAR Center/Organizational Maint Shop	10,900		10,900
32	Arkansas	Army	Pine Bluff Arsenal	Ammunition Demilitarization Facility (Ph VI)	26,000	-26,000	-
33	Arkansas	Air Force	Little Rock AFB	C-130J Flight Simulator Facility	10,600		10,600
34	Arkansas	Air Force	Little Rock AFB	Base Fire Station		7,500	7,500
35	Arkansas	Chemical Demilitarization	Pine Bluff Arsenal	Ammunition Demilitarization Facility (Ph VI)		26,000	26,000

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
36	California	Navy	MAGTFTC Twentynine Palms	Academic Instruction Bldg	9,860		9,860
37	California	Navy	MAGTFTC Twentynine Palms	Ammunition Storage Facilities	9,540		9,540
38	California	Navy	MAGTFTC Twentynine Palms	BEQ	29,675		29,675
39	California	Navy	MAGTFTC Twentynine Palms	Enlisted Dining Facility	11,930		11,930
40	California	Navy	MAGTFTC Twentynine Palms	Reserve Support Facilities	8,760		8,760
41	California	Navy	MAGTFTC Twentynine Palms	Vehicle Wash Station	5,360		5,360
42	California	Navy	MCAS Camp Pendleton	Aircraft Hangar Improvement	4,470		4,470
43	California	Navy	MCB Camp Pendleton	BEQ	21,600		21,600
44	California	Navy	MCB Camp Pendleton	BEQ-Marine E1/E4	21,200		21,200
45	California	Navy	MCB Camp Pendleton	Boat Maintenance Facility	11,980		11,980
46	California	Navy	MCB Camp Pendleton	Helo Outlying Landing Field	3,910		3,910
47	California	Navy	MCB Camp Pendleton	Indoor Physical Fitness Facility	13,460		13,460
48	California	Navy	MCB Camp Pendleton	Iron/Manganese Plant (Ph II)	11,180		11,180
49	California	Navy	MCB Camp Pendleton	Regimental Maintenance Complex	13,160		13,160
50	California	Navy	NAB Coronado	Training Facility	8,610		8,610
51	California	Navy	NAF El Centro	Transient Student BEQ	23,520		23,520
52	California	Navy	NAS Lemoore	BEQ	10,010		10,010
53	California	Navy	NAWC Pt Mugu San Nicholas Island	Supply Pier	13,730		13,730
54	California	Navy	NCTC Port Hueneme	Auto Vehicle Maintenance Noncombat	3,780		3,780
55	California	Navy	NCBC Port Hueneme	Port Improvements	12,400		12,400
56	California	Navy	NS San Diego	BEQ	47,240		47,240
57	California	Navy	NS San Diego	Replace Pier 10/11 (Increment I)	17,500		17,500
58	California	Air Force	Edwards AFB	ADAL Terminal Area Control Facility	4,600		4,600
59	California	Air Force	Edwards AFB	Consolidated Support Facility	11,700		11,700
60	California	Air Force	Los Angeles AFB	Consolidated Base Support Complex	23,000		23,000
61	California	Air Force	Travis AFB	Replace Support Facility	6,800		6,800
62	California	Air Force	Travis AFB	C-5 Squadron Operations		9,600	9,600
63	California	Air Force	Vandenberg AFB	Missile Transport Bridge	11,800		11,800
64	California	Defense Logistics Agency	Def Dist Dep Tracy	Replace General Purpose Warehouse	30,000		30,000
65	California	Special Operations Command	NS San Diego	SOF Seal Team Five Building	13,650		13,650
66	California	Tri-Care Management Activity	MCB Camp Pendleton	FHOTC Support Facilities	3,150		3,150
67	California	Tri-Care Management Activity	MCB Camp Pendleton	Medical/Dental Clinic Replacement (Horno)	4,300		4,300
68	California	Tri-Care Management Activity	MCB Camp Pendleton	Medical/Dental Clinic Replacement (Las Flores)	3,800		3,800
69	California	Tri-Care Management Activity	MCB Camp Pendleton	Medical/Dental Clinic Replacement (Las Pulgas)	4,050		4,050
70	California	Tri-Care Management Activity	NAVHOSP Twentynine Palms	Hospital LDRP Conversion	1,600		1,600

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
71	California	Army National Guard	Fort Irwin	Maneuver Area Training Equipment Site	21,953		21,953
72	California	Army National Guard	Lancaster	Readiness Center (ADRS)	4,530		4,530
73	California	Army National Guard	Azuza	Readiness Center (ADRS)		15,283	15,283
74	California	Navy Reserve	NSWSES Port Hueneme	Vehicle Maintenance Facility	1,000		1,000
75	Colorado	Army	Fort Carson	Barracks Complex - Nelson Blvd (Ph I)	25,000		25,000
76	Colorado	Army	Pueblo Depot Activity	Ammunition Demilitarization Facility (Ph III)	11,000	-11,000	-
77	Colorado	Air Force	Air Force Academy	ADAL Athletic Facilities (Ph II)	11,400		11,400
78	Colorado	Air Force	Air Force Academy	Install Air Conditioning - Enlisted Dorm	1,300		1,300
79	Colorado	Air Force	Air Force Academy	Replace Control Tower	6,400		6,400
80	Colorado	Air Force	Air Force Academy	Upgrade Potable Water System - Cadet Area	6,400		6,400
81	Colorado	Air Force	Buckley AFB	Dormitory	11,200		11,200
82	Colorado	Air Force	Buckley AFB	Fitness Center	12,000		12,000
83	Colorado	Air Force	Schriever AFB	SBIRS Mission Control Station Backup	19,000		19,000
84	Colorado	Tri-Care Management Activity	Schriever AFB	Hospital Addition/Clinic Alteration	4,000		4,000
85	Colorado	Chemical Demilitarization	Pueblo Depot Activity	Ammunition Demilitarization Facility (Ph III)		11,000	11,000
86	Colorado	Army Reserve	Fort Carson	Alter AFR Center/New USARC	9,394		9,394
87	Colorado	Air National Guard	Buckley AFB	Control Tower		5,800	5,800
88	Connecticut	Air National Guard	Orange ANG Station	Replace Air Control Squadron Complex	12,000		12,000
89	District of Columbia	Army	Fort McNair	Physical Fitness Training Center	11,600		11,600
90	District of Columbia	Navy	NAF Washington	BEQ Replacement	9,810		9,810
91	District of Columbia	Air Force	Bolling AFB	Add/Alter Chapel Center	2,900		2,900
92	Delaware	Air Force	Dover AFB	Fire Station		7,300	7,300
93	Florida	Navy	NAS Key West	Air Traffic Center/Oerations Bldg	11,400		11,400
94	Florida	Navy	NAS Whiting Field	Airfield Approach Lighting	2,140		2,140
95	Florida	Navy	NS Mayport	Bachelor Enlisted Quarters	16,420		16,420
96	Florida	Navy	NAS Pensacola	Consolidated Fire Station		3,700	3,700
97	Florida	Air Force	Cape Canaveral AFS	Replace Fire/Crash Rescue Station	7,800		7,800
98	Florida	Air Force	Eglin AFB	Command And Control (C2) Test Operations Ctr	11,400		11,400
99	Florida	Air Force	Hurlburt Field	Consolidated Communication Facility	4,000		4,000
100	Florida	Air Force	Hurlburt Field	Dining Facility/Fitness Center	6,400		6,400
101	Florida	Air Force	MacDill AFB	Mission Planning Center (Ph I)	10,000		10,000
102	Florida	Air Force	Tyndall AFB	F-22 Fuels System Maintenance Hanger	3,050		3,050
103	Florida	Air Force	Tyndall AFB	F-22 Squad Ops/AMU and Hanger	12,000		12,000
104	Florida	Tri-Care Management Activity	Hurlburt Field	Medical Clinic Addition/Alteration	8,800		8,800
105	Florida	Tri-Care Management Activity	NS Mayport	Medical/Dental Clinic Replacement	24,000		24,000

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
106	Florida	Special Operations Command	Hurlburt Field	SOF CV-22 Training Device Support Facility	10,200		10,200
107	Florida	Special Operations Command	Hurlburt Field	SOF Readiness Supply Package Facility	3,200		3,200
108	Florida	Special Operations Command	MacDill AFB	SOF Public Access Building	2,500		2,500
109	Florida	Special Operations Command	MacDill AFB	SOF Renovate Command And Control Facility	9,500		9,500
110	Florida	Air National Guard	Camp Blanding	Replace Weather Training Complex	6,900		6,900
111	Florida	Navy Reserve	NAR Jacksonville	Maintenance Hangar-O/H Space	3,744		3,744
112	Florida	Navy Reserve	NAS Jacksonville	Readiness Support Site	2,500		2,500
113	Georgia	Army	Fort Benning	Passenger Processing Facility	17,000		17,000
114	Georgia	Army	Fort Benning	Runway Extension	6,900		6,900
115	Georgia	Army	Fort Gillem	Criminal Investigation Forensic Lab	29,000		29,000
116	Georgia	Army	Fort Gillem	Explosive Ordnance Detachment Operations Bldg	5,600		5,600
117	Georgia	Army	Fort Gordon	Information Systems Facility	11,000		11,000
118	Georgia	Army	Fort Gordon	Vehicle Maintenance Facility	23,000		23,000
119	Georgia	Army	Fort Stewart/Hunter AAF	Education Center	16,000		16,000
120	Georgia	Army	Fort Stewart/Hunter AAF	Soldier Service Center	10,200		10,200
121	Georgia	Army	Fort Stewart/Hunter AAF	Vehicle Maintenance Facility	13,600		13,600
122	Georgia	Air Force	Robins AFB	Fire Training Facilty	3,800		3,800
123	Georgia	Air Force	Robins AFB	Large Item Aircraft Support Equip Paint Facility	3,050		3,050
124	Georgia	Air Force	Robins AFB	Replace KC-135 Squadron Operations	7,800		7,800
125	Georgia	Air Force	Moody AFB	Physical Fitness Center		8,600	8,600
126	Georgia	Special Operations Command	Fort Benning	SOF Tactical Equipment Complex	5,100		5,100
127	Georgia	Tri-Care Management Activity	Fort Stewart/Hunter AAF	Consolidated Troop Medical Clinic	11,000		11,000
128	Georgia	Tri-Care Management Activity	MCLB Albany	Medical/Dental Clinic Replacement	5,800		5,800
129	Georgia	Air National Guard	Robins AFB	Replace Ops And Training Facility	6,100		6,100
130	Georgia	Air Force Reserve	Robins AFB	Add/Alter AFRC HQ (Ph II)	2,000		2,000
131	Hawaii	Army	NPWC Pearl Harbor	Shipping Operations Building	11,800		11,800
132	Hawaii	Army	Pohakuloa	Command And Range Control Building	5,100		5,100
133	Hawaii	Army	Pohakuloa	Parker Ranch Land Acquisition		1,500	1,500
134	Hawaii	Army	Schofield Barracks	Barracks Complex - Wilson Street (Phase I C)	23,000		23,000
135	Hawaii	Army	Wheeler AAF	Barracks Complex - Aviation (Ph VI a)	50,000		50,000
136	Hawaii	Navy	Camp Smith	CINCPAC HQ (Increment III)	37,580		37,580
137	Hawaii	Navy	MCB Kaneohe	BEQ	24,920		24,920
138	Hawaii	Navy	NAVMAG Lualualei	Ammo Wharf Shore Power	6,000		6,000
139	Hawaii	Navy	NPWC Pearl Harbor	Sewer Force Main	16,900		16,900
140	Hawaii	Navy	NS Pearl Harbor	BEQ Modernization	17,300		17,300

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
141	Hawaii	Navy	NS Pearl Harbor	BEQ Modernization	23,300		23,300
142	Hawaii	Navy	NSY Pearl Harbor	Drydock Support Facility	7,900		7,900
143	Hawaii	Navy	NSY Pearl Harbor	Electric Distribution System Improvements	12,100		12,100
144	Hawaii	Navy	NS Pearl Harbor	Water Line Replacement Ford Island		14,100	14,100
145	Hawaii	Defense Logistics Agency	Hickam AFB	Replace Hydrant Fuel System	29,200		29,200
146	Idaho	Air Force	Mountain Home AFB	Replace Aircraft Parking Apron	14,600		14,600
147	Idaho	Army National Guard	Gowen Field	Readiness Center (Ph I)	8,117		8,117
148	Illinois	Navy	NTC Great Lakes	Recruit Barracks	41,130		41,130
149	Illinois	Navy	NTC Great Lakes	Recruit Barracks	41,130		41,130
150	Illinois	Navy Reserve	MCRC Great Lakes	Reserve Center Renovation	4,426		4,426
151	Illinois	Army	Rock Island Arsenal	Construct New Child Dev Center		3,500	3,500
152	Indiana	Army	Newport AD	Ammunition Demilitarization Facility (Ph IV)	66,000	-66,000	-
153	Indiana	Army National Guard	Camp Atterbury	Battle Simulation Center		4,947	4,947
154	Indiana	Navy	NSWC Crane	Special Warfare Munitions Engineering Facility	5,820		5,820
155	Indiana	Air Force Reserve	Grissom ARB	Replace Service Complex (Ph III)	13,200		13,200
156	Indiana	Chemical Demilitarization	Newport AD	Ammunition Demilitarization Facility (Ph IV)	-	66,000	66,000
157	Iowa	Army National Guard	Estherville	Readiness Center	2,713		2,713
158	Iowa	Air National Guard	Sioux City	KC-135 Aircraft Prk Apron/Hydrant Refueling Sys	14,400		14,400
159	Iowa	Air National Guard	Sioux City	KC-135 Construct Fuel Cell/Corrosion Control	8,300		8,300
160	Iowa	Air National Guard	Sioux City	Sioux-Upgrade Expand Taxiway	4,300		4,300
161	Kansas	Army	Fort Riley	Child Development Center	6,800		6,800
162	Kansas	Army	Fort Riley	Modified Record Fire Range	4,100		4,100
163	Kansas	Army National Guard	Fort Riley	Organization Maintenance Shop	645		645
164	Kentucky	Army	Blue Grass AD	Ammunition Demilitarization Facility (Ph II)	3,000	-3,000	-
165	Kentucky	Army	Fort Campbell	Barracks Complex - Market Garden Rd (Ph III)	47,000		47,000
166	Kentucky	Army	Fort Campbell	Deployment Staging Complex	3,300		3,300
167	Kentucky	Army	Fort Campbell	Deployment Staging Complex/Air	3,300		3,300
168	Kentucky	Army	Fort Campbell	Deployment Staging Complex/Rail	3,300		3,300
169	Kentucky	Army	Fort Campbell	Electrical Substation	10,000		10,000
170	Kentucky	Army	Fort Campbell	Expand Keyhole Hardstand Area	10,600		10,600
171	Kentucky	Army	Fort Campbell	Passenger Processing Facility	11,400		11,400
172	Kentucky	Army	Fort Knox	Wilcox Multi-Purpose Digital Training Range (Ph		11,600	11,600
173	Kentucky	Army Reserve	Fort Knox	USAR Center	14,846		14,846
174	Kentucky	Chemical Demilitarization	Blue Grass AD	Ammunition Demilitarization Facility (Ph II)	-	3,000	3,000
175	Louisiana	Army	Fort Polk	Education Center	10,800		10,800

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
176	Louisiana	Army	Fort Polk	Readiness And Operations Facility	10,400		10,400
177	Louisiana	Army National Guard	Camp Beauregard	Readiness Center	5,392		5,392
178	Louisiana	Army National Guard	Carville	Readiness Center	5,677		5,677
179	Louisiana	Navy Reserve	MCRC Lafayette	Marine Reserve Training Center	5,200		5,200
180	Louisiana	Navy Reserve	NAS JRB New Orleans	GSE Complex	2,270		2,270
181	Louisiana	Navy Reserve	NAS JRB New Orleans	Refueler Maint Facility	650		650
182	Louisiana	Navy Reserve	NAS JRB New Orleans	Replace Bridges	1,300		1,300
183	Louisiana	Air Force	Barksdale	Control Tower		5,000	5,000
184	Louisiana	Air National Guard	JRB New Orleans	Repl Veh Maint/Ase Shop		5,500	5,500
185	Maine	Navy	NAS Brunswick	Bachelor Enlisted Quarters	22,630		22,630
186	Maine	Navy	NAS Brunswick	Aircraft Maintenance Hangar	41,665		41,665
187	Maine	Navy	NAS Brunswick	P-3 Support Facility	3,100		3,100
188	Maine	Navy	Kittery-Portsmouth NSY	Bachelor Enlsited Quarters		14,620	14,620
189	Maine	Army National Guard	Bangor IAP	Army Aviation Support Facility (Ph I)	11,618		11,618
190	Maryland	Army	Aberdeen Proving Ground	Ammunition Demilitarization Facility (Ph IV)	66,500	-66,500	-
191	Maryland	Army	Aberdeen Proving Ground	Ammunition Surveillance Facility	5,300		5,300
192	Maryland	Army	Aberdeen Proving Ground	Climatic Test Facility	9,000		9,000
193	Maryland	Army	Edgewood. Aberdeen	Chemistry Laboratory	44,000		44,000
194	Maryland	Army	Fort Meade	Child Development Center	5,800		5,800
195	Maryland	Navy	NAWC Patuxent River	Advanced Systems Integration Facility (VI)	10,770		10,770
196	Maryland	Navy	NAWC Patuxent River	Range Operations Support Facility	2,260		2,260
197	Maryland	Navy	NEODTC Indian Head	Joint Service EOD Equip Mag Eval	1,250		1,250
198	Maryland	Air Force	Andrews AFB	Consolidate Squadron Operations Facility	10,070		10,070
199	Maryland	Air Force	Andrews AFB	Repair East Runway	7,600		7,600
200	Maryland	Air Force	Andrews AFB	Upgrade Fire Training Facility	1,750		1,750
201	Maryland	Special Operations Command	Aberdeen Proving Ground	SOF Training Facility	3,200		3,200
202	Maryland	Tri-Care Management Activity	Andrews AFB	Medical Clinic Addition/Alteration	7,300		7,300
203	Maryland	Tri-Care Management Activity	Andrews AFB	NAF Wash, Branch Med/Dental Clinic Relocation	2,950		2,950
204	Maryland	Chemical Demilitarization	Aberdeen Proving Ground	Ammunition Demilitarization Facility (Ph IV)	-	66,500	66,500
205	Maryland	Army National Guard	Salisbury	Organizational Maintenance Shop Add/Alt	2,314		2,314
206	Massachusetts	Air Force	Hanscom AFB	Renovate Acquisition Management Facility (Ph III)	9,400		9,400
207	Massachusetts	Army National Guard	Framingham	Organizational Maintenance Shop	8,347		8,347
208	Michigan	Army National Guard	Lansing	Combined Support Maintenance Shop (Ph II)	5,809		5,809
209	Michigan	Army National Guard	Augusta	TASS Instruction/Administrative Barracks/Mess		13,318	13,318
210	Michigan	Air National Guard	Selfridge ANGB	Runway Clear Zone Land Acquisition	2,000		2,000

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

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211	Michigan	Air National Guard	Kellogg Airport/Battle Creek	Munitions Maint/Storage Complex		9,500	9,500
212	Michigan	Navy Reserve	MCRC Selfridge ANGB	Auto Vehicle Maint Facility	1,490		1,490
213	Minnesota	Navy Reserve	NRC Duluth	Reserve Center Addition	2,980		2,980
214	Minnesota	Air National Guard	Duluth	Composite Aircraft Main Complex		10,000	10,000
215	Mississippi	Navy	NCBC Gulfport	BEQ Replacement	14,300		14,300
216	Mississippi	Navy	NCBC Gulfport	Mobilization Ops Facility	7,360		7,360
217	Mississippi	Navy	Naval Station Pascagoula	Fleet Operations Center		4,680	4,680
218	Mississippi	Navy	NAS Meridian	T-45 Support Facilities		3,370	3,370
219	Mississippi	Air Force	Keesler AFB	Replace Technical Training Facility (Ph II a)	28,600		28,600
220	Mississippi	Air Force	Columbus AFB	Rapcon		5,000	5,000
221	Mississippi	Army National Guard	Camp Shelby	Military Education Center (Ph II)	11,444		11,444
222	Mississippi	Army National Guard	Gulfport	Readiness Center	9,145		9,145
223	Mississippi	Air National Guard	Jackson IAP	Jackson-C-17 Facility Conversion	16,500		16,500
224	Mississippi	Air National Guard	Jackson IAP	Upgrade Corrosion Control Facility	5,700		5,700
225	Mississippi	Air Force Reserve	Keesler AFB	C130J-30 Two-Bay Maintenance	12,000		12,000
226	Missouri	Army	Fort Leonard Wood	Basic Combat Training Complex (Ph II)	27,000		27,000
227	Missouri	Army	Fort Leonard Wood	Night Fire Range	4,300		4,300
228	Missouri	Army	Fort Leonard Wood	Record Fire Range	3,550		3,550
229	Missouri	Navy	MCSA Kansas City	BEQ	9,010		9,010
230	Montana	Army National Guard	Kalispell	Readiness Center (ADRS)	822		822
231	Montana	Air Force	Malmstrom AFB	Child Development Center		4,650	4,650
232	Nebraska	Air Force	Offut AFB	Fire Station		10,400	10,400
233	Nevada	Navy	NAS Fallon	Water Treatment Capital Improvements		6,150	6,150
234	Nevada	Air Force	Nellis AFB	AFC2TIG Dynamic Battle Control Center	12,600		12,600
235	Nevada	Air Force	Nellis AFB	Land Acquisition Live Ordnance Depature Area		19,000	19,000
236	Nevada	Air National Guard	Reno-Tahoe IAP	Replace Base Supply Warehouse Complex	8,500		8,500
237	New Hampshire	Army National Guard	Concord	Army Aviation Support Facility	27,185		27,185
238	New Hampshire	Army National Guard	Concord	Readiness Center	1,868		1,868
239	New Hampshire	Air National Guard	Pease	Regional KC-135/CATS Simulator Training Facility	2,200		2,200
240	New Hampshire	Army Reserve	Rochester	USAR Center/Organizational Maintenance	9,122		9,122
241	New Jersey	Army	Fort Monmouth	Barracks	20,000		20,000
242	New Jersey	Navy	NWS Earle	Explosive Truck Holding Area		4,370	4,370
243	New Jersey	Air Force	McGuire AFB	C-17 ADAL Fuel Cell	1,050		1,050
244	New Jersey	Air Force	McGuire AFB	C-17 Communications Support	1,400		1,400
245	New Jersey	Air Force	McGuire AFB	C-17 Flight Simulator Facility	4,900		4,900

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

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246	New Jersey	Air Force	McGuire AFB	C-17 Maintenance Hangar	27,700		27,700
247	New Jersey	Air Force	McGuire AFB	C-17 Three Bay Hangar	1,500		1,500
248	New Jersey	Defense Logistics Agency	McGuire AFB	Bulk Fuel Storage Tank	4,400		4,400
249	New Jersey	Air National Guard	Atlantic City IAP (ANG)	Communications/Security Forces Complex	6,300		6,300
250	New Jersey	Air National Guard	McGuire AFB	Joint Medical Training Facility	4,900		4,900
251	New Jersey	Army Reserve	Fort Dix	Barracks Modernization	12,000		12,000
252	New Mexico	Air Force	Cannon AFB	Replace Fire/Crash Rescue Station	9,400		9,400
253	New Mexico	Air Force	Kirtland AFB	Telescope/Atmosphere Compensation Laboratory	15,500		15,500
254	New Mexico	Tri-Care Management Activity	Holloman AFB	Medical Clinic Alteration	5,700		5,700
255	New Mexico	Army	White Sands Missile Range	Professional Development Center		7,600	7,600
256	New York	Army	Fort Drum	Battle Simulation Center (Ph II)	9,000		9,000
257	New York	Army	Fort Drum	Field Operations Facility	2,150		2,150
258	New York	Army	Fort Drum	Hazardous Materials Storage Facility	4,700		4,700
259	New York	Army	Fort Drum	Tactical Equipment Shops	31,000		31,000
260	New York	Army	USMA West Point	Cadet Physical Development Center (Ph III)	37,900		37,900
261	New York	Army National Guard	Fort Drum	Maneuver Area Training And Equipment Site	17,000		17,000
262	New York	Air National Guard	Gabreski Airport	Gabreski-Composite Support Complex	19,000		19,000
263	New York	Air National Guard	Niagara Falls IAP	Fuel Cell & Corrosion Cntr Hanger Addition		2,800	2,800
264	North Carolina	Army	Fort Bragg	Barracks Complex - Butner Road (Ph II)	49,000		49,000
265	North Carolina	Army	Fort Bragg	Barracks Complex - Longstreet Road (Ph II)	27,000		27,000
266	North Carolina	Army	Fort Bragg	Barracks Complex - Tagaytay Road (Ph II C)	17,500		17,500
267	North Carolina	Army	Fort Bragg	Parachute Team General Purpose Building	7,700		7,700
268	North Carolina	Army	Fort Bragg	Vehicle Maintenance Facility	13,600		13,600
269	North Carolina	Army	Sunny Point (MOTSU)	Deployment Staging Area	2,000		2,000
270	North Carolina	Army	Sunny Point (MOTSU)	Fire Station	2,750		2,750
271	North Carolina	Army	Sunny Point (MOTSU)	Open Storage Area	2,050		2,050
272	North Carolina	Army	Sunny Point (MOTSU)	Road Improvements And Truck Pad	4,600		4,600
273	North Carolina	Navy	MCAS New River	Property Control Facility	2,490		2,490
274	North Carolina	Navy	MCAS New River	Property Control Facility	1,560		1,560
275	North Carolina	Navy	MCB Camp LeJeune	Academic Building	15,860		15,860
276	North Carolina	Navy	MCB Camp LeJeune	Ammunition Storage Magazine	5,880		5,880
277	North Carolina	Navy	MCB Camp LeJeune	BEQ-Marine E1/E4	13,550		13,550
278	North Carolina	Navy	MCB Camp LeJeune	BEQ-Marine E1/E4	16,530		16,530
279	North Carolina	Navy	MCB Camp LeJeune	Engr Equip Maint Shop	6,960		6,960
280	North Carolina	Navy	MCB Camp LeJeune	Landfill Cell	8,290		8,290

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

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281	North Carolina	Air Force	Pope AFB	Consolidate C-130 Corrosion Control Facility	17,800		17,800
282	North Carolina	Defense Logistics Agency	Pope AFB	Bulk Fuel Storage Tank	3,400		3,400
283	North Carolina	Defense Education Activity	MCB Camp LeJeune	Replace Tarawa Terrace I Elementary School	8,857		8,857
284	North Carolina	Special Operations Command	Fort Bragg	SOF Battalion Ops & Vehicle Maintenance Fac	8,500		8,500
285	North Carolina	Special Operations Command	Fort Bragg	SOF Imagery And Analysis Facility	3,150		3,150
286	North Carolina	Special Operations Command	Fort Bragg	SOF Language Sustainment Training Facility	2,100		2,100
287	North Carolina	Special Operations Command	Fort Bragg	SOF Repair Training Facility	1,812		1,812
288	North Carolina	Special Operations Command	Fort Bragg	SOF Team Operations And Information	5,800		5,800
289	North Carolina	Special Operations Command	Fort Bragg	SOF Training Facility	5,000		5,000
290	North Carolina	Special Operations Command	Fort Bragg	SOF Training Range	2,600		2,600
291	North Carolina	Special Operations Command	Fort Bragg	SOF Vehicle Maintenance Complex	3,600		3,600
292	North Carolina	Special Operations Command	Fort Bragg	SOF Weather Operations Facility	1,000		1,000
293	North Dakota	Air Force	Grand Forks AFB	KC-135 Sq Ops/AMU	7,800		7,800
294	North Dakota	Defense Logistics Agency	Grand Forks AFB	Hydrant Fuel System	9,110		9,110
295	North Dakota	Defense Logistics Agency	Minot AFB	Hydrant Fuel System	14,000		14,000
296	North Dakota	Army National Guard	Hector International Airport	Weapons Rel Shop and Mission Sup		5,000	5,000
297	Ohio	Air Force	Wright-Patterson AFB	ADAL Special Operations Intelligence Facility	3,450		3,450
298	Ohio	Air Force	Wright-Patterson AFB	Consolidate Acq Management Complex (Ph IV b)	21,400		21,400
299	Ohio	Army National Guard	DFSP Cincinnati	Readiness Center	9,780		9,780
300	Ohio	Army Reserve	Cleveland	Land Acquisition	1,200		1,200
301	Ohio	Air National Guard	Mansfield	Vehicle Maintenance Cmplx			-
302	Oklahoma	Army	Fort Sill	Deployment Staging Complex	5,100		5,100
303	Oklahoma	Army	Fort Sill	Consolidated Logistics Maintenance Complex		13,500	13,500
304	Oklahoma	Air Force	Altus AFB	Repair Airfield Pavements (Ph I)	20,200		20,200
305	Oklahoma	Air Force	Tinker AFB	Dormitory	10,200		10,200
306	Oklahoma	Air Force	Tinker AFB	Alter Depot Plating Shop		11,200	11,200
307	Oklahoma	Air Force	Vance AFB	Repair Elam Road		4,800	4,800
308	Oregon	Army National Guard	Eugene	Armed Forces Reserve Center Complex		7,407	7,407
309	Pennsylvania	Defense Logistics Agency	DDSP New Cumberland	Special Purpose Warehouse	19,900		19,900
310	Pennsylvania	Defense Logistics Agency	Philadelphia	Consolidate Indoor Fitness Facilities	2,429		2,429
311	Pennsylvania	Air National Guard	Pittsburgh IAP	Replace Vehicle Maintenance Complex	3,200		3,200
312	Pennsylvania	Air National Guard	Pittsburgh IAP	Adal Sqd and Support Fac		7,700	7,700
313	Pennsylvania	Navy Reserve	NAS JRB Willow Grove	Hangar Fire Protection Upgrades	3,715		3,715
314	Rhode Island	Navy	NS Newport	SWOS Applied Instr Bldg	15,290		15,290
315	Rhode Island	Navy	NUWC Newport	Unmanned Undersea Combat Vehicle Lab		9,370	9,370

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

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316	Rhode Island	Air National Guard	Quonset State AP	C-130J Replace Composite Maint Shops	9,600		9,600
317	South Carolina	Army	Fort Jackson	Basic Combat Trainee Complex (Ph I)	26,000		26,000
318	South Carolina	Navy	MCAS Beaufort	AWSE Warehouse	1,960		1,960
319	South Carolina	Navy	MCAS Beaufort	Child Development Center	6,060		6,060
320	South Carolina	Navy	MCRD Parris Island	Military Police Station	5,430		5,430
321	South Carolina	Defense Education Activity	Laurel Bay	Replace Laurel Bay ES	12,850		12,850
322	South Carolina	Air Force	Shaw AFB	Education Center		5,800	5,800
323	South Dakota	Air Force	Ellsworth AFB	Live Ordnance Loading Fac		12,200	12,200
324	South Dakota	Army National Guard	Mitchell	Combined Support Maintenance Shop	14,228		14,228
325	South Dakota	Air National Guard	Joe Foss Fld	Rwy/Taxiway Improvements		6,500	6,500
326	Tennessee	Navy	NSA Millington	Elevated Water Tank	3,900		3,900
327	Tennessee	Air Force	Arnold AFB	Convert To Hypersonic Plant	10,400		10,400
328	Tennessee	Air Force	Arnold AFB	Upgrade Jet Engine Air Induction System (Ph IV)	14,000		14,000
329	Tennessee	Army National Guard	Alcoa	Readiness Center	8,203		8,203
330	Tennessee	Army National Guard	Henderson	Operational Maintenance Facility	2,012		2,012
331	Texas	Army	Fort Hood	Barracks Complex	41,000		41,000
332	Texas	Army	Fort Hood	Command And Control Facility (Ph II)	10,000		10,000
333	Texas	Army	Fort Hood	Multi-Purpose Digital Training Range (Ph II)	13,000		13,000
334	Texas	Army	Fort Hood	Vehicle Maintenance Facility	23,000		23,000
335	Texas	Army	Fort Hood	Vehicle Maintenance Facility	12,200		12,200
336	Texas	Army	Fort Sam Houston	General Instruction Building	2,250		2,250
337	Texas	Navy	NAS Kingsville	Airfield Lighting		6,160	6,160
338	Texas	Air Force	Lackland AFB	Consolidate Joint Advanced Lang Trg Ctr	4,200		4,200
339	Texas	Air Force	Lackland AFB	Dormitory	8,600		8,600
340	Texas	Air Force	Laughlin AFB	Add/Alter Fitness Center	12,000		12,000
341	Texas	Air Force	Sheppard AFB	Replace Student Dormitory/Dining Fac (140 Rm)	16,000		16,000
342	Texas	Air Force	Sheppard AFB	Student Dormitory/Dining Facility	21,000		21,000
343	Texas	Army National Guard	Austin	Army Aviation Support Facility	25,659		25,659
344	Texas	Air National Guard	Camp Mabry	Replace Weather Flight	900		900
345	Texas	Army Reserve	Red River Army Depot	USAR Center/Organizational Maintenance	1,862		1,862
346	Texas	Tri-Care Management Activity	Dyess AFB	Medical Treatment Facility Alteration	3,300		3,300
347	Texas	Tri-Care Management Activity	Fort Hood	Hospital Addition/Alteration	12,200		12,200
348	Utah	Air Force	Hill AFB	Consolidate Hydraulic/Pneudraulic Repair Facility	14,000		14,000
349	Vermont	Air National Guard	Burlington IAP	Replace Vehicle Maintenance Complex		5,600	5,600
350	Virginia	Army	Fort Belvoir	Chapel	4,950		4,950

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

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351	Virginia	Army	Fort Belvoir	Operations Building	31,000		31,000
352	Virginia	Army	Fort Eustis	Field Operations Facility	1,750		1,750
353	Virginia	Army	Fort Eustis	Defense Access Road		9,900	9,900
354	Virginia	Army	Fort Eustis	Main Pier	23,000		23,000
355	Virginia	Army	Fort Lee	Airborne Training Facility	17,500		17,500
356	Virginia	Army	Fort Lee	Military Entrance Processing Station	6,400		6,400
357	Virginia	Army National Guard	Fort Pickett	Man & Training Equip Site (Ph I)		10,700	10,700
358	Virginia	Navy	MCAF Quantico	Aircraft Fire And Rescue Station	3,790		3,790
359	Virginia	Navy	MCCDC Quantico	BEQ-Marine E6/E9	9,390		9,390
360	Virginia	Navy	NS Norfolk	Aircraft Maint Hangar	11,300		11,300
361	Virginia	Navy	NS Norfolk	Aircraft Maintenance Hangar Replacement	14,100		14,100
362	Virginia	Navy	NS Norfolk	Airfield Pavement Recap	6,360		6,360
363	Virginia	Navy	NS Norfolk	BEQ Modernization	14,730		14,730
364	Virginia	Navy	NS Norfolk	Deperming Pier Replacement	2,810		2,810
365	Virginia	Navy	NS Norfolk	Pier Replacement (Increment I)	28,210		28,210
366	Virginia	Navy	NS Norfolk	Waterfront Elec Upgrade	12,900		12,900
367	Virginia	Navy	NS Norfolk	Waterfront Elec Upgrade	15,620		15,620
368	Virginia	Air Force	Langley AFB	Dormitory	8,300		8,300
369	Virginia	Air Force	Langley AFB	F-22 Low Observ. Restoration & Comp Repair Fac	16,000		16,000
370	Virginia	Air Force	Langley AFB	F-22 Operation And Maintenance Facility	19,000		19,000
371	Virginia	Air Force	Langley AFB	F-22 Upgrade Flightline Infrastructure	4,000		4,000
372	Virginia	Defense Logistics Agency	Fort Belvoir	Additional Chiller Unit	900		900
373	Virginia	Tri-Care Management Activity	NS Norfolk	Branch Medical Clinic Add/Alt (Sewells Point)	21,000		21,000
374	Virginia	Washington Headquarters Services	Pentagon Reservation	Pentagon Physical Fitness & Readiness Facility	25,000		25,000
375	Virginia	Navy Reserve	NELSF Williamsburg	Headquarters Building	2,130		2,130
376	Washington	Army	Fort Lewis	Ammunition Supply Point Expansion	17,000		17,000
377	Washington	Army	Fort Lewis	Barracks Complex - 17th & B Street (Ph I)	48,000		48,000
378	Washington	Army	Fort Lewis	Combat Vehicle Trail	7,300		7,300
379	Washington	Army	Fort Lewis	Deployment Staging Complex	15,500		15,500
380	Washington	Army	Fort Lewis	Deployment Staging Complex/Rail	16,500		16,500
381	Washington	Army	Fort Lewis	Pallet Handing Facility	13,200		13,200
382	Washington	Army	Fort Lewis	Vehicle Maintenance Facility	9,100		9,100
383	Washington	Army	Fort Lewis	Vehicle Maintenance Facility	9,600		9,600
384	Washington	Navy	NAS Whidbey Island	P-3 Support Facility	3,470		3,470
385	Washington	Navy	NAS Whidbey Island	Control Tower		3,900	3,900

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
386	Washington	Navy	NS Bremerton	Pier Delta Replacement (Increment II)	24,460		24,460
387	Washington	Navy	NS Everett	Shore Inter Maint Facility	6,820		6,820
388	Washington	Navy	SWFPAC Bangor	Utilities & Site Improvement	3,900		3,900
389	Washington	Air Force	Fairchild AFB	Replace Munitions Maint Admin Facility	2,800		2,800
390	Washington	Air Force	McChord AFB	ADAL Mission Support Center (Ph I)	15,800		15,800
391	Washington	Air Force	McChord AFB	C-17 Extend Nose Docks	4,900		4,900
392	Washington	Special Operations Command	Fort Lewis	SOF Tactical Equipment Complex	5,800		5,800
393	Washington	Special Operations Command	Fort Lewis	SOF Language Sustainment Training Facility	1,100		1,100
394	Washington	Tri-Care Management Activity	NAS Whidbey Island	Aircrew Water Survival Training Facility	6,600		6,600
395	Washington	Army Reserve	Fort Lewis	USAR Center/Organizational Maintenance	21,978		21,978
396	West Virginia	Army National Guard	Glen Jean	Readiness Center, OMS, MEPS		21,389	21,389
397	West Virginia	Army National Guard	Williamstown	Readiness Center		6,550	6,550
398	West Virginia	Air National Guard	Yeager Airport	Base Civil Engineer Maintenance Complex		4,100	4,100
399	Wisconsin	Army National Guard	Oshkosh	Organizational Maintenance Shop	5,274		5,274
400	Wisconsin	Air National Guard	Volk Field	Control Tower		5,700	5,700
401	Wyoming	Air Force	F E Warren AFB	Fitness Center	10,200		10,200
402	Wyoming	Tri-Care Management Activity	F E Warren AFB	Medical Clinic Alteration	2,700		2,700
403	Wyoming	Navy Reserve	NRC Cheyenne IAP	Reserve Center Addition	1,060		1,060
404	CONUS Classified	Special Operations Command	Classified Location	SOF Aviation And Maintenance Facility	2,400		2,400
405	American Samoa	Army Reserve	American Samoa	USAR Center/Org Mnt Shop/Unhtd Strg/Lnd	19,703		19,703
406	El Salvador	Office Secretary of Defense	Comalapa	CENTAM FOL	12,577		12,577
407	Germany	Army	ASG Bamberg	Barracks Complex - Warner's	20,000		20,000
408	Germany	Army	ASG Bamberg	Physical Fitness Training Center	16,000		16,000
409	Germany	Army	ASG Darmstadt	Barracks Complex - Cambrai Fritsch	6,700		6,700
410	Germany	Army	ASG Darmstadt	Barracks Complex - Kelley	6,800		6,800
411	Germany	Army	Baumholder	Vehicle Maintenance Facility	9,000		9,000
412	Germany	Army	Hanau	Barracks Complex - Pioneer	7,200		7,200
413	Germany	Army	Heidelberg	Barracks Complex - Patton	6,800		6,800
414	Germany	Army	Heidelberg	Barracks Complex - Tompkins	8,500		8,500
415	Germany	Army	Mannheim	Vehicle Maintenance Facility	16,000		16,000
416	Germany	Army	Wiesbaden AB	Child Development Center	6,800		6,800
417	Germany	Army	Wiesbaden AB	Physical Fitness Training Center	19,500		19,500
418	Germany	Air Force	Ramstein AB	Consolidate 1st Combat Comm Squadron	15,000		15,000
419	Germany	Air Force	Ramstein AB	Dormitory	11,000		11,000
420	Germany	Air Force	Ramstein AB	Freight Terminal & Defense Courier Service	9,400		9,400

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
421	Germany	Air Force	Ramstein AB	Strategic Lift Area Expansion	4,600		4,600
422	Germany	Air Force	Ramstein AB	Upgrade Utility Infrastructure	2,900		2,900
423	Germany	Air Force	Spangdahlem AB	New Infrastructure Expansion	6,200		6,200
424	Germany	Air Force	Spangdahlem AB	Refueler Vehicle Maintenance	2,500		2,500
425	Germany	Defense Education Activity	Geilenkirchen	Geilenkirchen ES Multi Purpose Room	1,733		1,733
426	Germany	Defense Education Activity	Heidelberg	Patrick Henry ES Classroom Addition/Renovation	3,312		3,312
427	Germany	Defense Education Activity	Kaiserslautern	Kaiserslautern ES Classroom Addition	1,439		1,439
428	Germany	Defense Education Activity	Kitzingen	Kitzingen ES Classroom Addition	1,394		1,394
429	Germany	Defense Education Activity	Landstuhl	Landstuhl E/MS Classroom Addition	1,444		1,444
430	Germany	Defense Education Activity	Ramstein AFB	Ramstein HS Classroom Addition	2,814		2,814
431	Germany	Defense Education Activity	Vogelweh Annex	Vogelweh ES Classroom Addition/Renovation	1,558		1,558
432	Germany	Defense Education Activity	Wiesbaden AB	Hainerberg ES Classroom Addition	1,378		1,378
433	Germany	Defense Education Activity	Wurtzburg	Wuerzburg ES Classroom And Gymnasium	2,684		2,684
434	Germany	Tri-Care Management Activity	Heidelberg	Medical/Dental Clinic	28,000		28,000
435	Greece	Navy	NSA JHC Larissa	BEQ	12,240		12,240
436	Greece	Navy	NSA Souda Bay	Sewage Treatment Plant Addition	3,210		3,210
437	Greenland	Air Force	Thule AB	Replace Taxiways/Aprons	19,000	-19,000	-
438	Greenland	Tri-Care Management Activity	Thule AB	Composite Medical Facility Replacement	10,800		10,800
439	Guam	Navy	NPWC Guam	Waterfront Utilities Improvements	14,800		14,800
440	Guam	Navy	NS Guam	BEQ Modernization	9,300		9,300
441	Guam	Air Force	Andersen AFB	AEF Bomber FOL War Reserve Material Facility	4,550		4,550
442	Guam	Air Force	Andersen AFB	Replace Security Forces Operations	5,600		5,600
443	Guam	Defense Logistics Agency	Andersen AFB	Replace Hydrant Fuel System	20,000		20,000
444	Guam	Air National Guard	Andersen AFB	Operations and Training Facility	4,300		4,300
445	Iceland	Navy	NAS Keflavik	Solid Waste Disp Conn Chrg	2,820		2,820
446	Italy	Navy	NAS Sigonella	P-3 Support Facility	3,060		3,060
447	Italy	Air Force	Aviano AB	Dormitory	8,200		8,200
448	Italy	Air Force	Aviano AB	Indoor Firing Range	3,600		3,600
449	Italy	Defense Education Activity	Aviano AB	Aviano ES Classroom Addition	3,647		3,647
450	Japan	Defense Logistics Agency	Yokota AB	Bulk Fuel Storage Tank	13,000		13,000
451	Korea	Army	Camp Carroll	Electrical Distribution System	8,000		8,000
452	Korea	Army	Camp Carroll	Physical Fitness Training Center	8,593		8,593
453	Korea	Army	Camp Casey	Vehicle Maintenance Facility	8,500		8,500
454	Korea	Army	Camp Hovey	Barracks Complex	33,000		33,000
455	Korea	Army	Camp Hovey	Sanitary Sewer System	2,750		2,750

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
456	Korea	Army	Camp Humphreys	Barracks Complex - Camp Humphreys	14,500		14,500
457	Korea	Army	Camp Jackson	General Instruction Building	6,100		6,100
458	Korea	Army	Camp Stanley	Barracks Complex - Camp Stanley	28,000		28,000
459	Korea	Air Force	Kunsan AB	Add/Alter Fitness Center	12,000		12,000
460	Korea	Air Force	Osan AB	Dormitory	14,400		14,400
461	Korea	Air Force	Osan AB	Dormitory (156 Rm)	15,800		15,800
462	Korea	Air Force	Osan AB	Officer Dormitory	9,700		9,700
463	Korea	Air Force	Osan AB	Replace Base Civil Engineer Complex	36,000		36,000
464	Korea	Air Force	Osan AB	Replace Traffic Management Facility	5,925		5,925
465	Korea	Air Force	Osan AB	Replace Vehicle Ops Control/Admin Facility	2,000		2,000
466	Korea	Air Force	Osan AB	Vehicle Maintenance Facility	17,317		17,317
467	Korea	Defense Logistics Agency	Camp Casey	Replace Fuel Storage Facility	5,500		5,500
468	Kwajalein	Army	Kwajalein	Cold Storage Warehouse	11,000		11,000
469	Portugal	Tri-Care Management Activity	Lajes Field, Azores	Dental Clinic Replacement	3,750		3,750
470	Spain	Navy	NS Rota	Aircraft Fire & Rescue Addition	2,240		2,240
471	Spain	Defense Logistics Agency	NS Rota	Marine Loading Arms	3,000		3,000
472	Turkey	Air Force	Eskisehir	Dormitory/Mission Support Facility (32 Rm)	4,000		4,000
473	United Kingdom	Air Force	RAF Lakenheath	Replace Supply Material Control	11,300		11,300
474	United Kingdom	Air Force	RAF Mildenhall	Avionics Maintenance Complex (Ph II)	10,800		10,800
475	United Kingdom	Air Force	RAF Mildenhall	Fitness Center	11,600		11,600
476	United Kingdom	Defense Education Activity	RAF Feltwell	Lakenheath MS New School	22,132		22,132
477	Wake Island	Air Force	Wake Island	Repair Airfield Pavement (Ph I)	25,000		25,000
478	Worldwide	Army	Classified Location	Classified Project	4,000		4,000
479	Worldwide	Air Force	Classified Location	Tactical Unit Detachment Facility	4,458		4,458
480	Worldwide	Army	Host Nation Support	Host Nation Support	23,100		23,100
481	Worldwide	Army	Unspecified Worldwide	Planning And Design	134,098	-15,000	119,098
482	Worldwide	Army	Unspecified Worldwide	Unspecified Minor Construction	18,000		18,000
483	Worldwide	Army	Unspecified Worldwide	Foreign Currency Savings		-3,300	(3,300)
484	Worldwide	Navy	Unspecified Worldwide	Planning And Design	29,932	5,820	35,752
485	Worldwide	Navy	Unspecified Worldwide	Unspecified Minor Construction	10,546		10,546
486	Worldwide	Navy	Unspecified Worldwide	Foreign Currency Savings		-700	(700)
487	Worldwide	Air Force	Unspecified Worldwide	Planning And Design	79,130	11,289	90,419
488	Worldwide	Air Force	Unspecified Worldwide	Unspecified Minor Construction	11,250		11,250
489	Worldwide	Air Force	Unspecified Worldwide	Foreign Currency Savings		-3,300	(3,300)
490	Worldwide	Ballistic Missile Defense	Unspecified Worldwide	Planning And Design	6,290		6,290

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
491	Worldwide	Ballistic Missile Defense	Unspecified Worldwide	Unspecified Minor Construction	2,009		2,009
492	Worldwide	Defense Intelligence Agency	Unspecified Worldwide	Planning And Design	6,516		6,516
493	Worldwide	Defense Logistics Agency	Unspecified Worldwide	Planning And Design	3,500		3,500
494	Worldwide	Special Operations Command	Unspecified Worldwide	Unspecified Minor Construction	1,903		1,903
495	Worldwide	Special Operations Command	Unspecified Worldwide	Planning And Design	6,861		6,861
496	Worldwide	OSD Contingencies	Unspecified Worldwide	Contingency Construction	10,000		10,000
497	Worldwide	OSD Minor Construction	Unspecified Worldwide	Unspecified Minor Construction	3,000		3,000
498	Worldwide	OSD Planning & Design	Unspecified Worldwide	Planning And Design	20,000		20,000
499	Worldwide	OSD	Unspecified Worldwide	Foreign Currency Savings		-1,700	(1,700)
500	Worldwide	Defense Finance & Accounting	Unspecified Worldwide	Unspecified Minor Construction	1,500		1,500
501	Worldwide	Joint Chiefs of Staff	Unspecified Worldwide	Unspecified Minor Construction	6,305		6,305
502	Worldwide	Defense Education Activity	Unspecified Worldwide	Planning And Design	1,929		1,929
503	Worldwide	Defense Education Activity	Unspecified Worldwide	Unspecified Minor Construction	4,249		4,249
504	Worldwide	Defense Threat Reduction Agency	Unspecified Worldwide	Planning And Design	2,400		2,400
505	Worldwide	Tri-Care Management Activity	Unspecified Worldwide	Planning And Design	26,300		26,300
506	Worldwide	Tri-Care Management Activity	Unspecified Worldwide	Unspecified Minor Construction	5,526		5,526
507	Worldwide	Chemical Biological Activity	Unspecified Worldwide	Vaccine Production Facility, Plan & Design	700		700
508	Worldwide	Chemical Demilitarization	Unspecified Worldwide	Planning And Design		12,886	12,886
509	Worldwide	Army National Guard	Unspecified Worldwide	Planning And Design	25,794	5,689	31,483
510	Worldwide	Army National Guard	Unspecified Worldwide	Unspecified Minor Construction	4,671		4,671
511	Worldwide	Air National Guard	Unspecified Worldwide	Planning And Design	3,972	3,960	7,932
512	Worldwide	Air National Guard	Unspecified Worldwide	Unspecified Minor Construction	5,000		5,000
513	Worldwide	Army Reserve	Unspecified Worldwide	Planning And Design	8,024		8,024
514	Worldwide	Army Reserve	Unspecified Worldwide	Unspecified Minor Construction	2,375		2,375
515	Worldwide	Navy Reserve	Unspecified Worldwide	Planning And Design	1,176		1,176
516	Worldwide	Air Force Reserve	Unspecified Worldwide	Unspecified Minor Construction	4,996		4,996
517	Worldwide	Air Force Reserve	Unspecified Worldwide	Planning And Design	4,336		4,336
518	Worldwide	Base Closure IV	BRAC IV	Base Realignment and Closure IV	532,200	60,000	592,200
519	Worldwide	Energy Conservation Improvement	Unspecified Worldwide	Energy Conservation Improvement Program	35,600		35,600
520	Worldwide	NATO Security Investment Program	Unspecified Worldwide	NATO Security Investment Program	162,600		162,600

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
1	Alaska	Army	Fort Wainwright	Replacement Construction (32 units)	12,000		12,000
2	Arizona	Army	Fort Huachuca	Replacement Construction (72 units)	10,800		10,800
3	Arizona	Navy	MCAS Yuma	Replacement Construction (Ph II) (51 Units)	9,017		9,017
4	Arizona	Air Force	Luke AFB	Replace Family Housing (Ph I) (120 Units)	15,712		15,712
5	California	Navy	MAGTFTC Twentynine Palms	New Construction (74 Units)	16,250		16,250
6	California	Air Force	Travis AFB	Replace Family Housing (Ph I) (118 Units)	18,150		18,150
7	Colorado	Air Force	Buckley AFB	New Construction (55 units)	11,400		11,400
8	Delaware	Air Force	Dover AFB	Replace Family Housing (Ph I) (120 Units)	18,145		18,145
9	District of Columbia	Air Force	Bolling AFB	Replace Family Housing (136 Units)	16,926		16,926
10	Hawaii	Navy	MCB Kaneohe	Replace Housing (212 Units)	46,996	8,191	55,187
11	Hawaii	Navy	NS Pearl Harbor	Replacement Construction Oahu, HI (70 Units)	16,827		16,827
12	Hawaii	Air Force	Hickam AFB	Replace Family Housing (Ph I) (102 Units)	25,037		25,037
13	Kansas	Army	Fort Leavenworth	Replacement Construction (80 units)	10,000	10,000	20,000
14	Louisiana	Air Force	Barksdale AFB	Replace Family Housing (56 Units)	7,300		7,300
15	Mississippi	Navy	NCBC Gulfport	New Construction (160 Units)	23,354		23,354
16	South Dakota	Air Force	Ellsworth AFB	Replacement Construction (78 units)	13,700		13,700
17	Texas	Army	Fort Bliss	Replacement Construction (76 units)	13,600		13,600
18	Texas	Army	Fort Sam Houston	Repl Family Housing (80 Units)		11,200	11,200
19	Virginia	Air Force	Langley AFB	Replace Family Housing (4 Units)	1,200		1,200
20	Italy	Navy	NAS Sigonella	Replacement Construction (10 Units)	2,403		2,403
21	Korea	Army	Camp Humphreys	New Construction (54 units)	12,800		12,800
22	Portugal	Air Force	Lajes Field, Azores	Replace Family Housing (Ph II) (64 Units)	13,230		13,230
23	Worldwide	Army	Unspecified Worldwide	Construction Improvements	220,750		220,750
24	Worldwide	Army	Unspecified Worldwide	Planning And Design	11,592	1,110	12,702
25	Worldwide	Army	Unspecified Worldwide	Furnishings Account	45,546		45,546
26	Worldwide	Army	Unspecified Worldwide	Housing Privatization Support Cost	27,918		27,918
27	Worldwide	Army	Unspecified Worldwide	Leasing	196,956		196,956
28	Worldwide	Army	Unspecified Worldwide	Maintenance Account	446,806		446,806
29	Worldwide	Army	Unspecified Worldwide	Management Account	82,177		82,177
30	Worldwide	Army	Unspecified Worldwide	Miscellaneous Account	1,277		1,277
31	Worldwide	Army	Unspecified Worldwide	Servicemen's Mortgage Insurance Premium	1		1
32	Worldwide	Army	Unspecified Worldwide	Services Account	49,520		49,520
33	Worldwide	Army	Unspecified Worldwide	Utilities Account	258,790		258,790
34	Worldwide	Navy	Unspecified Worldwide	Construction Improvements	183,054		183,054

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
35	Worldwide	Navy	Unspecified Worldwide	Planning And Design	6,499		6,499
36	Worldwide	Navy	Unspecified Worldwide	Furnishings Account	32,701		32,701
37	Worldwide	Navy	Unspecified Worldwide	Housing Privatization Support Cost	4,100		4,100
38	Worldwide	Navy	Unspecified Worldwide	Leasing Account	123,965		123,965
39	Worldwide	Navy	Unspecified Worldwide	Maintenance Account	409,567		409,567
40	Worldwide	Navy	Unspecified Worldwide	Management Account	85,535		85,535
41	Worldwide	Navy	Unspecified Worldwide	Miscellaneous Account	1,200		1,200
42	Worldwide	Navy	Unspecified Worldwide	Servicemen's Mortgage Insurance Premium	68		68
43	Worldwide	Navy	Unspecified Worldwide	Services Account	65,787		65,787
44	Worldwide	Navy	Unspecified Worldwide	Utilities Account	195,172		195,172
45	Worldwide	Air Force	Unspecified Worldwide	Construction Improvements	352,879	22,466	375,345
46	Worldwide	Air Force	Unspecified Worldwide	Planning and Design	24,558	1,678	26,236
47	Worldwide	Air Force	Unspecified Worldwide	Furnishings Account	36,619		36,619
48	Worldwide	Air Force	Unspecified Worldwide	Housing Privatization Support Cost	35,406		35,406
49	Worldwide	Air Force	Unspecified Worldwide	Leasing	102,919		102,919
50	Worldwide	Air Force	Unspecified Worldwide	Maintenance	436,526		436,526
51	Worldwide	Air Force	Unspecified Worldwide	Management Account	58,224		58,224
52	Worldwide	Air Force	Unspecified Worldwide	Miscellaneous	2,384		2,384
53	Worldwide	Air Force	Unspecified Worldwide	Servicemen's Mortgage Insurance Premium	35		35
54	Worldwide	Air Force	Unspecified Worldwide	Services Account	28,356		28,356
55	Worldwide	Air Force	Unspecified Worldwide	Utilities Account	168,652		168,652
56	Worldwide	Defense Intelligence Agency	Unspecified Worldwide	Furnishings Account	3,630		3,630
57	Worldwide	Defense Intelligence Agency	Unspecified Worldwide	Leasing	25,600		25,600
58	Worldwide	Defense Logistics Agency	Unspecified Worldwide	Construction Improvements	250		250
59	Worldwide	Defense Logistics Agency	Unspecified Worldwide	Furnishings	30		30
60	Worldwide	Defense Logistics Agency	Unspecified Worldwide	Maintenance Account	359		359
61	Worldwide	Defense Logistics Agency	Unspecified Worldwide	Management Account	292		292
62	Worldwide	Defense Logistics Agency	Unspecified Worldwide	Services Account	78		78
63	Worldwide	Defense Logistics Agency	Unspecified Worldwide	Utilities Account	428		428
64	Worldwide	National Security Agency	Unspecified Worldwide	Furnishings Account	129		129
65	Worldwide	National Security Agency	Unspecified Worldwide	Leasing	11,698		11,698
66	Worldwide	National Security Agency	Unspecified Worldwide	Maintenance Account	658		658
67	Worldwide	National Security Agency	Unspecified Worldwide	Management Account	15		15
68	Worldwide	National Security Agency	Unspecified Worldwide	Miscellaneous Account	57		57
69	Worldwide	National Security Agency	Unspecified Worldwide	Services Account	374		374

Fiscal Year 2002 Authorization of Appropriations for Military Construction
(Dollars in Thousands)

#	Location	Service/Agency/Program	Installation	Project Title	FY2002 Request	Senate Change	Senate Authorized
70	Worldwide	National Security Agency	Unspecified Worldwide	Utilities Account	414		414
71	Worldwide	Family Housing Improvement Fund	Unspecified Worldwide	Family Housing Improvement Fund	2,000		2,000
72	Worldwide	Homeowners' Assistance Program	Unspecified Worldwide	Homeowners Assistance Program	10,119		10,119

TITLE XXII—NAVY

SUMMARY

The Navy requested authorization of $1,071,408,000 for military construction and $1,222,495,000 for family housing for fiscal year 2002. The committee recommends authorization of $1,146,948,000 for military construction and $1,230,686,000 for family housing for fiscal year 2002.

The amounts authorized for military construction and family housing reflect a reduction of $700,000 to be achieved from savings in the foreign currency account. This reduction shall not cancel any military construction authorized by title XXII of this bill.

Authorized Navy construction and land acquisition projects (sec. 2201)

This section contains the list of authorized Navy construction projects for fiscal year 2002. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Family housing (sec. 2202)

This section would authorize new construction and planning and design of family housing units for the Navy for fiscal year 2002.

Improvements to military family housing units (sec. 2203)

This section would authorize improvements to existing units of family housing for fiscal year 2002.

Authorization of appropriations, Navy (sec. 2204)

This section would authorize specific appropriations for each line item in the Navy's budget for fiscal year 2002. This section also provides an overall limit on the amount the Navy may spend on military construction projects.

Modification of authority to carry out certain fiscal year 2001 project (sec. 2205)

The committee recommends a provision that would amend section 2201(a) of the Military Construction Act for Fiscal Year 2001 (division B of Public Law 106–398; 114 Stat. 1654A–395) to correct the funding authorization for the Naval Shipyard, Bremerton, Puget Sound, Washington, from $100,740,000 to $98,740,000, and for Naval Station, Bremerton, Washington, from $11,930,000 to $1,930,000. The provision would also correct the total funding authorized for construction projects inside the United States from $811,497,000 to $799,497,000.

Modification of authority to carry out certain fiscal year 2000 project (sec. 2206)

The committee recommends a provision that would amend the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65) to increase the total project authorization for the headquarters facility for the Commander in Chief of the Pacific Fleet at Camp Smith, Hawaii by $3.0 million.

OTHER ITEMS OF INTEREST

Planning and design, Navy

The committee directs that of the amount authorized for appropriation for Navy planning and design, not more than the amount indicated for each respective project be directed toward the design of the following projects: $1,450,000 for an Aircraft Prototype Facility at Patuxent River Naval Air Station, Maryland; and $1,790,000 for a National Security Research Center at the Naval War College, Newport, Rhode Island.

Unspecified minor construction, Navy

The committee authorizes the Secretary of the Navy, using funds authorized for unspecified minor construction, to construct a fire station at the Naval Computer Telecommunications Area, Master Station, Cutler, Maine.

TITLE XXIII—AIR FORCE

SUMMARY

The Air Force requested authorization of $1,068,250,000 for military construction and $1,387,358,000 for family housing for fiscal year 2002. The committee recommends authorization of $1,168,289,000 for military construction and $1,411,502,000 for family housing for fiscal year 2002.

The amounts authorized for military construction and family housing reflect a reduction of $3.3 million to be achieved from savings in the foreign currency account. This reduction shall not cancel any military construction authorized by title XXIII of this bill.

Authorized Air Force construction and land acquisition projects (sec. 2301)

This section contains the list of authorized Air Force construction projects for fiscal year 2002. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Family housing (sec. 2302)

This section would authorize new construction and planning and design of family housing units for the Air Force for fiscal year 2002.

Improvements to military family housing units (sec. 2303)

This section would authorize improvements to existing units of family housing for fiscal year 2002.

The amounts authorized include $18.0 million for the improvement of 164 housing units at Whiteman Air Force Base, Missouri and $4.5 million for the improvement of housing units at Hunley Park at Charleston Air Force Base, South Carolina.

Authorization of appropriations, Air Force (sec. 2304)

This section would authorize specific appropriations for each line item in the Air Force's budget for fiscal year 2002. This section also would provide an overall limit on the amount the Air Force may spend on military construction projects.

Modification of authority to carry out fiscal year 2001 project (sec. 2305)

The committee recommends a provision that would amend section 2302(a) of the Military Construction Act for Fiscal Year 2001 (division B of Public Law 106–398; 114 Stat. 1654A–400) to correct the number of family housing units authorized for construction at Mountain Home Air Force Base, Idaho, from 119 units to 46 units.

OTHER ITEMS OF INTEREST

Planning and design, Air Force

The committee directs that of the amount authorized for appropriation for Air Force planning and design for military construction, not more than the amount indicated for each respective project be directed toward the design of the following projects: $1,250,000 for a Corrosion Control Paint Facility at Robins Air Force Base, Georgia; $490,000 for a replacement Fire/Crash Rescue Station at Seymour-Johnson Air Force Base, North Carolina; and $1,500,000 for a Depot Maintenance Hangar at Hill Air Force Base, Utah.

The committee directs that of the amount authorized for appropriation for planning and design for family housing, not more than the $870,000 be directed toward the design of phase 4A of the replacement of family housing at Mountain Home Air Force Base, Idaho.

TITLE XXIV—DEFENSE AGENCIES

SUMMARY

The Defense Agencies requested authorization of $694,558,000 for military construction and $46,012,000 for family housing for fiscal year 2002. The committee recommends authorization of $859,744,000 for military construction and $46,012,000 for family housing or fiscal year 2002.

The amounts authorized for military construction and family housing reflect a reduction of $1.7 million to be achieved from savings in the foreign currency account. This reduction shall not cancel any military construction authorized by title XXIV of this bill.

The committee reiterates its position that while the Army serves as the executive agent for chemical munitions destruction within the Department of Defense, the responsibility for chemical demilitarization rests with the Department of Defense as a whole. The committee has authorized military construction funding for fiscal year 2002 chemical demilitarization projects requested in the Army's military construction budget in this account. The committee directs the Department of Defense to include funding for this mission in the Defense-Wide category rather than in the budget of the Department of the Army in future budget submissions.

Authorized Defense Agency construction and land acquisition projects (sec. 2401)

This section contains the list of authorized Defense Agency construction projects for fiscal year 2002. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Energy conservation projects (sec. 2402)

This section would authorize the Secretary of Defense to carry out energy conservation projects.

Authorization of appropriations, Defense Agencies (sec. 2403)

This section would authorize specific appropriations for each Defense Agency military construction program for fiscal year 2002. This section also would provide an overall limit on the amount that may be spent on such military construction projects.

The committee bill would authorize an additional $60.0 million for cleanup of former Department of the Navy facilities closed by previous base realignment and closure rounds. The committee is disappointed that the Navy budget did not include sufficient funding to fund the agreements the Navy has reached with local redevelopment authorities for the cleanup of these properties and ex-

pects the Navy to fully fund its obligations in this respect in the future.

Cancellation of authority to carry out certain fiscal year 2001 projects (sec. 2404)

The committee recommends a provision that would amend the Military Construction Authorization Act for Fiscal Year 2001 (division B of Public Law 106–398) to cancel the project authorizations for four TRICARE Management Agency medical/dental clinic and support facility projects at Camp Pendleton, California since the funds authorized in fiscal year 2001 were used for payment of a claim related to the construction of the Portsmouth Naval Hospital, Virginia. These projects would be authorized for fiscal year 2002 in section 2403 of this Act.

Cancellation of authority to carry out certain fiscal year 2001 project (sec. 2405)

The committee recommends a provision that would reduce the fiscal year 2001 project authorization and the authorization of appropriations for military construction for a national missile defense system by $55.0 million to reflect the administration's proposal in the fiscal year 2002 budget to build any facilities related to ballistic missile defenses with research and development funds rather than military construction funds.

The committee notes that $20.0 million of the original appropriation has already been reprogrammed into planning and design funds, and another $9.0 million has been proposed for site preparation work. The committee also notes the testimony before the Subcommittee on Readiness and Management Support by the Deputy Under Secretary of Defense (Installations and Environment) that there were "no plans at the moment for the so-called remainder" of the funds.

Therefore, the committee recommends that these funds be used for more pressing military construction needs and deletes the unused balance of this authorization without prejudice.

Modification of authority to carry out certain fiscal year 2000 projects (sec. 2406)

The committee recommends a provision that would amend the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65) to increase the project authorization for a chemical demilitarization facility at Blue Grass Army Depot, Kentucky by $47.2 million and the authorization for a hospital at Fort Wainwright, Alaska by $82 million.

The provision would also cancel the project authorizations for an aircrew water survival training facility at Whidbey Island Naval Air Station, Washington since the funds authorized in fiscal year 2000 were used for payment of a claim related to the construction of the Portsmouth Naval Hospital, Virginia. This project would be authorized for fiscal year 2002 in section 2403 of this Act.

The committee notes that the increase in the cost of the hospital at Fort Wainwright, Alaska represents a cost increase of over 60 percent from the amount authorized in fiscal year 2000. The committee urges the TRICARE Management Agency and the Army

Corps of Engineers to review their cost estimating and contracting procedures so that such excessive cost increases will be not be required for similar projects in the future.

Modification of authority to carry out certain fiscal year 1999 projects (sec. 2407)

The committee recommends a provision that would amend the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261) to increase the project authorization for a chemical demilitarization facility at Aberdeen Proving Ground, Maryland by $37.6 million.

Modification of authority to carry out certain fiscal year 1995 project (sec. 2408)

The committee recommends a provision that would amend the table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended, to increase the funding for Chemical Weapons and Munitions Destruction related to Pine Bluff, Arkansas, by $23.0 million.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

SUMMARY

The Department of Defense requested authorization of $162,600,00 for the North Atlantic Treaty Organization (NATO) Security Investment Program for fiscal year 2002. The committee recommends an authorization of $162,600,000 for fiscal year 2002.

Authorized NATO construction and land acquisition projects (sec. 2501)

This section would authorize the Secretary of Defense to make contributions to the North Atlantic Treaty Organization (NATO) Security Investment Program in an amount equal to the sum of the amount specifically authorized in section 2502 of this title and the amount of recoupment due to the United States for construction previously financed by the United States.

Authorization of appropriations, NATO (sec. 2502)

This section would authorize appropriations of $162,600,000 for the United States contribution to the North Atlantic Treaty Organization (NATO) Security Investment Program for fiscal year 2002.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SUMMARY

The Department of Defense requested a military construction authorization of $615,238,000 for fiscal year 2002 for National Guard and Reserve facilities. The committee recommends authorizations for fiscal year 2002 of $791,249,000 to be distributed as follows:

Army National Guard	$365,240,000
Air National Guard	227,232,000
Army Reserve	111,404,000
Air Force Reserve	53,732,000
Naval and Marine Corps Reserve	33,641,000
Total	791,249,000

Authorized Guard and Reserve construction and land acquisition projects (sec. 2601)

This section would authorize appropriations for military construction for the National Guard and Reserve by service component for fiscal year 2002. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

The committee directs that of the amount authorized for appropriation for planning and design for the Air National Guard, not more than $280,000 be directed toward the design of a replacement for the Vehicle Maintenance Complex at Mansfield-Lahm Airport, Mansfield, Ohio.

OTHER ITEMS OF INTEREST

Report on requirement for Regional Training Institute

The committee understands that the Army plans to construct a Regional Training Institute (RTI), part of the Total Army School System (TASS), at Camp Rowland in Niantic, Connecticut. The committee further understands that the Chief of Staff of the Army has directed that Camp Rowland be the Northeast training facility for active, National Guard, and Reserve units in eight states. The committee understands that Camp Rowland would require upgrades to its infrastructure, educational, administrative, and billeting facilities, which are World War II vintage, in order to meet this expanded mission. The committee directs the Secretary of the Army to review the requirement for construction of a Northeast Regional Training Institute and to report to the Committee on the Army's plan for construction of this facility not later than March 1, 2002.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Expiration of authorizations and amounts required to be specified by law (sec. 2701)

This section would provide that authorizations for military construction projects, repair of real property, land acquisition, family housing projects, contributions to the North Atlantic Treaty Organization infrastructure program, and National Guard and Reserve military construction projects will expire on October 1, 2004, or the date of enactment of an Act authorizing funds for military construction for fiscal year 2005, whichever is later. This expiration would not apply to authorizations for projects for which appropriated funds have been obligated before October 1, 2004 or the date of enactment of an Act authorizing funding for military construction for fiscal year 2005, whichever is later.

Extension of authorizations of certain fiscal year 1999 projects (sec. 2702)

This section would extend the authorizations for certain fiscal year 1999 military construction projects until October 1, 2002, or the date of enactment of an Act authorizing funds for military construction for fiscal year 2003, whichever is later.

Extension of authorizations of certain fiscal year 1998 projects (sec. 2703)

This section would extend the authorizations for certain fiscal year 1998 military construction projects until October 1, 2002, or the date of enactment of an Act authorizing funds for military construction for fiscal year 2003, whichever is later.

Effective date (sec. 2704)

This section would provide that titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of this Act shall take effect on October 1, 2001, or the date of enactment of this Act, whichever is later.

TITLE XXVIII—GENERAL PROVISIONS

SUBTITLE A—MILITARY CONSTRUCTION PROGRAM AND MILITARY FAMILY HOUSING CHANGES

Increase in thresholds for certain unspecified minor military construction projects (sec. 2801)

The committee recommends a provision that would amend section 2805 of title 10, United States Code to increase from $500,000 to $750,000 the cost of an unspecified minor construction project requiring approval by the Secretary concerned. The provision would further amend section 2805 to increase the amount the Secretary

concerned may spend from appropriated operations and maintenance amounts for projects intended to correct deficiencies that are a threat to life, health, or safety from $1.0 million to $1.5 million and for other unspecified minor construction projects from $500,000 to $750,000.

Unforseen environmental hazard remediation as basis for authorized cost variations for military construction and family housing construction projects (sec. 2802)

The committee recommends a provision that would amend section 2853 of title 10, United States Code, to exclude the cost associated with unforseen environmental hazard remediation from the limitation on cost increases in military construction projects. Costs that could be excluded would include asbestos removal, radon abatement, lead-based paint removal or abatement, and any other legislated environmental hazard remediation that could not be reasonably anticipated at the time the funding for the project was approved by the Congress.

Repeal of requirement for annual reports to Congress on military construction and military family housing activities (sec. 2803)

The committee recommends a provision that would repeal a statutory requirement for an annual report to Congress on the status of military construction and family housing projects and trends in the funding for various aspects of military construction.

Authority available for lease of property and facilities under alternative authority for acquisition and improvement of military housing (sec. 2804)

The committee recommends a provision that would amend the authorities for lease or conveyance of property in connection with military family housing privatization to allow the military departments to use the authorities contained in section 2667 of title 10, United States Code. This provision would provide additional flexibility for the military departments to make use of the value of assets at one installation at privatization projects at other installations.

Funds for housing allowances of members assigned to military family housing under alternative authority for acquisition and improvement of military housing (sec. 2805)

The committee recommends a provision that would authorize the Secretary of Defense, to the extent provided in advance in appropriations acts, during the year in which a contract is awarded for a family housing privatization project, to reimburse the Military Personnel appropriations account from the Family Housing Maintenance and Operations appropriations the amounts necessary to offset the additional cost of housing allowances that would be paid as a result of a housing privatization project. The provision would also make certain technical changes.

SUBTITLE B—REAL PROPERTY AND FACILITIES ADMINISTRATION

Availability of proceeds from sales of Department of Defense property when the installation where the property sold is closed (sec. 2811)

The committee recommends a provision that would increase from 50 percent to 100 percent the share of the proceeds from the sale of surplus Department of Defense property at closed installations that may be used for infrastructure maintenance and environmental restoration at other installations within the service that operated the closed installation.

Pilot efficient facilities initiative (sec. 2812)

On August 3, 2001 the Department of Defense submitted its Efficient Facilities Initiative (EFI) legislative proposal to the Congress. The bulk of that proposal concerned authorization of an additional round of base realignment and closure in 2003, which has been addressed separately. The Department's EFI proposal also requested permanent authority to waive a number of property management and other legislative restrictions at any military installation.

The committee recommends a provision that would authorize the Secretary of Defense to carry out a pilot program to determine the potential for increasing the efficiency and effectiveness of the operation of military installations. The pilot program would terminate four years after the date of enactment of this Act.

The provision would permit the Secretary to designate up to two installations in each military department as participants in the efficient facilities initiative. The Secretary would be required to develop a management plan to carry out the initiative at each designated installation and submit that plan to the Congress. The Secretary would be required to identify any statutes he proposes to waive under this authority. Such waivers would have to be enacted into law in subsequent legislation before they would take effect.

Funds received by the military departments pursuant to this authority would be deposited in an Installation Efficiency Project Fund, which could be used to manage capital assets and provide support services at installations participating in the initiative.

Demonstration program on reduction in long-term facility maintenance costs (sec. 2813)

The committee recommends a provision that would authorize the Secretary of the Army to enter into no more than three contracts in any fiscal year that would require the contractor to maintain a facility constructed for the Army for up to the first five years of operation of that facility and would include any costs for the performance of such maintenance in the cost of construction of the project. The demonstration program would be authorized for fiscal years 2002 through 2006.

SUBTITLE C—LAND CONVEYANCES

Land conveyance, Engineer Proving Ground, Fort Belvoir, Virginia (sec. 2821)

The committee recommends a provision that would authorize the Secretary of the Army to convey to the Commonwealth of Virginia 11.45 acres located at the Engineer Proving Ground, Fort Belvoir, Virginia for the purpose of constructing a portion of Interstate Highway 95 through the Engineer Proving Ground and 170 acres for the purpose of constructing a portion of the Fairfax County Parkway through the Engineer Proving Ground. The Commonwealth of Virginia would agree to design and construct that portion of the Fairfax County Parkway through the Engineer Proving Ground; design, for eventual construction, the necessary access into the Engineer Proving Ground; provide utility permits; and provide funding to replace an existing building located on the property to be conveyed.

Modification of authority for conveyance of Naval Computer and Telecommunications Station, Cutler, Maine (sec. 2822)

This section would make certain technical corrections to section 2853(a) of the Military Construction Act for Fiscal Year 2001 (division B of Public Law 106–398: 114 Stat. 1654A) to clarify that all or part of the specified property may be conveyed.

Land transfer and conveyance, Naval Security Group Activity, Winter Harbor, Maine (sec. 2823)

The committee recommends a provision that would authorize the Secretary of the Navy to transfer administrative jurisdiction of a parcel of real property consisting of approximately 26 acres located at the former facilities of the National Security Group Activity, Winter Harbor Maine, Hancock County, Maine, to the Secretary of the Interior. The transfer would be concurrent with the reversion of approximately 71 acres from the Secretary of Navy to the Secretary of Interior as authorized by Public Law 80–260 (61 Stat. 519) and to be executed on or about June 30, 2002.

The provision would also authorize the Secretary of the Navy to convey for public benefit purposes, without consideration, to the State of Maine, any political subdivision of the State of Maine, or any tax-supported agency in the State of Maine a parcel of real property, including improvements, consisting of approximately 485 acres and comprising the former facilities of the National Security Group Activity, Winter Harbor Maine, Hancock County, Maine.

The Secretary would be authorized to transfer, without consideration, any or all personal property associated with the parcels transferred or conveyed. The Secretary of the Navy would be required to maintain the property at current standards until the conveyance of the property or September 30, 2003, whichever is earlier. Until the conveyance of the property is executed, the Secretary of the Navy may lease all or part of the property, at a price determined by the Secretary, to any person or entity the Secretary determines as appropriate. The amount of rent would be determined by the Secretary. The Secretary would credit any amount received

for a lease of real property to the appropriate account providing funds for the operations and maintenance of the property or for procurement of utility. The provision would authorize the Secretary of the Navy to seek reimbursement from the recipient of the property of the costs incurred for any studies, assessments or analysis related to the conveyance of the property.

Conveyance of segment of Loring Petroleum Pipeline, Maine and related easements (sec. 2824)

The committee recommends a provision that would authorize the Secretary of the Air Force to convey, without consideration, to the Loring Development Authority, Maine, a segment of the Loring Petroleum Pipeline, Maine, and related easements, consisting of approximately 27 miles and running between the Searsport, Maine, terminal and Bangor Air National Guard Base, Maine. The provision would require the Loring Development Authority to reimburse the Secretary for any environmental assessment, study, analysis or other expenses incurred for the conveyance.

Land conveyance, petroleum terminal serving former Loring Air Force Base and Bangor Air National Guard Base, Maine (sec. 2825)

The committee recommends a provision that would authorize the Secretary of the Air Force to convey to the Maine Port Authority of the State of Maine the Petroleum Terminal at Mack Point, Searsport, Maine. The conveyance may include a parcel of real property consisting of approximately 20 acres and comprising a portion of the Petroleum Terminal and any additional fuel tanks, other improvements, and equipment located at the 43–acre parcel located adjacent to the Petroleum Terminal and currently leased by the Secretary. The Secretary would not be authorized to convey the property unless the Authority agrees to use the property solely for economic development.

As consideration the Authority shall lease at no cost for a period of no more than 25 years approximately one acre, including improvements, that constitutes the Aerospace Fuels Laboratory. As part of the lease, the Authority shall maintain around the real property a zone free of improvements or encumbrances. The provision would prelude the Secretary from conveying the property until the lease on the 43–acres leased by the Secretary expires and until the Secretary completes any environmental remediation required by law. The provision would also require the Authority to reimburse the Secretary for the costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other expense incurred by the Secretary for the conveyance.

Land conveyance, Naval Weapons Industrial Reserve Plant, Toledo, Ohio (sec. 2826)

The committee recommends a provision that would authorize the Secretary of the Navy to convey, without consideration, to the Toledo-Lucas County Port Authority, Ohio a parcel of real property consisting of approximately 29 acres comprising the Naval Industrial Reserve Plant, Toledo, Ohio. The Secretary would be authorized to convey such facilities, equipment, fixtures and other per-

sonal property located or based on the parcel that the Secretary considers excess to the Navy. Until such time as the real property is conveyed, the Secretary would be authorized to lease the property to the Port Authority in exchange for security, fire protection and maintenance services.

The provision would require as conditions of conveyance that the Port Authority accept all property in the condition at the time of conveyance or lease and that the property be used for economic development. The Port Authority would be authorized to sublease the facility subject to prior approval of the Secretary. The provision would require the Port Authority to reimburse the Secretary for any environmental assessment, study, analysis or other expense incurred for the lease or conveyance.

SUBTITLE D—OTHER MATTERS

Development of United States Army Heritage and Education Center at Carlisle Barracks, Pennsylvania (sec. 2841)

The committee recommends a provision that would authorize the Secretary of the Army to enter into a partnership with the Military Heritage Foundation for the design, construction and operation of a US Army Heritage and Education Center at Carlisle Barracks, Pennsylvania. The facility would provide research facilities, classrooms, offices and associated activities for the study and storage of artifacts. The Secretary would be authorized to accept funds from the Heritage Foundation for the design and construction of the US Army Heritage and Education Center. The facility would become the property of the Department of the Army upon the satisfaction of any and all financial obligations incurred by the Military Heritage Foundation. The provision would also authorize the Commandant of the US Army War College, under regulations prescribed by the Secretary, to accept gifts for the benefit of the United State Army Heritage and Education Center.

Limitation on availability of funds for renovation of the Pentagon Reservation (sec. 2842)

The committee is concerned that plans for security modifications to offices for senior Department of Defense officials have been changed, without adequate notification to the Congress, in ways that may reduce the security benefits originally intended when the Congress approved an increase in the ceiling on Pentagon renovation funding for these modifications. Therefore, the committee recommends a provision that would prohibit the obligation of funds for secure secretarial offices and support facilities in the Pentagon until the Secretary of Defense certifies that the Defense Threat Reduction Agency has certified that such new offices and facilities would meet applicable force protection requirements.

Naming of Patricia C. Lamar Army National Guard Readiness Center, Oxford, Mississippi (sec. 2843)

The committee recommends a provision that would name the Oxford Army National Guard Readiness Center as the Patricia C. Lamar Army National Guard Readiness Center.

OTHER ITEMS OF INTEREST

Competition in military housing privatization

The committee is concerned that the Department of Defense has not taken sufficient steps to ensure competition in the award of contracts for housing privatization. The committee believes that qualified firms of all sizes, both local and national, should have an opportunity to participate in this program in order to achieve the full benefits of competition. Department of Defense notification procedures for housing privatization solicitations should advance this objective. In accordance with the requirements of section 15.305(a)(2)(ii) of the Federal Acquisition Regulation, any evaluation of past performance conducted in the evaluation of proposals should consider performance history on relevant contracts with private entities as well as Federal, State, and local government entities.

The committee directs the Department of Defense to review its procedures to ensure that solicitations for housing privatization projects allow full and open competition in all stages of the process.

Military unaccompanied housing privatization

The committee notes that the Department of Defense has placed high priority on improving housing for unaccompanied military personnel. Although the committee strongly supports this effort, the committee is concerned that the Department has not utilized the authorities to privatize military unaccompanied housing provided in subchapter IV of Title 10, United States Code. The committee urges the Secretary of Defense to consider use of this authority as a cost saving alternative to military construction in his effort to improve unaccompanied housing.

Land acquisition moratorium

In 1990, the Deputy Secretary of Defense imposed a moratorium on the acquisition of land by the military departments. Under this policy, any land acquisition involving more than 1000 acres or costing over $1.0 million requires the prior approval of the Office of the Secretary of Defense.

The committee understands and supports the rationale behind this policy, which is to ensure that in an era of downsizing of defense infrastructure, that the military departments should not acquire more property unless there is a demonstrated need.

However, in recent years the committee and the Department of Defense have become more concerned about the actual and potential conflicts between military training requirements and the restrictions imposed by the civilian populations around military installations. One approach to reducing such conflicts may be for the military departments to acquire additional land either as training areas, or as buffer zones to separate training areas from the surrounding population and provide additional flexibility in meeting environmental requirements or providing habitat for listed species.

The current moratorium appears to inhibit the military departments from acting in a timely fashion to seize such opportunities. The committee urges the Secretary of Defense to review whether changes in the current land acquisition policy could address some

of the concerns being studied in the review of "encroachment" issues being conducted by the Senior Readiness Oversight Council.

Review of need for military land withdrawals in Nevada

The committee directs the Secretary of the Navy to review the use of all lands currently withdrawn from public use as military training ranges and for all airspace in the military operating area or otherwise designated as restricted for military training associated with these ranges at Naval Air Station Fallon, Nevada and submit a report to the Committees on Armed Services of the Senate and the House of Representatives not later than June 30, 2002. The Secretary is directed to identify any land or airspace no longer needed for military use in that report.

The committee directs the Secretary of the Air Force to review the use of all lands currently withdrawn from public use as ranges for military training purposes and for all airspace in the military operating area or otherwise designated as restricted for military training associated with these ranges at Nellis Air Force Base in Nevada and submit a report to the Committees on Armed Services of the Senate and the House of Representatives not later than June 30, 2002. The Secretary is directed to identify in that report any land or airspace no longer needed for military use in that report.

TITLE XXIX—DEFENSE BASE CLOSURE AND REALIGNMENT

SUBTITLE A—MODIFICATIONS OF 1990 BASE CLOSURE LAW

Modifications of 1990 base closure law (secs. 2901–2904)

On February 27, 2001, a bill (S. 397) was introduced in the Senate and referred to the committee which would authorize two additional base realignment and closure (BRAC) rounds in 2003 and 2005 under the terms of the Defense Base Closure and Realignment Act of 1990 (the 1990 Act), which set the terms for the 1991, 1993 and 1995 base realignment and closure rounds. This legislation also contained several changes to the procedures in the 1990 Act, including a prohibition on privatization in place of closed or realigned facilities unless it was specifically recommended by the base closure commission and determined to be the most cost-effective option and a requirement that any selection criteria relating to the cost or savings of proposed closures take into account the impact of the closure on other federal agency operations on that installation.

On August 3, 2001, the administration submitted a legislative proposal to the Congress that would authorize an additional round of base closures in 2003. This was the fifth consecutive year the Department of Defense (DOD) has requested additional base closure authority from the Congress. The administration proposal also contained changes to the procedures of the 1990 law, including an increase in the number of commissioners, language placing the emphasis on military value that has been used as the selection criteria in previous rounds in the BRAC statute, new language allowing the DOD to pay the difference to the recipient if the estimated cost to the recipient to clean up a BRAC site exceeds the value of the property, and language extending the scope of the BRAC process to non-DOD facilities that support DOD missions or installations.

The committee believes the arguments for allowing the closure of additional military facilities are clear and compelling: DOD has excess facilities, closing bases saves money, and the military services have higher priority uses that could be funded with those savings. The savings from BRAC are significant. The General Accounting Office reported in August 2001 that "audits of BRAC financial records have shown that BRAC has enabled DOD to save billions of dollars." According to the Department of Defense, previous base closure rounds are already saving $6.0 billion each and every year.

The authorization of an additional round of base realignment and closure is an essential element of reshaping our military. The committee believes that giving the Secretary of Defense the authority to recommend and implement changes to reshape our base struc-

ture will not only free up funds to be applied to modernization and other higher priority needs, but that it is essential to the implementation of the Quadrennial Defense Review and the successful transformation of our military to meet the threats of the future.

Therefore the committee recommends a series of provisions incorporating elements of both S. 397 and the administration proposal that would extend and amend the 1990 Act to authorize an additional round of base realignment and closure in 2003. The committee did not agree to expand the scope of the BRAC law to non-DOD facilities.

Section 2901 would extend the authorities of the 1990 Act, which expired after the 1995 round, to authorize a new BRAC round in 2003.

Section 2902 would establish a separate account to track the costs and savings of the 2003 round.

Section 2903 would make substantive changes in the 1990 Act that would apply to the 2003 round. This provision would increase the number of commissioners from eight to nine; require that the selection criteria emphasize military value; require that any selection criteria relating to the cost or savings of proposed closures take into account the impact of the closure on other federal agency operations on that installation; require the Secretary of Defense to review every type of installation and to take into account the anticipated need for and availability of overseas installations in the future; and require the Secretary to consider any notice from a local government that the government would approve of the closure of a neighboring installation.

This section would also give the commission an additional 24 hours to provide information received from certain individuals to the Congress; require that the Secretary of Defense be given an opportunity to testify before the commission on changes made by the commission to the Secretary's recommendations; prohibit privatization in place of closed or realigned facilities unless it was specifically recommended by the base closure commission and determined to be the most cost-effective option; allow payment to a local redevelopment authority for services provided on property leased back by the United States; and allow the DOD to pay the difference to the recipient if the estimated cost to the recipient to clean up a BRAC site exceeds the value of the property.

Section 2904 would make technical and clarifying changes to the 1990 Act.

The committee notes the increasing limitations certain constraints are placing on training and operations at military installations nationwide. Such constraints include endangered species, critical habitats, the marine environment, airspace management, air pollution, and noise pollution. The committee understands, for example, that virtually every major U.S. military installation has had to reconcile its mission with these constraints. Fully consistent with the proposal to authorize base realignment and closures included in this title, the committee encourages the Secretary, when composing selection criteria, to consider the absence of significant encroachment issues.

In authorizing this round of base realignment and closures, the committee is not endorsing any specific target for a percentage re-

duction in excess capacity to be achieved from this round, and does not expect the Department of Defense or commission recommendations to be designed to achieve any predetermined target. Reductions should be based on the force structure plan that is submitted in accordance with the requirements of this legislation.

SUBTITLE B—MODIFICATION OF 1988 BASE CLOSURE LAW

Modification of 1988 base closure law (sec. 2911)

The committee recommends a provision that would amend the 1988 base closure authorities to allow payment to a local redevelopment authority for services provided on property leased back by the United States.

OTHER ITEMS OF INTEREST

Economic development conveyances

Section 2821 of the National Defense Authorization Act for Fiscal Year 2000 authorized the military departments to transfer base closure properties for economic development purposes at less than fair market value, to include conveyance of such property without consideration. When the Department of Defense requested this legislative change, its stated intent was to apply stringent criteria to this new authority. This new authority was also intended to induce communities to accept conveyance of such property earlier. Since enactment of this authority, every conveyance of base closure property has been at no cost to the recipient. The committee urges the Department of Defense to review their procedures in this area and ensure that conveyances for economic development at less than fair market value, in particular those to be conveyed at no cost, merit such treatment in each case. The committee also urges the Department of Defense to review the desirability of linking the discounting of such properties below fair market value to the speed with which the community accepts the property.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Atomic Energy Defense Activities

Title XXXI authorizes appropriations for the atomic energy defense activities of the Department of Energy for fiscal year 2002, including: the purchase, construction, and acquisition of plant and capital equipment; research and development; nuclear weapons; naval nuclear propulsion; environmental restoration and waste management; operating expenses; and other expenses necessary to carry out the purpose of the Department of Energy Organization Act (Public Law 95–91). The title would authorize appropriations in six categories: national nuclear security administration; defense environmental restoration and waste management; defense environmental management privatization; other defense activities; and defense nuclear waste disposal.

The budget request for atomic energy defense activities totaled $13.4 billion, a 0.9 percent decrease over the adjusted fiscal year 2001 level. Of the total amount requested: $5.3 billion was for weapons activities; $4.5 billion was for defense environmental restoration and waste management activities; $1.1 billion was for defense facility closure projects; $141.5 million was for defense environmental management privatization; $527.6 million was for other defense activities; and $310.0 million was for defense nuclear waste disposal.

The committee recommends $14.3 billion for atomic energy defense activities, an increase of $911.0 million to the budget request. The committee recommends $7.4 billion for the National Nuclear Security Administration (NNSA), an increase of $575.0 million to the budget request. The amount authorized for the NNSA is as follows: $5.5 billion for weapons activities, an increase of $152.8 million to the budget request; $830.5 million for defense nuclear nonproliferation, an increase of $56.8 million to the budget request; and $688.0 million for naval reactors, the amount of the budget request. The committee further recommends $6.1 billion for defense environmental restoration and waste management, including defense facility closure projects, an increase of $422.2 million to the budget request, of which $157.5 million is for defense environmental management privatization, a $16.0 million increase to the budget request. The committee recommends $501.5 million for other defense activities, a decrease of $26.0 million to the budget request; and $250.0 million for defense nuclear waste disposal, a reduction of $60.0 million to the budget request.

The following table summarizes the budget request and the committee recommendations:

SUBTITLE A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
National Nuclear Security Administration:				
Weapons Activities				
Directed stockpile work				
Stockpile research and development	245,470	305,460	——	305,460
Stockpile maintenance	321,709	362,493	——	362,493
Stockpile evaluation	168,827	180,834	-2,245	178,589
Dismantlement/disposal	27,371	35,414	-6,348	29,066
Production support	144,930	152,890	-17,994	134,896
Field engineering, training and manuals	6,229	6,700	-282	6,418
Total, Directed stockpile work	914,536	1,043,791	-26,869	1,016,922
Campaigns				
Primary certification	47,322	55,530	-2,869	52,661
Dynamic materials properties	67,245	97,810	-4,166	93,644
Advanced radiography			——	——
Operations and maintenance	51,572	60,510	——	60,510
Construction:			——	——
97-D-102 Dual-axis radiographic hydrotest			——	——
facility, LANL, Los Alamos, NM	35,154	——	——	——

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Total, Advanced radiography	86,726	60,510	—	60,510
Secondary certification and nuclear systems margins	43,100	47,270	-2,746	44,524
Enhanced surety	34,040	34,797	—	34,797
Weapons system engineering certification	15,336	24,043	—	24,043
Nuclear survivability	14,599	19,050	—	19,050
Enhanced surveillance	102,041	82,333	—	82,333
Advanced design and production technologies	80,554	75,533	—	75,533
Inertial confinement fusion and high yield				
Operations and maintenance	233,731	222,943	24,500	247,443
Construction:				
96-D-111 National ignition facility (NIF), LLNL, Livermore, CA	197,255	245,000	—	245,000
Total, Inertial confinement fusion and high yield	430,986	467,943	24,500	492,443
Advanced simulation and computing				
Operations and maintenance	677,344	711,185	—	711,185
Construction:				

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
01-D-101 Distributed information systems laboratory, SNL, Livermore, CA	2,295	5,400	——	5,400
00-D-103, Terascale simulation facility, LLNL, Livermore, CA	4,889	5,000	17,000	22,000
00-D-105, Strategic computing complex, LANL, Los Alamos, NM	55,877	11,070	——	11,070
00-D-107 Joint computational engineering laboratory, SNL, Albuquerque, NM	6,685	5,377	——	5,377
Total, Construction	69,746	26,847	17,000	43,847
Total, Advanced simulation and computing	747,090	738,032	17,000	755,032
Pit manufacturing and certification	144,588	128,545	109,168	237,713
Secondary readiness	29,287	23,169	——	23,169
High explosives manufacturing and weapons assembly/disassembly readiness	1,795	3,960	——	3,960
Nonnuclear readiness	1,339	12,204	——	12,204

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Materials readiness	11,760	1,209	—	1,209
Tritium readiness				
Operations and maintenance	75,589	43,350	—	43,350
Construction:				
98-D-125 Tritium extraction facility, Savannah River plant, Aiken, SC	74,835	81,125	—	81,125
98-D-126 Accelerator production of tritium (APT), various locations	14,967	—	—	—
Total, Construction	89,802	81,125	—	81,125
Total, Tritium readiness	165,391	124,475	—	124,475
Total, Campaigns	2,023,199	1,996,413	140,887	2,137,300
Readiness in technical base and facilities				
Operations of facilities	837,102	830,427	70,000	900,427
Program readiness	150,153	188,126	9,094	197,220
Special projects	76,386	64,493	-4,108	60,385
Material recycle and recovery	67,876	101,311	-11,001	90,310
Containers	14,363	8,199	—	8,199
Storage	20,841	10,643	—	10,643

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Nuclear weapons incident response	85,798	89,125	-202	88,923
Subtotal, Readiness in technical base and facilities	1,252,519	1,292,324	63,783	1,356,107
Construction:				
02-D-101 Microsystem and engineering science applications (MESA), SNL	—	2,000	37,000	39,000
02-D-103 Project engineering and design, various locations	—	9,180	21,950	31,130
02-D-107 Electrical power systems safety communications and bus upgrades, NV	—	3,507	—	3,507
01-D-103 Preliminary project design and engineering, various locations	35,422	45,379	-29,000	16,379
01-D-124 HEU storage facility, Y-12 plant, Oak Ridge, TN	17,710	9,500	-9,500	—
01-D-126 Weapons evaluation test laboratory Pantex Plant, Amarillo, TX	2,993	7,700	—	7,700

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
01-D-800 Sensitive compartmented information facility, LLNL	1,993	12,993	—	12,993
99-D-103 Isotope sciences facilities, LLNL, Livermore, CA	4,964	4,400	—	4,400
99-D-104 Protection of real property (roof reconstruction — Phase II), LLNL, Livermore, CA	2,780	2,800	—	2,800
99-D-105 Central health physics calibration facility, LANL, Los Alamos, NM	—	—	—	—
99-D-106 Model validation & system certification center, SNL, Albuquerque, NM	5,189	4,955	—	4,955
99-D-108 Renovate existing roadways, Nevada Test Site, NV	1,870	—	2,000	2,000
99-D-122 Rapid reactivation, various locations	—	—	—	—

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
99-D-125 Replace boilers & controls, Kansas City plant, Kansas City, MO	12,971	300	—	300
99-D-127 Stockpile management restructuring initiative, Kansas City plant, Kansas City, MO	23,514	22,200	—	22,200
99-D-128 Stockpile management restructuring initiative, Pantex Plant, Amarillo, TX	4,987	3,300	—	3,300
98-D-123 Stockpile management restructuring initiative, Tritium facility modernization and consolidation, Savannah River plant, Aiken, SC	30,699	13,700	—	13,700
98-D-124 Stockpile management restructuring initiative, Y-12 consolidation, Oak Ridge, TN	—	6,850	—	6,850
97-D-123 Structural upgrades, Kansas City plant, Kansas City, KS	2,858	3,000	—	3,000
96-D-102 Stockpile stewardship facilities				

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
revitalization, Phase VI, various locations	——	2,900	——	2,900
96-D-104 Processing and environmental technology laboratory, SNL, Albuquerque, NM	——	——	——	——
95-D-102 Chemistry and metallurgy research (CMR) upgrades project, LANL, Los Alamos, NM	13,308	——	——	——
Total, Construction	161,258	154,664	22,450	177,114
Total, Readiness in technical base and facilities	1,413,777	1,446,988	86,233	1,533,221
Total, Stewardship operation and maintenance	4,351,512	4,487,192	200,251	4,687,443
Secure transportation asset				
Operations and equipment	78,881	77,571	——	77,571
Program direction	36,236	44,229	-44,229	——
Total, Secure transportation asset	115,117	121,800	-44,229	77,571
Safeguards and security				
Operations and maintenance	373,954	439,281	——	439,281
Construction:				
99-D-132 SMRI nuclear material safeguards and				

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
security upgrade project, LANL, Los Alamos, NM	18,003	9,600	—	9,600
88-D-123 Security enhancements, Pantex Plant, Amarillo, TX	2,707	—	—	—
Total, Construction	20,710	9,600	—	9,600
Total, Safeguards and security	394,664	448,881	—	448,881
Program direction	250,566	271,137	-271,137	—
Facilities and Infrastructure	—	—	267,900	267,900
Stockpile stewardship	—	—	—	—
Stockpile management	—	—	—	—
Subtotal, Weapons Activities	5,111,859	5,329,010	152,785	5,481,795
Adjustments				
Use of prior year balances	-13,647	—	—	—
Less security charge for reimbursable work	-28,923	-28,985	—	-28,985
Total, Adjustments	-42,570	-28,985	—	-28,985

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Total, Weapons Activities	**5,069,289**	**5,300,025**	**152,785**	**5,452,810**
Defense Nuclear Nonproliferation				
Nonproliferation and national security				
Nonproliferation and verification R&D				
Operation and maintenance	227,552	170,296	52,059	222,355
Construction:				
00-D-192 Nonproliferation and international security center (NISC), LANL	16,963	35,806	——	35,806
Total, Nonproliferation & verification R&D	244,515	206,102	52,059	258,161
Arms control	148,588	101,500	36,500	138,000
International materials protection, control, and accounting	169,707	138,800	5,000	143,800
HEU transparency implementation	14,592	13,950	——	13,950
International nuclear safety	19,401	13,800	5,700	19,500
Soviet design reactor safety program	——	——	——	——

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Total, Nonproliferation and national security	596,803	474,152	99,259	573,411
Fissile materials disposition				
U S surplus materials disposition	116,863	130,089	——	130,089
Russian surplus materials disposition	39,507	57,000	9,000	66,000
Construction:				
01-D-407 Highly enriched uranium (HEU) blend down, Savannah River, SC	20,886	24,000	——	24,000
01-D-142, Immobilization and associated processing facility, SRS	2,993	——	——	——
99-D-141 Pit disassembly and conversion facility, Savannah River site	19,956	16,000	——	16,000
99-D-143 Mixed oxide fuel fabrication facility, Savannah River site	25,943	63,000	——	63,000
Total, Construction	69,778	103,000	——	103,000
Total, Fissile materials disposition	226,148	290,089	9,000	299,089
Program direction	51,459	51,459	-51,459	——

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Subtotal, Defense Nuclear Nonproliferation	874,410	815,700	56,800	872,500
Use of prior year balances	-526	-42,000	——	-42,000
Total, Defense Nuclear Nonproliferation	**873,884**	**773,700**	**56,800**	**830,500**
Naval Reactors				
Naval reactors development				
Operation and maintenance	649,983	652,245	——	652,245
Construction:				
01-D-200 Major office replacement building, Schenectady, NY	1,297	9,000	——	9,000
98-D-200 Site laboratory/facility upgrade, various locations	——	——	——	——
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID	15,965	4,200	——	4,200
Total, Construction	17,262	13,200	——	13,200
Total, Naval reactors development	667,245	665,445	——	665,445
Program direction	20,315	22,600	——	22,600
Total, Naval Reactors	**687,560**	**688,045**	——	**688,045**

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Office of the Administrator	**9,978**	**15,000**	**365,366**	**380,366**
Total, National Nuclear Security Administration	**6,640,711**	**6,776,770**	**574,951**	**7,351,721**
Defense Environmental Restoration and Waste Management				
Site/project completion				
Operation and maintenance	1,003,302	872,030	47,000	919,030
Construction:				
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID	—	3,256	—	3,256
01-D-414 Preliminary project, engineering and design (PE&D), various locations	17,262	6,254	—	6,254
01-D-415 235-F packaging and stabilization project, Savannah River, SC	3,991	—	—	—

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
99-D-402 Tank farm support services, F&H area, Savannah River Site, Aiken, SC	7,697	5,040	—	5,040
99-D-404 Health physics instrumentation laboratory, INEEL, ID	4,291	2,700	—	2,700
98-D-401 H-tank farm storm water systems upgrade, Savannah River, SC	—	—	—	—
98-D-453 Plutonium stabilization and handling system for PFP, Richland, WA	6,686	1,910	—	1,910
98-D-700 INEEL road rehabilitation, INEEL, ID	—	—	—	—
97-D-450 Savannah River nuclear material storage Savannah River Site, Aiken, SC	—	—	—	—
97-D-470 Regulatory monitoring and bioassay laboratory, Savannah River Site, Aiken, SC	3,940	—	—	—

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
96-D-406 Spent nuclear fuels canister storage and stabilization facility, Richland, WA	—	—	—	—
96-D-464 Electrical & utility systems upgrade, Idaho chemical processing plant, Idaho national engineering laboratory, ID	—	—	—	—
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC	12,484	4,244	—	4,244
92-D-140 F&H canyon exhaust upgrades, Savannah River, SC	8,859	15,790	-15,790	—
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA	1,977	762	—	762
Total, Construction	67,187	39,956	-15,790	24,166
Total, Site/project completion	1,070,489	911,986	31,210	943,196
Post 2006 completion				
Operation and maintenance	1,971,818	1,680,979	275,000	1,955,979
Uranium enrichment D&D fund contribution	419,076	420,000	—	420,000

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Construction:				
00-D-401 Spent nuclear fuel treatment and storage facility, Title I & II, SR	—	—	—	—
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC	27,153	6,754	—	6,754
Total, Construction	27,153	6,754	—	6,754
Office of river protection				
Operation and maintenance	309,429	272,151	50,000	322,151
Construction:				
01-D-416 Waste treatment and immobilization plant, Richland, WA	376,171	500,000	—	500,000
99-D-403 Privatization phase I infrastructure support, Richland, WA	6,858	—	—	—
97-D-402 Tank farm restoration and safe operations, Richland, WA	45,923	33,473	—	33,473

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
94-D-407 Initial tank retrieval systems, Richland, WA..	17,347	6,844	——	6,844
Total, Construction	446,299	540,317	——	540,317
Total, Office of river protection	755,728	812,468	50,000	862,468
Total, Post 2006 completion	3,173,775	2,920,201	325,000	3,245,201
Science and technology	252,112	196,000	20,000	216,000
Excess facilities	——	1,300	——	1,300
Safeguards and security	202,996	205,621	——	205,621
Program direction	363,196	355,761	——	355,761
Subtotal, Defense environmental restoration and waste management	5,062,568	4,590,869	376,210	4,967,079
Use of prior year balances	-41,369	-36,770	——	-36,770
Pension refund	-50,000	——	——	——
Less security charge for reimbursable work	-5,244	-5,391	——	-5,391
Total, Defense Environmental Restoration and Waste Management	**4,965,955**	**4,548,708**	**376,210**	**4,924,918**
Defense Facilities Closure Projects				
Site closure	1,025,680	1,004,636	30,000	1,034,636
Safeguards and security	54,651	45,902	——	45,902

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Total, Defense Facilities Closure Projects	**1,080,331**	**1,050,538**	**30,000**	**1,080,538**
Defense Environmental Management Privatization				
Privatization initiatives, various locations	90,092	141,537	16,000	157,537
Use of prior year balances	-25,092	—	—	—
Rescission	-97,000	—	—	—
Total, Defense Environmental Management Privatization	**-32,000**	**141,537**	**16,000**	**157,537**
Total, Defense Environmental Management	**6,014,286**	**5,740,783**	**422,210**	**6,162,993**

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Other Defense Activities				
Security and emergency operations				
Nuclear safeguards and security	117,188	121,188	——	121,188
Security investigations	32,927	44,927	——	44,927
Corporate management information program	——	20,000	-20,000	——
Emergency management	——	——	——	——
Program direction	80,422	83,135	-1,685	81,450
Total, Security and emergency operations	230,537	269,250	-21,685	247,565
Intelligence	35,844	40,844	——	40,844
Counterintelligence	44,989	46,389	——	46,389
Advanced accelerator applications	33,925	——	——	——
Independent oversight and performance assurance				
Independent oversight and performance assurance	——	——	——	——
Program direction	14,904	14,904	——	14,904
Total, Independent oversight and performance assurance	14,904	14,904	——	14,904
Environment, safety and health				
Office of Environment, safety and health (defense)	102,736	91,307	——	91,307

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Program direction	22,554	23,293	——	23,293
Total, Environment, safety and health	125,290	114,600	——	114,600
Worker and community transition				
Worker and community transition	21,453	21,246	-3,246	18,000
Program direction	2,993	3,200	-1,200	2,000
Total, Worker and community transition	24,446	24,446	-4,446	20,000
National security programs administration support	24,945	25,000	——	25,000
Office of hearings and appeals	2,993	2,893	——	2,893
Subtotal, Other defense activities	537,873	538,326	-26,131	512,195
Adjustments:				
Use of prior year balances	——	-10,000	——	-10,000
Less security charge for reimbursable work	——	-712	——	-712
Total, Adjustments	——	-10,712	——	-10,712
Total, Other Defense Activities	**537,873**	**527,614**	-26,131	501,483
Defense Nuclear Waste Disposal				
Defense nuclear waste disposal	**199,725**	**310,000**	**-60,000**	**250,000**

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Total, Environmental and Other Defense Activities	**6,751,884**	**6,578,397**	**336,079**	**6,914,476**
Cerro Grande Fire Activities				
Repair and risk mitigation	46,757	—	—	—
Restoring services	25,344	—	—	—
Emergency response	17,960	—	—	—
Resuming laboratory operations	14,967	—	—	—
Construction:				
01-D-701 Site-wide alarm system replacement	24,945	—	—	—
01-D-702 Emergency operations center replacement	19,956	—	—	—
01-D-703 TA-54 waste management mitigation	29,036	—	—	—
01-D-704 Office building replacement program for vulnerable facilities	9,978	—	—	—
01-D-705 Multi-channel communications systems	7,982	—	—	—
97-D-102 Dual axis radiographic hydrotest (DAHRT)	6,088	—	—	—
Total, Construction	97,985	—	—	—
Total, Cerro Grande Fire Activities	**203,013**	—	—	—

Department of Energy National Security Programs

	FY 2001 Enacted	FY 2002 Request	Senate Change	Senate Authorized
Defense Nuclear Waste Disposal (Rescission)	**-75,000**	—	—	—
TOTAL, Atomic Energy Defense Activities	13,520,608	13,355,167	911,030	14,266,197

National Nuclear Security Administration (sec. 3101)

The committee recommends a provision that would authorize $7.352 billion for the Department of Energy National Nuclear Security Administration (NNSA) an increase of $574.9 million above the budget request.

Weapons activities

The committee recommends $5.5 billion for weapons activities, an increase of $152.8 million above the budget request. The amount authorized is for the following activities: $1.0 billion for directed stockpile work, a decrease of $26.9 million; $2.1 billion for campaigns, an increase of $140.9 million; $1.5 billion for readiness in the technical base and facilities, an increase of $86.2 million; $77.6 million for secure transportation assets, a decrease of $44.2 million; $448.9 million for safeguards and security, the amount of the budget request; and $267.9 million for facilities and infrastructure, an increase of $267.9 million.

Directed stockpile work

The committee recommends $1.0 billion for directed stockpile work, a reduction of $26.8 million from the $1.0 billion requested. Directed stockpile work supports the NNSA mission to maintain the safety, security, reliability, and performance of the Nation's nuclear stockpile without underground nuclear explosive testing. The program is designed to ensure that nuclear weapons continue to meet their military requirements.

The committee recommends $305.5 million for research and development, the amount of the budget request.

The committee recommends $362.5 million for stockpile maintenance, the amount of the request.

The committee recommends $178.6 million for stockpile evaluation, a reduction of $2.2 million below the budget request. The committee recommends $29.1 million for dismantlement/disposal, a reduction of $6.3 million below the budget request. These reductions are available as a result of changes in the W56 and W–79 dismantlement lines.

The amount recommended for production support is $134.9 million, a reduction of $17.9 million below the budget request.

The committee recommends $6.4 million for field engineering, training, and manuals, a reduction of $0.3 million below the budget request.

Campaigns

The committee recommends $2.1 billion for the stockpile stewardship campaigns of the NNSA, an increase of $140.9 million above the budget request. The campaigns are focused scientific and engineering efforts, involving the three NNSA weapons laboratories, the production plants, and the Nevada Test Site to develop and maintain the special capabilities and tools needed for continued certification of the stockpile, now and into the future, in the absence of underground nuclear explosive testing. The goal of the campaigns is to provide the capability to address current and future questions about the stockpile using the most advanced

sciences and technologies. Campaigns focus research and development activities on clearly defined objectives and deliverables.

The committee recommends $52.6 million for primary certification, a reduction of $2.9 million from the budget request.

The committee recommends $93.6 million for dynamic materials properties, a reduction of $4.2 million from the budget request.

The committee recommends $44.5 million for secondary certification and nuclear systems margins, a reduction of $2.7 million from the budget request. The committee supports the NNSA efforts in high energy density physics partnerships with universities and urges the NNSA to expand these whenever possible.

The committee recommends $492.4 million for inertial confinement fusion ignition and high yield, an increase of $24.5 million above the budget requested. The additional funds would provide $10.0 million to enhance National Ignition Facility diagnostics and cryogenic target activities; $7.0 million to address shortfalls in the inertial confinement fusion programs base program; $3.0 million to support conceptual and preliminary design activities of a petawatt-class laser at Sandia National Laboratory's Z-machine; $2.0 million to initiate development of critical short-pulse laser technologies; and $2.4 million to support university partnerships.

The committee recommends $755.0 million for advanced simulation and computing, an increase of $17.0 million above the budget request. This increase would add $17.0 million to construction project 00–D–103, Terascale simulation facility at the Lawrence Livermore National laboratory so that this project can be completed in time to house the next computer under the advanced computing initiative.

The committee recommends $237.7 million for pit manufacturing and certification, an increase of $109.2 million above the budget request. The additional funds would fully fund all increases associated with efforts to manufacture and certify a new pit. The committee believes that this project must continue to be managed on a project basis. The committee recognizes the difficulty of certifying a new pit and urges NNSA to develop a multi-lab team to develop an approach for certification of a new pit. In addition, the committee believes it is premature to rush to design a new pit manufacturing facility when there are significant uncertainties about the size of the nuclear weapons stockpile in the future and until such time as the ability to manufacture a certifiable pit is restored.

The committee remains concerned however about the reliability, safety and security of the United States Nuclear Stockpile. Earlier this year, the Panel to Assess the Reliability, Safety and Security of the United States Nuclear Stockpile issued its report and testified before the committee. That testimony reiterated the critical need to restore missing pit production capabilities and refurbish the production complex. This recommendation was based on the Panel's observation that the United States remains unable to produce or reproduce all of the components in the existing weapons inventory. To establish and sustain the capability to restore integrated design, fabrication, and qualification capabilities for the full range of weapon components, the panel recommended the following efforts be undertaken: (a) restore the capability to support needed weapons work; (b) restore nuclear facilities adequate to long-term

needs, including facilities for pit production; and (c) improve the design and production process.

The committee notes the panel's estimate that it will take ten or more years to build an adequate pit production facility. The committee urges the administration to begin a time-phased program to design and build a pit production facility. The pending Nuclear Posture Review is expected to outline such critical concerns as the size of a future arsenal and mix of weapons. This review is scheduled to be released in December 2001. Conceptual design should proceed at the conclusion of this study in order to facilitate a timely decision on facility construction.

The Department of Energy's request included $4.0 million for conceptual design activities for a modern pit facility. The committee recommends that of the funds available for pit manufacture and certification an additional $10 million be available to select an architect-engineering organization to begin the conceptual design and report process, in order to keep the new pit production facility on schedule.

Readiness in technical base and facilities

The committee recommends $1.5 billion in readiness in technical base and facilities, an increase of $86.2 million above the budget request. Readiness in technical base and facilities ensures safe operation of NNSA defense program facilities.

The committee recommends $900.4 million for operations of facilities, an increase of $70.0 million above the budget request. The additional funds will provide $10.0 million for additional operation of the pulsed-power facilities at Sandia National Laboratory and $10.0 million to refurbish the Z-machine at Sandia National Laboratory. In addition, the funds would provide $50 million to address a number of shortfalls at the weapons plants.

The committee recommends $197.2 million in program readiness, an increase of $9.1 million above the budget request for infrastructure shortfalls and to maintain materials processing capabilities.

The committee recommends $60.4 million in special projects, a $4.1 million reduction from the budget request. From the funds available for this account the committee directs the Administrator to identify the costs and the schedule that would be necessary to move the NNSA Atomic Museum off of the grounds of Kirtland Air Force Base.

The committee recommends $90.3 million for material recycle and recovery, a decrease of $11.0 million below the budget request.

The committee recommends $88.9 million for nuclear weapons incident response, a decrease of $0.2 million to the budget request.

The committee recommends $39.0 million for project 02–D–101 Microsystem and Engineering Science Applications (MESA) lab, an increase of $37.0 million above the budget request.

The committee recommends $31.1 million for project 02–D–103 Project engineering and design, various locations, an increase of $21.9 million above the budget request. The additional funds would allow the NNSA to begin preliminary design activity on replacing and consolidating facilities across the complex. The committee believes that when the NNSA establishes a new construction project that the new project should include the cost of demolishing any

buildings being replaced. NNSA has significantly more square feet of space then it requires, although much of the existing space is substandard. In order to reduce the maintenance costs over the long term, the NNSA must begin to reduce the total number of square feet of space it owns. The committee directs the NNSA to include in all construction project requests an explanation as to how the construction project will decrease the overall number of square feet of space at the site where the construction project is planned.

The committee recommends $16.4 million in 01–D–103, Preliminary Design and Engineering, a decrease of $29.0 million below the budget request.

The committee recommends no money for 01–D–124, Highly Enriched Uranium (HEU) Storage Facility, Y–12 Plant, a reduction of $9.5 million to the budget request.

The committee recommends $2.0 million for project 99–D–108 Renovate existing roadways, Nevada Test Site, an increase of $2.0 million to upgrade roads at the Nevada Test Site.

Defense nuclear nonproliferation

The budget request included $773.7 million for defense nuclear nonproliferation programs at the Department of Energy, National Nuclear Security Administration (DOE/NNSA). This amount represents the amount requested, $815.7 million, reduced by the use of $42.0 million in prior year balances. The committee recommends $830.5 million for these programs, after adjustments of $42.0 million, an increase of $56.8 million above the budget request. The committee further recommends a decrease of $51.5 million in program direction funds in the defense nuclear nonproliferation account, moving the program direction funds to a consolidated program account for the NNSA. The committee recommends an overall programmatic increase of $108.2 million for DOE/NNSA defense nuclear nonproliferation programs.

Nonproliferation and verification research and development

The budget request included $206.1 million for nonproliferation and verification research and development. The committee recommends an increase of $52.0 million to restore funding for this important research to the fiscal year 2001 level.

The additional funds would allow DOE/NNSA to continue a wide variety of research efforts to improve detection, identification, measuring, and modeling capabilities to support U.S. nonproliferation activities. The research capabilities that DOE/NNSA and its laboratories and facilities carry out provide technical capability and assistance for a wide range of uses across the Federal Government.

Some of the technologies that would be supported by the additional funds include: improved remote effluent detection using Lidar and Hyperspectral infrared imaging systems; better remote physical detection capabilities; expanded regional ground-based seismic systems and improved seismic calibration capabilities; improved radiation detection and nuclear materials analysis capabilities; development of microtechnologies and micromachining technologies to reduce the size of detectors; improved modeling to sup-

port chemical and biological materials detection, fate and transport in urban environments, and decontamination; and the HAZMAT spill test center at the Nevada Test Site.

International nuclear safety and cooperation

The budget request included $13.8 million for International Nuclear Safety and Cooperation.

The committee recommends an increase of $5.7 million, to restore the program to its fiscal year 2001 level.

The committee continues to support the effort to enhance the operational safety of Soviet-designed nuclear power plants and to improve the nuclear safety infrastructure in the countries that operate these reactors. The DOE/NNSA works with the Nuclear Regulatory Commission as part of an international effort to improve the operational safety of certain types of Soviet-designed reactors.

This program also works closely with the Department of Defense Cooperative Threat Reduction (CTR) program office to shut down the last remaining Russian plutonium producing power reactors. While there are substantial and valid concerns about the ability of these reactors to continue to operate until they can be shut down and replaced with fossil fueled power plants, the committee urges the DOE/NNSA to make only those improvements at those reactors that meet urgent short-term safety needs. The committee does not support, and recommends no funds for, actions designed to increase the operational life of those reactors, or actions that would delay the CTR program efforts to shut down the reactors.

Highly enriched uranium transparency implementation

The budget request included $13.9 million for the Highly Enriched Uranium (HEU) transparency implementation program. The committee recommends $13.9 million, the amount of the request. The HEU transparency implementation program is responsible for monitoring the nonproliferation aspects of the February 1993 HEU Purchase Agreement between the United States and Russia. This program ensures that the $12.0 billion of HEU sold to the United States under the HEU Purchase Agreement is derived from 500 metric tons of HEU that has been removed from dismantled Russian nuclear weapons. The committee is concerned, however, that this funding level supports only 18 of the 24 special monitoring visits to the four Russian uranium processing facilities and urges the DOE/NNSA to carry out as many of the allowed visits as possible. Moreover, the committee expects the fiscal year 2003 budget to fund all such permitted visits.

Arms control and nonproliferation

The budget request included $101.5 million for Arms Control and Nonproliferation. This request included $22.1 million for the Initiatives for Proliferation Prevention (IPP), $6.6 million for the Nuclear Cities Initiative (NCI), and $8.9 million for Spent Fuel Activities in Kazakhstan.

The committee recommends an increase of $36.5 million for Arms Control and Nonproliferation, including $14.5 million for the NCI,

$15.0 million for IPP, and $7.0 million for Spent Fuel Activities in Kazakhstan.

The fiscal year 2002 budget request for the Arms Control and Nonproliferation programs at the DOE/NNSA represented a reduction of $46.9 million, or 32 percent, below the amount appropriated for these programs in fiscal year 2001. The Arms Control programs at DOE/NNSA fund a wide variety of important efforts to detect, prevent, and reverse the proliferation of weapons of mass destruction materials, technology, and expertise. The DOE/NNSA efforts, in these and the companion Materials Protection Control and Accounting programs, are designed to address what the Baker-Cutler task force described as the "most urgent unmet national security threat to the United States today."

In its January 2001 report, the Task Force on the Evaluation of the Department of Energy's Nonproliferation Programs With Russia, chaired by former Senator Howard Baker and former White House Counsel Lloyd Cutler, identified and discussed this threat. The task force reached the following conclusions:

(1) The most urgent unmet national security threat to the United States today is the danger that weapons of mass destruction or weapons-usable material in Russia could be stolen and sold to terrorists or hostile nation states and used against American troops abroad and citizens at home.

(2) Current nonproliferation programs in the Department of Energy, the Department of Defense, and related agencies have achieved impressive results thus far, but their limited mandate and funding fall short of what is required to address adequately the threat.

The task force went on to specifically find:

(1) By and large, current DOE programs are having a significant and positive effect. The strategic plan recommended by the task force should review the needs of each of these programs and, where appropriate, provide for a substantial increase in funding. Expansions of program scope and increases in funding, however, must take careful account of the pace at which funds can usefully be expended in each individual program.

(2) The strategic plan and the associated budgets should identify specific goals and measurable objectives for each program, as well as provide criteria for success and an exit strategy. These should be factored into the five-year budget plan currently being developed for the National Nuclear Security Administration.

(3) A major obstacle to further expansion and success of current programs is the continuation of differences between the U.S. and Russia over transparency and access. As a condition for a substantially expanded program, the U.S. and Russia should agree at a high level on the degree of transparency needed to assure that U.S.-funded activity has measurable impacts on program objectives and that U.S. taxpayer dollars are being spent as intended.

(4) Given the gravity of the existing situation and the nature of the challenge before us, it is imperative that the President establish a high-level leadership position in the White House with responsibility for policy and budget coordination for threat reduction and nonproliferation programs across the U.S. Government. The President should appoint a person of stature who commands the re-

spect and attention of relevant Cabinet officers and Congressional leaders to lead this program.

(5) The U.S. administration of these programs should seek to eliminate any unnecessary and overly restrictive controls that hamper swift and efficient action. To overcome potential impediments that often arise from "business as usual" practices within the Russian and U.S. bureaucracies, DOE and related agencies should take practical steps, including further enlargement of the DOE team working with the U.S. Ambassador in Moscow, to ensure the most efficient on-the-ground implementation of the programs in Russia.

(6) It is imperative to mobilize the sustained interest and concern of the Congress. The task force urges the Congress to consider the creation of a joint committee on weapons of mass destruction, nuclear safety and nonproliferation, modeled after the former Joint Committee on Atomic Energy. Creation of such a committee would ensure that the issues receive adequate high-level attention and that Member and staff expertise is developed and preserved.

The task force also discusses Russia's role in this effort:

> While emphasizing that enhanced efforts are needed from the U.S., the Task Force underscores that enhanced efforts are also required from Russia. Ultimately, Russia will be responsible for securing its remaining nuclear arsenal. If this program is conceived in full cooperation with the Russian Federation, is adequately financed, and is implemented as part of a growing, open and transparent partnership, then the task force believes that Russia should be positioned to take over any work remaining at the end of the eight to ten year period. If Russia is not prepared for such a partnership, then full success will not be achieved.
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> Bearing this in mind, the task force report outlines an enhanced national security program as described above. This program could be carried out for less than one percent of the U.S. defense budget, or up to a total of $30.0 billion over the next eight to ten years. The Russian Government would, of course, be expected to make a significant contribution commensurate with its own financial ability. The national security benefits to U.S. citizens from securing and/or neutralizing the equivalent of more than 80,000 nuclear weapons and potential nuclear weapons would constitute the highest return on investment in any current U.S. national security and defense program. The new President should press other major powers such as the European Union, Japan and Canada to assume a fair share of the costs of these efforts designed also to enhance the security of these countries. Contributions from other countries could significantly reduce U.S. costs.

The committee urges the DOE/NNSA to fund these programs to address adequately the threat. As the task force concluded, "the limited mandate and funding fall short of what is required to address adequately the threat."

For over forty years the International Atomic Energy Agency and its member states have undertaken an intense effort to establish

increasingly credible systems for accounting and control of special and other fissionable material (SNM) and the facilities that produce SNM. The committee recognizes that the quantity and complexity of materials and facilities that require international safeguards has increased the potential threat that such materials and facilities could be diverted to clandestine unsafeguarded activities. It is, therefore, increasingly important that sophisticated nuclear monitoring systems, capable of handling the vast number of facilities requiring such safeguards, be developed and implemented to ensure the integrity of international nuclear safeguards programs.

The committee, therefore, directs that $5.0 million of the funds available to the Office of Arms Control and Nonproliferation (NN–40) be used to develop advanced instrumentation and provide these advanced safeguards systems for implementation by the International Atomic Energy Agency as part of its advanced safeguards system. Furthermore, these systems should also offer increased confidence building measures that will help strengthen U.S. and international confidence in the accuracy and integrity of international safeguards over nuclear weapons usable material.

Initiatives for Proliferation Prevention

The committee continues to support the IPP program and recommends that, of the funds available to the IPP program, $5.0 million should be dedicated to working in those cities in Russia that will be closed or downsized pursuant to the NCI program. The IPP program sponsors focused applied research projects in Russia, Ukraine, and Kazakhstan, in conjunction with U.S. industry. Its efforts extend beyond the former Soviet nuclear programs and include a range of other former program participants including former biological weapons scientists. These projects must have significant potential for commercialization in order to be approved for IPP funding. The ultimate goal of the IPP program is to have these projects commercialized in a way that could provide full-time employment for Russian and other scientists and engineers. To date, approximately three hundred full-time jobs have been created. Several additional projects are about to be commercialized with the expectation that over the course of the next year or so, as many as 2,000 new full-time jobs will be created.

The IPP program has been very successful in providing valuable non-military research opportunities to the former Soviet scientists and engineers and preventing a brain drain. At the same time, the IPP commercial partners have received valuable research and development efforts. The committee urges the IPP program efforts in the closing Russian nuclear cities to focus on applied research that could lead to creation of full-time commercial jobs in the closed cities. The committee believes that the IPP program is a successful, very focused program that should maintain its focus and purpose and should not be merged into the NCI program. At the same time, it should work more closely with the NCI program in its efforts in the nuclear cities that will be closed or downsized.

Nuclear Cities Initiative

The NCI program was established by a March 1998 agreement between the United States and Russia to address the brain drain problem and to work with Russia to shrink the size of the Russian nuclear weapons complex. Unlike the IPP program, which focuses its efforts on scientists still at work in the weapons complex, NCI was intended to provide assistance to scientists, engineers, technicians, and others as they loose their jobs as a result of the Russian effort to downsize nuclear weapons facilities. Russia requested U.S. assistance in finding employment for these displaced workers and to help accelerate the planned downsizing.

NCI has been criticized since its inception for, among other things, being overly broad in its goals and largely unfocused in how it would achieve those goals. Some of this criticism was merited. The NCI program has just completed its second full year in operation and has begun to establish clearer mission goals. It has one project that has significant potential to provide a substantial number of skilled technical jobs.

The committee believes that the NCI program should continue to restrict its activities to three Russian closed cities and to two serial production facilities. The DOE/NNSA should continue discussions with Russia and identify appropriate pilot projects that have a high probability of success. The committee believes that commercial partners are essential to the success of the overall NCI effort.

NCI should limit its programmatic focus as well. Whereas IPP is actively engaged in providing research opportunities, primarily to scientists and engineers who are still employed by their institutes, NCI should focus on helping the Russian cities attract commercial ventures that will provide jobs to those who will be laid-off as the Russian nuclear weapons complex downsizes. DOE/NNSA should focus its NCI efforts to help the facilities at these cities attract new investments and preparing the cities to be attractive to new investment.

The work that NCI has undertaken at Avangard, Russia—such as moving fences and other site preparation work to enable and facilitate a new commercial joint venture to come to Avangard—is precisely the type of work that should be conducted by the NCI program. NCI should continue to work with Russia, other U.S. Federal Government agencies, and the private sector to encourage and facilitate commercial development at the closed cities. NCI should expand in the future only as it becomes clear which approaches work and which do not. On the other hand, it is unrealistic to expect NCI to attract the large numbers of jobs that will ultimately be needed for the displaced workers. NCI should assist in what is fundamentally a Russian effort to close facilities. NCI should work toward an agreement with Russia that will identify realistic programmatic expectations and a realistic time line in which to complete the program.

The committee does not support merging the IPP and NCI programs into a single program at this time. Nevertheless, the committee believes the programs should be joined to form parts of a single division in the Office of Defense Nuclear Nonproliferation in the NNSA. This division should be under common leadership and administrative support. This new division should be structured to

call upon the commercial participants in the IPP program to help the NCI program attract commercial firms to the closed or closing Russian facilities. The committee recognizes that the NNSA is in transition and that a new Deputy Administrator for Defense Nuclear Nonproliferation has not yet been confirmed. Therefore, the committee directs the NNSA to submit to the congressional defense committees a program plan that will bring the IPP and the NCI programs together under common senior management. The committee expects the plan to be submitted four months after the Deputy Administrator has been sworn in, and the plan to be implemented no later than six months after a new Deputy Administrator has been sworn in. The committee expects this program plan will also address needed management improvements, greater coordination between the two programs, and improved programmatic plans for the NCI program.

The committee notes that the European Community has recently initiated a European NCI program. The committee strongly supports this initiative and urges DOE/NNSA to cooperate with and work with the European NCI program wherever possible.

Spent Fuel Activities in Kazakhstan

The additional $7.0 million recommended by the committee for Spent Fuel Activities in Kazakhstan will restore this program to roughly its fiscal year 2001 appropriated level so that the DOE/NNSA can continue to support the efforts in Kazakhstan to store spent fuel safely and securely at the Aktau reactor.

International Materials Protection Control and Accounting

The budget request included $138.8 million for International Materials Protection Control and Accounting (MPC&A). The committee recommends $143.8 million, an increase of $5.0 million to complete additional permanent security upgrades.

The committee believes that theft of weapons-grade nuclear materials in the former Soviet Union is one of the most critical national security and proliferation threats to the United States. The committee commends the MPC&A program for its success in increasing the security of approximately 50 percent of the Russian stockpile of nuclear weapons-usable material not contained in Russian nuclear weapons. A significant number of challenges remain, however, in the effort to improve permanently the level of security for this material.

Among the challenges to achieving the overall goal of safely securing and storing all weapons-usable material in Russia and the other countries of the former Soviet Union are ensuring continued access to sites where improvements have been made, completing comprehensive long-term improvements, and ensuring Russian support to operate and maintain the security improvements and systems.

Although more than the budget request, the funding recommended by the committee represents a $25.7 million reduction from the fiscal year 2001 appropriated level. The committee is concerned that decreasing funding for this program may not be ade-

quate to meet current needs as well as the significant challenges confronting the program.

The committee urges the administration to work at the highest levels of the Russian and U.S. governments to address the issues of access, transparency, and the other challenges, and to work to accelerate security upgrades at the remaining facilities and buildings. In addition, the United States should work with Russia to consider efforts to consolidate the number of sites where material is stored.

The DOE/NNSA second line of defense program, which helps to improves detection capabilities at border control points, is an integral part of the overall effort to prevent and detect theft of nuclear materials. The committee believes these programs should be managed under one effort. Accordingly, the committee directs that the second line of defense program be merged into the MPC&A program and managed as one integrated program. The committee further directs that $4.0 million of the funds available to the Arms Control program be made available for second line of defense activities.

Related to second line of defense activities are efforts to improve and strengthen export control regimes. The committee directs the DOE/NNSA to use up to $5.0 million of the funds available for the Defense nuclear nonproliferation programs be used to work with key supplier states and regions of concern to develop or improve export control regimes. This effort should include efforts to expand cooperative activities to strengthen nuclear export controls worldwide, strengthen the DOE/NNSA role in the technical analysis of proliferation problem and increase the role DOE/NNSA plays in the evaluation of U.S. export licenses.

Russian surplus fissile materials disposition

The budget request included $57.0 million for Russian surplus fissile materials disposition.

The committee recommends an increase of $9.0 million to support the continued development of advanced reactor technologies in Russia to burn up large quantities of excess Russian plutonium.

It is estimated that Russia currently has in excess of 100 tons of excess weapons grade plutonium. If U.S. and Russian efforts to reduce the number of nuclear weapons and dismantle additional warheads are to be successful, the amount of surplus plutonium should increase.

The September 2000 agreement between Russia and the United States detailed technologies to be used to dispose of excess plutonium. Under the agreement, both Russia and the United States will convert the plutonium to an oxide form to be used in Mixed Oxide (MOX) fuel. The Russian reactors that are capable of burning MOX fuel can burn approximately two metric tons of plutonium per year. In order to increase the burn rate of plutonium, the United States and Russia have jointly funded a research and development effort to development new reactor technology. The committee supports this effort and urges the (DOE/NNSA) to accelerate demonstration of new reactor technology. As in the past, the committee expects continued Russian contributions to the research and development effort. The committee urges the DOE/NNSA to solicit

aggressively financial commitments from other nations to continue development of this technology.

U.S. surplus fissile materials disposition

The budget request included $233.0 million for the U.S. surplus fissile materials disposition program. The committee recommends the amount of the request, but is concerned that this amount is significantly less than the amount needed to support the hybrid plutonium disposition program established by DOE/NNSA in January 2000 and the U.S. HEU project to transfer 50 metric tons of HEU to the United States Enrichment Corporation.

In January 1997 the DOE announced it would pursue a hybrid disposition strategy for surplus U.S. plutonium. This strategy relies on two technologies: irradiation and immobilization. The former will convert the plutonium to an oxide form, and combine it with uranium oxide to make a mixed oxide (MOX) fuel. This fuel will be irradiated in a commercial nuclear power plant to make electricity. The latter, immobilization, will take plutonium not suitable for use in MOX fuel, and convert it into a stable ceramic form. This plutonium ceramic will be surrounded by vitrified high level nuclear waste and disposed of in a permanent spent fuel repository. In January 2000, the DOE issued the record of decision to implement the hybrid program.

The funding included in the budget request would limit the MOX fuel program to a technology demonstration program only and suspend the immobilization program. This puts in possible jeopardy the ability of the DOE/NNSA to support a long-term disposition effort for surplus weapons grade plutonium as well as the ability of the DOE to store additional plutonium at the DOE Savannah River Site. The committee understands that the slowdown in the plutonium disposition program is largely the result of the administration's ongoing review of all nonproliferation programs. The committee urges the DOE to complete the review as quickly as possible and reinstate the hybrid plutonium disposition program.

Secure Transportation Asset

The committee recommends $77.6 million for Secure Transport Asset, a decrease of $44.2 million below the budget request.

Safeguards and security

The committee recommends $448.9 million for safeguards and security, the amount of the budget request.

Facilities and infrastructure

The committee recommends $267.9 million for facilities and infrastructure, an increase of $267.9 million above the budget request.

Office of Administrator and program direction

The committee recommends $380.4 million for program direction for the National Nuclear Security Administration, an increase of $365.4 million above the budget request. All of the program direction accounts of the NNSA, with the exception of the program direction account for the Office of Naval Reactors, would be com-

bined. The NNSA has announced a major headquarters reorganization that will begin to move the NNSA into an integrated organization. The committee commends the NNSA for this action and urges NNSA to complete a reorganization of the field structure of the NNSA.

Defense Environmental restoration and waste management (sec. 3102)

The committee recommends a provision that would authorize $6.2 billion for defense environmental restoration and waste management, an increase of $422.2 million above the budget request. The amount authorized is for the following activities: closure projects $1.1 billion, an increase of $30.0 million over the budget request; $943.2 million for site/project completion, an increase of $31.2 million over the budget request; $3.2 billion for post-2006 completion, an increase of $325.0 million over the budget request; $1.3 million for excess facilities, the amount of the budget request; $205.6 million for safeguards and security, the amount of the request; $216.0 million for science and technology development, an increase of $20.0 million over the budget request; $355.8 million for program direction, the amount of the budget request.

Closure projects

The committee recommends $1.1 billion in defense facilities closure projects, an increase of $30.0 million above the budget request. The site closure account includes sites that will be closed by the end of 2006. The committee believes that if a site does not have a reasonable opportunity to close by 2006, then the site should not be included in this account and the funding for the site should be transferred to the post-2006 completion account. The committee also believes that if new sites are scheduled to close within the five-year period after 2006, and there is high confidence in the ability of these sites to close within such a time period, then the Department of Energy (DOE) should consider establishing a second closure account for those sites. The committee recommends the additional funds to ensure that the projects in this account meet their closure dates.

Site and project completion

The committee recommends $943.2 million for site and project completion, an increase of $31.2 million to the budget request, to ensure that the terms and conditions of enforceable cleanup and other agreements with the states and Environmental Protection Agency are met. The committee recommends a reduction of $15.8 million, the amount of the budget request for project 92–D–140 F&H Canyon exhaust upgrades.

Post-2006 Completion

The committee recommends $3.2 billion for post-2006 completion, an increase of $325.0 million above the budget request. Included in the additional amounts are $120.0 million for the DOE Savannah River and $105.0 million for the Hanford Sites. Of the funds available to the Hanford Site, the committee directs the DOE to continue with the reactor cocooning project. Of the funds available to

DOE in the Post-2006 completion account $20.0 shall million be available for Los Alamos and Livermore National Laboratories to continue waste management and remediation activities; $21.6 million shall be available to ensure that sufficient TRU-pact containers are available to continue shipping tru-wastes from Rocky Flats to the Waste Isolation Pilot Project; $4 million shall be available to continue ground water-monitoring activities at the Nevada Test Site; $5 million shall be available for the Mexico Border health initiative; and, $3.6 million shall be made available for spent fuel stabilization activities at the Savannah River Site.

Included in the budget request for Post-2206 completion is the budget request for the Office of River Protection. The committee recommends $862.4 million for the Office of River Protection, $50.0 million above the request for tank farm operations.

Science and technology

The committee recommends $216.0 million for Science and technology, an increase of $20.0 million to the budget request. The committee notes that the budget request for science and technology for fiscal year 2002 is $56.0 million below the amount appropriated in fiscal year 2001, a significant reduction. The committee strongly supports the research, development, and demonstration work of the Office of Science and Technology and urges the DOE to fully fund this office in the future. The new cleanup and waste treatment technologies that have resulted from the research conducted by the office of science have provided significant savings to the DOE cleanup program. The committee urges the DOE to work with small business to identify new technologies as well as the large DOE contractors.

Other Defense Activities (sec. 3103)

The committee authorizes $501.4 million for other defense activities, after adjustments, a reduction of $26.1 million to the budget request.

Security and Emergency Operations

The committee recommends $247.6 million for Security and Emergency Operations, a reduction of $21.7 million to the budget request. This reduction reflects a $20.0 million decrease in the corporate management information program, and a $1.7 million decrease in program direction.

Worker and community transition

The committee recommends $20.0 million for worker and community transition, a reduction of $4.4 million to the budget request.

Defense Environmental management privatization (sec. 3104)

The committee recommends $157.5 million for environmental management privatization, an increase of $16.0 million over the budget request. The $16.0 million increase is for project 97–PVT–2, advanced mixed waste treatment project, Idaho Falls, Idaho.

Defense Nuclear Waste Disposal (sec. 3105)

The committee recommends a provision that would authorize $250.0 million for defense nuclear waste disposal, a $60.0 million reduction below the budget request of $310.0 million.

SUBTITLE B—RECURRING GENERAL PROVISIONS

Reprogramming (sec. 3121)

The committee recommends a provision that would prohibit the reprogramming of funds in excess of 110 percent of the amount authorized for the program, or in excess on $2.0 million above the amount authorized for the program, whichever is less, until: (1) the Secretary of Energy submits a report to the congressional defense committees; and (2) a period of 30 days has elapsed after the date on which the report is received. The committee recommends an increase in the threshold for reprogrammings from the $1.0 million threshold that has been in place in previous years, bringing the Department of Energy more in line with the reprogramming authority provided to the Department of Defense. The committee notes that the threshold level for reprogramming actions had been $10.0 million but was reduced to $1.0 million in the National Defense Authorization Act for Fiscal Year 1995. The committee believes that $1.0 million has become an unrealistic threshold and DOE programmatic execution may be unnecessarily delayed by maintaining a $1.0 million threshold.

Limits on minor construction projects (sec. 3122)

The committee recommends a provision that would authorize the Secretary of Energy to carry out minor construction projects using operation and maintenance funds, or facilities and infrastructure funds, if the total estimated cost of the minor construction project does not exceed $5.0 million. In addition, the provision would require the Secretary to submit an annual report identifying each minor construction project undertaken during the previous fiscal year. The committee directs the Secretary to submit this report at the same time the Secretary submits the Department of Energy budget request for fiscal year 2003, or as soon thereafter as possible.

Limits on construction projects (sec. 3123)

The committee recommends a provision that would permit any construction project to be initiated and continued only if the estimated cost for the project does not exceed 125 percent of the higher of the amount authorized for the project or the most recent total estimated cost presented to the Congress as justification for such a project. The Secretary of Energy may not exceed such limits until 30 legislative days after the Secretary submits to the congressional defense committees a detailed report setting forth the reasons for the increase. This provision would also specify that the 125 percent limitation would not apply to projects estimated to cost under $5.0 million.

Fund transfer authority (sec. 3124)

The committee recommends a provision that would permit funds authorized by this Act to be transferred to other agencies of the government for performance of work for which the funds were authorized and appropriated. The provision would permit the merger of such transferred funds with the authorizations of the agency to which they are transferred. The provision would also limit, to not more than five percent of the account, the amount of funds authorized by this Act that may be transferred between authorization accounts within the Department of Energy.

Authority for conceptual and construction design (sec. 3125)

The committee recommends a provision that would limit the Secretary of Energy's authority to request construction funding until the Secretary has completed a conceptual design. This limitation would apply to construction projects with a total estimated cost greater than $5.0 million. If the estimated cost to prepare the construction design exceeds $600,000, the provision would require the Secretary to obtain a specific authorization to obligate such funds. If the estimated cost to prepare a conceptual design exceeds $3.0 million, the provision would require the Secretary to request funds for the conceptual design before requesting funds for construction. The provision would further require the Secretary to submit to Congress a report on each conceptual design completed under this provision. The provision would also provide an exception to these requirements in the case of an emergency.

Authority for emergency planning, design, and construction activities (sec. 3126)

The committee recommends a provision that would permit the Secretary of Energy to perform planning and design with any funds available to the Department of Energy pursuant to this title, including those funds authorized for advance planning and construction design, whenever the Secretary determines that the design must proceed expeditiously to protect the public health and safety, to meet the needs of national defense, or to protect property.

Funds available for all national security programs of the Department of Energy (sec. 3127)

The committee recommends a provision that would authorize, subject to section 3121 of this Act, amounts appropriated for management and support activities and for general plant projects to be made available for use in connection with all national security programs of the Department of Energy.

Availability of funds (sec. 3128)

The committee recommends a provision that would authorize amounts appropriated for operating expenses or for plant and capital equipment for the Department of Energy to remain available until expended. Program direction funds would remain available until the end of fiscal year 2003.

Transfers of defense environmental management funds (sec. 3129)

The committee recommends a provision that would provide the manager of each field office of the Department of Energy with limited authority to transfer up to $5.0 million in fiscal year 2002 defense environmental management funds from one program or project, including site project and completion and post 2006 completion funds, three times in a fiscal year. Each transfer shall not exceed $5.0 million and the transfers shall not be aggregated.

Transfer of weapons activities funds (sec. 3130)

The committee recommends a provision that would provide the manager of each Department of Energy/National Nuclear Security Administration (DOE/NNSA) office with limited authority to transfer up to $5.0 million in fiscal year 2002 weapons activities funds from one program or project under the manager's jurisdiction to another. Each manager would be able to use this authority up to three times per year. This authority is similar to that which has been provided to the managers of the DOE environmental management sites. Each transfer shall not exceed $5.0 million and the transfers shall not be aggregated.

SUBTITLE C—PROGRAM AUTHORIZATIONS, RESTRICTIONS, AND LIMITATIONS

Limitation on availability of funds for weapons activities for facilities and infrastructure (sec. 3131)

The committee recommends a provision that would direct the Administrator of the National Nuclear Security Administration (NNSA) to establish criteria for the facilities and infrastructure program. Over the years, the Department of Energy has deferred much of the routine maintenance of real property and facilities needed to maintain adequately the defense program facilities. The committee recommends $267.9 million in section 3101 to begin to address this backlog of deferred maintenance. Although the budget request did not create such an account in the DOE/NNSA budget, the Administrator of the NNSA testified before the committee that such an account would be needed to begin to correct the substantial maintenance backlog at DOE/NNSA facilities.

The committee believes that firm criteria must be established against which projects can be judged and priorities established. This will ensure that the projects funded by this account are high priority projects necessary to ensure worker and community health and safety, comply with environmental requirements, meet safeguards and security requirements and ensure the mission of the defense programs is maintained on a timely basis. The criteria should provide a mechanism to allow priorities to be established by site and among sites so that a integrated list of priority projects can be developed. The committee believes that the projects should be funded on the priority of the projects to Defense Programs of the DOE and NNSA and not based on any requirement for an equitable distribution of the funds by site.

As a result, the committee recommends a provision that would require the Administrator to establish such criteria before more

than fifty percent of the funds authorized to be appropriated by the Act are obligated or expended.

The committee fully supports the efforts to address the maintenance backlog at the DOE/NNSA sites. The committee believes that it is equally important, however, for the DOE/NNSA to plan and budget adequately in the future for needed real property maintenance; to ensure that maintenance costs are included in the five-year budget plan for new construction; and to ensure that all new construction is planned to include funds to tear down the facilities they are replacing.

Limitation on availability of funds for other defense activities for national security programs administrative support (sec. 3132)

The committee recommends a provision that would prevent the Secretary of Energy from using more than $5.0 million of the funds authorized to be appropriated for national security programs administrative support pursuant to section 3103(a)(8) until such time as the Secretary submits the future years nuclear security program required by section 3253 of the National Nuclear Security Act (title XXXII of Public Law 106–65) and until the Secretary submits a justification document for the national security programs administrative support activities describing the activities to be carried out with the funds provided.

The Department of Energy (DOE) included $25.0 million in its national security budget request in the Other Defense Activities account, apparently to supplement the DOE non-defense funded budget request for Departmental Administration. DOE did not include this amount in any of its budget justification books. Not only did the budget justification book for Other Defense Activities not include any reference to this request, the budget request summary tables included in this book showed the DOE fiscal year 2001 request but not the fiscal year 2002 budget request.

The committee understands that the DOE was aware of these mistakes and omissions in its Other Defense Activities budget justification book at the time it submitted this material to the committee. Nevertheless, the DOE failed to supply any supplemental or additional material to Congress to display, acknowledge, or justify the $25.0 million requested for national security programs administrative support.

The committee further understands that the $25.0 million requested was to augment the non-defense funded Departmental Administration account. This account funds general DOE administrative expenses such as the Office of the Secretary, the General Counsel, the Chief Financial Officer, and the Office of Policy. The budget request for the Departmental Administration account for fiscal year 2002 was $83.8 million. The budget justification for this amount describes the administrative services that will be provided to the entire DOE from the $83.8 million requested but contains no reference to the additional $25.0 million. Thus, the provision recommended by the committee directs the Secretary to submit a detailed plan, at the same level of detail contained in the DOE budget justification books, for the activities to be funded by the $25.0

million requested by DOE for national security programs administrative support.

The DOE also failed to submit the future years nuclear security program plan. When this plan is submitted as required, together with the justification material discussed above, the Secretary may obligate and expend the balance of the $25.0 million authorized to be appropriated.

Until such time as the reports required by this provision are submitted, the activities that would have been funded by the national security programs administrative support account shall be funded by the funds available to the Department for Departmental Administration.

Nuclear Cities Initiative (sec. 3133)

The committee recommends a provision that would prohibit the use of funds authorized to be appropriated after fiscal year 2001 for the Nuclear Cities Initiative (NCI) from being obligated or expended to expand the NCI program beyond its current scope until thirty days after the Administrator of the National Nuclear Security Administration submits to Congress an agreement on access signed by the United States and Russia. The current scope of the program is three nuclear cities and two serial production facilities.

The provision would also require the Administrator to submit a report to Congress on the financial and programmatic activities of the NCI. This report would be submitted no later than the first Monday in February of each year and would cover activities that occurred during the fiscal year preceding the year in which the report is filed. Included in the report would be a certification by the Administrator that each NCI project is contributing to the downsizing effort. The first report would be due in February 2002 covering the fiscal year 2001 program.

Construction of Department of Energy operations office complex. (sec. 3134)

The committee recommends a provision that would provide discretionary authority to the Secretary of Energy to provide for design and construction of a new Department of Energy (DOE) operations office complex using energy savings performance contracts. These contracts would be those entered into in accordance with the provisions of title VII of the National Energy Policy Conservation Act (NEPCA)(42 U.S.C. 8287 et seq.)

In exercising this authority, the Secretary of Energy must still comply with the sections in Title XXXI Subtitle B of this Act dealing with construction and construction project funding.

The committee believes that the DOE should explore all possible options for saving money on its construction projects. While recognizing that this is a creative use of the authority provided by NEPCA, if successful, this could result in considerable cost savings.

SUBTITLE D—MATTERS RELATING TO MANAGEMENT OF NATIONAL NUCLEAR SECURITY ADMINISTRATION

Establishment of position of deputy administrator for nuclear security (sec. 3141)

The committee recommends a provision that would establish a principle deputy administrator for nuclear security in the National Nuclear Security Administration (NNSA).

In May of 2001, the NNSA announced a reorganization that will begin to ensure that the NNSA operates as a fully integrated organization. Key to this reorganization is the establishment of a new position of principle deputy administrator. This new position should be filled by an individual appointed by the President with the advice and consent of the Senate. The committee believes this new position will be important to assist the Administrator of the NNSA with the day-to-day management of the NNSA. As a result, the committee believes that the position of principle deputy should be filled with an individual who is very familiar with both the mission and operations of the NNSA and its facilities, and who can bring sound management, judgement, and experience to the position.

Responsibility for national security laboratories and weapons production facilities of Deputy Administrator of National Security Administration for Defense Programs (sec. 3142)

The committee recommends a provision that would amend section 3214 of the National Nuclear Security Administration Act by striking subsection (c), which directs the contractor managers and directors of the National Nuclear Security Administration (NNSA) weapons production plants and national laboratories to report to the Deputy Administrator for Defense Programs. In May 2001, the NNSA announced a reorganization of headquarters NNSA federal employees. Repeal of this provision would allow the managers and directors of these facilities to report as determined by the Administrator of the NNSA under the reorganization plan. In addition, repeal of subsection (c) would allow the Administrator to carry out a planned reorganization of the NNSA field federal employees in fiscal year 2002. The committee supports this reorganization as it will help to create a fully integrated NNSA.

Clarification of status within the Department of Energy of Administration and contractor personnel of the National Nuclear Security Administration (sec. 3143)

The committee recommends a provision that would amend section 3219 of the National Nuclear Security Administration Act to clarify that when work performed at National Nuclear Security Administration (NNSA) facilities is sponsored by Department of Energy (DOE) offices outside of the NNSA, the sponsoring office can supervise the work being performed and to allow NNSA employees to serve on DOE task forces. This provision has been requested by the DOE/NNSA.

As a matter of statute and policy, the NNSA encourages the use of NNSA facilities by DOE offices outside of the NNSA. This work,

known as "work for others," is very important to the NNSA facilities. Work for others helps to provide a wider variety of work to the NNSA employees than can be provided by the NNSA and helps to defray some of the costs to the NNSA of these facilities. In fiscal years 1999 and 2000, more than 20 percent of the work performed at NNSA facilities was work sponsored and paid for by DOE offices outside of the NNSA. This provision would clarify that these other offices can continue their normal practice of providing technical expertise, supervision and direction of the work that they fund. Without this clarification, the NNSA facilities are at risk of losing this important work.

This provision would also clarify the ability of NNSA employees to serve on DOE task forces. During the recent California energy crisis, the Secretary of Energy sought the assistance of a senior NNSA employee to chair an energy task force. In order to allow the NNSA employee to participate in the task force, the NNSA employee had to be detailed to the DOE, thus disrupting the work of his office in NNSA. This provision would clarify the ability of NNSA employees to serve on DOE task forces while continuing to perform their NNSA duties.

Modification of authority of Administrator for Nuclear Security to establish scientific, engineering and technical positions (sec. 3144)

The committee recommends a provision that would amend section 3241 of the National Security Administration Act to allow the National Nuclear Security Administration (NNSA) to expand the number of scientific and technical positions available to the NNSA from the current 300 positions to 500 positions. This provision would also clarify that these positions are not Senior Executive Service (SES) positions. While the NNSA does have positions classified as SES positions, the positions filled using the authority provided by section 3241 are not SES positions.

The committee is aware that NNSA would like to consider the possibility of converting additional or even all NNSA employees to excepted service status. The committee urges the Administrator of the NNSA to work closely with the Office of Personnel Management to explore this option further. The committee would be willing to hold hearings on this issue next year if the Administrator makes any additional legislative proposals that would expand the hiring authority provided by section 3241 beyond the additional 200 positions provided by this provision.

SUBTITLE E—OTHER MATTERS

Improvements to Energy employees occupational illness compensation program (sec. 3151)

The committee recommends a provision that would amend and clarify the Energy Employees Occupational Illness Compensation Program Act of 2000 (title XXXVI of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001).

The provision would add leukemias to the list of diseases covered under the Act with the exception of chronic lymphocytic leukemia, that were the result of occupational exposures that occurred before

the age of 21 years. Current law covers leukemias, with the exception of chronic lymphocytic leukemia, that were the result of occupational exposures that occurred after the age of 21 years. This provision would clarify that all leukemias, with the exception of chronic lymphocytic leukemia, that were the result of occupational exposures, regardless of the age at which the occupational exposure occurred, are included in the compensation regime.

The provision would clarify that a special cohort employee included in the study, as required by section 3626 of the Act, includes both Department of Energy (DOE) contractor employees and employees of any atomic weapons employer facility. A special cohort employee is defined in the Act as an employee of either a DOE contractor or an atomic weapons employer, but the Act failed to include employees of an atomic weapons employer in the study. This provision would remedy that oversight.

The provision would expand the category of employees diagnosed with chronic silicosis from category 1/1 to the medically accepted definition of chronic silicosis, category 1/0.

The provision would clarify the definition of survivor to allow surviving children, including adopted or step-children, to divide equally with a surviving spouse, any unpaid compensation under the Act. If there are surviving children, but no surviving spouse, the provision provides that any unpaid compensation due under the Act would be equally divided among the surviving children. If there were no surviving children, but there was a surviving spouse, the provision would require all unpaid compensation to be paid to the surviving spouse. In the absence of either a surviving spouse or surviving children, any unpaid compensation would be divided among surviving parents, grandparents, and grandchildren.

The provision would clarify that if a covered employee had been a plaintiff in a lawsuit seeking compensation as a result of any occupational exposure covered by the Act, and the suit was dismissed or otherwise brought to a close in a manner that did not provide any recovery to the plaintiff, the covered employee is not barred from compensation under the Act. In such circumstances, the covered employee would have to satisfy the terms and conditions for compensation under the Act.

The provision would clarify that a covered employee may hire and pay an attorney up to 10 percent of the compensation paid if the services rendered by the attorney were for other than services rendered in support of the filing of the initial claim. This provision would allow, for instance, an attorney to assist with an appeal from a denial of an initial claim, and be compensated at 10 percent of the compensation paid.

The provision would also clarify that the limitations on attorney fees would not extend to any representation or assistance provided after an award of compensation for a matter not related to the compensation award or claim.

The provision would also require the National Institute for Occupational Safety and Health (NIOSH) to conduct a study to determine if there was any residual contamination in the facility of any atomic weapons employer or beryllium vendor after such facility discontinued operations and activities related to the production of nuclear weapons. In the event such contamination was present, the

provision would require NIOSH to determine if the residual contamination could have caused or contributed to the cancer or covered beryllium illness of any covered employee. The provision would also require NIOSH to submit the report compiled as a result of the study to the congressional defense committees.

Department of Energy counterintelligence polygraph program (sec. 3152)

The committee recommends a provision that would direct the Secretary of Energy to submit a plan for an interim counterintelligence polygraph program to the congressional defense committees 120 days after the date of enactment of this Act. This provision would also direct the Secretary to establish by regulation, subject to public notice and comment, a permanent counterintelligence polygraph program. The permanent program would utilize the results of the ongoing review of polygraphs by the Committee to Review the Scientific Evidence on the Polygraph of the National Academy of Sciences (NAS). The draft of these new regulations must be published within six months after the date on which the Secretary receives the report of the NAS Committee. To enable the Secretary to establish a new science-based counterintelligence polygraph program, the provision would also repeal section 3154 of the Department of Energy Facilities Safeguards, Security, and Counter Intelligence Act of 1999 (Subtitle D of title XXXI of Public Law 106–65).

The committee believes that a science-based counterintelligence polygraph program can only be created after completion of the NAS Committee review and only by counterintelligence professionals and polygraph experts who understand the value and limitations of polygraphs. The current program is too large, too expensive, and is not designed to take maximum advantage of polygraphs in a counterintelligence program.

The primary purpose of this provision is to establish a program that utilizes polygraphs as part of a comprehensive counterintelligence program. The committee has no objection to the Secretary continuing the current DOE polygraph program as the interim program. If the interim program is not the current program, then the interim program shall not take effect until 30 days after the date that the Secretary has submitted the interim plan that would be required by the provision.

One-year extension of authority of Department of Energy to pay voluntary separation incentive payments (sec. 3153)

The committee recommends a provision that would amend section 3161(a) of the National Defense Authorization Act for Fiscal Year 2000 to provide a one-year extension of the Department of Energy (DOE) authority to make voluntary separation incentive payments. The committee is aware that the DOE would like to extend the ability to encourage voluntary separations and avoid any future need to conduct a reduction in force. This provision would allow the DOE to do long-term planning for reductions as a result of future reorganizations.

Additional objective for Department of Energy defense nuclear facilities work force restructuring plan (sec. 3154)

The committee recommends a provision that would amend section 3161(c) of the National Defense Authorization Act for Fiscal Year 1993 to add a new element to the required workforce restructuring plan. This additional plan element would require the Secretary of Energy to consider and promote economic diversification when these plans are developed.

Modification of date of report of panel to assess the reliability, safety, and security of the United States nuclear stockpile (sec. 3155)

The committee recommends a provision that would amend section 3159(d) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 by extending the due date for the third report required by that section from October 1, 2001 to February 1, 2002.

Reports on achievement of milestones for National Ignition Facility (sec. 3156)

The committee recommends a provision that would direct the Administrator of the National Nuclear Security Administration (NNSA) to notify the congressional defense committees when the National Ignition Facility (NIF) achieves each level one and level two milestone.

The NIF is an essential element of the NNSA stockpile stewardship program that is being constructed at Lawrence Livermore National Laboratory. The NIF is the only facility that will allow direct experimental study in the laboratory of issues that affect the aging stockpile in temperature and pressure regimes approaching those that occur in nuclear weapons. It will play a major role in providing the underlying science needed to validate the state of the art nuclear weapon simulation computer codes under development by the Advanced Simulation Computing program.

After experiencing major schedule and budgetary problems in early 2000, the NNSA revised the NIF project and budget baseline in August 2001. The actions taken by the NNSA to restructure and reorganize the management of NIF appear to have been successful in addressing the budgetary and schedule problems. Given the importance of the NIF program and its previous problems, the committee believes that reports to the congressional defense committees on progress in meeting major NIF milestones will help to ensure that Congress is kept informed of the progress of the program.

Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico (sec. 3157)

The committee recommends a provision that would extend the period of time in which the Department of Energy (DOE) may make contributions to the Los Alamos Education Foundation and authorizes $6.9 million, the amount contained in the budget request, to be paid to the Foundation in fiscal year 2002. In addition, the provision would authorize $8.0 million for the fiscal year 2002 payment, to be made from the funds available to the Department of Energy, to offset cost of living expenses for school teachers at the

Los Alamos Public Schools. The provision would also allow the DOE to extend the current contract with the Los Alamos Public Schools, pursuant to which these funds are paid.

Section 3167(a) of the National Defense Authorization Act for Fiscal Year 1998 established the Los Alamos Education Foundation to provide educational enrichment assistance to the communities surrounding Los Alamos. The DOE has not kept pace with the contributions planned under that provision. As a result, even though the Foundation has been very successful in raising private funds, additional funds are still needed from the DOE.

The committee believes that the DOE should bring its annual contributions to a close when the Foundation has reached a self-sustainable level of funding, and in any event no longer than 10 years. The provision would direct the Secretary to conduct a study and then make recommendations as to how the DOE could meet the goals of the section 3167(a) and the Foundation and then terminate all contributions to the Foundation. Also included in the required report would be a recommendation from the Secretary regarding the advisability of continuing to pay the cost of living payments to Los Alamos Schools. Included in this report should be a recommendation as to how the DOE can make payments that would resemble impact aid provided to communities with large populations of school age dependents.

Improvements to Corral Hollow Road, Livermore, California (sec. 3158)

The committee recommends a provision that would authorize up to $0.3 million for safety improvements to Corral Hollow Road, a narrow two-lane road that provides the only access to the Department of Energy National Nuclear Security Administration (DOE/NNSA) Lawrence Livermore National Laboratory Site 300 facility.

Over the years, the population in the area has grown substantially as has traffic on the road, making left turns into Site 300 dangerous. In order to ensure that the employees and visitors to Site 300 are safe, this provision would allow DOE/NNSA to widen the road so that left turn and acceleration lanes can be added to Site 300.

SUBTITLE F—ROCKY FLATS NATIONAL WILDLIFE REFUGE

Rocky Flats National Wildlife Refuge Act of 2001 (sec. 3171–3181)

The committee recommends a provision, known as the Rocky Flats National Wildlife Refuge Act of 2001, that would require the Department of Energy (DOE), in cooperation with the Department of Interior and the United States Fish and Wildlife Service, to permanently designate at Rocky Flats a national wildlife refuge known as the "Rocky Flats National Wildlife Refuge."

The creation of the National Wildlife Refuge by the DOE and U.S. Fish and Wildlife Service represents the first completed clean-up and closure of a major DOE Environmental Management (EM) site. The designation of the Rocky Flats site as a wildlife refuge will ensure that appropriate land uses are maintained and that an

environmentally sound end state will result. As cleanup and closure continues, the committee urges the DOE to consult with the U.S. Fish and Wildlife Service to ensure a smooth transition from an EM site into a Wildlife Refuge.

Specifically, the Rocky Flats National Wildlife Refuge Act of 2001 (the RFNWR Act) provides that: the land that presently comprises the Rocky Flats site will remain in federal ownership; no part of the Rocky Flats site can be annexed by a local government; and no through roads can be built through the site.

Additionally, the RFNWR Act requires the DOE and the U.S. Fish and Wildlife Service to enter into a Memorandum of Understanding 18 months after enactment of the Act to address administrative issues and make preparations regarding the future transfer of the site to the Fish and Wildlife Service and to divide responsibilities between the agencies until the transfer occurs. The Act provides that when the cleanup is completed and the site is closed as a DOE facility, the transfer of the site will occur from the DOE to the Fish and Wildlife Service. While most of the site will be transferred from the DOE to the Fish and Wildlife Service, any cleanup facilities or structures that the DOE must maintain and remain liable for will be excluded from transfer. It directs that the transfer will not result in costs to the Fish and Wildlife Service and requires the DOE to consult with the Fish and Wildlife Service on the identification of lands transferred. Finally, it requires the DOE to continue cleanup at the site and mandates that any conflicts between the two agencies be resolved, but that cleanup shall take priority.

The RFNWR Act mandates that the DOE continue to clean up and close the site under all existing laws, regulations and agreements; the establishment of the site as a National Wildlife Refuge shall not affect the level of cleanup required; the DOE shall clean up the site to levels that are established in the Rocky Flats Cleanup Agreement as the agreement is revised based on input from the public, the regulators, and any other interested state and federal government agencies; and the DOE will remain liable for any long-term cleanup obligations and be required to pay for this long-term site care.

The RFNWR Act establishes the Rocky Flats site as a National Wildlife Refuge 30 days after transfer of the site to the Fish and Wildlife Service. It directs that the refuge shall be managed in accordance with the National Wildlife Refuge System Administration Act.

The RFNWR Act directs the Fish and Wildlife Service to convene a public process to develop management plans for the refuge, including the Fish and Wildlife Service, and to consult with the local communities in the creation of this public process.

The RFNWR Act also recognizes and preserves the existence of other property rights on the Rocky Flats site, such as mineral rights, water rights, and utility rights-of-way for all relevant parties. It allows the DOE and the Fish and Wildlife Service to impose reasonable conditions on the access to private property rights for cleanup and refuge management purposes. It requires the DOE to seek acquisition of the mineral rights underlying the site held by private owners. In addition, it allows the owners of any water ditch

easements to come on the site to survey these rights and describe them for legal purposes.

The RFNWR Act authorizes the establishment of a Rocky Flats museum to commemorate the history of the site, its operation, and cleanup.

Finally, the RFNWR Act requires the DOE and the Fish and Wildlife Service to inform Congress on the costs associated with implementing the Act.

The committee recognizes that the Department of Energy's top priority at Rocky Flats is safe cleanup and closure, and strongly supports the 2006 closure date. The committee further recognizes that the accelerated cleanup at Rocky Flats and creation of the Wildlife Refuge has been achieved through strong support and cooperation from the surrounding communities, the State of Colorado, and the Colorado Congressional delegation.

Creation of the Rocky Flats National Wildlife Refuge provides an important path forward for Rocky Flats and a model for other EM sites across the nation.

OTHER ITEMS OF INTEREST

Fissile material disposition

At the end of the Cold War it became clear that the United States and Russia had significant quantities of surplus weapons grade plutonium. This plutonium had to be secured and permanently destroyed if it was not to fall into the hands of terrorists or others seeking to develop a nuclear weapon, or to be reused in weapons. The committee has long supported efforts to permanently dispose of weapons grade plutonium in the United States and Russia. The committee's efforts began in 1993 with the creation of the Office of Fissile Material Disposition at the Department of Energy.

In 1998, as the threat presented by the hundreds of tons of plutonium—enough to make tens of thousands of nuclear weapons—became more apparent, the United States and Russia agreed to convert 50 tons of plutonium to forms not suitable for weapons use. In August of 2000, Russia and the United States followed with an agreement to dispose of 34 tons each of weapons grade plutonium. They agreed to irradiate the plutonium as fuel in nuclear reactors, immobilize the plutonium, or otherwise dispose of the plutonium by other methods mutually agreed upon. Each side agreed to begin operation of disposition facilities by the end of 2007.

To help Russia in its effort, the United States agreed to provide up to $200 million or more, if the parties agreed. In addition, the United States agreed to help Russia raise funds from the international community to help with the disposition effort. The August 2000 agreement addressed plutonium in various forms and specified disposition according to form. The United States agreed to dispose of 25.5 tons by irradiation and 9 tons by immobilization. Russia planned to dispose of all 34 tons by irradiation as fuel in nuclear reactors.

This agreement was the result of DOE efforts to identify suitable plutonium disposition methods. In January 1997, the Department issued its plan to develop a dual track approach to plutonium disposition. In January 2000, the DOE issued the Record of Decision

(ROD) supporting the dual track approach that became the basis for the August 2000 agreement with Russia.

The DOE worked very hard to position the United States program to meet the goal of operating disposition facilities by the end of 2007. By the end of 2001, the DOE had completed Title I and II design on a Mixed Oxide Fuel Fabrication Facility (MOX) and had submitted a construction request to the Nuclear Regulatory Commission. Title I design for the Pit Disassembly and Conversion Facility is 35 percent complete; the DOE has operated the technology to disassemble pits, and has completed twelve studies to resolve design issues. In support of the immobilization effort, the DOE installed and operated a prototype conversion and ceramification facility.

The DOE fiscal year 2002 budget request signaled a major policy shift in efforts to dispose of surplus plutonium. The budget for the Russian program was reduced by 62 percent. The immobilization program was suspended, the MOX fuel fabrication delayed and the pit disassembly facility work was reduced to a limited technology demonstration effort. In addition, the United States reduced efforts to help Russia raise funds in the international community. At about the same time the budget was submitted, the new administration announced it was conducting a review on US threat reduction programs and nonproliferation programs. These actions now appear to have put the whole program in jeopardy, particularly the U. S. domestic disposition program. The committee is disappointed that the DOE is edging away from implementing the ROD for this important nonproliferation program. Significant money, time and effort has been invested in this effort to dispose of plutonium for thousands of nuclear weapons. Now it appears that these efforts could be wasted and that the opportunity to prevent 34 tons of weapons grade plutonium from being used for nuclear weapons may have been squandered.

The actions of the administration have significantly delayed the plutonium disposition program. Moreover, these actions have caused major concerns at the DOE Savannah River Site and jeopardized DOE's ability to continue to ship excess plutonium to the Savannah River Site.

The DOE Savannah River was selected to be the site for the three disposition facilities. Savannah River is also the site where most of the surplus plutonium not in pit form will be stored. Most of this plutonium is being shipped to Savannah River from other DOE sites. These shipments were predicated on the existence of a robust plutonium disposition effort. Without the full plutonium disposition effort, as specified in the ROD, the Savannah River site may be forced to store this plutonium indefinitely—an unacceptable situation.

In the past several months this carefully structured nonproliferation program, with far reaching implications, has changed from being on track to nearly falling apart. The committee urges the DOE to get this program back on track immediately and not to squander this opportunity to permanently dispose of the plutonium.

For the reasons stated, the committee directs the Secretary of Energy to provide to the committee a report setting forth a plan

with milestones; to comply with the agreement with Russia, and have disposition operations begin by 2007; to assist Russia with raising funds in the international community; and to complete and report on all reviews of this program no later than March 1, 2002.

Office of Engineering and Construction Management

The National Research Council reaffirmed its recommendation that the Department of Energy (DOE) Office of Engineering and Construction Management (OECM) "would have a greater positive impact if it were elevated to the level of assistant secretary and reported directly to the deputy secretary."

The OECM has been integral to the progress the DOE has made over the last several years in significantly improving project and construction management. Nevertheless, the committee believes that much more needs to be done. As a result, the committee urges the Secretary to have the OECM report directly to the Deputy Secretary. The committee further believes that the director of the OECM should be a career employee with significant senior level project and construction management experience.

The Secretary should also establish clear lines of authority for OECM; provide necessary staff and resources to improve DOE project management; development and implement contract performance measurement systems; design and implement an information-management system to track contracts and contractor performance; and continue emphasis on close cooperation and trust within DOE and its contractors.

The National Nuclear Security Administration (NNSA) Office of Project Management, working closely with the OECM, has worked to improve the project and construction management abilities of the NNSA. The committee commends the OECM and the NNSA Office of Project Management for the significant improvement that has resulted from their efforts.

Alternative dispute resolution

The Department of Energy (DOE) and several of its contractor operators at the Idaho National Engineering and Environmental Laboratory (INEEL) have been engaged in litigation in the United States Court of Claims (civil actions No. 98–468C and No. 00–156). These actions arise out of efforts to cleanup the Pit 9 facility at the INEEL. The committee urges the DOE and its contractor to explore the possibility of using alternative dispute resolution to resolve the substance of these actions pursuant to the Administrative Dispute Resolution Act, 5 U.S.C. section 581(a), and in accordance with the Construction Industry Arbitration and Mediation Rules of the American Arbitration Association as modified by agreement of the parties.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Defense Nuclear Facilities Safety Board (sec. 3201)

The committee recommends $18.5 million for the Defense Nuclear Facilities Safety Board (DNFSB) for fiscal year 2002, the amount of the request.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

National defense stockpile (secs. 3301–3304)

The committee recommends a provision (sec. 3301) that would authorize the disposal of additional materials from the National Defense Stockpile in fiscal year 2002 as proposed in the fiscal year 2002 budget request.

The committee further recommends two provisions (sec. 3302, 3303) that would revise limitations contained in previous authorization acts on the disposal of cobalt and accelerate the disposal of cobalt required by a previous authorization act.

The committee further recommends a provision (sec. 3304) that would revise a limitation on the disposal of manganese ferro contained in a previous authorization act to prohibit disposals of manganese ferro during fiscal year 2002.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Authorization of appropriations (sec. 3401)

The committee recommends a provision that would authorize $17.4 million to be appropriated to the Secretary of Energy for the Naval Petroleum Reserves.

LEGISLATIVE REQUIREMENTS

Departmental Recommendations

By letter dated June 29, 2001, the General Counsel of the Department of Defense forwarded to the President of the Senate proposed legislation "To authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal years 2002, and for other purposes." The transmittal letter and proposed legislation were officially referred as Executive Communication 2954 to the Committee on Armed Services on June 29, 2001. Executive Communication 2954 is available for review at the committee. Senators Levin and Warner introduced this legislative proposal as S.1155, by request, on June 29, 2001.

Committee Action

In accordance with the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, there is set forth below the committee vote to report the National Defense Authorization Act for Fiscal Year 2002.

In favor: Senators Levin, Kennedy, Byrd, Lieberman, Cleland, Landrieu, Reed, Akaka, Nelson of Florida, Nelson of Nebraska, Carnahan, Dayton and Bingaman.

Opposed: Senators Warner, Thurmond, McCain, Smith, Inhofe, Santorum, Roberts, Allard, Hutchinson, Sessions, Collins and Bunning.

Vote: 13–12.

The roll call votes on amendments to the bill which were considered during the course of the mark-up have been made public and are available at the committee.

Congressional Budget Office Cost Estimate

It was not possible to include the Congressional Budget Office cost estimate on this legislation because it was not available at the time the report was filed. It will be included in material presented during floor debate on the legislation.

Regulatory Impact

Paragraph 11(b) of rule XXVI of the Standing Rules of the Senate requires that a report on the regulatory impact of the bill be included in the report on the bill. The committee finds that there is no regulatory impact in the case of the National Defense Authorization Bill for Fiscal Year 2002.

Changes in Existing Law

Pursuant to the provisions of paragraph 12 of rule XXVI of the Standing Rules of the Senate, the changes in existing law made by certain portions of the bill have not been shown in this section of the report because, in the opinion of the committee, it is necessary to dispense with showing such changes in order to expedite the business of the Senate and reduce the expenditure of funds.

MINORITY VIEWS OF SENATORS JOHN W. WARNER, STROM THURMOND, BOB SMITH, JAMES M. INHOFE, RICK SANTORUM, PAT ROBERTS, WAYNE ALLARD, TIM HUTCHINSON, JEFF SESSIONS, SUSAN M. COLLINS, AND JIM BUNNING

For the first time in decades—perhaps for the first time in the history of the Senate Armed Services Committee—the annual defense authorization bill was reported to the Senate on a straight party-line vote. This is an action that we have not taken lightly. In deference to the extraordinary bipartisan traditions of this Committee, it is regrettable, but it is a clear and necessary manifestation of the support we have for the President of the United States and his missile defense initiatives.

The Fiscal Year 2002 Defense Authorization Bill reported to the Senate by the Armed Services Committee fails to support the President's top national security priorities. In addresses to the Nation, as a candidate and as the Commander-in-Chief, President George W. Bush has repeatedly stressed the importance of ensuring the security of our homeland from traditional and non-traditional threats, transforming the military to more effectively deal with 21st Century emerging threats, and achieving a new strategic framework with Russia. This bill, in its current form, greatly undermines the ability of the Department of Defense to rapidly develop and test the technologies needed to protect our Nation from limited, accidental or unintentional ballistic missile attack and ties the hands of the President in unprecedented ways, inhibiting his ability to reach agreement with the Russians on a meaningful framework for the future.

Differences over the future course of the development and deployment of ballistic missile defenses—consistent with Public Law 106–38—to protect the American people, U.S. troops overseas, and our allies and friends, deeply divided the Committee during its deliberations. The Majority included provisions in this bill related to missile defense which would encroach on the President's constitutional authority, impede progress on critical missile defense development and testing efforts, and impose unprecedented and unnecessary reporting requirements and administrative burdens on the missile defense program. In addition, the bill contains a significant cut—$1.3 billion—from the President's request, including a cut of over $650 million in theater missile defense programs.

Although we offered reasonable compromises, the Majority repeatedly voted unanimously to retain these egregious missile defense provisions and funding reductions despite the fact that they know these provisions will never be enacted into law. The inclusion of these provisions in this important Department of Defense authorization bill at this time sends the wrong message to our allies,

friends and potential adversaries around the world, and undermines the President's on-going efforts with Russia.

For these reasons, Secretary of Defense Donald Rumsfeld wrote to the Committee, prior to the final vote, advising that he would recommend that the President veto the bill because of the missile defense provisions. Secretary Rumsfeld stated, "If such language were to become law, the U.S. would fall still further behind in countering the threats of long-range missiles. If the language the Committee is considering were to be adopted by the Congress and forwarded to the President for his signature, I would have to recommend to the President that he veto the FY02 National Defense Authorization Act." We agree that such a recommendation is warranted if the offending provisions are not modified or removed.

BALLISTIC MISSILE DEFENSE

Many of us on this Committee, together with numerous other colleagues in the Senate, have long been in the forefront of efforts to develop missile defenses to protect our nation from a limited ballistic missile attack, and to protect our soldiers, sailors, airmen and Marines deployed overseas, and our allies and friends from the burgeoning threat posed by the proliferation of ballistic missiles. It has been a long and arduous struggle. Unfortunately, the legislative provisions and funding reductions imposed on ballistic missile defense programs and activities in this bill greatly reduce the possibility of fielding a missile defense system in time to deal with the current and rapidly emerging ballistic missile threats around the world.

President Bush has proposed a bold new approach—to depart from the thinking of the past and pursue a new strategic framework with Russia which recognizes the dramatically changed strategic environment. The President outlined this new approach during a May 1, 2001, speech at the National Defense University. "Today, the sun comes up on a vastly different world. The Wall is gone, and so is the Soviet Union * * * Today's Russia is not our enemy * * * Yet this is still a dangerous world, a less certain, a less predictable one. More nations have nuclear weapons and still more have nuclear aspirations. Many have chemical and biological weapons. Some already have developed the ballistic missile technology that would allow them to deliver weapons of mass destruction at long distances * * * We need new concepts of deterrence that rely on both offensive and defensive forces * * * We need a new framework that allows us to build missile defenses to counter the different threats of today's world."

We wholeheartedly endorse the President's goals and commend him for the consultative approach he has adopted—seeking the views of our allies and friends, engaging in discussions with the Russians. The President and his top advisers are involved in intensive dialogue with top Russian officials to achieve a new strategic framework that will move us beyond the constraints of the ABM Treaty and allow us to provide for the defense of our nation.

Most Americans are not aware that over 10 years after the missile attacks which we and our allies suffered during the Persian Gulf War, our nation, and our allies, remain virtually defenseless against such attacks. President Bush is committed to correct that.

We support him in his efforts, as our actions in this markup indicate.

As a nation we have no greater responsibility than to protect our citizens, our forward deployed forces, and our allies from the threat of weapons of mass destruction and the missiles, of all ranges, that deliver them. Our ability to provide a measure of protection against these threats is presently obstructed by the ABM Treaty.

Whatever follows the current ABM Treaty must enable the United States to develop and deploy missile defenses to protect our nation from a limited ballistic missile attack, and to protect our forces deployed overseas, as well as our allies and friends. It must allow the United States, and Russia, to pursue all the technologies needed to achieve an effective defense against limited ballistic missile attacks against our respective homelands, and remove current prohibitions on sharing missile defense technology with our allies and friends.

The President, by virtue of the powers granted by the Constitution of the United States, is the chief architect of this nation's foreign policy. However, the President's ability to succeed in his foreign policy endeavors is greatly enhanced by the support of the Congress. Congress is a co-equal branch of government under the Constitution and plays a vital role in issues of foreign policy. Congress must be a true partner in the President's efforts to achieve a new strategic framework for the future. As Members of the Senate, we must not impede the President's ability to reach an agreement with the Russians by legislatively imposing unreasonable conditions or fiscal constraints on his missile defense program. Unfortunately, the missile defense provisions included in this bill do exactly that.

Most troublesome is the legislative provision that would restrict the President from exercising his constitutional authority to conduct foreign policy. We strongly object to section 221 of this bill which would, if enacted, have the effect of usurping the President's authority—under Article 15 of the ABM Treaty—to exercise the right to withdraw from that Treaty and, thereby undercut the President during his ongoing discussions with Russia. This provision would prohibit the obligation or expenditure of funds for any activities that "are inconsistent with the terms of the ABM Treaty," until after the receipt of a Presidential certification and a subsequent vote of the Congress to approve the funds for these specific activities. This provision would apply even if the United States were no longer a party to the ABM Treaty. In effect, this provision would give Congress the power to mandate continued adherence to a treaty even after the President exercised his right—as specified in the treaty—to withdraw from that treaty. This is an unprecedented and unacceptable encroachment on presidential authority.

The Majority justified this provision in large part by claiming that the Administration has been unclear on whether the BMD test activities contained in the fiscal year 2002 request would violate the ABM Treaty. On the contrary, the Administration has been clear and consistent on this issue. The President, the Secretary of Defense, the National Security Adviser and the Deputy Secretary of Defense have consistently stated that the United States will not violate the ABM Treaty. This position was reaffirmed in Secretary

Rumsfeld's letter to Senator Warner during the course of the Committee markup.

The Majority professes frustration with Administration statements that it cannot determine now whether planned activities and tests in fiscal year 2002 might come into conflict with the ABM Treaty. The Majority insists that it requires complete clarity on this issue prior to approving funding for BMD activities for fiscal year 2002. Yet the Senate has never voted for a defense authorization bill with a complete understanding of the Treaty compliance of requested BMD activities—those determinations have simply not been made before Congress votes on the annual defense authorization bills. The Majority now demands a standard in this bill never imposed on nor achieved by its own previous Administration.

The inconsistency of the Majority's position on this issue is clearly illustrated by the fact that all committee members voted to approve the National Defense Authorization Act for Fiscal Year 2001 with the knowledge that the Act included funding for early deployment activities of a national missile defense—a clear ABM Treaty violation.

We also note that the bill contains three sections that constrain BMDO's programmatic flexibility and subvert the BMDO's proposed approach to develop and deploy BMD systems efficiently and effectively. These provisions limit BMDO's ability to transfer funds to successful technology efforts, and require BMDO to develop extraordinarily detailed baselines, annual program plans, and treaty compliance plans for virtually all of its activities.

The BMDO's proposed program for fiscal year 2002 employs the best business practices identified by GAO in a series of reports—practices which this committee has both sponsored and endorsed. These best practices include: matching requirements with technology maturity; an emphasis on technology development and driving technology to maturity before it is incorporated into systems; and substantial testing and simulation to assure that the system can be produced and function reliably. The GAO reports describe a capabilities-based (as opposed to requirements based) approach that requires flexibility to mature technologies, incorporate them into systems, and evolve those systems incrementally. We believe that BMDO's proposed approach holds considerable promise, and we oppose the provisions included in the bill that serve to undermine it.

We are also concerned about the extent of the reduction in funding of the ballistic missile defense programs included in this bill. This reduction targets testing, risk reduction and BMD system integration, and the most mature technologies available for defense of the United States against limited missile attack. In addition, a substantial reduction has been taken from theater missile defense programs—programs to meet the most urgent threats facing our deployed troops today. The results of these cuts would be to increase the risk for virtually all BMD programs, decrease confidence that our missile defense system can work together, and delay the effort to develop and deploy defenses against missiles of all ranges.

Inconsistencies between these reductions and the Majority's stated priorities abound. The Majority believes that theater missile defenses deserve high priority—but they would reduce theater missile

defense programs by $650 million. All agree that missile defense systems should not be deployed until they are thoroughly tested. This is reflected in BMDO's very strong emphasis this year on technology development, filling out test inventories, providing spare parts that support test programs, and increasing funding for test support and evaluation—but the reductions in this bill would force cut backs for testing in virtually all BMD programs. We believe that these reductions are ill-conceived, and must be restored.

THE BUDGET REQUEST

The new Bush Administration inherited a proud armed force that was showing the effects of a decade of underfunding and overuse. While U.S. servicemen and women have performed their military missions with great dedication and professionalism, military personnel, equipment and infrastructure are increasingly stressed by the effects of the unprecedented number of military deployments over the past decade, combined with years of declining defense spending. At the same time military force structure was declining in size by almost 40%, overseas deployments for peacekeeping and other military operations increased by over 300%. This contributed to what General Hugh Shelton, Chairman of the Joint Chiefs of Staff referred to as the "strategy-resource mismatch"—a mismatch that will, hopefully, be resolved in the Fiscal Year 2002 Quadrennial Defense Review and associated strategic review process. As the Service Chiefs have told this Committee repeatedly, future readiness and the upkeep of military facilities were continually deferred to pay for current operations and maintenance.

The Congress was sensitive to this issue, providing much needed increases in defense funding in recent years. In Fiscal Year 2000, the Congress reversed a 14-year decline by authorizing a real increase in defense spending. Last year, the Congress continued that momentum by providing an even larger real increase for Fiscal Year 2001. Over the past two years, the Congress increased military pay by over 8%, restored retirement and health care benefits to keep faith with those who serve, raised procurement levels to begin recapitalization and modernization of aging equipment, and significantly increased investment in research and development for the future.

While much has been done, more is needed. President Bush is to be commended for the increases he has proposed in defense spending. The President recommended increases for Fiscal Year 2002 totaling $38.2 billion. These increases represent an almost 11% increase in defense spending above the amount available in Fiscal Year 2001. The President's budget request begins to address chronic underfunding, reverse negative readiness trends, keeps faith with our men and women in uniform, and fulfills his promise to the American people that he will take the steps necessary to protect our Nation and our vital interests from the full spectrum of threats that confront us in an increasingly complex, dangerous world.

Apart from the ballistic missile defense issue, which has previously drawn widespread bipartisan support, the Committee did take many important actions to support the President's initiatives and to improve national security and defense programs. The bill includes a substantial pay raise for military personnel and other

quality of life initiatives, a significant increase in the defense health program, and increased funding for current readiness. As this bill moves forward, we will work to modify or eliminate the offending missile defense provisions from the bill and restore funding that enables the Nation to have the ability to protect itself against weapons of mass destruction and the ballistic missile threat. We will do everything we can to ensure that Congress acts in a way that best serves the American people and the men and women who serve to protect them.

JOHN W. WARNER.
STROM THURMOND.
BOB SMITH.
JAMES M. INHOFE.
RICK SANTORUM.
PAT ROBERTS.
WAYNE ALLARD.
TIM HUTCHINSON.
JEFF SESSIONS.
SUSAN M. COLLINS.
JIM BUNNING.

MINORITY VIEWS OF SENATOR BOB SMITH

I am disappointed in the outcome of the defense markup this year, particularly in the draconian cuts to the Administration's missile defense budget, and attempt to mandate compliance with the ABM Treaty, even if the President decided to withdraw from the Treaty with six months' notice. The ABM Treaty is a Cold War relic and should be discarded. It has left us naked to the real threat of nuclear missiles on U.S. territory or on U.S. forces deployed overseas, and has not prevented widespread proliferation of these weapons of mass destruction, including to rogue regimes. Before Secretary Rumsfeld joined the Bush Administration, he chaired a bipartisan Commission, now well-known for publicizing the near-term threat of ballistic missiles. As the Committee completed its mark up, news reports announced that China is on the verge of deploying its new mobile ICBM, the DF–31, which can reach the western United States. More than twenty Third World countries now have ballistic missile programs. The actions by this Committee, if permitted to go into effect, will only forestall the day that this nation is protected from missile attack.

Since the Rumsfeld Commission, another Commission, known as Hart-Rudman, warned that secure access to outer space and cyberspace is the sine qua non of the US military's ability to function effectively. The commission advised the US to use both technological and diplomatic means to guard against the possibility of "breakout" capabilities in space or cyberspace that would threaten U.S. national security.

I am therefore very disappointed that the Committee would not agree to include legislation which Senator Allard and I sponsored which would implement the findings of the Space Commission, also chaired by Donald Rumsfeld. Increasingly, our adversaries are recognizing the importance of space control, yet it appears that the Committee is locked, whether by constraining the U.S. to the outmoded ABM Treaty, or as with opposing space legislation, into the status quo. We need to have a more dynamic, more fluid defense policy, one which addresses threats when they arise and which takes advantage of our superior technological base and know-how, to keep U.S. military weaponry and forces unsurpassed and unchallenged in the world.

Finally, I am also in disagreement with the Committee over the base closure language in the bill. While I have supported the BRAC process in the past when I believed we had a surplus of military infrastructure, I am now concerned that we have gone too far, and that the promised savings never materialized. In fact, according to the CBO and GAO, the savings are not auditable. I am also worried that we have under-estimated the costs of clean-up of closed bases. In New Hampshire, I am particularly concerned about the future of the Portsmouth Naval Shipyard because I know that re-

opening a shipyard is not a possibility after closure. I would support a process in which the Secretary of Defense announces which facilities should be shut down, and presents such a list to the Senate and House. I no longer support a process which unnecessarily puts every facility at risk, and which only rewards the legions of consultants and lobbyists paid to ward off becoming a target of a BRAC round.

BOB SMITH.

MINORITY VIEWS OF SENATOR WAYNE ALLARD

I think it is vital to discuss two issues regarding this year's defense authorization bill—military voting and the strategic subcommittee mark.

1. MILITARY VOTING RIGHTS

I was surprised to discover that the original Chairman's Mark contained no provisions to improve overseas and absentee military voting. I would have thought that recent election problems would have demanded a Committee response. Thankfully my proposed amendment, which was based on my bill S. 381, started the necessary discussions and some language was added to the legislation to improve the military voting situation. It appears as if the Majority is now willing to at least admit that the issue needs addressing.

While I was pleased that these improvements were made, stronger legislative measures are still needed. I was disappointed that the Majority was not amicable to making all the needed corrections to the system. Solutions to critical problems related to recently separated uniformed voters, standards of absentee ballot invalidation (including postmark requirement clarification) and polling place location were rejected by the Majority but still need to be addressed.

2. STRATEGIC SUBCOMMITTEE

As the ranking member on the Strategic Subcommittee, I believe there are some good provisions in the bill which are at risk due to the serious flaws in the bill.

I appreciate the efforts in the area of Defense Environmental Management. In particular, the support in the bill for closure sites would benefit the sites' surrounding communities and the nation as a whole. This would provide a clean and safe environment at the sites of former defense nuclear weapons facilities. It would free up scarce resources as these sites are cleaned up and closed down to help advance environmental cleanup and restoration at other Environmental Management sites.

I also appreciate the efforts for the National Nuclear Security Administration (NNSA). The NNSA appears to be making important strides. There are still enormous challenges ahead, but NNSA seems to be moving in the right direction.

In intelligence matters, I was encouraged by the support for unmanned aerial vehicles, sensor capabilities, and commercial satellite imagery. I am still concerned, however, that other critical components of the intelligence architecture did not receive similar support. Processing and dissemination of intelligence products remains a weakness in the overall system. Current programs are underfunded and would greatly benefit from increased support.

I was pleased with the support for greater DOD involvement in the development of reusable launch vehicles. However, I should

note that I was disappointed that the committee has opted not to implement any of the reforms of the Space Commission. This is an area of particular interest to me and to another former Chairman of the Subcommittee, Senator Bob Smith.

Early in the process of the mark-up, I made it clear that my top priority was missile defense. I made it clear that I would not support a mark that cut these programs too deeply or that encumbered them with too many restrictions. Unfortunately, this was the case and I therefore could not support the bill.

I was disappointed I could not support the Subcommittee mark but I was extremely disappointed by the uncompromising and strident full committee Majority position. Senator Warner and I offered reasonable compromises to the extreme language concerning the ABM Treaty, restrictive programmatic flexibility, extraordinary planning and reporting requirements, and the net cut of $1.3 billion (or about 16 percent) from the missile defense budget request. I am convinced that the funding reductions in combination with restrictive bill language would, if enacted, hobble the President in his effort to come to a satisfactory agreement with Russia on a new strategic relationship. I must state forthrightly that, just measuring the impact of these cuts and the restrictive provisions, unless there is honest negotiation and compromise between the Majority, the Minority, and the Administration on all these issues, this bill is at risk of not becoming law due to strong floor opposition or by the Administration's threatened veto.

WAYNE ALLARD.

MINORITY VIEWS OF SENATOR JIM BUNNING

I object to the base closure provision included within the 2002 Defense Authorization Bill, previously known as the Base Realignment And Closure (BRAC) and now called the Efficient Facilities Initiative (EFI). It provides for one more round of base closures in 2003. My biggest concern is that we are proposing to conduct another expensive round of base closures without knowing if the first four rounds have saved us any money. Everyone acknowledges that base closure is very expensive up front. Supporters maintain that in the long term there will be savings. The problem is that they can't definitively show us any savings yet.

I have heard so-called 'savings numbers' from DOD here and there, but by their own admission those numbers have been projections and predictions at best. I have asked the Department of Defense numerous times to be provided with detailed numbers to their cost savings from previous BRAC rounds and they have been unable to provide me with a detailed account of where these savings have come from and where those savings were applied.

The Congressional Research Service and the General Accounting Office have been asked to find a definitive savings, as well, and they have had a tough time finding a consistent and detailed cost savings number. They quote DOD projections and predictions as their source, but we have learned that DOD cannot provide us with accurate detailed numbers as to how much the previous closings have saved us.

Just the other day we heard in the SASC Readiness Subcommittee from Committee staff that one of the reasons DoD cannot provide us accurate cost savings numbers is because environmental cleanup costs from previous BRAC rounds continue to climb above expectations. The Defense Department cannot give an accurate estimate on when these costs will cease. They keep finding more and more environmental problems, such as unexploded ordinance, that need to be dealt with before the bases can be closed and returned to the civilian sector.

Finally, with the Quadrennial Defense Review still unfinished, I believe it is premature to authorize a future base closure round. This review tells us what our force structure should be, and correspondingly, whether there is really a need to reduce our base structure, and what the long term plan is for how our base structure and facilities management fit into our military strategy and policy.

It is primarily for these reasons that I oppose the base closure provision in this bill, and it is for these reasons why I will support

striking this provision when the full Senate considers this legislation.

JIM BUNNING.

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