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108TH CONGRESS, 2d Session | HOUSE OF REPRESENTATIVES | REPORT 108–553

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2005

REPORT

OF THE

COMMITTEE ON APPROPRIATIONS

[TO ACCOMPANY H.R. 4613]

together with

ADDITIONAL VIEWS

JUNE 18, 2004.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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108TH CONGRESS 2d Session | HOUSE OF REPRESENTATIVES | REPORT 108–553

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2005

JUNE 18, 2004.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. LEWIS of California, from the Committee on Appropriations, submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 4613]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Defense, and for other purposes, for the fiscal year ending September 30, 2005.

BILL TOTALS

Appropriations for most military functions of the Department of Defense are provided for in the accompanying bill for the fiscal year 2005. This bill does not provide appropriations for military construction, military family housing, civil defense, or nuclear warheads, for which requirements are considered in connection with other appropriations bills.

The President's fiscal year 2005 budget request for activities funded in the Department of Defense Appropriations Bill totals $417,807,305,000 in new budget (obligational) authority. This amount includes $392,807,305,000 requested on February 3, 2004, as part of the President's overall fiscal year 2005 budget submission, and $25,000,000,000 requested in a budget amendment on May 12, 2004.

The amounts recommended by the Committee in the accompanying bill total $416,153,100,000 in new budget authority for the Department of Defense. This includes $25,000,000,000 for incremental costs of operations in Iraq and Afghanistan.[1] This total is $47,458,539,000 above the sums made available for the Department of Defense in fiscal year 2004.[2] An additional $780,300,000 has been provided in title IX of the bill, for emergency funding requirements of the Department of State.

[1] If the bill is enacted before October 1, 2004, these amounts for Iraq and Afghanistan will be considered fiscal year 2004 budget authority.

[2] This amount does not include $62,906,554,000 in fiscal year 2004 supplemental appropriations and rescissions provided in Public Laws 108–106 and 108–199.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
RECAPITULATION					
Title I - Military Personnel	98,453,681	104,811,558	104,191,558	+5,737,877	-620,000
Title II - Operation and Maintenance	115,914,877	121,874,589	120,568,274	+4,653,397	-1,306,315
Title III - Procurement	74,656,047	74,662,317	77,354,791	+2,698,744	+2,692,474
Title IV - Research, Development, Test and Evaluation	65,217,884	67,772,288	68,946,512	+3,728,628	+1,174,224
Title V - Revolving and Management Funds	2,707,969	2,955,138	2,360,836	-347,133	-594,302
Title VI - Other Department of Defense Programs	18,228,339	20,109,660	20,401,435	+2,173,096	+291,775
Title VII - Related Agencies	427,943	551,755	557,044	+129,101	+5,289
Title VIII - General Provisions (net)	-6,912,179	70,000	-3,227,350	+3,684,829	-3,297,350
Title IX - Additional Appropriations (net)	---	25,000,000	25,780,300	+25,780,300	+780,300
Total, Department of Defense and other appropriations (in this bill)	368,694,561	417,807,305	416,933,400	+48,238,839	-873,905
Other defense appropriations	62,906,554	---	---	-62,906,554	---
Total funding available (net)	431,601,115	417,807,305	416,933,400	-14,667,715	-873,905
Department of Defense	(431,541,115)	(417,807,305)	(416,153,100)	(-15,388,015)	(-1,654,205)
Other Appropriations	(60,000)	---	(780,300)	(+720,300)	(+780,300)
Scorekeeping adjustments	-64,689,554	-24,983,000	-25,763,300	+38,926,254	-780,300
Total mandatory and discretionary	366,911,561	392,824,305	391,170,100	+24,258,539	-1,654,205

COMMITTEE BUDGET REVIEW PROCESS

During its review of the fiscal year 2005 budget, the Subcommittee on Defense held a total of nine hearings during the period of February 2004 to May 2004. Testimony received by the Subcommittee totaled 771 pages of transcript. Approximately half of the hearings were held in open session. Executive (closed) sessions were held only when the security classification of the material to be discussed presented no alternative.

INTRODUCTION

The Committee's consideration of the fiscal year 2005 Department of Defense Appropriations bill has been shaped by the need to carefully examine and balance the formidable array of challenges confronting America's armed forces.

The Nation is at war on multiple fronts. Military operations in Iraq, Afghanistan, and the broader global war on terrorism have made it imperative that the Department of Defense and the Congress respond by providing the necessary resources to support our deployed forces. These demands are far from trivial—the situation in Iraq coupled with these other operations have led to the largest mobilization in decades.

It is clear that these deployments, especially Operation Iraqi Freedom, will remain the focus of our armed forces for some time. It is also becoming clearer with each passing day that these operations are generating great strains on the current force, in terms of both manning and equipment. The Committee is deeply concerned that these stresses are creating many near- and mid-term challenges which have yet to be fully factored into Department of Defense plans and budgets.

While looking to address these immediate and mid-term concerns in this legislation, the Committee also is mindful of the need to provide for the longer-term investments required to ensure the viability of the U.S. military in the future.

FISCAL YEAR 2005 BUDGET REQUEST

The President's fiscal year 2005 defense budget submitted in February 2004 was largely a "peacetime budget", as the Administration initially announced it intended to request funds for war-related costs through the supplemental appropriations process.

Accordingly, this budget reflected the Administration's emphasis on strongly supporting improved pay and benefits for service members, and increases in peacetime training and readiness accounts. In the acquisition arena, the budget request gave continued priority to developing new generations of ground combat vehicles, ships and aircraft, many of which embrace so-called "defense transformation"—be it in technology, acquisition scheme, or operational employment. The budget also reflected the need to address emerging threats by proposing increased funding for intelligence, the development of missile defenses and counters to chemical and biological attacks, and a series of other transformational technologies including new satellites and unmanned aircraft.

BUDGET AMENDMENT FOR OPERATIONS IN IRAQ AND AFGHANISTAN

As originally submitted, the fiscal year 2005 request did not include funds to support the ongoing costs resulting from operations in Iraq and Afghanistan. Funds for these operations were to be requested at the beginning of 2005 in a supplemental appropriations request. The situation in theater has evolved, however, and as a result, on May 12, 2004, the President submitted a budget amendment for the Department of Defense, requesting $25,000,000,000 for incremental operational costs associated with Iraq and Afghanistan operations. These appropriations are intended to serve as a funding bridge until early next year when a fiscal year 2005 supplemental request will be submitted to cover the remaining costs of the Iraq and Afghanistan operations, as well as the global war on terrorism.

UNFUNDED DEMANDS

Largely due to timing, the Committee notes that the President's budget does not include funding to address two major emerging requirements, both centered on the nation's ground forces.

First, at roughly the same time the budget was submitted the Army announced the most ambitious restructuring of its combat formations in decades. This reorganization, known as "modularity", will transform the structure of Army divisions to create additional combat relevant units, centered on brigades. This plan will not just lead to a more flexible, deployable Army, but by creating additional combat formations, it should contribute to the reduction of stress on our troops resulting from the high operational tempo of recent years. The Army is moving rapidly to institute this new structure, but no funds for this initiative were requested in the fiscal year 2005 budget.

Second, the fiscal year 2005 budget, prepared last year, does not address the new set of recapitalization challenges confronting all the services—but particularly the Army and Marine Corps—as a result of Operations Iraqi Freedom and Enduring Freedom. As stated in recent congressional testimony by the Chairman of the Joint Chiefs of Staff,

> *"The equipment that we leave is being used very hard, more than we've ever used in peacetime. So as we look at future budgets . . . we have to program in . . . the ability to fix this equipment if it can be fixed through depot, or replaced, if it has to be replaced."*

The Committee concurs.

COMMITTEE VIEWS

Thus, the biggest challenge the Committee faced this year was to seek a balance between these competing imperatives. The Committee's priorities are to sustain current operations, readiness, and force well-being; ensure our forces' ability to respond to other potential conflicts in the not-too-distant future; and use our limited resources to proceed surely, but effectively, with military transformation.

To meet these objectives, the Committee finds itself largely in agreement with many aspects of the overall direction of the Administration as reflected in the fiscal year 2005 budget. Amending the budget to provide for early fiscal year 2005 operational costs of Iraq

and Afghanistan is both prudent and necessary. Also, the Committee has long stressed the need for adequate funding for military pay, quality of life, and readiness programs, and supports these priorities as requested in the President's budget.

As for the Department's acquisition programs, in general the Committee believes that many of the "transformational" programs under development are worthy objectives, both playing to American advantages and future threat environments. These programs stress the use of modern information technology and manufacturing techniques to produce more agile, flexible, and lethal combat platforms and systems. After thorough examination, however, the Committee has concluded that a consistent theme runs through many of these programs, as proposed in the fiscal year 2005 budget—namely, the development programs are currently too aggressive and optimistic in terms of research, testing, and production profiles. The Committee believes that a more measured "transition to transformation" is in order, especially in the areas of Naval surface combatants and Army combat vehicles.

Finally, the Committee believes it imperative to begin now a meaningful program that addresses what will surely be the long-term need to refurbish and rebuild our ground forces. There is no question that the combination of combat losses and extraordinary rates of operational tempo make this necessary, as is the need to deal with strain on certain elements of the domestic industrial base, for items such as ammunition.

For its future budgets, the Committee believes the Department must confront the reality that its ongoing contingency operations must lead to some serious rethinking of its needs, and the budgets and programs to meet them. The Department would be wise to step back and take a broad look at the changed circumstances now confronting the military—as the Committee has done—to develop a balanced, effective fiscal plan and program for the coming years.

MAJOR RECOMMENDATIONS IN THE COMMITTEE BILL

To meet near-term needs, the Committee provides funds to:

- Support continued operations in Iraq and Afghanistan;
- Fight the Global War on Terrorism;
- Maintain readiness; and
- Fully fund military pay, benefits, and medical programs.

For the mid-term the Committee bill:

- Initiates a program to recapitalize our ground forces;
- Supports continued production of major platforms such as the Virginia class submarine, the C–17, C–130, and V–22 transports, and the F/A–18 and F/A–22 fighters;
- Supports the initial deployment of national missile defenses and continued investment in theater missile defenses; and
- Makes recommendations on certain programs that will allow the Department to "transition to transformation".

For the long-term, the Committee supports the Department's efforts to transform, but makes appropriate adjustments to programs that have "come too far, too fast".

A more detailed summary of major programs follows:

Fiscal Year 2005 Operational Costs.—The Committee bill proposes $25,000,000,000 in title IX to defray operational costs in Iraq and Afghanistan. Within this amount, the Committee provides funding for added manpower requirements stemming from these operations and the increases in end strength approved by the House in its consideration of the National Defense Authorization Act for Fiscal Year 2005. This amount also includes over $14 billion for operation and maintenance; addresses critical force protection requirements such as Up-armored HMMWVs and individual body armor; and provides funding in support of the Army brigade restructuring initiative, as it applies to units which will be rotating into theater.

Ground Forces Recapitalization.—The Committee bill provides increases over the budget request totaling $2.2 billion for the Army and Marine Corps. Of this amount, some $330 million is directed to the Guard and Reserve component. This recapitalization package includes—

- $1.3 billion for combat vehicles—including procurement of equipment for an additional Stryker brigade combat team ($950 million) above that programmed in the budget;
- $503 million for helicopters;
- $390 million for trucks and other support vehicles; and
- $52 million for the ammunition production base.

These recommendations begin the process of restocking our ground forces' fleets, recognizes the 'transformational' character of the Army's restructuring/modularity process, and provides a more robust transitional force for the Army on the path to transformation.

Military Personnel and Medical Programs.—The Committee bill fully funds the military pay raises proposed in the President's budget, and also supports the request for Basic Allowance for Housing, eliminating service members' average out-of-pocket housing expenses from 3.5 percent to zero in fiscal year 2005. Nearly $18 billion is recommended for the Defense Health Program, an increase of $2.2 billion over fiscal year 2004, and funding for military-related medical research and related initiatives is increased by nearly over $900 million over requested levels.

Readiness Accounts.—The Committee bill provides the requested levels of funding for land forces training, tank training miles, helicopter flying hours, ship steaming days, Air Force and Navy flying hour programs.

Missile Defense Program.—The Committee bill recommends $9.7 billion for missile defense programs, an increase of over $632 million from fiscal year 2004 levels and a net decrease of $458 million from the budget request. This amount includes $4.4 billion for ground-based midcourse missile defense, in support of fielding a national missile defense initial operational capability in the autumn of 2004 as proposed by the President. For theater missile defense, the Committee has provided $938 million for production, modification and continued development of Patriot PAC–3 missiles and the next generation MEADS systems.

Chemical and Biological Defense Initiatives.—The Committee bill provides nearly $1.7 billion for procurement and development of chemical and biological defenses under the Defense-Wide appro-

priations, with additional funding for mobile chemical agent detection, air contaminant monitoring systems, early warning and detection programs, and miniature chemical and biological detectors.

Future Combat System.—The Committee bill provides $2.9 billion, an increase over fiscal year 2004 of $1.2 billion and a decrease of $324 million to the budget request. The Committee bill fully funds the requested amount for the Non Line of Sight Cannon (NLOS–C) and directs its fielding by not later than 2010.

Shipbuilding Programs.—The Committee bill provides a total of $10.2 billion for shipbuilding procurement and has fully funded amounts requested for fiscal year 2005 production ships, including one Virginia-class submarine, one Trident SSGN conversion, and three DDG–51 destroyers. An additional $225 million is allocated towards a DDG–51 modernization program and for procurement of an additional DDG–51 in the future.

As for future ship development, the Committee recommends $953 million for the next-generation CVN–21 carrier; $409 million for the Littoral Combat Ship, an addition of $57 million over the request; and a total of $1.2 billion for the DD(X) program, a reduction of $248 million from the request owing to a decision to defer construction of the first DD(X) ship.

Major Aviation Programs.—The Committee makes the following recommendations:

Army: The Committee approves termination of the RAH–66 Comanche program and redistributes funding to other Army aviation programs, as proposed by the Army, and adds $463 million over the request for additional Blackhawk and Chinook helicopters.

Navy/Marine Corps: Funding is provided for 42 F/A–18 fighters, 8 Marine Corps V–22's and 2 E–2C surveillance aircraft as requested in the budget.

Air Force: The Committee recommends $3.6 billion for 24 F/A–22 fighters, and adds $158 million to the C–17 program to procure 15 aircraft, one over the request. The Committee proposes $100 million for a "Tanker Replacement Transfer Fund", to be used for the eventual acquisition of KC–767 tankers. $100 million is added for continued development of the B–2 and a next-generation bomber program.

Joint Strike Fighter.—The Committee bill recommends $4.4 billion, an increase of $116 million from fiscal year 2004 levels, for the Joint Strike Fighter development program. This amount represents a net decrease of $204 million from the request reflecting schedule slips. Funds are added for design work on the STOVL variant of this aircraft.

Space Programs.—The Committee bill provides $560 million for the Space Based Infrared System (SBIRS–High), an increase of $91 million over the request; and provides $520 million for Enhanced Expendable Launch Vehicle (EELV) procurement. Development funding for the Advanced Wideband System and Mobile User Objective System programs is reduced, owing to concerns regarding technical maturation, risk reduction, and likely expenditure rates. Funding for the Space Based Radar program is reduced to $75 million, with direction to return this effort back to the technology development phase.

COMMITTEE RECOMMENDATIONS BY MAJOR CATEGORY

MILITARY PERSONNEL

In title I, the Committee recommends a total of $104,191,558,000 for active, Reserve and Guard military personnel costs, a reduction of $620,000,000 from the fiscal year 2005 budget request and $5,737,877,000 over the amount appropriated in fiscal year 2004.

The Committee supports the budget request proposal of a 3.5 percent pay raise for military personnel effective January 1, 2005, as well as the proposal to eliminate the remaining 3.5 percent out-of-pocket housing costs.

The Committee has funded the end strength levels as requested in the President's budget request for active duty and Selected Reserve personnel. Funds in title IX of the bill provide additional funds for the increased end strength resulting from ongoing contingency operations, and those levels approved by the House in its version of the National Defense Authorization Act for Fiscal Year 2005.

OPERATION AND MAINTENANCE

In title II of the bill, the Committee recommends a total of $120,568,274,000 for Operation and Maintenance support to the Service elements and other Department of Defense entities, a reduction of $1,306,315,000 from the fiscal year 2005 budget request and $4,653,397,000 over the amount appropriated in fiscal year 2004.

The Committee's recommendation fully funds the President's request for readiness training in flying hours, ship steaming and ground forces operational tempo training. Requests for unit and depot level maintenance program funding have been fully supported. Transformational initiatives, including the Army's Flight School XXI and the Navy's Fleet Response Plan have been fully supported.

In addition, the Committee's recommendation includes an increase of $500,000,000 in additional operating account funding to address many of the Department's funding shortfalls. Increased funding has been included for individual soldier and Marine field equipment, small all terrain vehicles, general purpose tents and mobility shelters, training and support facilities, joint training capabilities, training on urbanized terrain, military and civilian workforce safety, education programs, and distance learning.

PROCUREMENT

In title III of the bill, the Committee recommends a total of $77,354,791,000 for procurement of equipment, an increase of $2,692,474,000 over the fiscal year 2005 budget request and $2,698,744,000 over the amount appropriated in fiscal year 2004.

Major program initiatives include:

$2,441,900,000 for Guard and Reserve equipment
$406,937,000 for 39 UH–60 Blackhawk helicopters
$1,039,450,000 for CH–47 helicopter modifications
$654,460,000 for Apache Longbow modifications
$489,253,000 for 108 Patriot missiles
$245,378,000 for Bradley Fighting Vehicle sustainment
$1,855,074,000 for Stryker Brigades

$457,692,000 for High Mobility Multi-Purpose Wheeled Vehicles (HMMWV)
$610,664,000 for Family of Medium Tactical Vehicles (FMTV)
$212,538,000 for Family of Heavy Tactical Vehicles (FHTV)
$2,907,456,000 for 42 F/A–18 E/F Fighter aircraft
$846,571,000 for 8 Navy V–22 aircraft and $305,581,000 for 3 Air Force V–22 aircraft
$241,792,000 for 9 UH–1Y/AH–1Z helicopters
$295,595,000 for 15 MH–60S helicopters
$134,555,000 for 4 airlift aircraft
$329,558,000 for 14 trainer aircraft
$58,835,000 for H–53 modifications
$160,970,000 for P–3 modifications
$967,613,000 for spares and repair parts for Navy and Marine Corps aircraft
$256,196,000 for 293 Tactical Tomahawk missiles
$1,994,754,000 for Navy weapons
$1,581,143,000 for 1 Virginia Class submarine
$469,226,000 for the last SSGN conversion
$3,444,950,000 for 3 DDG–51 Guided Missile Destroyers
$966,559,000 for 1 LPD–17 Class ship
$132,696,000 for AAV7A1 Product Improvement Program
$235,545,000 for 155MM Lightweight Towed Howitzer
$3,603,769,000 for 24 F–22 Raptor aircraft
$23,023,000 for modifications to F–117 stealth fighter-bombers to maintain a fleet of 51 aircraft
$2,671,079,000 for 15 C–17 tactical airlift aircraft
$202,178,000 for 3 Global Hawk High Altitude UAVs
$186,609,000 for 13 Predator Medium Altitude UAVs
$100,000,000 for tanker replacement and the establishment of a Tanker Replacement Transfer Fund
$769,171,000 for 11 C–130J airlift aircraft
$234,103,000 for Air Force aircraft spares and repair parts
$519,997,000 for 3 Evolved Expendable Launch Vehicles
$3,840,199,000 for procurement of ammunition for all Services

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

In title IV of the bill, the Committee recommends a total of $68,946,512,000 for Research, Development, Test and Evaluation programs, an increase of $1,174,224,000 over the fiscal year 2005 budget request and $3,728,628,000 over the amount appropriated in fiscal year 2004.

Major program initiatives include:

$2,873,653,000 for the Future Combat System including $497,643,000 for the Non Line of Sight Cannon (NLOS–C)
$141,600,000 for the Theater Support Vessel (TSV)
$4,367,927,000 for the Joint Strike Fighter (JSF) F–35 program
$710,401,000 for the Joint Unmanned Combat Aerial System (JUCAS) program
$1,182,785,000 for the DD(X) next generation Guided Missile Destroyer
$409,080,000 for the Littoral Combat Ship (LCS)
$237,969,000 for the Expeditionary Fighting Vehicle (EFV)
$132,389,000 for the UH–1Y/AH–1Z development

$253,164,000 for V–22 Osprey development and test flights
$557,398,000 for the VXX Executive helicopter replacement program
$50,000,000 for future bomber development
$458,860,000 for development of E–10A and MP–RTIP radar
$50,000,000 for improvements to the B–2 bomber
$344,538,000 for continued development of F/A–22 capability
$674,836,000 for the Advanced Wideband System (AWS) Satellite
$612,049,000 for the Advanced EHF Satellite
$599,488,000 for the Space Based Infrared System (SBIRS) High Satellite
$307,668,000 for the National Polar-Orbiting Operational Environmental Satellite

OTHER ITEMS OF INTEREST FUNDED IN THE BILL

$1,694,338,000 for the Chemical Biological Defense Program
$8,688,772,000 for the programs of the Ballistic Missile Defense Agency

REPROGRAMMING, WITHHOLDING, AND "TAXING" APPROPRIATED FUNDS

In recent years, the Committee has become increasingly troubled with practices of the Department of Defense (DoD) which involve the withholding and redirection of appropriated funds from activities provided for by the Congress. Recent developments with respect to the research, development, test and evaluation appropriations are of special concern. The following discussion addresses how DoD executes the movement of a significant level of appropriated funds among programs through mechanisms such as reprogramming funds, withholding funds, and charging "taxes" on funds that pass through the control of various departmental organizations.

Reprogrammings.—This is the process by which DoD formally transfers funds from one program or activity—as approved in an appropriations act and delineated in a committee report—to another program or activity. The Congress understands there are instances in which DoD should be allowed to make such funding shifts, and this has manifested itself in the provision of transfer authority in appropriations acts and the establishment of reprogramming guidelines by the congressional defense committees. These guidelines include setting both dollar thresholds and "item of special interest" designations, under which DoD is obliged to seek the prior approval of the congressional defense committees before executing the movement of funds. An above-threshold reprogramming (ATR) requires approval of the congressional defense committees. A below-threshold reprogramming (BTR) does not, except in limited instances, include any requirement for congressional notification or approval.

In both fiscal years 2003 and 2004, the Committees on Appropriations temporarily raised the threshold for a BTR movement of funds. The new BTR guidance was raised to $20,000,000 for procurement (P–1 items) and $10,000,000 for Research, Development, Test and Evaluation (R–1 items), with current direction stating that the threshold shall be the specific dollar limitation ($20,000,000 for procurement and $10,000,000 for RDT&E) or 20 percent of the line, whichever is less.

The Committee believes these reprogramming guidelines provide sufficient management flexibility for DoD, but is concerned that the guidelines are not applied consistently within the Department. Indeed, the Committee has observed increased use of BTRs by both the Office of the Secretary of Defense (OSD) and the military services in a manner which is often inconsistent and in clear violation of congressional intent. Especially troubling is evidence suggesting below threshold reprogrammings have been used to initiate new start development programs without congressional notification.

Program Funding Withholds.—Withheld funds are those funds appropriated to, but not released to, programs for some portion of their availability period. Withholds are executed at the OSD and Service level, and are often justified when a program is experiencing programmatic issues or when congressional adjustments require additional information. These amounts should be released for expenditure to the programs for which the funds were appropriated when either OSD or the service involved is confident the program can proceed.

"Taxes".—The term "taxes" refers euphemistically to amounts directed by either Departmental or Service entities to be set aside from amounts appropriated to programs, in order to be used for another purpose. Examples of taxes include reductions and redirection of funds resulting from statutory requirements, including those mandated to meet Small Business Innovative Research (SBIR) requirements, or "across-the-board" reductions applied in response to explicit direction in appropriations acts. However, according to a General Accounting Office (GAO) review, program managers do not apply statutory taxes in an equitable manner. Further, these items are not separately identified in budget documentation in support of each Research, Development, Text and Evaluation (RDT&E) appropriation request. It is therefore impossible to determine if the Department is properly executing the requirements of the law.

The Committee has also learned that other, so-called "non-statutory taxes", are being increasingly applied to programs by OSD or the Services, in order to generate funds to accommodate shortfalls in other programs or fund new requirements. GAO has informed the Committee that in both 2003 and 2004 program managers anticipated they would be required to set aside two to three percent of a program's appropriation to pay for taxes. Some of the amounts set aside as taxes are used to initiate new programs or new research that has not been presented to Congress, and for which an appropriation has not been approved.

The routine use of BTRs, withholds, and taxes is increasing and becoming more widespread, affecting nearly every program. Of particular concern is that the scope and the impact of their use are not readily visible to the Committee, and in some cases, not visible to OSD or Service headquarters. Moreover, according to GAO the use of these mechanisms can have a substantial impact on the funding levels for specific programs, and in some cases lead to a major redirection of a program after the appropriation has been enacted. There have been instances in which cumulatively, more than 10 percent of funding for a particular program has been shifted to other purposes.

The Department of Defense claims these mechanisms are necessary tools to effectively manage its acquisition-related appropriations. The Committee recognizes the need for the Department to have some flexibility to meet emergencies, react to unexpected opportunities, and make the most efficient use of funds. However, too much flexibility can encourage unrealistic budgeting and inefficient management practices, blur accountability, and weaken oversight. For example many program managers seek funding in excess of program requirements, to mitigate the financial impact of these mechanisms against their programs. The Committee concludes that while these actions may indeed provide flexibility, they constitute a terrible business practice and encourage poor management habits within the Department.

In addition, the lack of visibility into changes in appropriated funding levels for programs is of great concern. Current requirements for financial reports to the Committee provide information that is often late, inaccurate, and non-specific. Moreover, in many instances the Department does not have adequate internal systems for management tracking and analysis of this information. It is telling that while the DoD continually presses the Congress generally and the Committee specifically for more flexibility in the management of appropriated funds, it cannot provide itself or the Committee adequate and timely information on the current use or impact of such fiscal management mechanisms.

Most importantly, the Committee is concerned that the extensive use of these practices, coupled with a failure to provide adequate visibility into their use and impact, substantially increases the risk that the Department of Defense may be circumventing the intent of the Congress.

Committee Recommendation

Regarding so-called "non-statutory" taxes, the Committee believes that the two-to-three percent level noted by GAO in recent years has been assumed in the amounts requested in the fiscal year 2005 budget. Budgeting for amounts in anticipation that they will be redirected to other programs is not acceptable. Therefore, the Committee bill includes section 8020, which reduces the fiscal year 2005 budget request for the Research, Development, Test and Evaluation appropriations (Title IV of the committee bill) by $685,000,000. This reduction shall be applied to each budgeted program element, project and activity. Appropriations made to programs in direct support of the National Foreign Intelligence Program (NFIP) are exempt from the application of section 8020.

Further, the Committee directs the Department of Defense to end the practice of setting aside funds—taxing appropriations made for particular programs—without a statutory requirement to do so. The amounts appropriated in 2005 for each program designated in the appropriate tables in this report shall not be altered by any departmental entity through the application of non-statutory taxes or set asides.

Finally, in order to determine the application of statutory taxes, the Committee directs that future budget requests include a separate identification of the amount of an RDT&E appropriation request that will be set aside as a tax to fulfill each statutory requirement.

Reporting Requirements

By February 1, 2005, the Secretary of Defense is directed to provide the Committee—

(a) Timely and complete data, by RDT&E program element, on the use of the Department's current flexibility mechanisms, including withholds, reprogrammings (i.e., actual BTRs as well as ATRs) and taxes during fiscal year 2004, as of September 30, 2004, and

(b) A proposal for reporting fiscal year 2005 data to the Committee on the BTRs and ATRs executed to funds appropriated for procurement and RDT&E programs, by program element, as part of the Accounting Report 1002 process, or some other method that provides regular and timely information.

Also, the Committee believes that not later than 90 days after enactment of the Department of Defense Appropriation Act, 2005, the Undersecretary of Defense (Comptroller) should establish a working group of members of the Senior Executive Service with extensive experience in financial management and budgetary execution. This group should work to develop alternative and improved methods for providing visibility, flexibility, accountability, and oversight (both internal to the Department and to the Congress) in the management of research and development appropriations. This group should provide, through the Office of the Secretary of Defense, an interim and final report on the alternatives and methods explored, including the advantages and disadvantages of each, and provide recommendations for the establishment of new guidelines for the Department of Defense.

SECURITY AND FINANCIAL REVIEWS REGARDING IRAQI NATIONAL CONGRESS

The Committee is gravely concerned about recent allegations of security compromises associated with members of the Iraqi National Congress (INC), who may have provided highly sensitive U.S. intelligence information to a foreign government. Additional allegations of financial improprieties have been brought to light from recent Iraqi justice system proceedings. In the portion of this report dealing with funds provided for title IX, the Committee directs that the Office of Management and Budget provide a comprehensive report addressing all sources of funding and other support provided to the INC between 1998 and the current fiscal year. Further direction to the Intelligence Community regarding these matters is included in the classified annex accompanying this report.

FORCES TO BE SUPPORTED

DEPARTMENT OF THE ARMY

The fiscal year 2005 budget request is designed to support active Army forces of 10 divisions, 2 armored cavalry regiments, 2 separate brigades, and reserve forces of 8 divisions, 3 separate brigades, and 15 enhanced National Guard brigades (6 enhanced brigades will be aligned under 2 AC/ARNG integrated division headquarters). These forces provide the minimum force necessary to meet enduring defense needs and execute the National Military Strategy. The Army is in the process of converting to a modular brigade based force. At end state, the active Army force will con-

tain 43–48 maneuver Units of Action. The Army National Guard will transition to 33 Units of Action and 1 Stryker Brigade Combat Team (SBCT).

A summary of the major forces follows:

	Fiscal year		
	2003	2004	2005
Divisions:			
Airborne	1	1	1
Air Assault	1	1	1
Light	2	2	2
Infantry	0	0	0
Mechanized	4	4	4
Armored	2	2	2
Total	10	10	10
Non division Combat units:			
Armored Cavalry Regiments	3	3	2
Separate Brigades	1	1	2
Total	4	4	4
Active duty military personnel, end strength (thousands)	480.0	480.0	482.4

DEPARTMENT OF THE NAVY

The fiscal year 2005 budget request supports battle forces totaling 292 ships at the end of fiscal year 2004, including 18 strategic submarines, 12 aircraft carriers, 226 other battle force ships, 1,614 Navy/Marine Corps tactical/ASW aircraft, 729 Undergraduate Training aircraft, 479 Fleet Air Training aircraft, 296 Fleet Air Support aircraft, 378 Reserve aircraft and 443 in the pipeline.

A summary of the major forces follows:

Type	Fiscal year		
	2003	2004	2005
Strategic Forces:	18	18	18
Submarines	18	18	18
General Purpose:	245	241	238
Aircraft Carriers	12	12	12
Surface Combatants	98	94	91
Submarines (Attack)	54	55	55
Amphibious Warfare Ships	36	35	36
Combat Logistics Ships	34	34	33
Mine Warfare	11	11	11
Support Forces:	21	21	21
Mobile Logistics Ships	2	2	2
Support Ships	19	19	19
Mobilization Cat. A (Reserve)	14	15	15
Surface Combatants	8	9	9
Amphibious Warfare Ships	0	0	0
Mine Warfare	6	6	6
Total Ships, Battleforce	298	295	292
Auxiliaries/Sea Lift Forces:	159	160	157
Coastal Defense	13	13	8
Maritime Preposition	17	17	17
Fast Sealift/Other	12	12	12
Ready Reserve Force/LMS RORO	79	79	79
Naval Fleet Aux Force	38	39	41
Naval Aircraft:			
Primary Authorized (plus Pipe)	4,062	4,175	4,100

Type	Fiscal year		
	2003	2004	2005
Authorized Pipeline	437	460	443
Tactical/ASW Aircraft	1,680	1,623	1,614
Fleet Air Training	470	484	479
Fleet Air Support	329	332	296
Training (Undergraduate)	745	727	729
Reserve	409	385	378
Naval Personnel:			
Active:			
Navy	382,235	373,800	365,900
Marine Corps	177,779	175,000	175,000
Reserve:			
Navy	88,156	85,900	83,400
SELRES/Drilling Reserve	73,578	71,516	69,248
Full Time Support	14,578	14,384	14,152
Marine Corps	41,046	39,600	39,600
SELRES	38,785	37,339	37,339
Full Time Support	2,261	2,261	2,261

DEPARTMENT OF THE AIR FORCE

The fiscal year 2005 Air Force budget request is designed to support active, guard, and reserve forces, including 87 combat coded fighter and attack squadrons and 8 combat coded strategic bomber squadrons. The ICBM force maintains 605 launch facilities with 500 Minuteman missiles, with the Peacekeeper missile force completing deactivation. The budget also supports our critical airlift mission, including 22 active duty airlift squadrons. To accomplish the Air Force mission, the 2005 budget supports a Total Force end strength of 542,600.

A summary of the major forces follows:

	Fiscal year		
	2003	2004	2005
Summary of Major Forces:			
USAF Fighter and Attack Squadrons (Active, ANG, AFRC)	86	88	87
Active	45	45	46
ANG	36	37	36
AFRC	5	6	5
Strategic Bomber Squadrons (Active)	8	8	7
Strategic Bomber Squadrons (AFRC)	1	1	1
Flight Test Units (DT and OT units with assigned aircraft)	11	12	12
Fighter	8	9	9
Bomber	3	3	3
ICBM Operational Launch Facilities/Control Centers	605	605	605
ICBM Missile Inventory	533	516	500
USAF Airlift Squadrons (Active):			
Strategic Airlift Squadrons	12	14	13
Tactical Airlift Squadrons	10	10	9
Total Active Airlift Squadrons	22	24	22
Total Air Force Aircraft Inventory	5,851	5,854	5,776

Note: Numbers of squadrons above reflect combat coded units only; i.e. no training or test units.

Endstrength	FY 2003 PB	FY 2004 PB	FY 2005 PB
Active Duty	375,062	359,300	359,700
Reserve Component	182,891	182,830	182,900
Air National Guard	108,137	107,030	106,800
Air Force Reserve	74,754	75,800	76,100

TITLE I

MILITARY PERSONNEL

PROGRAMS AND ACTIVITIES FUNDED BY MILITARY PERSONNEL APPROPRIATIONS

The President's fiscal year 2005 budget request continues to increase funding for military pay, housing allowances, recruiting and retention programs, and overall quality of life programs for active duty and Guard and Reserve personnel.

The budget request proposed an increase in basic pay for all personnel by 3.5 percent, effective January 1, 2005, and proposed eliminating the remaining 3.5 percent out-of-pocket housing costs for military members. The Committee supports the enhancements to recruiting, retention, military pay and increased housing benefits for fiscal year 2005.

SUMMARY OF MILITARY PERSONNEL RECOMMENDATIONS FOR FISCAL YEAR 2005

Fiscal year 2004	$98,453,681,000
Fiscal year 2005 budget request	104,811,558,000
Fiscal year 2005 recommendation	104,191,558,000
Change from budget request	−620,000,000

The Committee recommends an appropriation of $104,191,558,000 for the Military Personnel accounts. The recommendation is an increase of $5,737,877,000 above the $98,453,681,000 appropriated in fiscal year 2004. These military personnel budget total comparisons include appropriations for the active, reserve, and National Guard accounts. The following tables include a summary of the recommendations by appropriation account. Explanations of changes from the budget request appear later in this section.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
30800 RECAPITULATION			
30850 MILITARY PERSONNEL, ARMY	29,723,472	29,507,672	-215,800
30900 MILITARY PERSONNEL, NAVY	24,459,957	24,416,157	-43,800
30950 MILITARY PERSONNEL, MARINE CORPS	9,595,902	9,591,102	-4,800
31000 MILITARY PERSONNEL, AIR FORCE	24,510,811	24,291,411	-219,400
31050 RESERVE PERSONNEL, ARMY	3,733,590	3,719,990	-13,600
31100 RESERVE PERSONNEL, NAVY	2,171,632	2,108,232	-63,400
31150 RESERVE PERSONNEL, MARINE CORPS	654,973	653,073	-1,900
31200 RESERVE PERSONNEL, AIR FORCE	1,464,050	1,451,950	-12,100
31250 NATIONAL GUARD PERSONNEL, ARMY	5,950,729	5,915,229	-35,500
31300 NATIONAL GUARD PERSONNEL, AIR FORCE	2,546,442	2,536,742	-9,700
31350 GRAND TOTAL, MILITARY PERSONNEL	104,811,558	104,191,558	-620,000

The fiscal year 2005 budget request includes a net decrease of 7,500 end strength for the active forces and a decrease of approximately 2,400 end strength for the Selected Reserve over fiscal year 2004 authorized levels.

The Committee recommends the following levels highlighted in the tables below.

OVERALL ACTIVE END STRENGTH

Fiscal year 2004 estimate	1,390,500
Fiscal year 2005 budget request	1,383,000
Fiscal year 2005 recommendation	1,383,000
Compared with Fiscal year 2004	−7,500
Compared with Fiscal year 2005 budget request	

OVERALL SELECTED RESERVE END STRENGTH

Fiscal year 2004 estimate	863,330
Fiscal year 2005 budget request	860,900
Fiscal year 2005 recommendation	860,900
Compared with Fiscal year 2004	−2,430
Compared with Fiscal year 2005 budget request	

	FY 2004 estimate	Fiscal year 2005		
		Budget request	Recommendation	Change from request
Active Forces (end strength):				
Army	482,400	482,400	482,400	
Navy	373,800	365,900	365,900	
Marine Corps	175,000	175,000	175,000	
Air Force	359,300	359,700	359,700	
Total, Active Force	1,390,500	1,383,000	1,383,000	
Guard and Reserve (end strength):				
Army Reserve	205,000	205,000	205,000	
Navy Reserve	85,900	83,400	83,400	
Marine Corps Reserve	39,600	39,600	39,600	
Air Force Reserve	75,800	76,100	76,100	
Army National Guard	350,000	350,000	350,000	
Air National Guard	107,030	106,800	106,800	
Total, Guard and Reserve	863,330	860,900	860,900	

ADJUSTMENTS TO MILITARY PERSONNEL ACCOUNT

OVERVIEW

END STRENGTH ADJUSTMENTS

The Committee recommends the requested end strength levels as proposed in the budget. The Committee is aware that unprecedented retention levels and stop loss policies associated with the Global War on Terrorism have had an influence on the Services' end strength, causing them to exceed their mandated active duty end strength levels. Thus, the Services anticipate ending fiscal year 2004 significantly above their authorized end strength levels. The Committee has provided additional funds for the active duty military personnel accounts in title IX of the bill to address these additional manpower expenses.

ACCURACY OF OBLIGATIONS

The Committee recommends a reduction of $499,700,000 to the budget request, based on a General Accounting Office (GAO) analysis of prior year unexpended military personnel account balances. Even though some Services and components have improved the annual certification of the accuracy of present and prior year obligation balances, not all of the funds obligated are expended, and those unexpended balances are not always identified in the annual review certification process. Because the Services' and components' accounting data continue to show a pattern of under spending their appropriated funds, the Committee believes that the fiscal year 2005 military personnel budget request is overstated and can be reduced.

The Committee continues to believe the Services can improve their appropriations balance review below the budget activity level to ensure that funds are properly obligated and expended for the purposes appropriated. The Committee again directs the Secretary of Defense to ensure that all the Services and Guard and Reserve components strengthen the annual review and certification process by including a review of the accuracy of prior year obligations below the budget activity level.

PERSONNEL STRENGTHS

Because military personnel strengths are the foundation upon which the military personnel budget is built, it is vital that budget justification documents accurately reflect expected monthly strengths by rank. Without monthly strength information to use for the overview of work years, the Committee will not be able to assess the accuracy of the Services' personnel budget requests, as the General Accounting Office has found over the last several years. The Committee, therefore, again directs the Services to provide an annual budget justification exhibit, which displays the expected monthly personnel strengths by pay grades. The Committee further directs the Services to provide the requested exhibit in support of the fiscal year 2005 budget request for use in budget deliberations. This exhibit should also include the projected monthly strength of Guard and Reserve personnel mobilized in support of the Global War on Terrorism, broken out by officer and enlisted.

GUARD AND RESERVE WORKYEAR REQUIREMENTS

The Committee recommends a reduction of $55,000,000 to the budget request for Guard and Reserve workyear requirements. For a number of years, the General Accounting Office (GAO) has found that the Guard and Reserve components overstate, in many cases, the average strength of military personnel budgeted. This occurs when the budgeted positions are not manned, and when the Guard and Reserve components overstate inactive duty training (IDT) and annual training (AT) participation rates they use to estimate their budgets. In the past, the Committee has directed the Secretary of Defense to ensure that the Guard and Reserve components determine their participation rates based on the actual number of personnel participating in training, determined by the number of personnel paid.

Last year, the Committee directed the Department to report on the determination of Reserve components participation rates. The Assistant Secretary of Defense for Reserve Affairs provided a report in early March 2004, which provided a summary of how the Guard and Reserve components determine participation rates for selected training activities, and notes some progress by some components in developing more accurate participation rates. However, the report does not indicate how the Office of the Secretary of Defense plans to ensure that participation rates accurately reflect the percentage of personnel actually being paid for training. GAO has found that this determination can be made using pay data to confirm the number of personnel being trained. Additionally, because of the many ways in which personnel are supporting the Global War on Terrorism and the relationships, direct and indirect, to individual and unit training requirements, it is important that accurate participation rates be used to assure that funding is provided where it is needed. Therefore, the Committee directs the Secretary of Defense to ensure that all Guard and Reserve components use participation rates in the budget based on the number of personnel paid for training.

MILITARY TECHNICIANS COST AVOIDANCE

The Committee recommends a reduction of $221,400,000 to the budget request based on a General Accounting Office (GAO) analysis of actual mobilization data for approximately 8,300 Army and Air Force Guard and Reserve military (civilian) technicians mobilized in support of the Global War on Terrorism. To the extent that mobilization continues in fiscal year 2005, funds required in the Operation and Maintenance accounts for military technicians' compensation and related benefits can be reduced since these full-time support personnel are being covered by the Military Personnel appropriations accounts.

BUDGET JUSTIFICATION DOCUMENTS FOR MILITARY PERSONNEL

The Committee directs the Secretary of Defense to include in congressional justification materials for the services military personnel budget requests an exhibit of the Summary of Price and Program Changes (PB–31D), similar to that provided in the Operation and Maintenance budget exhibits. The Committee directs the Department to standardize the format of the PB–31D for all military personnel accounts to provide subactivity group, line item level of detail beginning with the budget justification materials for fiscal year 2006, and thereafter.

REIMBURSEMENT OF CITIZENSHIP FEES

The Committee directs the Secretary of Defense to identify each member or former member of the Armed Forces who, during the period beginning July 3, 2002, and ending October 1, 2004, applied for naturalization under the authority of section 328 or 329 of the Immigration and Nationality Act (8 U.S.C. 1439, 1440), and to use funds made available under Title I of this Act to reimburse the member for any fees paid by the member for filing the application for naturalization or for the issuance of a certificate of naturaliza-

tion upon being granted citizenship, other than the portion of any such fee required to be paid to a State rather than the United States.

FULL-TIME SUPPORT STRENGTHS

There are four categories of full-time support in the Guard and Reserve components: civilian technicians, active Guard and Reserve (AGR), non-technician civilians, and active component personnel.

Full-time support personnel organize, recruit, train, maintain and administer the Reserve components. Civilian (Military) technicians directly support units, and are very important to help units maintain readiness and meet the wartime mission of the Army and Air Force.

Full-time support end strength in all categories totaled 154,956 in fiscal year 2004. The fiscal year 2005 budget request is 156,674 end strength. The following table summarizes Guard and Reserve full-time support end strengths:

GUARD AND RESERVE FULL-TIME END STRENGTHS

	FY 2004 estimate	Budget request	Recommendation	Change from request
Army Reserve:				
AGR	14,374	14,970	14,970	
Technicians	7,844	8,094	8,094	
Navy Reserve:				
TAR	14,384	14,152	14,152	
Marine Corps Reserve:				
AR	2,261	2,261	2,261	
Air Force Reserve:				
AGR	1,660	1,900	1,900	
Technicians	9,991	9,954	9,954	
Army National Guard:				
AGR	25,599	26,476	26,476	
Technicians	26,189	26,676	26,676	
Air National Guard:				
AGR	12,191	12,225	12,225	
Technicians	23,240	23,306	23,306	
Total:				
AGR/TAR	70,469	71,984	71,984	
Technicians	67,264	68,030	68,030	

MILITARY PERSONNEL, ARMY

Fiscal year 2004 appropriation	$28,247,667,000
Fiscal year 2005 budget request	29,723,472,000
Committee recommendation	29,507,672,000
Change from budget request	−215,800,000

The Committee recommends an appropriation of $29,507,672,000 for Military Personnel, Army. The recommendation is an increase of $1,260,005,000 above the $28,247,667,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

		BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
50	MILITARY PERSONNEL, ARMY			
100	ACTIVITY 1: PAY AND ALLOWANCES OF OFFICER			
150	BASIC PAY	4,587,538	4,587,538	---
200	RETIRED PAY ACCRUAL	1,261,573	1,261,573	---
250	DEFENSE HEALTH PROGRAM ACCRUAL	426,390	426,390	---
300	BASIC ALLOWANCE FOR HOUSING	1,019,189	1,019,189	---
350	BASIC ALLOWANCE FOR SUBSISTENCE	173,278	173,278	---
400	INCENTIVE PAYS	99,608	99,608	---
450	SPECIAL PAYS	211,637	211,637	---
500	ALLOWANCES	78,958	78,958	---
550	SEPARATION PAY	73,427	73,427	---
600	SOCIAL SECURITY TAX	344,712	344,712	---
700	TOTAL, BUDGET ACTIVITY 1	8,276,310	8,276,310	---
750	ACTIVITY 2: PAY AND ALLOW OF ENLISTED PERS			
800	BASIC PAY	9,914,330	9,914,330	---
850	RETIRED PAY ACCRUAL	2,726,441	2,726,441	---
900	DEFENSE HEALTH PROGRAM ACCRUAL	2,175,161	2,175,161	---
950	BASIC ALLOWANCE FOR HOUSING	2,322,693	2,322,693	---
1000	INCENTIVE PAYS	72,293	72,293	---
1050	SPECIAL PAYS	452,955	446,655	-6,300
1100	ALLOWANCES	474,907	474,907	---
1150	SEPARATION PAY	287,296	287,296	---
1250	SOCIAL SECURITY TAX	753,051	753,051	---
1350	TOTAL, BUDGET ACTIVITY 2	19,179,127	19,172,827	-6,300

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
1400 ACTIVITY 3: PAY AND ALLOW OF CADETS			
1450 ACADEMY CADETS	50,969	50,969	---
1500 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERS			
1550 BASIC ALLOWANCE FOR SUBSISTENCE	805,410	805,410	---
1600 SUBSISTENCE-IN-KIND	520,687	520,687	---
1650 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE	1,537	1,537	---
1750 TOTAL, BUDGET ACTIVITY 4	1,327,634	1,327,634	---
1800 ACTIVITY 5: PERMANENT CHANGE OF STATION			
1850 ACCESSION TRAVEL	195,971	195,971	---
1900 TRAINING TRAVEL	53,235	53,235	---
1950 OPERATIONAL TRAVEL	177,814	177,814	---
2000 ROTATIONAL TRAVEL	438,795	438,795	---
2050 SEPARATION TRAVEL	154,083	154,083	---
2100 TRAVEL OF ORGANIZED UNITS	3,492	3,492	---
2150 NON-TEMPORARY STORAGE	31,387	31,387	---
2200 TEMPORARY LODGING EXPENSE	20,456	20,456	---
2300 TOTAL, BUDGET ACTIVITY 5	1,075,233	1,075,233	---
2350 ACTIVITY 6: OTHER MILITARY PERS COSTS			
2400 APPREHENSION OF MILITARY DESERTERS	615	615	---
2450 INTEREST ON UNIFORMED SERVICES SAVINGS	202	202	---
2500 DEATH GRATUITIES	6,768	6,768	---
2550 UNEMPLOYMENT BENEFITS	78,595	78,595	---
2600 SURVIVOR BENEFITS	4,098	4,098	---
2650 EDUCATION BENEFITS	4,268	4,268	---
2700 ADOPTION EXPENSES	248	248	---
2800 TRANSPORTATION SUBSIDY	4,365	4,365	---
2850 PARTIAL DISLOCATION ALLOWANCE	2,500	2,500	---
2950 TOTAL, BUDGET ACTIVITY 6	101,659	101,659	---
3000 LESS REIMBURSABLES	-287,460	-287,460	---
3200 UNOBLIGATED BALANCES	---	-209,500	-209,500
6300 TOTAL, MILITARY PERSONNEL, ARMY	29,723,472	29,507,672	-215,800

The adjustments to the budget activities for Military Personnel, Army are shown below:

[In thousands of dollars]

Budget Activity 2: Pay and Allowances of Enlisted Personnel:	
1050 Special Pays/Selective Reenlistment Bonuses	−6,300
Undistributed:	
3200 Unobligated Balances	−209,500

MILITARY PERSONNEL, NAVY

Fiscal year 2004 appropriation	$23,217,298,000
Fiscal year 2005 budget request	24,459,957,000
Committee recommendation	24,416,157,000
Change from budget request	−43,800,000

The Committee recommends an appropriation of $24,416,157,000 for Military Personnel, Navy. The recommendation is an increase of $1,198,859,000 above the $23,217,298,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
6350 MILITARY PERSONNEL, NAVY			
6400 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICER			
6450 BASIC PAY	3,160,423	3,160,423	---
6500 RETIRED PAY ACCRUAL	869,116	869,116	---
6550 DEFENSE HEALTH PROGRAM ACCRUAL	289,527	289,527	---
6600 BASIC ALLOWANCE FOR HOUSING	915,574	915,574	---
6650 BASIC ALLOWANCE FOR SUBSISTENCE	116,645	116,645	---
6700 INCENTIVE PAYS	205,214	205,214	---
6750 SPECIAL PAYS	267,224	267,224	---
6800 ALLOWANCES	77,403	77,403	---
6850 SEPARATION PAY	26,518	26,518	---
6900 SOCIAL SECURITY TAX	240,344	240,344	---
7000 TOTAL, BUDGET ACTIVITY 1	6,167,988	6,167,988	---
7050 ACTIVITY 2: PAY AND ALLOW OF ENLISTED PERS			
7100 BASIC PAY	8,016,715	8,016,715	---
7150 RETIRED PAY ACCRUAL	2,204,596	2,204,596	---
7200 DEFENSE HEALTH PROGRAM ACCRUAL	1,686,914	1,686,914	---
7250 BASIC ALLOWANCE FOR HOUSING	2,555,677	2,555,677	---
7300 INCENTIVE PAYS	110,276	110,276	---
7350 SPECIAL PAYS	870,069	860,269	-9,800
7400 ALLOWANCES	448,187	448,187	---
7450 SEPARATION PAY	165,017	165,017	---
7550 SOCIAL SECURITY TAX	608,278	608,278	---
7650 TOTAL, BUDGET ACTIVITY 2	16,665,729	16,655,929	-9,800

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
7700 ACTIVITY 3: PAY AND ALLOW OF MIDSHIPMEN			
7750 MIDSHIPMEN	52,840	52,840	---
7800 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERS			
7850 BASIC ALLOWANCE FOR SUBSISTENCE	613,780	613,780	---
7900 SUBSISTENCE-IN-KIND	394,575	394,575	---
7950 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE	500	500	---
8050 TOTAL, BUDGET ACTIVITY 4	1,008,855	1,008,855	---
8100 ACTIVITY 5: PERMANENT CHANGE OF STATION			
8150 ACCESSION TRAVEL	53,895	53,895	---
8200 TRAINING TRAVEL	77,715	77,715	---
8250 OPERATIONAL TRAVEL	212,056	212,056	---
8300 ROTATIONAL TRAVEL	330,555	330,555	---
8350 SEPARATION TRAVEL	96,996	96,996	---
8400 TRAVEL OF ORGANIZED UNITS	29,934	29,934	---
8450 NON-TEMPORARY STORAGE	12,151	12,151	---
8500 TEMPORARY LODGING EXPENSE	14,126	14,126	---
8550 OTHER	7,622	7,622	---
8650 TOTAL, BUDGET ACTIVITY 5	835,050	835,050	---
8700 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
8750 APPREHENSION OF MILITARY DESERTERS	825	825	---
8800 INTEREST ON UNIFORMED SERVICES SAVINGS	209	209	---
8850 DEATH GRATUITIES	3,036	3,036	---
8900 UNEMPLOYMENT BENEFITS	59,943	59,943	---
8950 SURVIVOR BENEFITS	1,721	1,721	---
9000 EDUCATION BENEFITS	1,370	1,370	---
9050 ADOPTION EXPENSES	246	246	---
9150 TRANSPORTATION SUBSIDY	3,951	3,951	---
9200 OTHER	2,200	2,200	---
9300 TOTAL, BUDGET ACTIVITY 6	73,501	73,501	---
9350 LESS REIMBURSABLES	-344,006	-344,006	---
9550 UNOBLIGATED BALANCES	---	-34,000	-34,000
11350 TOTAL, MILITARY PERSONNEL, NAVY	24,459,957	24,416,157	-43,800

The adjustments to the budget activities for Military Personnel, Navy are shown below:

[In thousands of dollars]

Budget Activity 2: Pay and Allowances of Enlisted Personnel:	
7350 Special Pays/Selective Reenlistment Bonuses	−9,800
Undistributed:	
9550 Unobligated Balances	−34,000

MILITARY PERSONNEL, MARINE CORPS

Fiscal year 2004 appropriation	$8,971,897,000
Fiscal year 2005 budget request	9,595,902,000
Committee recommendation	9,591,102,000
Change from budget request	−4,800,000

The Committee recommends an appropriation of $9,591,102,000 for Military Personnel, Marine Corps. The recommendation is an increase of $619,205,000 above the $8,971,897,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
11400 MILITARY PERSONNEL, MARINE CORPS			
11450 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICER			
11500 BASIC PAY	1,079,187	1,079,187	---
11550 RETIRED PAY ACCRUAL	296,778	296,778	---
11600 DEFENSE HEALTH PROGRAM ACCRUAL	100,083	100,083	---
11650 BASIC ALLOWANCE FOR HOUSING	266,245	266,245	---
11700 BASIC ALLOWANCE FOR SUBSISTENCE	39,474	39,474	---
11750 INCENTIVE PAYS	47,368	47,368	---
11800 SPECIAL PAYS	3,680	3,680	---
11850 ALLOWANCES	22,819	22,819	---
11900 SEPARATION PAY	9,351	9,351	---
11950 SOCIAL SECURITY TAX	82,558	82,558	---
12050 TOTAL, BUDGET ACTIVITY 1	1,947,543	1,947,543	---
12100 ACTIVITY 2: PAY AND ALLOW OF ENLISTED PERS			
12150 BASIC PAY	3,549,705	3,549,705	---
12200 RETIRED PAY ACCRUAL	973,916	973,916	---
12250 DEFENSE HEALTH PROGRAM ACCRUAL	835,058	835,058	---
12300 BASIC ALLOWANCE FOR HOUSING	787,328	787,328	---
12350 INCENTIVE PAYS	8,360	8,360	---
12400 SPECIAL PAYS	117,855	113,055	-4,800
12450 ALLOWANCES	172,769	172,769	---
12500 SEPARATION PAY	66,804	66,804	---
12600 SOCIAL SECURITY TAX	271,710	271,710	---
12700 TOTAL, BUDGET ACTIVITY 2	6,783,505	6,778,705	-4,800

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
12750 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
12800 BASIC ALLOWANCE FOR SUBSISTENCE	281,739	281,739	---
12850 SUBSISTENCE-IN-KIND	222,529	222,529	---
12900 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE	750	750	---
13000 TOTAL, BUDGET ACTIVITY 4	505,018	505,018	---
13050 ACTIVITY 5: PERMANENT CHANGE OF STATION			
13100 ACCESSION TRAVEL	39,988	39,988	---
13150 TRAINING TRAVEL	9,614	9,614	---
13200 OPERATIONAL TRAVEL	95,439	95,439	---
13250 ROTATIONAL TRAVEL	126,018	126,018	---
13300 SEPARATION TRAVEL	44,523	44,523	---
13350 TRAVEL OF ORGANIZED UNITS	1,593	1,593	---
13400 NON-TEMPORARY STORAGE	5,403	5,403	---
13450 TEMPORARY LODGING EXPENSE	12,723	12,723	---
13500 OTHER	2,557	2,557	---
13600 TOTAL, BUDGET ACTIVITY 5	337,858	337,858	---
13650 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
13700 APPREHENSION OF MILITARY DESERTERS	1,606	1,606	---
13750 INTEREST ON UNIFORMED SERVICES SAVINGS	16	16	---
13800 DEATH GRATUITIES	984	984	---
13850 UNEMPLOYMENT BENEFITS	44,216	44,216	---
13900 SURVIVOR BENEFITS	1,489	1,489	---
13950 EDUCATION BENEFITS	2,797	2,797	---
14000 ADOPTION EXPENSES	82	82	---
14100 TRANSPORTATION SUBSIDY	1,047	1,047	---
14150 OTHER	655	655	---
14250 TOTAL, BUDGET ACTIVITY 6	52,892	52,892	---
14300 LESS REIMBURSABLES	-30,914	-30,914	---
16250 TOTAL, MILITARY PERSONNEL, MARINE CORPS	9,595,902	9,591,102	-4,800

The adjustment to the budget activities for Military Personnel, Marine Corps is shown below:

[In thousands of dollars]

Budget Activity 2: Pay and Allowances of Enlisted Personnel:	
12400 Special Pays/Selective Reenlistment Bonuses	−4,800

MILITARY PERSONNEL, AIR FORCE

Fiscal year 2004 appropriation	$22,910,868,000
Fiscal year 2005 budget request	24,510,811,000
Committee recommendation	24,291,411,000
Change from budget request	−219,400,000

The Committee recommends an appropriation of $24,291,411,000 for Military Personnel, Air Force. The recommendation is an increase of $1,380,543,000 above the $22,910,868,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
16300 MILITARY PERSONNEL, AIR FORCE			
16350 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICER			
16400 BASIC PAY	4,205,163	4,205,163	---
16450 RETIRED PAY ACCRUAL	1,156,421	1,156,421	---
16500 DEFENSE HEALTH PROGRAM ACCRUAL	374,546	374,546	---
16550 BASIC ALLOWANCE FOR HOUSING	976,064	976,064	---
16600 BASIC ALLOWANCE FOR SUBSISTENCE	153,282	153,282	---
16650 INCENTIVE PAYS	333,678	333,678	---
16700 SPECIAL PAYS	223,726	223,726	---
16750 ALLOWANCES	76,783	76,783	---
16800 SEPARATION PAY	96,728	96,728	---
16850 SOCIAL SECURITY TAX	319,659	319,659	---
16950 TOTAL, BUDGET ACTIVITY 1	7,916,050	7,916,050	---
17000 ACTIVITY 2: PAY AND ALLOW OF ENLISTED PERS			
17050 BASIC PAY	7,685,649	7,685,649	---
17100 RETIRED PAY ACCRUAL	2,113,554	2,113,554	---
17150 DEFENSE HEALTH PROGRAM ACCRUAL	1,554,279	1,554,279	---
17200 BASIC ALLOWANCE FOR HOUSING	2,034,706	2,034,706	---
17250 INCENTIVE PAYS	34,889	34,889	---
17300 SPECIAL PAYS	403,043	355,043	-48,000
17350 ALLOWANCES	452,134	452,134	---
17450 SEPARATION PAY	109,767	109,767	---
17500 SOCIAL SECURITY TAX	587,952	587,952	---
17600 TOTAL, BUDGET ACTIVITY 2	14,975,973	14,927,973	-48,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
17650 ACTIVITY 3: PAY AND ALLOWANCES OF CADETS			
17700 ACADEMY CADETS	51,398	51,398	---
17750 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERS			
17800 BASIC ALLOWANCE FOR SUBSISTENCE	717,436	717,436	---
17850 SUBSISTENCE-IN-KIND	173,774	173,774	---
17900 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE	1,254	1,254	---
18000 TOTAL, BUDGET ACTIVITY 4	892,464	892,464	---
18050 ACTIVITY 5: PERMANENT CHANGE OF STATION			
18100 ACCESSION TRAVEL	88,253	88,253	---
18150 TRAINING TRAVEL	85,083	85,083	---
18200 OPERATIONAL TRAVEL	156,508	156,508	---
18250 ROTATIONAL TRAVEL	428,284	428,284	---
18300 SEPARATION TRAVEL	161,308	161,308	---
18350 TRAVEL OF ORGANIZED UNITS	7,761	7,761	---
18400 NON-TEMPORARY STORAGE	28,009	28,009	---
18450 TEMPORARY LODGING EXPENSE	34,306	34,306	---
18550 TOTAL, BUDGET ACTIVITY 5	989,512	989,512	---
18600 ACTIVITY 6: OTHER MILITARY PERS COSTS			
18650 APPREHENSION OF MILITARY DESERTERS	100	100	---
18700 INTEREST ON UNIFORMED SERVICES SAVINGS	595	595	---
18750 DEATH GRATUITIES	2,964	2,964	---
18800 UNEMPLOYMENT BENEFITS	29,044	29,044	---
18850 SURVIVOR BENEFITS	4,009	4,009	---
18900 EDUCATION BENEFITS	4,141	4,141	---
18950 ADOPTION EXPENSES	800	800	---
19050 TRANSPORTATION SUBSIDY	9,481	9,481	---
19100 OTHER	15,812	15,812	---
19200 TOTAL, BUDGET ACTIVITY 6	66,946	66,946	---
19250 LESS REIMBURSABLES	-381,532	-381,532	---
19620 UNOBLIGATED BALANCES	---	-171,400	-171,400
22550 TOTAL, MILITARY PERSONNEL, AIR FORCE	24,510,811	24,291,411	-219,400

The adjustments to the budget activities for Military Personnel, Air Force are shown below:

[In thousands of dollars]

Budget Activity 2: Pay and Allowances of Enlisted Personnel:	
17300 Special Pays/Selective Reenlistment Bonuses	−48,000
Undistributed:	
19620 Unobligated Balances	−171,400

RESERVE PERSONNEL, ARMY

Fiscal year 2004 appropriation	$3,568,725,000
Fiscal year 2005 budget request	3,733,590,000
Committee recommendation	3,719,990,000
Change from budget request	−13,600,000

The Committee recommends an appropriation of $3,719,990,000 for Reserve Personnel, Army. The recommendation is an increase of $151,265,000 above the $3,568,725,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
22600 RESERVE PERSONNEL, ARMY			
22650 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING			
22700 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	931,352	931,352	---
22750 PAY GROUP B TRAINING (BACKFILL FOR ACT DUTY).....	43,414	43,414	---
22800 PAY GROUP F TRAINING (RECRUITS).....	175,891	175,891	---
22850 PAY GROUP P TRAINING (PIPELINE RECRUITS).....	7,010	7,010	---
22900 DEFENSE HEALTH PROGRAM ACCRUAL.....	595,142	595,142	---
23050 TOTAL, BUDGET ACTIVITY 1.....	1,752,809	1,752,809	---
23150 MOBILIZATION TRAINING.....	17,559	17,559	---
23200 SCHOOL TRAINING.....	132,965	132,965	---
23250 SPECIAL TRAINING.....	166,698	166,698	---
23300 ADMINISTRATION AND SUPPORT.....	1,358,184	1,358,184	---
23350 EDUCATION BENEFITS.....	40,751	40,751	---
23400 ROTC - SENIOR, JUNIOR.....	121,549	121,549	---
23450 HEALTH PROFESSION SCHOLARSHIP	40,769	40,769	---
23500 DEFENSE HEALTH PROGRAM ACCRUAL.....	77,971	77,971	---
23550 OTHER PROGRAMS	24,335	24,335	---
23650 TOTAL, BUDGET ACTIVITY 2.....	1,980,781	1,980,781	---
23900 UNOBLIGATED BALANCES.....	---	-11,500	-11,500
23950 RESERVES COST AVOIDANCE.....	---	-2,100	-2,100
24000 TOTAL RESERVE PERSONNEL, ARMY.....	3,733,590	3,719,990	-13,600

The adjustments to the budget activities for Reserve Personnel, Army are shown below:

[In thousands of dollars]

Undistributed:		
23900	Unobligated Balances	−11,500
23950	Reserves Cost Avoidance	−2,100

RESERVE PERSONNEL, NAVY

Fiscal year 2004 appropriation	$2,002,727,000
Fiscal year 2005 budget request	2,171,632,000
Committee recommendation	2,108,232,000
Change from budget request	−63,400,000

The Committee recommends an appropriation of $2,108,232,000 for Reserve Personnel, Navy. The recommendation is an increase of $105,505,000 above the $2,002,727,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
24050 RESERVE PERSONNEL, NAVY			
24100 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING			
24150 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	716,763	716,763	---
24200 PAY GROUP B TRAINING (BACKFILL FOR ACT DUTY).....	4,670	4,670	---
24250 PAY GROUP F TRAINING (RECRUITS).....	2,555	2,555	---
24300 DEFENSE HEALTH PROGRAM ACCRUAL.....	221,457	221,457	---
24450 TOTAL, BUDGET ACTIVITY 1.....	945,445	945,445	---
24500 ACTIVITY 2: OTHER TRAINING AND SUPPORT			
24550 MOBILIZATION TRAINING.....	6,789	6,789	---
24600 SCHOOL TRAINING.....	23,182	23,182	---
24650 SPECIAL TRAINING.....	63,527	63,527	---
24700 ADMINISTRATION AND SUPPORT.....	982,747	982,747	---
24750 EDUCATION BENEFITS.....	873	873	---
24800 ROTC - SENIOR, JUNIOR.....	37,712	37,712	---
24850 HEALTH PROFESSION SCHOLARSHIP.....	34,405	34,405	---
24900 DEFENSE HEALTH PROGRAM ACCRUAL.....	76,952	76,952	---
25050 TOTAL, BUDGET ACTIVITY 2.....	1,226,187	1,226,187	---
25300 UNOBLIGATED BALANCES.....	---	-48,400	-48,400
25370 RESERVES COST AVOIDANCE.....	---	-15,000	-15,000
25450 TOTAL, RESERVE PERSONNEL, NAVY.....	2,171,632	2,108,232	-63,400

The adjustments to the budget activities for Reserve Personnel, Navy are shown below:

[In thousands of dollars]

Undistributed:		
25300	Unobligated Balances	−48,400
25370	Reserves Cost Avoidance	−15,000

RESERVE PERSONNEL, MARINE CORPS

Fiscal year 2004 appropriation	$571,444,000
Fiscal year 2005 budget request	654,973,000
Committee recommendation	653,073,000
Change from budget request	−1,900,000

The Committee recommends an appropriation of $653,073,000 for Reserve Personnel, Marine Corps. The recommendation is an increase of $81,629,000 above the $571,444,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
25500 RESERVE PERSONNEL, MARINE CORPS			
25550 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING			
25600 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	185,661	185,661	---
25650 PAY GROUP B TRAINING (BACKFILL FOR ACT DUTY).....	21,184	21,184	---
25700 PAY GROUP F TRAINING (RECRUITS).....	77,011	77,011	---
25750 PAY GROUP P TRAINING (PIPELINE RECRUITS).....	187	187	---
25800 DEFENSE HEALTH PROGRAM ACCRUAL.....	116,658	116,658	---
25950 TOTAL, BUDGET ACTIVITY 1.....	400,701	400,701	---
26000 ACTIVITY 2: OTHER TRAINING AND SUPPORT			
26050 MOBILIZATION TRAINING.....	2,403	2,403	---
26100 SCHOOL TRAINING.....	11,450	11,450	---
26150 SPECIAL TRAINING.....	34,891	34,891	---
26200 ADMINISTRATION AND SUPPORT.....	157,640	157,640	---
26250 EDUCATION BENEFITS.....	17,821	17,821	---
26300 ROTC - SENIOR, JUNIOR.....	5,213	5,213	---
26350 DEFENSE HEALTH PROGRAM ACCRUAL.....	12,289	12,289	---
26400 OTHER PROGRAMS	12,565	12,565	---
26500 TOTAL, BUDGET ACTIVITY 2.....	254,272	254,272	---
26600 UNOBLIGATED BALANCES.....	---	-1,900	-1,900
26750 TOTAL, RESERVE PERSONNEL, MARINE CORPS.....	654,973	653,073	-1,900

The adjustment to the budget activities for Reserve Personnel, Marine Corps is shown below:

[In thousands of dollars]

Undistributed:	
26600 Unobligated Balances	−1,900

RESERVE PERSONNEL, AIR FORCE

Fiscal year 2004 appropriation	$1,288,088,000
Fiscal year 2005 budget request	1,464,050,000
Committee recommendation	1,451,950,000
Change from budget request	−12,100,000

The Committee recommends an appropriation of $1,451,950,000 for Reserve Personnel, Air Force. The recommendation is an increase of $163,862,000 above the $1,288,088,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
26800 RESERVE PERSONNEL, AIR FORCE			
26850 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING			
26900 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	500,780	500,780	---
26950 PAY GROUP B TRAINING (BACKFILL FOR ACT DUTY).....	97,025	97,025	---
27000 PAY GROUP F TRAINING (RECRUITS).....	37,304	37,304	---
27050 PAY GROUP P TRAINING (PIPELINE RECRUITS).....	113	113	---
27100 DEFENSE HEALTH PROGRAM ACCRUAL.....	233,399	233,399	---
27200 TOTAL, BUDGET ACTIVITY 1.....	868,621	868,621	---
27250 ACTIVITY 2: OTHER TRAINING AND SUPPORT			
27300 MOBILIZATION TRAINING.....	1,800	1,800	---
27350 SCHOOL TRAINING.....	92,858	92,858	---
27400 SPECIAL TRAINING.....	178,366	178,366	---
27450 ADMINISTRATION AND SUPPORT.....	172,866	172,866	---
27500 EDUCATION BENEFITS.....	13,500	13,500	---
27550 ROTC - SENIOR, JUNIOR.....	83,111	83,111	---
27600 HEALTH PROFESSION SCHOLARSHIP.....	29,269	29,269	---
27650 DEFENSE HEALTH PROGRAM ACCRUAL.....	9,597	9,597	---
27700 OTHER PROGRAMS.....	14,062	14,062	---
27800 TOTAL, BUDGET ACTIVITY 2.....	595,429	595,429	---
27900 UNOBLIGATED BALANCES.....	---	-10,300	-10,300
27910 RESERVES COST AVOIDANCE.....	---	-5,400	-5,400
27930 932ND AIRLIFT WING PERSONNEL.....	---	3,600	+3,600
28150 TOTAL, RESERVE PERSONNEL, AIR FORCE.....	1,464,050	1,451,950	-12,100

The adjustments to the budget activities for Reserve Personnel, Air Force are shown below:

[In thousands of dollars]

Undistributed:		
27900	Unobligated Balances	−10,300
27910	Reserves Cost Avoidance	−5,400
27930	932nd Airlift Wing Personnel	3,600

NATIONAL GUARD PERSONNEL, ARMY

Fiscal year 2004 appropriation	$5,500,369,000
Fiscal year 2005 budget request	5,950,729,000
Committee recommendation	5,915,229,000
Change from budget request	−35,500,000

The Committee recommends an appropriation of $5,915,229,000 for National Guard Personnel, Army. The recommendation is an increase of $414,860,000 above the $5,500,369,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
28200 NATIONAL GUARD PERSONNEL, ARMY			
28250 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING			
28300 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	1,688,571	1,688,571	---
28350 PAY GROUP F TRAINING (RECRUITS).....	291,670	291,670	---
28400 PAY GROUP P TRAINING (PIPELINE RECRUITS).....	36,893	36,893	---
28450 DEFENSE HEALTH PROGRAM ACCRUAL.....	1,007,258	1,007,258	---
28600 TOTAL, BUDGET ACTIVITY 1.....	3,024,392	3,024,392	---
28650 ACTIVITY 2: OTHER TRAINING AND SUPPORT			
28700 SCHOOL TRAINING.....	218,603	218,603	---
28750 SPECIAL TRAINING.....	252,337	252,337	---
28800 ADMINISTRATION AND SUPPORT.....	2,218,432	2,218,432	---
28850 EDUCATION BENEFITS.....	98,171	98,171	---
28900 DEFENSE HEALTH PROGRAM ACCRUAL.....	138,794	138,794	---
29050 TOTAL, BUDGET ACTIVITY 2.....	2,926,337	2,926,337	---
29350 UNOBLIGATED BALANCES.....	---	-10,500	-10,500
29410 RESERVES COST AVOIDANCE.....	---	-25,000	-25,000
29500 TOTAL, NATIONAL GUARD PERSONNEL, ARMY.....	5,950,729	5,915,229	-35,500

The adjustments to the budget activities for National Guard Personnel, Army are shown below:

[In thousands of dollars]

Undistributed:		
29350	Unobligated Balances	−10,500
29410	Reserves Cost Avoidance	−25,000

NATIONAL GUARD PERSONNEL, AIR FORCE

Fiscal year 2004 appropriation	$2,174,598,000
Fiscal year 2005 budget request	2,546,442,000
Committee recommendation	2,536,742,000
Change from budget request	−9,700,000

The Committee recommends an appropriation of $2,536,742,000 for National Guard Personnel, Air Force. The recommendation is an increase of $362,144,000 above the $2,174,598,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
29550 NATIONAL GUARD PERSONNEL, AIR FORCE			
29600 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING			
29650 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48).....	807,509	807,509	---
29700 PAY GROUP F TRAINING (RECRUITS).....	68,031	68,031	---
29750 PAY GROUP P TRAINING (PIPELINE RECRUITS).....	1,380	1,380	---
29800 DEFENSE HEALTH PROGRAM ACCRUAL.....	296,724	296,724	---
29950 TOTAL, BUDGET ACTIVITY 1.....	1,173,644	1,173,644	---
30000 ACTIVITY 2: OTHER TRAINING AND SUPPORT			
30050 SCHOOL TRAINING.....	155,195	155,195	---
30100 SPECIAL TRAINING.....	187,640	187,640	---
30150 ADMINISTRATION AND SUPPORT.....	936,252	936,252	---
30200 EDUCATION BENEFITS.....	29,935	29,935	---
30250 DEFENSE HEALTH PROGRAM ACCRUAL.....	63,776	63,776	---
30400 TOTAL, BUDGET ACTIVITY 2.....	1,372,798	1,372,798	---
30550 UNOBLIGATED BALANCES.....	---	-2,200	-2,200
30600 RESERVES COST AVOIDANCE.....	---	-7,500	-7,500
30750 TOTAL, NATIONAL GUARD PERSONNEL, AIR FORCE.....	2,546,442	2,536,742	-9,700

The adjustments to the budget activities for National Guard Personnel, Air Force are shown below:

[In thousands of dollars]

Undistributed:		
30550	Unobligated Balances	−2,200
30600	Reserves Cost Avoidance	−7,500

TITLE II

OPERATION AND MAINTENANCE

The fiscal year 2005 budget request for programs funded in Title II of the Committee bill, Operation and Maintenance, is $121,874,589,000 in new budget authority, which is an increase of $5,959,712,000 above the amount appropriated for fiscal year 2004.

The accompanying bill recommends $120,568,274,000 for fiscal year 2005, which is an increase of $4,653,397,000 above the amount appropriated for fiscal year 2004. These appropriations finance the costs of operating and maintaining the Armed Forces, including the Reserve components and related support activities of the Department of Defense (DoD), except military personnel costs. Included are pay for civilians, services for maintenance of equipment and facilities, fuel, supplies, and spare parts for weapons and equipment. Financial requirements are influenced by many factors, including force levels such as the number of aircraft squadrons, Army and Marine Corps divisions, installations, military personnel strength and deployments, rates of operational activity, and the quantity and complexity of equipment such as aircraft, ships, missiles and tanks in operation.

The table below summarizes the Committee's recommendations.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
50000 RECAPITULATION			
50050 O & M, ARMY	26,133,411	25,820,311	-313,100
50150 O & M, NAVY	29,789,190	29,570,090	-219,100
50250 O & M, MARINE CORPS	3,632,115	3,605,815	-26,300
50300 O & M, AIR FORCE	28,471,260	27,994,110	-477,150
50400 O & M, DEFENSE-WIDE	17,494,076	17,346,411	-147,665
50500 O & M, ARMY RESERVE	2,008,128	1,976,128	-32,000
50550 O & M, NAVY RESERVE	1,240,038	1,233,038	-7,000
50600 O & M, MARINE CORPS RESERVE	188,696	187,196	-1,500
50650 O & M, AIR FORCE RESERVE	2,239,790	2,227,190	-12,600
50700 O & M, ARMY NATIONAL GUARD	4,440,686	4,376,886	-63,800
50750 O & M, AIR NATIONAL GUARD	4,422,838	4,438,738	+15,900
50790 OVERSEAS CONTINGENCY OPERATIONS TRANSFER ACCOUNT	30,000	5,000	-25,000
50800 UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES	10,825	10,825	---
50850 ENVIRONMENTAL RESTORATION, ARMY	400,948	400,948	---
50900 ENVIRONMENTAL RESTORATION, NAVY	266,820	266,820	---
50950 ENVIRONMENTAL RESTORATION, AIR FORCE	397,368	397,368	---
51000 ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	23,684	26,684	+3,000
51050 ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES	216,516	216,516	---
51200 OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID	59,000	59,000	---
51300 FORMER SOVIET UNION THREAT REDUCTION ACCOUNT	409,200	409,200	---
51600 GRAND TOTAL, O & M	121,874,589	120,568,274	-1,306,315

OPERATION AND MAINTENANCE OVERVIEW

The President's fiscal year 2005 budget request represents a $5,959,712,000 increase above fiscal year 2004 in Title II, Operation and Maintenance, exclusive of supplemental funding provided for continuation of military operations in Afghanistan and Iraq. The Administration's initial request did not include funding for the continuation of the war on terrorism in Afghanistan, Iraq, and elsewhere. An amendment to the fiscal year 2005 budget request was provided to the Committee on May 12, 2004, which asked for $25,000,000,000 in additional funds to support ongoing operations in Iraq, Afghanistan, and the war on terrorism for the first few months of fiscal year 2005. Funding for these purposes is addressed in Title IX of the Committee bill. In that title, the Committee has provided $14,335,400,000 to ensure that funds are available to support the operating costs of the services, including purchase of all necessary soldier protection equipment. The funds provided in Title IX will support continuation of operations well into fiscal year 2005, and will ensure that critical base operating, and maintenance accounts need not be diverted to support the war effort.

The budget request for normal peacetime funding in Title II, Operation and Maintenance would sustain flying hours, ship steaming and ground operating tempo at approximately fiscal year 2004 levels. Navy Operation and Maintenance supports 292 ships, 12 Carrier Strike Groups and 12 Expeditionary Strike Groups. The Navy's Fleet Response Plan, begun in fiscal year 2004, expands in 2005, with the goal of increasing availability of Naval assets for duty worldwide. Requested funding for ship operations and maintenance increases by $600,000,000 in fiscal year 2005. The Air Force flying hour program provides the funding necessary to maintain basic flying skill and pilot development and production, and to provide trained aircrews to joint forces combatant commanders through ten aerospace expeditionary forces. The budget request fully supports the Army's ground and aviation training programs including a gradual increase in the number of battalion rotations at ground combat training centers. Army Flight School XXI implementation continues, and increased base operations funding reduces the risk of funds being diverted from critical training accounts to base support activities during the year of execution.

The budget request supports increasing facilities sustainment from 94 percent in fiscal year 2004 to 95 percent in fiscal year 2005. Funding is included to support a pay increase of one and one half percent for civilian employees. And the budget request included $572,000,000 to convert 10,070 positions from performance by military personnel to performance by civilian personnel.

In Title II of the bill, the Committee has supported programs for readiness training in flying hours, ship steaming and ground forces optempo training. Maintenance programs have been fully funded as requested. Army depot maintenance annual funding increases by $35,000,000 and is on track to achieve optimal funding by fiscal year 2007. Ship depot maintenance is increased by $412,000,000 with budgeted inductions increasing from 72 to 90. Funding for Air Force depot maintenance increases by $296,000,000. Robust support for anti-terrorism and force protection funding has been con-

tinued. The Committee has fully supported the Army's Flight School XXI program and the Navy's Fleet Response Plan.

RECOMMENDATIONS TO ADDRESS SHORTFALLS

Despite the continuation of robust funding in operation and maintenance accounts requested for fiscal year 2005, testimony by the Services' leadership and briefings by key staff members indicate that a certain degree of risk has been taken in some areas. The Army flying hour program is based on historical execution levels of 13.1 hours, per crew, per month, however, the Army maintains the goal of achieving 14.1 hours, per crew, per month. The Air Force assumes a lower fiscal year 2004 flying hour cost, based on fiscal year 2002 execution.

The Committee has provided over $500,000,000 in additional operating account funding to assist in addressing many of the Department's shortfalls. Increased funding has been included for individual soldier and Marine field equipment, small all terrain vehicles, general purpose tents and mobility shelters, training and support facilities, joint training capabilities, foreign language training, training on urbanized terrain, military and civilian safety, education programs, and distance learning.

As has been the practice, the Committee has identified spending that does not directly support readiness and has moved those funds to programs that more directly support readiness goals.

Funding for repair and restocking of much of the equipment used in Afghanistan and Iraq in fiscal year 2004 is not included in the administration's budget request. Much of the Army equipment that was drawn from pre-positioned sets for the war against Iraq will not be returned to pre-positioned stocks in fiscal year 2005 and will continue in service in Iraq. Much of the Marine Corps' pre-positioned equipment used in Operation Iraqi Freedom I, and which was being repaired and returned to pre-positioned sets, has been issued for service in Operation Iraqi Freedom II. Title IX of the accompanying bill includes funds for depot level and unit level maintenance of pre-positioned equipment sets and for repair of equipment in those units that have rotated from duty in Iraq back to home stations.

Technical and tactical solutions to soldier safety and personal security battlefield challenges continue to evolve. The Committee has provided additional funding to address shortfalls in this area in Title IX of the accompanying bill. Increased and improved body armor for individual soldiers and Marines is fully funded, including for those soldiers in the new combat units being formed by the Army.

OPERATION AND MAINTENANCE BUDGET EXHIBITS

The Summary of Price and Program Changes (PB–31D) exhibits as submitted by the Army and Air Force for fiscal year 2005 provide the level of detail necessary to assist the Committee in reviewing the budget request. The various summaries of price and program changes provided for other operation and maintenance appropriations accounts are presented in less detail and specificity, and have proven to be much less helpful in understanding the justification material provided. The Committee directs the Department of

Defense to standardize the format of the PB–31D for all operation and maintenance accounts to provide subactivity group, line item level of detail, as the Army and Air Force provided for fiscal year 2005, beginning with the budget justification materials for fiscal year 2006, and thereafter.

OPERATION AND MAINTENANCE BUDGET EXECUTION DATA

The Committee directs the Department of Defense to continue to provide the congressional defense committees with quarterly budget execution data. Such data should be provided not later than forty-five days past the close of each quarter for the fiscal year, and should be provided for each O–1 budget activity, activity group, and subactivity group for each of the active, defense-wide, reserve and National Guard components. For each O–1 budget activity, activity group, and subactivity group, these reports should include the budget request and actual obligations; the DoD distribution of unallocated congressional adjustments to the budget request; all adjustments made by DoD during the process of rebaselining the operation and maintenance accounts; all adjustments resulting from below threshold reprogrammings; and all adjustments resulting from prior approval reprogramming requests.

In addition, the Committee requires that the Department of Defense provide semiannual written notifications to the congressional defense committees, which summarize Operation and Maintenance budget execution, to include the effect of rebaselining procedures, other below threshold reprogrammings, and prior approval reprogrammings. The Committee further directs that the Department of Defense provide the House of Representatives and Senate Committees on Appropriations written notification 30 days prior to executing procedures to rebaseline Operation and Maintenance accounts.

OPERATION AND MAINTENANCE REPROGRAMMINGS

The Committee directs that proposed transfers of funds between O–1 budget activities in excess of $15,000,000 be subject to normal prior approval reprogramming procedures. Items for which funds have been specifically provided in any appropriation in the report using the phrases "only for" and "only to" are Congressional interest items for the purpose of the Base for Reprogramming (DD form 1414). Each of these items must be carried on the DD 1414 at the stated amount, or revised amount if changed during conference or if otherwise specifically addressed in the conference report. In addition, due to continuing concerns about force readiness and the diversion of Operation and Maintenance funds, the Committee directs the Department of Defense to provide written notification to the congressional defense committees for the cumulative value of any and all transfers in excess of $15,000,000 from the following budget activities and subactivity group categories:

Operation and maintenance, Army

Operating Forces: Divisions, Corps combat forces, Corps support forces, Echelon above Corps support forces, Land forces operations support, Land forces systems readiness, and Land forces depot maintenance.

Operation and maintenance, Navy

Operating Forces: Mission and other flight operations, Fleet air training, Aircraft depot maintenance, Mission and other ship operations, Ship operational support and training, Ship maintenance.

Operation and maintenance, Marine Corps

Operating Forces: Operational forces, Depot maintenance.

Operation and maintenance, Air Force

Operating Forces: Primary combat forces, Primary combat weapons, Air operations training, Depot maintenance; Mobilization: Airlift operations, Depot maintenance, Payments to the transportation business area; Basic Skill and Advanced Training: Depot maintenance; Logistics Operations: Depot maintenance.

Further, the Department should follow prior approval reprogramming procedures for transfers in excess of $15,000,000 out of the following budget subactivities:

Operation and maintenance, Army

Depot maintenance.

Operation and maintenance, Navy

Aircraft depot maintenance,
Ship maintenance.

Operation and maintenance, Marine Corps

Depot maintenance.

Operation and maintenance, Air Force

Air Operations, Depot maintenance,
Mobility Operations, Depot maintenance,
Basic Skills and Advanced Training, Depot maintenance; and
Logistics Operations, Depot maintenance.

AVAILABILITY OF FUNDS

The budget request proposed that all operation and maintenance funding be made available for obligation for two years as opposed to one year. The proposed change was intended to provide increased flexibility in managing operational funds. The Committee bill maintains one-year availability for all operation and maintenance funds. The Committee believes that funds provided for current operational expenses and readiness of the armed forces should be promptly obligated for the purposes and programs for which appropriated.

CIVILIAN PAY

The Committee has fully funded the budget request for a 1.5 percent pay increase for civilian employees of the Department of Defense. The Committee understands that the Department of Defense may implement an increase in pay that is greater than 1.5 percent, and directs that any increase above 1.5 percent will be paid from within funds available to the DoD.

UNOBLIGATED BALANCES

The Committee has adjusted amounts available in service operation and maintenance accounts for fiscal year 2005 to account for amounts left unobligated in operation and maintenance accounts at the end of prior fiscal years and the effect of such under-obligations on estimated future requirements. The Committee has reduced funding for unobligated balances as follows.

[In thousands of dollars]

Army	$80,000
Navy	86,000
Marine Corps	8,000
Air Force	71,000
Defense-Wide	55,100
Army Reserve	8,800
Navy Reserve	7,000
Marine Corps Reserve	1,500
Air Force Reserve	7,900
Army National Guard	21,900
Air National Guard	17,900
Defense Health Program	50,000

REDUCTION TO ADMINISTRATION AND SERVICEWIDE ACTIVITIES

The Committee has adjusted amounts available in service operation and maintenance accounts for fiscal year 2005 to reflect improved efficiency in providing for administrative and servicewide activities in the military departments. The Committee has reduced funding for operation and maintenance as follows.

[In thousands of dollars]

Army	$88,000
Navy	91,600
Marine Corps	17,200
Air Force	138,400

BASE OPERATIONS SUPPORT

Spending for Base Operations Support increased substantially above the cost of inflation. The Committee has reduced by $86,000,000 the amount provided for operation and maintenance for unjustified growth in base operations as follows.

[In thousands of dollars]

Army	$28,000
Navy	15,000
Air Force	43,000

CIVILIAN PAY OVERSTATEMENT

The Committee has reduced the total amount available in Title II by $91,900,000 to correct for overstatement of requirements for civilian pay. The Committee has reduced funding for overstated operation and maintenance civilian pay requirements as follows.

[In thousands of dollars]

Army	$66,100
Navy	13,300
Air Force	12,500

MILITARY TO CIVILIAN CONVERSIONS

The Committee has reduced the total amount available in Title II by $176,900,000 to more accurately reflect the actual rate of conversion of selected military billets to performance by civilian personnel, including both federal employees and contractor employees. The Committee has reduced overstated amounts for operation and maintenance for civilian pay and contract support as follows.

[In thousands of dollars]

Army	$80,000
Navy	19,300
Marine Corps	29,100
Air Force	48,500

WORKING CAPITAL FUND CASH

The Committee bill accompanying this report includes a general provision, Section 8098, that reduces the total amount available in Title II by $316,000,000 to reflect cash balance and rate stabilization adjustments in the Department of Defense Working Capital Funds. The reduction designated for Navy includes $59,000,000 proposed for the purchase of aircraft engines by the Navy Working Capital Fund based on a proposed revision to Section 8040. The proposed change to Section 8040 was not adopted and the funding for Navy aircraft engines was restored in "Aircraft Procurement, Navy". The Committee has reduced funding for the services' operation and maintenance accounts as follows.

[In thousands of dollars]

Navy	$150,000
Air Force	166,000

TRANSPORTATION WORKING CAPITAL FUND

The Committee bill accompanying this report includes a general provision, Section 8110, that reduces the total amount available in Title II by $967,200,000 to correct for excess cash balances that have accumulated in the Transportation Working Capital Fund due to increased business within United States Transportation Command in support of military operations in Afghanistan and Iraq, as follows.

[In thousands of dollars]

Air Force	$967,200

OTHER CONTRACTS

The Committee bill accompanying this report includes a general provision, Section 8089, that reduces the total amount available in Title II by $300,000,000 to correct for overstatement of requirements for miscellaneous and other contracts. The Committee has reduced funding for overstated operation and maintenance as follows.

[In thousands of dollars]

Army	$66,700
Navy	77,900
Marine Corps	6,100
Air Force	149,300

CONTRACT OFFSETS

The Committee bill accompanying this report includes a general provision, Section 8119, that reduces the total amount available in Title II by $100,000,000 to correct for amounts available to the Department of Defense as the Department and the Internal Revenue Service cooperate in levying offsets for DoD contractors' federal tax debt. The Committee has reduced funding for operation and maintenance as follows.

[In thousands of dollars]

Army	$22,000
Navy	26,000
Marine Corps	2,000
Air Force	50,000

CIVILIAN SEPARATION INCENTIVE

The Committee has reduced the total amount available in Title II by $55,100,000 to correct for amounts requested in excess of requirements for incentives for early retirements in the civilian workforce. The Committee has reduced funding for operation and maintenance as follows.

[In thousands of dollars]

Navy	$14,400
Air Force	40,700

FORT TICONDEROGA

The Committee bill accompanying this report includes a general provision, Section 8101, which provides an additional $2,000,000 to be available only for the purpose of making a grant to the Fort Ticonderoga Association for the renovation of the King's Warehouse at Fort Ticonderoga, New York. The renovation will provide a winterized facility for year round use that will include classrooms, workshops, a hands-on teaching gallery and auditorium, an expanded educational program, and accessibility for handicapped persons.

PRESIDIO OF SAN FRANCISCO

The Committee bill accompanying this report includes a general provision, Section 8101, that provides an additional $2,500,000 to be available only for the purpose of making a grant to The Presidio of San Francisco Trust to provide for the research, planning, and design of the restoration of the parade ground at the Main Post, the Presidio of San Francisco, California to support the development of the Presidio as a site for public education about the impact of the military on American life.

CORROSION CONTROL

In July of 2003, the General Accounting Office (GAO) reported on efforts within the Department of Defense to reduce corrosion and control costs. Although the Department of Defense has been attacking the corrosion problem for many years, and the Congress has added funding for corrosion prevention and control, the finding of

the study was that the Department and the military services do not have an effective approach to prevent and mitigate corrosion.

Corrosion attacks military equipment and infrastructure. It increases costs, shortens the potential service life of equipment, and increases safety risks. The GAO report cited studies, which estimated the annual cost of corrosion for military systems at between $10 billion and $20 billion. Aircraft losses have been attributed to corroded electrical contacts and corrosion related cracks in landing gear. Uncontrolled corrosion forces the premature replacement of equipment such as heating and air-conditioning units, aircraft hangars, pre-positioned equipment sets, and fuel storage facilities.

The Department and the military services have achieved some successes in prevention and mitigation of corrosion, but communication within and between the services has been poor. The Department lacks an effective system for sharing anti-corrosion success stories. An overall approach to corrosion control has been absent. Central oversight of anti-corrosion information, technology, and program management, including budget review, requires renewed energy and focus by the leadership within the Department of Defense. The GAO study notes that corrosion control projects frequently are assigned low funding priorities compared to current operations and training, or maintenance and repair projects that offer more immediate results. Additionally, guidance on corrosion prevention and mitigation generally does not extend to non-major weapons systems and infrastructure programs.

The Committee directs the Secretary of Defense to provide a report to the congressional defense committees, not later than April 1, 2005, describing the Department's current status and planned improvements in (1) the collection and analysis of data on corrosion costs, readiness implications and safety data; (2) the development and promulgation of clearly defined, outcome-oriented objectives and performance measures; (3) the level of resources required and budgeted to accomplish the objectives; and (4) the oversight mechanism that coordinates and oversees corrosion prevention and mitigation efforts among the defense agencies and military services.

JOINT PROFESSIONAL MILITARY EDUCATION LEVEL ONE

In the report accompanying the Committee's Defense Appropriations bill for fiscal year 2004 (House Report 108–187), the Committee expressed concern over the confusion and lack of standardization regarding service member access to senior service college level educational opportunities. The Committee continues to support rigorous Joint Professional Military Education for all components of the Armed Forces, and believes that a clearly defined requirement for achieving level one credit is essential. Sadly, the Department of Defense has been unresponsive in addressing issues of standardization and equal access for members of the various components. The Committee directed the Secretary of Defense to provide a report to the congressional defense committees not later than March 1, 2004, on the requirement for Joint Professional Military Education Level One, and the various alternatives for attaining that level of military education. The report, now more than two months past due, is still in review by the Department of Defense. The Committee is frustrated with the Department's apparent lack

of enthusiasm for addressing the issue of equal access for the components of the Armed Forces to Joint Professional Military Education opportunities. The Committee provides substantial funding each year to support military professional development and education, and will continue to exercise careful oversight of the use of funds appropriated for this purpose. The Department of Defense is urged to complete the required report and to submit it to the congressional defense committees.

OPERATION AND MAINTENANCE, ARMY

Fiscal year 2004 appropriation	$25,029,346,000
Fiscal year 2005 budget request	26,133,411,000
Committee recommendation	25,820,311,000
Change from budget request	−313,100,000

The Committee recommends an appropriation of $25,820,311,000 for Operation and Maintenance, Army. The recommendation is an increase of $790,965,000 above the amount appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
100 OPERATION AND MAINTENANCE, ARMY			
150 BUDGET ACTIVITY 1: OPERATING FORCES			
200 LAND FORCES			
250 DIVISIONS	1,520,706	1,536,706	+16,000
300 CORPS COMBAT FORCES	472,692	472,692	---
350 CORPS SUPPORT FORCES	445,344	445,344	---
400 ECHELON ABOVE CORPS SUPPORT FORCES	515,730	508,730	-7,000
450 LAND FORCES OPERATIONS SUPPORT	1,197,822	1,187,822	-10,000
500 LAND FORCES READINESS			
550 FORCE READINESS OPERATIONS SUPPORT	1,787,147	1,787,147	---
600 LAND FORCES SYSTEMS READINESS	537,567	537,067	-500
650 LAND FORCES DEPOT MAINTENANCE	1,031,105	1,031,105	---
700 LAND FORCES READINESS SUPPORT			
750 BASE OPERATIONS SUPPORT	5,609,973	5,587,973	-22,000
800 FAC SUSTAINMENT, RESTORATION & MOD (OP FORCES)	1,956,128	1,957,128	+1,000
850 MANAGEMENT & OPERATIONAL HEADQUARTERS	251,474	251,474	---
900 UNIFIED COMMANDS	94,850	94,850	---
950 MISCELLANEOUS ACTIVITIES	1,057,943	1,057,943	---
1045 TOTAL, BUDGET ACTIVITY 1	16,478,481	16,455,981	-22,500
1050 BUDGET ACTIVITY 2: MOBILIZATION			
1100 MOBILITY OPERATIONS			
1200 STRATEGIC MOBILIZATION	327,345	327,345	---
1250 ARMY PREPOSITIONED STOCKS	126,163	126,163	---
1300 INDUSTRIAL PREPAREDNESS	8,491	8,491	---
1350 TOTAL, BUDGET ACTIVITY 2	461,999	461,999	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
1400 BUDGET ACTIVITY 3: TRAINING AND RECRUITING			
1450 ACCESSION TRAINING			
1500 OFFICER ACQUISITION	107,554	107,554	---
1550 RECRUIT TRAINING	20,766	20,766	---
1600 ONE STATION UNIT TRAINING	41,961	41,961	---
1650 SENIOR RESERVE OFFICERS' TRAINING CORPS	234,308	225,308	-9,000
1800 BASIC SKILL/ ADVANCE TRAINING			
1850 SPECIALIZED SKILL TRAINING	506,557	515,557	+9,000
1900 FLIGHT TRAINING	575,406	577,406	+2,000
1950 PROFESSIONAL DEVELOPMENT EDUCATION	102,832	103,832	+1,000
2000 TRAINING SUPPORT	618,519	610,619	-7,900
2150 RECRUITING/OTHER TRAINING			
2200 RECRUITING AND ADVERTISING	461,157	461,157	---
2250 EXAMINING	131,206	131,206	---
2300 OFF-DUTY AND VOLUNTARY EDUCATION	296,311	296,311	---
2350 CIVILIAN EDUCATION AND TRAINING	111,003	113,003	+2,000
2400 JUNIOR RESERVE OFFICERS' TRAINING CORPS	137,331	138,331	+1,000
2500 TOTAL, BUDGET ACTIVITY 3	3,344,911	3,343,011	-1,900

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
2550 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
2600 SECURITY PROGRAMS			
2650 SECURITY PROGRAMS	883,510	887,510	+4,000
2700 LOGISTICS OPERATIONS			
2750 SERVICEWIDE TRANSPORTATION	570,923	570,923	---
2800 CENTRAL SUPPLY ACTIVITIES	490,261	498,761	+8,500
2850 LOGISTICS SUPPORT ACTIVITIES	439,466	445,466	+6,000
2900 AMMUNITION MANAGEMENT	356,607	356,607	---
2950 SERVICEWIDE SUPPORT			
3000 ADMINISTRATION	702,719	700,219	-2,500
3050 SERVICEWIDE COMMUNICATIONS	610,866	614,866	+4,000
3100 MANPOWER MANAGEMENT	267,365	267,365	---
3150 OTHER PERSONNEL SUPPORT	191,686	191,686	---
3200 OTHER SERVICE SUPPORT	848,391	850,291	+1,900
3250 ARMY CLAIMS	115,453	115,453	---
3300 REAL ESTATE MANAGEMENT	60,633	60,633	---
3550 SUPPORT OF OTHER NATIONS			
3600 INTERNATIONAL MILITARY HEADQUARTERS	250,026	250,026	---
3650 MISC. SUPPORT OF OTHER NATIONS	60,114	61,114	+1,000
3700 TOTAL, BUDGET ACTIVITY 4	5,848,020	5,870,920	+22,900
3730 REPAIRS AT FT. BAKER	---	2,500	+2,500
3970 UNOBLIGATED BALANCES	---	-80,000	-80,000
4100 ADMINISTRATION AND SERVICEWIDE ACTIVITIES	---	-88,000	-88,000
4110 CIVILIAN PAY OVERSTATEMENT	---	-66,100	-66,100
4130 MILITARY TO CIVILIAN CONVERSIONS	---	-80,000	-80,000
4180 TOTAL, OPERATION AND MAINTENANCE, ARMY	26,133,411	25,820,311	-313,100

The adjustments to the budget activities for Operation and Maintenance, Army are shown below:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
250 Advanced Combat Helmet	1,000
250 Ultra Lightweight Camouflage Net System (ULCANS)	5,000
250 Modular General Purpose Tent System (MGPTS)	4,000
250 Tactical Operations Centers (ELAMS/MECCS) for USASOC and 4th Infantry Division	6,000
400 Modernized Equipment Support Cost Unjustified Growth	−10,000
400 Leak Proof Transmission Drip Pans	3,000
450 Rotational Training Unjustified Cost Growth	−10,000
600 Tactical Exploitation System	−4,000
600 Vehicle Integrated Primary Electrical Resource	3,500
750 Base Operating Support Unjustified Growth	−28,000
750 Renewal of Sunshine Road Ammunition Transportation Route, Fort Benning	4,000
750 Upgrade Telecommunications Infrastructure, Fort Monmouth	2,000
800 Rock Island Arsenal Wash Bay	100
800 Rock Island Arsenal Laser Cutting Machine	600
800 Rock Island Arsenal Titanium Welding Cell	300
Budget Activity 3: Training and Recruiting:	
1650 ROTC Cadre and Support Costs Unjustified Growth	−9,000
1850 Satellite Communications for Learning (SCOLA), DLI Foreign Language Center	3,000
1850 Virtual Reality Spray Paint Simulator System and Training Program	3,000
1850 Video Interactive Training and Assessment System	2,000
1850 Military Police MCTFT Joint Training	1,000
1900 Air Battle Captain ROTC Helicopter Flight Training	2,000
1950 Leadership for Leaders at CGSC/CAL and KSU	1,000
2000 Training Support and Doctrine Development Unjustified Growth	−20,000
2000 Training Instrumentation for Air and Missile Defense Units, Fort Bliss	7,000
2000 DLIFLC Global Language On-line Support System (GLOSS) Project	2,800
2000 DLIFLC Persian-Farsi Curriculum Development—Semester 2	2,300
2350 Online Technology Training Program, Fort Lewis	2,000
2400 Philadelphia Military Academies	1,000
Budget Activity 4: Administration and Servicewide Activities:	
2650 Security Programs Classified	4,000
2800 NATO 9T AGM Batteries	2,500
2800 Pulse Technology—Army Battery Management Program	4,000
2800 Integrated Digital Environments Pilot Program for Army Aviation Fleet Logistics Management	2,000
2850 Integrated Digital Environments (IDE) PEO Ground Combat Systems	1,000
2850 Sense and Respond Logistics	4,000
2850 Controlled Humidity Preservation Program, Soft Portable Tunnels	1,000
3000 OASA (Civil Works) Headquarters Funding transfer to Energy and Water Subcommittee	−2,500
3050 Army Knowledge Online (AKO)	4,000
3200 One Soul: Holocaust Education Exhibit	1,000
3200 Memorial Day	900
3650 Center for Disaster Management and Humanitarian Assistance	1,000
Undistributed:	
3730 Repairs at Fort Baker	2,500
3790 Unobligated Balances	−80,000
4100 Administration and Servicewide Activities	−88,000
4110 Civilian Pay Overstatement	−66,100
4130 Military to Civilian Conversions	−80,000

ONLINE TECHNOLOGY TRAINING PROGRAM

The Committee recommends an additional $2,000,000 in Operation and Maintenance, Army only to continue the Fort Lewis Online Technology Training Pilot Program.

PHILADELPHIA MILITARY ACADEMIES

The Committee recommends an additional $1,000,000 in Operation and Maintenance, Army only to support the School District of Philadelphia for the establishment of the Philadelphia Military Academies Junior ROTC Program.

VEHICLE INTEGRATED PRIMARY ELECTRICAL RESOURCE

The Committee recommends an additional $3,500,000 in Operation and Maintenance, Army only for operational testing of an under-hood power system.

VIRTUAL REALITY SPRAY PAINT SIMULATOR SYSTEM AND TRAINING PROGRAM

The Committee recommends an additional $3,000,000 in Operation and Maintenance, Army only for a collaborative effort for the Army and Pine Technical College Virtual Reality Simulator System and Training Program.

FORT MONMOUTH TELECOMMUNICATIONS INFRASTRUCTURE

The Committee recommends an additional $2,000,000 in Operation and Maintenance, Army only to engineer and install upgraded communications infrastructure at Fort Monmouth, New Jersey, including replacing obsolescent cable plant by extending underground service via copper and fiber optic media to all Fort Monmouth buildings from the new fiber ring.

CONTROLLED HUMIDITY PROGRAM

The Committee recommends an additional $1,000,000 in Operation and Maintenance, Army only to augment the use of Controlled Humidity Program Soft Portable Tunnels as currently used in Italy to include low water vapor transmission rate (WVTR) material as described in MIL–P–58102, Type II, and MIL–C–58104 by the Department of the Army, to enhance cost avoidance and support rapid storage space requirements and relocation capabilities for fielded equipment.

ONE SOUL: HOLOCAUST EDUCATION EXHIBIT

The Committee recommends an additional $1,000,000 in Operation and Maintenance, Army only to complete the development of a Holocaust education exhibit and place the exhibit in the certified Army Museums at Army installations across the country. The United States Army played a prominent role in liberating Nazi concentration camps at the end of World War II. The Afikim Foundation's "One Soul: Holocaust Education Exhibit" presents the history and lessons of the Holocaust in a thought-provoking and intimate manner.

SENSE AND RESPOND LOGISTICS

The Committee recommends an additional $4,000,000 in Operation and Maintenance, Army only to support Army Sense and Respond Logistics for transition to a net-centric logistics command and control decision support capability.

INTEGRATED DIGITAL ENVIRONMENTS INFORMATION PORTAL

The Committee recommends an additional $1,000,000 in Operation and Maintenance, Army only for the Program Executive Officer (PEO) Ground Combat Systems (GCS) at TACOM to expand the current PEO GCS eBusiness Portal technologies for the benefit of all ground combat system program managers and in support of the Army Transformation strategy.

ARMY KNOWLEDGE ONLINE

The Committee recommends an additional $4,000,000 in Operation and Maintenance, Army only for a disaster recovery capability, including data storage management services, to support Army Knowledge Online.

OPERATION AND MAINTENANCE, NAVY

Fiscal year 2004 appropriation	$28,146,658,000
Fiscal year 2005 budget request	29,789,190,000
Committee recommendation	29,570,090,000
Change from budget request	−219,100,000

The Committee recommends an appropriation of $29,570,090,000 for Operation and Maintenance, Navy. The recommendation is an increase of $1,423,432,000 above the amount appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
4250 OPERATION AND MAINTENANCE, NAVY			
4300 BUDGET ACTIVITY 1: OPERATING FORCES			
4350 AIR OPERATIONS			
4400 MISSION AND OTHER FLIGHT OPERATIONS	3,002,769	3,002,769	---
4450 FLEET AIR TRAINING	1,066,452	1,066,452	---
4500 INTERMEDIATE MAINTENANCE	66,565	66,565	---
4550 AIR OPERATIONS AND SAFETY SUPPORT	111,146	111,146	---
4560 AIR SYSTEMS SUPPORT	498,508	474,508	-24,000
4600 AIRCRAFT DEPOT MAINTENANCE	995,596	995,596	---
4650 AIRCRAFT DEPOT OPERATIONS SUPPORT	67,980	69,480	+1,500
4800 SHIP OPERATIONS			
4850 MISSION AND OTHER SHIP OPERATIONS	2,604,963	2,619,963	+15,000
4900 SHIP OPERATIONAL SUPPORT AND TRAINING	622,119	622,119	---
5000 SHIP DEPOT MAINTENANCE	3,910,439	3,910,439	---
5050 SHIP DEPOT OPERATIONS SUPPORT	1,113,910	1,118,410	+4,500
5200 COMBAT OPERATIONS/SUPPORT			
5250 COMBAT COMMUNICATIONS	379,929	379,929	---
5300 ELECTRONIC WARFARE	16,946	16,946	---
5350 SPACE SYSTEMS & SURVEILLANCE	136,231	136,231	---
5400 WARFARE TACTICS	266,032	266,032	---
5450 OPERATIONAL METEOROLOGY & OCEANOGRAPHY	256,003	256,003	---
5500 COMBAT SUPPORT FORCES	1,362,179	1,337,179	-25,000
5550 EQUIPMENT MAINTENANCE	186,658	187,658	+1,000
5600 DEPOT OPERATIONS SUPPORT	3,214	3,214	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
5750 WEAPONS SUPPORT			
5800 CRUISE MISSILE	155,731	155,731	---
5850 FLEET BALLISTIC MISSILE	830,393	830,393	---
5900 IN-SERVICE WEAPONS SYSTEMS SUPPORT	51,043	51,043	---
5950 WEAPONS MAINTENANCE	447,327	437,327	-10,000
6200 BASE SUPPORT			
6210 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,330,363	1,332,863	+2,500
6220 BASE SUPPORT	3,195,350	3,197,350	+2,000
6230 TOTAL, BUDGET ACTIVITY 1	22,677,846	22,645,346	-32,500
6250 BUDGET ACTIVITY 2: MOBILIZATION			
6300 READY RESERVE AND PREPOSITIONING FORCES			
6350 SHIP PREPOSITIONING AND SURGE	548,199	548,199	---
6400 ACTIVATIONS/INACTIVATIONS			
6450 AIRCRAFT ACTIVATIONS/INACTIVATIONS	7,619	7,619	---
6500 SHIP ACTIVATIONS/INACTIVATIONS	212,393	213,393	+1,000
6550 MOBILIZATION PREPAREDNESS			
6600 FLEET HOSPITAL PROGRAM	26,119	26,119	---
6650 INDUSTRIAL READINESS	1,523	1,523	---
6700 COAST GUARD SUPPORT	17,185	17,185	---
6750 TOTAL, BUDGET ACTIVITY 2	813,038	814,038	+1,000
6800 BUDGET ACTIVITY 3: TRAINING AND RECRUITING			
6850 ACCESSION TRAINING			
6900 OFFICER ACQUISITION	120,835	120,835	---
6950 RECRUIT TRAINING	7,716	7,716	---
7000 RESERVE OFFICERS TRAINING CORPS	102,336	102,336	---
7150 BASIC SKILLS AND ADVANCED TRAINING			
7200 SPECIALIZED SKILL TRAINING	434,374	437,374	+3,000
7250 FLIGHT TRAINING	420,829	420,829	---
7300 PROFESSIONAL DEVELOPMENT EDUCATION	116,770	123,770	+7,000
7350 TRAINING SUPPORT	238,246	238,246	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
7500 RECRUITING, AND OTHER TRAINING AND EDUCATION			
7550 RECRUITING AND ADVERTISING	282,526	282,526	---
7600 OFF-DUTY AND VOLUNTARY EDUCATION	146,508	147,508	+1,000
7650 CIVILIAN EDUCATION AND TRAINING	67,556	67,556	---
7700 JUNIOR ROTC	39,900	42,900	+3,000
7850 TOTAL, BUDGET ACTIVITY 3	1,977,596	1,991,596	+14,000
7900 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
7950 SERVICEWIDE SUPPORT			
8000 ADMINISTRATION	773,940	773,940	---
8050 EXTERNAL RELATIONS	3,893	3,893	---
8100 CIVILIAN MANPOWER & PERSONNEL MGT	110,614	110,614	---
8150 MILITARY MANPOWER & PERSONNEL MGT	198,465	198,465	---
8200 OTHER PERSONNEL SUPPORT	317,284	317,284	---
8250 SERVICEWIDE COMMUNICATIONS	605,415	605,415	---
8450 LOGISTICS OPERATIONS AND TECHNICAL SUPPORT			
8500 SERVICEWIDE TRANSPORTATION	189,634	189,634	---
8550 PLANNING, ENGINEERING & DESIGN	252,972	256,972	+4,000
8600 ACQUISITION AND PROGRAM MANAGEMENT	840,666	843,666	+3,000
8700 HULL, MECHANICAL & ELECTRICAL SUPPORT	55,505	55,505	---
8750 COMBAT/WEAPONS SYSTEMS	51,683	51,683	---
8800 SPACE & ELECTRONIC WARFARE SYSTEMS	70,166	70,166	---
8950 SECURITY PROGRAMS			
9000 SECURITY PROGRAMS	839,870	855,870	+16,000
9150 SUPPORT OF OTHER NATIONS			
9200 INTERNATIONAL HDQTRS & AGENCIES	10,603	10,603	---
9250 TOTAL, BUDGET ACTIVITY 4	4,320,710	4,343,710	+23,000
9440 UNOBLIGATED BALANCES	---	-86,000	-86,000
9550 ADMINISTRATION AND SERVICEWIDE ACTIVITIES	---	-91,600	-91,600
9570 CIVILIAN PAY OVERSTATEMENT	---	-13,300	-13,300
9580 MILITARY TO CIVILIAN CONVERSIONS	---	-19,300	-19,300
9590 CIVILIAN SEPARATION INCENTIVE	---	-14,400	-14,400
9750 TOTAL, OPERATION AND MAINTENANCE, NAVY	29,789,190	29,570,090	-219,100

The adjustments to the budget activities for Operation and Maintenance, Navy are shown below:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
4560 Publications Costs and Maintenance Trends Analysis Unjustified Growth	−20,000
4560 Navy Air Logistics Data Analysis	−10,000
4560 Knowledge Management and Decision Support System	6,000
4650 Naval Aviation Depot (NADEP) Support of the FRP	2,000
4650 Simulation Modeling Analytical Support System (SMASS) Program	1,000
4650 CAT & RADCOM Test Program Sets Life Extension Program	6,000
4650 Navy Converged ERP Program Reduction	−7,500
4850 Pier-side and Organizational Maintenance U.S.S. Eisenhower	15,000
5050 Single Torpedo Maintenance Facility	1,500
5050 Engineering Technician, Apprentice, Co-op Program, NUWC Keyport	1,500
5050 Improved Engineering Design Process	1,500
5500 Excessive Growth for JFCOM and PACOM	−25,000
5550 Manual Reverse Osmosis Desalinator (MROD) Testing, Repair and Replacement	1,000
5950 Unsupported Requirements Global Hawk UAV	−10,000
6210 Toledo Shipyard Improvement Plan	2,500
6220 Base Operating Support Unjustified Growth	−15,000
6220 Naval Integrated Security System, Naval Station San Diego	4,000
6220 Navy Region Northwest—Navy Shore Infrastructure Transformation (NSIT)	6,500
6220 Navy Region Southeast—Integrated Safety Management System (ISMS) Completion	4,500
6220 Combating Terrorism Database System (CDTS) Remote Data Repository (RDR) Project	2,000
Budget Activity 2: Mobilization:	
6500 Ship Disposal Program	1,000
Budget Activity 3: Training and Recruiting:	
7200 Near Pier-Side Tactical and Simulation Training	2,000
7200 Blended Learning Initiative	1,000
7300 Navy Advanced Education Demonstration Project	1,000
7300 Center of Excellence for Learning Technology (CELT)	1,000
7300 Center for Defense Technology and Education for the Military Services (CDTEMS)	5,000
7600 Continuing Education Distance Learning	1,000
7700 Naval Sea Cadet Corps	1,000
7700 Naval Junior ROTC Marine Science Research Program	2,000
Budget Activity 4: Administration and Servicewide Activities:	
8550 Stainless Steel Sanitary Spaces	4,000
8600 Active Data-Rich RFID AIT for Navy In-Transit Visibility Infrastructure	3,000
9000 Local Situational Assessment Segment, NAS Lemoore	6,000
9000 Navy Integrated Security System (NISS)	4,000
9000 Security Programs Classified	6,000
Undistributed:	
9440 Unobligated Balances	−86,000
9550 Administration and Servicewide Activities	−91,600
9570 Civilian Pay Overstatement	−13,300
9580 Military to Civilian Conversion	−19,300
9590 Civilian Separation Incentive	−14,400

KNOWLEDGE MANAGEMENT AND DECISION SUPPORT SYSTEM

The Committee recommends an additional $6,000,000 in Operation and Maintenance, Navy only to implement and sustain a spiral development transformation through well-defined processes for capitalizing on best practices and integrating lessons learned

across the Naval Aviation Enterprise. The funding will support design, development, and sustainment of a knowledge management and decision support architecture that facilitates a culture of self-sustaining, knowledge-sharing, collaborative communities.

LOCAL SITUATIONAL ASSESSMENT, NAS LEMOORE

The Committee recommends an additional $6,000,000 in Operation and Maintenance, Navy only to fund the Local Situational Assessment Segment operating system at the Naval Air Station (NAS) Lemoore to support anti-terrorist force protection at the base by providing an integrated open architecture backbone LSAS, Smart Fence and Smart Gate capability system.

CDTEMS

The Committee recommends an additional $5,000,000 in Operation and Maintenance, Navy only for the Center for Defense Technology and Education for the Military Services (CDTEMS). CDTEMS leverages Naval Postgraduate School (NPS) expertise to assist deployed US forces to win the Global War on Terrorism. Based on insights gained by NPS students while deployed in Iraq, Afghanistan and other operational theaters, and by the Special Operations Command and other program sponsors, CDTEMS conducts research and education programs that directly increase the effectiveness of US Joint and Combined operations. CDTEMS supported programs include the Center for Post-Conflict Reconstruction, the Field Experimentation Program, the Maritime Domain Protection Project, and the Regional Security Education Program. The additional funding will support these programs and will provide for research aimed at applying other emerging technologies to war fighting and counter-terrorism needs.

SINGLE TORPEDO MAINTENANCE FACILITY

The Committee recommends an additional $1,500,000 in Operation and Maintenance, Navy only to virtually connect and coordinate torpedo maintenance activities in the same fashion as the Navy's Single Shipyard Concept. Torpedo maintenance activities are currently spread across several facilities. This effort would link these activities together to maximize their efficiency.

NAVY REGION SOUTHEAST INTEGRATED SAFETY MANAGEMENT SYSTEM

The Committee recommends an additional $4,500,000 in Operation and Maintenance, Navy only to complete the Integrated Safety Management System (ISMS) project in the Navy's Southeast Region (8 sites) and expand it into the remaining six sites in the Southeast Region (total of 14 sites).

NAS NORTH ISLAND

The Committee directs that of the funds made available in Operation and Maintenance, Navy, $5,000,000 is only to complete the renovation of buildings 10 and 11 at NAS North Island.

GLOBAL HAWK MARITIME DEMONSTRATION

The budget includes $10,000,000 to support operational costs of exercise participation for the Global Hawk High Altitude (HAE) Unmanned Aerial Vehicle (UAV). The Committee has eliminated this request based on the view that the Navy's cost of operating and maintaining its single Global Hawk asset would be far greater than the benefit gained from exercise participation.

The Air Force has a program that supports the acquisition, fielding, and operation of a large number of Global Hawk UAVs and the Committee believes that a more cost effective solution would be to add the Navy's Global Hawk UAV to the Air Force inventory. Therefore, the Committee directs the Navy to transfer its Global Hawk UAV asset to the Air Force within 60 days of enactment of this Act.

DOD–NOAA FACILITY CLEAN-UP

The Committee urges the Department of Defense to consult with the National Oceanic and Atmospheric Administration (NOAA) and to enter into such memoranda of understanding as are necessary to make use of NOAA's expertise and experience in fulfilling its responsibilities for clean-up on Vieques Island.

OPERATION AND MAINTENANCE, MARINE CORPS

Fiscal year 2004 appropriation	$3,440,323,000
Fiscal year 2005 budget request	3,632,115,000
Committee recommendation	3,605,815,000
Change from budget request	−26,300,000

The Committee recommends an appropriation of $3,605,815,000 for Operation and Maintenance, Marine Corps. The recommendation is an increase of $165,492,000 above the amount appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
9900 OPERATION AND MAINTENANCE, MARINE CORPS			
9950 BUDGET ACTIVITY 1: OPERATING FORCES			
10000 EXPEDITIONARY FORCES			
10050 OPERATIONAL FORCES	633,914	666,914	+33,000
10100 FIELD LOGISTICS	367,293	365,793	-1,500
10150 DEPOT MAINTENANCE	102,085	102,085	---
10200 BASE SUPPORT	1,026,795	1,022,795	-4,000
10250 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	451,012	451,012	---
10300 USMC PREPOSITIONING			
10350 MARITIME PREPOSITIONING	72,128	71,128	-1,000
10400 NORWAY PREPOSITIONING	7,763	7,763	---
10450 TOTAL, BUDGET ACTIVITY 1	2,660,990	2,687,490	+26,500
10500 BUDGET ACTIVITY 3: TRAINING AND RECRUITING			
10550 ACCESSION TRAINING			
10600 RECRUIT TRAINING	10,539	10,539	---
10650 OFFICER ACQUISITION	351	351	---
10800 BASIC SKILLS AND ADVANCED TRAINING			
10850 SPECIALIZED SKILLS TRAINING	45,155	45,155	---
10900 FLIGHT TRAINING	174	174	---
10950 PROFESSIONAL DEVELOPMENT EDUCATION	8,972	8,972	---
11000 TRAINING SUPPORT	134,241	134,241	---
11150 RECRUITING AND OTHER TRAINING EDUCATION			
11200 RECRUITING AND ADVERTISING	113,988	113,988	---
11250 OFF-DUTY AND VOLUNTARY EDUCATION	34,336	34,336	---
11300 JUNIOR ROTC	13,270	13,270	---
11350 BASE SUPPORT	162,579	162,579	---
11400 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	68,553	68,553	---
11450 TOTAL, BUDGET ACTIVITY 3	592,158	592,158	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
11500 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
11550 SERVICEWIDE SUPPORT			
11650 SPECIAL SUPPORT	274,508	274,508	---
11700 SERVICEWIDE TRANSPORTATION	37,300	37,300	---
11750 ADMINISTRATION	45,271	45,271	---
11800 BASE SUPPORT	18,697	18,697	---
11850 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	3,191	4,691	+1,500
11900 TOTAL, BUDGET ACTIVITY 4	378,967	380,467	+1,500
12010 UNOBLIGATED BALANCES	---	-8,000	-8,000
12050 ADMINISTRATION AND SERVICEWIDE ACTIVITIES	---	-17,200	-17,200
12060 MILITARY TO CIVILIAN CONVERSIONS	---	-29,100	-29,100
12300 TOTAL, OPERATION & MAIN, MARINE CORPS	3,632,115	3,605,815	-26,300

The adjustments to the budget activities for Operation and Maintenance, Marine Corps are shown below:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
10050 All Purpose Environmental Clothing System (APECS)	10,000
10050 Marine Corps Mountain/Cold Weather Clothing and Equipment	1,000
10050 Modular General Purpose Tent System (MGPTS)	3,000
10050 EMI Hardened Fluorescent Stringable Tent Lighting System	4,000
10050 Range Enhancements for JNTC MOUT Facility at Twentynine Palms	15,000
10100 Life Cycle Sustainment Software Maintenance Unjustified Growth	−3,000
10100 Transportation CLS Replacement and Ammunition Rework Unjustified Growth	−2,000
10100 NATO 9T AGM Batteries	2,500
10100 Pulse Technology—USMC Battery Management Program	1,000
10200 Base Operating Support Unjustified Growth	−5,000
10200 Defense Motor Vehicle Safety Demonstration Program	1,000
10350 Contract Maintenance and Training Exercise Unjustified Growth	−1,000
Budget Activity 4: Administration and Servicewide Activities:	
11850 MCLB Albany Sewer Line Replacement	1,500
Undistributed:	
12010 Unobligated Balances	−8,000
12050 Administration and Servicewide Activities	−17,200
12055 Military to Civilian Conversions	−29,100

MARINE CORPS MOUNTAIN/COLD WEATHER CLOTHING AND EQUIPMENT

The Committee recommends an additional $1,000,000 in Operation and Maintenance, Marine Corps, only for the purchase of Marine Corps Mountain/Cold Weather clothing and equipment for Marine Corps operational forces, including exhale/custom fit technology gloves, as well as All Purpose Environmental Clothing System (APECS), sunglasses, canteens, sleeping bags, gaiters, and cold weather assault climbers kits.

OPERATION AND MAINTENANCE, AIR FORCE

Fiscal year 2004 appropriation	$26,904,731,000
Fiscal year 2005 budget request	28,471,260,000
Committee recommendation	27,994,110,000
Change from budget request	−477,150,000

The Committee recommends an appropriation of $27,994,110,000 for Operation and Maintenance, Air Force. The recommendation is an increase of $1,089,379,000 above the amount appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
12450 OPERATION AND MAINTENANCE, AIR FORCE			
12500 BUDGET ACTIVITY 1: OPERATING FORCES			
12550 AIR OPERATIONS			
12600 PRIMARY COMBAT FORCES	3,275,334	3,276,234	+900
12650 PRIMARY COMBAT WEAPONS	331,333	331,333	---
12700 COMBAT ENHANCEMENT FORCES	346,322	346,322	---
12750 AIR OPERATIONS TRAINING	1,274,599	1,259,599	-15,000
12775 DEPOT MAINTENANCE	2,085,761	2,046,461	-39,300
12800 COMBAT COMMUNICATIONS	1,318,159	1,308,159	-10,000
12850 BASE SUPPORT	1,995,494	1,995,994	+500
12900 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,017,301	1,017,301	---
12950 COMBAT RELATED OPERATIONS			
13000 GLOBAL C3I AND EARLY WARNING	1,147,163	1,120,163	-27,000
13050 NAVIGATION/WEATHER SUPPORT	204,543	204,543	---
13100 OTHER COMBAT OPS SUPPORT PROGRAMS	622,524	594,524	-28,000
13150 JCS EXERCISES	32,756	32,756	---
13200 MANAGEMENT/OPERATIONAL HEADQUARTERS	240,380	245,380	+5,000
13250 TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	340,102	340,102	---
13300 SPACE OPERATIONS			
13350 LAUNCH FACILITIES	343,565	343,565	---
13400 LAUNCH VEHICLES	100,135	103,635	+3,500
13450 SPACE CONTROL SYSTEMS	237,995	237,995	---
13500 SATELLITE SYSTEMS	68,655	68,655	---
13550 OTHER SPACE OPERATIONS	258,376	258,376	---
13600 BASE SUPPORT	528,332	528,332	---
13650 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	171,469	172,069	+600
13700 TOTAL, BUDGET ACTIVITY 1	15,940,298	15,831,498	-108,800

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
13750 BUDGET ACTIVITY 2: MOBILIZATION			
13800 MOBILITY OPERATIONS			
13850 AIRLIFT OPERATIONS	1,919,987	1,923,987	+4,000
13900 AIRLIFT OPERATIONS C3I	51,824	51,824	---
13950 MOBILIZATION PREPAREDNESS	170,623	170,623	---
13975 DEPOT MAINTENANCE	410,679	371,179	-39,500
14050 BASE SUPPORT	537,718	537,718	---
14100 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	200,928	200,928	---
14150 TOTAL, BUDGET ACTIVITY 2	3,291,759	3,256,259	-35,500
14200 BUDGET ACTIVITY 3: TRAINING AND RECRUITING			
14250 ACCESSION TRAINING			
14300 OFFICER ACQUISITION	73,788	73,788	---
14350 RECRUIT TRAINING	6,034	6,034	---
14400 RESERVE OFFICER TRAINING CORPS (ROTC)	84,381	84,381	---
14450 BASE SUPPORT (ACADEMIES ONLY)	71,777	71,777	---
14500 FAC SUSTAINMENT, RESTORATION & MODERNIZATION	85,892	85,892	---
14550 BASIC SKILLS AND ADVANCED TRAINING			
14600 SPECIALIZED SKILL TRAINING	336,818	339,318	+2,500
14650 FLIGHT TRAINING	775,819	776,819	+1,000
14700 PROFESSIONAL DEVELOPMENT EDUCATION	158,967	158,967	---
14750 TRAINING SUPPORT	108,450	109,450	+1,000
14775 DEPOT MAINTENANCE	12,914	12,914	---
14800 BASE SUPPORT (OTHER TRAINING)	584,857	584,857	---
14850 FAC SUSTAINMENT, RESTORATION & MODERNIZATION	190,592	190,592	---
14900 RECRUITING, AND OTHER TRAINING AND EDUCATION			
14950 RECRUITING AND ADVERTISING	143,369	143,369	---
15000 EXAMINING	3,281	3,281	---
15050 OFF DUTY AND VOLUNTARY EDUCATION	159,129	159,129	---
15100 CIVILIAN EDUCATION AND TRAINING	158,738	162,738	+4,000
15150 JUNIOR ROTC	50,108	50,108	---
15200 TOTAL, BUDGET ACTIVITY 3	3,004,914	3,013,414	+8,500

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
15250 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
15300 LOGISTICS OPERATIONS			
15350 LOGISTICS OPERATIONS	883,478	883,478	---
15400 TECHNICAL SUPPORT ACTIVITIES	432,323	434,323	+2,000
15450 SERVICEWIDE TRANSPORTATION	171,501	171,501	---
15475 DEPOT MAINTENANCE	105,158	105,158	---
15500 BASE SUPPORT	1,072,242	1,072,242	---
15550 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	260,580	261,580	+1,000
15600 SERVICEWIDE ACTIVITIES			
15650 ADMINISTRATION	299,617	299,617	---
15700 SERVICEWIDE COMMUNICATIONS	377,574	377,574	---
15750 PERSONNEL PROGRAMS	262,281	262,281	---
15800 RESCUE AND RECOVERY SERVICES	129,437	129,437	---
15900 ARMS CONTROL	41,645	41,645	---
15950 OTHER SERVICEWIDE ACTIVITIES	728,942	730,942	+2,000
16000 OTHER PERSONNEL SUPPORT	39,457	40,457	+1,000
16050 CIVIL AIR PATROL CORPORATION	21,722	21,722	---
16100 BASE SUPPORT	345,170	351,920	+6,750
16150 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	12,848	12,848	---
16200 SECURITY PROGRAMS			
16250 SECURITY PROGRAMS	1,024,129	1,024,129	---
16300 SUPPORT TO OTHER NATIONS			
16350 INTERNATIONAL SUPPORT	26,185	26,185	---
16400 TOTAL, BUDGET ACTIVITY 4	6,234,289	6,247,039	+12,750
16630 UNOBLIGATED BALANCES	---	-71,000	-71,000
16710 ADMINISTRATION AND SERVICEWIDE ACTIVITIES	---	-138,400	-138,400
16720 BASE OPERATIONS SUPPORT	---	-43,000	-43,000
16730 CIVILIAN PAY OVERSTATEMENT	---	-12,500	-12,500
16780 MILITARY TO CIVILIAN CONVERSIONS	---	-48,500	-48,500
16790 CIVILIAN SEPARATION INCENTIVE	---	-40,700	-40,700
16910 TOTAL, O&M, AIR FORCE	28,471,260	27,994,110	-477,150

The adjustments to the budget activities for Operation and Maintenance, Air Force are shown below:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
12600 Maintain 52 F–117 Aircraft	7,900
12600 Forward Osmosis Water Filtration Devices	1,000
12600 F–15E Oxygen Concentrator Reliability Improvement Program	1,000
12600 Combat Air Systems Activities, 480th Intel Squadron	−9,000
12750 JNTC Distributed Mission Operations Unjustified Growth	−15,000
12775 Transfer to O&M, Air National Guard	−39,300
12800 Air Operations Centers Unjustified Growth	−10,000
12850 Fairchild AFB Force Protection Rail Relocation	500
13000 C3I Operations and Sustainment Unjustified Growth	−27,000
13100 Engineering, Installation Support, and Expanded Space Operations School Unjustified Growth	−30,000
13100 Contaminant Air Processing System (CAPS)	2,000
13200 Management Support for Air Force Battle Labs	5,000
13400 Maintenance and Upkeep of Rocket Engine Test Stands at Edwards AFB	3,500
13690 Repair Jump Tower at Kirtland AFB	600
Budget Activity 2: Mobilization:	
13850 Joint Combined Aircrew System Tester (JCAST)	4,000
13975 Transfer to O&M Air National Guard	−39,500
Budget Activity 3: Training and Recruiting:	
14600 Pavement Equipment Operator Course Consolidation, Whiteman Air Force Base	2,500
14650 AWACS Communications Training	1,000
14750 Geospatial Distant Learning and Higher Education Development	1,000
15100 Online Technology Training Program McChord AFB	1,000
15100 Online Technology Training Program Nellis AFB	1,000
15100 Online Technology Training Program MacDill AFB	2,000
Budget Activity 4: Administration and Servicewide Activities:	
15400 Engine Health Management Data Repository Center	2,000
15550 Wright-Patterson AFB Civil Engineering Critical Infrastructure Data Set Development	1,000
15950 Joint Personnel Recovery Agency	2,000
16000 Demonstration Project for Contractors Employing Persons with Disabilities	1,000
16100 William Lehman Aviation Center	750
16100 Defense Installation Spatial Data Infrastructure (DISDI)	6,000
Undistributed:	
16630 Unobligated Balances	−71,000
16710 Administration and Servicewide Activities	−138,400
16720 Base Operations Support	−43,000
16730 Civilian Pay Overstatement	−12,500
16780 Military to Civilian Conversions	−48,500
16790 Civilian Separation Incentive	−40,700

F–15E OXYGEN CONCENTRATOR RELIABILITY IMPROVEMENT PROGRAM

The Committee recommends an additional $1,000,000 in Operation and Maintenance, Air Force, only to procure and install MSOGS upgrade kits for the F–15E fleet. The Committee understands that the depot developed and qualified upgrade kit will increase oxygen system reliability to near the life of the aircraft.

DEFENSE INSTALLATION SPATIAL DATA INFRASTRUCTURE (DISDI)

The Committee recommends an additional $6,000,000 in Operation and Maintenance, Air Force, only to expand the successful

USAF Geobase program to improve military installation management throughout DoD.

AIR SHOW STUDY

The Committee directs that of the funds made available in Operation and Maintenance, Air Force, $1,000,000 be used only for the purposes described in Section 1072 of the House-passed National Defense Authorization Bill for fiscal year 2005.

THREAT REPRESENTATION AND VALIDATION

The independent validation of threat models and simulators is critical to ensuring war-fighter preparedness and survivability. The Committee has assisted the Air Force in accomplishing the threat modeling and simulation validation being conducted by the National Air and Space Intelligence Center (NAIC) for several years. The Committee understands that although the NAIC Threat Representation and Validation program was to be divested in fiscal year 2004, that it has been reinstated. Further, the Committee understands that this will consist of reinstating six government positions in fiscal year 2004 and funding for fiscal year 2005 to support the positions until the program can be inserted into the fiscal year 2006 to 2011 Program Objective Memorandum (POM) cycle. The Committee considers this a critical program and believes it in the best interest of the Air Force to maintain this important capability, and to ensure that it is included in the fiscal year 2006 to 2011 POM.

HEAVY OUTSIZED AIRLIFT CAPACITY

The Committee is aware of the on-going Mobility Capabilities Study and the probability that the current 54.5 MTM/day requirement will increase. The Committee, like the Air Force, recognizes the value of filling whatever heavy, outsized lift requirement is validated with the most cost effective fleet structure to include better use of the Civilian Reserve Air Fleet. The Committee directs the Secretary of the Air Force to provide the congressional defense committees no later than March 31, 2005, an assessment of options to introduce a U.S. owned, heavy, outsized airlift capability into the CRAF based on potential commercial uses of commercialized versions of U.S. heavy outsized cargo aircraft without the need for government investment or substantial involvement.

B–1 AIRCRAFT REGENERATION

The fiscal year 2004 Defense Appropriations Act provided $17,100,000 in procurement aircraft modification funding to regenerate additional B–1 aircraft previously planned for retirement. The Air Force has indicated this funding is sufficient to modify and increase the force structure by 7 aircraft, to a fleet total of 67. For fiscal year 2005, the Air Force has advised the Committee it will operate the total B–1 fleet of 67 aircraft from within funds available to the Air Force.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

Fiscal year 2004 appropriation	$16,226,841,000
Fiscal year 2005 budget request	17,494,076,000
Committee recommendation	17,346,411,000
Change from budget request	−147,665,000

The Committee recommends an appropriation of $17,346,411,000 for Operation and Maintenance, Defense-Wide. The recommendation is an increase of $1,119,570,000 above the amount appropriated in fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
16950 OPERATION AND MAINTENANCE, DEFENSE-WIDE			
17000 BUDGET ACTIVITY 1: OPERATING FORCES			
17050 JOINT CHIEFS OF STAFF	243,062	193,062	-50,000
17100 SPECIAL OPERATIONS COMMAND	1,992,613	1,984,613	-8,000
17150 TOTAL, BUDGET ACTIVITY 1	2,235,675	2,177,675	-58,000
17200 BUDGET ACTIVITY 2: MOBILIZATION			
17250 DEFENSE LOGISTICS AGENCY	40,599	40,599	---
17350 BUDGET ACTIVITY 3: TRAINING AND RECRUITING			
17375 AMERICAN FORCES INFORMATION SERVICE	14,050	14,050	---
17460 DEFENSE ACQUISITION UNIVERSITY	103,532	103,532	---
17465 DEFENSE CONTRACT AUDIT AGENCY	5,296	5,296	---
17480 DEFENSE HUMAN RESOURCES ACTIVITY	56,067	61,067	+5,000
17490 DEFENSE SECURITY SERVICE	7,343	7,343	---
17510 DEFENSE THREAT REDUCTION AGENCY	5,968	5,968	---
17600 SPECIAL OPERATIONS COMMAND	96,244	96,244	---
17610 NATIONAL DEFENSE UNIVERSITY	90,263	95,863	+5,600
17650 TOTAL, BUDGET ACTIVITY 3	378,763	389,363	+10,600
17700 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
17725 AMERICAN FORCES INFORMATION SERVICE	110,528	110,528	---
17750 CIVIL MILITARY PROGRAMS	101,389	101,889	+500
17800 DEFENSE CONTRACT AUDIT AGENCY	368,119	368,119	---
17825 DEFENSE CONTRACT MANAGEMENT AGENCY	1,029,592	1,029,592	---
17850 DEFENSE FINANCE AND ACCOUNTING SERVICE	4,310	4,310	---
17875 DEFENSE HUMAN RESOURCES ACTIVITY	318,940	312,540	-6,400

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
17900 DEFENSE INFORMATION SYSTEMS (SERVICES) AGENCY	1,090,558	1,041,558	-49,000
17925 DEFENSE LOGISTICS AGENCY	265,379	282,379	+17,000
17950 DEFENSE LEGAL SERVICES AGENCY	25,484	25,484	---
17975 DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,761,852	1,793,752	+31,900
18000 DEFENSE POW /MISSING PERSONS OFFICE	15,964	15,964	---
18025 DEFENSE SECURITY COOPERATION AGENCY	83,922	83,922	---
18050 DEFENSE SECURITY SERVICE	277,100	227,100	-50,000
18075 DEFENSE THREAT REDUCTION AGENCY	319,483	320,783	+1,300
18100 OFFICE OF ECONOMIC ADJUSTMENT	44,756	73,756	+29,000
18125 OFFICE OF THE SECRETARY OF DEFENSE	805,813	738,563	-67,250
18150 SPECIAL OPERATIONS COMMAND	142,457	142,457	---
18200 JOINT CHIEFS OF STAFF	278,884	278,884	---
18225 WASHINGTON HEADQUARTERS SERVICES	447,166	447,166	---
18250 DEFENSE TECHNOLOGY SECURITY ADMINISTRATION	20,456	20,456	---
18950 TOTAL, BUDGET ACTIVITY 4	7,512,152	7,419,202	-92,950
19010 IMPACT AID	---	35,000	+35,000
19020 OTHER PROGRAMS	7,326,887	7,339,672	+12,785
19042 UNOBLIGATED BALANCES	---	-55,100	-55,100
19450 TOTAL, OPERATION & MAIN, DEFENSE-WIDE	17,494,076	17,346,411	-147,665

The adjustments to the budget activities for Operation and Maintenance, Defense-Wide are shown below:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
17050 TJS—CJCS Exercise Program	−50,000
17100 SOCOM—Completion of Knowledge Superiority for Transitional Warfighter	2,000
17100 SOCOM—Decreased Airlift requirements	−10,000
Budget Activity 3: Training and Recruiting:	
17480 DHRA—DLAMP Program Growth	−5,000
17480 DHRA—Joint Advertising Market Research and Studies Program	10,000
17610 NDU—Continuing Education	2,000
17610 NDU—NDU Integrated Strategic Education	1,000
17610 NDU—Joint Staff Infrastructure	1,600
17610 NDU—Commissioned Officer Education Assistance	1,000
Budget Activity 4: Administration and Servicewide Activities:	
17750 CMP—Outdoor Odyssey	500
17875 DHRA—Defense Business Fellows	−4,400
17875 DHRA—Business Systems	−2,000
17900 DISA—Program Growth	−50,000
17900 DISA—Transaction Monitoring Improvement Project	1,000
17925 DLA—Passive RFID Prototype Project	2,000
17925 DLA—Commercial Technologies for Maintenance Activities	15,000
17975 DODEA—Lewis Center for Educational Research	3,000
17975 DODEA—Family Advocacy Program	20,000
17975 DODEA—Program for Citizen-Soldier Support	3,000
17975 DODEA—Office of the Victim Advocate	3,000
17975 DODEA—Professional Development Project—Instruction for Dyslexic Students	1,900
17975 DODEA—Internet Safety and Education	1,000
18050 DSS—Unjustified Program	−50,000
18075 DTRA—Export Control Database	1,300
18100 OEA—David's Island—Fort Slocum Remediation	4,000
18100 OEA—McClellan AFB—Sewer Remediation	4,000
18100 OEA—George AFB	2,000
18100 OEA—Norton AFB	5,000
18100 OEA—Bayonne Military Ocean Terminal	6,000
18100 OEA—Cecil Field	2,000
18100 OEA—March Joint Powers Authority—Arnold Heights Reuse Project	3,000
18100 OEA—Hunters Point Naval Shipyard	3,000
18125 OSD—Public Affairs	−11,500
18125 OSD—BMMP	−7,000
18125 OSD—Net Assessment	−4,000
18125 OSD—BMMP Domains	−15,000
18125 OSD—Logistics System Modernization	−4,000
18125 OSD—DOD CIO	−5,000
18125 OSD—Readiness and Range Initiative	−10,000
18125 OSD—Training Transformation	−5,000
18125 OSD—OSD Contract and Support	−5,000
18125 OSD—OSD Study Program	−4,000
18125 OSD—Comptroller Initiatives	−6,500
18125 OSD—Defense Procurement and Acquisition Policy	−7,500
18125 OSD—Middle East Regional Security Program	2,500
18125 OSD—Study on Internet and Wireless Technology	1,000
18125 OSD—Center for Foreign Language Study	1,000
18125 OSD—Command Information Superiority Architectures	1,000
18125 OSD—National Strategic Seaport Model	3,000
18125 OSD—Military Leadership and Rule of Law Program	1,000
18125 OSD—National Dedicated Fiber Optic Network Program	2,000
18125 OSD—Norm Mineta Internship Immersion Program	3,000
18125 OSD—Clinic for Legal Assistance to Service Member	750

18125 OSD—Information Technology Organizational Composition Project	2,000
Undistributed:	
19010 Impact Aid	35,000
19020 Other Programs	12,785
19042 Unobligated Balances	−55,100

PASSIVE RFID PROTOTYPE PROJECT

The Committee recognizes the critical importance of ensuring that needed material is provided to operating field units, particularly in the combat theater, in the most efficient manner possible. The Committee provides $2,000,000 for continued expansion of a passive RFID implementation in which Defense officials, working with defense suppliers and providers of RFID and bar code technology to combine efforts to accelerate integration of this needed technology into the supply chain management process.

NORM MINETA INTERNSHIP IMMERSION PROGRAM

The Committee has included a new proviso under this heading to establish an academically-oriented internship and immersion program to allow undergraduate students at colleges and universities with high concentrations of Asian-American Pacific Islander economically disadvantaged students to participate in Washington-based internships at the Department of Defense and other defense-related agencies. The Secretary shall coordinate the administration of this program with the non-profit Washington Center for Internships and Academic Seminars and shall designate this program hereafter as the "Norm Mineta Internship Immersion Program," in honor of the former Member of the U.S. House of Representatives from California.

COMMERCIAL TECHNOLOGIES FOR MAINTENANCE ACTIVITIES (CTMA)

The Committee recommends $15,000,000 for Commercial Technologies for Maintenance Activities (CTMA) only to continue the existing program including not less than $3,000,000 for operating costs of the National Center for Manufacturing Sciences.

GEORGE AFB

The Committee recommends an additional $2,000,000 in Operation and Maintenance, Defense-Wide only for ongoing water distribution and other infrastructure improvements at the former George AFB.

NORTON AFB

The Committee recommends an additional $5,000,000 in Operation and Maintenance, Defense-Wide only for ongoing hangar repair, electrical supply delivery, tower improvements and contaminated water supply treatment at the former Norton AFB.

LEWIS CENTER FOR EDUCATIONAL RESEARCH

The Committee has included an additional $3,000,000 in Operation and Maintenance, Defense-Wide for the Lewis Center for Educational Research for staffing, curriculum development, re-

search, coordination and logistical support to enhance Department of Defense teacher training.

ENVIRONMENTAL REMEDIATION OF UNEXPLODED ORDNANCE

The costs and duration of cleanup and remediation of unexploded ordnance at current and former facilities remains a significant problem confronting the Department of Defense. The Committee notes that a 2003 report of the Defense Science Board (DSB) and a 2003 audit by the General Accounting Office (GAO) both express concerns with the lack of a comprehensive plan by the Department of Defense regarding this issue. Accordingly, the Committee directs the Department of Defense to provide to the congressional defense committees by April 1, 2005, a comprehensive plan and cost estimates associated with remediation of unexploded ordnance and environmental restoration; a program restructuring to improve efficiency, management and organization of the munitions response program; and a projected schedule for identifying, prioritizing and remediation of all known munitions response sites as recommended by the DSB and the GAO.

BUILDING PROTECTION

The Committee is aware of actions taken by federal and municipal agencies and schools to install perforated steel window barriers to protect building occupants from security threats and natural disasters, including intruders, potential explosives use, and hurricanes. Many of these facilities are located in areas subject to high winds and severe weather. The Committee requests that the Deputy Under Secretary for Defense (Installations and Environment) provide the Committee, no later than January 31, 2004, a listing of domestic and overseas installations that would benefit from window barrier protection, including the number of school and housing-related buildings on each installation.

VICTIM ADVOCATES

The Committee recommends an increase of $3,000,000 above the budget request to enhance the Department of Defense's victim advocate programs. Given the potential for domestic violence arising from the heightened stress our military members and families face in connection with the ongoing Afghanistan and Iraq conflicts, the Committee believes a military-wide set of standard protocols for responding to sexual misconduct and domestic violence cases must be developed. As such, these additional funds are to be used by the Office of the Secretary of Defense to initiate a program to standardize response protocols among the military services that ensure access to treatment services, reduce bureaucratic hurdles for victims and survivors, and remove barriers to reporting these types of violence cases. The Committee intends to work with the Department as it develops a program for implementing this initiative.

OPERATION AND MAINTENANCE, ARMY RESERVE

Fiscal year 2004 appropriation	$1,998,609,000
Fiscal year 2005 budget request	2,008,128,000
Committee recommendation	1,976,128,000
Change from budget request	−32,000,000

The Committee recommends an appropriation of $1,976,128,000 for Operation and Maintenance, Army Reserve. The recommendation is a decrease of $22,481,000 below the $1,998,609,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
19500 OPERATION AND MAINTENANCE, ARMY RESERVE			
19510 BUDGET ACTIVITY 1: OPERATING FORCES			
19520 LAND FORCES			
19530 DIVISION FORCES	7,640	7,640	---
19540 CORPS COMBAT FORCES	34,607	34,607	---
19550 CORPS SUPPORT FORCES	318,411	318,411	---
19560 ECHELON ABOVE CORPS FORCES	150,421	150,421	---
19570 LAND FORCES OPERATIONS SUPPORT	459,134	459,134	---
19630 LAND FORCES READINESS			
19640 FORCES READINESS OPERATIONS SUPPORT	153,475	153,475	---
19650 LAND FORCES SYSTEM READINESS	65,202	65,202	---
19660 DEPOT MAINTENANCE	71,548	71,548	---
19670 LAND FORCES READINESS SUPPORT			
19680 BASE SUPPORT	379,112	379,112	---
19690 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	201,141	201,141	---
19700 ADDITIONAL ACTIVITIES	7,627	7,627	---
19900 TOTAL, BUDGET ACTIVITY 1	1,848,318	1,848,318	---
19950 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
19960 ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
19980 ADMINISTRATION	52,180	52,180	---
19990 SERVICEWIDE COMMUNICATIONS	9,116	9,116	---
20000 PERSONNEL/FINANCIAL ADMIN (MANPOWER MGT)	8,201	8,201	---
20010 RECRUITING AND ADVERTISING	90,313	90,313	---
20075 TOTAL, BUDGET ACTIVITY 4	159,810	159,810	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
20180 ALL TERRAIN MILITARY UTILITY VEHICLES.....	---	5,500	+5,500
20190 MILITARY TECHNICIANS COST AVOIDANCE.....	---	-34,200	-34,200
20200 CONTROLLED HUMIDITY PROTECTION.....	---	4,000	+4,000
20220 UNOBLIGATED BALANCES.....	---	-8,800	-8,800
20230 US ARMY RESERVE IT CONSOLIDATION.....	---	1,500	+1,500
20700 TOTAL, OPERATION AND MAINTENANCE, ARMY RESERVE.....	2,008,128	1,976,128	-32,000

The adjustments to the budget activities for Operation and Maintenance, Army Reserve are shown below:

[In thousands of dollars]

Undistributed:		
20180	All Terrain Military Utility Vehicles	5,500
20190	Military Technicians Cost Avoidance	−34,200
20200	Controlled Humidity Protection	4,000
20220	Unobligated Balances	−8,800
20230	Army Reserve IT Consolidation	1,500

US ARMY RESERVE COMMAND IT CONSOLIDATION

The Committee recommends an increase of $1,500,000 above the budget request only for the Army Reserve to achieve a continuity of operations capability for its mission critical information technology systems by replicating mission critical data between Peachtree City, Georgia and San Antonio, Texas.

CONTROLLED HUMIDITY PROTECTION

The Committee recommends an increase of $4,000,000 above the budget request for implementation of the Controlled Humidity Protection program for critical equipment storage for the U.S. Army Reserve 99th Regional Readiness Command. These funds are made available to enhance the deployment and mobility of Army Reserve forces and supplies.

OPERATION AND MAINTENANCE, NAVY RESERVE

Fiscal year 2004 appropriation	$1,172,921,000
Fiscal year 2005 budget request	1,240,038,000
Committee recommendation	1,233,038,000
Change from budget request	−7,000,000

The Committee recommends an appropriation of $1,233,038,000 for Operation and Maintenance, Navy Reserve. The recommendation is an increase of $60,117,000 above the $1,172,921,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
20850 OPERATION AND MAINTENANCE, NAVY RESERVE			
20900 BUDGET ACTIVITY 1: OPERATING FORCES			
20950 RESERVE AIR OPERATIONS			
21000 MISSION AND OTHER FLIGHT OPERATIONS	483,526	483,526	---
21100 INTERMEDIATE MAINTENANCE	16,494	16,494	---
21150 AIR OPERATION AND SAFETY SUPPORT	1,592	1,592	---
21200 AIRCRAFT DEPOT MAINTENANCE	131,607	131,607	---
21250 AIRCRAFT DEPOT OPS SUPPORT	384	384	---
21400 RESERVE SHIP OPERATIONS			
21450 MISSION AND OTHER SHIP OPERATIONS	59,127	59,127	---
21500 SHIP OPERATIONAL SUPPORT AND TRAINING	531	531	---
21600 SHIP DEPOT MAINTENANCE	92,787	92,787	---
21650 SHIP DEPOT OPERATIONS SUPPORT	3,596	3,596	---
21700 RESERVE COMBAT OPERATIONS SUPPORT			
21720 COMBAT COMMUNICATIONS	6,732	6,732	---
21800 COMBAT SUPPORT FORCES	224,589	224,589	---
21950 RESERVE WEAPONS SUPPORT			
22000 WEAPONS MAINTENANCE	5,548	5,548	---
22020 BASE SUPPORT			
22030 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	73,410	73,410	---
22040 BASE SUPPORT	108,863	108,863	---
22090 TOTAL, BUDGET ACTIVITY 1	1,208,786	1,208,786	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
22100 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
22150 ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
22200 ADMINISTRATION	6,930	6,930	---
22300 MILITARY MANPOWER & PERSONNEL	8,797	8,797	---
22350 SERVICEWIDE COMMUNICATIONS	3,347	3,347	---
22400 COMBAT/WEAPONS SYSTEM	5,667	5,667	---
22450 OTHER SERVICEWIDE SUPPORT	6,511	6,511	---
22600 TOTAL, BUDGET ACTIVITY 4	31,252	31,252	---
22680 UNOBLIGATED BALANCES	---	-7,000	-7,000
23150 TOTAL, OPERATION & MAIN, NAVY RESERVE	1,240,038	1,233,038	-7,000

The adjustment to the budget activities for Operation and Maintenance, Navy Reserve is shown below:

[In thousands of dollars]

Undistributed:	
22680 Unobligated Balances	−7,000

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

Fiscal year 2004 appropriation	$173,952,000
Fiscal year 2005 budget request	188,696,000
Committee recommendation	187,196,000
Change from budget request	−1,500,000

The Committee recommends an appropriation of $187,196,000 for Operation and Maintenance, Marine Corps Reserve. The recommendation is an increase of $13,244,000 above the $173,952,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
23300 OPERATION AND MAINTENANCE, MC RESERVE			
23350 BUDGET ACTIVITY 1: OPERATING FORCES			
23400 MISSION FORCES			
23450 OPERATING FORCES	72,940	72,940	---
23500 DEPOT MAINTENANCE	12,132	12,132	---
23550 BASE SUPPORT	33,370	33,370	---
23600 TRAINING SUPPORT	25,544	25,544	---
23650 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	12,126	12,126	---
23700 TOTAL, BUDGET ACTIVITY 1	156,112	156,112	---
23750 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
23800 ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
23850 SPECIAL SUPPORT	8,948	8,948	---
23900 SERVICEWIDE TRANSPORTATION	580	580	---
23950 ADMINISTRATION	10,407	10,407	---
24000 BASE SUPPORT	4,636	4,636	---
24050 RECRUITING AND ADVERTISING	8,013	8,013	---
24100 TOTAL, BUDGET ACTIVITY 4	32,584	32,584	---
24150 UNOBLIGATED BALANCES	---	-1,500	-1,500
24600 TOTAL, O&M, MARINE CORPS RESERVE	188,696	187,196	-1,500

The adjustment to the budget activities for Operation and Maintenance, Marine Corps Reserve is shown below:

[In thousands of dollars]

Undistributed:	
24150 Unobligated Balances	−1,500

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

Fiscal year 2004 appropriation	$2,179,388,000
Fiscal year 2005 budget request	2,239,790,000
Committee recommendation	2,227,190,000
Change from budget request	−12,600,000

The Committee recommends an appropriation of $2,227,190,000 for Operation and Maintenance, Air Force Reserve. The recommendation is an increase of $47,802,000 above the $2,179,388,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
24750 OPERATION AND MAINTENANCE, AF RESERVE			
24800 BUDGET ACTIVITY 1: OPERATING FORCES			
24850 AIR OPERATIONS			
24900 PRIMARY COMBAT FORCES	1,329,717	1,329,717	---
24950 MISSION SUPPORT OPERATIONS	74,077	74,077	---
24970 DEPOT MAINTENANCE	410,893	410,893	---
25000 BASE SUPPORT	264,425	264,425	---
25050 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	53,056	53,056	---
25150 TOTAL, BUDGET ACTIVITY 1	2,132,168	2,132,168	---
25200 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
25250 ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
25300 ADMINISTRATION	60,270	60,270	---
25350 MILITARY MANPOWER AND PERSONNEL MANAGEMENT	25,485	25,485	---
25400 RECRUITING AND ADVERTISING	14,516	14,516	---
25450 OTHER PERSONNEL SUPPORT	6,707	6,707	---
25500 AUDIOVISUAL	644	644	---
25520 TOTAL, BUDGET ACTIVITY 4	107,622	107,622	---
25660 MILITARY TECHNICIANS COST AVOIDANCE	---	-35,400	-35,400
25665 932ND AIRLIFT WING OPERATIONS AND TRAINING	---	8,300	+8,300
25680 UNOBLIGATED BALANCES	---	-7,900	-7,900
25682 932ND AIRLIFT WING SITE ACTIVATION	---	16,600	+16,600
25692 932ND AIRLIFT WING TECHNICIANS	---	5,800	+5,800
25950 TOTAL, O&M, AIR FORCE RESERVE	2,239,790	2,227,190	-12,600

The adjustments to the budget activities for Operation and Maintenance, Air Force Reserve are shown below:

[In thousands of dollars]

Undistributed:		
25660	Military Technicians Cost Avoidance	−35,400
25665	932nd Airlift Wing Operations and Training	8,300
25680	Unobligated Balances	−7,900
25682	932nd Airlift Wing Site Activation	16,600
25692	932nd Airlift Wing Technicians	5,800

932ND AIRLIFT WING

The Committee has included additional funding under this heading, as well as "Reserve Personnel, Air Force" and "Aircraft Procurement, Air Force", to support mission operations, training, mission transition, and sustainment at the 932nd Airlift Wing at Scott Air Force Base, Illinois.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

Fiscal year 2004 appropriation	$4,340,581,000
Fiscal year 2005 budget request	4,440,686,000
Committee recommendation	4,376,886,000
Change from budget request	−63,800,000

The Committee recommends an appropriation of $4,376,886,000 for Operation and Maintenance, Army National Guard. The recommendation is an increase of $36,305,000 above the $4,340,581,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
26100 OPERATION & MAINTENANCE, ARMY NATL GUARD			
26120 BUDGET ACTIVITY 1: OPERATING FORCES			
26140 LAND FORCES			
26180 DIVISIONS	558,168	558,168	---
26200 CORPS COMBAT FORCES	629,062	629,062	---
26220 CORPS SUPPORT FORCES	333,393	333,393	---
26240 ECHELON ABOVE CORPS FORCES	615,838	615,838	---
26260 LAND FORCES OPERATIONS SUPPORT	20,786	20,786	---
26280 LAND FORCES READINESS			
26320 FORCE READINESS OPERATIONS SUPPORT	180,163	180,163	---
26340 LAND FORCES SYSTEMS READINESS	142,914	142,914	---
26350 LAND FORCES DEPOT MAINTENANCE	230,567	230,567	---
26370 LAND FORCES READINESS SUPPORT			
26420 BASE OPERATIONS SUPPORT	577,028	577,028	---
26440 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	384,044	384,044	---
26460 MANAGEMENT & OPERATIONAL HEADQUARTERS	451,167	451,167	---
26480 MISCELLANEOUS ACTIVITIES	59,356	59,356	---
26580 TOTAL, BUDGET ACTIVITY 1	4,182,486	4,182,486	---
26600 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
26620 ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
26660 STAFF MANAGEMENT (ADMINISTRATION)	110,669	110,669	---
26680 INFORMATION MANAGEMENT (SERVICEWIDE COMMUNICATIONS)	26,341	26,341	---
26720 PERSONNEL ADMINISTRATION (MANPOWER MANAGEMENT)	35,376	35,376	---
26740 RECRUITING AND ADVERTISING	85,814	85,814	---
26760 TOTAL, BUDGET ACTIVITY 4	258,200	258,200	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
26830 NATIONAL EMERGENCY AND DISASTER INFORMATION CENTER....	---	3,500	+3,500
26890 JOINT TRAINING AND EXPERIMENTATION PROGRAM.....	---	5,000	+5,000
26940 RURAL ACCESS TO BROADBAND TECHNOLOGY.....	---	4,000	+4,000
26970 NATIONAL GUARD GLOBAL EDUCATION PROJECT.....	---	500	+500
27090 NATIONAL RESPONSE CENTER WMD FACILITY.....	---	1,000	+1,000
27100 ADV EMERGENCY MEDICAL RESPONSE TRAINING PROGRAM.....	---	2,500	+2,500
27110 HOMELAND OPERATIONAL PLANNING SYSTEM.....	---	8,000	+8,000
27140 ADVANCED INFORMATION TECHNOLOGY SERVICES (C4ISR).....	---	1,000	+1,000
27310 MILITARY TECHNICIAN COST AVOIDANCE.....	---	-94,600	-94,600
27341 NATIONAL GUARD MOTOR POOL PARTS TRACKING SYSTEM.....	---	2,000	+2,000
27345 UNOBLIGATED BALANCES.....	---	-21,900	-21,900
27350 ERP FOR ARMY GUARD INSTALLATIONS.....	---	1,000	+1,000
27360 OMEGA 36 BATTLE EFFECTS SIMULATOR.....	---	3,000	+3,000
27365 REGIONAL GEOSPATIAL SERVICE CENTER.....	---	1,000	+1,000
27370 AVCRAD REPLACEMENT EQUIPMENT.....	---	3,000	+3,000
27381 COMMUNITY EMERG RESPONSE/INFO ANALYSIS CENTER.....	---	2,500	+2,500
27382 TACTICAL OPERATIONS CENTER (ELAMS/MECCS).....	---	1,500	+1,500
27383 STRATEGIC BIODEFENSE INITIATIVE.....	---	10,000	+10,000
27384 ADVANCED STARTING SYSTEMS.....	---	500	+500
27385 INFANTRY HELMET LINER RETROFIT (BLISS KIT).....	---	2,500	+2,500
27386 DISTRICT OF COLUMBIA NG TUITION ASSISTANCE.....	---	200	+200
27390 TOTAL, O & M, ARMY NATIONAL GUARD.....	4,440,686	4,376,886	-63,800

The adjustments to the budget activities for Operation and Maintenance, Army National Guard are shown below:

[In thousands of dollars]

Undistributed:		
26830	National Emergency and Disaster Information System	3,500
26890	Joint Training and Experimentation Program	5,000
26940	Rural Access to Broadband Technology	4,000
26970	National Guard Global Education Project	500
27090	National Response Center WMD Facility	1,000
27100	Adv Emergency Medical Response Training Program	2,500
27110	Homeland Operational Planning System	8,000
27140	Advanced Information Technology Services (C4ISR)	1,000
27310	Military Technician Cost Avoidance	−94,600
27341	National Guard Motor Pool Parts Tracking System	2,000
27345	Unobligated Balances	−21,900
27350	ERP for Army Guard Installations	1,000
27360	Omega 36 Battle Effects Simulator	3,000
27365	Regional Geospatial Service Center	1,000
27370	AVCRAD Replacement Equipment	3,000
27381	Community Emergency Response/Info Analysis Center	2,500
27382	Tactical Operations Center (ELAMS/MECCS)	1,500
27383	Strategic Biodefense Initiative	10,000
27384	Advanced Starting Systems	500
27385	Infantry Helmet Liner Retrofit (BLISS Kit)	2,500
27386	District of Columbia NG Tuition Assistance	200

HOMELAND OPERATIONAL PLANNING SYSTEM

The Committee recommends an increase of $8,000,000 above the budget request only for execution by the Homeland Operational Planning System (HOPS) at Lawrence Livermore National Laboratory in support of the California National Guard.

AVCRAD REPLACEMENT EQUIPMENT

The Committee recommends an increase of $3,000,000 above the budget request to replace equipment and property deployed with the Connecticut Army National Guard's 1109th Aviation Classification Repair Activity Depot (AVCRAD).

ADVANCED STARTING SYSTEMS

The Committee recommends an increase of $500,000 above the budget request only for the California National Guard to test, evaluate, and procure reverse polarity protected Jump Starters with coil-cord control systems.

INFANTRY HELMET LINER RETROFIT

The Committee recommends an increase of $2,500,000 above the budget request only for Oregon and California National Guard use for Retrofit of Kevlar Helmet Suspension System.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

Fiscal year 2004 appropriation	$4,431,216,000
Fiscal year 2005 budget request	4,422,838,000
Committee recommendation	4,438,738,000
Change from budget request	+15,900,000

The Committee recommends an appropriation of $4,438,738,000 for Operation and Maintenance, Air National Guard. The rec-

ommendation is an increase of $7,522,000 above the $4,431,216,000 appropriated for fiscal year 2004.

PROGRAM RECOMMENDED

The total amount recommended in the bill will provide the following program in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
27500 OPERATION & MAINTENANCE, AIR NATIONAL GUARD			
27550 BUDGET ACTIVITY 1: OPERATING FORCES			
27600 AIR OPERATIONS			
27650 AIRCRAFT OPERATIONS	2,685,471	2,685,471	---
27700 MISSION SUPPORT OPERATIONS	362,114	363,114	+1,000
27750 BASE SUPPORT	431,076	431,076	---
27800 FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	230,642	230,642	---
27850 DEPOT MAINTENANCE	676,647	755,447	+78,800
27900 TOTAL, BUDGET ACTIVITY 1	4,385,950	4,465,750	+79,800
27950 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES			
28000 SERVICEWIDE ACTIVITIES			
28050 ADMINISTRATION	27,490	27,490	---
28100 RECRUITING AND ADVERTISING	9,398	9,398	---
28110 TOTAL, BUDGET ACTIVITY 4	36,888	36,888	---
28160 NATIONAL GUARD STATE PARTNERSHIP PROGRAM	---	1,000	+1,000
28290 MILITARY TECHNICIANS COST AVOIDANCE	---	-57,200	-57,200
28310 IT CONSOLIDATION	---	3,000	+3,000
28320 UNOBLIGATED BALANCES	---	-17,900	-17,900
28330 EXTENDED COLD WEATHER CLOTHING SYSTEM	---	1,000	+1,000
28340 LRC 21 LAPTOP MISSION TRAINERS	---	1,500	+1,500
28350 AATTC MOBILITY EQUIPMENT AND TRAINING	---	500	+500
28360 SENIOR SCOUT MISSION	---	2,000	+2,000
28375 AUTOMATIC FLIGHT FOLLOWING SYSTEM	---	2,000	+2,000
28380 DISTRICT OF COLUMBIA NG TUITION ASSISTANCE	---	200	+200
28550 TOTAL, O&M, AIR NATIONAL GUARD	4,422,838	4,438,738	+15,900

The adjustments to the budget activities for Operation and Maintenance, Air National Guard are shown below:

[In thousands of dollars]

Budget Activity 1: Operating Forces:		
27700	Mission Support Operations/Surveying Systems	1,000
27850	Depot Maintenance/Transfer from active duty	78,800
Undistributed:		
28160	National Guard State Partnership Program	1,000
28290	Military Technicians Cost Avoidance	−57,200
28310	IT Consolidation	3,000
28320	Unobligated Balances	−17,900
28330	Extended Cold Weather Clothing System	1,000
28340	LRC 21 Laptop Mission Trainers	1,500
28350	AATTC Mobility Equipment and Training	500
28360	Senior Scout Mission	2,000
28375	Automatic Flight Following System	2,000
28380	District of Columbia NG Tuition Assistance	200

OVERSEAS CONTINGENCY OPERATIONS TRANSFER ACCOUNT

Fiscal year 2004 appropriation	$5,000,000
Fiscal year 2005 budget request	30,000,000
Committee recommendation	5,000,000
Change from budget request	−25,000,000

The Committee has fully funded the budget request for support of ongoing DoD operations in Bosnia and Kosovo. These operations are no longer contingency events, and such continuing operations have been funded in the regular appropriations accounts lines as requested by the Administration. As these operations are now accounted for in the budget development process, contingency funds are not needed and the Committee has reallocated $25,000,000 from the Overseas Contingency Operations Transfer Account to more urgent priorities.

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

Fiscal year 2004 appropriation	$10,333,000
Fiscal year 2005 budget request	10,825,000
Committee recommendation	10,825,000
Change from budget request	0

The Committee recommends an appropriation of $10,825,000 for the United States Court of Appeals for the Armed Forces. The recommendation is an increase of $492,000 above the amount appropriated in fiscal year 2004.

ENVIRONMENTAL RESTORATION, ARMY

Fiscal year 2004 appropriation	$396,018,000
Fiscal year 2005 budget request	400,948,000
Committee recommendation	400,948,000
Change from budget request	0

The Committee recommends an appropriation of $400,948,000 for Environmental Restoration, Army. The recommendation is an increase of $4,930,000 above the amount appropriated in fiscal year 2004.

ENVIRONMENTAL RESTORATION, NAVY

Fiscal year 2004 appropriation	$256,153,000
Fiscal year 2005 budget request	266,820,000
Committee recommendation	266,820,000
Change from budget request	0

The Committee recommends an appropriation of $266,820,000 for Environmental Restoration, Navy. The recommendation is an increase of $10,667,000 above the amount appropriated in fiscal year 2004.

ENVIRONMENTAL RESTORATION, AIR FORCE

Fiscal year 2004 appropriation	$384,307,000
Fiscal year 2005 budget request	397,368,000
Committee recommendation	397,368,000
Change from budget request	0

The Committee recommends an appropriation of $397,368,000 for Environmental Restoration, Air Force. The recommendation is an increase of $13,061,000 above the amount appropriated in fiscal year 2004.

ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

Fiscal year 2004 appropriation	$24,081,000
Fiscal year 2005 budget request	23,684,000
Committee recommendation	26,684,000
Change from budget request	+3,000,000

The Committee recommends an appropriation of $26,684,000 for Environmental Restoration, Defense-Wide. The recommendation is an increase of $2,603,000 above the amount appropriated in fiscal year 2004.

The adjustment to the budget for Environmental Restoration, Defense-Wide is shown below:

[In thousands of dollars]

Perchlorate Destruction by UV Catalyzed Iron Reaction	3,000

ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES

Fiscal year 2004 appropriation	$284,619,000
Fiscal year 2005 budget request	216,516,000
Committee recommendation	216,516,000
Change from budget request	0

The Committee recommends an appropriation of $216,516,000 for Environmental Restoration, Formerly Used Defense Sites. The recommendation is a decrease of $68,103,000 below the amount appropriated in fiscal year 2004.

DEWITT CENTER

The Committee is aware of the important environmental cleanup activities at the DeWitt Center, a formerly used defense site in California. The Committee expects the Army to provide adequate funding to complete cleanup requirements at this site in a timely manner.

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

Fiscal year 2004 appropriation	$59,000,000
Fiscal year 2005 budget request	59,000,000
Committee recommendation	59,000,000
Change from budget request	0

The Committee recommends an appropriation of $59,000,000 for Overseas Humanitarian, Disaster, and Civic Aid.

FORMER SOVIET UNION THREAT REDUCTION ACCOUNT

Fiscal year 2004 appropriation	$450,800,000
Fiscal year 2005 budget request	409,200,000
Committee recommendation	409,200,000
Change from budget request	0

The Committee recommends an appropriation of $409,200,000 for Former Soviet Union Threat Reduction Account. The recommendation is a decrease of $41,600,000 below the amount appropriated in fiscal year 2004.

TITLE III

PROCUREMENT

ESTIMATES AND APPROPRIATIONS SUMMARY

The fiscal year 2005 Department of Defense procurement budget request totals $74,662,317,000. The accompanying bill recommends $77,354,791,000. The total amount recommended is an increase of $2,692,474,000 above the fiscal year 2005 budget estimate and is $2,698,744,000 above the total provided in fiscal year 2004. The table below summarizes the budget estimates and the Committee's recommendations.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
SUMMARY						
ARMY						
AIRCRAFT		2,658,241		3,107,941		+449,700
MISSILES		1,398,321		1,327,000		-71,321
WEAPONS, TRACKED COMBAT VEHICLES		1,639,695		2,773,695		+1,134,000
AMMUNITION		1,556,902		1,608,302		+51,400
OTHER		4,240,896		4,868,371		+627,475
TOTAL, ARMY		11,494,055		13,685,309		+2,191,254
NAVY						
AIRCRAFT		8,767,867		8,841,824		+73,957
WEAPONS		2,101,529		1,993,754		-107,775
AMMUNITION		858,640		885,340		+26,700
SHIPS		9,962,027		10,189,327		+227,300
OTHER		4,834,278		4,980,325		+146,047
MARINE CORPS		1,190,103		1,462,703		+272,600
TOTAL, NAVY		27,714,444		28,353,273		+638,829
AIR FORCE						
AIRCRAFT		13,163,174		13,289,984		+126,810
MISSILES		4,718,313		4,425,013		-293,300
AMMUNITION		1,396,457		1,346,557		-49,900
OTHER		13,283,557		13,199,607		-83,950
TOTAL, AIR FORCE		32,561,501		32,261,161		-300,340
DEFENSE-WIDE						
DEFENSE-WIDE		2,883,302		3,028,033		+144,731
DEFENSE PRODUCTION ACT PURCHASES		9,015		27,015		+18,000
TOTAL PROCUREMENT		74,662,317		77,354,791		+2,692,474

SPECIAL INTEREST ITEMS

Items for which additional funds have been provided as shown in the project level tables or in paragraphs using the phrase "only for" or "only to" in this report are congressional interest items for the purpose of the Base for Reprogramming (DD 1414). Each of these items must be carried on the DD Form 1414 at the stated amount, or a revised amount if changed during conference or if otherwise specifically addressed in the conference report. These items remain special interest items whether or not they are repeated in a subsequent conference report.

REPROGRAMMING GUIDANCE FOR ACQUISITION ACCOUNTS

The statement of the managers accompanying conference report on the Continuing Appropriations Act for fiscal year 2003 (H.R. 108–10) temporarily raised the reprogramming thresholds for procurement, and research and development funds appropriated to the Department of Defense to $20,000,000 and $10,000,000, respectively. The statement of the managers accompanying conference report on the Department of Defense Appropriations Act for fiscal year 2004 (H.R. 108–283) clarified this guidance indicating that approved below threshold reprogramming limitations are the specific dollar threshold allowed for fiscal year 2003, or 20 percent, whichever is less.

The Committee believes that these guidelines provide sufficient management flexibility for the Department of Defense. However, the Committee has some concerns that these guidelines are not being consistently applied within DoD. Therefore, the Committee directs that these guidelines be extended for fiscal year 2005 with the following clarifications. The dollar thresholds, $20,000,000 for procurement funds, and $10,000,000 for research, development, test and evaluation are cumulative. Therefore, if the combined values of transfers into or out of a procurement (P–1) or research and development (R–1) line exceed the identified threshold, the Department of Defense must submit a prior approval reprogramming. The Department shall continue to follow the limitation that prior approval reprogramming are set at either the specific dollar threshold or 20 percent of the procurement or research and development line, whichever is less. In addition, guidelines on the application of prior approval reprogramming procedures for congressional special interest items are established elsewhere in this report.

CLASSIFIED ANNEX

Adjustments to the classified programs are addressed in a classified annex accompanying this report.

MULTIYEAR PROCUREMENT CONTRACTS

In the Aircraft Procurement, Air Force section of this report the Committee discusses how the Air Force ignored the law and the express intent of Congress by using the current multiyear contract for the C–17 aircraft as a vehicle to support an incremental funding strategy. In so doing, it also has inappropriately committed the government to potential Anti-Deficiency Act violations and unfunded liability costs running in the hundreds of millions of dollars

in the event a follow-on contract for this program is not entered into by a date certain, or if certain production levels are not agreed to.

Regrettably, the Committee has learned the Air Force has also entered into a similar multiyear contract for the C–130J aircraft. The current production profile includes three aircraft whose manufacture has been approved in the absence of a fully funded appropriation for this purpose. In addition, in this contract the contractor has received a commitment on behalf of the government by the Air Force that the annual production rate will be sustained at 16 aircraft from 2007 through 2009, between Air Force, Navy, and Marine Corps purchases and potential foreign sales. Failure to achieve this rate will significantly increase the cost per plane to the Air Force, representing a contingent liability the government is obliged to pay. At present, current projections suggest this rate will not be met, with shortfalls of 4 aircraft each in 2007 and 2008 and 6 aircraft in 2009. If these projections hold, the Air Force and the taxpayer will foot the bill. In effect, the Air Force has permitted itself to become a de facto sales agent for this program, putting it in a position to insist that other elements of the Department of Defense and the Congress help it find a way to fund this production profile or pay significant penalties.

The Committee realizes that properly administered multiyear procurements can result in significant savings. However, the multiple abuses of sound contracting principles and fiscal responsibility by the Air Force in these instances cannot and will not become a model for future multiyear acquisitions. Accordingly, the Committee has recommended several modifications to section 8008 of this bill, and the Committee directs these requirements be met before future multiyear production contracts can be entered into:

(1) Multiyear contracts must follow full funding policies and not be used as vehicles for incrementally funding procurement;

(2) Contract cancellation ceilings may not include recurring manufacturing costs of unfunded units;

(3) Contract payments may not be made in advance of projected manufacturing costs (to include purchase of materials) for funded units;

(4) Advance procurement funds may not be used to pay the costs of normal fabrication and assembly of unit components. The use of these funds should be restricted to long-lead items, economic-order-quantity buys, and the one-time non-recurring costs of improving manufacturing capabilities;

(5) Advance procurement funds are limited to no more than 10 percent of total procurement costs; and

(6) Regular procurement funds for units should be requested for the appropriate fiscal year to be obligated to pay for normal fabrication and assembly of funded units and components.

The Committee also takes exception to the Air Force's use of a unique provision in the current C–17 multiyear contract that allows the contractor to add charges to the fixed price contract if a follow-on contract is not awarded. The amended general provision further directs that no new multiyear contracts provide for such a price adjustment.

The Committee directs that not later than 90 days after enactment of this legislation, the Secretary of Defense submit a report to the congressional defense committees explaining how applicable Departmental regulations and policy guidance have been amended to comply with this guidance.

GROUND FORCES RECAPITALIZATION

The Committee has repeatedly heard Department of Defense officials describe how the intensity of operations and the hostile environment in Iraq are taking a toll on U.S. military equipment. The Committee understands that one to two months' worth of operations in Iraq is equivalent to roughly one year's worth of peacetime activity. Our military also has suffered the loss of substantial amounts of equipment in combat operations. Moreover, the demands of Operation Iraqi Freedom have strained certain elements of the domestic industrial base. For example, DoD would face serious difficulty if asked to surge beyond current rates of ammunition production. Yet, the Committee notes that the fiscal year 2005 DoD budget request neither provides for the replacement of equipment lost in combat nor allocates funds to enhance our strained industrial base.

The Committee believes that a bold initiative at this time is necessary to ensure our military ground forces remain capable now and for the immediate future. Accordingly, the Committee recommends a total of $2,233,200,000 above the budget request in order to replace or overhaul Army and Marine Corps combat and tactical vehicles, acquire Stryker combat vehicles necessary to support the accelerated fielding of Stryker Brigade Combat Teams, replace helicopters lost in combat, and make improvements to the ammunition industrial base.

The Committee believes this is an essential first step. The Department of Defense, however, must continue this effort and respond—through clear planning and sustained financial commitments—to the need to recapitalize our ground forces. Thus, the Committee directs the Secretary of Defense to provide to the congressional defense committees, not later than February 15, 2005, a report detailing near term and long-term ground forces' equipment refurbishment, replacement, and recapitalization requirements. This report should include estimates of the cost, production requirements, and timelines needed to meet these requirements, and also, detail the extent to which the fiscal year 2006 budget submission and the Future Years Defense Plan provides for meeting these needs.

The table below outlines the Committee's recommendations.

	($ thousands)
Aircraft Procurement, Army:	
UH–60L—12 Aircraft Guard	127,200
CH–47—8 Aircraft Active	336,000
Total—Aircraft Procurement, Army	463,200
Weapons and Tracked Combat Vehicles, Army:	
Bradley ODS+	134,000
Bradley Integrated Modernization Program	40,000
Stryker—Additional Brigade	900,000
Stryker—Fieldling Costs	50,000
Total—Weapons and Tracked Combat	
Vehicles, Army	1,124,000

	($ thousands)
Procurement of Ammunition, Army:	
Radford AAP	16,000
Holston AAP	3,500
Lake City AAP	22,400
Kansas and Lone Star AAP	10,000
Total—Procurement of Ammunition, Army	51,900
Other Procurement, Army:	
HMMWV M1113—Active	50,000
HMMWV M1113—Guard & Reserve	65,000
HMMWV Recapitalization A0 to A2	39,000
FMTV—Active	45,000
FMTV—Reserve	60,000
HEMTTs all variants—Active	45,000
HEMTTs all variants—Guard & Reserve	50,000
Palletized Load System—Active	10,000
Palletized Load System—Reserve	10,000
M915 Tractor—Guard	15,000
Total—Other Procurement, Army	389,000
Aircraft Procurement, Navy:	
CH–53—T64 Engine Government Reliability Improvement	40,000
Total—Aircraft Procurement, Navy	40,000
Procurement, Marine Corps:	
AAV RAM/RS Upgrades	74,100
LAV (Components)	25,300
HIMARS	5,600
Lightweight 155mm Howitzer	60,100
Total—Procurement, Marine Corps	165,100
Grand Total—Ground Forces Recapitalization	2,233,200

AIRCRAFT PROCUREMENT, ARMY

Fiscal year 2004 appropriation	$2,154,035,000
Fiscal year 2005 budget request	2,658,241,000
Committee recommendation	3,107,941,000
Change from budget request	+449,700,000

This appropriation finances acquisition of tactical and utility airplanes and helicopters, including associated electronics, electronic warfare equipment for in-service aircraft, ground support equipment, components and parts such as spare engines, transmission gear boxes, and sensor equipment. It also funds related training devices such as combat flight simulators and production base support.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,107,941,000 for Aircraft Procurement, Army. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1	Title	Budget Request	Committee Recommended	Change from Request
2	**HELICOPTER, KIOWA WARRIOR REPLACEMENT**	**24,000**	**12,000**	**-12,000**
	Funding ahead of need		-12,000	
3	**HELICOPTER, LIGHT UTILITY**	**45,000**	**23,000**	**-22,000**
	Funding ahead of need		-22,000	
5	**UH-60 BLACKHAWK (MYP)**	**279,737**	**406,937**	**127,200**
	Additional aircraft (12) ARNG		127,200	
10	**AH-64 MODS**	**37,201**	**40,201**	**3,000**
	Vibration Management Enhancement Program (VMEP) for AH-64		3,000	
11	**CH-47 CARGO HELICOPTER MODS**	**703,450**	**1,039,450**	**336,000**
	Additional Aircraft (8)		336,000	
18	**UH-60 MODS**	**142,889**	**148,889**	**6,000**
	Crashworthy External Fuel System for Blackhawk Helo		2,000	
	Combat Search and Rescue equipment for the 1st BN, 159th Army Reserve Aviation Regiment		4,000	
27	**AIRBORNE COMMAND & CONTROL**	**26,603**	**28,603**	**2,000**
	Army Airborne Command and Control Systems (A2C2S)		2,000	
30	**AIRCREW INTEGRATED SYSTEMS**	**28,609**	**30,609**	**2,000**
	Cockpit Air Bag System		2,000	
34	**AIRBORNE COMMUNICATIONS**	**9,769**	**17,269**	**7,500**
	AN/ARS-6 Personnel Locator		3,000	
	Modern Signal Processing Unit		2,500	
	AN/ARC 220 Airborne Communications		2,000	

COMANCHE TERMINATION AND BUDGET AMENDMENT

The Committee supports the Department of Defense decision to terminate the RAH–66 Comanche helicopter program. This decision will free up the resources needed to make sweeping improvements in a number of the Army's aviation programs. For example, the Army indicates funding required for the development and construction of 122 Comanche aircraft through fiscal year 2011 is sufficient to provide for roughly 800 other aircraft. The Committee notes that this decision should help meet both the immediate needs of the Army associated with the Global War on Terrorism as well as needs associated with the Army's brigade restructure (modularity) initiative.

Accordingly, the Committee's recommendations incorporate the vast majority of the recommendations in the fiscal year 2005 Comanche budget amendment. However, there are two instances within Aircraft Procurement, Army where the Committee has reservations. The budget amendment proposed establishing two new aircraft programs including a replacement for the Kiowa Warrior armed reconnaissance helicopter, and a new light utility helicopter. While the Committee realizes the potential utility of these aircraft, the Committee notes that there is no program of record to support the proposed level of funding in either case. Similarly, the Committee notes that the Army has not initiated new start notifications to date in fiscal year 2004. As a result, the Committee recommends reducing funding for the Kiowa Warrior replacement by $12,000,000 below the amended budget request, and reducing funding for the new light utility helicopter by $22,000,000.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
AIRCRAFT PROCUREMENT, ARMY						
AIRCRAFT						
FIXED WING						
UTILITY F/W (MR) AIRCRAFT	1	11,967	1	11,967	---	---
ROTARY						
HELICOPTER, KIOWA WARRIOR REPLACEMENT	---	24,000	---	12,000	---	-12,000
HELICOPTER, LIGHT UTILITY	---	45,000	---	23,000	---	-22,000
UH-60 BLACKHAWK (MYP)	27	279,737	39	406,937	+12	+127,200
UH-60 BLACKHAWK (MYP) (AP-CY)	---	34,723	---	34,723	---	---
HELICOPTER NEW TRAINING	12	13,100	12	13,100	---	---
TOTAL, AIRCRAFT		408,527		501,727		+93,200
MODIFICATION OF AIRCRAFT						
GUARDRAIL MODS (TIARA)	---	2,195	---	2,195	---	---
AH-64 MODS	---	37,201	---	40,201	---	+3,000
CH-47 CARGO HELICOPTER MODS	---	703,450	---	1,039,450	---	+336,000
CH-47 CARGO HELICOPTER MODS (AP-CY)	---	23,832	---	23,832	---	---
UTILITY/CARGO AIRPLANE MODS	---	10,093	---	10,093	---	---
AIRCRAFT LONG RANGE MODS	---	754	---	754	---	---
LONGBOW	---	654,460	---	654,460	---	---
UH-60 MODS	---	142,889	---	148,889	---	+6,000
UH-60 MODS (AP-CY)	---	6,130	---	6,130	---	---
KIOWA WARRIOR	---	39,276	---	39,276	---	---
AIRBORNE AVIONICS	---	49,091	---	49,091	---	---
GATM ROLLUP	---	61,259	---	61,259	---	---
SPARE PARTS (AIR)	---	10,857	---	10,857	---	---
TOTAL, MODIFICATION OF AIRCRAFT		1,741,487		2,086,487		+345,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
SUPPORT EQUIPMENT AND FACILITIES						
GROUND SUPPORT AVIONICS						
AIRCRAFT SURVIVABILITY EQUIPMENT	---	7,319	---	7,319	---	---
ASE INFRARED CM	---	272,166	---	272,166	---	---
OTHER SUPPORT						
AIRBORNE COMMAND & CONTROL	---	26,603	---	28,603	---	+2,000
AVIONICS SUPPORT EQUIPMENT	---	5,140	---	5,140	---	---
COMMON GROUND EQUIPMENT	---	55,543	---	55,543	---	---
AIRCREW INTEGRATED SYSTEMS	---	28,609	---	30,609	---	+2,000
AIR TRAFFIC CONTROL	---	55,449	---	55,449	---	---
INDUSTRIAL FACILITIES	---	45,216	---	45,216	---	---
LAUNCHER, 2.75 ROCKET	---	2,413	---	2,413	---	---
AIRBORNE COMMUNICATIONS	---	9,769	---	17,269	---	+7,500
TOTAL, SUPPORT EQUIPMENT AND FACILITIES		508,227		519,727		+11,500
TOTAL, AIRCRAFT PROCUREMENT, ARMY		2,658,241		3,107,941		+449,700

MISSILE PROCUREMENT, ARMY

Fiscal year 2004 appropriation	$1,505,462,000
Fiscal year 2005 budget request	1,398,321,000
Committee recommendation	1,327,000,000
Change from budget request	−71,321,000

This appropriation finances the acquisition of surface-to-air, surface-to-surface, and anti-tank/assault missile systems. Also included are major components, modifications, targets, test equipment and production base support.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,327,000,000 for Missile Procurement, Army. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1	Title	Budget Request	Committee Recommended	Change from Request
9	**LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUMMARY**	**86,321**	**15,000**	**-71,321**
	Program Termination		-71,321	

LINE OF SIGHT ANTI-TANK (LOSAT)

The budget requested $86,321,000 for the LOSAT program, an increase of $43,089,000 over the fiscal year 2004 appropriation. The Committee recommends $15,000,000, a reduction of $71,321,000. The Committee recommends that the Army terminate this program, and that the remaining balance of $15,000,000 be used to meet termination costs. In the Committee's view, the Army has not made a long-term commitment to fielding LOSAT as evident in the fact that the Army plans to acquire only 435 missiles, and ends the program at the conclusion of the current Low Rate Initial Production run. Recognizing that several other anti-armor systems are already fielded and available to light forces, the Committee believes the Army should focus its resources on acquiring robust inventories of these systems as well as meeting prospective recapitalization needs.

HELLFIRE

The Committee understands that the Army intends to procure Hellfire II missiles with different warhead configurations based on experience in Operation Iraqi Freedom. Accordingly, the Committee recommends that fiscal year 2005 funding available for the Hellfire missile may be used to procure any mix of warhead variants in order to best meet the Army's operational needs.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
MISSILE PROCUREMENT, ARMY						
OTHER MISSILES						
SURFACE-TO-AIR MISSILE SYSTEM						
PATRIOT SYSTEM SUMMARY	108	489,253	108	489,253	---	---
SURFACE-LAUNCHED AMRAAM SYSTEM SUMMARY:	---	2,449	---	2,449	---	---
AIR-TO-SURFACE MISSILE SYSTEM						
HELLFIRE SYS SUMMARY	---	108,475	---	108,475	---	---
APKWS (ADVANCED PRECISION KILL WEAPON SYSTEM)	---	755	---	755	---	---
ADVANCE PROCUREMENT (CY)	---	6,124	---	6,124	---	---
ANTI-TANK/ASSAULT MISSILE SYSTEM						
JAVELIN (AAWS-M) SYSTEM SUMMARY	1,038	117,803	1,038	117,803	---	---
LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM	158	86,321	---	15,000	-158	-71,321
TOW 2 SYSTEM SUMMARY	500	12,867	500	12,867	---	---
TOW 2 ADVANCE PROCUREMENT (CY)	---	13,375	---	13,375	---	---
GUIDED MLRS ROCKET (GMLRS)	1,026	112,302	1,026	112,302	---	---
MLRS REDUCED RANGE PRACTICE ROCKETS (RRPR)	822	6,627	822	6,627	---	---
MLRS LAUNCHER SYSTEMS	---	41,200	---	41,200	---	---
HIMARS LAUNCHER	37	169,249	37	169,249	---	---
ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM	56	61,484	56	61,484	---	---
TOTAL, OTHER MISSILES		1,228,284		1,156,963		-71,321
MODIFICATION OF MISSILES						
MODIFICATIONS						
PATRIOT MODS	---	87,948	---	87,948	---	---
ITAS/TOW MODS	---	9,784	---	9,784	---	---
MLRS MODS	---	18,970	---	18,970	---	---
HIMARS MODIFICATIONS: (NON AAO)	---	474	---	474	---	---
HELLFIRE MODIFICATIONS	---	9,770	---	9,770	---	---
TOTAL, MODIFICATION OF MISSILES		126,946		126,946		---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
SPARES AND REPAIR PARTS	---	33,779	---	33,779	---	---
SUPPORT EQUIPMENT AND FACILITIES						
AIR DEFENSE TARGETS	---	5,843	---	5,843	---	---
ITEMS LESS THAN $5.0M (MISSILES)	---	10	---	10	---	---
PRODUCTION BASE SUPPORT	---	3,459	---	3,459	---	---
TOTAL, SUPPORT EQUIPMENT AND FACILITIES		9,312		9,312		---
TOTAL, MISSILE PROCUREMENT, ARMY		1,398,321		1,327,000		-71,321

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Fiscal year 2004 appropriation	$1,857,054,000
Fiscal year 2005 budget request	1,639,695,000
Committee recommendation	2,773,695,000
Change from budget request	+1,134,000,000

This appropriation finances the acquisition of tanks; personnel and cargo carriers; fighting vehicles; tracked recovery vehicles; self-propelled and towed howitzers; machine guns; mortars; modification of in-service equipment, initial spares; and production base support.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,773,695,000 for Procurement of Weapons and Tracked Combat Vehicles, Army. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1	Title	Budget Request	Committee Recommended	Change from Request
2	**BRADLEY BASE SUSTAINMENT**	**71,378**	**245,378**	**174,000**
	ODS+ Additional Vehicles		134,000	
	Bradley Integtrated Modernization Program (BIM)		40,000	
5	**STRYKER**	**905,074**	**1,855,074**	**950,000**
	Additional Stryker Brigade Funding		900,000	
	Fielding Costs additional Stryker Brigade		50,000	
9	**BFVS SERIES (MOD)**	**55,424**	**65,424**	**10,000**
	Common Remotely Operated Weapons Station (CROWS)		10,000	
	(Note: only for rapid fielding of LRIP CROWS units.)			

STRYKER

The budget requested $905,074,000 for the Stryker program, an increase of $84,953,000 over the fiscal year 2004 appropriation. The Committee recommends $1,855,074,000, an increase of $950,000,000. The Committee notes that the Army has enjoyed considerable success both in the development and fielding of the Stryker Brigade Combat Teams (SBCTs), and in the deployment of a Stryker Brigade in support of Operation Iraqi Freedom. The Committee also understands that additional SBCTs, above the six currently programmed, may play an important role in Department of Defense plans to revise the overseas basing of U.S. forces.

In order to accelerate the fielding of the SBCTs, and support future basing decisions, the Committee recommends an increase of $950,000,000 above the budget request. This amount should provide for both the additional Strykers necessary to outfit one brigade above that requested in the fiscal year 2005 budget, and for some of the ancillary costs associated with standing up an additional SBCT and basing the associated vehicles. To give the Committee better insight into the Army's long range plans for the Stryker Brigades, the Committee directs the Secretary of the Army to provide a report to the congressional defense committees, concurrent with submission of the fiscal year 2006 budget request, on plans to program and budget for additional SBCTs above the six currently planned. The report should address plans for the types of brigades under consideration (whether infantry, cavalry or other), plans for basing such units, required support equipment needed to round out these units, and the adjustments made or needed to the Army's budget to support these plans.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
PROCUREMENT OF W&TCV, ARMY						
TRACKED COMBAT VEHICLES						
ABRAMS TRNG DEV MOD	---	3,643	---	3,643	---	---
BRADLEY BASE SUSTAINMENT	---	71,378	---	245,378	---	+174,000
BRADLEY FVS TRAINING DEVICES (MOD)	---	2,454	---	2,454	---	---
ABRAMS TANK TRAINING DEVICES	---	3,624	---	3,624	---	---
STRYKER	---	905,074	---	1,855,074	---	+950,000
MODIFICATION OF TRACKED COMBAT VEHICLES						
FIST VEHICLE (MOD)	---	1	---	1	---	---
MOD OF IN-SVC EQUIP, FIST VEHICLE	---	670	---	670	---	---
BFVS SERIES (MOD)	---	55,424	---	65,424	---	+10,000
HOWITZER, MED SP FT 155MM M109A6 (MOD)	---	18,350	---	18,350	---	---
FAASV PIP TO FLEET	---	7,294	---	7,294	---	---
M1 ABRAMS TANK (MOD)	---	116,917	---	116,917	---	---
SYSTEM ENHANCEMENT PGM: SEP M1A2	67	292,152	67	292,152	---	---
SUPPORT EQUIPMENT AND FACILITIES						
ITEMS LESS THAN $5.0M (TCV-WTCV)	---	407	---	407	---	---
PRODUCTION BASE SUPPORT (TCV-WTCV)	---	10,278	---	10,278	---	---
TOTAL, TRACKED COMBAT VEHICLES		1,487,666		2,621,666		+1,134,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
WEAPONS AND OTHER COMBAT VEHICLES						
INTEGRATED AIR BURST WEAPON SYSTEM FAMILY	---	500	---	500	---	---
ARMOR MACHINE GUN, 7.62MM M240 SERIES	2,070	25,249	2,070	25,249	---	---
MACHINE GUN, 5.56MM (SAW)	---	80	---	80	---	---
MORTAR SYSTEMS	577	5,258	577	5,258	---	---
XM107, CAL. 50, SNIPER RIFLE	600	8,871	600	8,871	---	---
5.56 CARBINE M4	8,255	9,376	8,255	9,376	---	---
HOWITZER LT WT 155MM (T)	18	37,209	18	37,209	---	---
MOD OF WEAPONS AND OTHER COMBAT VEH						
MARK-19 MODIFICATIONS	---	4,236	---	4,236	---	---
M4 CARBINE MODS	---	13,777	---	13,777	---	---
SQUAD AUTOMATIC WEAPON (MOD)	---	3,382	---	3,382	---	---
MEDIUM MACHINE GUNS (MODS)	---	3,409	---	3,409	---	---
HOWITZER, TOWED, 155MM, M198 (MODS)	13	779	13	779	---	---
M16 RIFLE MODS	---	2,345	---	2,345	---	---
MODIFICATIONS LESS THAN $5.0M (WOCV-WTCV)	---	3,245	---	3,245	---	---
SUPPORT EQUIPMENT AND FACILITIES						
ITEMS LESS THAN $5.0M (WOCV-WTCV)	---	486	---	486	---	---
PRODUCTION BASE SUPPORT (WOCV-WTCV)	---	6,620	---	6,620	---	---
INDUSTRIAL PREPAREDNESS	---	2,629	---	2,629	---	---
SMALL ARMS (SOLDIER ENH PROG)	---	3,492	---	3,492	---	---
REF SMALL ARMS	---	998	---	998	---	---
TOTAL, WEAPONS AND OTHER COMBAT VEHICLES		131,941		131,941		---
SPARES AND REPAIR PARTS (WTCV)	---	20,088	---	20,088	---	---
TOTAL, PROCUREMENT OF W&TCV, ARMY		1,639,695		2,773,695		+1,134,000

PROCUREMENT OF AMMUNITION, ARMY

Fiscal year 2004 appropriation	$1,387,759,000
Fiscal year 2005 budget request	1,556,902,000
Committee recommendation	1,608,302,000
Change from budget request	+51,400,000

This appropriation finances the acquisition of ammunition, modification of in-service stock, and related production base support including the maintenance, expansion, and modernization of industrial facilities and equipment.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,608,302,000 for Procurement of Ammunition, Army. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request	Committee Recommended	Change from Request
8	**60MM MORTAR, ALL TYPES**	**38,436**	**40,936**	**2,500**
	M768 60mm Mortar Ammunition with PD Fuze		2,500	
12	**120MM TANK TRAINING, ALL TYPES**	**139,718**	**143,718**	**4,000**
	.50 Caliber Inbore Sub-Caliber Training Devices (Note: Only for use in providing realistic and efficient sub-caliber live fire tank gunnery training for Abrams tank crews.)		4,000	
16	**CTG, ARTY, 155MM, ALL TYPES**	**132,668**	**133,668**	**1,000**
	M110 155mm WP Smoke Projectile		1,000	
18	**MODULAR ARTILLERY CHARGE SYSTEM (MACS), ALL TYPE:**	**65,807**	**75,807**	**10,000**
	MACS		10,000	
25	**SHOULDER FIRED ROCKETS, ALL TYPES**	**15,414**	**24,414**	**9,000**
	Shoulder-Launched Multipurpose Assault Weapon - Disposable (SMAW-D)		4,000	
	M72 Lightweight Attack Weapon System (LAW)		5,000	
26	**ROCKET, HYDRA 70, ALL TYPES**	**164,689**	**121,689**	**-43,000**
	Training rounds--procuring ahead of need		-43,000	
27	**DEMOLITION MUNITIONS, ALL TYPES**	**29,193**	**30,193**	**1,000**
	Modernization Demolition Initiators (MDI)		1,000	
38	**PROVISION OF INDUSTRIAL FACILITIES**	**40,746**	**103,646**	**62,900**
	Lake City Ammunition Plant upgrades		22,400	
	Radford Army Ammunition Plant Acid Production for Small Arms Propellant		16,000	
	Holston Army Ammunition Plant RDX and HDX production		3,500	
	Kansas and Lone Star Ammunition Army Ammunition Plants LAP modernization		10,000	
	Riverbank Army Ammunition Plant Flexible Manufacturing Facility		5,000	
	Flexible Load Assemble and Pack Modern Munitions Enterprise		6,000	
41	**CONVENTIONAL AMMO DEMILITARIZATION**	**95,372**	**99,372**	**4,000**
	Missile Recycling Capability		1,000	
	Accelerated Propelling Charge Demil Program (Note: only for the Accelerated Propelling Charge Demilitarization Program to be performed at the Fort Wingate Demilitarization Facility)		3,000	

AMMUNITION INDUSTRIAL BASE

The budget requested $40,746,000 for the Provision of Industrial Facilities program, a decrease of $18,324,000 below the fiscal year 2004 appropriation. The Committee recommends $103,646,000, an increase of $62,900,000 above the request. The list of unfunded requirements for fiscal year 2005 prepared by the Chief of Staff of the Army indicates that the Army is experiencing shortages of certain small caliber ammunition. These shortages are driven both by operations in Iraq and Afghanistan, and the Army's brigade restructuring (modularity) initiative. The Committee has provided additional funding for these requirements, as described elsewhere in this report, but also notes that Army ammunition plants will be hard pressed to fill these shortfalls given the current state of production facilities. Accordingly, $51,900,000 of the increase provided in this program is for the purpose of improving the condition, efficiency and output of selected Army ammunition plants. This initiative is part of the Committee's effort to recapitalize ground forces, as described elsewhere in this report.

Of this amount, $16,000,000 is for the Radford Army Ammunition Plant (AAP) to begin replacing acid and associated propellant production lines. $22,400,000 is available to modernize the small caliber ammunition production facilities at the Lake City AAP. $3,500,000 is available to increase production of the explosive compounds RDX and HDX at the Holston AAP. Finally, $10,000,000 is available to improve the high volume load, assemble, and pack (LAP) facilities at the Lone Star and Kansas AAPs. The funding provided for this purpose should be divided equally between the two facilities.

M169 CARTRIDGE CASING PRODUCTION

The Committee believes that it is in the best interest of the Department to fund a modernization upgrade for the U.S.-based manufacturing equipment for the 40mm high velocity M169 cartridge case to mitigate risk. The Department of Defense is strongly encouraged to allocate the necessary funds to upgrade the 40mm manufacturing capability to support future requirements.

HYDRA ROCKET

The amended budget requested $164,689,000 for the Hydra Rocket program, an increase of $122,708,000 over the fiscal year 2004 appropriation. The Committee recommends $121,689,000, a reduction of $43,000,000. The Army's original budget request for fiscal year 2005 provided only $14,300,000 for the Hydra Rocket program. Thus, compared to the February budget submit, the Committee recommendation provides for an increase of $107,389,000 in fiscal year 2005. The Committee notes with some concern that the Future Years Defense Program (FYDP) accompanying the original budget submit reflected no funding for the Hydra Rocket program beyond fiscal year 2006. Accordingly, the Committee encourages the Army to take measures in future budget submissions to stabilize the level of funding for this program.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
PROCUREMENT OF AMMUNITION, ARMY						
AMMUNITION						
SMALL/MEDIUM CAL AMMUNITION						
CTG, 5.56MM, ALL TYPES	---	173,550	---	173,550	---	---
CTG, 7.62MM, ALL TYPES	---	45,062	---	45,062	---	---
CTG, 9MM, ALL TYPES	---	5,078	---	5,078	---	---
CTG, .50 CAL, ALL TYPES	---	59,810	---	59,810	---	---
CTG, 25MM, ALL TYPES	---	21,600	---	21,600	---	---
CTG, 30MM, ALL TYPES	---	9,726	---	9,726	---	---
CTG, 40MM, ALL TYPES	---	119,658	---	119,658	---	---
MORTAR AMMUNITION						
60MM MORTAR, ALL TYPES	---	38,436	---	40,936	---	+2,500
81MM MORTAR, ALL TYPES	---	4,597	---	4,597	---	---
CTG, MORTAR, 120MM, ALL TYPES	---	50,316	---	50,316	---	---
TANK AMMUNITION						
CTG TANK 105MM: ALL TYPES	---	27,419	---	27,419	---	---
120MM TANK TRAINING, ALL TYPES	---	139,718	---	143,718	---	+4,000
CTG, TANK, 120MM TACTICAL, ALL TYPES	---	49,845	---	49,845	---	---
ARTILLERY AMMUNITION						
CTG ARTY 105MM M927	---	33,286	---	33,286	---	---
CTG, ARTY, 155MM, ALL TYPES	---	132,668	---	133,668	---	+1,000
PROJ ARTY 155MM HE M107	---	16,960	---	16,960	---	---
MODULAR ARTILLERY CHARGE SYSTEM (MACS), ALL T	---	65,807	---	75,807	---	+10,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
ARTILLERY FUZES						
ARTILLERY FUZES, ALL TYPES	---	40,796	---	40,796	---	---
MINES						
MINE, TRAINING, ALL TYPES	---	527	---	527	---	---
MINES (CONVENTIONAL), ALL TYPES	---	4,242	---	4,242	---	---
MINE, CLEARING CHARGE, ALL TYPES	---	1,020	---	1,020	---	---
ANTIPERSONNEL LANDMINE ALTERNATIVES	---	15,222	---	15,222	---	---
ROCKETS						
SHOULDER FIRED ROCKETS, ALL TYPES	---	15,414	---	24,414	---	+9,000
ROCKET, HYDRA 70, ALL TYPES	---	164,689	---	121,689	---	-43,000
OTHER AMMUNITION						
DEMOLITION MUNITIONS, ALL TYPES	---	29,193	---	30,193	---	+1,000
GRENADES, ALL TYPES	---	52,857	---	52,857	---	---
SIGNALS, ALL TYPES	---	26,276	---	26,276	---	---
SIMULATORS, ALL TYPES	---	20,165	---	20,165	---	---
MISCELLANEOUS						
AMMO COMPONENTS, ALL TYPES	---	8,550	---	8,550	---	---
NON-LETHAL AMMUNITION, ALL TYPES	---	5,534	---	5,534	---	---
CAD/PAD ALL TYPES	---	3,884	---	3,884	---	---
ITEMS LESS THAN $5 MILLION	---	11,398	---	11,398	---	---
AMMUNITION PECULIAR EQUIPMENT	---	4,898	---	4,898	---	---
FIRST DESTINATION TRANSPORTATION (AMMO)	---	10,700	---	10,700	---	---
CLOSEOUT LIABILITIES	---	80	---	80	---	---
TOTAL, AMMUNITION		1,408,981		1,393,481		-15,500
AMMUNITION PRODUCTION BASE SUPPORT						
PRODUCTION BASE SUPPORT						
PROVISION OF INDUSTRIAL FACILITIES	---	40,746	---	103,646	---	+62,900
LAYAWAY OF INDUSTRIAL FACILITIES	---	2,315	---	2,315	---	---
MAINTENANCE OF INACTIVE FACILITIES	---	4,745	---	4,745	---	---
CONVENTIONAL AMMO DEMILITARIZATION	---	95,372	---	99,372	---	+4,000
ARMS INITIATIVE	---	4,743	---	4,743	---	---
TOTAL, AMMUNITION PRODUCTION BASE SUPPORT		147,921		214,821		+66,900
TOTAL, PROCUREMENT OF AMMUNITION, ARMY		1,556,902		1,608,302		+51,400

OTHER PROCUREMENT, ARMY

Fiscal year 2004 appropriation	$4,774,452,000
Fiscal year 2005 budget request	4,240,896,000
Committee recommendation	4,868,371,000
Change from budget request	+627,475,000

This appropriation finances the acquisition of: (a) tactical and commercial vehicles, including trucks, semi-trailers, and trailers of all types to provide mobility and utility support to field forces and the worldwide logistical systems; (b) communications and electronics equipment of all types to provide fixed, semi-fixed, and mobile strategic and tactical communication equipment; (c) other support equipment, generators and power units, material handling equipment, medical support equipment, special equipment for user testing, and non-system training devices. In each of these activities, funds are also included for the modification of in-service equipment, investment spares and repair parts, and production base support.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,868,371,000 for Other Procurement, Army. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request	Committee Recommended	Change from Request
4	**HI MOB MULTI-PURP WHLD VEH (HMMWV)**	**303,692**	**457,692**	**154,000**
	HMMWV Recapitalization (A0 to A2)		39,000	
	Additional vehicles (M1113)		50,000	
	Additional vehicles (M1113 for AR and ARNG)		65,000	
6	**FAMILY OF MEDIUM TACTICAL VEH (FMTV)**	**505,664**	**610,664**	**105,000**
	Additional vehicles		45,000	
	Additional vehicles (AR)		60,000	
8	**FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)**	**84,038**	**212,538**	**128,500**
	Palletized Load System Trucks and Trailers for the MD ARNG		500	
	HEMTT Additional Vehicles		45,000	
	HEMTT Additional Vehicles (AR and ARNG)		50,000	
	PLS Additional Vehicles		10,000	
	PLS Additional Vehicles (AR)		10,000	
	HEMTT and PLS Trucks and Trailers		5,000	
	Movement Tracking System (MTS)		8,000	
9	**ARMORED SECURITY VEHICLES (ASV)**	**0**	**8,000**	**8,000**
	Armored Security Vehicle		8,000	
10	**TRUCK, TRACTOR, LINE HAUL, M915/M916**	**15,314**	**30,314**	**15,000**
	M915 Tractor Additional Vehicles (ARNG)		15,000	
32	**ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO)**	**34,435**	**42,435**	**8,000**
	Enhanced Position Location Reporting System (EPLRS) for Army National Guard		8,000	
35	**SINCGARS FAMILY**	**48,614**	**50,114**	**1,500**
	SINCGARS Radio SAASM Upgrade for the Army National Guard		1,500	
36	**MULTI-PURPOSE INFORMATION OPERATIONS SYSTEMS**	**7,776**	**11,276**	**3,500**
	U.S. Army Sustainment Center - Integration of Open Architecture (Note: only for COTS technology for JTAC systems.)		3,500	
38	**ACUS MOD PROGRAM**	**81,317**	**88,317**	**7,000**
	AN/UXC-10 Digital Facsimile (TS-21 Blackjack Army)		7,000	
39	**COMMS-ELEC EQUIP FIELDING**	**8,889**	**11,889**	**3,000**
	Satellite Multi-Modal Collaborative Crisis & Training Network for MN Army Guard		1,000	
	Wireless Backhaul Free Base Station		2,000	
41	**COMBAT SURVIVOR EVADER LOCATOR (CSEL)**	**28,767**	**33,767**	**5,000**
	PRC 112D Search and Rescue Radio Kit Upgrades		5,000	
42	**RADIO, IMPROVED HF FAMILY**	**6,948**	**21,948**	**15,000**
	AN/PRC-150C High Frequency Radio for ARNG and AR		15,000	
46	**INFORMATION SYSTEM SECURITY PROGRAM-ISSP**	**114,124**	**115,624**	**1,500**
	Critical Army Systems-Cyber Attack Technology (CAS-CAT		1,500	

P-1		Budget Request	Committee Recommended	Change from Request
48	**BASE SUPPORT COMMUNICATIONS**	**40,564**	**41,564**	**1,000**
	Base Support Communications - upgrades to the telecommunications infrastructure, Ft. Lewis, Washington		1,000	
60	**PROPHET GROUND (TIARA)**	**17,692**	**24,692**	**7,000**
	Multi-Sensor SIGINT system (Note: only to procure additional AN/MLQ-40V(3) Prophet Block I systems for the Army National Guard)		2,000	
	Prophet Block I		5,000	
61	**TUAV**	**100,456**	**109,231**	**8,775**
	Additional Shadow 200 UAVs for USMC		8,775	
75	**NIGHT VISION DEVICES**	**102,325**	**107,325**	**5,000**
	MX-2 Mini-IR Thermal Imager ("MX-2")		5,000	
77	**LTWT VIDEO RECON SYSTEM (LWVRS)**	**0**	**1,500**	**1,500**
	Lightweight Video Reconnaissance System		1,500	
79	**ARTILLERY ACCURACY EQUIP**	**0**	**3,000**	**3,000**
	SFK-646, Night - High-Efficiency Artillery Targeting (Night HEAT) Kits		3,000	
83	**PROFILER**	**4,963**	**5,963**	**1,000**
	Meteorological Measuring Set - Profiler (MMS-P)		1,000	
84	**MOD OF IN-SVC EQUIP (TAC SURV)**	**17,444**	**20,444**	**3,000**
	AN/TPQ-36(V)8 Radar Processor Upgrade (Anti-Obsolescence) Program		3,000	
107	**STAMIS TACTICAL COMPUTERS (STACOMP)**	**54,581**	**55,581**	**1,000**
	Army Legacy Logistics Systems Modernization		1,000	
110	**AUTOMATED DATA PROCESSING EQUIP**	**146,184**	**154,184**	**8,000**
	Active Data-Rich RFID for In-Transit Visibility		1,000	
	Arsenal/Depot AIT (AD-AIT) Initiative		3,000	
	Virtual Mission Preparation		4,000	
111	**RESERVE COMPONENT AUTOMATION SYS (RCAS)**	**48,467**	**61,967**	**13,500**
	Advanced Information Technology Services (AITS)		5,500	
	Distributive Training Technology Project (DTTP) for Army under AITS contract (Note: only to field additional priority DTTP training facilities and upgrade operating systems under the AITS contract.)		8,000	
137	**ITEMS LESS THAN $5 MILLION (ENG SPT EQ)**	**6,546**	**9,546**	**3,000**
	Army 2kW Military Tactical Generators for Engineering Support Constrcution Teams		1,000	
	Mobi-Mat Helipad System		2,000	
143	**COMBAT SUPPORT MEDICAL**	**11,743**	**17,743**	**6,000**
	Life Support for Trauma and Transport (LSTAT)		5,000	
	Chitosan Hemorrhage Control Dressing		1,000	

P-1	Budget Request	Committee Recommended	Change from Request
149 MISSION MODULES - ENGINEERING	**5,863**	**6,063**	**200**
Engineer Mission Modules for the Palletized Load System for the MD NG		200	
159 CONST EQUIP ESP	**5,310**	**27,310**	**22,000**
Service Life Extension Program		15,000	
Construction Equipment ESP		7,000	
160 ITEMS LESS THAN $5 MILLION (CONST EQUIP)	**7,192**	**8,192**	**1,000**
Laser Leveling System		1,000	
161 LOGISTIC SUPPORT VESSEL (LSV)	**0**	**2,000**	**2,000**
Logistics Support Vessel Service Life Extension Program		2,000	
162 THEATER SUPPORT VESSEL (TSV)	**0**	**3,000**	**3,000**
Small Tugs		3,000	
165 GENERATORS AND ASSOCIATED EQUIP	**54,397**	**55,397**	**1,000**
Mobile Transformers and Mobile Substations Demonstration Project		1,000	
170 COMBAT TRAINING CENTERS (CTC) SUPPORT	**86,421**	**91,421**	**5,000**
The National Training Center Range Communications System (NTC RCS) (Note: only for NTC RCS add-on to be common and compatible with NTC RCS currently being installed for operational use.)		5,000	
171 TRAINING DEVICES, NONSYSTEM	**241,946**	**293,446**	**51,500**
Bullet Sensor Livefire Trainer		1,000	
Military Operations in Urban Terrain (MOUT) Instrumentation		1,000	
Military Skills Engagement Trainer		2,000	
Engagement Skills Trainer		4,000	
Combat Arms Training System Modernization for ARNG		4,000	
Deployable Instrumentation Training System (DITS)		2,000	
Joint Readiness Training Center (JRTC) Instrumentation System (IS)		6,000	
Targetry Equipment for a Defensive Line Fire Range at Fort Drum, NY		500	
AB-FIST Crew Gunnery Trainers (Note: for ARNG only for AB-FIST gunnery trainers for M2A2 and M2A2ODS Bradely Fighting Vehicle Crews.)		3,000	
Up-Armored HMMWV and Tactical Truck Crew Trainers		2,000	
Tabletop Gunnery Trainers and Tabletop Full-fidelity Trainers		3,000	
Digital Deployed Training Campus Program (ARNG to prepare home station training for receiving the 6th Stryker Brigade.)		10,000	
Laser Marksmanship Training System (LMTS) Fielding Program for ARNG		5,000	
Laser Marksmanship Training System (LMTS) for the Army Reserve		8,000	

P-1	Budget Request	Committee Recommended	Change from Request
173 AVIATION COMBINED ARMS TACTICAL TRAINER (AVCATT)	**40,803**	**54,803**	**14,000**
Army Aviation Combined Arms Tactical Trainer Suite (Note: only for procurement of an AVCATT-A suite to assure the combat readiness of Fort Hood Army aviation units)		14,000	
175 INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)	**4,054**	**11,054**	**7,000**
Integrated Family of Test Equipment (IFTE)		7,000	
183 SPECIAL EQUIPMENT FOR USER TESTING	**9,905**	**13,905**	**4,000**
Advanced Threat Communications Network (ATCN) Program--STRICOM		4,000	

TACTICAL UNMANNED AERIAL VEHICLE (TUAV)

The budget requested $100,456,000 for the TUAV program, an increase of $26,692,000 over the fiscal year 2004 appropriation. The Committee recommends $109,231,000, an increase of $8,775,000 for the procurement of additional Shadow 200 TUAVs. The Committee directs that the Army use these funds to acquire additional TUAVs for transfer to the Marine Corps. Additional discussion on this subject is provided in the "Weapons Procurement, Navy" section of this report.

RAPID EQUIPPING FORCE (REF)

The Committee recognizes that the Rapid Equipping Force initiative requires a degree of flexibility to rapidly respond to emerging needs identified in Operation Enduring Freedom and Operation Iraqi Freedom. To facilitate this objective, the Committee recommends that funding appropriated in Other Procurement, Army—Other Support Equipment (OPA3) for REF may be used to fulfill requirements in both the OPA3 and Other Procurement, Army—Communications and Electronics (OPA2) budget activities. In addition, the Committee directs the Secretary of the Army to report to the congressional defense committees not later than March 1 and October 1 each year on REF funding execution.

INTEGRATED COMMUNICATIONS NAVIGATION IDENTIFICATION AVIONICS (ICNIA)

Of the funds requested in the amended budget request for fiscal year 2005, the Committee directs that funds originally requested for ICNIA shall be used only to continue this program, and for no other purpose. The Committee expects that the Department of Defense will continue to program and budget for planned ICNIA development in fiscal year 2006 and future budget requests.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
OTHER PROCUREMENT, ARMY						
TACTICAL AND SUPPORT VEHICLES						
TACTICAL VEHICLES						
TACTICAL TRAILERS/DOLLY SETS	---	11,940	---	11,940	---	---
SEMITRAILERS, FLATBED:	---	9,242	---	9,242	---	---
SEMITRAILERS, TANKERS	---	667	---	667	---	---
HI MOB MULTI-PURP WHLD VEH (HMMWV)	---	303,692	---	457,692	---	+154,000
FAMILY OF MEDIUM TACTICAL VEH (FMTV)	---	505,664	---	610,664	---	+105,000
FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIPMEN	---	2,198	---	2,198	---	---
FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)	---	84,038	---	212,538	---	+128,500
ARMORED SECURITY VEHICLES (ASV)	---	---	---	8,000	---	+8,000
TRUCK, TRACTOR, LINE HAUL, M915/M916	---	15,314	---	30,314	---	+15,000
HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV P	---	19,204	---	19,204	---	---
MODIFICATION OF IN SVC EQUIP	---	25,848	---	25,848	---	---
ITEMS LESS THAN $5.0M (TAC VEH)	---	247	---	247	---	---
TOWING DEVICE-FIFTH WHEEL	---	1,907	---	1,907	---	---
NON-TACTICAL VEHICLES						
HEAVY ARMORED SEDAN	---	196	---	196	---	---
PASSENGER CARRYING VEHICLES	---	197	---	197	---	---
NONTACTICAL VEHICLES, OTHER	---	196	---	196	---	---
TOTAL, TACTICAL AND SUPPORT VEHICLES		980,550		1,391,050		+410,500

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
COMMUNICATIONS AND ELECTRONICS EQUIPMENT						
COMM - JOINT COMMUNICATIONS						
JCSE EQUIPMENT (USREDCOM)	---	4,550	---	4,550	---	---
COMM - SATELLITE COMMUNICATIONS						
DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPAC	---	99,775	---	99,775	---	---
SHF TERM	---	30,621	---	30,621	---	---
SAT TERM, EMUT (SPACE)	---	3,371	---	3,371	---	---
NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE)	---	40,067	---	40,067	---	---
SMART-T (SPACE)	---	73,354	---	73,354	---	---
SCAMP (SPACE)	---	600	---	600	---	---
MILSTAR COMPONENTS (SPACE)	---	25,282	---	25,282	---	---
GLOBAL BRDCST SVC - GBS	---	12,664	---	12,664	---	---
MOD OF IN-SVC EQUIP (TAC SAT)	---	198	---	198	---	---
COMM - C3 SYSTEM						
ARMY GLOBAL CMD & CONTROL SYS (AGCCS)	---	19,790	---	19,790	---	---
COMM - COMBAT COMMUNICATIONS						
ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO)	---	34,435	---	42,435	---	+8,000
JTRS CLUSTER 1	---	121,452	---	121,452	---	---
RADIO TERMINAL SET, MIDS LVT(2)	---	3,223	---	3,223	---	---
SINCGARS FAMILY	---	48,614	---	50,114	---	+1,500
MULTI-PURPOSE INFORMATION OPERATIONS SYSTEMS	---	7,776	---	11,276	---	+3,500
JOINT TACTICAL AREA COMMAND SYSTEMS	---	843	---	843	---	---
ACUS MOD PROGRAM	---	81,317	---	88,317	---	+7,000
COMMS-ELEC EQUIP FIELDING	---	8,889	---	11,889	---	+3,000
SOLDIER ENHANCEMENT PROGRAM COMM/ELECTRONICS	---	25,952	---	25,952	---	---
COMBAT SURVIVOR EVADER LOCATOR (CSEL)	---	28,767	---	33,767	---	+5,000
RADIO, IMPROVED HF FAMILY	---	6,948	---	21,948	---	+15,000
MEDICAL COMM FOR CBT CASUALTY CARE (MC4)	---	4,662	---	4,662	---	---
COMM - INTELLIGENCE COMM						
CI AUTOMATION ARCHITECTURE	---	1,279	---	1,279	---	---
INFORMATION SECURITY						
TSEC - ARMY KEY MGT SYS (AKMS)	---	2,834	---	2,834	---	---
INFORMATION SYSTEM SECURITY PROGRAM-ISSP	---	114,124	---	115,624	---	+1,500

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
COMM - LONG HAUL COMMUNICATIONS TERRESTRIAL TRANSMISSION	---	23,421	---	23,421	---	---
BASE SUPPORT COMMUNICATIONS	---	40,564	---	41,564	---	+1,000
ARMY DISN ROUTER	---	6,133	---	6,133	---	---
ELECTROMAG COMP PROG (EMCP)	---	469	---	469	---	---
WW TECH CON IMP PROG (WWTCIP)	---	2,698	---	2,698	---	---
COMM - BASE COMMUNICATIONS INFORMATION SYSTEMS	---	268,940	---	268,940	---	---
DEFENSE MESSAGE SYSTEM (DMS)	---	12,296	---	12,296	---	---
LOCAL AREA NETWORK (LAN)	---	84,820	---	84,820	---	---
PENTAGON INFORMATION MGT AND TELECOM	---	14,671	---	14,671	---	---
ELECT EQUIP - NAT FOR INT PROG (NFIP)						
ELECT EQUIP - TACT INT REL ACT (TIARA) ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)	---	15,979	---	15,979	---	---
JTT/CIBS-M (TIARA)	---	13,993	---	13,993	---	---
PROPHET GROUND (TIARA)	---	17,692	---	24,692	---	+7,000
TUAV	---	100,456	---	109,231	---	+8,775
DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIARA)	---	9,138	---	9,138	---	---
TACTICAL EXPLOITATION SYSTEM (TIARA)	---	14,094	---	14,094	---	---
DCGS-A UNIT OF EMPLOYMENT (JMIP)	---	9,575	---	9,575	---	---
TROJAN (TIARA)	---	5,840	---	5,840	---	---
MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)	---	2,594	---	2,594	---	---
CI HUMINT INFO MANAGEMENT SYSTEM (CHIMS) (TIA	---	2,924	---	2,924	---	---
ITEMS LESS THAN $5.0M (TIARA)	---	4,287	---	4,287	---	---
ELECT EQUIP - ELECTRONIC WARFARE (EW) ELECT EQUIP - TACTICAL SURV. (TAC SURV) SENTINEL MODS	---	7,487	---	7,487	---	---
NIGHT VISION DEVICES	---	102,325	---	107,325	---	+5,000
LONG RANGE ADVANCED SCOUT SURVEILLANCE SYSTEM	---	49,176	---	49,176	---	---
LTWT VIDEO RECON SYSTEM (LWVRS)	---	---	---	1,500	---	+1,500
NIGHT VISION, THERMAL WPN SIGHT	---	54,809	---	54,809	---	---
ARTILLERY ACCURACY EQUIP	---	---	---	3,000	---	+3,000
MOD OF IN-SVC EQUIP (MMS)	---	461	---	461	---	---
MOD OF IN-SVC EQUIP (MVS)	---	280	---	280	---	---
PORTABLE INDUCTIVE ARTILLERY FUZE SETTER	---	1,985	---	1,985	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
PROFILER	---	4,963	---	5,963	---	+1,000
MOD OF IN-SVC EQUIP (TAC SURV)	---	17,444	---	20,444	---	+3,000
FORCE XXI BATTLE CMD BRIGADE & BELOW (FBCB2)	---	120,073	---	120,073	---	---
LIGHTWEIGHT LASER DESIGNATOR/RANGEFINDER (LLD	---	12,339	---	12,339	---	---
MORTAR FIRE CONTROL SYSTEM	---	14,633	---	14,633	---	---
INTEGRATED MET SYS SENSORS (IMETS) - TIARA	---	346	---	346	---	---
ENHANCED SENSOR & MONITORING SYSTEM	---	1,456	---	1,456	---	---
ELECT EQUIP - TACTICAL C2 SYSTEMS TACTICAL OPERATIONS CENTERS	---	50,692	---	50,692	---	---
ADV FA TAC DATA SYS / EFF CTRL SYS (AFATDS/EC	---	26,922	---	26,922	---	---
MOD OF IN-SVC EQUIP. AFATDS	---	3,990	---	3,990	---	---
LIGHT WEIGHT TECH FIRE DIRECTION SYS (LWT	---	2,018	---	2,018	---	---
CMBT SVC SUPT CONTROL SYS (CSSCS)	---	11,909	---	11,909	---	---
FAAD C2	---	12,873	---	12,873	---	---
AIR & MSL DEFENSE PLANNING & CONTROL SYS (AMD	---	6,400	---	6,400	---	---
FORWARD ENTRY DEVICE / LIGHTWEIGHT FED (FED/L	---	2,045	---	2,045	---	---
KNIGHT FAMILY	---	2,236	---	2,236	---	---
LIFE CYCLE SOFTWARE SUPPORT (LCSS)	---	1,827	---	1,827	---	---
LOGTECH	---	24,416	---	24,416	---	---
TC AIMS II	---	16,376	---	16,376	---	---
JOINT NETWORK MANAGEMENT SYSTEM (JNMS)	---	12,587	---	12,587	---	---
TACTICAL INTERNET MANAGER	---	11,363	---	11,363	---	---
MANEUVER CONTROL SYSTEM (MCS)	---	29,136	---	29,136	---	---
STAMIS TACTICAL COMPUTERS (STACOMP)	---	54,581	---	55,581	---	+1,000
ELECT EQUIP - AUTOMATION ARMY TRAINING MODERNIZATION	---	5,377	---	5,377	---	---
AUTOMATED DATA PROCESSING EQUIP	---	146,184	---	154,184	---	+8,000
RESERVE COMPONENT AUTOMATION SYS (RCAS)	---	48,467	---	61,967	---	+13,500
ELECT EQUIP - AUDIO VISUAL SYS (A/V) AFRTS	---	1,801	---	1,801	---	---
ITEMS LESS THAN $5.0M (A/V)	---	1,624	---	1,624	---	---
ITEMS LESS THAN $5M (SURVEYING EQUIPMENT)	---	2,298	---	2,298	---	---
ELECT EQUIP - SUPPORT PRODUCTION BASE SUPPORT (C-E)	---	434	---	434	---	---
TOTAL, COMMUNICATIONS AND ELECTRONICS EQUIPMENT		2,315,304		2,412,579		+97,275

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
OTHER SUPPORT EQUIPMENT						
CHEMICAL DEFENSIVE EQUIPMENT						
SMOKE & OBSCURANT FAMILY: SOF (NON AAO ITEM)	---	3,863	---	3,863	---	---
BRIDGING EQUIPMENT						
TACTICAL BRIDGING	---	34,137	---	34,137	---	---
TACTICAL BRIDGE, FLOAT-RIBBON	---	17,360	---	17,360	---	---
ENGINEER (NON-CONSTRUCTION) EQUIPMENT						
HANDHELD STANDOFF MINEFIELD DETECTION SYS-HST	---	6,906	---	6,906	---	---
KIT, STANDARD TELEOPERATING	---	3,023	---	3,023	---	---
GRND STANDOFF MINE DETECTION SYSTEM (GSTAMIDS	---	2,001	---	2,001	---	---
ROBOTIC COMBAT SUPPORT SYSTEM (RCSS)	---	1,038	---	1,038	---	---
EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPMT)	---	12,670	---	12,670	---	---
ITEMS LESS THAN $5M, COUNTERMINE EQUIPMENT	---	680	---	680	---	---
COMBAT SERVICE SUPPORT EQUIPMENT						
HEATERS AND ECU'S	---	17,554	---	17,554	---	---
LAUNDRIES, SHOWERS AND LATRINES	---	2,020	---	2,020	---	---
SOLDIER ENHANCEMENT	---	7,275	---	7,275	---	---
LIGHTWEIGHT MAINTENANCE ENCLOSURE (LME)	---	30	---	30	---	---
LAND WARRIOR	---	8,896	---	8,896	---	---
FIELD FEEDING EQUIPMENT	---	20,063	---	20,063	---	---
AIR DROP PROGRAM	---	14,288	---	14,288	---	---
ITEMS LESS THAN $5.0M (ENG SPT EQ)	---	6,546	---	9,546	---	+3,000
PETROLEUM EQUIPMENT						
DISTRIBUTION SYSTEMS, PETROLEUM & WATER	---	38,091	---	38,091	---	---
WATER EQUIPMENT						
WATER PURIFICATION SYSTEMS	---	12,581	---	12,581	---	---
MEDICAL EQUIPMENT						
COMBAT SUPPORT MEDICAL	---	11,743	---	17,743	---	+6,000
MAINTENANCE EQUIPMENT						
SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)	---	9,427	---	9,427	---	---
ITEMS LESS THAN $5.0M (MAINT EQ)	---	5,439	---	5,439	---	---
CONSTRUCTION EQUIPMENT						
MISSION MODULES - ENGINEERING	---	5,863	---	6,063	---	+200
LOADERS	---	10,202	---	10,202	---	---
CRANES	---	3,812	---	3,812	---	---
HIGH MOBILITY ENGINEER EXCAVATOR (HMEE)	---	8,675	---	8,675	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
CONST EQUIP ESP	---	5,310	---	27,310	---	+22,000
ITEMS LESS THAN $5.0M (CONST EQUIP)	---	7,192	---	8,192	---	+1,000
RAIL FLOAT CONTAINERIZATION EQUIPMENT						
LOGISTIC SUPPORT VESSEL (LSV)	---	---	---	2,000	---	+2,000
THEATER SUPPORT VESSEL (TSV)	---	---	---	3,000	---	+3,000
ITEMS LESS THAN $5.0M (FLOAT/RAIL)	---	3,465	---	3,465	---	---
GENERATORS						
GENERATORS AND ASSOCIATED EQUIP	---	54,397	---	55,397	---	+1,000
MATERIAL HANDLING EQUIPMENT						
ALL TERRAIN LIFTING ARMY SYSTEM	---	1,315	---	1,315	---	---
TRAINING EQUIPMENT						
COMBAT TRAINING CENTERS (CTC) SUPPORT	---	86,421	---	91,421	---	+5,000
TRAINING DEVICES, NONSYSTEM	---	241,946	---	293,446	---	+51,500
CLOSE COMBAT TACTICAL TRAINER	---	61,811	---	61,811	---	---
AVIATION COMBINED ARMS TACTICAL TRAINER (AVCA	---	40,803	---	54,803	---	+14,000
TEST MEASURE AND DIG EQUIPMENT (TMD)						
INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)	---	4,054	---	11,054	---	+7,000
TEST EQUIPMENT MODERNIZATION (TEMOD)	---	5,214	---	5,214	---	---
OTHER SUPPORT EQUIPMENT						
RAPID EQUIPPING SOLDIER SUPPORT EQUIPMENT	---	13,510	---	13,510	---	---
PHYSICAL SECURITY SYSTEMS (OPA3)	---	68,044	---	68,044	---	---
BASE LEVEL COM'L EQUIPMENT	---	7,197	---	7,197	---	---
MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)	---	10,457	---	10,457	---	---
PRODUCTION BASE SUPPORT (OTH)	---	2,655	---	2,655	---	---
SPECIAL EQUIPMENT FOR USER TESTING	---	9,905	---	13,905	---	+4,000
MA8975	---	2,447	---	2,447	---	---
TOTAL, OTHER SUPPORT EQUIPMENT		890,326		1,010,026		+119,700
SPARE AND REPAIR PARTS						
INITIAL SPARES - C&E	---	44,102	---	44,102	---	---
INITIAL SPARES - OTHER SUPPORT EQUIP	---	1,260	---	1,260	---	---
TOTAL, SPARE AND REPAIR PARTS		45,362		45,362		---
CLASSIFIED PROGRAMS	---	9,354	---	9,354	---	---
TOTAL, OTHER PROCUREMENT, ARMY		4,240,896		4,868,371		+627,475

AIRCRAFT PROCUREMENT, NAVY

Fiscal year 2004 appropriation	$9,110,848,000
Fiscal year 2005 budget request	8,767,867,000
Committee recommendation	8,841,824,000
Change from budget request	+73,957,000

This appropriation provides funds for the procurement of aircraft and related support equipment and programs, flight simulators, equipment to modify in-service aircraft to extend their service life, eliminate safety hazards and improve aircraft operational effectiveness, and spare parts and ground support equipment for all end items procured by this appropriation.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $8,841,824,000 for Aircraft Procurement, Navy. The following report and project level tables provide a summary of the Committee recommendation.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
(In thousands of dollars)

P-1	Budget Request	Committee Recommended	Change from Request
2 EA-18G (AP-CY)	**8,243**	**0**	**-8,243**
Advance procurement premature		-8,243	
10 MH-60R	**338,491**	**284,091**	**-54,400**
Align production ramp more closely to 2004 production level		-54,400	
11 MH-60R (AP-CY)	**70,604**	**61,204**	**-9,400**
Advance procurement not required due to 2004 production changes		-9,400	
14 UC-35	**0**	**16,000**	**+16,000**
Additional two C-35 aircraft		16,000	
17 T-48 (T-39 REPLACEMENT)	**52,435**	**0**	**-52,435**
Transfer to T-45 program		-52,435	
18 T-45TS (TRAINER) GOSHAWK	**253,589**	**306,024**	**+52,435**
Transfer from T-48 program		52,435	
19 JPATS	**2,534**	**23,534**	**+21,000**
Additional four JPATS aircraft		21,000	
23 EA-6 SERIES	**165,702**	**91,402**	**-74,300**
ICAP III program		-74,300	
24 AV-8 SERIES	**20,808**	**23,808**	**+3,000**
Litening pod downlink development program (LPDD) to design, build, test and field video downlink upgrades		2,000	
Fast Tactical Imagery Two (CRTIR /FTI II)		1,000	
27 F-18 SERIES	**412,495**	**423,995**	**+11,500**
Solid state recorder conversion (ATARS)		5,000	
Deployable Flight Incident Recorder Set (DFIRS) (Note: only for modifications to address approaching obsolescence and maintain emergency locator beam capability)		1,500	
LITENING Advance Targeting (AT) pod for F/A18 D		5,000	
30 H-53 SERIES	**9,835**	**58,835**	**+49,000**
Common defense weapon system (M3M)		9,000	
T-64 Engine Government Reliability Improvement		40,000	

P-1		Budget Request	Committee Recommended	Change from Request
32	**H-1 SERIES**	**3,488**	**8,488**	**+5,000**
	UH-1N Huey navigation thermal imaging system		5,000	
33	**EP-3 SERIES**	**28,339**	**37,339**	**+9,000**
	JMOD Sustainment/Common Configuration initiative		9,000	
34	**P-3 SERIES**	**134,970**	**160,970**	**+26,000**
	ALR-95 ESM system library, integrated logistics and training support		4,000	
	P-3C ALR-95 ESM wingtip receiver and antenna upgrade		1,000	
	Hub Integrated Power Switching System/Propeller Balancing and Maintenance System (HIPSS/PBMS)		1,000	
	Digital Stores Management System (DSMS) (Note: only for DSMS upgrade for the P-3C AIP aircraft weapons system)		5,000	
	P-3C Electronic Support Measures (ESM) geolocation upgrade		3,000	
	P-3C Commercial-off-the-shelf (COTS)-based Aircraft Health Monitoring System (AHMS) upgrade (Note: only to provide pre-production and acquisition planning for initial deployment)		2,000	
	P-3C digital autopilot for additional aircraft upgrades		4,000	
	Acoustic data recorder - hard drive (ADR-HD)		3,000	
	P-3C Anti-surface warfare (ASUW) Improvement Program (AIP) (Note: only for surveillance and reconnaissance sensor software and hardware upgrades)		1,000	
	P-3 communications upgrades for non-AIP configured aircraft		2,000	
37	**TRAINER A/C SERIES**	**14,040**	**8,040**	**-6,000**
	T-48 aircraft conversion kits		-6,000	

P-1	Budget Request	Committee Recommended	Change from Request
39 C-130 SERIES	**15,419**	**17,419**	**+2,000**
C-130 Electronic Propeller Control System (EPCS)		2,000	
44 SPECIAL PROJECT AIRCRAFT	**12,415**	**17,415**	**+5,000**
Advanced aircraft collection system (Blackbeard)		5,000	
49 COMMON ECM EQUIPMENT	**43,163**	**54,163**	**+11,000**
AN/AAR-47 missile warning system		5,000	
AN/APR-39(V)2 for USMC CH-53 and AH-1W helicopters		6,000	
53 SPARES AND REPAIR PARTS	**925,813**	**967,613**	**+41,800**
MH-60 initial spares		-18,200	
Aircraft engine procurement based on Committee recommendation to not fund procurement through the Working Capital Fund		60,000	
54 COMMON GROUND EQUIPMENT	**474,521**	**499,521**	**+25,000**
Operational Flight Trainer simulation initiative		25,000	
55 AIRCRAFT INDUSTRIAL FACILITIES	**16,115**	**17,115**	**+1,000**
METCAL program		1,000	

ONGOING PROGRAM REVIEW

The Committee is aware that the Navy's senior leadership has initiated a series of discussions focused on how best to transition from today's force to the "transformational" force of the future. In general, these discussions have focused on the most efficient and effective methods of addressing combat losses as well as bridging potential gaps in operational capability until new systems are available for use.

The Committee recognizes that current operations have caused the Navy to re-evaluate the timeframe in which it can maintain its warfighting capability with existing technology. The plan of just two short years ago was to maintian aircraft and certain ship classes at existing levels, while anticipating the delivery of transformational systems such as the Joint Strike Fighter and Littoral Combat Ship. Ongoing operations as well as schedule slips for some major weapons systems require the Navy to consider a period of transition. This period of transition may include replacement of combat losses with the next generation of equipment, such as the V–22, unplanned upgrades to the F/A–18 series aircraft, and adjusting production levels to achieve the most productive ratios.

The Committee does not believe the Navy nor the Department of Defense as a whole can abandon the drive to transformation. However, it is apparent that ongoing operational tempo requires an adjustment to original plans and that a "transition to transformation" may be the best way to maintain and improve capability. The Committee is encouraged that the Navy has initiated such planning and believes that future budget requests should support this effort.

EA–18G ADVANCE PROCUREMENT

The Committee recommends eliminating the request for EA–18G Advance Procurement. The recommendation is based on the Committee's view that the Navy should conduct additional testing prior to acquisition and therefore the fiscal year 2005 advance procurement request is premature.

The Committee is concerned with the Navy's decision to press an Initial Operating Capability (IOC) for the EA–18G with funds generated by a truncated pre-System Development and Demonstration (SDD) and the decommissioning of two EA–6B squadrons. The Committee believes that pursuing such an aggressive schedule places additional risk on the EA–18G development effort. The Committee believes that to reduce program risk additional pre-SDD tests should be conducted to allow for necessary modifications to systems transitioning from the EA–6B to the FA–18G prior to entering SDD.

MH–60R

The Committee recommends a reduction of $54,400,000 from the request for acquisition of MH–60R aircraft, a reduction of $9,400,000 from the request for advance procurement for future MH–60R aircraft, and a reduction of $18,200,000 for MH–60R initial spares.

The Committee notes that in fiscal year 2004, Congress provided $339,518,000 for the acquisition of six MH–60R helicopters. The

Navy submitted, and the Committee approved, two reprogrammings that transferred fiscal year 2004 funds from acquisition and initial sparing of two helicopters to other Navy requirements. This reduced the fiscal year 2004 acquisition from six to four helicopters.

The fiscal year 2005 budget includes a request of $338,491,000 for the acquisition of eight MH–60R helicopters. The Committee believes that it will be too great a challenge to double the production level from four to eight helicopters in a single year. Therefore, the Committee recommends a more modest production rate of six aircraft and has reduced the acquisition request by $54,400,000 and the initial spares request by $18,200,000 to accommodate this reduced production rate.

In addition, the Congress provided $46,217,000 in advance procurement for eight helicopters in fiscal year 2004. Based on the Committee's recommendation to reduce this production rate to six helicopters, the funds provided in fiscal year 2004 can be used for advance procurement requirements for the fiscal year 2006 planned acquisition and $9,400,000 of the fiscal year 2005 advance procurement requirements is therefore in excess of need.

EA–6B SERIES

IMPROVED CAPABILITIES (ICAP III) PROGRAM

The Committee recommends eliminating the request for the EA–6B Improved Capabilities—ICAP III—system modification program.

The Committee notes that the Navy has reprogrammed and placed on hold all funds appropriated for ICAP III in fiscal year 2004 based on developmental delays in the program. The Committee recommendation takes into account anticipated additional delays in the program in 2005 due to an estimated slip in the Milestone III decision from fiscal year 2004 to fiscal year 2005 based on limited availability of aircraft for testing, as well as continued software development issues.

If the Navy determines that the ICAP III program has stabilized and the fiscal year 2005 schedule will be executed as planned, the Committee would consider a reprogramming request to restore all or a portion of this recommended reduction.

F/A–18 ADVANCED TACTICAL RECONNAISSANCE SYSTEM (ATARS)

The Committee recommends an additional $5,000,000 for the continued conversion of the ATARS recorders to solid-state device technology.

The Committee notes that during discussions of requirements for the fiscal year 2004 Emergency Supplemental, the Marine Corps indicated its intent to fully budget for this requirement in the fiscal year 2005 budget request. The Committee is disappointed that despite its stated intention to include funds for this requirement in the 2005 budget, the Marine Corps failed to do so.

The Committee directs the Marine Corps to fully fund the remaining requirement for the ATARS recorder upgrades in the fiscal year 2006 budget request. The Committee notes that despite the fact that the Marine Corps has known of this requirement for

many years and that Congress has provided funds above the budget request for this upgrade in each of the last three years, the Marine Corps has never budgeted funds to accommodate the upgrade. The Committee believes the Marine Corps should re-prioritize its budget request to ensure full funding of this program.

F/A–18 LITENING POD DOWNLINK DEVELOPMENT PROGRAM FOR AV–8B

The Committee recommends a total of $3,000,000 for the AV–8B LITENING Pod Downlink Development Program (LPDD) for an advanced video downlink to improve the detection, identification, and targeting capability of the LITENING Pod ISR targeting system. Of this amount, $2,000,000 is provided in Aircraft Procurement, Navy and $1,000,000 is provided in Research, Development, Test and Evaluation, Navy, AV–8B Engineering Development.

F/A–18 LITENING POD ADVANCED TARGETING (AT)

The Committee recommends an additional $5,000,000 to initiate the procurement of LITENING Pod AT for the Marine Corps aviation asset, the F/A–18D. The Committee notes this is not the targeting pod program of record for this aircraft, but the Marine Corps sought to add money above the President's request in order to field an advanced targeting pod in a more timely manner than the program of record, the Advanced Targeting Forward Looking Infrared (ATFLIR) pod.

The Committee directs the Marine Corps to fully fund the acquisition, integration, and installation for the remainder of the LITENING Pod AT requirement, stated to be a total 60 pods for 72 F/A–18D's, in the fiscal year 2006 and future budgets. The Committee believes the Marine Corps should re-prioritize its budget request to ensure full funding of this program.

NAVAL AIR SYSTEMS COMMAND METROLOGY AND CALIBRATION PROGRAM

The Committee recommends an increase of $1,000,000 for the Naval Air Systems Command Metrology and Calibration Program. The increasing complexity of weapons platforms, weapons systems, and operational systems, especially in terms of the electronic subsystems and components, has given added importance to the Navy's test, monitoring and diagnostic capability and the need for improved measurement assurance.

The Navy's Metrology and Calibration (METCAL) Program was established over 40 years ago to provide needed assurance by standardizing calibration procedures and processes, ensuring traceability of measurements from the prime weapon system to the National Institute of Standards and Technology, and reducing the occurrence of wrong test decisions. The METCAL program provides the facilities, equipment, personnel, and procedures to ensure the proper calibration of the Navy's test equipment.

OPERATIONAL FLIGHT TRAINER SIMULATION INITIATIVE

The Committee recommends an additional $25,000,000 to establish an Operational Flight Trainer Simulation Initiative. Within

this amount, the Navy should pursue the upgrade or purchase of at least one Level "D" P–3 Operational Flight Trainer (OFT).

The Committee believes the Navy should aggressively pursue the introduction of advanced simulation into flight training curriculum. The addition of advanced Level "D" simulation or Federal Aviation Administration (FAA) approved simulators, would greatly enhance the existing flight training programs of the F/A–18 as well as the P–3. The Committee believes that the use of these training devices would support the life extension programs of various aircraft, especially the P–3, by using simulation to reduce flight hours on operational aircraft.

PROGRAM RECOMMENDED

The total program recommended in this bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
AIRCRAFT PROCUREMENT, NAVY						
COMBAT AIRCRAFT						
AV-8B (V/STOL)HARRIER (MYP)	---	4,659	---	4,659	---	---
EA-18G (AP-CY)	---	8,243	---	---	---	-8,243
F/A-18E/F (FIGHTER) HORNET (MYP)	42	2,907,456	42	2,907,456	---	---
F/A-18E/F (FIGHTER) HORNET (MYP) (AP-CY)	---	78,306	---	78,306	---	---
V-22 (MEDIUM LIFT)	8	846,571	8	846,571	---	---
V-22 (MEDIUM LIFT) (AP-CY)	---	71,490	---	71,490	---	---
UH-1Y/AH-1Z	9	241,792	9	241,792	---	---
MH-60S (MYP)	15	295,595	15	295,595	---	---
MH-60S (MYP) (AP-CY)	---	105,159	---	105,159	---	---
MH-60R	8	338,491	6	284,091	-2	-54,400
MH-60R (AP-CY)	---	70,604	---	61,204	---	-9,400
E-2C (EARLY WARNING) HAWKEYE (MYP)	2	211,537	2	211,537	---	---
E-2C (EARLY WARNING) HAWKEYE (MYP) (AP-CY)	---	36,413	---	36,413	---	---
TOTAL, COMBAT AIRCRAFT		5,216,316		5,144,273		-72,043
AIRLIFT AIRCRAFT						
UC-35	---	---	2	16,000	+2	+16,000
C-40A	1	65,224	1	65,224	---	---
C-37	1	53,331	1	53,331	---	---
TOTAL, AIRLIFT AIRCRAFT		118,555		134,555		+16,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
TRAINER AIRCRAFT						
T-48 (T-39 REPLACEMENT)	1	52,435	---	---	-1	-52,435
T-45TS (TRAINER) GOSHAWK	8	253,589	10	306,024	+2	+52,435
JPATS	---	2,534	4	23,534	+4	+21,000
TOTAL, TRAINER AIRCRAFT		308,558		329,558		+21,000
OTHER AIRCRAFT						
KC-130J	4	278,686	4	278,686	---	---
ADVANCE PROCUREMENT (CY)	---	45,531	---	45,531	---	---
F-5	9	4,487	9	4,487	---	---
TOTAL, OTHER AIRCRAFT		328,704		328,704		---
MODIFICATION OF AIRCRAFT						
EA-6 SERIES	---	165,702	---	91,402	---	-74,300
AV-8 SERIES	---	20,808	---	23,808	---	+3,000
ADVERSARY	---	5,465	---	5,465	---	---
F-18 SERIES	---	412,495	---	423,995	---	+11,500
H-46 SERIES	---	71,179	---	71,179	---	---
AH-1W SERIES	---	2,153	---	2,153	---	---
H-53 SERIES	---	9,835	---	58,835	---	+49,000
SH-60 SERIES	---	11,655	---	11,655	---	---
H-1 SERIES	---	3,488	---	8,488	---	+5,000
EP-3 SERIES	---	28,339	---	37,339	---	+9,000
P-3 SERIES	---	134,970	---	160,970	---	+26,000
S-3 SERIES	---	1,861	---	1,861	---	---
E-2 SERIES	---	15,124	---	15,124	---	---
TRAINER A/C SERIES	---	14,040	---	8,040	---	-6,000
C-2A	---	29,564	---	29,564	---	---
C-130 SERIES	---	15,419	---	17,419	---	+2,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
FEWSG	---	579	---	579	---	---
CARGO/TRANSPORT A/C SERIES	---	8,285	---	8,285	---	---
E-6 SERIES	---	19,721	---	19,721	---	---
EXECUTIVE HELICOPTERS SERIES	---	21,800	---	21,800	---	---
SPECIAL PROJECT AIRCRAFT	---	12,415	---	17,415	---	+5,000
T-45 SERIES	---	44,190	---	44,190	---	---
POWER PLANT CHANGES	---	24,409	---	24,409	---	---
JPATS SERIES	---	648	---	648	---	---
AVIATION LIFE SUPPORT MODS	---	7,364	---	7,364	---	---
COMMON ECM EQUIPMENT	---	43,163	---	54,163	---	+11,000
COMMON AVIONICS CHANGES	---	167,504	---	167,504	---	---
ID SYSTEMS	---	1,575	---	1,575	---	---
V-22 (TILT/ROTOR ACFT) OSPREY	---	3,448	---	3,448	---	---
TOTAL, MODIFICATION OF AIRCRAFT		1,297,198		1,338,398		+41,200
AIRCRAFT SPARES AND REPAIR PARTS						
SPARES AND REPAIR PARTS	---	925,813	---	967,613	---	+41,800
AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES						
COMMON GROUND EQUIPMENT	---	474,521	---	499,521	---	+25,000
AIRCRAFT INDUSTRIAL FACILITIES	---	16,115	---	17,115	---	+1,000
WAR CONSUMABLES	---	9,070	---	9,070	---	---
OTHER PRODUCTION CHARGES	---	9,883	---	9,883	---	---
SPECIAL SUPPORT EQUIPMENT	---	61,553	---	61,553	---	---
FIRST DESTINATION TRANSPORTATION	---	1,581	---	1,581	---	---
TOTAL, AIRCRAFT SUPPORT EQUIPMENT & FACILITIES		572,723		598,723		+26,000
TOTAL, AIRCRAFT PROCUREMENT, NAVY		8,767,867		8,841,824		+73,957

WEAPONS PROCUREMENT, NAVY

Fiscal year 2004 appropriation	$2,095,784,000
Fiscal year 2005 budget request	2,101,529,000
Committee recommendation	1,993,754,000
Change from budget request	−107,775,000

This appropriation provides funds for the procurement of strategic and tactical missiles, target drones, torpedoes, guns, associated support equipment, and modification of in-service missiles, torpedoes, and guns.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,993,754,000 for Weapons Procurement, Navy. The following report and project level tables provide a summary of the Committee recommendation.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
(In thousands of dollars)

P-1	Budget Request	Committee Recommended	Change from Request
2 TRIDENT II MODS	**695,555**	**602,555**	**-93,000**
Excess program growth		-93,000	
8 JSOW	**139,407**	**143,407**	**+4,000**
Additional JSOW-C missiles		4,000	
20 ASW TARGETS	**23,973**	**4,473**	**-19,500**
Classified program		-19,500	
25 ASW RANGE SUPPORT	**12,935**	**15,435**	**+2,500**
Pacific Northwest Undersea Range support		2,500	
30 CIWS MODS	**86,128**	**90,128**	**+4,000**
Phalanx 1B upgrade (Note: only for the remanufacture of fleet Phalanx Close-In Weapon System (CIWS) to Block 1 configuration)		4,000	
32 GUN MOUNT MODS	**25,858**	**28,858**	**+3,000**
Cruiser Modernization (Note: only to support depot remanufacture and conversion of the Mk 45 gun systems)		3,000	
33 TACTICAL UAV - PIONEER	**8,775**	**0**	**-8,775**
Pioneer upgrades		-8,775	

NORTHWEST UNDERSEA RANGE

The Committee recommends an additional $3,500,000 for support of the Pacific Northwest Undersea Range. These funds will provide essential refurbishments and upgrades to systems for undersea range tracking, underwater targets, underwater recovery, communication, navigation safety, and shore-based computing. Additionally, these funds support range craft modernization and upgrades, as well as improvements to range infrastructure.

PIONEER UNMANNED AERIAL VEHICLE (UAV) PRODUCT IMPROVEMENT PROGRAM (PIP)

The Committee recommends eliminating the request for the Pioneer UAV PIP program, a reduction of $8,775,000. The Committee has increased funding for the acquisition of the Army's Shadow 200 UAV and directs the Army to increase the production rate of this UAV and transfer the assets to the Marine Corps (see discussion under "Other Procurement, Army" portion of this report).

The Committee believes that while it may not meet all of the Marine Corps UAV requirements, the Shadow 200 can meet a majority of these requirements and that, at least in the short term, would provide significant improvement in situational awareness for the Marine Corps. The Committee notes that the Marine Corps Pioneer (UAV) ground station is compatible with the Shadow 200, so additional investment in ground station requirements is not required.

PROGRAM RECOMMENDED

The total program recommended in this bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
WEAPONS PROCUREMENT, NAVY						
BALLISTIC MISSILES						
TRIDENT II	5	73,067	5	73,067	---	---
MODIFICATION OF MISSILES						
TRIDENT II MODS	---	695,555	---	602,555	---	-93,000
SUPPORT EQUIPMENT AND FACILITIES						
MISSILE INDUSTRIAL FACILITIES	---	1,334	---	1,334	---	---
TOTAL, BALLISTIC MISSILES		769,956		676,956		-93,000
OTHER MISSILES						
STRATEGIC MISSILES						
TOMAHAWK	293	256,196	293	256,196	---	---
ESSM	71	80,313	71	80,313	---	---
TACTICAL MISSILES						
AMRAAM	46	33,914	46	33,914	---	---
SIDEWINDER	157	35,177	157	35,177	---	---
JSOW	389	139,407	400	143,407	+11	+4,000
STANDARD MISSILE	75	150,098	75	150,098	---	---
RAM	90	47,412	90	47,412	---	---
AERIAL TARGETS	---	72,686	---	72,686	---	---
OTHER MISSILE SUPPORT	---	10,385	---	10,385	---	---
MODIFICATION OF MISSILES						
STANDARD MISSILES MODS	---	51,790	---	51,790	---	---
SUPPORT EQUIPMENT AND FACILITIES						
WEAPONS INDUSTRIAL FACILITIES	---	4,037	---	4,037	---	---
ORDNANCE SUPPORT EQUIPMENT						
ORDNANCE SUPPORT EQUIPMENT	---	56,073	---	56,073	---	---
TOTAL, OTHER MISSILES		937,488		941,488		+4,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
TORPEDOES AND RELATED EQUIPMENT						
TORPEDOES AND RELATED EQUIP.						
ASW TARGETS	---	23,973	---	4,473	---	-19,500
MOD OF TORPEDOES AND RELATED EQUIP						
MK-46 TORPEDO MODS	---	61,413	---	61,413	---	---
MK-48 TORPEDO ADCAP MODS	---	61,185	---	61,185	---	---
QUICKSTRIKE MINE	---	2,981	---	2,981	---	---
SUPPORT EQUIPMENT						
TORPEDO SUPPORT EQUIPMENT	---	23,401	---	23,401	---	---
ASW RANGE SUPPORT	---	12,935	---	15,435	---	+2,500
DESTINATION TRANSPORTATION						
FIRST DESTINATION TRANSPORTATION	---	3,123	---	3,123	---	---
TOTAL, TORPEDOES AND RELATED EQUIPMENT		189,011		172,011		-17,000
OTHER WEAPONS						
GUNS AND GUN MOUNTS						
SMALL ARMS AND WEAPONS	---	2,195	---	2,195	---	---
COAST GUARD WEAPONS	---	5,349	---	5,349	---	---
MODIFICATION OF GUNS AND GUN MOUNTS						
CIWS MODS	---	86,128	---	90,128	---	+4,000
GUN MOUNT MODS	---	25,858	---	28,858	---	+3,000
OTHER						
TACTICAL UAV - PIONEER	---	8,775	---	---	---	-8,775
CRUISER MODERNIZATION	---	8,760	---	8,760	---	---
TOTAL, OTHER WEAPONS		137,065		135,290		-1,775
SPARES AND REPAIR PARTS	---	68,009	---	68,009	---	---
TOTAL, WEAPONS PROCUREMENT, NAVY		2,101,529		1,993,754		-107,775

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

Fiscal year 2004 appropriation	$934,905,000
Fiscal year 2005 budget request	858,640,000
Committee recommendation	885,340,000
Change from budget request	+26,700,000

This appropriation finances the acquisition of ammunition, ammunition modernization and ammunition related material for the Navy and Marine Corps.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $885,340,000 for Procurement of Ammunition, Navy and Marine Corps. The following report and project level tables provide a summary of the Committee recommendation.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
(In thousands of dollars)

P-1	Budget Request	Committee Recommended	Change from Request
4 MACHINE GUN AMMUNITION	**25,674**	**33,874**	**+8,200**
PGU-28 A/B, 20mm ammunition		8,200	
6 CARTRIDGES & CART ACTUATED DEVICES	**26,182**	**30,182**	**+4,000**
FLU-12/P life vest inflator		4,000	
21 LINEAR CHARGES, ALL TYPES	**10,286**	**13,286**	**+3,000**
Anti-Personnel Obstacle Breaching System (APOBS)		3,000	
24 60MM, ALL TYPES	**10,446**	**12,446**	**+2,000**
M720A1 60mm HE Mortar Ammunition with MOF Fuze		2,000	
31 ROCKETS, ALL TYPES	**14,050**	**23,550**	**+9,500**
SMAW, NE Ammunition		2,500	
SMAW, High Explosive Dual Purpose (HEDP) Ammunition		4,000	
M72-Lightweight Attack Weapon System (LAW)		3,000	

PROGRAM RECOMMENDED

The total program recommended in this bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
PROCUREMENT OF AMMO, NAVY & MARINE CORPS						
PROC AMMO, NAVY						
NAVY AMMUNITION						
GENERAL PURPOSE BOMBS	---	181,452	---	181,452	---	---
JDAM	6,620	151,189	6,620	151,189	---	---
AIRBORNE ROCKETS, ALL TYPES	---	34,151	---	34,151	---	---
MACHINE GUN AMMUNITION	---	25,674	---	33,874	---	+8,200
PRACTICE BOMBS	---	53,577	---	53,577	---	---
CARTRIDGES & CART ACTUATED DEVICES	---	26,182	---	30,182	---	+4,000
AIRCRAFT ESCAPE ROCKETS	---	10,735	---	10,735	---	---
AIR EXPENDABLE COUNTERMEASURES	---	48,674	---	48,674	---	---
JATOS	---	4,502	---	4,502	---	---
5 INCH/54 GUN AMMUNITION	---	19,749	---	19,749	---	---
EXTENDED RANGE GUIDED MUNITIONS (ERGM)	---	500	---	500	---	---
76MM GUN AMMUNITION	---	1,153	---	1,153	---	---
OTHER SHIP GUN AMMUNITION	---	19,199	---	19,199	---	---
SMALL ARMS & LANDING PARTY AMMO	---	23,235	---	23,235	---	---
PYROTECHNIC AND DEMOLITION	---	10,133	---	10,133	---	---
AMMUNITION LESS THAN $5 MILLION	---	3,135	---	3,135	---	---
TOTAL, PROC AMMO, NAVY		613,240		625,440		+12,200

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
PROC AMMO, MC						
MARINE CORPS AMMUNITION						
5.56 MM, ALL TYPES	---	35,129	---	35,129	---	---
7.62 MM, ALL TYPES	---	8,708	---	8,708	---	---
LINEAR CHARGES, ALL TYPES	---	10,286	---	13,286	---	+3,000
.50 CALIBER	---	1,898	---	1,898	---	---
40 MM, ALL TYPES	---	23,614	---	23,614	---	---
60MM, ALL TYPES	---	10,446	---	12,446	---	+2,000
81MM, ALL TYPES	---	24,319	---	24,319	---	---
120MM, ALL TYPES	---	15,365	---	15,365	---	---
CTG 25MM, ALL TYPES	---	3,749	---	3,749	---	---
9 MM ALL TYPES	---	7,644	---	7,644	---	---
GRENADES, ALL TYPES	---	5,042	---	5,042	---	---
ROCKETS, ALL TYPES	---	14,050	---	23,550	---	+9,500
ARTILLERY, ALL TYPES	---	55,599	---	55,599	---	---
EXPEDITIONARY FIGHTING VEHICLE	---	2,474	---	2,474	---	---
DEMOLITION MUNITIONS, ALL TYPES	---	3,270	---	3,270	---	---
FUZE, ALL TYPES	---	13,816	---	13,816	---	---
NON LETHALS	---	1,145	---	1,145	---	---
AMMO MODERNIZATION	---	7,123	---	7,123	---	---
ITEMS LESS THAN $5 MILLION	---	1,723	---	1,723	---	---
TOTAL, PROC AMMO, MC		245,400		259,900		+14,500
TOTAL, PROCUREMENT OF AMMO, NAVY & MARINE CORPS		858,640		885,340		+26,700

SHIPBUILDING AND CONVERSION, NAVY

Fiscal year 2004 appropriation	$11,467,623,000
Fiscal year 2005 budget request	9,962,027,000
Committee recommendation	10,189,327,000
Change from budget request	+227,300,000

This appropriation provides funds for the construction of new ships and the purchase and conversion of existing ships, including hull, mechanical and electrical equipment, electronics, guns, torpedo and missile launching systems, and communication systems.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $10,189,327,000 for Shipbuilding and Conversion, Navy. The following report and project level tables provide a summary of the Committee recommendation.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
(In thousands of dollars)

P-1		Budget Request	Committee Recommended	Change from Request
13	**SSBN REFUELING OVERHAULS (AP-CY)**	**72,171**	**63,971**	**-8,200**
	Transferred to OP, N P-1line 13		-8,200	
14(a)	**DDG-51 ADVANCE PROCUREMENT**	**0**	**125,000**	**+125,000**
14(b)	**DDG-51 MODERNIZATION PROGRAM**	**0**	**100,000**	**+100,000**
19	**OUTFITTING**	**399,327**	**403,327**	**+4,000**
	ARGOS Scheduling System (Note: only for demonstration and software support, including evaluation and assessment, at commercial and/or public shipyards to target cost reduction in manpower scheduling)		4,000	
20	**SERVICE CRAFT**	**32,099**	**38,599**	**+6,500**
	Aft ramp range retriever craft (ARC) - new vessel		6,500	

SHIPBUILDING ISSUES

The Committee remains deeply troubled by the lack of stability in the Navy's shipbuilding program. Often both the current year and outyear ship construction profile is dramatically altered with the submission of the next budget request. Programs justified to Congress in terms of mission requirements in one year's budget are removed from the next. This continued shifting of the shipbuilding program promotes confusion and frustration throughout both the public and private sectors. Moreover, the Committee is concerned that this continual shifting of priorities within the Navy's shipbuilding account indicates uncertainty with respect to the validity of requirements and budget requests in support of shipbuilding proposals.

This state of affairs reached a new level during consideration of this year's request when officials in the Navy actively pursued changing the President's budget request to accommodate an alternative option for the LHA Replacement program. That the LHA(R) was subject to re-structure is not surprising. Indeed, the Committee had proposed elimination of this program in fiscal year 2004 based on the inability of the Navy to adequately justify the program. However, this out of cycle proposal for a new ship class (tantalizingly presented to the press before Congress was provided with information) simply highlights the overall instability of the shipbuilding program.

The Committee further notes that documentation submitted with budgetary proposals is often lacking in specifics regarding total program requirement (number of ships to be constructed), total program cost, and detailed expenditure plans. This lack of information makes it difficult for Congress to weigh options for funding programs throughout the Department of Defense. Furthermore, it obscures the impact of current decisions on future budgetary requirements. The Committee requests that future budget documentation include sufficient information to allow for informed decisions.

Perhaps most troubling, the Committee believes the Navy's shipbuilding strategy is focused on replacing a current class of ship with a more technologically advanced version of the same class—without adequate review of the underlying requirement, fiscal realities, nor consideration of all alternatives for meeting operational needs. The inventory of Navy ships displays an astounding level of complexity. Within a class of ships there are a variety of models with various levels of technology aboard. Managing technological and war-fighting capability baselines for each class of ship, let alone the entire Fleet, requires a significant investment of funds to maintain the various upgrades, spare parts and training requirements. The Committee believes the Navy should consider a thorough review of its entire shipbuilding profile, to establish a consistent underlying requirement for new construction coupled with a focus on a streamlined approach to upgrades and modernization efforts.

DDG—51 GUIDED MISSILE DESTROYER—ADVANCE PROCUREMENT

The Committee recommends an increase of $125,000,000 to initiate advance procurement of materiel necessary for the construc-

tion of an additional DDG–51 Guided Missile Destroyer in the 2006 or 2007 budget.

This recommendation is based on the Committee's view that the additional system development and testing required for the DD(X), the next generation destroyer, will lead to a delay in the Initial Operating Capability of the DD(X). With this delay, the Committee believes operational requirements of the Navy necessitate the construction of at least one more DDG–51.

The Committee expects the Navy to fully fund the construction of this DDG–51 in a future budget request.

DDG—51 GUIDED MISSILE DESTROYER—MODERNIZATION PROGRAM

The Committee recommends an increase of $100,000,000 to initiate a DDG–51 Modernization program. These funds shall be used by the Navy to accelerate modernization of in-service DDG–51 Guided Missile Destroyers that emphasizes increased warfighting capability, reduced total ownership cost, and expanded use of open architecture.

The Committee notes that in its recent report to Congress, "DDG–51 Class Guided Missile Destroyer Modernization Plan," the Navy indicates that modernization would be initiated with the oldest DDGs. The Committee understands the desire of the Navy to maintain a highly capable DDG fleet until 2047, but believes further analysis should be conducted to determine the most cost-efficient manner of increasing mission capability of the Navy. The Committee directs the Navy to re-evaluate this plan for modernization, taking into account a cost-benefit analysis of executing a modernization effort on the oldest of the DDG–51 Class.

The Committee requests the Navy submit by March 1, 2005, a detailed plan to execute a multi-year DDG–51 modernization effort, initiated with the Committee's recommended increase. The plan should address each element of the modernization plan, the cost-benefit of the element, and the implementation of the plan by hull number.

PROGRAM RECOMMENDED

The total program recommended in this bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
SHIPBUILDING & CONVERSION, NAVY						
OTHER WARSHIPS						
CARRIER REPLACEMENT PROGRAM (AP-CY)	---	626,084	---	626,084	---	---
VIRGINIA CLASS SUBMARINE	1	1,581,143	1	1,581,143	---	---
VIRGINIA CLASS SUBMARINE (AP-CY)	---	871,864	---	871,864	---	---
SSGN CONVERSION	1	469,226	1	469,226	---	---
SSGN CONVERSION (AP-CY)	---	48,000	---	48,000	---	---
CVN REFUELING OVERHAULS (AP-CY)	---	333,061	---	333,061	---	---
SSN ERO (AP-CY)	---	19,368	---	19,368	---	---
SSBN ERO	1	262,229	1	262,229	---	---
SSBN REFUELING OVERHAULS (AP-CY)	---	72,171	---	63,971	---	-8,200
DDG-51	3	3,444,950	3	3,444,950	---	---
DDG-51 (ADV PROCUREMENT)	---	---	---	125,000	---	+125,000
DDG-51 MODERNATION PROGRAM	---	---	---	100,000	---	+100,000
TOTAL, OTHER WARSHIPS		7,728,096		7,944,896		+216,800
AMPHIBIOUS SHIPS						
LHD-1 AMPHIBIOUS ASSAULT SHIP	---	236,018	---	236,018	---	---
LPD-17	1	966,559	1	966,559	---	---
TOTAL, AMPHIBIOUS SHIPS		1,202,577		1,202,577		---
AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAM COSTS						
AUXILIARIES, CRAFT AND PRIOR YEAR PROGRAM COST						
LCU (X)	1	25,048	1	25,048	---	---
OUTFITTING	---	399,327	---	403,327	---	+4,000
SERVICE CRAFT	---	32,099	---	38,599	---	+6,500
LCAC SLEP	5	90,490	5	90,490	---	---
COMPLETION OF PY SHIPBUILDING PROGRAMS	---	484,390	---	484,390	---	---
TOTAL, AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAM		1,031,354		1,041,854		+10,500
TOTAL, SHIPBUILDING & CONVERSION, NAVY		9,962,027		10,189,327		+227,300

OTHER PROCUREMENT, NAVY

Fiscal year 2004 appropriation	$4,941,098,000
Fiscal year 2005 budget request	4,834,278,000
Committee recommendation	4,980,325,000
Change from budget request	+146,047,000

This appropriation provides funds for the procurement of major equipment and weapons other than ships, aircraft, missiles and torpedoes. Such equipment ranges from the latest electronic sensors for updates naval forces, to trucks, training equipment, and spare parts.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,980,325,000 for Other Procurement, Navy. The following report and project level tables provide a summary of the Committee recommendation.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
(In thousands of dollars)

P-1		Budget Request	Committee Recommended	Change from Request
3(a)	**CVN PROPELLERS**	**0**	**2,000**	**+2,000**
	CVN propeller replacement program		2,000	
11	**VIRGINIA CLASS SUPPORT EQUIPMENT**	**56,051**	**59,051**	**+3,000**
	Shipboard wireless mobile computing environment initiated under SBIR N99-106 (Note: only for the procurement and installation of the shipboard wireless mobile computing environment as an extension of the Non-Tactical Data Processing System (NTDPS))		3,000	
13	**STRATEGIC PLATFORM SUPPORT EQUIP**	**55,166**	**73,366**	**+18,200**
	Submarine common electronics equipment replacement (Q-70)		10,000	
	SSBN modification transferred from SCN		8,200	
18	**ITEMS LESS THAN $5 MILLION**	**148,637**	**164,637**	**+16,000**
	AEGIS support equipment- Frigate modernization (ECMS)		1,000	
	Carrier smart ship weapons elevator automation		1,000	
	Wireless network capable application processors (NCAPs)		5,000	
	Integrated Condition Assessment System (ICAS)		4,000	
	Fuel catalyst (Note: only for procurement and installation of pre-combustion fuel treatment device to improve fuel efficiency and reduce engine maintenance)		3,000	
	Fuel and Engine Maintenance Savings System (FEMSS)		2,000	
24	**STANDARD BOATS**	**18,328**	**21,328**	**+3,000**
	Procurement of 25-person life rafts		3,000	
29	**SPQ-9B RADAR**	**3,584**	**14,584**	**+11,000**
	AN/SPQ-9B shipboard radar transmitter upgrade		5,000	
	AN/SPQ-9B radar- procurement of additional radars		6,000	
30	**RADAR SUPPORT**	**0**	**35,200**	**+35,200**
	AN/SYS-2(V) 11 and 13 track management system for FFG-7		6,200	
	AN/SPS-67 radar improvement backfit kits		15,000	
	AN/SPS-48E radar obsolescence availability recovery (ROAR)		8,000	
	Radar display repeater (AN/SPA-25G) technology refresh kits		2,000	
	SPS-73 surface search radar		4,000	

P-1		Budget Request	Committee Recommended	Change from Request
32	**AN/SQQ-89 SURF ASW COMBAT SYSTEM**	0	13,000	+13,000
	AN/SQQ-89 modernization		13,000	
33	**SSN ACOUSTICS**	225,028	229,028	+4,000
	Submarine technology insertion SBIR (S) N96-278 and N03-049		4,000	
34	**UUV PROGRAM**	61,253	0	-61,253
	Program restructure		-61,253	
35	**UNDERSEA WARFARE SUPPORT EQUIPMENT**	14,116	17,116	+3,000
	Distributed Engineering Center for Torpedo Defense		3,000	
38	**SSTD**	22,273	32,273	+10,000
	AN/SLQ-25A torpedo countermeasure set upgrades		10,000	
46	**NAVY TACTICAL DATA SYSTEM**	0	15,000	+15,000
	ACDS/SSDS technology refresh for LHA 2/4		3,000	
	ACDS/SSDS hardware for Dam Neck and Wallops Island		8,000	
	Fleet peripheral equipment fielding		4,000	
47	**COOPERATIVE ENGAGEMENT CAPABILITY**	57,531	70,531	+13,000
	Planar array antenna assembly backfit		13,000	
49	**NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)**	26,208	31,208	+5,000
	Q-70 based IT-21 servers		5,000	
51	**MINESWEEPING SYSTEM REPLACEMENT**	77,956	63,356	-14,600
	MCM1 Class Engine Replacement- change in acquisition strategy		-14,600	
58	**SHIPBOARD AIR TRAFFIC CONTROL**	7,695	8,695	+1,000
	Tactical radio frequency environment monitor (TREX)		1,000	
60	**NATIONAL AIR SPACE SYSTEM**	16,122	13,122	-3,000
	Digital Airport Surveillance Radar - program delay		-3,000	
69	**COMMON IMAGERY GROUND SURFACE SYSTEMS**	53,173	57,934	+4,761
	Re-align JFN/JSIPS-N to P-1 line 102)		4,761	
70	**RADIAC**	9,087	13,087	+4,000
	Procurement of electronic personal dosimeters		4,000	
71	**GPETE**	7,010	10,010	+3,000
	Allen Telescope Array (Note: only for the purchase of additional antennas, owned by the U.S. Naval Observatory, to expand the Allen Telescope Array to establish a test bed for detection of low-observable aircraft)		3,000	

P-1		Budget Request	Committee Recommended	Change from Request
76	**SHIP COMMUNICATIONS AUTOMATION**	**159,718**	**162,718**	**+3,000**
	SPAWAR FORCEnet Integrated Data Center		1,000	
	Bandwidth monitor and control		2,000	
79	**SUBMARINE COMMUNICATION EQUIPMENT**	**94,533**	**99,533**	**+5,000**
	Submarine high data rate antenna program		5,000	
82	**ELECTRICAL POWER SYSTEMS**	**1,291**	**2,791**	**+1,500**
	Carrier Pier Delta shore power upgrade (Note: only for the procurement of equipment to enhance the power system on Carrier Pier Delta at Naval Station Bremerton for support of CVN operations)		1,500	
86	**INFO SYSTEMS SECURITY PROGRAM (ISSP)**	**88,418**	**93,418**	**+5,000**
	Navy Intelligent Agent Security Module (IASM)- for procurement of 24 units		5,000	
91	**WEAPONS RANGE SUPPORT EQUIPMENT**	**44,643**	**52,643**	**+8,000**
	Multi-spectral threat emitter systems for east coast training ranges		5,000	
	Smart target threats for Southern California Offshore Range (SCORE)		3,000	
93	**AIRCRAFT REARMING EQUIPMENT**	**11,667**	**14,667**	**+3,000**
	LAU-7 Sidewinder missile replacement program		3,000	
97	**AVIATION LIFE SUPPORT**	**19,040**	**20,040**	**+1,000**
	MBU-23/P oxygen mask and visor		1,000	
99	**LAMPS MK III SHIPBOARD EQUIPMENT**	**16,433**	**22,433**	**+6,000**
	AN/SRQ-4 LAMPS MK III (Note: only for the procurement of AN/SRQ-4 shipboard KU Band system)		5,000	
	Naval aviation interoperability (Note: only to upgrade the NAWCAD Surface/Aviation Interoperability Laboratory (SAIL))		1,000	
100	**OTHER AVIATION SUPPORT EQUIPMENT**	**6,157**	**11,157**	**+5,000**
	Joint Aviation Logistics Technical Data Integration (JATDI) system security solution (Note: only for the extension, procurement and integration of the JEDMICS security solution to JATCI applications)		5,000	
102	**NAVAL FIRES CONTROL SYSTEM**	**7,610**	**3,849**	**-3,761**
	Gulf Coast Joint Harbor Operations Center (JHOC)		1,000	
	Re-align JFN/JSIPS-N (See P-1 line 069)		-4,761	

P-1	Budget Request	Committee Recommended	Change from Request
105 RAM GMLS	**22,968**	**26,968**	**+4,000**
Phalanx SeaRAM (Note: only for manufacture of an initial production unit and installation on a FFG-7 class frigate)		4,000	
107 AEGIS SUPPORT EQUIPMENT	**57,517**	**72,017**	**+14,500**
All-in-One wireless access points		5,000	
AEGIS Storage Area Network System (ASAN)		1,500	
AEGIS Integrated Bridge System (IBS)		5,000	
Data extraction and switching system enhancements for AEGIS Virginia land based test sites (LBTS)		3,000	
112 SSN COMBAT CONTROL SYSTEMS	**147,481**	**115,481**	**-32,000**
Provide for six SSN installations		-32,000	
120 SUBMARINE TRAINING DEVICE MODS	**39,405**	**45,405**	**+6,000**
Shipboard non-tactical application delivery interface		5,000	
Performance-centric mission essential content delivery		1,000	
124 CONSTRUCTION & MAINTENANCE EQUIP	**19,197**	**29,197**	**+10,000**
SEABEE Construction equipment		4,000	
Earth moving equipment- USN Construction Units		6,000	
125 FIRE FIGHTING EQUIPMENT	**12,345**	**13,845**	**+1,500**
Procure additional fire trucks for Naval District of Washington		1,500	
131 MATERIALS HANDLING EQUIPMENT	**12,754**	**13,754**	**+1,000**
NIROP Industrial facilities materials staging area		1,000	
132 OTHER SUPPLY SUPPORT EQUIPMENT	**11,523**	**15,523**	**+4,000**
Serial Number Tracking System (SNTS)		4,000	
135 TRAINING SUPPORT EQUIPMENT	**18,756**	**26,756**	**+8,000**
Laser marksmanship training system (LMTS) - Navy Reserve		8,000	
136 COMMAND SUPPORT EQUIPMENT	**20,658**	**22,658**	**+2,000**
Man Overboard Identification (MOBI) System - for procurement and installation		2,000	
137 EDUCATION SUPPORT EQUIPMENT	**5,507**	**10,507**	**+5,000**
Technical Data Knowledge Management (TDKM) system		5,000	
143 PHYSICAL SECURITY EQUIPMENT	**194,214**	**197,214**	**+3,000**
MSG and MCWG body armor		3,000	

CVN PROPELLER REPLACEMENT PROGRAM

The Committee recommends an additional $2,000,000 only for the procurement and installation of CVN propeller replacements.

The Committee understands that the Navy has designed a new propeller for new and in-service aircraft carriers to meet operational, endurance, and readiness requirements of today's fleet. The CVN propeller replacement program is to outfit the in-service aircraft carriers with the new design rather than replace eroded propellers with refurbished ones of the old design. These additional funds will allow the Navy to pursue this propeller replacement program in a more timely manner. The Committee urges the Navy to fund this requirement in future budget requests.

TRIDENT MODIFICATIONS

The Committee recommends an increase of $8,200,000 for a portion of the TRIDENT modification program. The Committee also recommends appropriations language under "Other Procurement, Navy" to provide authority to use procurement funds for modifications associated with force protection and security enhancements.

The Committee directs that the fiscal year 2006 budget be submitted in accordance with this funding mechanism and that the appropriate budget documentation provide a separate line detailing the current and future financial requirements for the modifications.

UNMANNED UNDERSEA VEHICLE (UUV) PROGRAM

The Committee recommends eliminating the request for procurement of the Long-term Mine Reconnaissance System (LMRS) Unmanned Undersea Vehicle (UUV), a reduction of $61,235,000. The Committee understands that the Navy is pursuing a complete restructure of this program and the funding requested for the procurement of two ship sets of LMRS will not be executed in fiscal year 2005, and is, therefore, in excess of need.

The Committee strongly supports the need for a robust UUV program. The Committee believes many missions currently performed by expensive manned systems, especially those associated with intelligence, surveillance and reconnaissance (ISR) preparation of the battlespace, could be more effectively performed by UUVs. The Committee encourages the Navy to aggressively pursue a UUV program that increases capability and expands the mission flexibility of the platforms.

The Committee also directs the Navy to review the program management of the UUV program. The Committee believes that institutional reluctance has contributed to delays in the transition of UUVs to operational status in support of fleet requirements. While technological challenges are not insignificant in this program, it appears these challenges are not quickly resolved, exacerbating other program delays and increasing costs.

PERFORMANCE-CENTRIC MISSION ESSENTIAL CONTENT DELIVERY

The Committee recommends an additional $1,000,000 for performance-centric mission essential content delivery to provide the Shipboard Non-Tactical Application Delivery Interface System (SNADIS) with a specific capability to provide performance-cen-

tered content delivery to the evolving shipboard mobile computing environment. The Committee believes this will improve overall capability and readiness of the warfighter by providing a direct link to critical resources on demand.

SERIAL NUMBER TRACKING SYSTEM

The Committee recommends an additional $4,000,000 to continue the implementation of the Serial Number Tracking System (SNTS) in the areas of Shipboard Automated Configuration Management and Calibrated Equipment Management. An initiative using modern commercial off-the-shelf automatic identification and data collection (AIDC) technologies to address critical supply and maintenance needs in the Navy, the SNTS program is yielding significant improvements in productivity and effectiveness.

PHYSICAL SECURITY EQUIPMENT

The Committee recommends fully funding the request of $194,214,000 for Physical Security Equipment. The Committee notes that a majority of this request is associated with equipment to meet anti-terrorism and force protection requirements.

The Committee believes that without a centralized authority for establishing overall requirements for anti-terrorism and force protection, equipment purchases may be duplicative and ineffective. The Committee believes the Navy should centralize decision-making authority for all anti-terrorism and force protection requirements to ensure the Fleet-wide application of standards of protection levels, standardization of equipment, approval of technological improvements, and standardization of training.

PROGRAM RECOMMENDED

The total program recommended in this bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
OTHER PROCUREMENT, NAVY						
SHIPS SUPPORT EQUIPMENT						
SHIP PROPULSION EQUIPMENT						
LM-2500 GAS TURBINE	---	9,009	---	9,009	---	---
ALLISON 501K GAS TURBINE	---	22,271	---	22,271	---	---
CVN PROPELLERS	---	---	---	2,000	---	+2,000
NAVIGATION EQUIPMENT						
OTHER NAVIGATION EQUIPMENT	---	16,180	---	16,180	---	---
UNDERWAY REPLENISHMENT EQUIPMENT						
UNDERWAY REPLENISHMENT EQUIPMENT	---	1,530	---	1,530	---	---
PERISCOPES						
SUB PERISCOPES & IMAGING EQUIP	5	62,050	5	62,050	---	---
OTHER SHIPBOARD EQUIPMENT						
FIREFIGHTING EQUIPMENT	---	24,731	---	24,731	---	---
COMMAND AND CONTROL SWITCHBOARD	---	3,768	---	3,768	---	---
POLLUTION CONTROL EQUIPMENT	---	42,612	---	42,612	---	---
SUBMARINE SUPPORT EQUIPMENT	---	21,181	---	21,181	---	---
VIRGINIA CLASS SUPPORT EQUIPMENT	---	56,051	---	59,051	---	+3,000
SUBMARINE BATTERIES	---	26,077	---	26,077	---	---
STRATEGIC PLATFORM SUPPORT EQUIP	---	55,166	---	73,366	---	+18,200
DSSP EQUIPMENT	---	21,131	---	21,131	---	---
CG-MODERNIZATION	---	114,139	---	114,139	---	---
LCAC	---	8,365	---	8,365	---	---
MINESWEEPING EQUIPMENT	---	8,046	---	8,046	---	---
ITEMS LESS THAN $5 MILLION	---	148,637	---	164,637	---	+16,000
CHEMICAL WARFARE DETECTORS	---	4,725	---	4,725	---	---
SUBMARINE LIFE SUPPORT SYSTEM	---	13,940	---	13,940	---	---
REACTOR PLANT EQUIPMENT						
REACTOR POWER UNITS	---	356,372	---	356,372	---	---
REACTOR COMPONENTS	---	217,175	---	217,175	---	---
OCEAN ENGINEERING						
DIVING AND SALVAGE EQUIPMENT	---	8,875	---	8,875	---	---
SMALL BOATS						
STANDARD BOATS	---	18,328	---	21,328	---	+3,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
TRAINING EQUIPMENT						
OTHER SHIPS TRAINING EQUIPMENT	---	8,848	---	8,848	---	---
PRODUCTION FACILITIES EQUIPMENT						
OPERATING FORCES IPE	---	22,384	---	22,384	---	---
OTHER SHIP SUPPORT						
NUCLEAR ALTERATIONS	---	133,999	---	133,999	---	---
TOTAL, SHIPS SUPPORT EQUIPMENT		1,425,590		1,467,790		+42,200
COMMUNICATIONS AND ELECTRONICS EQUIPMENT						
SHIP RADARS						
SPQ-9B RADAR	---	3,584	---	14,584	---	+11,000
RADAR SUPPORT	---	---	---	35,200	---	+35,200
SHIP SONARS						
AN/SQQ-89 SURF ASW COMBAT SYSTEM	---	---	---	13,000	---	+13,000
SSN ACOUSTICS	---	225,028	---	229,028	---	+4,000
UUV PROGRAM	---	61,253	---	---	---	-61,253
UNDERSEA WARFARE SUPPORT EQUIPMENT	---	14,116	---	17,116	---	+3,000
SONAR SWITCHES AND TRANSDUCERS	---	13,330	---	13,330	---	---
ASW ELECTRONIC EQUIPMENT						
SUBMARINE ACOUSTIC WARFARE SYSTEM	---	20,857	---	20,857	---	---
SSTD	---	22,273	---	32,273	---	+10,000
FIXED SURVEILLANCE SYSTEM	---	55,325	---	55,325	---	---
SURTASS	---	7,166	---	7,166	---	---
ASW OPERATIONS CENTER	---	5,100	---	5,100	---	---
ELECTRONIC WARFARE EQUIPMENT						
AN/SLQ-32	---	18,728	---	18,728	---	---
INFORMATION WARFARE SYSTEMS	---	4,034	---	4,034	---	---
RECONNAISSANCE EQUIPMENT						
SHIPBOARD IW EXPLOIT	---	69,194	---	69,194	---	---
SUBMARINE SURVEILLANCE EQUIPMENT						
SUBMARINE SUPPORT EQUIPMENT PROG	---	78,968	---	78,968	---	---
OTHER SHIP ELECTRONIC EQUIPMENT						
NAVY TACTICAL DATA SYSTEM	---	---	---	15,000	---	+15,000
COOPERATIVE ENGAGEMENT CAPABILITY	---	57,531	---	70,531	---	+13,000
GCCS-M EQUIPMENT	---	63,363	---	63,363	---	---
NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)	---	26,208	---	31,208	---	+5,000
ATDLS	---	2,386	---	2,386	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
MINESWEEPING SYSTEM REPLACEMENT	3	77,956	3	63,356	---	-14,600
NAVSTAR GPS RECEIVERS (SPACE)	---	11,650	---	11,650	---	---
ARMED FORCES RADIO AND TV	---	4,170	---	4,170	---	---
STRATEGIC PLATFORM SUPPORT EQUIP	---	5,265	---	5,265	---	---
OTHER TRAINING EQUIPMENT	---	42,913	---	42,913	---	---
AVIATION ELECTRONIC EQUIPMENT MATCALS	---	15,614	---	15,614	---	---
SHIPBOARD AIR TRAFFIC CONTROL	---	7,695	---	8,695	---	+1,000
AUTOMATIC CARRIER LANDING SYSTEM	---	12,515	---	12,515	---	---
NATIONAL AIR SPACE SYSTEM	---	16,122	---	13,122	---	-3,000
AIR STATION SUPPORT EQUIPMENT	---	3,640	---	3,640	---	---
MICROWAVE LANDING SYSTEM	---	7,232	---	7,232	---	---
FACSFAC	---	3,712	---	3,712	---	---
ID SYSTEMS	---	18,296	---	18,296	---	---
TAC A/C MISSION PLANNING SYS(TAMPS)	---	9,098	---	9,098	---	---
OTHER SHORE ELECTRONIC EQUIPMENT DEPLOYABLE JOINT COMMAND AND CONT	---	32,469	---	32,469	---	---
COMMON IMAGERY GROUND SURFACE SYSTEMS	---	53,173	---	57,934	---	+4,761
RADIAC	---	9,087	---	13,087	---	+4,000
GPETE	---	7,010	---	10,010	---	+3,000
INTEG COMBAT SYSTEM TEST FACILITY	---	4,662	---	4,662	---	---
EMI CONTROL INSTRUMENTATION	---	5,872	---	5,872	---	---
ITEMS LESS THAN $5 MILLION	---	12,058	---	12,058	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
SHIPBOARD COMMUNICATIONS						
SHIPBOARD TACTICAL COMMUNICATIONS	---	14,077	---	14,077	---	---
SHIP COMMUNICATIONS AUTOMATION	---	159,718	---	162,718	---	+3,000
COMMUNICATIONS ITEMS UNDER $5M	---	11,921	---	11,921	---	---
SUBMARINE COMMUNICATIONS						
SHORE LF/VLF COMMUNICATIONS	---	17,802	---	17,802	---	---
SUBMARINE COMMUNICATION EQUIPMENT	---	94,533	---	99,533	---	+5,000
SATELLITE COMMUNICATIONS						
SATELLITE COMMUNICATIONS SYSTEMS	---	130,564	---	130,564	---	---
SHORE COMMUNICATIONS						
JCS COMMUNICATIONS EQUIPMENT	---	3,023	---	3,023	---	---
ELECTRICAL POWER SYSTEMS	---	1,291	---	2,791	---	+1,500
NSIPS	---	289	---	289	---	---
NAVAL SHORE COMMUNICATIONS	---	57,066	---	57,066	---	---
CRYPTOGRAPHIC EQUIPMENT						
INFO SYSTEMS SECURITY PROGRAM (ISSP)	---	88,418	---	93,418	---	+5,000
CRYPTOLOGIC EQUIPMENT						
CRYPTOLOGIC COMMUNICATIONS EQUIP	---	26,111	---	26,111	---	---
OTHER ELECTRONIC SUPPORT						
COAST GUARD EQUIPMENT	---	7,638	---	7,638	---	---
TOTAL, COMMUNICATIONS AND ELECTRONICS EQUIPMENT		1,721,104		1,778,712		+57,608
AVIATION SUPPORT EQUIPMENT						
SONOBUOYS						
SONOBUOYS - ALL TYPES	---	50,081	---	50,081	---	---
AIRCRAFT SUPPORT EQUIPMENT						
WEAPONS RANGE SUPPORT EQUIPMENT	---	44,643	---	52,643	---	+8,000
EXPEDITIONARY AIRFIELDS	---	7,527	---	7,527	---	---
AIRCRAFT REARMING EQUIPMENT	---	11,667	---	14,667	---	+3,000
AIRCRAFT LAUNCH & RECOVERY EQUIPMENT	---	21,275	---	21,275	---	---
METEOROLOGICAL EQUIPMENT	---	20,134	---	20,134	---	---
OTHER PHOTOGRAPHIC EQUIPMENT	---	1,438	---	1,438	---	---
AVIATION LIFE SUPPORT	---	19,040	---	20,040	---	+1,000
AIRBORNE MINE COUNTERMEASURES	---	73,081	---	73,081	---	---
LAMPS MK III SHIPBOARD EQUIPMENT	---	16,433	---	22,433	---	+6,000
OTHER AVIATION SUPPORT EQUIPMENT	---	6,157	---	11,157	---	+5,000
TOTAL, AVIATION SUPPORT EQUIPMENT		271,476		294,476		+23,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
ORDNANCE SUPPORT EQUIPMENT						
SHIP GUN SYSTEM EQUIPMENT						
NAVAL FIRES CONTROL SYSTEM	---	7,610	---	3,849	---	-3,761
GUN FIRE CONTROL EQUIPMENT	---	11,481	---	11,481	---	---
SHIP MISSILE SYSTEMS EQUIPMENT						
NATO SEASPARROW	---	25,453	---	25,453	---	---
RAM GMLS	---	22,968	---	26,968	---	+4,000
SHIP SELF DEFENSE SYSTEM	---	42,130	---	42,130	---	---
AEGIS SUPPORT EQUIPMENT	---	57,517	---	72,017	---	+14,500
SURFACE TOMAHAWK SUPPORT EQUIPMENT	---	69,732	---	69,732	---	---
SUBMARINE TOMAHAWK SUPPORT EQUIP	---	5,469	---	5,469	---	---
VERTICAL LAUNCH SYSTEMS	---	9,829	---	9,829	---	---
FBM SUPPORT EQUIPMENT						
STRATEGIC MISSILE SYSTEMS EQUIP	---	102,073	---	102,073	---	---
ASW SUPPORT EQUIPMENT						
SSN COMBAT CONTROL SYSTEMS	---	147,481	---	115,481	---	-32,000
SUBMARINE ASW SUPPORT EQUIPMENT	---	4,849	---	4,849	---	---
SURFACE ASW SUPPORT EQUIPMENT	---	4,539	---	4,539	---	---
ASW RANGE SUPPORT EQUIPMENT	---	7,175	---	7,175	---	---
OTHER ORDNANCE SUPPORT EQUIPMENT						
EXPLOSIVE ORDNANCE DISPOSAL EQUIP	---	25,058	---	25,058	---	---
ITEMS LESS THAN $5 MILLION	---	4,037	---	4,037	---	---
OTHER EXPENDABLE ORDNANCE						
ANTI-SHIP MISSILE DECOY SYSTEM	---	46,553	---	46,553	---	---
SURFACE TRAINING DEVICE MODS	---	6,347	---	6,347	---	---
SUBMARINE TRAINING DEVICE MODS	---	39,405	---	45,405	---	+6,000
TOTAL, ORDNANCE SUPPORT EQUIPMENT		639,706		628,445		-11,261

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
CIVIL ENGINEERING SUPPORT EQUIPMENT						
PASSENGER CARRYING VEHICLES	---	1,507	---	1,507	---	---
GENERAL PURPOSE TRUCKS	---	2,321	---	2,321	---	---
CONSTRUCTION & MAINTENANCE EQUIP	---	19,197	---	29,197	---	+10,000
FIRE FIGHTING EQUIPMENT	---	12,345	---	13,845	---	+1,500
TACTICAL VEHICLES	---	30,926	---	30,926	---	---
AMPHIBIOUS EQUIPMENT	---	11,607	---	11,607	---	---
POLLUTION CONTROL EQUIPMENT	---	11,396	---	11,396	---	---
ITEMS UNDER $5 MILLION	---	13,686	---	13,686	---	---
PHYSICAL SECURITY VEHICLES	---	1,125	---	1,125	---	---
TOTAL, CIVIL ENGINEERING SUPPORT EQUIPMENT		104,110		115,610		+11,500
SUPPLY SUPPORT EQUIPMENT						
MATERIALS HANDLING EQUIPMENT	---	12,754	---	13,754	---	+1,000
OTHER SUPPLY SUPPORT EQUIPMENT	---	11,523	---	15,523	---	+4,000
FIRST DESTINATION TRANSPORTATION	---	5,578	---	5,578	---	---
SPECIAL PURPOSE SUPPLY SYSTEMS	---	82,158	---	82,158	---	---
TOTAL, SUPPLY SUPPORT EQUIPMENT		112,013		117,013		+5,000
PERSONNEL AND COMMAND SUPPORT EQUIPMENT						
TRAINING DEVICES						
TRAINING SUPPORT EQUIPMENT	---	18,756	---	26,756	---	+8,000
COMMAND SUPPORT EQUIPMENT						
COMMAND SUPPORT EQUIPMENT	---	20,658	---	22,658	---	+2,000
EDUCATION SUPPORT EQUIPMENT	---	5,507	---	10,507	---	+5,000
MEDICAL SUPPORT EQUIPMENT	---	8,459	---	8,459	---	---
OPERATING FORCES SUPPORT EQUIPMENT	---	7,826	---	7,826	---	---
MOBILE SENSOR PLATFORM	---	27,582	---	27,582	---	---
ENVIRONMENTAL SUPPORT EQUIPMENT	---	13,155	---	13,155	---	---
PHYSICAL SECURITY EQUIPMENT	---	194,214	---	197,214	---	+3,000
TOTAL, PERSONNEL AND COMMAND SUPPORT EQUIPMENT		296,157		314,157		+18,000
SPARES AND REPAIR PARTS	---	245,476	---	245,476	---	---
CLASSIFIED PROGRAMS	---	18,646	---	18,646	---	---
TOTAL, OTHER PROCUREMENT, NAVY		4,834,278		4,980,325		+146,047

PROCUREMENT, MARINE CORPS

Fiscal year 2004 appropriation	$1,165,727,000
Fiscal year 2005 budget request	1,190,103,000
Committee recommendation	1,462,703,000
Change from budget request	+272,600,000

This appropriation funds the procurement, delivery, and modification of missiles, armaments, communication equipment, tracked and wheeled vehicles, and various support equipment.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,462,703,000 for Procurement, Marine Corps. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

P-1		Budget Request	Committee Recommended	Change from Request
1	**AAV7A1 PIP**	58,596	+132,696	74,100
	AAV RAM/RS Upgrades (Ground Forces Recapitalization)		+74,100	
3	**LAV PIP**	41,588	+66,888	25,300
	Upgrades and Components (Ground Force Recapitalization)		+25,300	
7	**HIMARS**	16,340	+21,940	5,600
	Ground Forces Recapitalization		+5,600	
8	**155MM LIGHTWEIGHT TOWED HOWITZER**	175,445	+235,545	60,100
	Ground Forces Recapitalization		+60,100	
11	**WEAPONS AND COMBAT VEHICLES UNDER $5 MILLION**	4,888	+7,388	2,500
	M9 Pistol Modernization Through Spares (P-MTS)		+2,500	
21	**UNIT OPERATIONS CENTER**	35,933	+39,933	4,000
	USMC Hitchhiker		+4,000	
32	**INTELLIGENCE SUPPORT EQUIPMENT**	15,842	+16,842	1,000
	USMC Terrain Analysis and Production (TAP)		+1,000	
36	**NIGHT VISION EQUIPMENT**	26,100	+31,100	5,000
	AM/PEQ-2A Target Pointer, Illuminator, Aiming Light		+1,000	
	AN/PVS-17 Night Vision Sight System		+4,000	
40	**RADIO SYSTEMS**	14,476	+26,476	12,000
	Lightweight Multi-Band Satellite Terminal (LMST)		+12,000	
41	**COMM SWITCHING & CONTROL SYSTEMS**	26,145	+31,145	5,000
	AN/UXC-10 Digital Facsimile (TS-21 Blackjack Marine Corps)		+5,000	
42	**COMM & ELEC INFRASTRUCTURE SUPPORT**	24,778	+28,778	4,000
	USMC Continuity of Operations (COOP)		+4,000	
55	**COMBAT BREACHER VEHICLE**	4,621	+11,621	7,000
	Assault Breach Vehicle		+7,000	
57	**TACTICAL FUEL SYSTEMS**	5,219	+10,219	5,000
	Nitrile Rubber Collapsible Storage Units		+3,000	
	Forward Area Self-Contained, Transportable-Improved Liquid Storage/Dispensing System		+2,000	
58	**DEMOLITION SUPPORT SYSTEMS**	3,422	+5,422	2,000
	Handheld Standoff Mine Detection System (HSTAMIDS)		+2,000	
59	**POWER EQUIPMENT ASSORTED**	10,657	+12,157	1,500
	Marine Corps 2kW Generators		+1,500	
68	**FIELD MEDICAL EQUIPMENT**	6,027	+11,527	5,500
	Portable Rapid Intravenous (IV) Infusion Pump		+3,000	
	Portable Low-Power Blood Cooling and Storage		+1,500	
	Individual Water Purification (IWP) Program		+1,000	

P-1		Budget Request	Committee Recommended	Change from Request
69	**TRAINING DEVICES**	**24,214**	**+64,714**	**40,500**
	Marine Corps Live Fire Training Range		+3,500	
	Range Enhancements for JNTC MOUT Facility at 29 Palms for OIF		+35,000	
	Common Range Instrumentation System (CRIS)		+2,000	
71	**FAMILY OF CONSTRUCTION EQUIPMENT**	**15,067**	**+17,067**	**2,000**
	Ultimate Building Machine (UBM) System Marine Corps		+2,000	
75	**ITEMS LESS THAN $5 MILLION**	**5,713**	**+16,213**	**10,500**
	Anti-Personnel Obstacle Breaching System (APOBS)		+3,000	
	Ultra High Intensity Miniature Illumination System		+4,000	
	Single Battlefield Fuel Motorcycle		+3,500	

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
PROCUREMENT, MARINE CORPS						
WEAPONS AND COMBAT VEHICLES						
TRACKED COMBAT VEHICLES						
AAV7A1 PIP	60	58,596	60	132,696	---	+74,100
AAAV	---	67,701	---	67,701	---	---
LAV PIP	---	41,588	---	66,888	---	+25,300
MODIFICATION KITS (TRKD VEH)	---	11,844	---	11,844	---	---
M1A1 FIREPOWER ENHANCEMENTS	---	36,873	---	36,873	---	---
ARTILLERY AND OTHER WEAPONS						
HIMARS	1	16,340	1	21,940	---	+5,600
155MM LIGHTWEIGHT TOWED HOWITZER	97	175,445	97	235,545	---	+60,100
MOD KITS (ARTILLERY)	---	3,248	---	3,248	---	---
MARINE ENHANCEMENT PROGRAM	---	4,024	---	4,024	---	---
WEAPONS AND COMBAT VEHICLES UNDER $5 MILLION	---	4,888	---	7,388	---	+2,500
WEAPONS						
MODULAR WEAPON SYSTEM	---	10,051	---	10,051	---	---
OTHER SUPPORT						
OPERATIONS OTHER THAN WAR	---	1,509	---	1,509	---	---
TOTAL, WEAPONS AND COMBAT VEHICLES		432,107		599,707		+167,600
GUIDED MISSILES AND EQUIPMENT						
GUIDED MISSILES						
EADS MOD	---	10,314	---	10,314	---	---
PEDESTAL MOUNTED STINGER (PMS) (MYP)	---	10,004	---	10,004	---	---
HIMARS ROCKETS	---	1,325	---	1,325	---	---
OTHER SUPPORT						
MODIFICATION KITS	---	595	---	595	---	---
TOTAL, GUIDED MISSILES AND EQUIPMENT		22,238		22,238		---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
COMMUNICATIONS AND ELECTRONICS EQUIPMENT						
VEHICLE MOUNTED RADIOS AND EQUIPMENT						
SMALL UNIT REMOTE SCOUTING SYSTEM	---	8,866	---	8,866	---	---
COMMAND AND CONTROL SYSTEMS						
UNIT OPERATIONS CENTER	---	35,933	---	39,933	---	+4,000
GLOBAL COMBAT SUPPORT SYSTEM	---	21,664	---	21,664	---	---
MULTIPLE ROLE RADAR SYSTEM	---	2,283	---	2,283	---	---
JOINT TACTICAL RADIO SYSTEMS	---	26,009	---	26,009	---	---
TRANSITION SWITCH MODULE	---	9,245	---	9,245	---	---
COMPLIMENTARY LOW ALTITUDE WEAPON	---	4,412	---	4,412	---	---
REPAIR AND TEST EQUIPMENT						
AUTO TEST EQUIP SYS	---	15,823	---	15,823	---	---
GENERAL PURPOSE ELECTRONIC TEST EQUIP	---	14,495	---	14,495	---	---
CALIBRATION FACILITIES	---	2,305	---	2,305	---	---
RADAR + EQUIPMENT (NON-TEL)						
RADAR SET AN/TPS-59	---	24,466	---	24,466	---	---
INTELL/COMM EQUIPMENT (NON-TEL)						
TACTICAL REMOTE SENSOR SYSTEM	---	10,622	---	10,622	---	---
INTELLIGENCE SUPPORT EQUIPMENT	---	15,842	---	16,842	---	+1,000
MOD KITS (INTEL)	---	9,551	---	9,551	---	---
REPAIR AND TEST EQUIPMENT (NON-TEL)						
GENERAL PURPOSE MECHANICAL TMDE	---	1,790	---	1,790	---	---
OTHER COMM/ELEC EQUIPMENT (NON-TEL)						
NIGHT VISION EQUIPMENT	---	26,100	---	31,100	---	+5,000
OTHER SUPPORT (NON-TEL)						
ITEMS UNDER $5 MILLION (COMM & ELEC)	---	461	---	461	---	---
COMMON COMPUTER RESOURCES	---	61,989	---	61,989	---	---
COMMAND POST SYSTEMS	---	8,144	---	8,144	---	---
RADIO SYSTEMS	---	14,476	---	26,476	---	+12,000
COMM SWITCHING & CONTROL SYSTEMS	---	26,145	---	31,145	---	+5,000
COMM & ELEC INFRASTRUCTURE SUPPORT	---	24,778	---	28,778	---	+4,000
MOD KITS MAGTF C41	---	984	---	984	---	---
AIR OPERATIONS C2 SYSTEMS	---	10,290	---	10,290	---	---
INTELLIGENCE C2 SYSTEMS	---	1,211	---	1,211	---	---
FIRE SUPPORT SYSTEM	---	10,215	---	10,215	---	---
TOTAL, COMMUNICATIONS AND ELECTRONICS EQUIPMENT		388,099		419,099		+31,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
SUPPORT VEHICLES						
ADMINISTRATIVE VEHICLES						
COMMERCIAL PASSENGER VEHICLES	37	1,096	37	1,096	---	---
COMMERCIAL CARGO VEHICLES	---	11,563	---	11,563	---	---
TACTICAL VEHICLES						
5/4T TRUCK HMMWV (MYP)	1,830	131,276	1,830	131,276	---	---
LOGISTICS VEHICLE SYSTEM REP	---	3,343	---	3,343	---	---
FAMILY OF TACTICAL TRAILERS	---	942	---	942	---	---
OTHER SUPPORT						
ITEMS LESS THAN $5 MILLION	---	3,598	---	3,598	---	---
TOTAL, SUPPORT VEHICLES		151,818		151,818		---
ENGINEER AND OTHER EQUIPMENT						
ENGINEER AND OTHER EQUIPMENT						
ENVIRONMENTAL CONTROL EQUIP ASSORT	---	2,869	---	2,869	---	---
COMBAT BREACHER VEHICLE	---	4,621	---	11,621	---	+7,000
BULK LIQUID EQUIPMENT	---	11,524	---	11,524	---	---
TACTICAL FUEL SYSTEMS	---	5,219	---	10,219	---	+5,000
DEMOLITION SUPPORT SYSTEMS	---	3,422	---	5,422	---	+2,000
POWER EQUIPMENT ASSORTED	---	10,657	---	12,157	---	+1,500
FAMILY OF EOD EQUIPMENT	---	4,724	---	4,724	---	---
BRIDGE BOATS	---	5,307	---	5,307	---	---
MATERIALS HANDLING EQUIPMENT						
AMPHIBIOUS RAID EQUIPMENT	---	15,771	---	15,771	---	---
PHYSICAL SECURITY EQUIPMENT	---	4,979	---	4,979	---	---
GARRISON MOBILE ENGR EQUIP	---	10,927	---	10,927	---	---
MATERIAL HANDLING EQUIP	---	21,190	---	21,190	---	---
FIRST DESTINATION TRANSPORTATION	---	5,715	---	5,715	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
GENERAL PROPERTY						
FIELD MEDICAL EQUIPMENT	---	6,027	---	11,527	---	+5,500
TRAINING DEVICES	---	24,214	---	64,714	---	+40,500
CONTAINER FAMILY	---	5,244	---	5,244	---	---
FAMILY OF CONSTRUCTION EQUIPMENT	---	15,067	---	17,067	---	+2,000
OTHER SUPPORT						
FAMILY OF INCIDENT RESPONSE	---	2,804	---	2,804	---	---
MODIFICATION KITS	---	2,901	---	2,901	---	---
ITEMS LESS THAN $5 MILLION	---	5,713	---	16,213	---	+10,500
TOTAL, ENGINEER AND OTHER EQUIPMENT		168,895		242,895		+74,000
SPARES AND REPAIR PARTS	---	26,946	---	26,946	---	---
TOTAL, PROCUREMENT, MARINE CORPS		1,190,103		1,462,703		+272,600

AIRCRAFT PROCUREMENT, AIR FORCE

Fiscal year 2004 appropriation	$12,086,201,000
Fiscal year 2005 budget request	13,163,174,000
Committee recommendation	13,289,984,000
Change from budget request	+126,810,000

This appropriation provides for the procurement of aircraft, and for modification of in-service aircraft to improve safety and enhance operational effectiveness. It also provides for initial spares and other support equipment to include aerospace ground equipment and industrial facilities. In addition, funds are provided for the procurement of flight training simulators to increase combat readiness and to provide for more economical training.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $13,289,984,000 for Aircraft Procurement, Air Force. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL TABLES
[In thousands of dollars]

P-1		Budget Request	Committee Recommended	Change from Request
1	**F-22 RAPTOR**	**3,633,769**	**3,603,769**	**-30,000**
	Program Efficiencies		-30,000	
3	**C-17A (MYP)**	**2,512,479**	**2,671,079**	**+158,600**
	Full Funding for 15th Aircraft		158,600	
5	**C-17 ICS**	**945,560**	**786,960**	**-158,600**
	New Capability Support		-158,600	
7	**C-130J**	**732,505**	**769,171**	**+36,666**
	AF Requested Transfer From Line 8		36,666	
8	**C-130J ADVANCE PROCUREMENT (CY)**	**186,666**	**150,000**	**-36,666**
	AF Requested Transfer From Line 7		-36,666	
XX	**C-40C**	**0**	**225,000**	**+225,000**
17	**HAEUAV**	**287,768**	**202,178**	**-85,590**
	Transfer of Navy Aircraft		-85,590	
18	**HAEUAV (AP-CY)**	**71,863**	**50,563**	**-21,300**
	Reduction of 2 Aircraft		-21,300	
19	**PREDATOR UAV**	**146,609**	**186,609**	**+40,000**
	Predator UAV [Note: Only to acquire 4 fully equipped Predator B aircraft and spares]		40,000	
24	**F-117**	**13,223**	**23,023**	**+9,800**
	Modification of 10 Aircraft		9,800	
26	**F-15**	**181,602**	**195,102**	**+13,500**
	ALQ-135 Band 1.5 Jammers		7,000	
	IFF for 125th F-15 ANG Fighter Wing		5,000	
	E-Kits Modifications for the National Guard		1,500	
27	**F-16**	**336,289**	**336,289**	**0**
	ANG F-16 Block 42 Re-Engining Program		10,000	
	Budget Growth / Execution		-10,000	
30	**C-5**	**99,601**	**105,601**	**+6,000**
	C-5 Modernization - AMP for Active, Guard, and Reserve Components		6,000	
31	**C-9**	**0**	**6,000**	**+6,000**
	Hushkits		6,000	
38	**T-38**	**153,677**	**173,677**	**+20,000**
	T-38 Ejection Seat Upgrade Program (ESUP)		20,000	
41	**KC-10A (ATCA)**	**37,314**	**25,614**	**-11,700**
	GATM Cancellation		-11,700	

P-1		Budget Request	Committee Recommended	Change from Request
47	**C-130**	**110,375**	**126,675**	**+16,300**
	AN/AAQ-24V(13) Large Aircraft Infrared Countermeasures System for the Air Force Reserve Command HC-130 Fleet		6,000	
	ASAR For 109th LC-130		4,000	
	MAFFS for Western States Fire Fighting [Note: Only to procure up to 12 Modular Airborne Fire Fighting Systems and trailers, spare parts kits and contractor logistics support to support ANG fire fighting requirements in the Western United States]		18,000	
	Link 16 Development		-11,700	
51	**DARP**	**101,233**	**87,733**	**-13,500**
	RC-135 Rivet Joint Baseline 9 Spares - Premature Request		-13,500	
57	**OTHER AIRCRAFT**	**76,701**	**49,901**	**-26,800**
	ROBE Group B Kits		-13,200	
	STING (R7) Modification		-13,600	
60	**CLASSIFIED PROJECTS**	**20,880**	**30,880**	**+10,000**
	Compass Call Inboard Equipment		5,000	
	Compass Call SPEAR Pods		5,000	
62	**COMMON SUPPORT EQUIPMENT**	**223,600**	**205,600**	**-18,000**
	Program Growth		-20,000	
	GL-1800 AP Truck Mounted Aircraft De-icers		2,000	
72	**REPLENISHMENT SPARES/REPAIR PARTS**	**309,725**	**238,810**	**-70,915**
	STING (R7) Pods		-12,900	
	AF Requested Adjustment		-58,015	
73	**DEPOT MODERNIZATION**	**34,464**	**92,479**	**+58,015**
	AF Requested Adjustment		58,015	

F/A–22 RAPTOR

The budget requested $4,156,956,000 for procurement of 24 F/A–22 aircraft, an increase of $11,578,000 and 2 aircraft over the fiscal year 2004 appropriation. The Committee recommends purchase of 24 aircraft, as requested, and provides $4,126,956,000 for that purpose. The amount provided is a reduction of $30,000,000 from the request. The Committee strongly supports and, therefore, expects that ongoing efforts to implement lean-manufacturing techniques and production improvements will continue to lead to cost reductions in the program.

F/A–22 INDEPENDENT COST ESTIMATE

The Committee notes that several significant decision points regarding continued production of the F/A–22 lay in the not-so-distant future. The program recently entered into Initial Operational Test and Evaluation (IOT&E), which is scheduled to conclude in the fall. Following completion of IOT&E, the Department will consider whether to grant authority for the program to enter full rate production, whether and when to request multiyear procurement authority, and as a subtext to all of this, whether there is a need to increase the production cost cap established under authorization law.

The Committee believes this is the appropriate point in the program to recalibrate F/A–22 cost models using the latest information on current and projected costs. Accordingly, the Committee directs the Under Secretary of Defense for Acquisition Technology and Logistics to sponsor a new comprehensive F/A–22 independent cost estimate (ICE), to be conducted by a federally financed research and development center (FFRDC) with demonstrated competence in this area in coordination with the Defense Contract Audit Agency (DCAA). This analysis should: (1) determine appropriate estimates of unit costs and validate unit cost models and related assumptions based on the latest projections of production efficiencies; (2) identify optimal yearly production profiles that can be financed under the budgetary framework contained in the 2005 Future Years Defense Plan; and (3) determine appropriate estimates of remaining non-recurring development, test, and acquisition program oversight costs. The Committee expects that the FFRDC will be allowed to both contract the services of a private sector audit entity experienced in industry costing techniques, and coordinate the execution and review of this ICE with the DCAA. The Committee expects the F/A–22 prime contractor to provide full access and cooperation with this analytical effort to the FFRDC, DCAA, and any private sector agency involved under rules and procedures that adequately protect the confidentiality of proprietary financial data and manufacturing techniques. This ICE is to be transmitted to the congressional defense committees not later than March 1, 2005.

C–17 AIRCRAFT

The budget requested $2,512,479,000 for the procurement of 14 C–17 aircraft, an increase of $369,907,000 and 3 aircraft over the fiscal year 2004 appropriation. The Committee recommends

$2,671,079,000, an increase of $158,600,000 and one additional aircraft above the request.

The Committee is extremely displeased by the Air Force's continued use of a flawed and irresponsible financial strategy for the C–17 multiyear procurement contract. In fiscal year 2003, the Air Force proposed a budget request it referred to as "transformational". The Committee, however, saw it for what it was—an incremental financing scheme that abused the political support for this program and flaunted acquisition regulations and standard practices. In that year, the Congress provided full funding for all 15 aircraft, and directed the Air Force to fully fund the same number in fiscal year 2004.

Unfortunately, for fiscal year 2004 and now with the fiscal year 2005 Defense budget request, the Air Force has continued its financial sleight-of-hand on the C–17 program. Based on a recently concluded investigation by the Committee's Surveys and Investigations staff, the Committee learned the Air Force is using a combination of advance procurement funding and exorbitant cancellation ceilings to keep the contractor to a production schedule which has as many as 5 aircraft at any given time in the production line for which funds have not been appropriated. Not once in the past has the Committee indicated its approval for using advance procurement funding to proceed with production of aircraft for which full appropriations have not been approved. Nor is the Committee aware of any change in Department of Defense (DoD) fiscal policy or regulations that would permit this. As both DoD and Office of Management and Budget financial officials put it to Committee investigators, the Air Force had "pushed the envelope". And, in the Committee's view, the 'envelope' has been pushed too far.

Moreover, the Air Force also included a provision in the second C–17 multiyear procurement contract that assumes additional funding for aircraft will be approved following the end of the contract. Otherwise, the Department will be liable to pay the contractor significant termination costs. This contingent liability places a burden not just on the current Congress, but on the next Congress as well, and could be interpreted as a violation of the Anti-Deficiency Act.

In order to prevent such future financial chicanery on the part of the Air Force or any other military service, the Committee includes a new general provision that significantly amends authority carried in past Defense Appropriations acts regarding multiyear procurement contracts. This provision is discussed elsewhere in this report. With regard to the current funding shortfall in fiscal year 2005, the Committee has added an additional $158,600,000 and one aircraft. Bill language is also included in the Aircraft Procurement paragraph directing that funds provided are for the procurement of 15 aircraft in fiscal year 2005, that advance procurement funds are provided for the procurement of 15 aircraft in fiscal year 2006, and that the Secretary of the Air Force shall fully fund the procurement of 15 aircraft in fiscal year 2006. In placing this requirement upon the Air Force,the Committee would note the commitment of the Secretary of the Air Force, during a public hearing on this matter, to work with the Committee to "set it right". The Committee anticipates that the Secretary will do just that.

C–17 INTERIM CONTRACTOR SUPPORT

The budget requested $945,560,000 for C–17 Interim Contractor Support (ICS), an increase of $17,933,000 over the fiscal year 2004 appropriation. The Committee recommends $786,960,000, a reduction of $158,600,000.

In the preceding part of this report, the Committee expresses its displeasure with the funding strategy the Air Force has employed to execute the C–17 program. That strategy has resulted in an incremental funding scheme for the C–17 that the Committee finds unacceptable. In order to fully fund 15 aircraft in fiscal year 2005, the budget request must be amended to provide for one additional aircraft and $158,600,000. Therefore, the Committee provides increased funding for one additional C–17 in fiscal year 2005, and reduced funding in this account by a like amount.

The Committee finds it puzzling that the Air Force refuses to fully fund aircraft in production, yet the fiscal year 2005 request for C–17 ICS includes funding of $176,000,000 in new capability block upgrades and improvements to the existing fleet. In budget justification materials, the Air Force identifies $114,000,000 of this amount as needed to address unfunded requirements. The Committee wishes to send a very clear message—it considers full funding of the aircraft in production to be this program's number one unfunded requirement. Once the Air Force understands this message and provides the resources needed to bring this program in line with a traditional, fully funded procurement program, the Committee will entertain any funding requests for new capability to the existing fleet.

TANKER REPLACEMENT TRANSFER FUND

In section 8121 of the Committee bill, the Committee provides $100,000,000 to establish the 'Tanker Replacement Transfer Fund'. The establishment of this fund reflects the Committee's intent that the Air Force proceed apace with replacing its fleet of aging aerial refueling aircraft with KC–767 tankers. As such, the funds provided under section 8121 may be used to implement the current tanker replacement program-of-record, as approved in the National Defense Authorization Act for Fiscal Year 2004 and amended by the House-passed version of the National Defense Authorization bill for Fiscal Year 2005.

The Committee notes, however, that the fluid nature of the situation surrounding this program prohibits a definitive allocation of funds for specific activities. Thus, the Committee provides the Secretary of the Air Force with the authority to allocate these funds to Air Force operation and maintenance, procurement, or research and development accounts, allowing the Air Force to quickly implement acquisition or modification plans once the situation is clarified. The provision requires the Secretary of the Air Force to notify the congressional defense committees of the service's intent to transfer funds under this heading 15 days prior to any transfer.

GLOBAL HAWK

The budget request included $287,768,000 for the procurement of four RQ–4B Global Hawk High Endurance Unmanned Aerial Vehi-

cles, an increase of $89,865,000 above the fiscal year 2004 appropriation. In response to the Committee's direction for the Navy to transfer to the Air Force one Global Hawk currently in production for the Navy, the Committee has provided $202,178,000, a reduction of $85,590,000 and one aircraft below the request.

The Committee is concerned with the Air Force strategy to accelerate the Global Hawk program. The compressed schedule results in a highly concurrent development, test and production cycle for the B model. Compared to its predecessor, the RQ–4A, which has extensive testing and operational experience, the RQ–4B model is heavier; incorporates a new wing, fuselage, and vertical tail; requires essentially all new manufacturing drawings, new tooling and changed production processes; and has a 50 percent greater payload capacity to carry advanced sensors still in development. The Air Force strategy is to start producing the RQ–4B in 2004 without prototyping, and eventually procure 13 air vehicles and long lead items on 7 more before the design is tested and full-rate production approved.

The Committee believes that the resulting production schedule is overly ambitious and that development of the B model is over cost and behind schedule. Accordingly, the Committee has reduced advance procurement funding by $21,300,000 for 2 fiscal year 2006 aircraft. The funding provided is sufficient to maintain the fiscal year 2006 production of the RQ–4B at the fiscal year 2005 level of 4 aircraft.

C–130 GUNSHIP LINK 16

The budget request includes $11,700,000 in the C–130 aircraft modification line to develop, procure, and install combined Link 16, beyond Line-of-Sight Tactical Data Information Link Joint (TADIL–J) and gateway growth potential for Air Force Special Operations Command (AFSOC) AC–130 aircraft. The Committee believes that requesting funds to initiate a new development program in the Aircraft Procurement account is misunderstanding the general distinctions between procurement funds and development funds. The Committee is supportive of the entire AFSOC community and the outstanding job they have done in battles in Afghanistan and Iraq, as well as the larger Global War on Terrorism. In support of the AFSOC mission, the Committee directs the Secretary of the Air Force to establish the necessary development program for this new capability and to include a request for this program in the fiscal year 2006 budget submission.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
AIRCRAFT PROCUREMENT, AIR FORCE						
COMBAT AIRCRAFT						
TACTICAL FORCES						
F-22 RAPTOR	24	3,633,769	24	3,603,769	---	-30,000
F-22 RAPTOR (AP-CY)	---	523,187	---	523,187	---	---
TOTAL, COMBAT AIRCRAFT		4,156,956		4,126,956		-30,000
AIRLIFT AIRCRAFT						
TACTICAL AIRLIFT						
C-17A (MYP)	14	2,512,479	15	2,671,079	+1	+158,600
C-17A (MYP) (AP-CY)	---	381,800	---	381,800	---	---
C-17 ICS	---	945,560	---	786,960	---	-158,600
OTHER AIRLIFT						
C-130J	11	732,505	11	769,171	---	+36,666
C-130J ADVANCE PROCUREMENT (CY)	---	186,666	---	150,000	---	-36,666
C-40C	---	---	3	225,000	+3	+225,000
TOTAL, AIRLIFT AIRCRAFT		4,759,010		4,984,010		+225,000
TRAINER AIRCRAFT						
OPERATIONAL TRAINERS						
JPATS	53	307,072	53	307,072	---	---
OTHER AIRCRAFT						
HELICOPTERS						
V-22 OSPREY	3	305,581	3	305,581	---	---
V-22 OSPREY (AP-CY)	---	11,035	---	11,035	---	---
MISSION SUPPORT AIRCRAFT						
CIVIL AIR PATROL A/C	27	2,271	27	2,271	---	---
OTHER AIRCRAFT						
TARGET DRONES	---	74,143	---	74,143	---	---
HAEUAV	4	287,768	3	202,178	-1	-85,590
HAEUAV (AP-CY)	---	71,863	---	50,563	---	-21,300
PREDATOR UAV	9	146,609	13	186,609	+4	+40,000
TOTAL, OTHER AIRCRAFT		899,270		832,380		-66,890

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
MODIFICATION OF INSERVICE AIRCRAFT						
STRATEGIC AIRCRAFT						
B-2A	---	96,002	---	96,002	---	---
B-1B	---	8,825	---	8,825	---	---
B-52	---	92,216	---	92,216	---	---
F-117	---	13,223	---	23,023	---	+9,800
TACTICAL AIRCRAFT						
A-10	---	53,362	---	53,362	---	---
F-15	---	181,602	---	195,102	---	+13,500
F-16	---	336,289	---	336,289	---	---
F22 RAPTOR	---	70,087	---	70,087	---	---
T/AT-37	---	78	---	78	---	---
AIRLIFT AIRCRAFT						
C-5	---	99,601	---	105,601	---	+6,000
C-9	---	---	---	6,000	---	+6,000
C-17A	---	89,144	---	89,144	---	---
C-21	---	1,409	---	1,409	---	---
C-32A	---	187	---	187	---	---
C-37A	---	351	---	351	---	---
TRAINER AIRCRAFT						
T6 MODIFICATIONS	---	3,850	---	3,850	---	---
T-38	---	153,677	---	173,677	---	+20,000
T-41 AIRCRAFT	---	89	---	89	---	---
T-43	---	599	---	599	---	---
OTHER AIRCRAFT						
KC-10A (ATCA)	---	37,314	---	25,614	---	-11,700
C-12	---	19,373	---	19,373	---	---
C-20 MODS	---	449	---	449	---	---
VC-25A MOD	---	28,031	---	28,031	---	---
C-40	---	187	---	187	---	---
C-130	---	110,375	---	126,675	---	+16,300
C130J MODS	---	36,921	---	36,921	---	---
C-135	---	51,905	---	51,905	---	---
C-29A MODS	---	15,953	---	15,953	---	---
DARP	---	101,233	---	87,733	---	-13,500
E-3	---	36,025	---	36,025	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
E-4	---	101,818	---	101,818	---	---
E-8	---	45,302	---	45,302	---	---
H-1	---	6,575	---	6,575	---	---
H-60	---	95,068	---	95,068	---	---
OTHER AIRCRAFT	---	76,701	---	49,901	---	-26,800
PREDATOR MODS	---	31,872	---	31,872	---	---
CV-22 MODS	---	275	---	275	---	---
OTHER MODIFICATIONS						
CLASSIFIED PROJECTS	---	20,880	---	30,880	---	+10,000
TOTAL, MODIFICATION OF INSERVICE AIRCRAFT		2,016,848		2,046,448		+29,600
AIRCRAFT SPARES AND REPAIR PARTS						
INDUSTRIAL FACILITIES	---	234,103	---	234,103	---	---
TOTAL, AIRCRAFT SPARES AND REPAIR PARTS		234,103		234,103		---
AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES						
COMMON SUPPORT EQUIPMENT						
COMMON SUPPORT EQUIPMENT	---	223,600	---	205,600	---	-18,000
POST PRODUCTION SUPPORT						
B-1	---	11,733	---	11,733	---	---
B-2A	---	6,801	---	6,801	---	---
B-2A	---	30,683	---	30,683	---	---
B-52	---	19,405	---	19,405	---	---
C-130	---	1,229	---	1,229	---	---
F-15 POST PRODUCTION SUPPORT	---	13,407	---	13,407	---	---
F-16 POST PRODUCTION SUPPORT	---	11,531	---	11,531	---	---
INDUSTRIAL PREPAREDNESS	---	21,082	---	21,082	---	---
WAR CONSUMABLES						
WAR CONSUMABLES	---	41,314	---	41,314	---	---
REPLEN SPARES/REPAIR PARTS	---	309,725	---	238,810	---	-70,915
DEPOT MODERNIZATION	---	34,464	---	92,479	---	+58,015
CLASSIFIED PROGRAMS						
DARP	---	64,941	---	64,941	---	---
TOTAL, AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES		789,915		759,015		-30,900
TOTAL, AIRCRAFT PROCUREMENT, AIR FORCE		13,163,174		13,289,984		+126,810

MISSILE PROCUREMENT, AIR FORCE

Fiscal year 2004 appropriation	$4,165,633,000
Fiscal year 2005 budget request	4,718,313,000
Committee recommendation	4,425,013,000
Change from budget request	−293,300,000

This appropriation provides for procurement, installation, and checkout of strategic ballistic and other missiles, modification of in-service missiles, and initial spares for missile systems. It also provides for operational space systems, boosters, payloads, drones, associated ground equipment, non-recurring maintenance of industrial facilities, machine tool modernization, and special program support.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,425,013,000 for Missile Procurement, Air Force. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL TABLES
[In thousands of dollars]

P-1		Budget Request	Committee Recommended	Change from Request
3	**JASSM**	**148,161**	**139,861**	**-8,300**
	Operational Suitability Deficiencies		-8,300	
24	**AGM-88A HARM**	**2,868**	**4,868**	**+2,000**
	HARM Upgrade (HDAM)		2,000	
28	**ADVANCED EHF (AP-CY)**	**98,590**	**78,590**	**-20,000**
	Excessive Amount Budgeted For AP		-20,000	
34	**DEFENSE SUPPORT PROGRAM (SPACE)**	**116,468**	**86,468**	**-30,000**
	Excess funding for projected launch schedule		-30,000	
36	**TITAN SPACE BOOSTERS (SPACE)**	**74,290**	**49,290**	**-25,000**
	Delay of launch activities given launch slips		-25,000	
37	**EVOLVED EXPENDABLE LAUNCH VEHICLE**	**610,997**	**519,997**	**-91,000**
	AF Requested Transfer		-91,000	
38	**MEDIUM LAUNCH VEHICLE (SPACE)**	**102,872**	**71,872**	**-31,000**
	Excess funds for Delta II Launch		-31,000	

JOINT AIR-TO-SURFACE STANDOFF MISSILE

The budget requested $148,161,000 for the procurement of 360 Joint Air-To-Surface Standoff Missiles (JASSMs), an increase of $63,161,000 over the fiscal year 2004 appropriation. The Committee recommends $139,861,000, a reduction of $8,300,000 and 57 missiles below the request.

The Committee previously expressed concern about the results of an Initial Operational Test and Evaluation (IOT&E) conducted between April 2002–February 2004. A final report from the Director of Operational Testing and Evaulation on the results of the IOT&E found that JASSM is operationally effective but not operationally suitable. The basis for this finding was that JASSM could hit its target set, but required more missiles than expected due to poor missile reliability. The report included additional issues of concern about the missile including cumbersome mission planning, supportability problems, fuel leak detector needs and contractor warranty requirements.

The Committee is aware there are appealing aspects to the existing JASSM production contract, including attractive pricing at higher rates of production, but believes these are of little value when the end product continues to be malfunctioning missiles en route to targets. The Committee wants to see the JASSM program succeed, but it will closely monitor efforts to address the issues identified in the IOT&E report. The Air Force and the contractor must take immediate action to improve JASSM reliability, such as conducting a robust fuze improvement program, and fixing the mission planning software and interface/throughput problems. These corrections then must be verified through additional operational testing. Failure to do so will cause the Committee to reconsider its support for this program through its fiscal year 2005 and future budget deliberations.

EVOLVED EXPENDABLE LAUNCH VEHICLE

The Air Force requested $610,997,000 for the Evolved Expendable Launch Vehicle (EELV) program, an increase of $1,687,000 over the fiscal year 2004 appropriation. The Committee recommends $519,997,000, a decrease of $91,000,000 from the request. The Air Force has requested this adjustment to help offset new cost growth in the Space Based Infrared System (SBIRS) High program.

The Committee is concerned the current acquisition approach of maintaining two EELV contractors may be ill advised in the new space launch environment facing the United States. The two contractor acquisition strategy is based largely on the desire to maintain "assured access to space" as well as the desire to retain a measure of competition. The strategy was adopted in the late 1990s when numerous commercial launches were projected for the future. These failed to materialize, however, leaving the government as the primary launch customer. Now, both contractors routinely complain about losing money on the EELV program. At the same time, launch costs for United States Government payloads have soared.

The Committee agrees the United States must maintain assured access to space. Ironically, the current two contractor approach may actually jeopardize this objective. The Air Force argument for

two contractors largely involves the problem of a particular launch vehicle being grounded pending investigation of a launch failure. With two contractors, the Air Force argues launches could in theory be shifted to the second vendor. The Committee recognizes the possible value of such a back-up capability, but wonders whether this approach is practical given the two year lead-time required to buy launch vehicles from the second vendor.

There are other factors to be considered. For example, given the extraordinarily high cost and importance of satellite payloads, the Committee believes it is wiser to invest in launch reliability than launch back-up. The Committee is concerned that by maintaining two "standing armies" without adequate funding, the government could inadvertently be motivating the contractors to cut corners in a way that could hurt launch reliability. Also, with few available launches divided between two contractors, contractor personnel are not able to maintain as high a level of proficiency, again potentially adversely affecting reliability. Put simply, the Committee believes fully funding one contractor may be a wiser approach to assured access than the current approach of underfunding two contractors.

The Committee understands the Undersecretary of Defense for Acquisition and Technology has directed that an update to the Space Launch Modernization Plan of 1994 be completed by November 2004. The Committee directs that this update include a thorough analysis of the issue of two versus one EELV contractors relative to launch reliability, and that this report be submitted to the congressional defense committees upon completion. The Committee believes upcoming lot buys of EELV should be minimized pending recommendations made in the report.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
MISSILE PROCUREMENT, AIR FORCE						
BALLISTIC MISSILES						
MISSILE REPLACEMENT EQUIPMENT - BALLISTIC						
LGM-30F/G MINUTEMAN II/III	---	30,143	---	30,143	---	---
OTHER MISSILES						
TACTICAL						
JASSM	360	148,161	303	139,861	-57	-8,300
SIDEWINDER (AIM-9X)	248	52,595	248	52,595	---	---
AMRAAM	202	107,354	202	107,354	---	---
PREDATOR HELLFIRE MISSILE	235	20,017	235	20,017	---	---
SMALL DIAMETER BOMB	158	29,257	158	29,257	---	---
INDUSTRIAL FACILITIES						
INDUSTRIAL PREPAREDNESS/POL PREVENTION	---	2,084	---	2,084	---	---
TOTAL, OTHER MISSILES		359,468		351,168		-8,300
MODIFICATION OF INSERVICE MISSILES						
CLASS IV						
ADVANCED CRUISE MISSILE	---	4,094	---	4,094	---	---
MM III MODIFICATIONS	---	640,760	---	640,760	---	---
AGM-65D MAVERICK	---	222	---	222	---	---
AIR LAUNCH CRUISE MISSILE	---	21,154	---	21,154	---	---
TOTAL, MODIFICATION OF INSERVICE MISSILES		666,230		666,230		---
SPARES AND REPAIR PARTS						
OTHER AIRCRAFT						
ADVANCED CRUISE MISSILE	---	8,020	---	8,020	---	---
AIM-7E SPARROW	---	1,898	---	1,898	---	---
AIM-9 SIDEWINDER	---	6,273	---	6,273	---	---
SIDEWINDER (AIM-9X)	---	1,759	---	1,759	---	---
AGM-130 POWERED GBU-15	---	368	---	368	---	---
LGM-30F/G MINUTEMAN II/III	---	10,016	---	10,016	---	---
MM III MODIFICATIONS	---	12,866	---	12,866	---	---
AGM-65D MAVERICK	---	1,423	---	1,423	---	---
AGM-88A HARM	---	2,868	---	4,868	---	+2,000
AIR LAUNCH CRUISE MISSILE	---	4,609	---	4,609	---	---
AMRAAM	---	341	---	341	---	---
PEACEKEEPER (M-X)	---	11,669	---	11,669	---	---
TOTAL, OTHER AIRCRAFT		62,110		64,110		+2,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
OTHER SUPPORT						
SPACE PROGRAMS						
ADVANCED EHF (AP-CY)	---	98,590	---	78,590	---	-20,000
WIDEBAND GAPFILLER SATELLITES	---	40,307	---	40,307	---	---
SPACEBORNE EQUIP (COMSEC)	---	9,250	---	9,250	---	---
GLOBAL POSITIONING (SPACE)	3	300,772	3	300,772	---	---
GLOBAL POSITIONING (SPACE) (AP-CY)	---	29,758	---	29,758	---	---
DEF METEOROLOGICAL SAT PROG(S	---	74,201	---	74,201	---	---
DEFENSE SUPPORT PROGRAM(SPACE	---	116,468	---	86,468	---	-30,000
DEFENSE SATELLITE COMM SYSTEM	---	6,613	---	6,613	---	---
TITAN SPACE BOOSTERS(SPACE)	---	74,290	---	49,290	---	-25,000
EVOLVED EXPENDABLE LAUNCH VEH	3	610,997	3	519,997	---	-91,000
MEDIUM LAUNCH VEHICLE(SPACE)	---	102,872	---	71,872	---	-31,000
SPECIAL PROGRAMS						
DEFENSE SPACE RECONN PROGRAM	---	332,388	---	332,388	---	---
SPECIAL UPDATE PROGRAMS	---	130,809	---	130,809	---	---
TOTAL, OTHER SUPPORT		1,927,315		1,730,315		-197,000
CLASSIFIED PROGRAMS	---	1,673,047	---	1,583,047	---	-90,000
TOTAL, MISSILE PROCUREMENT, AIR FORCE		4,718,313		4,425,013		-293,300

PROCUREMENT OF AMMUNITION, AIR FORCE

Fiscal year 2004 appropriation	$1,262,725,000
Fiscal year 2005 budget request	1,396,457,000
Committee recommendation	1,346,557,000
Change from budget request	−49,900,000

This appropriation finances the acquisition of ammunition, modifications, spares, weapons, and other ammunition-related items for the Air Force.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,346,557,000 for Procurement of Ammunition, Air Force. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL TABLES
[In thousands of dollars]

P-1		Budget Request	Committee Recommended	Change from Request
2	**CARTRIDGES**	**149,100**	**129,100**	**-20,000**
	Execution		-20,000	
4	**GENERAL PURPOSE BOMBS**	**266,489**	**236,589**	**-29,900**
	Program Growth		-35,000	
	Incorrect Justification		-4,900	
	GBU-27A/B, Enhanced Paveway III		10,000	
10	**SPARES AND REPAIR PARTS**	**179**	**4,364**	**+4,185**
	AF Requested Transfer from Line 11		4,185	
11	**REPLENISHMENT SPARES**	**4,185**	**0**	**-4,185**
	AF Requested Transfer into Line 10		-4,185	

GENERAL PURPOSE BOMBS

The budget request included $266,500,000 for procurement of General Purpose Bombs, an increase of $98,655,000 over the fiscal year 2004 appropriation. The Committee recommends $236,589,000, a decrease of $29,900,000 below the request. Justification materials included and justified an amount of only $261,608,000. Accordingly, the Committee has reduced funding by $4,900,000. Funding has been further reduced by an additional $35,000,000, noting that this program received $54,700,000 in supplemental funding to reconstitute following operations in Afghanistan and Iraq. An increase over the fiscal year 2004 request of $65,000,000 is provided to meet current requirements. The Committee has also included an additional $10,000,000 above the request for the GBU–27A/B, Enhanced Paveway III.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
PROCUREMENT OF AMMUNITION, AIR FORCE						
PROCUREMENT OF AMMO, AIR FORCE						
ROCKETS	---	34,557	---	34,557	---	---
CARTRIDGES	---	149,100	---	129,100	---	-20,000
BOMBS						
PRACTICE BOMBS	---	46,918	---	46,918	---	---
GENERAL PURPOSE BOMBS	---	266,489	---	236,589	---	-29,900
SENSOR FUZED WEAPON	315	117,023	315	117,023	---	---
JOINT DIRECT ATTACK MUNITION	23,137	521,782	23,137	521,782	---	---
WIND CORRECTED MUNITIONS DISP	2,507	58,670	2,507	58,670	---	---
FLARE, IR MJU-7B CAD/PAD	---	20,379	---	20,379	---	---
EXPLOSIVE ORDINANCE DISPOSAL I1063	---	2,889	---	2,889	---	---
SPARES AND REPAIR PARTS	---	179	---	4,364	---	+4,185
REPLENISHMENT SPARES	---	4,185	---	---	---	-4,185
MODIFICATIONS LESS THAN $5M	---	202	---	202	---	---
ITEMS LESS THAN $5,000,000	---	2,798	---	2,798	---	---
FUZES						
FLARES	---	123,830	---	123,830	---	---
FUZES	---	36,507	---	36,507	---	---
TOTAL, PROCUREMENT OF AMMO, AIR FORCE		1,385,508		1,335,608		-49,900
WEAPONS						
SMALL ARMS	---	10,949	---	10,949	---	---
TOTAL, PROCUREMENT OF AMMUNITION, AIR FORCE		1,396,457		1,346,557		-49,900

OTHER PROCUREMENT, AIR FORCE

Fiscal year 2004 appropriation	$11,558,799,000
Fiscal year 2005 budget request	13,283,557,000
Committee recommendation	13,199,607,000
Change from budget request	−83,950,000

This appropriation provides for the procurement of weapon systems and equipment other than aircraft and missiles. Included are vehicles, electronic and telecommunications systems for command and control of operational forces, and ground support equipment for weapon systems and supporting structure.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $13,199,607,000 for Other Procurement, Air Force. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL TABLES
[In thousands of dollars]

P-1		Budget Request	Committee Recommended	Change from Request
31	**TRUCK, F/L 10,000 LB**	**18,588**	**25,588**	**+7,000**
	Material Handling Equipment		7,000	
33	**HALVERSEN LOADER**	**0**	**20,000**	**+20,000**
	Halversen Loaders		20,000	
34	**ITEMS LESS THAN $5 MILLION**	**18,184**	**12,184**	**-6,000**
	Execution		-6,000	
48	**AIR TRAFFIC CONTROL/LANDING SYSTEM**	**2,949**	**5,949**	**+3,000**
	Automatic Flight Following System Pilot Project at McEntire Air Base		3,000	
50	**THEATER AIR CONTROL SYSTEM IMPROVEMENTS**	**67,471**	**52,671**	**-14,800**
	BCS-M Block 20 Upgrades		-15,800	
	Precision Aerial Delivery System (PADS)		1,000	
56	**GENERAL INFORMATION TECHNOLOGY**	**99,862**	**102,862**	**+3,000**
	EAGLE SCOUT - Advanced Compression of Tactical Sensor Information		3,000	
59	**AIR FORCE PHYSICAL SECURITY SYSTEM**	**93,750**	**94,750**	**+1,000**
	Force Protection Near Real Time Surveillance System		1,000	
60	**COMBAT TRAINING RANGES**	**38,142**	**59,142**	**+21,000**
	UMTE Modernization		5,000	
	Joint Threat Emitter for the ANG Alpena Combat Training Range		7,500	
	Joint Threat Emitter for Poinsett Range		5,000	
	Nellis Combat Training Range Pod Upgrade		3,500	
66	**BASE INFORMATION INFRASTRUCTURE**	**423,972**	**365,972**	**-58,000**
	CITS		-60,000	
	AFRC COOP [Note: Only for data storage infrastructure and force protection for AFRC IT consolidation/COOP at March AFB]		2,000	
73	**SPACELIFT RANGE SYSTEM SPACE**	**101,458**	**103,458**	**+2,000**
	National Range HF Sustainment Program [Note: Using SCOPE Command]		2,000	
78	**RADIO EQUIPMENT**	**8,777**	**12,777**	**+4,000**
	SCOPE Command		4,000	
81	**BASE COMM INFRASTRUCTURE**	**118,935**	**125,435**	**+6,500**
	Digital Deployed Training Campus (DDTC) Fielding Program		5,000	
	Aircrew Survival Radio Test Sets		1,500	
88	**ITEMS LESS THAN $5 MILLION**	**12,997**	**19,997**	**+7,000**
	Fixed Aircrew Standardized Seats		3,000	
	MA-16 Improved Inertia Reel Replacement Kits		2,000	
	Replacement of Parachute Canopy Releases on ACES II Ejection Seats		2,000	

P-1		Budget Request	Committee Recommended	Change from Request
89	**MECHANIZED MATERIAL HANDLING**	**16,155**	**20,155**	**+4,000**
	Point of Maintenance/Combat Ammunition System (POMX/CAS) Initiative		4,000	
93	**BASE PROCURED EQUIPMENT**	**8,401**	**11,401**	**+3,000**
	Combat Arms Training System		3,000	
99	**MOBILITY EQUIPMENT**	**320,116**	**268,116**	**-52,000**
	Program Growth		-52,000	
105	**DARP, MRIGS**	**320,218**	**110,218**	**-210,000**
	DCGS - ETP SATCOM Ground Stations		-190,000	
	DCGS - Accelerated Fielding of DCGS		-20,000	

THEATER AIR CONTROL SYSTEM IMPROVEMENT

The Committee has reduced funding for the Theater Air Control System Improvement by $15,800,000 for the Battle Control System Mobile (BCS–M) Block 20 production development upgrades. The Committee fully supports this effort. However, the schedule for this program indicates that the upgrades will undergo development and testing throughout fiscal year 2005, and that production is not scheduled to begin until fiscal year 2006.

In addition, the fiscal year 2004 contract was actually awarded six months later than indicated by the 2005 budget justification. The request has been reduced accordingly to allow completion of the development and test efforts.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
OTHER PROCUREMENT, AIR FORCE						
VEHICULAR EQUIPMENT						
PASSENGER CARRYING VEHICLES						
ARMORED VEHICLE	1	250	1	250	---	---
PASSENGER CARRYING VEHICLE	284	11,873	284	11,873	---	---
CARGO + UTILITY VEHICLES						
TRUCK, STAKE/PLATFORM	---	8,342	---	8,342	---	---
TRUCK, CARGO-UTILITY, 3/4T, 4X4	---	13,415	---	13,415	---	---
TRUCK, CARGO-UTILITY, 3/4T, 4X2	---	7,855	---	7,855	---	---
TRUCK MAINT/UTILITY/DELIVERY	---	9,062	---	9,062	---	---
TRUCK CARRYALL	---	4,166	---	4,166	---	---
FAMILY MEDIUM TACTICAL VEHICLE	---	15,332	---	15,332	---	---
HIGH MOBILITY VEHICLE (MYP)	---	7,555	---	7,555	---	---
TRUCK TRACTOR, OVER 5T	---	14,086	---	14,086	---	---
CAP VEHICLES	---	802	---	802	---	---
ITEMS LESS THAN $5M	---	24,734	---	24,734	---	---
SPECIAL PURPOSE VEHICLES						
TRUCK, TANK, 1200 GAL	---	5,775	---	5,775	---	---
TRUCK TANK FUEL R-11	---	14,642	---	14,642	---	---
HMMWV, ARMORED	---	2,301	---	2,301	---	---
TRUCK, REFUSE	---	549	---	549	---	---
HMWWV, UP-ARMORED	---	6,953	---	6,953	---	---
TRACTOR, A/C TOW, MB-4	---	11,127	---	11,127	---	---
TRACTOR, TOW, FLIGHTLINE	---	6,820	---	6,820	---	---
TRUCK HYDRANT FUEL	---	45	---	45	---	---
ITEMS LESS THAN $5M	---	38,839	---	38,839	---	---
FIRE FIGHTING EQUIPMENT						
TRUCK CRASH P-19	---	16,158	---	16,158	---	---
ITEMS LESS THAN $5M	---	8,372	---	8,372	---	---
MATERIALS HANDLING EQUIPMENT						
TRUCK, F/L 6000 LB	---	7,408	---	7,408	---	---
TRUCK, F/L 10,000 LB	---	18,588	---	25,588	---	+7,000
HALVERSEN LOADER	---	---	---	20,000	---	+20,000
ITEMS LESS THAN $5M	---	18,184	---	12,184	---	-6,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
BASE MAINTENANCE SUPPORT						
LOADER, SCOOP	---	9,414	---	9,414	---	---
LOADER, SCOOP, W/BACKHOE	---	4,202	---	4,202	---	---
TRUCK, DUMP	---	10,609	---	10,609	---	---
RUNWAY SNOW REMOVAL & CLEANING	---	22,589	---	22,589	---	---
CRANE, 7-50 TON	---	5,827	---	5,827	---	---
MODIFICATIONS	---	4,474	---	4,474	---	---
ITEMS LESS THAN $5M	---	34,013	---	34,013	---	---
TOTAL, VEHICULAR EQUIPMENT		364,361		385,361		+21,000
ELECTRONICS AND TELECOMMUNICATIONS EQUIP						
COMM SECURITY EQUIPMENT(COMSEC)						
COMSEC EQUIPMENT	---	46,867	---	46,867	---	---
MODIFICATIONS (COMSEC)	---	462	---	462	---	---
INTELLIGENCE PROGRAMS						
INTELLIGENCE TRAINING EQUIPMENT	---	2,902	---	2,902	---	---
INTELLIGENCE COMM EQUIP	---	1,695	---	1,695	---	---
ELECTRONICS PROGRAMS						
AIR TRAFFIC CTRL/LAND SYS (AT	---	2,949	---	5,949	---	+3,000
NATIONAL AIRSPACE SYSTEM	---	44,354	---	44,354	---	---
THEATER AIR CONTROL SYS IMPRO	---	67,471	---	52,671	---	-14,800
WEATHER OBSERVE/FORECAST	---	32,366	---	32,366	---	---
STRATEGIC COMMAND AND CONTROL	---	49,300	---	49,300	---	---
CHEYENNE MOUNTAIN COMPLEX	---	17,672	---	17,672	---	---
TAC SIGINT SUPPORT	---	386	---	386	---	---
DRUG INTERDICTION PROGRAM	---	404	---	404	---	---
SPECIAL COMM-ELECTRONICS PROJECTS						
GENERAL INFORMATION TECHNOLOGY	---	99,862	---	102,862	---	+3,000
AF GLOBAL COMMAND & CONTROL S	---	17,324	---	17,324	---	---
MOBILITY COMMAND AND CONTROL	---	8,982	---	8,982	---	---
AIR FORCE PHYSICAL SECURITY S	---	93,750	---	94,750	---	+1,000
COMBAT TRAINING RANGES	---	38,142	---	59,142	---	+21,000
C3 COUNTERMEASURES	---	11,812	---	11,812	---	---
GCSS-AF FOS	---	18,614	---	18,614	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
THEATER BATTLE MGT C2 SYS	---	44,669	---	44,669	---	---
AIR OPERATIONS CENTER (AOC)	---	43,269	---	43,269	---	---
AIR FORCE COMMUNICATIONS						
BASE INFORMATION INFRASTRUCTURE	---	423,972	---	365,972	---	-58,000
USCENTCOM	---	30,430	---	30,430	---	---
DEFENSE MESSAGE SYSTEM (DMS)	---	8,297	---	8,297	---	---
DISA PROGRAMS						
NAVSTAR GPS SPACE	---	10,272	---	10,272	---	---
NUDET DETECTION SYS (NDS) SPA	---	7,554	---	7,554	---	---
AF SATELLITE CONTROL NETWORK	---	43,882	---	43,882	---	---
SPACELIFT RANGE SYSTEM SPACE	---	101,458	---	103,458	---	+2,000
MILSATCOM SPACE	---	19,176	---	19,176	---	---
SPACE MODS SPACE	---	16,346	---	16,346	---	---
ORGANIZATION AND BASE						
TACTICAL C-E EQUIPMENT	---	141,883	---	141,883	---	---
COMBAT SURVIVOR EVADER LOCATE	---	13,936	---	13,936	---	---
RADIO EQUIPMENT	---	8,777	---	12,777	---	+4,000
TV EQUIPMENT (AFRTV)	---	5,112	---	5,112	---	---
CCTV/AUDIOVISUAL EQUIPMENT	---	3,271	---	3,271	---	---
BASE COMM INFRASTRUCTURE	---	118,935	---	125,435	---	+6,500
ITEMS LESS THAN $5M	---	5,948	---	5,948	---	---
MODIFICATIONS						
COMM ELECT MODS	---	23,400	---	23,400	---	---
TOTAL, ELECTRONICS AND TELECOMMUNICATIONS EQUIP		1,625,901		1,593,601		-32,300
OTHER BASE MAINTENANCE AND SUPPORT EQUIP						
TEST EQUIPMENT						
BASE/ALC CALIBRATION PACKAGE	---	15,306	---	15,306	---	---
PRIMARY STANDARDS LABORATORY	---	1,107	---	1,107	---	---
ITEMS LESS THAN $5M	---	7,607	---	7,607	---	---
PERSONAL SAFETY AND RESCUE EQUIP						
NIGHT VISION GOGGLES	---	17,349	---	17,349	---	---
ITEMS LESS THAN $5M	---	12,997	---	19,997	---	+7,000
DEPOT PLANT + MATERIALS HANDLING EQ						
MECHANIZED MATERIAL HANDLING	---	16,155	---	20,155	---	+4,000
ITEMS LESS THAN $5M	---	6,503	---	6,503	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
ELECTRICAL EQUIPMENT						
FLOODLIGHTS	---	5,882	---	5,882	---	---
ITEMS LESS THAN $5M	---	9,876	---	9,876	---	---
BASE SUPPORT EQUIPMENT						
BASE PROCURED EQUIPMENT	---	8,401	---	11,401	---	+3,000
MEDICAL/DENTAL EQUIPMENT	---	14,019	---	14,019	---	---
AIR BASE OPERABILITY	---	5,432	---	5,432	---	---
PHOTOGRAPHIC EQUIPMENT	---	1,424	---	1,424	---	---
PRODUCTIVITY ENHANCING CAPITA	---	5,475	---	5,475	---	---
MOBILITY EQUIPMENT	---	320,116	---	268,116	---	-52,000
AIR CONDITIONERS	---	1,452	---	1,452	---	---
ITEMS LESS THAN $5M	---	18,811	---	18,811	---	---
SPECIAL SUPPORT PROJECTS						
TECH SURV COUNTERMEASURES EQ	---	4,034	---	4,034	---	---
DARP RC135	---	18,726	---	18,726	---	---
DARP, MRIGS	---	320,218	---	110,218	---	-210,000
SPECIAL UPDATE PROGRAM	---	224,988	---	224,988	---	---
DEFENSE SPACE RECONNAISSANCE	---	14,264	---	14,264	---	---
MODIFICATIONS	---	195	---	195	---	---
FIRST DESTINATION TRANSPORTATION	---	5,767	---	5,767	---	---
TOTAL, OTHER BASE MAINTENANCE AND SUPPORT EQUIP		1,056,104		808,104		-248,000
SPARE AND REPAIR PARTS						
SPARES AND REPAIR PARTS	---	41,097	---	41,097	---	---
REPLENISHMENT SPARES	---	297	---	297	---	---
CLASSIFIED PROGRAMS	---	10,195,797	---	10,371,147	---	+175,350
TOTAL, OTHER PROCUREMENT, AIR FORCE		13,283,557		13,199,607		-83,950

PROCUREMENT, DEFENSE-WIDE

Fiscal year 2004 appropriation	$3,709,926,000
Fiscal year 2005 budget request	2,883,302,000
Committee recommendation	3,028,033,000
Change from budget request	+144,731,000

This appropriation provides funds for the procurement, production, and modification of equipment, supplies, materials, and spare parts.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,028,033,000 for Procurement, Defense-Wide. The following report and project level tables provide a summary of the Committee's recommendations.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

P-1		Budget Request	Committee Recommended	Change from Request
2	**MAJOR EQUIPMENT, OSD**	125,320	104,072	-21,248
	BMMP Domain Procurement Systems		-30,248	
	AHPCRC - Supercomputer Procurement		9,000	
5	**INFORMATION SYSTEM SECURITY PROGRAM**	10,487	30,487	+20,000
	Secure Wireless Cell Phones		20,000	
9	**INFORMATION SYSTEMS SECURITY PROGRAM**	44,827	49,827	+5,000
	Vulnerability Management		5,000	
37	**SOF ROTARY WING UPGRADES**	447,272	454,272	+7,000
	Infrared Engine Suppression kits for MH-47 Helicopters		7,000	
42	**C-130 MODIFICATIONS**	110,666	120,666	+10,000
	EC-130J Fleet Conversion for 193rd SOW in PA		10,000	
44	**ADVANCED SEAL DELIVERY SYS**	5,864	13,264	+7,400
	Universal Pylon		7,400	
45	**ADVANCED SEAL DELIVERY SYS (AP-CY)**	34,921	0	-34,921
	Program Restructure		-34,921	
49	**COMM EQUIPMENT & ELECTRONICS**	38,434	45,434	+7,000
	Multi-band, Inter/Intra Team Radio		5,000	
	Buster Backpack UAV		2,000	
50	**SOF INTELLIGENCE SYSTEMS**	16,946	34,946	+18,000
	Joint Threat Warning System - Maritime SEID		3,000	
	Tagging, Tracking @ Locating Devices		15,000	
51	**SOF SMALL ARMS & WEAPONS**	8,221	40,721	+32,500
	Durable Illumination Aiming Laser		3,500	
	AN/PVS-15 Night Vision Goggles		4,000	
	Magnum Universal Night Sight (MUNS)		2,000	
	Dualband Universal Night Sight (DUNS)		2,000	
	Universal Night Sight		1,000	
	Raven Unmanned Aerial Vehicle Systems		15,000	
	Neptune Unmanned Aerial Vehicle Systems		5,000	
59	**TACTICAL VEHICLES**	493	8,493	+8,000
	Light Weight Tactical All Terrain Vehicle		8,000	
62	**MISCELLANEOUS EQUIPMENT**	16,830	19,830	+3,000
	AN/PVS-21 Low Profile Night Vision Goggles		1,500	
	Olfactory Signature Reduction Baselayer Garments		1,500	

P-1		Budget Request	Committee Recommended	Change from Request
64	**SOF OPERATIONAL ENHANCEMENTS**	**233,632**	**241,632**	**+8,000**
	Only for Digital Intelligence Situation Mapboards		1,000	
	SOF Universal ID Marking System SOFMARK (Note: Only for SOF Universal ID Marking System to provide for initial procrurement and fielding		1,000	
	M1/M2 Gunfire/Sniper Detection Systems (GD/SDS)		6,000	
67	**INDIVIDUAL PROTECTION**	**131,926**	**132,926**	**+1,000**
	Patch Technology Project to Prevent Leaks and Hazardous Material Spill		1,000	
71	**CONTAMINATION AVOIDANCE**	**270,105**	**289,105**	**+19,000**
	Chem-Bio Shelters (Retrofit Kits)		19,000	
999	**CLASSIFIED PROGRAMS**	**545,392**	**600,392**	**+55,000**
			55,000	

SOF ROTARY WING UPGRADES

The Committee recommends $454,272,000, an increase of $7,000,000, only for Infrared Engine Suppression kits for MH–47 helicopters. The Committee is aware of the substantial enhancement these kits provide for engine infrared signature and encourages the Army to equip its CH–47 helicopters with Infrared Suppression Kits.

ADVANCED SEAL DELIVERY SYSTEM (ASDS)

The budget request for the Advanced Seal Delivery System (ASDS) included $5,864,000 for procurement and $34,921,000 for advance procurement for the second ASDS, an increase of $8,861,000 over the fiscal year 2004 appropriation. The Committee recommends $13,264,000 for ASDS procurement and no funding for ASDS advanced procurement. The ASDS is a manned combatant mini-submarine used for the clandestine delivery of Special Operations Forces personnel and weapons and will provide an important improvement over the current SEAL delivery system. The United States Special Operations Command has recently, and in the Committee's view, prudently decided to delay procurement of the second system until a new battery is developed and tested and improvements are made to the Environmental Control Unit. The Committee has a long history of concerns about this program and has provided substantial funding for a new battery as well as other improvements to the system. The Committee compliments USSOCOM for its recognition that important improvements must be made prior to procuring the next system. The Committee recommendation is consistent with the new Capability Assurance Plan developed by USSOCOM to assure future systems meet the requirements and expectations of the Special Operations forces who will use the ASDS.

MISCELLANEOUS EQUIPMENT

The Committee recommends $19,830,000, including an increase of $1,500,000, only for AN/PVS–21 Low Profile Night Vision Goggles. The Committee recommends that the Special Operations Command complete the procurement of ruggedized, heads-up display capable, see-through binocular vision, commercial-off-the-shelf, low profile night vision goggle systems for the Naval Special Warfare Boat Operators and their associated crewmembers.

VULNERABILITY MANAGEMENT STRATEGY

The Committee is aware that new technology providing a vulnerability management solution is nearing completion of the evaluation process by the National Institute of Standards and Technology so as to receive Common Criteria evaluation at EAL3. This appliance-based technology runs a hardened operating system and communicates through encryption using digital certificates for authentication and by performing the Continuous Monitoring requirement specified by NIST SP 800–37, Section 2.7. In an effort to better prove its effectiveness in meeting vulnerability standards of the Department of Defense, the Committee has provided $5,000,000 to the Department to demonstrate this technology.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005:

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
PROCUREMENT, DEFENSE-WIDE						
MAJOR EQUIPMENT						
MAJOR EQUIPMENT, OSD/WHS						
WHS MOTOR VEHICLES	1	40	1	40	---	---
MAJOR EQUIPMENT, OSD	---	125,320	---	104,072	---	-21,248
MAJOR EQUIPMENT, WHS	---	23,324	---	23,324	---	---
MAJOR EQUIPMENT, NSA						
INFORMATION SYSTEM SECURITY PROGRAM	---	10,487	---	30,487	---	+20,000
MAJOR EQUIPMENT, DISA						
INFORMATION SYSTEMS SECURITY	---	44,827	---	49,827	---	+5,000
DEFENSE MESSAGE SYSTEM	---	4,261	---	4,261	---	---
GLOBAL COMMAND AND CONTROL SYS	---	5,187	---	5,187	---	---
GLOBAL COMBAT SUPPORT SYSTEM	---	2,639	---	2,639	---	---
TELEPORTS	---	42,710	---	42,710	---	---
ITEMS LESS THAN $5M	---	38,217	---	38,217	---	---
MAJOR EQUIPMENT, DIA						
MAJOR EQUIPMENT, DLA						
MAJOR EQUIPMENT	---	7,874	---	7,874	---	---
MAJOR EQUIPMENT, DCAA						
MAJOR EQUIPMENT ITEMS LESS THAN $5M	---	1,496	---	1,496	---	---
MAJOR EQUIPMENT, TJS						
MAJOR EQUIPMENT, TJS	---	47,633	---	47,633	---	---
MAJOR EQUIPMENT, DHRA						
PERSONNEL ADMINISTRATION	---	7,187	---	7,187	---	---
NATIONAL IMAGERY AND MAPPING AGENCY						
DEFENSE THREAT REDUCTION AGENCY						
VEHICLES	---	80	---	80	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
OTHER MAJOR EQUIPMENT	---	23,772	---	23,772	---	---
MAJOR EQUIPMENT, AFIS						
MAJOR EQUIPMENT, AFIS	---	6,977	---	6,977	---	---
MAJOR EQUIPMENT, DODDE						
AUTOMATION/EDUCATIONAL SUPPORT & LOGISTICS	---	2,965	---	2,965	---	---
MAJOR EQUIPMENT, DCMA						
MAJOR EQUIPMENT	---	18,945	---	18,945	---	---
MAJOR EQUIPMENT, DTSA						
MAJOR EQUIPMENT	---	628	---	628	---	---
MAJOR EQUIPMENT, NDU						
NATIONAL DEFENSE UNIVERSITY	---	348	---	348	---	---
TOTAL, MAJOR EQUIPMENT		414,917		418,669		+3,752
SPECIAL OPERATIONS COMMAND						
AVIATION PROGRAMS						
SOF ROTARY WING UPGRADES	---	447,272	---	454,272	---	+7,000
SOF TRAINING SYSTEMS	---	49,192	---	49,192	---	---
MC-130H COMBAT TALON II	---	82,079	---	82,079	---	---
CV-22 SOF MODIFICATION	3	126,083	3	126,083	---	---
AC-130U GUNSHIP ACQUISITION	---	10,243	---	10,243	---	---
C-130 MODIFICATIONS	---	110,666	---	120,666	---	+10,000
AIRCRAFT SUPPORT	---	387	---	387	---	---
SHIPBUILDING						
ADVANCED SEAL DELIVERY SYS	---	5,864	---	13,264	---	+7,400
ADVANCED SEAL DELIVERY SYS (AP-CY)	---	34,921	---	---	---	-34,921
MK VIII MOD 1 - SEAL DELIVERY VEH	---	1,768	---	1,768	---	---
AMMUNITION PROGRAMS						
SOF ORDNANCE REPLENISHMENT	---	34,380	---	34,380	---	---
SOF ORDNANCE ACQUISITION	---	12,166	---	12,166	---	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
OTHER PROCUREMENT PROGRAMS						
COMM EQUIPMENT & ELECTRONICS	---	38,434	---	45,434	---	+7,000
SOF INTELLIGENCE SYSTEMS	---	16,946	---	34,946	---	+18,000
SOF SMALL ARMS & WEAPONS	---	8,221	---	40,721	---	+32,500
MARITIME EQUIPMENT MODS	---	1,796	---	1,796	---	---
SPECIAL APPLICATIONS FOR CONTINGENCIES	---	16,184	---	16,184	---	---
SOF COMBATANT CRAFT SYSTEMS	---	7,297	---	7,297	---	---
SPARES AND REPAIR PARTS	---	8,369	---	8,369	---	---
TACTICAL VEHICLES	---	493	---	8,493	---	+8,000
SOF MARITIME EQUIPMENT	---	3,449	---	3,449	---	---
MISCELLANEOUS EQUIPMENT	---	16,830	---	19,830	---	+3,000
SOF PLANNING AND REHEARSAL SYSTEM	---	192	---	192	---	---
SOF OPERATIONAL ENHANCEMENTS	---	233,632	---	241,632	---	+8,000
PSYOP EQUIPMENT	---	18,388	---	18,388	---	---
TOTAL, SPECIAL OPERATIONS COMMAND		1,285,252		1,351,231		+65,979
CHEMICAL/BIOLOGICAL DEFENSE						
CBDP						
INSTALLATION FORCE PROTECTION	---	104,935	---	104,935	---	---
INDIVIDUAL PROTECTION	---	131,926	---	132,926	---	+1,000
DECONTAMINATION	---	11,284	---	11,284	---	---
JOINT BIOLOGICAL DEFENSE PROGRAM	---	101,097	---	101,097	---	---
COLLECTIVE PROTECTION	---	18,394	---	18,394	---	---
CONTAMINATION AVOIDANCE	---	270,105	---	289,105	---	+19,000
TOTAL, CHEMICAL/BIOLOGICAL DEFENSE		637,741		657,741		+20,000
CLASSIFIED PROGRAMS	---	545,392	---	600,392	---	+55,000
TOTAL, PROCUREMENT, DEFENSE-WIDE		2,883,302		3,028,033		+144,731

NATIONAL GUARD AND RESERVE EQUIPMENT

Fiscal year 2004 appropriation	$400,000,000
Fiscal year 2005 budget request	0
Committee recommendation	0
Change from the budget request	0

This appropriation provides funds for procurement of equipment for the National Guard and Reserve.

The budget request includes $1,963,500,000 to equip National Guard and Reserve units in Procurement accounts for each of the Services. The Committee is aware of the indispensable contributions members of the Guard and Reserve make to our national security and has added $477,900,000 in additional funding above the request within the regular appropriation accounts, and an additional $100,000,000 for National Guard and Reserve Equipment within a separate appropriation (Title IX) to support continuing operations in Iraq and Afghanistan.

DEFENSE PRODUCTION ACT PURCHASES

Fiscal year 2004 appropriation	$78,016,000
Fiscal year 2005 budget request	9,015,000
Committee recommendation	27,015,000
Change from budget request	+18,000,000

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $27,015,000 for the Defense Production Act Purchases appropriation.

The Committee directs that within funds appropriated: (1) $2,000,000 be used only for a radar systems project to develop affordable production processes and a domestic supplier of transmit/receive modules for phased arrays; (2) $2,000,000 be used only for the Facility for Military Lens System Fabrication and Assembly; (3) $2,000,000 be used only for a flexible aerogel material supplier initiative to develop affordable production methods and a domestic supplier for aerogels; (4) $4,000,000 be used only to perform a preliminary plant design, review permitting issues, and develop a five-year plan to build a modern plant for domestic supply of beryllium; (5) $4,000,000 be used only for the development of a domestic supplier of the Read Out Integrated Circuit (ROIC) infrared sensors; (6) $2,000,000 be used only for development of a domestic supplier of semiconductor "mask" capability; and (7) $2,000,000 be used only for the development of a thermal battery industrial base infrastructure.

INFORMATION TECHNOLOGY

The Department requested $28,717,579,000 for Information Technology, an increase of $475,769,000 over the fiscal year 2004 budget. The Committee recommends $28,221,131,000, a decrease of $496,448,000 as explained below:

[In thousands of dollars]

Operation and Maintenance, Army:	
Army Knowledge Online	$4,000
Virtual Reality Spray Paint Simulator and Training Program	3,000

Integrated Digital Environments Pilot Program for Army Aviation Fleet Logistic	2,000
Online Technology Training Program at Ft. Lewis	2,000
Operation and Maintenance, Navy: Navy Converged ERP	−7,500
Operation and Maintenance, Air Force:	
Geospatial Distant Learning	1,000
Online Technology Training Program at McChord AFB	1,000
Operation and Maintenance, Defense-Wide:	
BMMP	−7,000
BMMP Domains	−15,000
Command Information Superiority Architectures Program	1,000
DISA Program Growth	−50,000
DoD CIO	−5,000
Export Control Database	1,300
Information Technology Organizational Composition Project	2,000
Study on the Impact of Internet and Wireless Technology on Military Life	1,000
Transaction Monitoring Improvement Project	1,000
Operation and Maintenance, Army Reserve: U.S. Army Reserve Command IT Consolidation	1,500
Operation and Maintenance, Army National Guard:	
C4ISR Integration	1,000
ERP for Army Guard Installation	1,000
National Guard Global Education	500
Operation and Maintenance, Air National Guard: Air National Guard IT Consolidation	3,000
Other Procurement, Army:	
Advanced Information Technology Services (AITS)	5,500
Satellite Multi-Modal Collaborative Crisis & Training Network for MN Army Guard	1,000
Other Procurement, Navy:	
Digital Stores Management System (DSMS)	5,000
Technological Data Knowledge Management in an Integrated Data Environment (TDKM–IDE)	5,000
Procurement, Marine Corps: USMC COOP	4,000
Other Procurement, Air Force: CITS	−60,000
Procurement, Defense-Wide:	
AHPCRC—Supercomputer Procurement	7,000
BMMP Domain Systems Procurement	−30,248
Research, Development, Test and Evaluation, Army:	
Distributed Scalable C2 Communication System	1,000
FREEDOM Software Environment	1,000
Global Anti-Terrorist Activity Analysis Capability at the INSCOM Information Dominance Center	3,000
MVMNT Program for Simulation Based Operation	2,000
Online Contract Document Management	1,000
Section 8096—IT Reduction	−60,000
Research, Development, Test and Evaluation, Navy:	
Navy Converged ERP	−27,500
Smart Integrated Data Environment (SIDE)	1,000
USMC LAV Integrated Digital & Collaboration Environment Service Net	2,000
Web-based Technology Insertion for Expeditionary Warfare Testbed	1,000
Section 8096—IT Reduction	−29,000
Research, Development, Test and Evaluation, Air Force:	
Advanced Course in Engineering Cyber Security	2,000
Center for Information Assurance Security	2,000
Command & Control Service Level Management	5,000
ESC NORTHCOM Deployment Planning	1,000
Information Assurance for Reengineering and Enabling Technologies	3,000
Net-Centric Information Visualization Services	3,000
Worldwide Infrastructure Security Environment (WISE)	4,000
Section 8096—IT Reduction	−72,000
Research, Development, Test and Evaluation, Defense-Wide:	
Advanced Processing and Prototyping Center—Sematech	5,000
Army High Performance Computing Research Center	15,000

BMMP	−45,000
Center for Secure Telecommunications	2,000
Data Intensive High Performance Computing	3,000
High Performance Computer Prototype—Naval Research Lab	5,000
Internet Protocol Version 6	1,500
JITC Information Assurance Trend/Metric Analysis Support	2,500
NASEC Through Wall Radar Imaging	3,000
Net Centric Warrior Training (NetCWT)	3,000
Net Centricity Program Growth	−70,000
Rapid Acquisition Incentive Program Growth	−10,000
Section 8096—IT Reduction	−109,000
Defense Health Program: Financial Information Systems Excessive Program Growth—All Other Office Automation (TMA)	−25,000

INFORMATION TECHNOLOGY AND BUSINESS MANAGEMENT MODERNIZATION PROGRAM

The budget requested $28,717,579,000 for the Information Technology programs, an increase of $475,769,000 over the fiscal year 2004 appropriation. The Committee recommends $28,221,131,000, a decrease of $496,448,000.

The Committee commends the Department of Defense for its ongoing effort to modernize its business information systems. While acknowledging the accomplishments of the Department, the Committee is greatly concerned about how the Business Management Modernization Program (BMMP) is being administered. BMMP was initiated in July 2001 with a goal of developing a Department-wide business enterprise architecture as a part of the Secretary of Defense's transformation goals. Since implementation, Congress has appropriated over $300,000,000 for BMMP, yet the General Accounting Office (GAO) reports no significant changes in the Department of Defense's business architecture or its investment in existing and new systems.

In the May 2004 review of the BMMP, GAO found that the Department had only fully implemented two of the over twenty-four recommendations from earlier reviews. The recommendations that have yet to be accomplished include BMMP instituting key architecture management best practices, such as assigning accountability and responsibility for directing, overseeing and approving the architecture. Additionally, GAO found that BMMP continues to lack effective control over investments in information technology programs resulting in billions of dollars being spent on the development and modernization of programs that may be duplicative or interoperable with other Department of Defense systems.

Included within the requested $28,717,579,000 for Information Technology is $235,700,000,000 for BMMP, Domain Owners and Domain Systems procurement. Additionally, $2,716,737,000 is requested for the development and modernization of new or existing information technology systems. Based on previously discussed concerns, the Committee has adjusted amounts available for BMMP and for information technology development and modernization in the research, development, test and evaluation accounts for fiscal year 2005 to be applied as follows:

[In thousands of dollars]

Operation and Maintenance, Defense-wide, BMMP	−$7,000
Operation and Maintenance, Defense-wide, BMMP Domains	−15,000
Procurement, Defense-wide, BMMP Domains Procurement Systems	−30,248

Research, Development, Test and Evaluation, Army, IT	−60,000
Research, Development, Test and Evaluation, Navy, IT	−29,000
Research, Development, Test and Evaluation, Air Force, IT	−72,000
Research, Development, Test and Evaluation, Defense-Wide, BMMP	−45,000
Research, Development, Test and Evaluation, Defense-Wide, IT	−109,000

NAVY CONVERGED ENTERPRISE RESOURCE PLANNING

The budget requested $100,000,000 for Navy Converged Enterprise Resource Planning (ERP), an increase of $100,000,000 over the fiscal year 2004 appropriation. The Committee recommends $65,000,000, a decrease of $35,000,000.

The Navy Converged Enterprise Resource Planning program is a proposed new start planning to reinvent and standardize Navy business processes for acquisition, financial and logistics operations by converging four existing ERP pilots saving nearly $795,000,000 across the Future Years Defense Plan. While the Committee commends the Navy for this effort, the Committee is concerned with the planned schedule for the program. In 1999, the Navy implemented four separate ERP pilots focused on the management of programs, Warfare Center, maintenance activities and finance obligating over $1,000,000,000 from within the Navy Working Capital Fund and Operation and Maintenance, Navy. The new program proposes to combine the four existing pilots into one program using lessons learned during the last five years with a Milestone C decision planned during the second quarter of fiscal year 2006. This schedule for convergence seems overly aggressive and potentially unobtainable. Accordingly, the Committee has reduced the program as follows:

[In thousands of dollars]

Operation and Maintenance, Navy, 1A6A	−$7,500
Research, Development, Test and Evaluation, Navy	−27,500

U.S. ARMY RESERVE COMMAND IT CONSOLIDATION

The Committee recommends an increase of $1,500,000 only for the Army Reserve to achieve a continuity of operations capability for its mission critical information technology systems by replicating mission critical data between Peachtree City, Georgia and San Antonio, Texas.

TITLE IV

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

ESTIMATES AND APPROPRIATION SUMMARY

The fiscal year 2005 Department of Defense research, development, test and evaluation budget request totals $67,772,288,000. The accompanying bill recommends $68,946,512,000. The total amount recommended is an increase of $1,174,224,000 above the fiscal year 2005 budget estimate and is $3,728,628,000 above the total provided in fiscal year 2004. The table below summarizes the budget estimate and the Committee's recommendations.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
RECAPITULATION			
Research, Development, Test and Evaluation, Army	9,266,258	10,220,123	+953,865
Research, Development, Test and Evaluation, Navy.....	16,346,391	16,532,361	+185,970
Research, Development, Test and Evaluation, Air Force.	21,114,667	21,033,622	-81,045
Research, Development, Test and Evaluation, Defense-Wide.....	20,739,837	20,851,271	+111,434
Operational Test and Evaluation, Defense.....	305,135	309,135	+4,000
GRAND TOTAL.....	67,772,288	68,946,512	+1,174,224

REPROGRAMMING GUIDANCE FOR ACQUISITION ACCOUNTS

As described elsewhere in this report, the Committee has continuing concerns about DoD practices on the reprogramming of funds. Accordingly, the Committee directs that the following guidelines be applied for the reprogramming of funds provided in this bill. For transfers greater than $20,000,000 for procurement funds, and $10,000,000 for research, development, test and evaluation funds, DoD must follow normal, prior approval reprogramming procedures. The Committee further directs that these thresholds are cumulative. Therefore, if the combined value of transfers into or out of a procurement (P–1) or research and development (R–1) line exceed the identified threshold, the Department of Defense must submit a prior approval reprogramming following normal prior approval procedures. The Department shall also observe the limitation that prior approval reprogrammings are set at either the specific dollar threshold or 20 percent of the procurement or research and development line, whichever is less. In addition, guidelines on the application of prior approval reprogramming procedures for congressional special interest items are established elsewhere in this report.

JOINT STRIKE FIGHTER (F–35)

The budget included a total request of $4,571,927,000 for the Joint Strike Fighter (JSF) F–35 program, an increase of $320,183,000 over the 2004 appropriated level. The Committee recommends a total appropriation of $4,367,927,000 for the F–35, a reduction of $204,000,000 from the fiscal year 2005 request and an increase of $116,183,000 over the fiscal year 2004 appropriated level.

The F–35 Joint Strike Fighter as currently conceived offers significant benefits in war-fighting capability, logistics support, and affordability for the Navy, Marine Corps, Air Force, and the program's international partners. For example, the development program is focused on maintaining commonality of the variants, offering a major opportunity for the Department to reduce the life-cycle costs of its future air forces. In addition, the current estimated cost of the F–35 production unit is substantially less than other aircraft, of critical importance as the Department of Defense must replace large numbers of older aircraft and achieve a much needed recapitalization of its air forces. The Committee believes the stated goal of this program—the development and construction of an affordable next-generation fighter aircraft—is what the Department must deliver.

Concerns about the excessive weight of the aircraft during the initial part of the Systems Development and Design (SDD) phase have been heightened by internal discussions, studies, and congressional inquiries. For example, results presented at the Preliminary Design Review (PDR) indicated an excess of approximately 2,400 pounds greater than the stated weight requirement. This has led to a decision to postpone the Critical Design Review (CDR) for the airframe, with the stated plan to first identify opportunities to reduce weight through trade offs, including a review of performance requirements and the option of re-designing the airframe. The

Committee supports these steps, as well as the appointment of an Independent Review Team (IRT) to conduct a thorough review of the F–35 program.

The Committee understands that while a formal report of the IRT findings has not been released, initial findings indicate that the weight of this aircraft, particularly the Short Take Off Vertical-Landing (STOVL) variant, may be greater than previously recognized. Initial findings also suggest that current funding levels for the JSF are insufficient to execute the program as currently configured.

The Committee is concerned about the impact, if any, these new findings may have on program cost, schedule, and ultimately the successful transition to production of all three F–35 variants. Moreover, the Committee notes the timeframe to address potential program changes based on the IRT findings may occur after Congress has finalized consideration of the fiscal year 2005 budget. This is of concern to the Committee because of the potential that the funds appropriated for JSF in fiscal year 2005 may be executed in a manner inconsistent with detail provided in support of the 2005 request.

The Committee believes that should the Department of Defense determine that alterations in stated performance requirements or aircraft design are essential for continuation of this program, it must present such changes and associated alterations in budgetary and schedule requirements to Congress. Therefore, of the total funding provided for the F–35, the Committee directs that $1,357,927,000 may not be obligated or expended until the Department of Defense submits to the congressional defense committees a detailed report on its plan to implement findings of the Independent Review Team (IRT) and the impact this plan will have on the JSF program, schedule, and cost. The Committee directs that the Department provide the Committee a summary of the IRT findings by not later than July 1, 2004, and that the Department provide, by January 15, 2005, a detailed report highlighting all JSF budgetary and programmatic changes from the budget request that will be implemented during fiscal year 2005.

Other adjustments to the budget request are as follows:

• An increase of $52,000,000 to the $404,000,000 request for airframe Engineering Activity. This recommendation is based on the Committee's understanding that ongoing and future airframe weight analysis studies and options are not fully accommodated within the current budget request and therefore additional funds are required.

• A reduction of $98,000,000 to the $820,000,000 request for the F–135 engine development program. This recommendation is based on the Committee's view that the F–135 engine development program should be re-aligned so that it coincides with the revised aircraft development program based on the budget proposal to add one year to the System Design and Development (SDD) program. The Committee understands that fewer flight test engines than originally planned are required for the flight test program at this point in time.

• A reduction of $120,000,000 to the $1,099,000,000 request for airframe Manufacturing, Tooling, and Materials, deferring that

funding related to developing a manufacturing process, tooling process, and the purchase of materiel for production-configuration aircraft. This recommendation is based on the Committee's understanding that ongoing and future studies may yield a production-configuration aircraft that is different from the preliminary-design aircraft. Therefore, funding for these activities is requested in advance of need. This recommendation fully funds requirements for the A–1 (Conventional Take Off and Landing) and B–1 (Short Take Off and Vertical Landing) first flight aircraft.

• A reduction of $50,000,000 to the overall funding request based on a history of Navy and Air Force reprogramming actions that have continually reduced previously appropriated funds for the JSF program.

• Finally, the Committee recommends a $12,000,000 increase to the F–35 program for an initiative, described in the next section of this report, to pursue emerging technologies that will help preserve future growth potential for the F–35 by providing additional weight savings.

PRESERVING GROWTH POTENTIAL FOR THE F–35

Anticipating that the F–35 will remain in the inventory until well into this century, and that its missions will expand over time, the Committee believes the Department must redouble its efforts to examine both short- and long-term alternatives for reducing the weight of the aircraft. An excessive fixation on more traditional options, such as re-design of the airframe and engine, may unnecessarily add significant time and cost to the F–35's development program, as well as the ability to successfully seek product improvements to the aircraft over time.

The Committee believes the Department should pursue alternative technologies which have proven successful in reducing aircraft component weight, particularly in avionics and weapons systems, and integrate these technologies into future upgrades of the F–35. The Committee understands there are several emerging technologies now available for this purpose, which just a few years ago were promising but not sufficiently mature to warrant consideration. These technologies offer significant reductions in weight, power consumption, volume, thermal related issues, and cost while increasing performance and Mean Time Between Failure (MTBF). Several defense programs have adopted these technologies and a few have received the DoD Value Engineering Award or have been selected for exploitation in the newly created DoD CHALLENGE Program.

The Committee believes it necessary to establish, separate from the existing F–35 development contract, an initiative to pursue such alternative technologies. This initiative should focus on developing emerging technologies that produce lightweight, extremely efficient avionics and weapons systems, and then transitioning these technologies into the F–35 program at the appropriate time, potentially as a part of a future block upgrade.

The Committee has provided an additional $12,000,000 to implement this initiative. These funds shall be used by the F–35 program manager to take a "clean sheet" look at these emerging technologies to determine the best opportunity to eliminate weight from

the F–35 avionics and weapons system, including mission systems, and demonstrate these technologies through a Systems Integration Laboratory and flight test environment. Furthermore, the program manager shall evaluate the risk and cost of completing the technology effort and determine the appropriate point at which to "cut in" the technology with the F–35 architecture.

The Department shall report back to the Committee no later than January 15, 2005, on its plan to implement this initiative. This plan shall address the specific goals of weight reduction, the initial set of technologies that the Department will pursue, the criteria used to select and then test these technologies, and an initial plan for transitioning such technologies into the F–35 architecture.

F–35 PROGRAM MANAGEMENT

The Committee is concerned that the current structure of transitioning the Joint Strike Fighter (F–35) program acquisition responsibility contributes to program instability and excessive overhead costs.

The management of the Joint Program Office (JPO) transitions among the Services with each Service having Program Management responsibility at established intervals. Acquisition Executive responsibilities also transition at established intervals between the Navy and the Air Force. The Committee believes these shifts in management and responsibilities, while well-intended, contribute to program delays, instability, duplicative management staff, and increased overhead costs. In addition, this circumstance makes it difficult for both senior DoD officials and Congress to exercise optimal oversight of the F–35 program.

Therefore, the Committee directs the Secretary of Defense to review and revise the management oversight of the Joint Strike Fighter (F–35) program by November 15, 2004. The Committee believes DoD should retain the practice of transitioning the JPO management team between Service personnel, but the management responsibilities should not be transitioned between acquisition executives of each Service. The Committee believes management of program acquisition should remain with one Service, and that the U.S. Navy, due to its significant investment in two variants of the F–35, should be assigned all of the acquisition executive oversight responsibilities for the Joint Strike Fighter (F–35) program.

JOINT UNMANNED COMBAT AERIAL SYSTEM (JUCAS)

The budget included a total request of $710,401,000 for the Joint Unmanned Combat Aerial System (JUCAS) program, an increase of $381,652,000 over the 2004 appropriated level. The Committee recommends a total appropriation of $710,401,000, the amount requested, for the JUCAS program. However, the proposed allocation of these funds has been adjusted to emphasize the near-term development and demonstration of unmanned combat aerial vehicles (UCAVs) for the Air Force and the Navy.

The Committee recommends $449,617,000, an increase of $165,000,000 over the budget request, for the JUCAS Advanced Technology Development and Risk Reduction program (program element 0603400D8Z). These funds are for completion and demonstration of the X–45A technology demonstrator and to continue

development and demonstration of the X–45C and the Navy's X–47B demonstrator systems. The Committee believes the Department should aggressively pursue and fully fund the development and demonstration of these technologies to meet the stated requirements of the Air Force and the Navy.

The Committee recommends $260,784,000, a reduction of $162,089,000 from the budget request, for the JUCAS Advanced Component and Prototype Development program (program element 0604400D8Z). These funds support the effort of achieving a joint operational assessment in the 2007–2009 timeframe, and the development of a JUCAS common operating system. The Committee supports the Department's efforts in these areas, but believes a more pressing requirement for the JUCAS program is the development of an affordable weapons system which provides versatile combat capability to augment manned forces.

The Committee recommends no appropriation, a reduction of $2,911,000 from the budget request, for the Air Force support to the Joint Program Office (program element 0207256F).

The Committee directs the Defense Advanced Research Projects Agency (DARPA) to submit a report to the Committee, within 90 days of enactment of the fiscal year 2005 Defense Appropriations Act, detailing the fiscal year 2005 program and budgetary changes implemented as a result of the Committee's recommendation. The Committee also directs the Department to submit, by July 1, 2004, a copy of the April 2004 memo from Acting Undersecretary of the Department of Defense for Acqusition, Technology and Logistics (AT&L) to the Director of the Defense Advanced Research Projects Agency (DARPA), which addresses issues associated with the JUCAS program.

The Committee supports the recommendations made by the Senate Armed Services Committee, in Senate Report 108–260, to establish an Executive Committee to provide guidance and recommendations to the JUCAS Program Office. The Committee believes this will encourage support for the JUCAS program throughout the Department of Defense.

To ensure the Department has considered all options available with respect to unmanned aerial vehicle (UAV) technologies for this mission, the Committee directs DARPA to conduct an analysis of currently available UAVs that could potentially meet the JUCAS requirement. The Committee believes current systems and technology may prove effective in accomplishing aspects of prospective JUCAS missions. Early identification of these programs will present DARPA and the Services with a more robust array of options for pursuing future operations with unmanned aerial systems, while helping DARPA focus its development efforts towards addressing those mission areas which remain unique challenges.

SPECIAL INTEREST ITEMS

Items for which additional funds have been provided as shown in the project level tables or in paragraphs using the phrase "only for" or "only to" in this report are congressional interest items for the purpose of the Base for Reprogramming (DD 1414). Each of these items must be carried on the DD Form 1414 at the stated amount, or a revised amount if changed during conference or if otherwise

specifically addressed in the conference report. These items remain special interest items whether or not they are repeated in a subsequent conference report.

CLASSIFIED ANNEX

Adjustments of the classified programs are addressed in a classified annex accompanying this report.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

Fiscal year 2004 appropriation	$10,363,941,000
Fiscal year 2005 budget request	9,266,258,000
Committee recommendation	10,220,123,000
Change from budget request	+953,865,000

This appropriation finances the research, development, test and evaluation activities of the Department of the Army.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $10,220,123,000 for Research, Development, Test and Evaluation, Army. The following report and project level tables provide a summary of the Committee's recommendation.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[in thousands of dollars]

R-1		Budget Request	Committee Recommended	Change From Request
2	**DEFENSE RESEARCH SCIENCES**	**131,206**	**163,706**	**32,500**
	Perpetually Assailable and Secure Information Systems Research, Training and Education (PASIS)		15,000	
	Center for Advanced Research and Technology (CART) (Note: only to continue Nanometrology Laboratory development to maximize the effectiveness of a high-resolution analytical transmission electron microscope)		4,000	
	Army Knowledge Management Fusion Center		3,000	
	Advanced Carbon Nanotechnology Program		4,000	
	Functionally Integrated Reactive Surfaces Technologies Program		3,000	
	National Prion Research Program (NPRP) (Note: Only to support development of rapid diagnostic tests for TSE and BSE)		1,500	
	Technology Commercialization and Management Network (Note: only for the development of an integrated technology transfer network and service management center at CSUSB)		2,000	
3	**UNIVERSITY RESEARCH INITIATIVES**	**75,133**	**80,633**	**5,500**
	Low Temperature Research Center		2,500	
	Institute of Bioengineering and Nancoscience in Advanced Medicine		2,000	
	Desert Environmental Research (Note: Only for the University-based GIS program using sensor technology, long distance sampling, special analysis techniques to monitor desert tortoise populations related to the expansion for NTC Ft. Irwin and coursework development for environmental security)		1,000	
4	**UNIVERSITY AND INDUSTRY RESEARCH CENTERS**	**77,658**	**95,158**	**17,500**
	Center of Excellence--HBCU/MI		3,000	
	Center for Ferroelectic Electronic-Photonic Nanodevices		2,000	
	Electronic Engineering Technology Program		1,000	
	Interactive Training tools to promote emergency procedures in high-rise buildings and mitigate disasters from attacks, fires, or other threats		1,000	
	Eye and Sensor Protection Against Laser Sources		2,000	
	Center for Advanced Sensors		3,000	
	Basic Research for Infrastructure Protection From Terrorists Attacks		2,000	
	Center for Nano-Materials Research		1,500	
	Nanotubes		1,000	
	Rapidly Deployable Visualization for Training and Simulation in Urban Terrains		1,000	
5	**FORCE HEALTH PROTECTION**	**9,538**	**21,538**	**12,000**
	Biomedical Engineering Initiative		3,000	
	ALS Therapy Development for Gulf War Research		4,000	
	Rural Health Center for Remote and Medically Under-Served Areas		5,000	

R-1		Budget Request	Committee Recommended	Change From Request
6	**MATERIALS TECHNOLOGY**	**15,385**	**34,385**	**19,000**
	Future Affordable Multi-Utility Materials		1,000	
	Ultrasonic Consolidation of Metal Matrix Composites		2,000	
	Development of Manufacturing Science for Lightweight Ceramic Armor		1,000	
	Molecular Design of Polymer Nanocomposites		2,000	
	MEMS Sensors for Rolling Elements Bearings (Note: only for development of a one chip solution for the determination of temperature, vibration, strain, and angular rotation in a rolling element)		2,000	
	Ballistic Shields Program		2,000	
	Precision Polishing of Large Optics (Note: only for the continued development of MRF and RAP finishing of large optics)		4,000	
	Micro-Laminate Ceramic Armor		3,000	
	Tactical Armor Manufacturing Technology (Note: only for a materials processing technology program for a unique polycrystalline ceramic with superior armor and optics qualities compared to present state-of-the-art materials)		2,000	
7	**SENSORS AND ELECTRONIC SURVIVABILITY**	**25,629**	**33,629**	**8,000**
	Disposable Sensors for Battlefield and Urban Warfare		3,000	
	Optical Combat Identification System prototype development and testing		5,000	
9	**AVIATION TECHNOLOGY**	**41,629**	**49,029**	**7,400**
	Composite Small Main Rotor Blades		1,000	
	Center for Rotorcraft Innovation		5,000	
	Mono Tiltrotor/Army Rotorcraft		1,400	
11	**MISSILE TECHNOLOGY**	**51,993**	**55,793**	**3,800**
	National Aerospace Initiative		-8,700	
	Agile MEMS/Nano-Technology for Wireless Security & Defense Applications		1,000	
	MARIAH II Hypersonic Wind Tunnel Development Program		6,000	
	Microelectromechanical Systems (MEMS) and Nanotechnology		5,500	
12	**ADVANCED WEAPONS TECHNOLOGY**	**16,641**	**27,641**	**11,000**
	Rapid Target Acquisition and Tracking System (RTATS)		6,000	
	Army Missile and Space Technology Initiative		5,000	

R-1	Budget Request	Committee Recommended	Change From Request
14 COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	**69,638**	**106,138**	**36,500**
The Center for Tribology and Coatings		2,000	
Light Utility Vehicle (Note: only to apply previous research in Light Utility Vehicle technology done for the National Automotive Center to designing a new Light Utility Vehicle (LUV))		3,000	
Nano-Engineered Materials for High Performance Armor		5,000	
CALSTART Defense Advanced Transportation Technology Program		2,000	
Mobile Thermal Perimeter Surveillance System		2,000	
Future Hybrid Vehicle Systems		3,000	
Distributed Transportable Synthetic Fuel Manufacturing Modules		3,000	
Stoichiometric Explosive Detector System		1,500	
Nano-Engineered Multi-Functional Transparent Armor		4,000	
Affordable, Low Temperature, High Performance Advanced Rechargeable Stored Energy Device Technologies for Future Army Combat Hybrid Electric Vehicles (Note: only to develop and demonstrate a modular hybrid electric vehicle power train using the lithium-ion batteries and ultracapacitors that use affordable, low temperature, high performance carbide, nitride, and metal alloy nanocomposite materials with the appropriate power electronics)		2,000	
Army Trailer Technology Insertion (TTI)		3,000	
Military Wheeled Vehicle Electronic Architecture Integration		3,000	
Unmanned Vehicles Surveillance and Sensor System		1,000	
Compact Pulsed Power for Defense Applications		1,000	
Wireless Sensors for Vehicle Maintenance		1,000	
15 BALLISTICS TECHNOLOGY	**51,301**	**54,801**	**3,500**
Guardian Angel		1,000	
Advanced Tungsten Penetrators and Ballistic Materials		2,500	
16 CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	**3,476**	**4,976**	**1,500**
Biotechnology Education Initiative		1,500	
17 JOINT SERVICE SMALL ARMS PROGRAM	**5,739**	**16,239**	**10,500**
New Metal Coating Technology for Greaseless Weapons		5,500	
Anti-Material Sniper Rifle (AMSR) (Note: only to develop technologies to upgrade individual and crew-served weapons to create a smaller ground footprint and lighter weapons utilizing breech locking design, improved muzzle/break suppressor, sight saving mounting base, multi-functional rechargeable power source and a recoil absorption system)		5,000	

R-1	Budget Request	Committee Recommended	Change From Request
18 WEAPONS AND MUNITIONS TECHNOLOGY	**44,666**	**99,066**	**54,400**
Dynamic Pulse Detonation		1,000	
Armament Systems Engineering and Integration Initiative (ASEI2)		6,000	
Applied Research Integration		2,500	
Perimeter Defense Technologies		3,000	
Rangesafe		3,000	
Green Armaments		4,000	
Armaments Systems Info Assurance		3,000	
Active Coatings Technology		3,000	
Generation 2 Warhead		1,500	
Less than Lethal and Layered Protection Systems		3,000	
Seamless Data to Display		5,000	
Strategic Materials/Strategic Manufacturing Initiative (SM2i)		3,000	
Scram-jet Powered Munitions for Future Combat System		1,000	
Hazardous Materials Management and Technology Development		1,000	
Applied Research Program for Advanced Materials and Processes for Armament Structures Program		4,000	
Research Authority Active Coatings Technology (ACT) Program		2,000	
Advanced Integrated Digital Camera Rifle Scope (ADCRS)		1,000	
Alloy Tungsten Armor Piercing Ammunition		2,400	
Acoustic Counter Battery System (ACBS)		3,000	
Polymer Cased Ammunition--5.56mm (Note: only to Support PEO Soldier requirements related to XM8 Light Weight Assault Weapon program)		2,000	
19 ELECTRONICS AND ELECTRONIC DEVICES	**41,236**	**92,286**	**51,050**
Integrated Methanol Fuel Cell/Reformer		1,000	
Soldier Fuel Cell System		1,500	
Portable Reforming on the Battlefield		1,000	
Metal Oxide Cathode - 1.5v Alkaline		2,500	
Rechargeable Cylindrical Cell Systems		3,000	
CFX Electrochemical Systems for Safe Soldier Power		2,000	
State of Charge Battery Life Indicator		1,000	
Lithium Metal Air Battery		750	
JP-8 Solider Fuel Cell		2,000	
Nanofluidic Electronic Sensor Technologies for Defense Applications		3,000	
E-Beam Reticle and Lithography Inspection		7,500	
Advanced Simplified Hybrid Fuel Cell/LiON Battery Program for the Objective Force Warrior		1,000	
Conformal Lithium Ion Polymer Belt Battery		2,000	
Ring Extruder		5,000	
Dry Polymer Electrolyte Development for Safe Soldier Power		3,800	
Flexible Polymer Multilaminate Packaging		2,000	
Weapons of Mass Destruction Marking Set		2,000	
Low Cost Power Generation Platforms and Electric Power Control Hybrid Vehicles		2,000	

R-1		Budget Request	Committee Recommended	Change From Request
	Advanced Power Component Technologies		1,000	
	Flexible Display Initiative: High performance displays for Military applications		3,000	
	Novel Zinc Air Power Sources for Military Applications		1,000	
	Liquid Silicone Lithium Rechargeable Battery		3,000	
20	**NIGHT VISION TECHNOLOGY**	**22,617**	**29,617**	**7,000**
	Miniaturized Sensors for Small and Tactical Unmanned Aerial Vehicles		2,000	
	Third Generation Focal Plane Array (FPA) for Army Target Acquisition		5,000	
21	**COUNTERMINE SYSTEMS**	**20,547**	**28,547**	**8,000**
	Acoustic Technology for Landmine Detection		4,000	
	Polymer Based Landmine Detection		4,000	
22	**HUMAN FACTORS ENGINEERING TECHNOLOGY**	**16,899**	**22,399**	**5,500**
	MANPRINT		5,500	
24	**COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY**	**18,604**	**33,104**	**14,500**
	Portable Flexible Communication Display Device		3,000	
	Enhanced Wireless Digital Communications for Urban First Responders		7,000	
	Integrated Emergency Operations Capabilities (IEOC)		2,000	
	All Digital Transceiver (ADT) Development		2,500	
26	**MILITARY ENGINEERING TECHNOLOGY**	**47,152**	**49,152**	**2,000**
	Distribute Transportable Synthetic Fuel Manufacturing Modules		1,000	
	Modeling and Analysis of the Response of Structures		1,000	
28	**WARFIGHTER TECHNOLOGY**	**21,131**	**38,131**	**17,000**
	Soldier Systems Center		1,000	
	Smart Apparel for Warriors		2,000	
	Special Operations Precision Airdrop Technology		1,000	
	Field Evaluation and Manufacturing Improvements on Flexible Monolithically Integrated Solar Panels		2,000	
	US Army Center of Excellence: Advanced Structures and Composites in Construction		2,000	
	Advanced Antimicrobial Technology		3,000	
	Aviation Inflatable Maintenance Shelter (AIMS) Test and Evaluation		2,000	
	Mobile Hydrogen Infrastructure (MHI)		4,000	
29	**MEDICAL TECHNOLOGY**	**60,877**	**162,877**	**102,000**
	Bioactive Products Program for Breast Cancer		2,000	
	Biomedical strategies for the prevention, treatment, assessment and predications of the health effects of ionizing radiation		1,500	
	Bone Health and Military Medical Readiness		1,000	
	Center for Advanced Surgical and Interventional Technology		1,000	
	Chitosan Hemorrhage Control Dressing		2,000	
	Clinical Trials using a Piezoelectric Dry Powder Inhalation Device		4,000	
	Collaborative Program in Rehabilitation and Engineering Research		1,000	
	Diabetes Research Project (Note: only for Type I Diabetes Research)		7,000	

R-1		Budget Request	Committee Recommended	Change From Request
	Diagnostics in Traumatic Brain Injury-Blood Based		1,000	
	Elgen Gene Delivery Technology		2,000	
	Enhanced Research in Trauma Prevention, Treatment and Rehabilitation		4,000	
	High-Speed MEMS Electromagnetic Cell Sorter		3,000	
	Improving Soldier Performance		3,000	
	Maternal-Fetal Health Informatics and Outreach Program		2,000	
	Medical Area Network for Virtual Technology (MANVT)		6,000	
	Molecular and Clinical-Based Comprehensive Cardiac Care (Integrative Cardiac Health Program) (Note: only for the continued coordination between WRAMC, a non-profit biomedical research institute, non-profit medical foundation, and a rural primary healthcare center)		6,000	
	Molecular Genetics and Musculoskeletal Research Program		10,000	
	Nanofabricated Bioartificial Kidney		3,000	
	Neutron Therapy		900	
	Non-Invasive Medical Sensors		1,000	
	Preventive Medicine Research Institute		2,000	
	Protein Hydrogel		1,000	
	Proton Treatment Center		10,000	
	Rapid Identification of Biological Agents		1,300	
	Sleep Deprivation Research at WRAMC (Note: only to continue existing program)		5,000	
	Spinal Muscular Atrophy Research Program		3,000	
	Targeted Nano-Therapeutics for Advanced Breast and Prostate Cancers		1,000	
	Texas Training and Technology for Trauma and Terrorism (T5)		11,000	
	Tissue Replacement and Repair for Battlefield Injuries		4,000	
	Transportable Pathogen Reduction & Blood Safety System		2,000	
	Veterinary Manpower Development		300	
30	**WARFIGHTER ADVANCED TECHNOLOGY**	**68,034**	**85,534**	**17,500**
	Common Navigation Interface Unit (CNIU) for Joint Precision Aerial Delivery System (JPADS)		3,000	
	Joint Precision Airdrop Systems (JPADS) - Rapid Refueling of 2k lb Resupply Requirements		3,000	
	Antimicrobial/Medical Base layer Garment Technology		1,000	
	Electro-Textiles		500	
	Ration Packaging Materials and Systems for Meals-Ready-to-Eat		6,000	
	Multifunctional Protective Packaging Technology		3,000	
	Integrated Headgear		1,000	

R-1		Budget Request	Committee Recommended	Change From Request
31	**MEDICAL ADVANCED TECHNOLOGY**	**38,404**	**271,704**	**233,300**
	Advance of Non-Invasive Glucose Monitoring		1,000	
	Advanced Image Processing Techniques for Biomedical Informatics		1,000	
	Advanced Proteomics		3,000	
	Advances in Breast Cancer Care Therapy		1,500	
	Alliance for Nanohealth		4,000	
	Battlefield Respirator and Ventilator (BRAV)		2,500	
	Behavioral Genomics Sleep Apnea Research		1,000	
	Biology, Education, Screening, Chemoprevention and Treatment (BESCT) Lung Cancer Research Program (MDACC)		9,500	
	Blood Safety and Decontamination Technology		8,000	
	Brain, Biology and Machine		2,000	
	Cancer Vaccine (Note: only for continued development of molecular switching vaccines using genetically modified Listera for cancer, infectious disease and bio-defense)		4,000	
	Center for Integration of Medicine and Innovative Technology		13,000	
	Center for Proteomics and Nanotechnologies		5,000	
	Collaborative in Advanced Emergency Medical Response with the Army Guard		2,500	
	Compact, Lightweight, Full-featured Patient Monitor with Defibrillator		3,000	
	Comparative Functional Genomics and Computational Sequencing: Novel Genetic Targets		4,000	
	Diagnostic and Therapeutic cancer care equipment		10,000	
	Emergency Eye Care Progam		2,000	
	Genomic Medicine Project and Gene Therapy (Note: only to continue the pilot clinical program targeted at cardiovascular disease and neurodegenerative disorders that gravely affect veterans)		4,000	
	Gynecologic Disease Program (Note: only for the establishment of a public/private effort, in coordination with an appropriate non-profit medical foundation, to provide programs in gynecologic diseases that will facilitate the early detection, prevention, and treatment strategies)		5,000	
	Hands Free Electronic Health Record		1,000	
	Institute for Research and Education		5,000	
	Joint US-Norwegian Telemedicine Program		2,500	
	Joslin Diabetes		5,000	
	Mapping the Human Brain for Combat Trauma Research at WRAMC		1,800	
	Medical Enterprise Management for the US Army		1,000	
	Medical Training Technology Enhancement Initiative		1,000	
	Military Low Vision Research		2,000	
	Military Surgeon Training Initiative		1,000	
	Minimally Invasive Approaches to Surgery		3,000	
	Minimally Invasive Surgery Modeling and Simulation		1,500	
	National Functional Genomics Center		11,000	
	Neurofibromatosis Research Program (NF)		25,000	
	Neurology Gallo Center-Alcoholism Research		5,000	
	Neurotoxin Exposure Treatment Research Program (NETRP) Parkinsons & neurological disorders		26,000	
	Operating Room of the Future		4,000	
	Orphan Disease Drug Discovery Program		2,000	

R-1		Budget Request	Committee Recommended	Change From Request
	Pain Management Initiative (Note: only for the public/private effort among DoD Medical Treatment Facilities, an appropriate not-for-profit medical foundation, and a rural primary health care center to provide a comprehensive program in pain management including treatment for acute pain using regional anesthesia techniques as well as a holistic approach to chronic pain)		7,000	
	Pediatric Brian Tumor and Neurological Disease Program		3,000	
	Picture Archiving and Communications System (PACS)		2,000	
	Plasma Sterilizer		2,000	
	Project Collaboration		1,000	
	Prostate Cancer Research-Gallo Center		1,000	
	Proton Beam Therapy (Note: only to continue a civilian-military collaborative proton beam therapy initiative on the East Coast of the United States in conjunction with WRAMC to provide state-of-the-art radiation treatment as well as clinical and non-clinical research)		12,000	
	Rare Blood Program		1,000	
	SEAtreat		3,500	
	SuperQR Powder Development		1,000	
	Surgical Wound Disinfection and Biological Agents Decontamination Project		2,000	
	Technologies for Metabolic Monitoring		3,000	
	Universal Medical and Surgical Product Catalog		5,000	
	Universal Vaccine Development for Bioterrorism		2,000	
	Untethered Healthcare Program		4,000	
32	**AVIATION ADVANCED TECHNOLOGY**	**69,549**	**86,549**	**17,000**
	Locust USA Heavy Fuel Burning Engines for UAVs		6,000	
	Process Technologies for Replacement Part Production (Note: only for Process Technologies for Replacement Parts Production)		6,000	
	Wideband Network Enhancement for Joint Ground Force Interoperability		5,000	
33	**WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY**	**67,622**	**83,122**	**15,500**
	Rapid Prototyping for Special Projects		8,000	
	Development Mission Integration		2,000	
	Micro-electromechanical Systems Reliability Assessment Program		1,000	
	Technology Demonstration for the Prevention of Material Degradation		2,500	
	Future Laser Neutralization System (LNS)		1,000	
	Electromagnetic Gun Initiative		1,000	
34	**COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHN**	**203,126**	**266,126**	**63,000**
	All Composite Military Vehicle		5,000	
	International Commercially Based Logistical Support Trucks		3,000	
	Secure Pervasive Computing (PvC) for Advanced Combat Vehicles		5,000	
	In-Theater Systems Development		3,500	
	Development of Logistical Fuel Processors to Meet Army TARDEC and TACOM Needs		3,000	
	Rapid Prototyping TACOM-UMD		3,000	
	Virtual Systems Integration Lab		2,000	
	Opposed Piston, Opposed Cylinder (OPOC) Engine for Use in an Auxiliary Power Unit (APU)		1,000	

R-1		Budget Request	Committee Recommended	Change From Request
	Rapid Optimization of Commercial Knowledge (ROCK) Program		2,000	
	High Strength, Powder Metal Gears for Vehicle Transmissions		2,000	
	Advanced Thermal Management System (Note: only for oil and air technologies to improve thermal management systems on additional platforms including heavy duty, medium duty, light, light armored, fuel cell, commercial auto, light truck, transit and hybrid diesel engines)		4,000	
	Advanced Army Composite Bridge		3,000	
	UAV Weaponization		1,000	
	FREEDOM Software Environment		1,000	
	Aluminum Lightweight Structures Initiative (ALSI)		6,000	
	Combat Vehicle Research		5,000	
	Battery Charging Technology (Note: only to continue development of advanced battery charging algorithms for Hybrid-Electric Vehicle applications)		1,000	
	US Army Hybrid Vehicle Test and Maintenance Infrastructure		5,000	
	N-STEP Enabled Manufacturing Cell for FCS		4,000	
	Fuel Cell Ground Support Equipment Demonstration		3,500	
36	**MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY**	**7,288**	**8,288**	**1,000**
	Battle Command Team Training (BCTT) Program		1,000	
37	**ELECTRONIC WARFARE ADVANCED TECHNOLOGY**	**41,760**	**56,760**	**15,000**
	Applied Communications and Information Networking (ACIN) Program		10,000	
	Portable and Mobile Emergency Broadband System		2,000	
	Networking Environment for C3 Mobile Services (NECMS) facility		3,000	
39	**NEXT GENERATION TRAINING & SIMULATION SYSTEMS**	**18,072**	**21,072**	**3,000**
	Combat Trauma Patient Simulator System		3,000	
41	**EXPLOSIVES DEMILITARIZATION TECHNOLOGY**	**9,706**	**13,706**	**4,000**
	Sierra Army Depot Cryofracture/Plasma Arc Demilitarization Program		4,000	
42	**MILITARY HIV RESEARCH**	**6,641**	**16,641**	**10,000**
	Test, Treatment and Preventive Vaccines		10,000	
43	**COMBATING TERRORISM TECHNOLOGY DEVELOPMENT**	**3,383**	**8,383**	**5,000**
	Advanced Mobile Micro Grid Program		5,000	
45	**EW TECHNOLOGY**	**9,382**	**22,882**	**13,500**
	US Army Tactical ELINT for Ground Maneuver Forces		5,500	
	Multifunctional Intelligence and Remote Sensor System Advanced Technology		1,000	
	Portable Level I Fusion Tool Set		3,500	
	Aerial Canopy Sensor Delivery System (ACSDS)		3,500	

R-1		Budget Request	Committee Recommended	Change From Request
46	**MISSILE AND ROCKET ADVANCED TECHNOLOGY**	**92,800**	**106,800**	**14,000**
	Volumetrically Controlled Manufacturing (Note: only to continue existing University-based research on Volumetrically Controlled Manufacturing to expand the pre-existing basic science from mechanical applications to thermal, electro-magnetic, acoustic, and optic applications)		1,000	
	Multi-Controlled UAV Plug-n-Play Sensor		2,000	
	Persistent Protective Surveillance for the Survivability of Rotary Wing Aircraft		3,000	
	Micro-Factories for Precision Parts Program		2,000	
	Smart Energetics Architecture for Missile Systems		2,000	
	Compact Kinetic Energy Missile (CKEM) Stabilized Mobile Launcher (Note: only to demonstrate CKEM launch capabilities off a Light Combat Vehicle)		1,000	
	Waterside Wide Area Tactical Coverage & Homing (WaterWATCH)		3,000	
48	**LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY**	**25,577**	**31,577**	**6,000**
	SCANJACK Mine Clearing System		1,000	
	Edit Advanced Landmine Detection		1,000	
	Forward Looking Synthetic Aperture Stepped-Frequency Ground Penetrating RADAR (FLGPSAR)		1,000	
	Landmine Detection System using Terahertz Radiation		3,000	
51	**NIGHT VISION ADVANCED TECHNOLOGY**	**50,071**	**100,071**	**50,000**
	Buster Backpack UAV		10,000	
	Wire Detection and Obstacle Avoidance for helicopters		2,000	
	Night Vision Advanced Technology (NAS Project)		5,000	
	MCAD for TUAV		2,000	
	Night Vision Fusion Research and Development		7,000	
	Virtual Event Perimeter (VEP) Digital Video Surveillance Program		2,000	
	Personal Miniature Thermal Vision System		3,000	
	Cerberus Sensor Suite Program - K70		4,000	
	Sensor Technology for Force Protection		11,000	
	Multi-Color, Multi-Function Focal Plane Array for Targeting and Fire Control		1,000	
	Camera Assisted Monitoring System (CAMS) (Note: only to continue development and transition of CAMS to a type classified standard system)		3,000	
52	**ENVIRONMENTAL QUALITY TECHNOLOGY DEMONSTRATIONS**	**14,666**	**19,166**	**4,500**
	Ft. Ord Lead Based Paint and Wood Recycling Initiative		3,000	
	Commercialization of Technologies to Lower Defense Costs		1,500	

R-1		Budget Request	Committee Recommended	Change From Request
53	**MILITARY ENGINEERING ADVANCED TECHNOLOGY**	**3,865**	**10,365**	**6,500**
	1 Megawatt Molten Carbonate Fuel Cell Demonstrator		3,000	
	Integration of Commercial GIS Capabilities into Army C4ISR (TEC) (Note: only to investigate and improve integration and exploitation of commercial Geographic Information System capabilities of the Commercial Joint Mapping Toolkit into C4ISR components of Army tactical systems, to be conducted by the Army's Topographic Engineering Center of the Engineering Research and Development Center)		3,500	
54	**ADVANCED TACTICAL COMPUTER SCIENCE AND SENSOI TECHNOLOGY**	**31,951**	**55,451**	**23,500**
	Dominant Military Operations on Urbanized Terrain (MOUT) Viewer (DMV)		2,000	
	ASAS Light RDTE Development (Note: only to provide coalition interoperability, generic sensor interfaces and IBS broadcast integration)		2,000	
	Distributed Scalable C2 Communication System		1,000	
	MVMNT Program for Simulation Based Operation		2,000	
	Digital Array Radar Technology Development		2,000	
	Weather Intelligence Sensor System		1,000	
	Blast and Damage Assessment Risk Analysis and Mitigation Application (BADARAMA)		2,000	
	PING Wideband FR Target ID System (Note: only to accelerate the development of a PING field unit for urban warfare operations)		2,500	
	Radar Tags (Note: only for the Communications and Electronics Research, Development and Engineering Center's radar tags program for combat identification)		4,000	
	LCMR-Capabilities Enhancement (LCMR-CE) (Note: only to support further development of LCMR-CE to enhance the capabilities of this manportable radar system)		5,000	
55	**ARMY MISSILE DEFENSE SYSTEMS INTEGRATION**	**53,509**	**89,509**	**36,000**
	Ultra Light UAV Sensor Platform		4,000	
	Vertical Integration for Missile Defense Data		2,000	
	DESS - Dielectric Enhanced Sensor System		2,000	
	Next Generation Passive Sensors		3,000	
	C4ISR Visualization		1,000	
	Credible Threat Prediction Capability Development		4,000	
	Advanced Laser Electric Power (ALEP) Program (Note: only to carry out a collaborative advanced laser electric power (ALEP) program initiative with the private sector and the U.S. Army Space and Missile Defense Command)		3,000	
	Composite Chassis		1,000	
	Ballute Technology Development (Note: only to address technical issues with ballute inflation loads and kill vehicle dynamics, selection of ballute materials, flight dynamics, stability and control, weight and stowed volume of the ballute system)		2,000	

R-1		Budget Request	Committee Recommended	Change From Request
	Multiple Component Army Flight Test		3,000	
	Advanced Battery Technology		3,000	
	Spectral Operations Resources Center (SORC)		3,000	
	Remote Sensor Monitoring Technology Research Program to Characterize NCB Species		5,000	
56	**ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)**	**4,871**	**6,871**	**2,000**
	P3 Power System		2,000	
57	**AIR AND MISSILE DEFENSE SYSTEMS ENGINEERING**	**91,713**	**106,713**	**15,000**
	Geospatial Information Decision Support for Single Integrated Air Picture		7,000	
	SituSpace Single Integrated Space Picture (SISP)		3,000	
	ASMD Architecture Analysis (A3) Program		2,000	
	Future Army Attack and Missile Defense System (FAAMDS)		3,000	
60	**TANK AND MEDIUM CALIBER AMMUNITION**	**39,697**	**50,197**	**10,500**
	GPS Interference Suppression Unit		4,500	
	Mid-Range Munition (MRM)		6,000	
66	**ENVIRONMENTAL QUALITY TECHNOLOGY DEM/VAL**	**9,356**	**43,856**	**34,500**
	Aberdeen Proving Ground Asbestos Conversion Facility		1,500	
	Environmental Management System Demonstration		1,000	
	Transportable Detonation Chamber		7,000	
	Military Environmental Information Exchange Program		5,000	
	Vanadium Technology Partnership		3,500	
	Demonstration of Technologies to reduce the costs associated with Base Redevelopment		2,500	
	NDCEE Joint Service Initiative		8,000	
	Sustainable Installations		2,000	
	Casting Emission Reduction Program (CERP)		4,000	
69	**AVIATION - ADV DEV**	**12,113**	**14,113**	**2,000**
	Virtual Cockpit Optimization Program (VCOP)		2,000	
71	**LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV**	**10,485**	**12,485**	**2,000**
	US Army/Army Reserve Performance Support System Phase II		2,000	
73	**MEDICAL SYSTEMS - ADV DEV**	**10,258**	**13,258**	**3,000**
	Portable Battery Operated Solid-State Electrochemical Oxygen Generator		2,000	
	Electrosomotic Pain Therapy System for Adjustable Rate Implantable Drug Delivery		1,000	
83	**ALL SOURCE ANALYSIS SYSTEM**	**5,346**	**7,346**	**2,000**
	All Source Analysis System (ASAS) Analysis Control Element (ACE) Light (ASAS ACE Light)		2,000	
85	**COMMON MISSILE**	**152,381**	**102,381**	**-50,000**
	Funding ahead of need		-50,000	
86	**INFANTRY SUPPORT WEAPONS**	**28,187**	**30,687**	**2,500**
	XM312 .50 Caliber Advanced Crew Served Weapon		2,500	

R-1		Budget Request	Committee Recommended	Change From Request
87	**MEDIUM TACTICAL VEHICLES**	**2,854**	**12,554**	**9,700**
	Medium Tactical Vehicle Development		9,700	
90	**FAMILY OF HEAVY TACTICAL VEHICLES**	**2,479**	**5,479**	**3,000**
	Mobile Parts Hospital Advanced Development		3,000	
93	**LIGHT TACTICAL WHEELED VEHICLES**	**0**	**12,500**	**12,500**
	PM Program for Bloc Improvement Program (HMMWV)		12,500	
94	**ARMORED SYSTEMS MODERNIZATION (ASM)-ENG DEV**	**2,700,455**	**2,376,010**	**-324,445**
	Program Overhead		-248,000	
	NLOS-LS		-76,445	
97	**NIGHT VISION SYSTEMS - ENG DEV**	**24,693**	**27,693**	**3,000**
	Multi-Platform Replacement Sight (MRS)		3,000	
98	**COMBAT FEEDING, CLOTHING, AND EQUIPMENT**	**115,093**	**99,093**	**-16,000**
	Mounted Warrior Nomad Command and Control Head Up Display (C2HUD)		4,000	
	Land Warrior/Future Force Warrior consolidation		-20,000	
105	**AUTOMATIC TEST EQUIPMENT DEVELOPMENT**	**4,713**	**7,713**	**3,000**
	Integrated Family of Test Equipment (IFTE)		3,000	
106	**DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ENGINE**	**26,985**	**30,485**	**3,500**
	Rock Drill--Commander's Battlefield Planning Tool		2,000	
	Dynamic Re-Addressing and Management for Army (DRAMA)		1,500	
111	**COMBINED ARMS TACTICAL TRAINER (CATT) CORE**	**23,849**	**19,109**	**-4,740**
	Comanche IOT&E Funding		-4,740	
114	**WEAPONS AND MUNITIONS - ENG DEV**	**125,885**	**159,385**	**33,500**
	Precision Guided Mortar Munition		1,500	
	Precision Guided Mortar Munition (PGMM)		6,000	
	Mortar Anti-Personnel/Materiel (MAPAMS)		1,000	
	XM25 Air Burst Weapon System		7,500	
	Advanced Cannon Artillery Ammunition Program ACA2P		13,000	
	Hybrid Propellant for medium and large caliber ammunition		4,500	
115	**LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV**	**89,151**	**165,051**	**75,900**
	Marine Oriented Logistics--Theater Support Vessel (TSV) (Note: only to provide full funding for Army R&D vessel)		75,900	
117	**MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT**	**11,727**	**14,227**	**2,500**
	LSTAT Medical Technology		2,500	
118	**LANDMINE WARFARE/BARRIER - ENG DEV**	**51,045**	**61,045**	**10,000**
	Magneto Inductive Remote Activation Munition System (MI-RAMS) (Note: only to accelerate engineering and development of the MI Remote Activation Munition System)		10,000	

R-1		Budget Request	Committee Recommended	Change From Request
119	**ARTILLERY MUNITIONS - EMD**	**133,297**	**142,297**	**9,000**
	Excalibur XM982 Life Cycle Improvements		4,000	
	BONUS Compliance Program (BCP) (Note: only for development and implementation of U.S. Army (PM CAS) BONUS compliance program)		5,000	
124	**FIREFINDER**	**18,516**	**20,016**	**1,500**
	Phoenix AN/TPQ-47		1,500	
125	**ARTILLERY SYSTEMS - EMD**	**9,550**	**12,550**	**3,000**
	Paladin-Excalibur Integration		3,000	
127	**INFORMATION TECHNOLOGY DEVELOPMENT**	**95,261**	**102,261**	**7,000**
	Rock Island Arsenal Information Technology Development (Note: only for a pilot field location for Redstone Arsenal's Integrated Force Protection simulation design work to be located at the Midwest Logistics Operations Center of the Army Field Logistics Command and Joint Munitions Command)		4,000	
	Knowledge Management System		3,000	
128	**THREAT SIMULATOR DEVELOPMENT**	**22,101**	**25,101**	**3,000**
	Army Threat Signals Intelligence Program		3,000	
129	**TARGET SYSTEMS DEVELOPMENT**	**11,017**	**15,017**	**4,000**
	Unmanned Air Vehicle Improved Altitude Control		4,000	
130	**MAJOR T&E INVESTMENT**	**57,987**	**60,987**	**3,000**
	Vehicle Durability Simulator		3,000	
132	**ARMY KWAJALEIN ATOLL**	**143,921**	**146,421**	**2,500**
	Replacement Dome Housing for US Army Kwajalein Atoll		2,500	
133	**CONCEPTS EXPERIMENTATION PROGRAM**	**22,727**	**23,727**	**1,000**
	Handwritten Optical Character Recognition Software		1,000	
136	**ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS**	**52,433**	**57,433**	**5,000**
	White Sands Missile Range (WSMR) Test Modernization		5,000	
143	**SUPPORT OF OPERATIONAL TESTING**	**71,239**	**72,239**	**1,000**
	MATTRACKS - Track conversion systems for lightweight wheeled vehicles		1,000	

R-1		Budget Request	Committee Recommended	Change From Request
148	**MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY**	**14,611**	**36,611**	**22,000**
	Munitions Life Cycle Pilot Processes		2,000	
	Manufacturing Research and Development for Nanotechnologies and Energetic Materials		1,500	
	Advanced Technology Center		1,500	
	MEMS Nano Consortium		2,000	
	Advanced Cluster Energetics (ACE)		2,500	
	Mid-Range Munition		1,000	
	Munitions Public Private Partnerships (Energetics, Sensors, Seekers)		3,500	
	CZT Detectors for Automated Munitions Inspections and Surveillance		1,500	
	MEMS IMU Technology Capability		3,000	
	OMEGA 60 Battle Effect Simulators		500	
	Nanoparticle Development for Energetic Materials		2,000	
	Fuel Cells for Munitions		1,000	
152	**MLRS PRODUCT IMPROVEMENT PROGRAM**	**97,422**	**112,422**	**15,000**
	GMLRS Unitary		15,000	
153	**AEROSTAT JOINT PROJECT OFFICE**	**81,514**	**84,514**	**3,000**
	MEMS Demonstration Radar System (MEMS DRS)		3,000	
154	**DOMESTIC PREPAREDNESS AGAINST WEAPONS OF MASS DESTRUCTION**	**0**	**1,000**	**1,000**
	Bioterrorism Education		1,000	
156	**COMBAT VEHICLE IMPROVEMENT PROGRAMS**	**15,952**	**23,952**	**8,000**
	Digitization Support to Ft. Hood (University XXI)		4,000	
	Combat Vehicle Electronics for Future and Current Programs (Note: only to develop next generation electronics for current and future combat vehicles, and to accelerate standardization of their vetronic architecture)		4,000	
158	**AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS**	**242,853**	**253,853**	**11,000**
	Maintenance Analysis Safety and Training (MAST) program		5,000	
	Helicopter Autonomous Landing System (HALS) Prototype Sensor		4,000	
	Army Distributed Mission Training System		2,000	
171	**SECURITY AND INTELLIGENCE ACTIVITIES**	**0**	**14,000**	**14,000**
	Information Dominance Center-Mobile Agent Technology		6,000	
	Automated Communications Support System for WARFIGHTERS, Intelligence Community and Analysts		1,000	
	Global Anti-Terrorist Activity Analysis Capability at the INSCOM Information Dominance Center		3,000	
	Portable Iris Enrollment and Recognition (PIER) Device (Note: only for continued development of the PIER and the associated multi-modal platform)		4,000	
174	**SATCOM GROUND ENVIRONMENT (SPACE)**	**51,959**	**54,959**	**3,000**
	KaSAT		3,000	
177	**TACTICAL UNMANNED AERIAL VEHICLES**	**45,627**	**48,627**	**3,000**
	Army I-GNAT ER Unmanned Aircraft		3,000	

R-1	Budget Request	Committee Recommended	Change From Request
179 DISTRIBUTED COMMON GROUND SYSTEMS	**43,254**	**55,254**	**12,000**
ASAS Light		2,000	
Intelligence Data Exchange for Execution and Planning, Distributed Common Ground Systems		3,000	
Joint Visualization System (JVS)		2,000	
Automatic Target Cueing System		5,000	
181 END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	**67,236**	**83,236**	**16,000**
Laser Peening		1,000	
Six Sigma Lean Enterprise		1,000	
High Temperature Structural Ceramic Materials		3,000	
Third Generation Dual Band Infrared Imagers		1,000	
National Center for Defense Manufacturing & Machining		4,000	
Reactive Armor Plasma (RAP) Processing		3,000	
LEAN Munitions Program		3,000	
DCF Defense Language Institute	**0**	**2,500**	**2,500**
Satellite Communications for Learning (SCOLA)		2,500	

FUTURE COMBAT SYSTEM

The fiscal year 2005 budget request for the Future Combat System (FCS) totals $3,198,098,000, including $2,700,455,000 in program element 0604645A, Armored Systems Modernization, and $497,643,000 in 0604647A, Non Line of Sight Cannon (NLOS–C). In addition, the Army budget requests funding for nearly 150 complementary systems necessary for the successful development and fielding of FCS. In total, the funding for this program represents well over one-third of the total Army research and development budget request.

The Committee recommends a total of $2,873,653,000 for fiscal year 2005, a reduction of $324,445,000 from the requested amount. $248,000,000 of this reduction is from program overhead. The Committee notes that the budget request includes both multiple layers of management reserve, as well as over $100,000,000 for the purpose of program withholds and other "taxes" contrary to normal budget practices. The remaining $76,445,000 of the reduction is from termination of the Non Line of Sight Launch System (NLOS–LS). The Committee is aware that NLOS–LS is comprised of three elements including the Loiter Attack Munition (LAM), the Precision Attack Munition (PAM) and a Command Launch Unit (CLU). The Committee directs the Army to cease development of all aspects of this system. With respect to LAM, the Committee is aware that it is essentially an unmanned aerial vehicle (UAV) with a 30-minute dwell time. Testing thus far has proven unsuccessful, and the Committee notes that other UAV platforms are being developed elsewhere in the FCS program. Concerning PAM, the Committee notes that this system has the same mission profile as the already fielded Guided Multiple Launch Rocket System (GMLRS). The Committee also notes that GMLRS has significantly greater range and payload than PAM as well as comparable accuracy. The Committee has provided additional resources to accelerate development and fielding of the GMLRS–Unitary as described elsewhere in this report.

In the statement of the managers accompanying conference report on the fiscal year 2004 Defense Appropriations Act, the Congress recommended that the Army organize the budget request for both the FCS common elements and platforms to better justify the program. In execution of fiscal year 2004 funding, the Army developed an entirely different funding distribution—one which provided management flexibility, but failed to provide relevant information about financial requirements for FCS along the lines of the program's basic structure. In addition, the Committee recently learned that the Army and the FCS Lead System Integrator (LSI) had planned to make major revisions to funding levels within the Army-proposed structure prior to congressional action on the fiscal year 2005 budget request. In some cases, these changes were on the order of hundreds of millions of dollars, thus calling into question the validity of the materials submitted in support of the fiscal year 2005 budget request.

As expressed in fiscal year 2004, the Committee remains concerned that this program lacks adequate justification to warrant the requested funding. Accordingly, the Committee directs that the

Army adhere to the following funding structure in execution of appropriations provided for fiscal year 2005, and in preparation of the fiscal year 2006 budget request.

0604645A: Armored Systems Modernization	$2,376,010,000
—System of Systems (SoS) Program Management, Engineering, Software, Test and Evaluation	1,572,610,000
—Sustainment	53,600,000
—UAV Reconnaissance & Sensors	154,200,000
—Unmanned Ground Vehicles	137,100,000
—Non Line of Sight Launch System (NLOS–LS)	0
—Manned Ground Vehicles	429,000,000
—Unattended Ground Sensors	29,500,000
0604647A: Non Line of Sight Cannon (NLOS–C)	497,643,000
Total:	2,873,653,000

The projects identified within program element 0604645A, Armored Systems Modernization, are congressional special interest items for the purpose of prior approval reprogrammings as discussed elsewhere in this report. In addition, the Committee reminds the Army that the cumulative value of transfers into or out of these program elements are subject to the same reprogramming guidelines applicable to all other Research, Development, Test and Evaluation funded programs.

NON LINE OF SIGHT CANNON (NLOS—C)

The Committee recognizes that NLOS–C is an integral part of the Future Combat System (FCS) and is being managed on the same development timelines as FCS. While this timeline is potentially subject to change at either the Milestone B update scheduled for November 2004, or the Preliminary Design Review scheduled for April 2005, the Committee is aware that the current plan for FSC fielding, to include NLOS–C, is fiscal year 2010. Therefore, as explained in section 8100 of the Committee bill, the Committee expects that the Army will program and budget to field NLOS–C in fiscal year 2010. To this end, the Committee directs that the Army field NLOS–C in compliance with the definition of weapon system fielding as expressed in Army Regulation 700–142.

As noted elsewhere in the report, the budget request includes $497,643,000 for NLOS–C. The Committee recognizes that $93,686,000 of the funding requested in program element 0604647A is requested explicitly for the purpose of developing unique mission equipment. Accordingly, the Committee directs that this amount is a congressional special interest item for the purpose of prior approval reprogrammings.

THEATER SUPPORT VESSEL

The budget requested $89,151,000 for the Logistics and Engineering Equipment program, an increase of $763,000 over the fiscal year 2004 appropriation. The Committee recommends $165,051,000, an increase of $75,900,000 above the request. Of the amount requested within this program element, the Army includes $65,380,000 for the Theater Support Vessel (TSV) program. Fiscal year 2005 is the first year in which funding has been requested to construct such a vessel. The Committee notes that the total cost of this vessel is approximately $141,600,000, and the Army had planned to incrementally fund its construction over the course of

fiscal years 2005 through 2007. The Committee firmly believes that the Department should fully fund major investment items and accordingly has added sufficient funding in the fiscal year 2005 bill to complete this vessel.

In addition to concerns about incremental funding, the Committee is also concerned about the extent to which the Army's TSV concept has been rationalized with Navy Sealift and Afloat Basing programs, as well as Marine Corps sealift requirements. Given the Navy and Marine Corps plans in this regard, the Committee believes that the Army must ensure that the design and construction of the TSV is compatible with Navy plans and programs. Accordingly, the Committee directs that none of the funds provided for the TSV program may be obligated or expended until the Secretaries of the Army and Navy jointly provide a report to the congressional defense committees addressing the following issues:

—The Army requirements for the Theater Support Vessel (TSV) including number of vessels to be constructed;

—The relationship between the Navy Afloat Basing concept and TSV requirements including measures to ensure that these programs are compatible;

—The relationship between Army and Marine Corps requirements for intra-theater sealift; and,

—The plans for funding the TSV program including amounts included in the Future Years Defense Program, and a summary of DoD deliberations on whether to fund this program through the National Defense Sealift Fund (NDSF) or by other means in future budget submissions.

JOINT TACTICAL RADIO SYSTEM (JTRS)

The Committee recognizes that the Future Combat System (FCS) is on a very aggressive development timeline, and that this timeline is dependent upon successful development of nearly 150 complementary systems. Among the most critical of these complementary systems is the Joint Tactical Radio System (JTRS) which will provide a foundation for the C4ISR network required to link soldiers, platforms, and sensors. The Committee has concerns about the maturity of JTRS, especially about JTRS Cluster 5 which is necessary for manportable applications, and applications requiring small form/fit radios. Accordingly, the Committee directs the Secretary of Army to provide a report to the congressional defense committees, not later than February 1, 2005, listing specific FCS elements that require JTRS Cluster 5 including, but not limited to, manportable systems, and systems requiring small form/fit radios such as unmanned aerial vehicles, unmanned ground vehicles and unattended sensors. The report shall provide a detailed description of the JTRS Cluster 5 development timeline and explain how this timeline fits into the FCS development timeline. The report shall also explain the DoD mitigation strategy in the event that JTRS Cluster 5 development fails to keep pace with the FSC program schedule.

PATRIOT PAC–3/MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS)

In April 2003, the Department of Defense Acquisition Executive signed an Acquisition Decision Memorandum (ADM) directing the

merger of the Patriot PAC–3 and MEADS programs, and assigned management, programming and budgeting responsibilities to the Army. In the statement of managers accompanying the conference report on the fiscal year 2004 Defense Appropriations Act, the Congress expressed its support for this course of action and directed the Army to submit a plan for combining these programs. In the fiscal year 2005 budget request, the programs remain separate entities. While management may reside within a single Army major command, the budget request is presented as though nothing about the programs had changed. Further, it is not clear whether the amounts requested for the PAC–3/MEADS program have been rationalized to improve either funding or programmatic efficiencies. While the Committee still supports the merged PAC–3/MEADS program under Army cognizance, the Committee believes there have been unnecessary delays in realigning program funding. Accordingly, the Committee directs the Secretary of the Army to develop a plan to merge these programs as directed by the April 2003 ADM, and provide a report to the congressional defense committees on this plan not later than February 15, 2005.

LAND WARRIOR AND FUTURE FORCE WARRIOR

In the report accompanying the House version of the fiscal year 2004 Defense Appropriations bill, the Committee expressed concern about the Land Warrior program with respect to both its failure in developmental testing, and the instability in its design. In the statement of managers accompanying the conference report on the fiscal year 2004 Defense Appropriations Act, the conferees expressed a similar view reducing overall funding for this program and providing funding in research and development rather than in procurement. In fiscal year 2005, the Committee notes that the Army proposes funding for two conceptually similar programs including Land Warrior and Future Force Warrior. The budget request includes a total of $183,127,000. The Committee believes the Army should combine the resources of these programs to better focus program requirements and development efforts. Accordingly, the Committee recommends reducing overall funding by $20,000,000 below the budget request, and directs the Army to merge the funding and management of the Land Warrior and Future Force Warrior programs.

GUIDED MULTIPLE LAUNCH ROCKET SYSTEM (GMLRS)—UNITARY

The budget requested $97,422,000 for the Multiple Launch Rocket System (MLRS) Product Improvement program, an increase of $12,853,000 over the fiscal year 2004 appropriation. The Committee recommends $112,422,000, an increase of $15,000,000. The Committee has provided an additional $15,000,000 to accelerate development and fielding of the GMLRS–Unitary munition to U.S. forces in high-risk locations by fiscal year 2006. The Committee directs that this amount is a congressional special interest item for the purpose of prior approval reprogrammings. Based on the present demonstrated capability, the Committee believes the Army should field out of the existing GMLRS–DPICM production line a limited quantity of not less than 450 GMLRS–Unitary munitions (consisting of a 200 lb. warhead and multi-mode fuze). This limited

capability would, if fielded as described above, place in the hands of both Army and Marine Corps commanders, nearly two years earlier than planned, a precision, lethal, all-weather munition that reduces collateral damage and unexploded ordnance, and is capable of engaging targets of opportunity in both urban and open terrain in a timely manner.

NUCLEAR MONITORING

In the fiscal year 2005 budget request, the Army includes funding for the Nuclear Arms Control Technology—Sensor Network Monitoring project in the same program element as the Joint Tactical Radio System (JTRS). In the Committee's view, this project represents a distinct entity for which the budget request should be presented separately; not buried in a larger, unrelated program. Accordingly, the Committee directs the Secretary of Defense to establish an appropriate account to program and budget for this program beginning with the fiscal year 2006 budget request, and report to the congressional defense committees not later than March 1, 2005 on these plans.

DEFENSE LANGUAGE INSTITUTE

In the statement of managers accompanying the conference report on the fiscal year 2004 Defense Appropriations Act, the conferees recommended the Department of Defense establish a separate program element code within Research, Development, Test and Evaluation, Army, and begin funding research and development activities related to the Defense Language Institute. The Committee notes that neither of these actions are reflected in the Army budget request for fiscal year 2005. To initiate this work, the Committee recommends an increase of $2,500,000 above the budget request, and directs that the Army establish a separate program element to program and budget for this activity.

ARIZONA TELEMEDICINE PROGRAM

The Committee is encouraged by the accomplishments of the Arizona Telemedicine Program and its multidisciplinary clinical program in conjunction with the Army, the Departments of Agriculture, Commerce, and Health and Human Services. DoD is strongly encouraged to continue its work with this program.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY			
BASIC RESEARCH			
IN-HOUSE LABORATORY INDEPENDENT RESEARCH	23,971	23,971	---
DEFENSE RESEARCH SCIENCES	131,206	163,706	+32,500
UNIVERSITY RESEARCH INITIATIVES	75,133	80,633	+5,500
UNIVERSITY AND INDUSTRY RESEARCH CENTERS	77,658	95,158	+17,500
FORCE HEALTH PROTECTION	9,538	21,538	+12,000
TOTAL, BASIC RESEARCH	317,506	385,006	+67,500
APPLIED RESEARCH			
MATERIALS TECHNOLOGY	15,385	34,385	+19,000
SENSORS AND ELECTRONIC SURVIVABILITY	25,629	33,629	+8,000
TRACTOR HIP	6,627	6,627	---
AVIATION TECHNOLOGY	41,629	49,029	+7,400
EW TECHNOLOGY	18,034	18,034	---
MISSILE TECHNOLOGY	51,993	55,793	+3,800
ADVANCED WEAPONS TECHNOLOGY	16,641	27,641	+11,000
ADVANCED CONCEPTS AND SIMULATION	15,041	15,041	---
COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	69,638	106,138	+36,500
BALLISTICS TECHNOLOGY	51,301	54,801	+3,500
CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	3,476	4,976	+1,500
JOINT SERVICE SMALL ARMS PROGRAM	5,739	16,239	+10,500
WEAPONS AND MUNITIONS TECHNOLOGY	44,666	99,066	+54,400
ELECTRONICS AND ELECTRONIC DEVICES	41,236	92,286	+51,050
NIGHT VISION TECHNOLOGY	22,617	29,617	+7,000
COUNTERMINE SYSTEMS	20,547	28,547	+8,000
HUMAN FACTORS ENGINEERING TECHNOLOGY	16,899	22,399	+5,500
ENVIRONMENTAL QUALITY TECHNOLOGY	17,026	17,026	---
COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	18,604	33,104	+14,500
COMPUTER AND SOFTWARE TECHNOLOGY	3,982	3,982	---
MILITARY ENGINEERING TECHNOLOGY	47,152	49,152	+2,000
MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	15,322	15,322	---
LOGISTICS TECHNOLOGY	21,131	38,131	+17,000
MEDICAL TECHNOLOGY	60,877	162,877	+102,000
TOTAL, APPLIED RESEARCH	651,192	1,013,842	+362,650

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
ADVANCED TECHNOLOGY DEVELOPMENT			
WARFIGHTER ADVANCED TECHNOLOGY	68,034	85,534	+17,500
MEDICAL ADVANCED TECHNOLOGY	38,404	271,704	+233,300
AVIATION ADVANCED TECHNOLOGY	69,549	86,549	+17,000
WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	67,622	83,122	+15,500
COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	203,126	266,126	+63,000
COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	9,946	9,946	---
MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY	7,288	8,288	+1,000
ELECTRONIC WARFARE ADVANCED TECHNOLOGY	41,760	56,760	+15,000
TRACTOR HIKE	8,035	8,035	---
NEXT GENERATION TRAINING & SIMULATION SYSTEMS	18,072	21,072	+3,000
TRACTOR ROSE	4,736	4,736	---
EXPLOSIVES DEMILITARIZATION TECHNOLOGY	9,706	13,706	+4,000
MILITARY HIV RESEARCH	6,641	16,641	+10,000
COMBATING TERRORISM, TECHNOLOGY DEVELOPMENT	3,383	8,383	+5,000
GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECHN	10,721	10,721	---
EW TECHNOLOGY	9,382	22,882	+13,500
MISSILE AND ROCKET ADVANCED TECHNOLOGY	92,800	106,800	+14,000
TRACTOR CAGE	13,312	13,312	---
LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	25,577	31,577	+6,000
JOINT SERVICE SMALL ARMS PROGRAM	5,968	5,968	---
NIGHT VISION ADVANCED TECHNOLOGY	50,071	100,071	+50,000
ENVIRONMENTAL QUALITY TECHNOLOGY DEMONSTRATIONS	14,666	19,166	+4,500
MILITARY ENGINEERING ADVANCED TECHNOLOGY	3,865	10,365	+6,500
ADVANCED TACTICAL COMPUTER SCIENCE & SENSOR TECHNOLOGY	31,951	55,451	+23,500
TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	814,615	1,316,915	+502,300
DEMONSTRATION & VALIDATION			
ARMY MISSILE DEFENSE SYSTEMS INTEGRATION	53,509	89,509	+36,000
ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	4,871	6,871	+2,000
AIR AND MISSILE DEFENSE SYSTEMS ENGINEERING	91,713	106,713	+15,000
LANDMINE WARFARE AND BARRIER - ADV DEV	11,634	11,634	---
SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ADV DEV	6,249	6,249	---
TANK AND MEDIUM CALIBER AMMUNITION	39,697	50,197	+10,500
ADVANCED TANK ARMAMENT SYSTEM (ATAS)	51,892	51,892	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
SOLDIER SUPPORT AND SURVIVABILITY	13,810	13,810	---
TACTICAL ELECTRONIC SURVEILLANCE SYSTEM - ADV DEV	15,441	15,441	---
NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT	14,047	14,047	---
ENVIRONMENTAL QUALITY TECHNOLOGY	9,356	43,856	+34,500
WARFIGHTER INFORMATION NETWORK-TACTICAL (DEM/VAL)	99,645	99,645	---
NATO RESEARCH AND DEVELOPMENT	4,801	4,801	---
AVIATION - ADV DEV	12,113	14,113	+2,000
WEAPONS AND MUNITIONS - ADV DEV	2,382	2,382	---
LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV	10,485	12,485	+2,000
COMBAT SERVICE SUPPORT CONTROL SYSTEM EVALUATION	6,366	6,366	---
MEDICAL SYSTEMS - ADV DEV	10,258	13,258	+3,000
INTEGRATED BROADCAST SERVICE (JMIP/DISTP)	4,356	4,356	---
SCAMP BLOCK II (DEM/VAL)	10,221	10,221	---
MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS) CONCEPTS	264,527	264,527	---
TOTAL, DEMONSTRATION & VALIDATION	737,373	842,373	+105,000
ENGINEERING & MANUFACTURING DEVELOPMENT			
AIRCRAFT AVIONICS	68,857	68,857	---
ARMED, DEPLOYABLE OH-58D	20,000	20,000	---
EW DEVELOPMENT	16,879	16,879	---
JOINT TACTICAL RADIO	121,400	121,400	---
ALL SOURCE ANALYSIS SYSTEM	5,346	7,346	+2,000
TRACTOR CAGE	14,149	14,149	---
COMMON MISSILE	152,381	102,381	-50,000
INFANTRY SUPPORT WEAPONS	28,187	30,687	+2,500
MEDIUM TACTICAL VEHICLES	2,854	12,554	+9,700
SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ENG DEV	3,798	3,798	---
JAVELIN	944	944	---
FAMILY OF HEAVY TACTICAL VEHICLES	2,479	5,479	+3,000
AIR TRAFFIC CONTROL	2,088	2,088	---
LIGHT TACTICAL WHEELED VEHICLES	---	12,500	+12,500
ARMORED SYSTEMS MODERNIZATION (ASM)-ENG DEV	2,700,455	2,376,010	-324,445
NON-LINE OF SIGHT CANNON	497,643	497,643	---
NIGHT VISION SYSTEMS - ENG DEV	24,693	27,693	+3,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
COMBAT FEEDING, CLOTHING, AND EQUIPMENT	115,093	99,093	-16,000
NON-SYSTEM TRAINING DEVICES - ENG DEV	51,694	51,694	---
TERRAIN INFORMATION - ENG DEV	3,199	3,199	---
INTEGRATED METEOROLOGICAL SUPPORT SYSTEM	2,485	2,485	---
AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE -ENG DEV	27,376	27,376	---
CONSTRUCTIVE SIMULATION SYSTEMS DEVELOPMENT	42,869	42,869	---
AUTOMATIC TEST EQUIPMENT DEVELOPMENT	4,713	7,713	+3,000
DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) -ENGINEER	26,985	30,485	+3,500
TACTICAL SURVEILLANCE SYSTEMS - ENG DEV	21,821	21,821	---
ARMY TACTICAL MISSILE SYSTEM (ATACMS)	21	21	---
POSITIONING SYSTEMS DEVELOPMENT (SPACE)	2,048	2,048	---
COMBINED ARMS TACTICAL TRAINER (CATT) CORE	23,849	19,109	-4,740
JOINT NETWORK MANAGEMENT SYSTEM	10,726	10,726	---
AVIATION - ENG DEV	2,378	2,378	---
WEAPONS AND MUNITIONS - ENG DEV	125,885	159,385	+33,500
LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV	89,151	165,051	+75,900
COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV	219,790	219,790	---
MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT	11,727	14,227	+2,500
LANDMINE WARFARE/BARRIER - ENG DEV	51,045	61,045	+10,000
ARTILLERY MUNITIONS - EMD	133,297	142,297	+9,000
COMBAT IDENTIFICATION	6,994	6,994	---
ARMY TACTICAL COMMAND & CONTROL HARDWARE & SOFTWARE	68,110	68,110	---
LOSAT	22,628	22,628	---
RADAR DEVELOPMENT	6,107	6,107	---
FIREFINDER	18,516	20,016	+1,500
ARTILLERY SYSTEMS - EMD	9,550	12,550	+3,000
PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION	64,178	64,178	---
INFORMATION TECHNOLOGY DEVELOPMENT	95,261	102,261	+7,000
TOTAL, ENGINEERING & MANUFACTURING DEVELOPMENT	4,919,649	4,706,064	-213,585

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
RDT&E MANAGEMENT SUPPORT			
THREAT SIMULATOR DEVELOPMENT	22,101	25,101	+3,000
TARGET SYSTEMS DEVELOPMENT	11,017	15,017	+4,000
MAJOR T&E INVESTMENT	57,987	60,987	+3,000
RAND ARROYO CENTER	20,012	20,012	---
ARMY KWAJALEIN ATOLL	143,921	146,421	+2,500
CONCEPTS EXPERIMENTATION PROGRAM	22,727	23,727	+1,000
ARMY TEST RANGES AND FACILITIES	181,114	181,114	---
ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS	52,433	57,433	+5,000
SURVIVABILITY/LETHALITY ANALYSIS	44,648	44,648	---
DOD HIGH ENERGY LASER TEST FACILITY	15,725	15,725	---
AIRCRAFT CERTIFICATION	3,485	3,485	---
METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES	8,711	8,711	---
MATERIEL SYSTEMS ANALYSIS	18,000	18,000	---
EXPLOITATION OF FOREIGN ITEMS	4,740	4,740	---
SUPPORT OF OPERATIONAL TESTING	71,239	72,239	+1,000
ARMY EVALUATION CENTER	62,209	62,209	---
SIMULATION & MODELING FOR ACQ, RQTS, & TNG (SMART)	1,935	1,935	---
PROGRAMWIDE ACTIVITIES	59,368	59,368	---
TECHNICAL INFORMATION ACTIVITIES	27,713	27,713	---
MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	14,611	36,611	+22,000
ENVIRONMENTAL QUALITY TECHNOLOGY MGMT SUPPORT	4,527	4,527	---
MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	11,575	11,575	---
TOTAL, RDT&E MANAGEMENT SUPPORT	859,798	901,298	+41,500

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
OPERATIONAL SYSTEMS DEVELOPMENT			
MLRS PRODUCT IMPROVEMENT PROGRAM	97,422	112,422	+15,000
AEROSTAT JOINT PROJECT OFFICE	81,514	84,514	+3,000
DOMESTIC PREPAREDNESS AGAINST WEAPONS OF MASS DESTRUCT	---	1,000	+1,000
ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	17,994	17,994	---
COMBAT VEHICLE IMPROVEMENT PROGRAMS	15,952	23,952	+8,000
MANEUVER CONTROL SYSTEM	24,753	24,753	---
AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS	242,853	253,853	+11,000
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	2,427	2,427	---
DIGITIZATION	24,506	24,506	---
FORCE XXI BATTLE COMMAND, BRIGADE AND BELOW (FBCB2)	23,510	23,510	---
MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	31,690	31,690	---
OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS	4,863	4,863	---
TRACTOR RUT	3,321	3,321	---
TRACTOR CARD	9,023	9,023	---
JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC)	18,177	18,177	---
JOINT TACTICAL GROUND SYSTEM	9,967	9,967	---
SECURITY AND INTELLIGENCE ACTIVITIES	---	14,000	+14,000
INFORMATION SYSTEMS SECURITY PROGRAM	24,725	24,725	---
GLOBAL COMBAT SUPPORT SYSTEM	94,215	94,215	---
SATCOM GROUND ENVIRONMENT (SPACE)	51,959	54,959	+3,000
WWMCCS/GLOBAL COMMAND AND CONTROL SYSTEM	19,204	19,204	---
TACTICAL UNMANNED AERIAL VEHICLES	45,627	48,627	+3,000
AIRBORNE RECONNAISSANCE SYSTEMS	5,128	5,128	---
DISTRIBUTED COMMON GROUND SYSTEMS	43,254	55,254	+12,000
AVIONICS COMPONENT IMPROVEMENT PROGRAM	997	997	---
END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	67,236	83,236	+16,000
NATO JOINT STARS	595	595	---
DEFENSE LANGUAGE INSTITUTE FOREIGN LEARNING CENTER	---	2,500	+2,500
TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	960,912	1,049,412	+88,500
CLASSIFIED PROGRAMS	5,213	5,213	---
TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY	9,266,258	10,220,123	+953,865

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

Fiscal year 2004 appropriation	$15,146,383,000
Fiscal year 2005 budget request	16,346,391,000
Committee recommendation	16,532,361,000
Change from budget request	+185,970,000

The appropriation provides funds for the research development, test and evaluation activities of the Department of the Navy, which includes the Marine Corps.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $16,532,361,000 for Research, Development, Test and Evaluation, Navy. The following report and project level tables provide a summary of the Committee recommendation.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
(In thousands of dollars)

R-1		Budget Request	Committee Recommended	Change from Request
1	**UNIVERSITY RESEARCH INITIATIVES**	**83,508**	**95,008**	**+11,500**
	Defense Commercialization Research Initiative (Note: only for the continued development of the Technology Research, Education and Commercialization Center)		4,000	
	Center for microwave ferrites and multi-functional integrated circuits		1,000	
	National Security Training		1,500	
	Center for Southeastern Tropical Advanced Remote Sensing (CSTARS)		5,000	
3	**DEFENSE RESEARCH SCIENCES**	**375,812**	**385,812**	**+10,000**
	Facial recognition technology research and development		3,000	
	Intelligent Autonomous Networks & Systems (AINS) (Note: only for Phase III STTR (N02-T015) demonstration and validation of the ad-hoc data communications system for the AINS program)		1,000	
	Brain-based intelligent system (Note: only for the development of an embedded low-power self-instructive computer system)		4,000	
	Hydrogen for fuel cells		2,000	
4	**POWER PROJECTION APPLIED RESEARCH**	**98,831**	**125,831**	**+27,000**
	Firelider- a non-thermal means of seeing through fire and smoke		2,000	
	Kill Assist Adverse-Weather Targeting System (KAATS)		2,000	
	Device integration of WBG semiconductors and crystalline oxides		2,000	
	Millimeter/terahertz imaging arrays		2,500	
	Advanced reactive-material-enhanced nanocomposite warheards (ARMENW)		3,000	
	Advanced high-energy thermobaric warhead development		1,000	
	Unattended imaging sensor network (UISN)		1,000	
	Interrogator for high-speed retro-reflector covert communications		4,000	
	Advanced hybrid stored energy devices for affordable air weaponry		3,000	
	Hypersonic weapons enabling capability		2,000	
	Advanced smart optical sensor payload technology for surveillance		2,000	
	Integrated personnel protection system		2,500	

R-1		Budget Request	Committee Recommended	Change from Request
5	**FORCE PROTECTION APPLIED RESEARCH**	**96,269**	**113,769**	**+17,500**
	Battery charging technology (Note: only to continue and expand the existing program to develop advanced battery charging algorithms)		2,500	
	Lightweight Ship Structures (LSS) (Note: only for an initiative to focus on optimizing and qualifying a family of high strength scandium containing marine grade aluminum alloys.)		1,000	
	Composite repair of metal structures		1,000	
	High efficiency quiet electric drive		1,000	
	Blast resistant anechoic sprayable elastomeric coatings for Navy ships		2,000	
	Low-cost rapid prototype/production technology for polymeric aircraft components initiative (Note: only for completion of this initiative)		2,000	
	Center for critical infrastructure protection		8,000	
6	**MARINE CORPS LANDING FORCE TECHNOLOGY**	**35,398**	**36,398**	**+1,000**
	Expeditionary Force Infrastructure Initiative (EFI)		1,000	
8	**HUMAN SYSTEMS TECHNOLOGY**	**0**	**2,000**	**+2,000**
	Human Systems Integration/SEAPRINT		2,000	
9	**MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY**	**0**	**5,500**	**+5,500**
	Porous materials (Note: only to continue ongoing research into porous material characterization)		1,500	
	DoD Agile Manufacturing Center for Castings Technology at NUWC Keyport		1,000	
	Formable aligned carbon thermosets (FACTS)		3,000	
10	**COMMON PICTURE APPLIED RESEARCH**	**60,134**	**72,634**	**+12,500**
	National Center for Advanced Secure Systems Research		5,000	
	SEAdeep		3,500	
	Web-based technology insertion (Note: only for the Expeditionary Warfare Testbed, NSWC, Panama City)		1,000	
	Common Sensor Module (COSM)		3,000	

R-1	Budget Request	Committee Recommended	Change from Request
11 WARFIGHTER SUSTAINMENT APPLIED RESEARCH	**63,726**	**117,926**	**+54,200**
Hydrate desalination technology		2,500	
Atmospheric water harvesting		1,000	
Novel materials synthesis and characterization		5,000	
National Unmanned Undersea Vehicle (UUV) Test and Evaluation Center		9,000	
Aluminum fabrication utilizing three-dimensional printing		2,000	
Integrated WMD detection and collection system (Note: only to perform applied research, development, test and evaluation to integrate a nuclear, chemical and bio-detection system for multiple mobile applications associated with the Dragon Eye-Advanced Tactical Reconnaissance Program)		1,000	
Naval training, performance and expertise		1,000	
High performance long lasting LO materials for Navy stealth applications		5,000	
Marine Mammal research program		2,200	
Cutting tools for aerospace materials		4,000	
Autonomous sensor platforms for biosensing		2,000	
Advanced reinforced materials and new materials research for aircraft tires		1,000	
Human systems technology		2,000	
Advanced fouling and corrosion control coatings for Naval vessels		2,000	
SensorNet- common data highway for comprehensive incident management for CBRNE threats		3,000	
Durability of composite materials and structures		2,500	
Partnership Simulation Lab for health professions education		5,000	
Virtual Clinical Learning Lab (VCLL) for Nursing and other health professions		4,000	
12 RF SYSTEMS APPLIED RESEARCH	**49,151**	**56,651**	**+7,500**
Wide bandgap materials for power electronics		2,000	
Novel silicon carbide technology development		2,000	
RF vacuum electronics power amplifiers		2,000	
Radar/video fusion vessel and port security demonstration		1,500	

R-1		P/E	Budget Request	Committee Recommended	Change from Request
	OCEAN WARFIGHTING ENVIRONMENT APPLIED				
13	**RESEARCH**	**0602435N**	**48,482**	**73,982**	**+25,500**
	Carbon Nanotube-based radiation hard non-volatile RAM			6,000	
	Coastal environmental effects (Note: only for the development of a program for the exploitation of basic research in marine biosciences, molecular sciences and proteomics to evolve and field a new generation of hypersensitive detectors for deployment as a part of a wide area environmental signatures collection strategy)			6,000	
	South-East Atlantic Coastal Ocean Observing Systems (SEACOOS) (Note: only to continue the development of an integrated sustained ocean observing system to support safe navigation, maritime operations, and characterization of environmental conditions for training exercises and homeland security)			5,000	
	Oceanographic Sensors for Mine Countermeasures/ Autonomous Marine Sensors (Note: only for continuation of applied research in autonomous marine sensors)			5,000	
	Bioluminescence Truth Data Management and Signature Detection - expansion of the database of bioluminescence measurements			1,500	
	Extended Capability Underwater Optic Imaging (Note: only to provide an innovative capability that will support underwater Intelligence, Surveillance and Reconnaissance, Homeland Defense, and environmental assessment)			2,000	
14	**UNDERSEA WARFARE APPLIED RESEARCH**	**0602747N**	**64,060**	**73,560**	**+9,500**
	Anti-torpedo Torpedo (6.75 inch diameter) multi-mission undersea weapon			6,000	
	Micro-detonics for miniature weapons			1,500	
	Galfenol alloys			2,000	

R-1	Budget Request	Committee Recommended	Change from Request
16 POWER PROJECTION ADVANCED TECHNOLOGY	**92,359**	**125,859**	**+33,500**
Advanced thin film coatings		2,000	
LADAR- Laser Radar		2,500	
High operating temperature midwave infrared sensors		2,000	
Ultra-short pulse laser micromachining		2,000	
Multi-functional, high-performance dual band imaging		2,000	
Advanced technologies for printed wiring assembly fabrication (PWB-HVPC)		4,000	
Low-power mega-performance UAV processing engines		4,000	
Low cost terminal imaging seeker (Note: only to develop and test guidance and control strategies and seeker signal processing algorithms in a simulation environment)		5,000	
DP-2 vectored thrust aircraft program		10,000	
17 FORCE PROTECTION ADVANCED TECHNOLOGY	**82,130**	**166,230**	**+84,100**
Dock Shock -- a ship shock test system (Note: only to mature the Dock Shock concept to conduct near shore ship shock testing)		5,000	
Strategic mobility-21 deployment technology (Note: only for the Agile Port and High Speed Ship technology)		5,000	
TADIRCM-- antimissile technology		8,000	
Unmanned force augmentation system		1,000	
Non-line of sight (NLOS) for unmanned systems		5,000	
Unmanned systems technologies for explosive ordnance disposal		5,000	
Extreme terrain medical evacuation vehicle pilot (Note: only for the development and testing of the Zeus-MEV)		2,000	
Missile warning sensor		3,000	
Aviation ground navigation system (AGNAS)		1,000	
Future Naval capabilities- crew modeling and simulation (FNC-CMS)		3,000	
Technologies for future naval capabilities		1,500	
Electromagnetic (EM) rail gun test munition (Note: only for the development of an instrumented test munition that will characterize the test projectile designs being developed for the EM rail gun)		1,500	
Smart Sensor Web Advanced Technology (Note: only for Phase III of the Smart Sensor Web Advanced Technology Program)		2,500	
Superconducting DC homopolar motor		5,000	
Project M		2,500	
Multi-mission warhead for ultra-light torpedo		3,000	

R-1		Budget Request	Committee Recommended	Change from Request
	Sandwich panel construction		5,000	
	Development of sulfer tolerant copper-based solid oxide fuel cell (SOFC) auxiliary power unit prototype that operates with current military logistics fuel		2,000	
	Deployable fiber optic force protection system		3,000	
	High speed permanent magnet generator		1,000	
	AC synchronous high-temperature superconductor (HTS) electric motor (Note: to design, fabricate, and deliver one 36.5 MW HTS motor as a key component of an integrated HTS based propulsion system)		3,000	
	Advanced development and demonstration of electric actuator technology (Note: only for the development of shipboard-qualified prototype electric actuators and demonstrate their satisfactory performance in shipboard applications)		1,000	
	At-sea decontamination platform development and conceptual design		1,000	
	Affordable, intermediate modulus commercial off the shelf carbon fiber qualification program for aircraft and missiles		2,000	
	Integrated advanced communications terminal (iACT)		1,000	
	Littoral Support Craft- Experimental (Note: only to complete X-Craft fabrication, at-sea 50-knot demonstration, and at-sea LCS mission module demonstration)		11,100	
18	**COMMON PICTURE ADVANCED TECHNOLOGY**	**79,521**	**80,521**	**+1,000**
	Dynamic brokering in the expeditionary warfare testbed		1,000	

R-1		Budget Request	Committee Recommended	Change from Request
19	**WARFIGHTER SUSTAINMENT ADVANCED TECHNOLOGY**	**61,103**	**83,603**	**+22,500**
	Intelligence work management (Note: that these funds shall support the transition of this technology to Navy and joint forces operational use)		2,000	
	Low Volume Productivity		1,500	
	Asphalt reconditioner (Note: only to facilitate GSB-88 pilot application programs)		2,000	
	Online web-based learning development program		3,000	
	Mine warfare technology solutions (MWTS)		3,000	
	Human Systems Integration/SEAPRINT		2,000	
	Precision fabrication of large curved steel navy ship structures		4,000	
	Defense modernization and sustainment imitative		4,000	
	NADEP Cherry Point Center for vertical lift aircraft repair and maintenance technology program		1,000	
20	**RF SYSTEMS ADVANCED TECHNOLOGY**	**44,046**	**60,046**	**+16,000**
	C Band active array radar		7,500	
	Highly mobile tactical communications (HMTC)		3,500	
	Horizon Extension Surveillance System (HESS) (Note: only for use in accelerating the HESS program to provide for increased fleet protection)		3,000	
	Remote Ocean Surveillance System (ROSS)		2,000	
21	**MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)**	**58,222**	**77,222**	**+19,000**
	Advanced mine detector system		3,500	
	Mobile fire support system 120mm Morar "Dragon Fire"		2,000	
	Transportable transponder landing system (TTLS)		4,000	
	Craft Integrated Electronic suite (CIES)		1,000	
	Telepresent rapid aiming platform (TRAP)		1,000	
	Rapid deployment fortification wall (RDFW)		1,000	
	C3RP		5,500	
	Portable Methanol fuel cell		1,000	
23	**NAVY TECHNICAL INFORMATION PRESENTATION SYSTEM**	**167,626**	**170,626**	**+3,000**
	Location specific digital fingerprinting (LSDF)		3,000	

R-1		Budget Request	Committee Recommended	Change from Request
24	**WARFIGHTER PROTECTION ADVANCED TECH**	**16,719**	**70,719**	**+54,000**
	National Bone Marrow Program		34,000	
	Navy Medical System Configuration and Test Bed (NMSCTB)		6,000	
	Nursing telehealth research		3,000	
	Individual water purification (IWP) program		4,000	
	Implantable middle-ear hearing system		3,000	
	Organ transplant technology		4,000	
25	**UNDERSEA WARFARE ADVANCED TECHNOLOGY**	**26,515**	**28,515**	**+2,000**
	Littoral AWS Mission for Rigid Hull-Inflatable Boat (RHIB) (Note: only for adaptation and testing of a Variable Depth Sonar system ASW mission package payload for the RHIB)		2,000	
28	**MINE AND EXPEDITIONARY WARFARE ADVANCED TECHNOLOGY**	**32,899**	**34,899**	**+2,000**
	Modeling the warrior as a cognitive system - Phase II		2,000	
30	**AIR/OCEAN TACTICAL APPLICATIONS**	**24,431**	**25,931**	**+1,500**
	Marine mammal tracking and mitigation (Note: only to develop and deploy technologies to mitigate marine mammal presence and allow the Navy to safely operate active sonar systems in regions of interest to national security)		1,500	
31	**AVIATION SURVIVABILITY**	**10,820**	**34,020**	**+23,200**
	Modular Advanced Vision System (Note: to decrease logistics costs by pilots retaining the same basic helmet inner module for use with various outer modules)		4,200	
	Airbag attenuated troop seat		2,500	
	Rotocraft External Airbag Protection (REAPS)		1,000	
	Advanced maritime technology center at Patuxent River NAS		2,500	
	Silver Fox UAV (NAVAIR)		5,000	
	Intelligent Autonomy Technology Transition Program		5,000	
	Equipment Life Extension Program		3,000	

R-1		Budget Request	Committee Recommended	Change from Request
33	**ASW SYSTEMS DEVELOPMENT**	**4,541**	**12,541**	**+8,000**
	Tactical E-Field Buoy Development Program (Note: only for Air ASW Technology Development program to support the design, fabrication and testing of a tactical E-field buoy for littoral anti-submarine warfare)		5,000	
	Claymore Marine		1,000	
	Shallow water sensor buoy technology (Note: only for developmental efforts to assess the shallow water environment by measuring the sound velocity profile, ambient noise, acoustic transmission loss and reverberation, with a buoy signal processing and satellite communications)		2,000	
36	**SURFACE AND SHALLOW WATER MINE COUNTERMEASURES**	**103,308**	**104,308**	**+1,000**
	Battlespace preparation autonomous undersea vehicles for mine countermeasures		1,000	
37	**SURFACE SHIP TORPEDO DEFENSE**	**46,896**	**54,896**	**+8,000**
	AN/SLQ-25 torpedo countermeasure set upgrades		4,000	
	Anti-torpedo torpedo (ATT) (Note: only for continued development of low cost ATT components)		4,000	
38	**CARRIER SYSTEMS DEVELOPMENT**	**157,479**	**164,979**	**+7,500**
	Sentinel Net for anti-terrorism and force protection forces		1,500	
	Surface ship composite moisture separators (Note: only for the design, development, testing and manufacture of composite radar absorbing moisture separators)		4,000	
	Aviation ship integration center		2,000	
39	**SHIPBOARD SYSTEM COMPONENT DEVELOPMENT**	**18,993**	**33,493**	**+14,500**
	Automated maintenance environment (AME)		3,000	
	Shipboard use of alternative composition pipes		2,000	
	Shipboard personal locator beacon		3,500	
	Electromagnetic Launcher Railgun program (Note: to build and demonstrate the EML)		3,000	
	Intelligent systems consortium initiative		3,000	

R-1		Budget Request	Committee Recommended	Change from Request
46	**ADVANCED SUBMARINE SYSTEM DEVELOPMENT**	**81,160**	**78,160**	**-3,000**
	MK-98 ADCAP torpedo improvement program		3,000	
	Fiber optic TB-16 towed array		3,000	
	Improved tactical control in submarine systems (Note: only for incorporation of Submarine Combat System improvements into the APB(T) build process)		1,000	
	Development and demonstration of UUV in submarine operations		-10,000	
48	**SHIP CONCEPT ADVANCED DESIGN**	**3,723**	**10,723**	**+7,000**
	Total Fleet Support (TFS)		2,000	
	SEALION Cascading Vehicles (Note: only to initiate a demonstration of advanced capabilities for covert insertion of manned and unmanned assets from a medium-range maritime platform.)		5,000	
51	**ADVANCED SURFACE MACHINERY SYSTEMS**	**0**	**4,000**	**+4,000**
	Metallic materials advanced development and certification		4,000	
53	**LITTORAL COMBAT SHIP (LCS)**	**352,089**	**409,089**	**+57,000**
	Phase I design for Flight 1 ship		-50,000	
	Fully fund first ship		107,000	
54	**COMBAT SYSTEM INTEGRATION**	**80,840**	**81,340**	**+500**
	Laser augmented ship self-defense		2,000	
	High energy laser application effects		2,000	
	Application of novel laser systems on optical seekers		1,000	
	Battleforce interoperability (Note: only for assessment activities of the Joint Warfare Assessment Laboratory of the Naval Surface Warfare Center)		2,500	
	Advanced laser diode arrays (ALDA) (Note: only for the continued development of the ALDA in support of the Navy's High Energy Laser program)		3,000	
	Re-alignment of advance processor builds (see R-1 line 108)		-10,000	

R-1		Budget Request	Committee Recommended	Change from Request
56	**MARINE CORPS ASSAULT VEHICLES**	**236,969**	**237,969**	**+1,000**
	Expeditionary Fighting Vehicle (EFV) MK46 stabilized weapon system, FLIR upgrade		1,000	
58	**MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM**	**22,440**	**27,440**	**+5,000**
	ITAS (Tow Missile Rods)		5,000	
61	**OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT**	**26,232**	**29,732**	**+3,500**
	SURA Coastal Ocean Observation Program (SCOOP)		3,500	
62	**ENVIRONMENTAL PROTECTION**	**24,641**	**26,891**	**+2,250**
	Anoxia research in Puget Sound		2,000	
	COMNAVMAR Invasive Species demonstration program		250	
63	**NAVY ENERGY PROGRAM**	**1,494**	**3,494**	**+2,000**
	1 Megawatt Molten Carbonate Fuel Cell Demonstrator		2,000	
65	**CHALK CORAL**	**58,467**	**49,367**	**-9,100**
66	**NAVY LOGISTIC PRODUCTIVITY**	**7,421**	**26,921**	**+19,500**
	Collaborative logistics productivity		5,000	
	Navy Logistics Research Readiness Center (NLRRC) (Note: only to establish a NLRRC to focus government, academic and industry expertise toward developing and instituting Readiness Based Sparing (RBS) tools and processes)		1,500	
	Joint Engineering Data Management Information and Control System (JEDMICS)		3,000	
	Life cycle savings through machinery health monitoring (Note: only to continue the development of technologies needed to implement condition-based maintenance practices)		4,000	
	Service-Life Extension of Avionics Legacy Equipment with Guaranteed System (SEALEGS) software (Note: only for technology based on a successful Navy Dual Use Science and Technology Program for SEALEGS compatible mission computer)		4,000	
	Defense Integrated Technical Data Center (DITCDC)		2,000	
67	**RETRACT MAPLE**	**275,407**	**262,407**	**-13,000**
68	**LINK PLUMERIA**	**112,997**	**104,097**	**-8,900**

R-1		Budget Request	Committee Recommended	Change from Request
74	**LAND ATTACK TECHNOLOGY**	**82,049**	**88,586**	**+6,537**
	Advanced XLR medium caliber gun demonstrator		4,000	
	Affordable Weapon System (Note: only to complete AWS development and preparation for production)		23,000	
	Extended Range Guided Munition (ERGM)		-11,800	
	Realign JFN/JSIPS-N (see R-1 line 201)		-8,663	
75	**NONLETHAL WEAPONS - DEM/VAL**	**43,321**	**46,321**	**+3,000**
	National Center for Excellence for Non-Lethal Technology Research, Development, Testing and Training		3,000	
80	**TACTICAL AIR DIRECTIONAL INFRARED COUNTERMEASURES (TADIRCM)**	**0**	**3,000**	**+3,000**
	For additional assets and spares to accomplish testing in a flight scenario		3,000	
79	**DISRUPTIVE TECHNOLOGY OPPORTUNITIES FUND (DTOF)**		**6,000**	**+6,000**
84	**AV-8B AIRCRAFT - ENG DEV**	**12,284**	**13,284**	**+1,000**
	Litening pod downlink development program (LPDD) to design, build, test and field video downlink upgrades.		1,000	
85	**STANDARDS DEVELOPMENT**	**57,675**	**66,175**	**+8,500**
	Navy/Marine Corps advanced measurement standards R&D (Note: only for the development of advanced measurement standards and metrology systems to support the Navy and Marine Corps testing needs)		8,500	
86	**MULTI-MISSION HELICOPTER UPGRADE DEVELOPMENT**	**78,757**	**82,757**	**+4,000**
	Multi-mission helicopter legacy subsystems improvement program		2,000	
	AQS-22 Airborne Low-Frequency Sonar (ALFS)		2,000	
89	**P-3 MODERNIZATION PROGRAM**	**9,554**	**15,554**	**+6,000**
	ALR-95 electronic support measures (ESM) system specific emitter identification (SEI) networking & performance enhancement upgrade		3,000	
	ALR-95 Radar Frequency Distribution (RFD) upgrade		3,000	

R-1		Budget Request	Committee Recommended	Change from Request
91	**TACTICAL COMMAND SYSTEM**	**49,180**	**65,180**	**+16,000**
	Tactical 3D common operational picture (T3DCOP)		3,000	
	AN/UYQ-70 based IT-21 C4ISR upgrades		5,000	
	Joint Mission Planning System (JMPS)		6,000	
	Nonlinear Systems Research Center		2,000	
93	**H-1 UPGRADES**	**90,389**	**132,389**	**+42,000**
	AH-1/UH-1 Tailboom		42,000	
94	**ACOUSTIC SEARCH SENSORS**	**13,363**	**15,363**	**+2,000**
	Littoral acoustic anti-submarine warfare acoustics (Note: only for P-3 controller software upgrades to exploit ASW enhancements)		2,000	
95	**V-22A**	**304,164**	**253,164**	**-51,000**
	Test schedule delays		-51,000	
96	**AIR CREW SYSTEMS DEVELOPMENT**	**8,838**	**18,838**	**+10,000**
	Night vision tube technology development		2,000	
	Light weight armored troop seat (SWATS) for H-60		2,000	
	Joint helmet mounted cueing system (JHCMS)		6,000	
99	**VHXX EXECUTIVE HELO DEVELOPMENT**	**777,398**	**557,398**	**-220,000**
	Program schedule revision		-220,000	
100	**JOINT TACTICAL RADIO SYSTEM - NAVY (JTRS-NAVY)**	**78,624**	**83,624**	**+5,000**
	Web-based technology insertion for expeditionary warfare testbed		1,000	
	Digital modular radio (DMR) (Note: only for the JTRS-M/F Block 1 DMR transition)		4,000	

R-1		Budget Request	Committee Recommended	Change from Request
101	**SC-21 TOTAL SHIP SYSTEM ENGINEERING**	**1,431,585**	**1,182,785**	**-248,800**
	DD(X) alternative engine- for completion of engine construction and delivery for testing		13,000	
	Floating area network (FAN)- installation of wireless communication equipment		1,000	
	Naval smartships that anticipate and manage (Note: for research activity at the Crane Surface Warfare Center for Joint Distance Support and Response and Integrated Fleet Support)		2,000	
	DD(X) construction		-221,000	
	Anticipated delay in CDR based on direction to complete EDM testing of IPS and AGS.		-43,800	
102	**SURFACE COMBATANT COMBAT SYSTEM ENGINEERING**	**146,463**	**162,963**	**+16,500**
	Silicon carbide MMIC producability program		3,500	
	AN/SPY-1 Radar system readiness improvement		4,000	
	Integrated display and enhanced architecture for a family of displays		5,000	
	Smart Integrated Data Environment (SIDE) (Note: only for development of a prototype)		1,000	
	AEGIS traveling wave tube circuit (Note: only to pursue competitive suppliers of critical material for circuits)		3,000	
106	**STANDARD MISSILE IMPROVEMENTS**	**99,022**	**110,022**	**+11,000**
	Insensitive munition improvements, leveraging government and industry investments		5,000	
	Real time image processing - Silicon Brain - for developing a high-performance, vision-based processor for missile interceptors		3,000	
	MK41 VLS open architecture upgrades		3,000	

R-1	Budget Request	Committee Recommended	Change from Request
108 SSN-688 AND TRIDENT MODERNIZATION	**75,359**	**103,359**	**+28,000**
Re-alignment of advance processor builds (see R-1 line 54)		10,000	
Common Submarine Radio Room		8,000	
Littoral Tactical Array System (Note: only to leverage investment made in towed sensor technology, COTS electronics and APB process to complete the Littoral Tactical Array System development)		1,000	
SSN-668 & TRIDENT modernization (Note: only to continue the MPP/APB SBIR phase 3 technology insertion.)		8,000	
Littoral TB-23 towed array		1,000	
112 COMBAT INFORMATION CENTER CONVERSION	**8,228**	**11,228**	**+3,000**
Integrated display and enhanced architecture for integrated tactical command and control cell (ITC3)		3,000	
113 NEW DESIGN SSN	**143,270**	**141,270**	**-2,000**
Shipboard wireless mobile computing environment (Note: only for the continued development of shipboard wireless mobile computing environment initiated under SBIR N99-106)		2,000	
Submarine common electronics equipment replacement		7,000	
Virginia Class SSN Combat System Technology Insertion SBIR(S) N96-278 and N03-049		2,000	
HM&E automation and manning reduction technology insertion (SBIR N03-049)		2,000	
Virginia Class SSN Combat System Technology Insertion (Note: only for VA Class SSN MPP SBIR phase 3)		5,000	
Non-tactical data processing system (Note: only for the maintenance, adminstrative, training, education and supply proceesing system- MATES- project)		4,000	
Enhanced submarine open architecture model		3,000	
Multi-mission modules for additional payload capacity and flexibility		5,000	
Re-align base funding to fiscal year 2004 level		-32,000	
115 SUBMARINE TACTICAL WARFARE SYSTEM	**43,404**	**46,904**	**+3,500**
Submarine maintenance free operating periods (MFOP) (Note: only for the application of MFOP concepts as the supportability strategy for the Tactical Control System)		1,000	
Submarine warfare system (SWS) weapon status control, remote maintenance and FORCEnet integration		2,500	

R-1		Budget Request	Committee Recommended	Change from Request
116	**SHIP CONTRACT DESIGN/LIVE FIRE T&E**	**130,908**	**86,728**	**-44,180**
	LHA Replacement		-44,180	
117	**NAVY TACTICAL COMPUTER RESOURCES**	**2,381**	**13,381**	**+11,000**
	AN/UYQ-70(V) system technology improvements		7,000	
	Compact ultra-fast laser system development		4,000	
122	**JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT**	**8,081**	**12,081**	**+4,000**
	Magneto Inductive Signaling Device (MISC)		4,000	
125	**BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM**	**17,981**	**32,481**	**+14,500**
	Shipboard information warfare exploit		5,000	
	Airborne communications intercept pod (ACIP)		2,000	
	Smart Signal Parser and actionable intelligence extractor (SSP AIE)		4,500	
	Ships Signal Exploitation Equipment (SSEE)		1,000	
	Anti-Terrorism Technology Surveillance System (ATTSS)		1,000	
	Navy Intelligent Agent Security Module- for research and development of offensive capabilities		1,000	
126	**JOINT STANDOFF WEAPON SYSTEMS**	**9,531**	**11,531**	**+2,000**
	Joint Standoff Weapon (JSOW), AGM-154		2,000	
127	**SHIP SELF DEFENSE (DETECT CONTROL)**	**48,154**	**53,154**	**+5,000**
	Integrated display and enhanced architecture for Carrier and LH Class based combat systems		4,000	
	Underwater intrusion detection sonar		1,000	
129	**SHIP SELF DEFENSE (ENGAGE: SOFT KILL/EW)**	**28,233**	**40,233**	**+12,000**
	Surface ship electronic warfare (EW) R&D improvements		12,000	

R-1	Budget Request	Committee Recommended	Change from Request
130 MEDICAL DEVELOPMENT	**6,942**	**52,042**	**+45,100**
Somatic Cell Processing Program (Diabetes research)		1,600	
Military dental research		4,000	
Health Query and Analysis System		4,000	
Discovery, early detection, evaluation, treatment and prevention in Cancer research (Note: only for the continued coordinated efforts among the National Naval Medical Center and a medical academic/research institute to conduct basic and clincal research to detect, evaluate, treat and prevent multiple types of cancer)		7,000	
Medical Procedures Reference Tool (MPRT)		4,000	
Room-elevated-temperature-stable Hemoglobin-based oxygen carrier		4,000	
Acceleration of clinical trial for hemostatic therapeutic		3,000	
Antioxidant micronutrient research		1,000	
Biomedical research imaging core related to bone marrow transplantation, breast and prostate cancer		5,000	
Community hospital telehealth consortium		1,500	
Hemocellular therapeutics		1,000	
Minimally Invasive Surgical Technology Institute (MISTI) (Note: only to continue the ongoing CSMC Program)		3,500	
Non-invasive vectored vaccine research		2,500	
See/Rescue distress streamer		3,000	
132 DISTRIBUTED SURVEILLANCE SYSTEM	**7,776**	**9,776**	**+2,000**
CENTURION surveillance prototype demonstration		1,000	
Network centric warfare enabled off-board sensor		1,000	
133 JOINT STRIKE FIGHTER (JSF) - EMD	**2,264,507**	**2,168,507**	**-96,000**
Align engine development with SDD schedule		-49,000	
FY 2003/04 reprogramming activity		-25,000	
Manufacturing, Tooling, Materials		-60,000	
Engineering activities		26,000	
Future weight reduction initiatives		12,000	

R-1		Budget Request	Committee Recommended	Change from Request
136	**INFORMATION TECHNOLOGY DEVELOPMENT**	**109,543**	**113,043**	**+3,500**
	Continuation of software development for Military and Civilian applications		2,500	
	Information technology development-- Distance Learning IT Center		8,000	
	WeCan: Web centric ASW net		5,000	
	Navy Readiness Response Center (RRC)		3,000	
	Fiber optic components for military applications		2,500	
	Fiber optic interconnect technology		2,000	
	Navy law enforcement information exchange (LiNX) (Note: only for the Navy Law Enforcement Exchange System for force protection at Pearl Harbor, Hampton Roads, and Puget Sound)		5,000	
	NAVAIR maintenance data warehouse		3,000	
	Enterprise resource planning		-27,500	
142	**MAJOR T&E INVESTMENT**	**39,787**	**43,287**	**+3,500**
	Adapting Fleet support and readiness training for a transforming Fleet		2,000	
	Upgrade and enhance instrumentation and integrated range support at Patuxant River Naval Air Station and Webster Field in support of UAV and UCAV testing		1,500	
147	**TECHNICAL INFORMATION SERVICES**	**696**	**12,196**	**+11,500**
	Illinois Technology Transition Center		1,500	
	Center for Commercialization of Advanced Technology		8,000	
	Supply chain practices for affordable Navy systems (SPANS)		2,000	
153	**TEST AND EVALUATION SUPPORT**	**255,926**	**258,426**	**+2,500**
	Protective pumice technology (Note: only to accelerate further development and testing of pumice walls)		2,500	
156	**SEW SURVEILLANCE/RECONNAISSANCE SUPPORT**	**12,160**	**13,160**	**+1,000**
	Radiant Sunrise development, integration, deployment		1,000	
157	**MARINE CORPS PROGRAM WIDE SUPPORT**	**19,701**	**28,101**	**+8,400**
	Marine Corps Corrosion Center of Excellence		2,000	
	Expeditionary Warfare Logistics Testbed (EWLT)		3,000	
	USMC Cost of Readiness (COR) Initiatives		1,000	
	Multi-Sensor Analyzer-Detector (MSAD) III		2,000	
	Odor Signature Reduction Baselayer Garment evaluation		400	

R-1		Budget Request	Committee Recommended	Change from Request
161	**STRATEGIC SUB & WEAPONS SYSTEM SUPPORT**	**108,782**	**96,782**	**-12,000**
	Trident II (D-5) - excessive growth; reduce level of effort		-22,000	
	Advanced conventional strike capability demonstration		10,000	
163	**SUBMARINE ACOUSTIC WARFARE DEVELOPMENT**	**8,453**	**13,453**	**+5,000**
	Submarine littoral warfare weapon		5,000	
166	**F/A-18 SQUADRONS**	**134,580**	**136,580**	**+2,000**
	Screen display system (Note: only to support continued development, integration and qualification testing of a screen display system)		1,000	
	Military flight operations quality assurance/flight data analysis		1,000	
167	**E-2 SQUADRONS**	**6,055**	**9,555**	**+3,500**
	Non-cooperative combat identification capability		2,000	
	E-2C Program Support Activity (Note: only for expanding planned Product Support Activity in order to facilitate the development of Open Architecture software techniques)		1,500	
168	**FLEET TELECOMMUNICATIONS (TACTICAL)**	**19,784**	**22,784**	**+3,000**
	Programmable Integrated Communications Terminals (PICTS)		2,000	
	MRC-105 emergency radio (Note: for engineering and development of a complete portable emergency communications system)		1,000	
169	**TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)**	**28,776**	**31,776**	**+3,000**
	Precision Terrain Aided Navigation (PTAN)		3,000	
170	**INTEGRATED SURVEILLANCE SYSTEM**	**16,965**	**23,965**	**+7,000**
	MSS Mission planning, automation and adaptive bandwidth management		7,000	
171	**AMPHIBIOUS TACTICAL SUPPORT UNITS**	**2,604**	**4,104**	**+1,500**
	Improved Navy lighterage system Causeway Ferry, extended capability (INLS CF-X)		1,500	
172	**CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT**	**21,644**	**24,644**	**+3,000**
	Total ship training system (TSTS) - Training Exercise and Management System (TEAMS)		1,000	
	SH-60B Hellfire Sea Target Laser Aim Scoring System (STLASS)		2,000	

R-1	Budget Request	Committee Recommended	Change from Request
175 HARM IMPROVEMENT	**163,371**	**168,371**	**+5,000**
Spectral beam combining fiber lasers		1,000	
AARGM Development		2,500	
Embedded National Tactical Receiver Integration with Advanced Anti-Radiation Guided Missile (AARGM)		1,500	
177 SURFACE ASW COMBAT SYSTEM INTEGRATION	**10,612**	**22,612**	**+12,000**
Surface ship ASW R&D improvements (SQQ-89)		10,000	
Common surface and undersea warfare - standardize essential undersea warfare functionality and performance capabilities		2,000	
179 AVIATION IMPROVEMENTS	**62,635**	**82,635**	**+20,000**
Automated wire analysis (AWA)		5,000	
Nano-composite hard-coat for aircraft canopies (Note: only to support the development of nano-composite hard-coat materials for use on aircraft windscreens and canopies)		3,000	
Center for Defense Sustainment Technology		1,000	
Development of next generation technology for the inspection of aircraft engines, diagnostics and repair		5,000	
Age exploration model validation and enhancement (Note: only to provide full functionality and rigorous validation of an Age Exploration Model for Naval aircraft platforms to ascertain the relationship between aging characteristic and reliability, maintainability, and readiness issues)		4,000	
Digital integrated cockpit display system for the TH-57		2,000	
182 MARINE CORPS COMMUNICATIONS SYSTEMS	**268,638**	**297,638**	**+29,000**
Metamodel		3,000	
Advanced Ferrite Antenna		1,000	
Miniaturized Combat Identification System		1,000	
Marine Corps Communication Systems - AN/TPS-59		4,000	
Marine Corps Wideband Communications		5,000	
Next Generation Mobile Electronic Warfare Support		4,000	
USMC Hitchhiker		2,000	
Display Technology Program (Note: only to continue ongoing Display Technology Program)		2,000	
Marine Airborne Re-Transmission System (MARTS)		4,000	
Covert SIGINT for Urban Warfare (XR-2000 Receiving System)		3,000	

R-1		Budget Request	Committee Recommended	Change from Request
	MARINE CORPS GROUND COMBAT/SUPPORTING			
183	**ARMS SYSTEMS**	**44,828**	**48,828**	**+4,000**
	Advanced Integrated Digital Camera Rifle Scope (ADCRS)		1,000	
	USMC LAV integrated digital and collaboration environment service net		2,000	
	Complimentary Medal Oxide Semiconductor (CMOS) Machine Vision Readout		1,000	
185	**TACTICAL AIM MISSILES**	**4,061**	**1,561**	**-2,500**
	Integration of AIM9(X) on F-35 premature		-2,500	
190	**SATELLITE COMMUNICATIONS (SPACE)**	**573,092**	**470,592**	**-102,500**
	SPAWAR Covert Com and Info Transfer (CCIT)		1,000	
	Joint Integrated Systems for Advanced Digital Networking (JIST-NET)		6,500	
	MUOS - fund to CAIG estimate		-110,000	
197	**TACTICAL UNMANNED AERIAL VEHICLES**	**53,439**	**65,439**	**+12,000**
	Center for Coastline Security Technology (Note: only to continue a coastline security technology program, including an advanced acoustics sensor and mobile acoustic platform technology system initiative)		5,000	
	Joint Operational Test Bed (JOTBS)		7,000	
198	**ENDURANCE UNMANNED AERIAL VEHICLES**	**113,438**	**83,438**	**-30,000**
	Broad Area Maritime Development - schedule slip due to competition		-30,000	
199	**AIRBORNE RECONNAISSANCE SYSTEMS**	**10,191**	**11,191**	**+1,000**
	Passive collision avoidance and reconnaissance (PCAR) for Unmanned Aerial Vehicles		1,000	
200	**MANNED RECONNAISSANCE SYSTEMS**	**20,203**	**28,203**	**+8,000**
	Shared Reconnaissance Pod (SHARP) (Note: only for SHARP sensor P3I including CMOS, imaging modules, hyperspectral insertion and Advanced Airborne Image Processor modules)		8,000	

R-1	Budget Request	Committee Recommended	Change from Request
201 DISTRIBUTED COMMON GROUND SYSTEMS	**3,635**	**21,298**	**+17,663**
Enterprise targeting and strike system (eTSS)		4,000	
TES-N/DCGS-N node at Patuxant River Naval Air Station		5,000	
Realign JFN/JSIPS-N (see R-1 line74)		8,663	
206 INDUSTRIAL PREPAREDNESS	**56,565**	**61,565**	**+5,000**
Nano-imprint at a Manufacturing Scale		4,000	
Improve manufacturability demonstration of exhaust components for military aircraft		1,000	

BONE MARROW REGISTRY

The Committee provides $34,000,000 to be administered by the C. W. Bill Young Marrow Donor Recruitment and Research Program, also known, and referred to, within the Naval Medical Research Center, as the Bone Marrow Registry. This DoD donor center has recruited more than 330,000 DoD volunteers, and provides more marrow donors per week than any other donor center in the Nation. Over 1,500 service members and other DoD volunteers from this donor center have provided marrow to save the lives of patients. The Committee is aware of the continuing success of this national and international life saving program for military contingencies and civilian patients, which now includes over 5,300,000 potential volunteer donors, and encourages agencies involved in contingency planning to continue to include the C. W. Bill Young Marrow Donor Recruitment and Research Program in the development and testing of their contingency plans. DD Form 1414 shall show this as a special congressional interest item, and the Committee directs that all of the funds appropriated for this purpose be released to the C. W. Bill Young Marrow Donor Recruitment and Research Program within 60 days of enactment of the fiscal year 2005 Defense Appropriations Act.

NAVAL HOSPITAL GREAT LAKES AND NORTH CHICAGO VETERANS AFFAIRS MEDICAL CENTER

The Committee is pleased with the progress made in developing a comprehensive resource sharing initiative between Naval Hospital Great Lakes and the North Chicago Veterans Affairs Medical Center. The Committee continues to expect a proposal for design planning and construction of a new joint ambulatory care center in fiscal year 2006. The Committee also expects the design proposal to include a physical connection between the new joint ambulatory care center and the existing VA Medical Center.

DD(X)

The budget included a request of $1,431,585,000 for the next generation guided missile destroyer, the DD(X) program, an increase of $367,198,000 over the 2004 appropriated level. The Committee recommends an appropriation of $1,182,785,000 for the DD(X), a reduction of $248,800,000 from the fiscal year 2005 request and an increase of $118,398,000 over the fiscal year 2004 appropriated level.

The Committee believes the DD(X) development schedule does not provide sufficient time for the proper maturation and testing of transformational technologies prior to initiating construction of the first ship, presenting a potential "rush to failure." According to the Navy's schedule, detailed design drawings necessary for the construction of the ship will not be completed prior to the award of this initial construction contract. It is the Committee's view that it is not prudent to proceed with the construction of a ship without first completing detailed design drawings and concluding basic testing of the technologies that will be integrated into the ship. According to the General Accounting Office, none of the twelve critical technologies for DD(X) will reach maturity prior to entering prod-

uct development. Further, based on the Navy's schedule, land-based testing of two critical technologies will not be complete prior to the conclusion of the Critical Design Review (CDR).

Accordingly, the Committee recommends eliminating the $221,000,000 requested for the first increment for construction of the first DD(X) ship. This recommendation is based on the Committee's judgment that the highly concurrent, extremely aggressive DD(X) development program does not support a fully informed acquisition decision in fiscal year 2005, making a request for construction funding premature. The Committee believes that additional time for development prior to the construction contract award will provide time for the program to stabilize and for the maturation and testing of critical technologies.

The Committee also recommends a reduction of $43,800,000 from the $191,400,000 requested for Critical Design Review (CDR), scheduled for the last quarter of fiscal year 2005. This recommendation reflects the Committee's conclusion that the CDR schedule must slip in order to complete land-based testing of critical components of the leading technologies prior to completion of CDR. The Committee directs the Navy to extend the time frame for the CDR to ensure that land-based testing has been completed on all twelve DD(X) critical technologies prior to the completion of CDR.

Finally, the Committee recommends an increase of $13,000,000 only for the completion of the DD(X) alternative engine construction and its delivery to the Navy for testing, an increase of $1,000,000 for Floating Area Networks, and an increase of $2,000,000 for smart ships that anticipate and manage.

LITTORAL COMBAT SHIP (LCS)

The budget included a request of $352,089,000 for the Littoral Combat Ship (LCS) program, an increase of $187,018,000 over the 2004 appropriated level. The Committee recommends an appropriation of $409,089,000 for the LCS, an increase of $57,000,000 over the fiscal year 2005 request and an increase of $241,018,000 over the fiscal year 2004 appropriated level.

The Committee remains impressed with the Navy's initiative in pursuing the LCS program, which promises to address significant operational gaps in Navy capability while presaging new ways of developing and fielding technology to the Fleet. The Committee has agreed to the Navy's request to fund construction of LCS in the research, development, test and evaluation appropriation, recognizing the Navy's desire to more readily accommodate potential changes to the program. The Committee approves this request because it views the Flight 0 ship as a prototype of a completely new class of ship. Once the Navy has completed and tested the prototype, it should proceed with the preliminary design and construction of the first Flight 1 ship.

The Committee recommendation includes increasing the budget request for the construction of the first Flight 0 LCS by $107,000,000, fully funding this construction effort at $214,000,000. The fiscal year 2005 request included only $107,000,000 for the first increment of the LCS construction. Budget documentation indicates the Navy plans to request an additional $107,000,000 for

the second and final increment for the first ship in fiscal year 2006. The Committee strongly opposes incremental funding of ship construction and therefore has provided a total of $214,000,000 in 2005 for construction of the first LCS, fully funding the construction requirement in one year.

The Committee recommendation reduces the LCS request by $50,000,000 for Phase I pre-design/concept studies for the development of a request for proposal for the preliminary design of the Flight 1 ship. This recommendation is based on the Committee's judgment that the preliminary design of the first Flight 1 ship should commence after test and evaluation of the Flight 0 prototype to avoid potential costly re-design efforts.

AMPHIBIOUS ASSAULT SHIP—LHA REPLACEMENT

The budget includes a request of $44,180,000 for the amphibious assault ship (LHA) replacement, the LHA(R) program. The Committee recommends no appropriation for the LHA(R), a reduction of $44,180,000 from the fiscal year 2005 request based on the uncertainty of proceeding with the LHA(R) program of record.

In its fiscal year 2004 recommendations, the Committee eliminated funding for LHA(R), only to be persuaded by the Navy that the program of record was achievable. However, after submission of the fiscal year 2005 budget, the Navy determined that the LHA(R) program required a major restructure. Owing to the overall cost of the LHA(R) program, coupled with relatively little gain in capability, the Navy now apparently advocates an alternative option based on modifications to the LHD–8 configuration. Funding and justification for this option has not been included in the President's request, nor has a budget amendment been submitted which formally changes the program of record and the amounts requested for fiscal year 2005. Moreover, the Navy's new plan presumes designing a ship that would alter the amphibious nature of the LHA, and then, proposing an incrementally funded construction program. It is unclear at this time whether this option would be the design and construction of the first in a new class of ships, or a single ship for this mission.

While the Committee supports Marine Corps requirements for a new amphibious assault ship, the Committee strongly believes that more time is required to fully assess the appropriate way ahead, including a thorough review of requirements and the likely availability of funding. This review should emphasize fielding operational capability—not just the development and construction of a new ship—consistent with projected warfighting requirements and the availability of budget resources.

Should the Navy and Marine Corps determine that the re-structure of the LHA(R) program is the way ahead for the future, a fully funded program for design and construction of a ship to meet this requirement should be included in a future budget request. The Committee will not support a proposal which suggests that construction be incrementally funded.

The Committee notes that Congress provided $64,100,000 in fiscal year 2004 for the LHA(R) program of record, that will potentially be replaced by the alternative option of a modified LHD–8. Since these funds remain available through fiscal year 2005, the

Navy may use the funds appropriated in fiscal year 2004 for the LHA(R) for costs associated with the development and design of an alternative option.

ADVANCED HYBRID STORED ENERGY DEVICES

The Committee recommends an additional $3,000,000 for the development and demonstration of advanced rechargeable hybrid stored energy devices using the MDA SBIR/STTR developed nanocomposite carbide, nitride and metal alloy materials technologies. These materials are considerably lighter, more capable, safer, and more affordable than current state-of-the-art thermal batteries used on most naval munitions. Application of these technologies could significantly increase the operational capability and reduce the life cycle costs of all current and future naval air weaponry.

BLAST RESISTANT ANECHOIC SPRAYABLE ELASTOMERIC COATINGS

The Committee recommends an additional $2,000,000 to develop new blast resistant materials for coating ship hulls. The Committee supports the Navy's recommendation to improve platform protection for naval vessels by improving the capability to suppress explosions and control damage through the development of a liquid spray applied unique material with blast mitigation properties.

CUTTING TOOLS FOR AEROSPACE MATERIALS

The Committee recommends an additional $5,000,000 for a multi-phased program to develop, produce, and test several new monolithic and composite ceramic materials for aerospace fabrication. The Committee believes this will help the Department address the manufacturing difficulties and machining problems of composite materials for aerospace platforms.

LOW-POWER MEGA PERFORMANCE UAV PROCESSING ENGINES

The Committee recommends an additional $4,000,000 for an advanced processor suitable for the mission requirements of unmanned aerial vehicles. Specifically, the Committee believes that mission requirements require the need to address the overwhelming data throughput requirements of UAV and the need to enhance on-board sensor processing capabilities. Recent technology advances in sensor processing platforms include advances in multithreaded, massively parallel processing systems on chips, enabling low-power, affordable commercial-off-the-shelf engines to provide a computing platform for advanced processing requirements.

CENTER FOR CRITICAL INFRASTRUCTURE PROTECTION

The Committee recommends an additional $8,000,000 for the Center for Critical Infrastructure Protection (CCIP) to develop for the Unified Combatant Commands, particularly the U.S. Northern Command (NORTHCOM) and the Joint Forces Command (JFCOM), innovative technology solutions and methodologies for protecting critical infrastructure including the sustained operation of our nation's ports, protection of our merchant shipping systems, and assured access to the national industrial base.

The CCIP will investigate mission critical elements of protection from risk assessment, surveillance and communications techniques, and security technologies addressing the unique threats associated with critical infrastructure protection. The technologies developed by CCIP will create innovative security solutions such as sensors, intelligent cargo containers, visualization, and other situational awareness mechanisms for securing the nation's critical infrastructure that supports uninterrupted joint force protection.

HIGH PERFORMANCE SANDWICH PANEL CONSTRUCTION TECHNIQUES

The Committee recommends an additional $5,000,000 to promote the development and qualification of advanced steel sandwich panels for the construction of U.S. Navy ships. The Committee supports the Navy's effort to design, develop, and implement high-performance steel sandwich panel construction techniques in order to improve quality and performance and to lower procurement costs for U.S. Navy ships.

PROJECT M

The Committee recommends an additional $2,500,000 for Project M, a shock and vibration mitigation technology program. The Committee believes that this shock and vibration mitigation technique could transition to shock mitigating systems aboard high-speed ships and crafts, including those employed by Navy Special Warfare forces. The additional funds will enable the Navy to complete the producibility engineering of the new shock mitigation system, address interface requirements and investigate technology applications to naval aviation and other platforms.

INTELLIGENT SYSTEMS CONSORTIUM (ISC) INITIATIVE

The Committee recommends an additional $3,000,000 only to accelerate the Intelligent Systems Consortium (ISC) Initiative. The Committee understands that the Navy has identified a requirement to focus on the development of intelligent shipboard electro-mechanical devices in support of the all-electric ship concept, reduced manning requirements, and future sea-basing requirements. The ISC Initiative is a consortium of Navy, academic, Federal laboratory, and industry partners formed to pursue development of product concepts and design to meet these naval requirements.

CASCADING VEHICLES CONCEPT FOR ADVANCED LITTORAL OPERATIONS

The Committee recommends an additional $5,000,000 to initiate the Cascading Vehicles Concept for Advanced Littoral Operations from the SEALION medium-range maritime platform. The Committee believes that this initiative is not an alternative to the Littoral Combat Ship (LCS) envisioned by the Navy to conduct littoral operations, but rather a supporting technology demonstration initiative.

REVIEW OF MULTIPLE MISSILE SYSTEMS

The Committee believes that the Navy should conduct a review of its requirement for maintaining multiple attack missile systems. For example, it is unclear to the Committee why the Navy is devel-

oping and acquiring both the Tactical Tomahawk and the Joint Air-to-Surface Standoff Missile (JASSM), both of which have essentially the same stated mission and capability for nearly identical cost.

Furthermore, the Committee is concerned that the Navy has multiple "improvement" plans underway for its varied inventory of attack missile systems. It appears that a program barely completes testing and evaluation before an improvement is already in development. The Committee is concerned that there is a potential for too much time and money to be spent on developing new technologies, delaying the introduction of the missile to the inventory in sufficient numbers.

This situation has led to an inventory of smaller numbers of one kind of missile per mission rather than a large inventory of missiles for multiple missions. The Navy should consider a "neck down" strategy to reduce the number of different missiles and concentrate resources on increasing the overall number of missiles in the inventory.

DISRUPTIVE TECHNOLOGY OPPORTUNITIES FUND (DTOF)

The Committee recommends $6,000,000 to establish a Disruptive Technology Opportunities Fund (DTOF). This Fund, managed by the N6/N7 organization, will support a Navy partnership with the Defense Advanced Research Projects Agency (DARPA) on a portfolio of high-risk, high-payoff projects to address pressing naval challenges.

The Committee is supportive of this concept because the projects identified for advancement through the DTOF are those designed to transition quickly to meet Fleet requirements. The Committee notes there are a significant number of ongoing science and laboratory projects that support several institutional organizations, but do not support requirements identified by the Fleet and rarely, if ever, transition to operational use. The Committee believes that research and development projects must be able to support current or future operational requirements of the Navy and must transition to operational use.

The Committee directs the Navy to submit by January 15, 2005, a report on the projects to be considered under the DTOF and the fiscal year 2006 and future budgetary requirements of this initiative. Future reports of projects should be submitted with the budget request, and should identify those projects that have transitioned to operational use in the Fleet or have been abandoned if not able to transition.

SUPPLY CHAIN PRACTICES FOR AFFORDABLE NAVY SYSTEMS (SPANS)

The Committee recommends an additional $2,000,000 for the development and adoption of industrial and logistical best business and management practices among government and industry in support of Department of Defense systems. The Committee is aware of the significantly higher costs for supply chain management in the Defense sector than that for commercial electronics companies, and recognizes the significant savings that the SPANS program has already demonstrated by gains in efficiency and cycle time reduction.

The Committee encourages the Office of Naval Research to fully fund this program in future budget requests.

CENTER FOR COASTLINE SECURITY TECHNOLOGY

The Committee recommends an additional $5,000,000 to continue research on tactical unmanned aerial vehicles at the Center for Coastline Security Technology. These funds will be used by the Center to continue research, simulation, and evaluation of coastal defense and marine domain awareness equipment, sensors, and components.

JOINT OPERATIONAL TEST BED (JOTBS)

The Committee recommends an additional $7,000,000 only for the Joint Operational Test Bed (JOTBS). Of these funds, $1,500,000 is to ensure Predator ground control viability, $2,000,000 is to enhance the JOTBS Joint Mission Support Module, and $3,500,000 is to lease (annually) or procure UAV suites for experimentation. JOTBS is a Congressional interest item. Funds may not be moved into or out of this program without prior Congressional approval.

NANO-IMPRINT AT MANUFACTURING SCALE (NIMS)

The Committee recommends an additional $4,000,000 for the development of a Nano-Imprint at Manufacturing Scale (NIMS) tool.

The Committee is concerned that this nation faces shrinking advantages across all technology areas due to the rapid decline of the U.S. based semiconductor industry and the movement of intellectual property and industrial capability to foreign nations. In addition, the United States is losing the capability to conduct research and development for next generation lithography machines to produce integrated circuits used in Defense applications.

Nano-lithography is one of the key technologies with the potential to revitalize the domestic semiconductor industry. The additional funds provided by the Committee will advance the development of Nano-Lithography technology to enable the Department of Defense to build ultra-high speed circuits critical to the development of smart weapon systems.

COMPOSITE CERAMIC UNMANNED UNDERWATER VEHICLE

The Committee supports the initiative to develop high-performance, low cost, modular UUVs using advanced composite technology, ceramic component technology, and water-soluble tooling. The Committee believes the Navy should pursue this technology and include funding in future requests for applied research on composite ceramic UUVs.

AH–1Y/UH–1Z TAILBOOM

The budget requested $90,389,000 for the H–1 Upgrade program, an increase of $1,600,000 over the fiscal year 2004 appropriation. The Committee recommends $132,389,000, an increase of $42,000,000 over the fiscal year 2005 request. The Committee understands that the Marine Corps has identified a technical issue in the current design of these aircraft which involves the venting of

engine exhaust onto the tailboom. The Committee further understands that an additional $12,000,000 is required for the engineering and tooling necessary to resolve this problem, and an additional $30,000,000 is required for testing. Accordingly, the Committee recommends an increase of $42,000,000 for this program.

CV–22 OSPREY

The budget requested $304,164,000 for the V–22 Osprey flight test program, a reduction of $102,978,000 below the fiscal year 2004 appropriation. The Committee recommends $253,164,000, a reduction of $51,000,000 from the fiscal year 2005 request. The Committee is aware that the test flight schedule for the CV–22 variant of the Osprey has experienced a delay of approximately six months. This delay is technical in nature having to do with the intensity of inspections and maintenance that accompany V–22 flight testing, and a lack of suitable environmental conditions for test flights, among other things. As a result of this delay, the Committee recommends a reduction of $51,000,000 from the budget request for the V–22 test flight program. The Committee also recognizes the delayed test events will have to be rescheduled, and associated costs must be supported in future budget requests. Accordingly, the Committee directs the Secretary of the Navy to provide a report to the congressional defense committees not later than February 1, 2005, indicating revisions to the test flight schedule to compensate for this delay, and indicating how this delay will be funded over the Future Years Defense Program.

VXX HELICOPTER PROGRAM

The budget requested $777,398,000 for the VXX Executive Helicopter Development program, an increase of $579,967,000 over the fiscal year 2004 appropriation. The Committee recommends $557,398,000, a reduction of $220,000,000 from the fiscal year 2005 request. The Committee understands that the Department of Defense has deferred selection of the contractor team that will produce this aircraft because of the immaturity of the mission equipment to be incorporated into the aircraft.

NAVY CONVERGED ENTERPRISE RESOURCE PLANNING

The budget requested $100,000,000 for Navy Converged Enterprise Resource Planning (ERP), an increase of $100,000,000 over the fiscal year 2004 appropriation. The Committee recommends $65,000,000, a reduction of $35,000,000 from the fiscal year 2005 request. Based on concerns discussed in the Information Technology section of this report, the Committee has adjusted amounts available for ERP to be applied as follows:

[In thousands of dollars]

Operation and Maintenance, Navy, 1A6A	−$7,500
Research, Development, Test and Evaluation, Navy	−27,500

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY			
BASIC RESEARCH			
UNIVERSITY RESEARCH INITIATIVES	83,508	95,008	+11,500
IN-HOUSE LABORATORY INDEPENDENT RESEARCH	17,664	17,664	---
DEFENSE RESEARCH SCIENCES	375,812	385,812	+10,000
TOTAL, BASIC RESEARCH	476,984	498,484	+21,500
APPLIED RESEARCH			
POWER PROJECTION APPLIED RESEARCH	98,831	125,831	+27,000
FORCE PROTECTION APPLIED RESEARCH	96,269	113,769	+17,500
MARINE CORPS LANDING FORCE TECHNOLOGY	35,398	36,398	+1,000
HUMAN SYSTEMS TECHNOLOGY	---	2,000	+2,000
MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY	---	5,500	+5,500
COMMON PICTURE APPLIED RESEARCH	60,134	72,634	+12,500
WARFIGHTER SUSTAINMENT APPLIED RESEARCH	63,726	117,926	+54,200
RF SYSTEMS APPLIED RESEARCH	49,151	56,651	+7,500
OCEAN WARFIGHTING ENVIRONMENT APPLIED RESEARCH	48,482	73,982	+25,500
UNDERSEA WARFARE APPLIED RESEARCH	64,060	73,560	+9,500
MINE AND EXPEDITIONARY WARFARE APPLIED RESEARCH	48,016	48,016	---
TOTAL, APPLIED RESEARCH	564,067	726,267	+162,200
ADVANCED TECHNOLOGY DEVELOPMENT			
POWER PROJECTION ADVANCED TECHNOLOGY	92,359	125,859	+33,500
FORCE PROTECTION ADVANCED TECHNOLOGY	82,130	166,230	+84,100
COMMON PICTURE ADVANCED TECHNOLOGY	79,521	80,521	+1,000
WARFIGHTER SUSTAINMENT ADVANCED TECHNOLOGY	61,103	83,603	+22,500
RF SYSTEMS ADVANCED TECHNOLOGY	44,046	60,046	+16,000
MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)	58,222	77,222	+19,000
NAVY TECHNICAL INFORMATION PRESENTATION SYSTEM	167,626	170,626	+3,000
WARFIGHTER PROTECTION ADVANCED TECHNOLOGY	16,719	70,719	+54,000
UNDERSEA WARFARE ADVANCED TECHNOLOGY	26,515	28,515	+2,000
JOINT WARFARE EXPERIMENTS	26	26	---
NAVY WARFIGHTING EXPERIMENTS AND DEMONSTRATIONS	16,006	16,006	---
MINE AND EXPEDITIONARY WARFARE ADVANCED TECHNOLOGY	32,899	34,899	+2,000
TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	677,172	914,272	+237,100

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
DEMONSTRATION & VALIDATION			
AIR/OCEAN TACTICAL APPLICATIONS	24,431	25,931	+1,500
AVIATION SURVIVABILITY	10,820	34,020	+23,200
DEPLOYABLE JOINT COMMAND AND CONTROL	42,394	42,394	---
ASW SYSTEMS DEVELOPMENT	4,541	12,541	+8,000
TACTICAL AIRBORNE RECONNAISSANCE	6,448	6,448	---
ADVANCED COMBAT SYSTEMS TECHNOLOGY	67,605	67,605	---
SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	103,308	104,308	+1,000
SURFACE SHIP TORPEDO DEFENSE	46,896	54,896	+8,000
CARRIER SYSTEMS DEVELOPMENT	157,479	164,979	+7,500
SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	18,993	33,493	+14,500
PILOT FISH	78,223	78,223	---
RETRACT LARCH	82,532	82,532	---
RETRACT JUNIPER	36,915	36,915	---
RADIOLOGICAL CONTROL	946	946	---
SURFACE ASW	17,633	17,633	---
SSGN CONVERSION	19,970	19,970	---
ADVANCED SUBMARINE SYSTEM DEVELOPMENT	81,160	78,160	-3,000
SUBMARINE TACTICAL WARFARE SYSTEMS	5,957	5,957	---
SHIP CONCEPT ADVANCED DESIGN	3,723	10,723	+7,000
ADVANCED NUCLEAR POWER SYSTEMS	169,733	169,733	---
ADVANCED SURFACE MACHINERY SYSTEMS	---	4,000	+4,000
CHALK EAGLE	47,786	47,786	---
LITTORAL COMBAT SHIP (LCS)	352,089	409,089	+57,000
COMBAT SYSTEM INTEGRATION	80,840	81,340	+500
CONVENTIONAL MUNITIONS	34,151	34,151	---
MARINE CORPS ASSAULT VEHICLES	236,969	237,969	+1,000
MARINE CORPS MINE/COUNTERMEASURES SYSTEMS - ADV DEV	4,522	4,522	---
MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	22,440	27,440	+5,000
JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	18,047	18,047	---
COOPERATIVE ENGAGEMENT	103,452	103,452	---
OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	26,232	29,732	+3,500
ENVIRONMENTAL PROTECTION	24,641	26,891	+2,250
NAVY ENERGY PROGRAM	1,494	3,494	+2,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
FACILITIES IMPROVEMENT	1,621	1,621	---
CHALK CORAL	58,467	49,367	-9,100
NAVY LOGISTIC PRODUCTIVITY	7,421	26,921	+19,500
RETRACT MAPLE	275,407	262,407	-13,000
LINK PLUMERIA	112,997	104,097	-8,900
RETRACT ELM	48,130	48,130	---
SHIP SELF DEFENSE (DEM/VAL)	9,493	9,493	---
LINK EVERGREEN	63,346	63,346	---
SPECIAL PROCESSES	44,232	44,232	---
NATO RESEARCH AND DEVELOPMENT	10,151	10,151	---
LAND ATTACK TECHNOLOGY	82,049	88,586	+6,537
NONLETHAL WEAPONS (DEM/VAL)	43,321	46,321	+3,000
ALL SERVICE COMBAT IDENTIFICATION EVALUATION TEAM	13,626	13,626	---
JOINT PRECISION APPROACH AND LANDING SYSTEMS (DEM/VAL)	32,391	32,391	---
SINGLE INTEGRATED AIR PICTURE (SIAP) SYSTEM ENGINEER	20,252	20,252	---
TACTICAL AIR DIRECTIONAL INFRARED COUNTERMEASURES (TAD	---	3,000	+3,000
DISRUPTIVE TECHNOLOGY OPPORTUNITIES FUND (DTOF)	---	6,000	+6,000
SPACE & ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINE	25,943	25,943	---
JOINT WARFARE TRANSFORMATION PROGRAMS	22,450	22,450	---
TOTAL, DEMONSTRATION & VALIDATION	2,803,667	2,953,654	+149,987

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
ENGINEERING & MANUFACTURING DEVELOPMENT			
OTHER HELO DEVELOPMENT	186,970	186,970	---
AV-8B AIRCRAFT - ENG DEV	12,284	13,284	+1,000
STANDARDS DEVELOPMENT	57,675	66,175	+8,500
MULTI-MISSION HELICOPTER UPGRADE DEVELOPMENT	78,757	82,757	+4,000
AIR/OCEAN EQUIPMENT ENGINEERING	4,506	4,506	---
P-3 MODERNIZATION PROGRAM	9,554	15,554	+6,000
WARFARE SUPPORT SYSTEM	5,201	5,201	---
TACTICAL COMMAND SYSTEM	49,180	65,180	+16,000
E-2C RADAR MODERNIZATION	597,015	597,015	---
H-1 UPGRADES	90,389	132,389	+42,000
ACOUSTIC SEARCH SENSORS	13,363	15,363	+2,000
V-22A	304,164	253,164	-51,000
AIR CREW SYSTEMS DEVELOPMENT	8,838	18,838	+10,000
EA-18	357,502	357,502	---
EW DEVELOPMENT	48,956	48,956	---
VHXX EXECUTIVE HELO DEVELOPMENT	777,398	557,398	-220,000
JOINT TACTICAL RADIO SYSTEM - NAVY (JTRS-NAVY)	78,624	83,624	+5,000
SC-21 TOTAL SHIP SYSTEM ENGINEERING	1,431,585	1,182,785	-248,800
SURFACE COMBATANT COMBAT SYSTEM ENGINEERING	146,463	162,963	+16,500
LPD-17 CLASS SYSTEMS INTEGRATION	8,988	8,988	---
TRI-SERVICE STANDOFF ATTACK MISSILE	27,047	27,047	---
SMALL DIAMETER BOMB (SDB)	9,961	9,961	---
STANDARD MISSILE IMPROVEMENTS	99,022	110,022	+11,000
AIRBORNE MCM	50,514	50,514	---
SSN-688 AND TRIDENT MODERNIZATION	75,359	103,359	+28,000
AIR CONTROL	13,102	13,102	---
ENHANCED MODULAR SIGNAL PROCESSOR	1,075	1,075	---
SHIPBOARD AVIATION SYSTEMS	28,631	28,631	---
COMBAT INFORMATION CENTER CONVERSION	8,228	11,228	+3,000
NEW DESIGN SSN	143,270	141,270	-2,000
SSN-21 DEVELOPMENTS	3,020	3,020	---
SUBMARINE TACTICAL WARFARE SYSTEM	43,404	46,904	+3,500
SHIP CONTRACT DESIGN/ LIVE FIRE T&E	130,908	86,728	-44,180

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
NAVY TACTICAL COMPUTER RESOURCES	2,381	13,381	+11,000
MINE DEVELOPMENT	6,123	6,123	---
LIGHTWEIGHT TORPEDO DEVELOPMENT	9,965	9,965	---
JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	8,081	12,081	+4,000
PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS	3,005	3,005	---
BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM	17,981	32,481	+14,500
JOINT STANDOFF WEAPON SYSTEMS	9,531	11,531	+2,000
SHIP SELF DEFENSE (DETECT & CONTROL)	48,154	53,154	+5,000
SHIP SELF DEFENSE (ENGAGE: HARD KILL)	51,213	51,213	---
SHIP SELF DEFENSE (ENGAGE: SOFT KILL/EW)	28,233	40,233	+12,000
MEDICAL DEVELOPMENT	6,942	52,042	+45,100
NAVIGATION/ID SYSTEM	28,104	28,104	---
DISTRIBUTED SURVEILLANCE SYSTEM	7,776	9,776	+2,000
JOINT STRIKE FIGHTER (JSF) - EMD	2,264,507	2,168,507	-96,000
SMART CARD	695	695	---
INFORMATION TECHNOLOGY DEVELOPMENT	9,301	9,301	---
INFORMATION TECHNOLOGY DEVELOPMENT	109,543	113,043	+3,500
MULTI-MISSION MARITIME AIRCRAFT (MMA)	496,029	496,029	---
TOTAL, ENGINEERING & MANUFACTURING DEVELOPMENT	8,008,517	7,602,137	-406,380

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
RDT&E MANAGEMENT SUPPORT			
THREAT SIMULATOR DEVELOPMENT	23,866	23,866	---
TARGET SYSTEMS DEVELOPMENT	35,677	35,677	---
MAJOR T&E INVESTMENT	39,787	43,287	+3,500
STUDIES AND ANALYSIS SUPPORT - NAVY	2,183	2,183	---
CENTER FOR NAVAL ANALYSES	43,982	43,982	---
FLEET TACTICAL DEVELOPMENT	2,338	2,338	---
TECHNICAL INFORMATION SERVICES	696	12,196	+11,500
MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	31,407	31,407	---
STRATEGIC TECHNICAL SUPPORT	3,493	3,493	---
RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT	66,117	66,117	---
RDT&E INSTRUMENTATION MODERNIZATION	19,370	19,370	---
RDT&E SHIP AND AIRCRAFT SUPPORT	81,308	81,308	---
TEST AND EVALUATION SUPPORT	255,926	258,426	+2,500
OPERATIONAL TEST AND EVALUATION CAPABILITY	13,044	13,044	---
NAVY SPACE AND ELECTRONIC WARFARE (SEW) SUPPORT	2,941	2,941	---
SEW SURVEILLANCE/RECONNAISSANCE SUPPORT	12,160	13,160	+1,000
MARINE CORPS PROGRAM WIDE SUPPORT	19,701	28,101	+8,400
TOTAL, RDT&E MANAGEMENT SUPPORT	653,996	680,896	+26,900
OPERATIONAL SYSTEMS DEVELOPMENT			
STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	108,782	96,782	-12,000
SSBN SECURITY TECHNOLOGY PROGRAM	43,408	43,408	---
SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	8,453	13,453	+5,000
NAVY STRATEGIC COMMUNICATIONS	31,391	31,391	---
RAPID TECHNOLOGY TRANSITION (RTT)	14,630	14,630	---
F/A-18 SQUADRONS	134,580	136,580	+2,000
E-2 SQUADRONS	6,055	9,555	+3,500
FLEET TELECOMMUNICATIONS (TACTICAL)	19,784	22,784	+3,000
TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	28,776	31,776	+3,000
INTEGRATED SURVEILLANCE SYSTEM	16,965	23,965	+7,000
AMPHIBIOUS TACTICAL SUPPORT UNITS	2,604	4,104	+1,500
CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	21,644	24,644	+3,000
CRYPTOLOGIC DIRECT SUPPORT	1,460	1,460	---
ELECTRONIC WARFARE (EW) READINESS SUPPORT	12,139	12,139	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
HARM IMPROVEMENT	163,371	168,371	+5,000
TACTICAL DATA LINKS	18,977	18,977	---
SURFACE ASW COMBAT SYSTEM INTEGRATION	10,612	22,612	+12,000
MK-48 ADCAP	21,620	21,620	---
AVIATION IMPROVEMENTS	62,635	82,635	+20,000
NAVY SCIENCE ASSISTANCE PROGRAM	3,821	3,821	---
OPERATIONAL NUCLEAR POWER SYSTEMS	64,554	64,554	---
MARINE CORPS COMMUNICATIONS SYSTEMS	268,638	297,638	+29,000
MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	44,828	48,828	+4,000
MARINE CORPS COMBAT SERVICES SUPPORT	10,731	10,731	---
TACTICAL AIM MISSILES	4,061	1,561	-2,500
ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	9,085	9,085	---
SATELLITE COMMUNICATIONS (SPACE)	573,092	470,592	-102,500
INFORMATION SYSTEMS SECURITY PROGRAM	18,676	18,676	---
COBRA JUDY	80,694	80,694	---
NAVY METEOROLOGICAL AND OCEAN SENSORS-SPACE (METOC)	4,215	4,215	---
JOINT C4ISR BATTLE CENTER (JBC)	43,569	43,569	---
JOINT MILITARY INTELLIGENCE PROGRAMS	4,746	4,746	---
TACTICAL UNMANNED AERIAL VEHICLES	53,439	65,439	+12,000
ENDURANCE UNMANNED AERIAL VEHICLES	113,438	83,438	-30,000
AIRBORNE RECONNAISSANCE SYSTEMS	10,191	11,191	+1,000
MANNED RECONNAISSANCE SYSTEMS	20,203	28,203	+8,000
DISTRIBUTED COMMON GROUND SYSTEMS	3,635	21,298	+17,663
AERIAL COMMON SENSOR (ACS) (JMIP)	24,909	24,909	---
MODELING AND SIMULATION SUPPORT	7,262	7,262	---
INDUSTRIAL PREPAREDNESS	56,565	61,565	+5,000
MARITIME TECHNOLOGY (MARITECH)	10,265	10,265	---
TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	2,158,503	2,153,166	-5,337
CLASSIFIED PROGRAMS	1,003,485	1,003,485	---
TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY	16,346,391	16,532,361	+185,970

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

Fiscal year 2004 appropriation	$20,500,984,000
Fiscal year 2005 budget request	21,114,667,000
Committee recommendation	21,033,622,000
Change from budget request	−81,045,000

This appropriation finances the research, development, test and evaluation activities of the Department of the Air Force.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $21,033,622,000 for Research, Development, Test and Evaluation, Air Force. The following report and project level tables provide a summary of the Committee's recommendation.

EXPLANATION OF PROJECT LEVEL TABLES
[In thousands of dollars]

R-1		Budget Request	Committee Recommended	Change from Request
1	**DEFENSE RESEARCH SCIENCES**	**217,304**	**224,804**	**+7,500**
	Demonstrating Space Research and Applications (Note: Only to support educational programming and exhibits that demonstrate the application of defense technology and research at Griffith Observatory Planetarium)		1,000	
	Microwave Vacuum Electronics Power Research Initiative (Note: Only to re-establish a program for research into Microwave Vacuum Engineering (MVE) and High Power Microwave (HPM) technology through the Air Force Office of Scientific Research)		2,500	
	Chabot Space & Science Center		2,000	
	National Hypersonic Research Center		2,000	
2	**UNIVERSITY RESEARCH INITIATIVES**	**115,865**	**120,865**	**+5,000**
	Bio/Nanotechnology Infrastructure and Technology-oriented Research		5,000	
4	**MATERIALS**	**73,660**	**97,160**	**+23,500**
	Computational Tools for Materials Development		1,000	
	Advanced Wide Bandgap Materials for RF Technology		3,000	
	Advanced Silicon Carbide Device Technology		2,000	
	Advanced Reinforced Materials and New Materials Research for Aircraft Tires		1,000	
	Domestic Titanium Powder Manufacturing Initiative		4,000	
	Cost Effective Composite Materials for Manned and Unmanned Flight Structures		1,000	
	Blast Resistant Barriers for Homeland Defense		4,000	
	Advanced Magnetic Random Access Memory Modules (Note: Only to develop memory modules to integrate magnetic RAM with conventional electronics for military platforms)		2,500	
	Optimal Design of Materials Processes		1,000	
	WBI - Nanostructured Materials for Advanced Air Force Systems		4,000	
5	**AEROSPACE VEHICLE TECHNOLOGIES**	**74,679**	**78,179**	**+3,500**
	Intelligent Flight Control Simulation Research Laboratory		2,000	
	Unique Stealth UAV Houck Aircraft Design Program (Note: Only to continue and expand the existing program)		1,500	
6	**HUMAN EFFECTIVENESS APPLIED RESEARCH**	**71,483**	**82,483**	**+11,000**
	Networked Warfighter Decision Support		1,500	
	AFSOC Battlefield Air Operations Kit		1,500	
	Bio Medical DNA Program		1,000	
	IMPRINT for UAVs		2,000	
	Photovoltaic Hydrogen and Flexible PV for Portable Power		1,000	
	Laser Bioeffects		2,000	
	Special Operations Target Acquisition & Control Suite (Note: Only to design a mission planning, rehearsal, and execution toolkit prototype system for Air Force Special Tactics)		2,000	

R-1		Budget Request	Committee Recommended	Change from Request
7	**AEROSPACE PROPULSION**	**92,650**	**129,400**	**+36,750**
	HVEPS		4,500	
	Jet & Rocket Engine Test Site (JRETS) (Note: Only for Jet and Rocket Propulsion testing at San Bernardino International Airport)		8,000	
	Aerospace Lab Equipment Upgrade		1,000	
	Advanced Cooling Technology for High Flux Military Diode Laser Arrays		1,500	
	Cell-Level Battery Controller		3,000	
	Versatile Affordable Advanced Turbine Engine - Titanium Matrix Composite		1,000	
	Advanced Vehicle Propulsion Center		5,000	
	Advanced Aerospace Vehicle Cooling Technologies (Note: Only to conduct evaluations of aerospace vehicle cooling technologies at the JRETS rocket test stand at the San Bernardino International Airport)		1,000	
	Remote-Base Power Demonstration		3,000	
	Wavelength Agile Spectral Harmonic Oxygen Sensor		1,000	
	High Regression Rate Hybrid Rocket Fuels		750	
	Center for Flow Physics and Control		2,000	
	Engineering Research Lab Equipment Upgrade		1,000	
	Center for Security of Large-Scale Systems		2,000	
	Intense, Ultrafast Laser Microfabrication & Diagnostics		1,000	
	Information Assurance Initiative		1,000	
8	**AEROSPACE SENSORS**	**78,804**	**97,304**	**+18,500**
	General Purpose Reconfigurable Signal Processor System		4,000	
	Optical Signature Recognition System for Authenticity Verification		2,000	
	Phased Array Antenna Control Computer		1,500	
	Three-Dimensional Packaging Technology for High Speed RF Communication		2,000	
	Center for Advanced Sensor and Communication Antennas		5,000	
	Watchkeeper UWB Demonstration Program		4,000	
9	**MULTI-DISCIPLINARY SPACE TECHNOLOGY**	**84,581**	**101,581**	**+17,000**
	Internet Protocol Commanding of Satellites		1,000	
	ETIP - Engineering Tool Improvement Program		6,000	
	Photonics Technology		2,000	
	Upperstage Engine Technology (USET)		5,000	
	Stable Articulating Backbone for Ultralight Radar Project		3,000	
10	**SPACE TECHNOLOGY**	**88,909**	**99,909**	**+11,000**
	Elastic Memory Composites		1,000	
	ICASS		4,000	
	Converted Silicon Carbide for High Performance Optic Structures		3,000	
	EM Gradiometer for the Detection & Confirmation of Underground Hiding Places & Passageways		2,000	
	Toughened Silicone Substrates for Flexible Solar Cells		1,000	

R-1		Budget Request	Committee Recommended	Change from Request
12	**DIRECTED ENERGY TECHNOLOGY**	**36,532**	**47,532**	**+11,000**
	Adaptive Optics Lasercom		5,000	
	Ultra Short Pulse Laser Technology Development (Note: Only for USP laser Platform Development Vehicle, Lethality and Atmospheric Propagation Analysis, and Optimization of the USP Laser Platform)		6,000	
13	**COMMAND CONTROL AND COMMUNICATIONS**	**82,147**	**85,147**	**+3,000**
	MASINT Visualization Tools Program		3,000	
15	**HIGH ENERGY LASER RESEARCH**	**45,333**	**52,333**	**+7,000**
	Joint High Power Solid State Laser Program		2,000	
	Manufacturing Technology Development Solid State of Advanced Components for High Solid State Laser		4,000	
	High Energy Laser Research		1,000	
16	**ADVANCED MATERIALS FOR WEAPON SYSTEMS**	**34,284**	**60,284**	**+26,000**
	Advanced Polymer Technology for Agile Combat Support		1,500	
	Transparent Conductive Polymer Technology Development		3,000	
	Metals Affordability Initiative		5,000	
	Quantitative Inspection Techniques for Assessing Aging of Military Aircraft		2,000	
	Plasma Enhanced Chemical Vapor Disposition for Advanced Laser Program		2,000	
	Large Panel Sapphire Producability		3,000	
	Advanced Composite Processes		2,000	
	Fast Field Repair of Coated Aircraft and Equipment		4,000	
	Materials Integrity Management Research		1,500	
	Hybrid Bearing		2,000	
17	**ADVANCED AEROSPACE SENSORS**	**30,634**	**44,634**	**+14,000**
	Testbed for Accelerated Transition - Advanced Multi-Discriminating Sensing		1,000	
	National Operational Signature Production and Research Capability		11,500	
	Phase Diversity - Imaging Through Volume Turbulence		1,500	
18	**FLIGHT VEHICLE TECHNOLOGY**	**0**	**1,000**	**+1,000**
	Ultra-Lightweight Composites for Ballistic and Bomb Protection		1,000	
19	**AEROSPACE TECHNOLOGY DEVELOPMENT/DEMONSTRATION**	**29,145**	**63,145**	**+34,000**
	3D Weaving/Braiding Technology		4,000	
	National Aerospace Leadership Initiative		25,000	
	WBI - Capabilities Planning Support		5,000	
20	**AEROSPACE PROPULSION AND POWER TECHNOLOGY**	**79,914**	**84,914**	**+5,000**
	Advanced Satellite Thermal Control Program		1,000	
	Versatile Affordable Advanced Turbine Engine		4,000	
21	**CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY**	**32,794**	**35,294**	**+2,500**
	Virtual Warriors		1,500	
	The Logistics Institute		1,000	

R-1		Budget Request	Committee Recommended	Change from Request
22	**ELECTRONIC COMBAT TECHNOLOGY**	**28,282**	**34,282**	**+6,000**
	Receiver and Processing Concepts Evaluation Program		1,000	
	Lightweight Modular Support Jammer		3,000	
	Detect and Avoid for UAVs		2,000	
23	**BALLISTIC MISSILE TECHNOLOGY**	**0**	**13,000**	**+13,000**
	Ballistic Missile Technology Common Advanced Guidance Technology		13,000	
24	**UNMANNED AIR VEHICLE DEVELOPMENT/DEMONSTRATION**	**0**	**13,000**	**+13,000**
	Protector UAV for AC-130 Aircraft (Note: Only to develop a Protector UAV capability to include a Tactical Common Data Link (TCDL) communications suite for real-time video capability)		10,000	
	Ice Protection Technologies for UAVs		3,000	
25	**ADVANCED SPACECRAFT TECHNOLOGY**	**60,124**	**83,624**	**+23,500**
	Robust Aerospace Composite Materials and Structures		3,500	
	Intelligence Free Space Optical Communications		3,000	
	Boron Energy Cell System Development		2,000	
	Vehicle Risk Reduction (RSLV)		4,000	
	Advanced Life Cycle Cost/ Risk Model for Space Concepts Development		1,000	
	Integrated Spacecraft Engineering Tool (ISET)		1,000	
	Systematic Hierarchical Approach to Radiation Hardened Electronics		3,000	
	Streaker - Small Launch Vehicle		4,000	
	Radiation Hardening Microelectronics		2,000	
28	**CONVENTIONAL WEAPONS TECHNOLOGY**	**22,398**	**29,898**	**+7,500**
	High Speed Strike Weapon		1,000	
	BLU-109 Bunker Buster - Heavy		5,000	
	Fuze Air-to-Surface Technology		1,500	
29	**ADVANCED WEAPONS TECHNOLOGY**	**31,103**	**48,103**	**+17,000**
	Advanced Technology for IRCM Component Improvement		3,000	
	Low Speed Air Speed System		4,000	
	Near Earth Space Initiative		4,000	
	LIVAR		3,000	
	Wafer Integrated Semiconductor Laser		3,000	
31	**C3I ADVANCED DEVELOPMENT**	**28,524**	**34,524**	**+6,000**
	Dynamic Targeting Capability		3,000	
	Collaboration Archive Server (Note: Only for the continued development of the Collaboration Archive Server initiated under SBIR AF01-106)		1,000	
	Cyber Security - Advanced Course in Engineering		2,000	
34	**HIGH ENERGY LASER ADVANCED TECHNOLOGY PROGRAM**	**8,547**	**10,547**	**+2,000**
	Joint High Power Solid State Laser Program		2,000	

R-1		Budget Request	Committee Recommended	Change from Request
39	**PHYSICAL SECURITY EQUIPMENT**	**22,640**	**26,840**	**+4,200**
	Smart Camera System with Target Motion Cueing		200	
	Military Base Protection using X-Ray System (Shaped Energy Detection System)		4,000	
48	**ADVANCED WIDEBAND SYSTEM (AWS) TRANSFORMATIONAL SATCOM (TSAT)**	**774,836**	**674,836**	**-100,000**
	Fund at authorized level		-100,000	
53	**SPACE-BASED RADAR DEM/VAL**	**327,732**	**75,000**	**-252,732**
	Program Affordability		-252,732	
54	**POLLUTION PREVENTION (DEM/VAL)**	**2,692**	**4,692**	**+2,000**
	Laser Applications to Improve Air Force Operations and Readiness		2,000	
59	**OPERATIONALLY RESPONSIVE LAUNCH**	**35,362**	**40,362**	**+5,000**
	Blue MAJIC		4,000	
	Advanced Rocket Component Development		1,000	
60	**COMMON AERO VEHICLE (CAV)**	**21,610**	**31,610**	**+10,000**
	Common Aero Vehicle		10,000	
DCF	**BOMBER DEVELOPMENT**	**0**	**50,000**	**+50,000**
62	**GLOBAL BROADCAST SERVICE (GBS)**	**33,447**	**23,447**	**-10,000**
	Reduce forward financing		-10,000	
68	**B-2 ADVANCED TECHNOLOGY BOMBER**	**245,049**	**295,049**	**+50,000**
	EHF SatCom		24,000	
	GBU-28 Integration		12,000	
	Radar Modernization Program		14,000	
69	**EW DEVELOPMENT**	**138,393**	**110,893**	**-27,500**
	Rapid Replacement of Mission Critical Logistics Electronic Components at Warner Robins AFB		3,500	
	AN/ALQ-172 Airborne Electronic Attack Upgrade		5,000	
	AEA Technology Development		-36,000	
70	**JOINT TACTICAL RADIO**	**49,856**	**39,856**	**-10,000**
	SDD Contract Award Delay		-10,000	
73	**COUNTERSPACE SYSTEMS**	**75,863**	**22,863**	**-53,000**
	Counter Surveillance Reconnaissance System Program Termination		-53,000	
75	**SPACE BASED INFRARED SYSTEM (SBIRS) HIGH EMD**	**508,448**	**599,448**	**+91,000**
	AF Requested Transfer		91,000	
79	**SUBMUNITIONS**	**4,824**	**5,824**	**+1,000**
	Self-Destruct Fuzing for BLU-97 Submunitions in AF CBU-87 Area Attack Munition		1,000	
80	**AGILE COMBAT SUPPORT**	**10,053**	**12,053**	**+2,000**
	Biostatic Protective Clothing for AFSOC		1,000	
	Advance Casualty Care for AFSOC		1,000	

R-1	Budget Request	Committee Recommended	Change from Request
82 LIFE SUPPORT SYSTEMS	**6,630**	**14,630**	**+8,000**
Integrated Mission Helmet		3,000	
ACES II Ejection Seat Improvement (Note: Only for continuing safety improvements to USAF ACES II ejection seats)		1,000	
Lower Anti-G Garment		4,000	
85 INTEGRATED COMMAND & CONTROL APPLICATIONS (IC2A)	**258**	**12,758**	**+12,500**
JSTARS NetCentric Enhancements using Web Services		1,000	
C2 Manager for AFSOC		1,000	
Distributed Mission Interoperability Toolkit (DMIT)		4,000	
Net-Centric Information Visualization Services		3,000	
Integration of Global Expeditionary Medical System with Global Combat Support System		3,500	
86 INTELLIGENCE EQUIPMENT	**1,349**	**6,849**	**+5,500**
Air Force Electronic Systems Command/National Product Line Asset Center (NPLACE)		4,000	
Hard and Deeply Buried Targets		1,500	
89 JOINT STRIKE FIGHTER EMD	**2,307,420**	**2,199,420**	**-108,000**
F-135 Engine Development		-49,000	
Reprogramming Activity		-25,000	
Manufacturing, Tooling and Materials		-60,000	
Engineering Activity		26,000	
92 RDT&E FOR AGING AIRCRAFT	**15,665**	**20,665**	**+5,000**
Advanced Aircraft Avionics & Electronics Insertion		1,000	
TER-0 MIL-STD-1760 ("Smart") Modification		2,000	
Enterprise Availability and Cost Optimization System		1,000	
Fleet Capability Assessment		1,000	
94 UNMANNED COMBAT AIR VEHICLE JOINT PROGRAM OFFICE	**2,911**	**0**	**-2,911**
Program Transferred Defense-Wide, RDTE		-2,911	
95 LINK-16 SUPPORT AND SUSTAINMENT	**141,012**	**140,212**	**-800**
Enhanced Tactical Data Link and Data Display		6,000	
Pocket Link 16		4,000	
Data Links Facility - Fiscal Year 2006 Contract Award		-10,800	
96 FAMILY OF INTEROPERABLE OPERATIONAL PICTURES (FIOP)	**44,947**	**49,947**	**+5,000**
Command and Control Service Level Management		5,000	
Command and Control Enterprise Services (C2ES)		4,000	
Program Growth		-4,000	
97 MULTI-SENSOR C2 AIRCRAFT (MC2A)	**538,860**	**458,860**	**-80,000**
MC2A Airframe - Delay in test bed delivery		-80,000	
102 MAJOR TEST &EVALUATION INVESTMENT	**58,933**	**67,233**	**+8,300**
Instrumentation, Loading, Integration, Analysis and Display		3,000	
Air Armament Center/ILIAD		2,300	
3-D Data Track Assembly (3-DATA) Imaging System		3,000	
106 INITIAL OPERATIONAL TEST & EVALUATION	**28,839**	**32,839**	**+4,000**
Air Force Operational Test and Evaluation Center		4,000	

R-1	Budget Request	Committee Recommended	Change from Request
107 TEST AND EVALUATION SUPPORT	**356,266**	**357,266**	**+1,000**
Consolidated Fighter Combined Test Force		1,000	
108 ROCKET SYSTEMS LAUNCH PROGRAM (SPACE)	**7,984**	**22,984**	**+15,000**
Ballistic Missile Range Safety		15,000	
117 B-52 SQUADRONS	**25,766**	**33,766**	**+8,000**
B-52 Re-engine Study		8,000	
128 F-15E SQUADRONS	**115,246**	**136,446**	**+21,200**
F-15C APG-63(V)3 Radar Upgrade		17,200	
F-15 ALR-56C Radar Warning Receiver Upgrade Program		4,000	
130 F-22 SQUADRONS	**354,528**	**344,528**	**-10,000**
Execution		-10,000	
132 TACTICAL AIM MISSILES	**5,558**	**3,058**	**-2,500**
AIM 9(X) - Premature Integration on F-35		-2,500	
135 AF TENCAP	**10,673**	**15,673**	**+5,000**
FOGLITE		5,000	
145 EVALUATION AND ANALYSIS PROGRAM	**0**	**3,000**	**+3,000**
Adaptive Information Protection Technologies		3,000	
149 BOMBER TACTICAL DATA LINK	**120,256**	**81,256**	**-39,000**
B-52 Program Growth		-39,000	
154 ADVANCED PROGRAM EVALUATION	**474,734**	**434,734**	**-40,000**
Classified Program		-40,000	
156 WARGAMING AND SIMULATION CENTERS	**6,377**	**7,377**	**+1,000**
Synthetic Theater Operations Research Model		1,000	
157 MISSION PLANNING SYSTEMS	**136,701**	**106,701**	**-30,000**
Program Growth		-30,000	
169 INFORMATION SYSTEMS SECURITY PROGRAM	**79,625**	**86,625**	**+7,000**
Worldwide Infrastructure Security Environment (Note: only for WISE to provide protection and response to physical and cyber attacks)		4,000	
ESC Northcom Deployment Planning		1,000	
Center for Information Assurance Security		2,000	
170 GLOBAL COMBAT SUPPORT SYSTEM	**18,637**	**22,637**	**+4,000**
Air Force Knowledge Service		4,000	
183 AIR FORCE TACTICAL MEASUREMENT AND SIGNATURE INTELLIGENCE	**7,905**	**9,905**	**+2,000**
Advanced Remote Ground Unattended Sensor Program		2,000	
184 DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	**219,345**	**189,345**	**-30,000**
Classified Adjustment		-30,000	

R-1		Budget Request	Committee Recommended	Change from Request
190	**SPACELIFT RANGE SYSTEM (SPACE)**	**47,253**	**51,253**	**+4,000**
	Reservoir Assessment, Detection and Response Project		3,000	
	CSIP		1,000	
196	**MANNED RECONNAISSANCE SYSTEMS**	**13,283**	**23,283**	**+10,000**
	Lightweight SIGINT System		4,000	
	Combat Sent Tactical ELINT System Modernization		2,000	
	Cobra Ball Long Wave Infrared Mid-Course Data Collection Capability		2,500	
	Cobra Ball Hi-Res E/O Signature Capability		1,500	
197	**DISTRIBUTED COMMON GROUND SYSTEMS**	**21,232**	**22,232**	**+1,000**
	Battle Damage Assessment Process Analysis		1,000	
198	**PREDATOR UAV (JMIP)**	**81,346**	**84,346**	**+3,000**
	Predator B LYNX SAR		3,000	
199	**GLOBAL HAWK UAV (JMIP)**	**336,159**	**315,259**	**-20,900**
	Southern Command Demo Execution		-7,900	
	PACOM Exercise Execution		-5,000	
	NCCT Termination		-8,000	
202	**SPACETRACK (SPACE)**	**161,838**	**124,838**	**-37,000**
	SBSS Delay		-30,000	
	Defer SBSS Block 10 and Block 20 based on delay in SBSS		-7,000	
208	**C-130 AIRLIFT SQUADRON**	**150,242**	**153,242**	**+3,000**
	Real-Time Measurement Weight and Balance System for C-130s		3,000	
210	**C-17 AIRCRAFT**	**199,692**	**202,692**	**+3,000**
	C-17 Test Flight Data Archive		3,000	
214	**KC-10S**	**18,452**	**0**	**-18,452**
	GATM Termination		-18,452	
218	**INDUSTRIAL PREPAREDNESS**	**38,012**	**56,012**	**+18,000**
	e-LINCS		1,000	
	WR-ALC Maintenance Operations Support (MOS) Simulation Model		1,000	
	Aerial Multi-Axis Platform		1,000	
	Rapid Manufacturing using Computers and Lasers		1,000	
	Affordable Multi-Junction Solar Cells		3,000	
	Tide Program		5,000	
	LO Coatings Production Scale-up		5,000	
	Laser Peening for F119 Engine		1,000	
219	**LOGISTICS SUPPORT ACTIVITIES**	**0**	**1,000**	**+1,000**
	REMIS		1,000	

R-1		Budget Request	Committee Recommended	Change from Request
221	**SUPPORT SYSTEMS DEVELOPMENT**	**50,238**	**67,738**	**+17,500**
	C-5/C-17 IDE (Aging Aircraft)		5,000	
	Develop Rapid Retargeting Capability at Warner Robins Air Logistics Center Depot		1,000	
	Information Assurance for Reengineering and Enabling Technologies		3,000	
	Special Operations Forces Program Directorate (WR-ALC/LU) Integrated Data Environment (IDE)		2,000	
	Center for Aircraft & System/Support Infrastructure		2,000	
	ACC Support Systems Development		4,500	

SPACE BASED INFRARED SYSTEM (SBIRS) HIGH

The Air Force requested $508,448,000 for the Space Based Infrared System (SBIRS) High Program, a decrease of $108,781,000 below the fiscal year 2004 appropriation. The Committee recommends $599,448,000, an increase of $91,000,000 above the budget request. The Committee notes this adjustment was requested by the Air Force to address new cost growth to the SBIRS High program.

The Committee is deeply disappointed with the development of the SBIRS High program. This program has been restructured numerous times, most recently 2 years ago following a Nunn-McCurdy cost breach. The Committee understands new cost estimates are triggering another round of Nunn-McCurdy notifications. The Committee is dismayed with the inability of the Air Force and contractor team to execute this program effectively. The Committee understands that the Office of Secretary of Defense is actively analyzing program alternatives. The Committee encourages this analysis and directs submission of the results to the congressional defense committees upon completion.

SPACE BASED RADAR

The Air Force requested $327,732,000 for the Space Based Radar program. The Committee recommends $75,000,000, a reduction of $252,732,000, and directs that the Air Force fundamentally restructure the program to meet the concerns addressed below.

The Space Based Radar (SBR) program is intended to provide near continuous, global radar imagery and surface moving target indication (SMTI) as well as high resolution terrain information. Advocates describe the program as a key contributor to achieving "global persistent surveillance". Though the pursuit of persistent surveillance is a noble goal, the Committee believes the Space Based Radar program as currently structured:

—Is neither affordable nor likely to produce the results claimed by its advocates, within any reasonable definition of cost, technical challenge, or risk.

—Would consume a disproportionate share of resources from within an already highly stressed DoD space and surveillance budget;

—And finally, is simply a less-pressing priority than many other near-and mid-term needs confronting the Department of Defense.

SBR Cost.—Regarding cost, recent independent cost estimates by the OSD Cost Analysis Improvement Group (CAIG) state that the acquisition and 12-year operations cost of the current SBR program of record—a 9 satellite constellation—would cost $34 billion in constant fiscal year 2004 dollars. This amount is *roughly equal to the life cycle cost of virtually all other Air Force satellite programs combined,* including Advanced EHF, Wideband Gapfiller, GPS, NPOESS, and SBIRS High. Moreover, there are many reasons to believe this estimate significantly understates prospective SBR costs.

First, this is a "50 percentile" estimate, conducted prior to the concept definition phase. Historically, actual program costs in-

crease from this point, sometimes dramatically, as requirements and technical issues become clearer with time. As a point of comparison, cost estimates for the Space Based Infrared System High (SBIRS High) program have increased some 450 percent from a similar stage in its development.

The Committee further notes the Air Force considers 9 satellites in low earth orbit to be less than half the number required to provide near continuous global moving target indication. The CAIG was not asked to estimate the cost of an objective SBR constellation of 21–24 satellites, but the cost of such a constellation *could exceed $60 billion* based on the current understanding of program requirements and technology.

Alternative SBR configurations offer little prospect of mitigating such costs. For example, in the hope that fewer satellites will translate to lower costs, some concepts suggest putting fewer (though significantly larger) satellites in Medium Earth Orbit (MEO). While this approach may have some operational advantages, it apparently does not reduce costs, as the recently completed Air Force Analysis of Alternatives (AoA) estimates that a full MEO constellation would cost about 40 percent more than a 24 satellite LEO constellation.

The Committee is also concerned about the cost and operational magnitude of the infrastructure needed to support the SBR program. For example, just three to four SBR satellites, working at peak load, would consume bandwidth equal to the entire capacity of the yet-to-be-developed Transformational Communications Satellite system. Likewise, SBR poses daunting challenges for any supporting ground infrastructure—always a significant cost driver for space programs. For example, it is widely accepted that SBR will generate far too much data for traditional human exploitation. Instead, the success of the program depends on significant advances in artificial intelligence, a field with a spotty track record at best.

SBR Operational Capability.—Regarding system capability, the Committee harbors additional concerns about the performance of an SBR constellation, particularly with regard to tracking moving targets. The Committee has consistently maintained that the baseline 9 satellite constellation, as well as more robust alternatives, would be unable to track vehicles effectively because of significant coverage gaps.

The Committee's position has been largely validated by the Air Force's SBR Analysis of Alternatives (AoA). Though AoA briefing charts attributed some limited tracking to a 9 satellite system, the Air Force later admitted this tracking was provided completely by airborne assets. More disturbing, even a full 21 satellite constellation loses track on most high value targets in just minutes. Further, the Air Force analysis did not take into account adversary use of even simple denial and deception techniques.

Another DoD analysis suggests that even the meager performance identified in the AoA is overly optimistic. This independent analysis indicates a 24 satellite system would provide only 55 percent coverage when terrain and relative vehicle speeds are considered—and that between *96 and 150 satellites would be required* in low earth orbit to provide continuous coverage.

Further, the Committee is concerned about the effectiveness of SBR in targeting many environments. For example, SBR is not well suited for moving indication in urban areas, nor can it image under sheds, in caves, in underground facilities, or under heavy foliage. The system will have limitations in mountainous terrain, due to obstructed views from various satellite look angles. In short, SBR provides limited capability in the very environments that adversaries are using today, and will likely continue to use, to hide activities from U.S. surveillance.

Committee Views and Recommendations.—In summary, in and of itself the SBR development program is fraught with enough uncertainties to call into question its viability. Indeed, even under the Administration's own plans the SBR program of record is underfunded in the current Future Year Defense Program by $2 billion, a shortfall resulting from the Department's unwillingness to fully fund this program. The Committee sees little prospect of this changing in light of the other fiscal challenges confronting the Department. These include the well-documented "procurement bowwave"; this Administration's emphasis on missile defense and other transformational programs; and now, and most importantly, the as-yet-unbudgeted future manpower, operational, and equipment recapitalization requirements stemming from operations in Iraq and the Global War on Terrorism. The Committee concludes that against these demands, SBR simply cannot be afforded budget priority.

Without a new approach, the Committee sees little future for the Space Based Radar program. Accordingly, the Committee recommends $75,000,000, a reduction to the request of $252,732,000. These funds are provided to redirect the Air Force's development efforts towards technologies and concepts that would lead to program costs far lower than currently conceived. The focus should be on seeking breakthroughs that fundamentally change the cost-benefit equation for a space based radar system.

E–10A MULTI-MISSION COMMAND AND CONTROL AIRCRAFT

The budget requested $538,860,000 for the E–10A Multi-sensor Command and Control Aircraft program, an increase of $178,000,000 over the fiscal year 2004 appropriation. The Committee recommends $458,860,000, a reduction of $80,000,000 below the request.

The Committee is concerned about the proposed level of funding growth in the E–10A program in light of recent developments that call into question any relationship between the amounts in the request and the program as it currently stands. At the Defense Acquisition Board meeting for this program in December 2003, a decision was made to delay Milestone B by one year, from July 2004 to July 2005. The Milestone B decision is the point at which the Air Force is to confirm that the MR–RTIP radar can be integrated with the 767 aircraft, so that the program may proceed with that platform. The reasoning for this delay was to allow the completion of ongoing studies into the cruise missile threat and several Ground Moving Target Indicator air and space tradeoff studies. Due to the Milestone B delay, the Air Force has had to delay delivery of the test bed aircraft for modifications by six months.

These actions have forced a restructuring of the program after the budget was submitted in February. Since then, the Air Force has directed the start of pre-System Design and Development (SDD) program re-planning activities, issued new objectives for an engineering change proposal (ECP), and stated the need for this ECP to comply with the new "program adjustments to execute a new technical baseline."

Despite these changes, the Air Force's guidance directs the contractor to now assume a "robust Initial Design Review" schedule to avoid delaying the Final Design Review in 2006 or the initial operational capability date of 2013. This change in the program results in a greatly condensed time between initial and final design review, significantly increasing risk to the program. Experience shows that it is extremely difficult to recover schedule in a development program. The Committee sees no basis for such optimistic assumptions, especially since efforts to host the radar on the 767 aircraft involves incorporating open systems architecture and interfaces which have yet to be designed.

The Committee believes the Air Force must be more realistic and less optimistic in its restructuring of this program. The one-year delay in Milestone B and the delay of the test bed aircraft delivery should be appropriately accounted for in the schedule, not ignored. For these reasons, the Committee has reduced the request by $80,000,000 to realign the program with a more responsible schedule.

BOMBER DEVELOPMENT

The request included no funding for a future bomber development program. The Committee recommends $50,000,000 for this purpose.

Earlier this year, the Air Force established a program office and an integrated planning team to begin reviewing technologies available to improve Air Force global strike (GS) and global persistent attack capabilities (GPA). Further, in an industry-wide "Request For Information" (RFI), the Air Force solicited input from industry regarding the need for updated GS/GPA capabilities and methods for meeting new capability requirements. The Air Force RFI notes that, in meeting any new requirements, "proposed capabilities may be comprised of currently available/emerging products, modified current products, Non-developmental Items and Government Furnished Equipment. A new or modernized bomber aircraft may satisfy the proposed capability."

The Committee is encouraged that the Air Force is considering a variety of options, including the development of a new weapon system or upgrading existing legacy platforms, such as the B–2 bomber, with increased capabilities. Thus, the Committee strongly urges the Secretary of the Air Force to give full and fair consideration to all options mentioned above. Also, the Committee directs that the Secretary of the Air Force provide notification to the congressional defense committees at least 30 days prior to the obligation of any funds provided under this heading.

Given that the timeline for a bomber development decision will not occur until late in fiscal year 2005, and that significant amounts of funding provided in the fiscal year 2004 Defense Appro-

priations Act have not yet been obligated, the Committee is restrained from providing funds in an amount greater than the additional $50,000,000 appropriated for this effort. Nonetheless, the Committee fully expects the Department of Defense to provide robust funding for the future bomber development program in its fiscal year 2006 budget request and beyond.

AIRBORNE ELECTRONIC ATTACK

The budget requested $138,393,000 for Electronic Warfare Development, an increase of $41,389,000 over the fiscal year 2004 appropriation. The Committee recommends $110,893,000, a reduction of $27,500,000 below the request.

Of the funds requested in fiscal year 2005, $57,500,000 was planned for development of a new stand-off jamming pod capability for the B–52. The Committee notes that on March 19, 2003, during the Air Force posture hearing before the Committee, the Secretary of the Air Force, in explaining the program he envisioned, stated "[w]e would use the same equipment the Navy would, so we would not be developing anything new". Based on his statement, the Committee was surprised by the fiscal year 2005 budget justifications showing a new start development program totaling over $733,000,000 in 5 years.

The Committee would note there are several tested and fielded technologies that could fulfill this requirement much more affordably and quicker than the Air Force program of record. Accordingly, the Committee has provided $30,000,000 of the request for engineering and architecture development efforts, receiver and jammer technology studies, and for development and refinement of requirements and CONOPS. The Committee denies funding for receiver and jammer technology development. The Committee holds the Secretary to his word, and believes the Air Force should take a hard look at available technologies for integration into the B–52 before proceeding with development of a costly new system.

BOMBER TACTICAL DATA LINKS

The budget requested $120,256,000 for Bomber Tactical Data Link development, an increase of $107,297,000 over the fiscal year 2004 appropriation. The Committee recommends $81,256,000, a reduction of $39,000,000 below the request.

Of the funds requested, $68,200,000 is for continuing development of B–1B Link 16 integration, a program begun in fiscal year 2004 with $12,800,000 in appropriations. The remaining $52,000,000 of the request would begin development of a similar capability in the B–52. While supportive of providing this capability for B–52 aircraft, the Committee believes that given the historical level of funding needed to begin development for the B–1B, the request is excessive. The Committee has provided sufficient resources within this appropriation for the Air Force to begin development of the B–52 capability, and continue the ongoing B–1B program.

NATIONAL AEROSPACE LEADERSHIP INITIATIVE

The Committee recommends $25,000,000 in Aerospace Technology Development and Demonstration to establish a national aerospace leadership program. Given the evolving security and economic threats to our Nation, the Committee believes it is imperative that the United States maintain its world leadership in advanced propulsion and power systems, as well as preserve an innovative and highly competitive domestic aerospace manufacturing supplier base to meet the Department of Defense's current and future needs. This initiative should be used to support U.S. leadership in aerospace research and development, fortify the U.S.-based manufacturing supply chain, and buttress our aerospace original equipment manufacturers' technology and production market share. As such, the Secretary of the Air Force is directed to implement a multi-regional aerospace leadership program, enlisting the support of and recommendations for such a program from industry, university, and U.S. Government executive and congressional leaders. Moreover, the Secretary is directed to develop plans and provide funding for continuing this program in fiscal year 2006 and beyond. The Committee intends to work with the Department of the Air Force as it develops a comprehensive, detailed implementation plan for this intitiative.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
RESEARCH, DEVELOPMENT, TEST & EVAL, AF			
BASIC RESEARCH			
DEFENSE RESEARCH SCIENCES	217,304	224,804	+7,500
UNIVERSITY RESEARCH INITIATIVES	115,865	120,865	+5,000
HIGH ENERGY LASER RESEARCH INITIATIVES	12,331	12,331	---
TOTAL, BASIC RESEARCH	345,500	358,000	+12,500
APPLIED RESEARCH			
MATERIALS	73,660	97,160	+23,500
AEROSPACE VEHICLE TECHNOLOGIES	74,679	78,179	+3,500
HUMAN EFFECTIVENESS APPLIED RESEARCH	71,483	82,483	+11,000
AEROSPACE PROPULSION	92,650	129,400	+36,750
AEROSPACE SENSORS	78,804	97,304	+18,500
MULTI-DISCIPLINARY SPACE TECHNOLOGY	84,581	101,581	+17,000
SPACE TECHNOLOGY	88,909	99,909	+11,000
CONVENTIONAL MUNITIONS	52,251	52,251	---
DIRECTED ENERGY TECHNOLOGY	36,532	47,532	+11,000
COMMAND CONTROL AND COMMUNICATIONS	82,147	85,147	+3,000
DUAL USE SCIENCE AND TECHNOLOGY PROGRAM	5,151	5,151	---
HIGH ENERGY LASER RESEARCH	45,333	52,333	+7,000
TOTAL, APPLIED RESEARCH	786,180	928,430	+142,250

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
ADVANCED TECHNOLOGY DEVELOPMENT			
ADVANCED MATERIALS FOR WEAPON SYSTEMS	34,284	60,284	+26,000
ADVANCED AEROSPACE SENSORS	30,634	44,634	+14,000
FLIGHT VEHICLE TECHNOLOGY	---	1,000	+1,000
AEROSPACE TECHNOLOGY DEV/DEMO	29,145	63,145	+34,000
AEROSPACE PROPULSION AND POWER TECHNOLOGY	79,914	84,914	+5,000
CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	32,794	35,294	+2,500
ELECTRONIC COMBAT TECHNOLOGY	28,282	34,282	+6,000
BALLISTIC MISSILE TECHNOLOGY	---	13,000	+13,000
UNMANNED AIR VEHICLE DEV/DEMO	---	13,000	+13,000
ADVANCED SPACECRAFT TECHNOLOGY	60,124	83,624	+23,500
MAUI SPACE SURVEILLANCE SYSTEM (MSSS)	6,306	6,306	---
MULTI-DISCIPLINARY ADVANCED DEVELOPMENT SPACE TECHNOLO	51,114	51,114	---
CONVENTIONAL WEAPONS TECHNOLOGY	22,398	29,898	+7,500
ADVANCED WEAPONS TECHNOLOGY	31,103	48,103	+17,000
C3I ADVANCED DEVELOPMENT	28,524	34,524	+6,000
SPECIAL PROGRAMS	320,503	320,503	---
INTEGRATED BROADCAST SERVICE	2,294	2,294	---
HIGH ENERGY LASER ADVANCED TECHNOLOGY PROGRAM	8,547	10,547	+2,000
ADVANCED COMMUNICATIONS SYSTEMS	12,051	12,051	---
AMC COMMAND AND CONTROL SYSTEM	6,038	6,038	---
JOINT NATIONAL TRAINING CENTER	2,939	2,939	---
TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	786,994	957,494	+170,500

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
DEMONSTRATION & VALIDATION			
INTELLIGENCE ADVANCED DEVELOPMENT	4,612	4,612	---
PHYSICAL SECURITY EQUIPMENT	22,640	26,840	+4,200
NAVSTAR GLOBAL POSITIONING SYSTEM III	40,568	40,568	---
ADVANCED EHF MILSATCOM (SPACE)	612,049	612,049	---
POLAR MILSATCOM (SPACE)	960	960	---
SPACE CONTROL TECHNOLOGY	15,046	15,046	---
COMBAT IDENTIFICATION TECHNOLOGY	19,582	19,582	---
NATO RESEARCH AND DEVELOPMENT	3,930	3,930	---
INTERNATIONAL SPACE COOPERATIVE R&D	552	552	---
ADVANCED WIDEBAND SYSTEM (AWS) TRANSFORMATIONAL SATCOM	774,836	674,836	-100,000
INTEGRATED BROADCAST SERVICE (DEM/VAL)	23,927	23,927	---
INTERCONTINENTAL BALLISTIC MISSILE (DEM/VAL)	72,503	72,503	---
WIDEBAND GAPFILLER SYSTEM RDT&E (SPACE)	73,499	73,499	---
SPACE-BASED RADAR (DEM/VAL)	327,732	75,000	-252,732
POLLUTION PREVENTION (DEM/VAL)	2,692	4,692	+2,000
JOINT PRECISION APPROACH AND LANDING SYSTEMS (DEM/VAL)	18,385	18,385	---
HARD AND DEEPLY BURIED TARGET DEFEAT SYSTEM (HDBTDS)	6,383	6,383	---
OPERATIONALLY RESPONSIVE LAUNCH	35,362	40,362	+5,000
COMMON AERO VEHICLE (CAV)	21,610	31,610	+10,000
NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL SATE	307,668	307,668	---
BOMBER DEVELOPMENT	---	50,000	+50,000
TOTAL, DEMONSTRATION & VALIDATION	2,384,536	2,103,004	-281,532
ENGINEERING & MANUFACTURING DEVELOPMENT			
GLOBAL BROADCAST SERVICE (GBS)	33,447	23,447	-10,000
JOINT HELMET MOUNTED CUEING SYSTEM (JHMCS)	2,867	2,867	---
NUCLEAR WEAPONS SUPPORT	13,301	13,301	---
B-1B	59,462	59,462	---
SPECIALIZED UNDERGRADUATE FLIGHT TRAINING	3,359	3,359	---
F-22 - EMD	210,000	210,000	---
B-2 ADVANCED TECHNOLOGY BOMBER	245,049	295,049	+50,000
EW DEVELOPMENT	138,393	110,893	-27,500
JOINT TACTICAL RADIO	49,856	39,856	-10,000
PHYSICAL SECURITY EQUIPMENT	9,744	9,744	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
SMALL DIAMETER BOMB (SDB) EMD	76,489	76,489	---
COUNTERSPACE SYSTEMS	75,863	22,863	-53,000
SPACE BASED INFRARED SYSTEM (SBIRS) HIGH EMD	508,448	599,448	+91,000
MILSTAR LDR/MDR SATELLITE COMMUNICATIONS (SPACE)	1,380	1,380	---
MUNITIONS DISPENSER DEVELOPMENT	28,048	28,048	---
ARMAMENT/ORDNANCE DEVELOPMENT	8,353	8,353	---
SUBMUNITIONS	4,824	5,824	+1,000
AGILE COMBAT SUPPORT	10,053	12,053	+2,000
LIFE SUPPORT SYSTEMS	6,630	14,630	+8,000
COMBAT TRAINING RANGES	18,714	18,714	---
INTEGRATED COMMAND & CONTROL APPLICATIONS (IC2A)	258	12,758	+12,500
INTELLIGENCE EQUIPMENT	1,349	6,849	+5,500
COMMON LOW OBSERVABLES VERIFICATION SYSTEM (CLOVERS)	10,303	10,303	---
JOINT STRIKE FIGHTER (JSF) - EMD	2,307,420	2,199,420	-108,000
INTERCONTINENTAL BALLISTIC MISSILE - EMD	91,687	91,687	---
EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE)	27,000	27,000	---
RDT&E FOR AGING AIRCRAFT	15,665	20,665	+5,000
UNMANNED COMBAT AIR VEHICLE JOINT PROGRAM OFFICE	2,911	---	-2,911
LINK-16 SUPPORT AND SUSTAINMENT	141,012	140,212	-800
FAMILY OF INTEROPERABLE OPERATIONAL PICTURES (FIOP)	44,947	49,947	+5,000
MULTI-SENSOR C2 AIRCRAFT (MC2A)	538,860	458,860	-80,000
FULL COMBAT MISSION TRAINING	5,894	5,894	---
CV-22	16,439	16,439	---
TOTAL, ENGINEERING & MANUFACTURING DEVELOPMENT	4,708,025	4,595,814	-112,211

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
RDT&E MANAGEMENT SUPPORT			
THREAT SIMULATOR DEVELOPMENT	34,517	34,517	---
MAJOR T&E INVESTMENT	58,933	67,233	+8,300
RAND PROJECT AIR FORCE	24,970	24,970	---
RANCH HAND II EPIDEMIOLOGY STUDY	4,813	4,813	---
INITIAL OPERATIONAL TEST & EVALUATION	28,839	32,839	+4,000
TEST AND EVALUATION SUPPORT	356,266	357,266	+1,000
ROCKET SYSTEMS LAUNCH PROGRAM (SPACE)	7,984	22,984	+15,000
SPACE TEST PROGRAM (STP)	44,521	44,521	---
FACILITIES RESTORATION & MODERNIZATION - TEST & EVAL	58,936	58,936	---
FACILITIES SUSTAINMENT - TEST AND EVALUATION SUPPORT	23,067	23,067	---
GENERAL SKILL TRAINING	323	323	---
JUDGMENT FUND REIMBURSEMENT	100,000	100,000	---
INTERNATIONAL ACTIVITIES	3,945	3,945	---
TOTAL, RDT&E MANAGEMENT SUPPORT	747,114	775,414	+28,300
OPERATIONAL SYSTEMS DEVELOPMENT			
ANTI-TAMPER TECHNOLOGY EXECUTIVE AGENCY	7,858	7,858	---
B-52 SQUADRONS	25,766	33,766	+8,000
ADVANCED CRUISE MISSILE	7,740	7,740	---
AIR-LAUNCHED CRUISE MISSILE (ALCM)	11,837	11,837	---
STRAT WAR PLANNING SYSTEM - USSTRATCOM	23,391	23,391	---
NIGHT FIST - USSTRATCOM	4,987	4,987	---
ADVANCED STRATEGIC PROGRAMS	8,393	8,393	---
REGION/SECTOR OPERATION CONTROL CENTER MODERNIZATION	19,047	19,047	---
WARFIGHTER RAPID ACQUISITION PROCESS (WRAP) RAPID TRAN	24,935	24,935	---
A-10 SQUADRONS	22,590	22,590	---
F-16 SQUADRONS	99,606	99,606	---
F-15E SQUADRONS	115,246	136,446	+21,200
MANNED DESTRUCTIVE SUPPRESSION	16,976	16,976	---
F-22 SQUADRONS	354,528	344,528	-10,000
F-117A SQUADRONS	29,661	29,661	---
TACTICAL AIM MISSILES	5,558	3,058	-2,500
ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	33,266	33,266	---
COMBAT RESCUE AND RECOVERY	12,342	12,342	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
AF TENCAP	10,673	15,673	+5,000
SPECIAL EVALUATION PROGRAM	199,040	199,040	---
COMPASS CALL	3,990	3,990	---
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	165,609	165,609	---
CSAF INNOVATION PROGRAM	1,879	1,879	---
JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM)	45,777	45,777	---
AEROSPACE OPERATIONS CENTER (AOC)	27,695	27,695	---
CONTROL AND REPORTING CENTER (CRC)	11,634	11,634	---
AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	288,787	288,787	---
ADVANCED COMMUNICATIONS SYSTEMS	20,066	20,066	---
EVALUATION AND ANALYSIS PROGRAM	---	3,000	+3,000
ADVANCED PROGRAM TECHNOLOGY	249,391	249,391	---
THEATER BATTLE MANAGEMENT (TBM) C4I	37,210	37,210	---
FIGHTER TACTICAL DATA LINK	50,976	50,976	---
BOMBER TACTICAL DATA LINK	120,256	81,256	-39,000
C2ISR TACTICAL DATA LINK	25,441	25,441	---
MC2C (MULTI-SENSOR COMMAND AND CONTROL CONSTELLATION)	44,035	44,035	---
JOINT SURVEILLANCE AND TARGET ATTACK RADAR SYSTEM	89,247	89,247	---
SEEK EAGLE	23,159	23,159	---
ADVANCED PROGRAM EVALUATION	474,734	434,734	-40,000
USAF MODELING AND SIMULATION	18,693	18,693	---
WARGAMING AND SIMULATION CENTERS	6,377	7,377	+1,000
MISSION PLANNING SYSTEMS	136,701	106,701	-30,000
INFORMATION WARFARE SUPPORT	7,230	7,230	---
E-4B NATIONAL AIRBORNE OPERATIONS CENTER (NAOC)	11,172	11,172	---
MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK	33,183	33,183	---
INFORMATION SYSTEMS SECURITY PROGRAM	79,625	86,625	+7,000
GLOBAL COMBAT SUPPORT SYSTEM	18,637	22,637	+4,000
GLOBAL COMMAND AND CONTROL SYSTEM	3,611	3,611	---
MILSATCOM TERMINALS	272,149	272,149	---
GLOBAL AIR TRAFFIC MANAGEMENT (GATM)	7,291	7,291	---
SATELLITE CONTROL NETWORK (SPACE)	17,833	17,833	---
WEATHER SERVICE	16,526	16,526	---
AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM (ATC	7,371	7,371	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
AERIAL TARGETS	5,178	5,178	---
SECURITY AND INVESTIGATIVE ACTIVITIES	484	484	---
AIR FORCE TACTICAL MEASUREMENT AND SIGNATURE INTELLIGE	7,905	9,905	+2,000
DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	219,345	189,345	-30,000
NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT)	104,114	104,114	---
NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL)	148,344	148,344	---
SPACE WARFARE CENTER	411	411	---
SPACELIFT RANGE SYSTEM (SPACE)	47,253	51,253	+4,000
PERSONNEL SECURITY INVESTIGATIONS PROGRAM - AIR FORCE	118,787	118,787	---
INTELLIGENCE SUPPORT TO INFORMATION OPERATIONS (IO)	1,097	1,097	---
DRAGON U-2 (JMIP)	87,745	87,745	---
AIRBORNE RECONNAISSANCE SYSTEMS	55,464	55,464	---
MANNED RECONNAISSANCE SYSTEMS	13,283	23,283	+10,000
DISTRIBUTED COMMON GROUND SYSTEMS	21,232	22,232	+1,000
PREDATOR UAV (JMIP)	81,346	84,346	+3,000
GLOBAL HAWK UAV (JMIP)	336,159	315,259	-20,900
INTELLIGENCE SUPPORT TO INFORMATION WARFARE	963	963	---
NCMC - TW/AA SYSTEM	64,822	64,822	---
SPACETRACK (SPACE)	161,838	124,838	-37,000
NUDET DETECTION SYSTEM (SPACE)	35,398	35,398	---
SPACE ARCHITECT	12,907	12,907	---
SHARED EARLY WARNING (SEW)	3,345	3,345	---
C-130 AIRLIFT SQUADRON	150,242	153,242	+3,000
C-5 AIRLIFT SQUADRONS	332,982	332,982	---
C-17 AIRCRAFT	199,692	202,692	+3,000
C-130J PROGRAM	36,305	36,305	---
LARGE AIRCRAFT IR COUNTERMEASURES (LAIRCM)	73,684	73,684	---
KC-135S	1,079	1,079	---
KC-10S	18,452	---	-18,452
SPECIAL TACTICS / COMBAT CONTROL	1,067	1,067	---
DEPOT MAINTENANCE (NON-IF)	1,431	1,431	---
ACQUISITION AND MANAGEMENT SUPPORT	1,596	1,596	---
INDUSTRIAL PREPAREDNESS	38,012	56,012	+18,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
LOGISTICS SUPPORT ACTIVITIES	---	1,000	+1,000
SUPPORT SYSTEMS DEVELOPMENT	50,238	67,738	+17,500
OTHER PERSONNEL ACTIVITIES	110	110	---
CIVILIAN COMPENSATION PROGRAM	7,272	7,272	---
FINANCIAL MANAGEMENT INFORMATION SYSTEMS DEVELOPMENT	15,732	15,732	---
TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	5,805,039	5,688,887	-116,152
CLASSIFIED PROGRAMS	5,551,279	5,626,579	+75,300
TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, AF	21,114,667	21,033,622	-81,045

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

Fiscal year 2004 appropriation	$18,900,715,000
Fiscal year 2005 budget request	20,739,837,000
Committee recommendation	20,851,271,000
Change from budget request	+111,434,000

The appropriation provides funds for the research, development, test and evaluation activities of the Department of Defense for Defense-Wide activities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $20,851,271,000 for Research, Development, Test and Evaluation, Defense-Wide. The following report and project level tables provide a summary of the Committee's recommendation.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

R-1		Budget Request	Committee Recommended	Change from Request
2	**DEFENSE RESEARCH SCIENCES**	**143,729**	**168,729**	**+25,000**
	Spin Electronics		19,000	
	Comparative Genomics for National Security Goals		3,000	
	Nano-photonics Systems Fabrication		3,000	
3	**UNIVERSITY RESEARCH INITIATIVES**	**0**	**8,500**	**+8,500**
	MEMS Sensors for Rolling Element Bearing		2,000	
	Smart Responsive Nancomposite Systems		4,000	
	Cognitive Wireless Networks		1,000	
	Global Infrasound Monitoring of the Atmosphere		1,500	
6	**GOVERNMENT/INDUSTRY COSPONSORSHIP OF UNIVERSITY RESEARCH**	**0**	**8,000**	**+8,000**
	Focus Center Research Program		8,000	
8	**CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM**	**36,769**	**50,019**	**+13,250**
	National Center for Biodefense		1,000	
	Fluorescence Activated Sensing Technology (FAST) Integrated Threat Management System		4,000	
	Research to Discover Neutralizing Antibodies to Mycotoxins		250	
	Bug to Drug		6,000	
	New York Structural Biology Center		2,000	
10	**HISTORICALLY BLACK & HISPANIC SERVING INSTITUTE SCIENCES**	**14,192**	**19,192**	**+5,000**
	Hispanic Serving Institution RDT&E Project Grants		5,000	
12	**COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY**	**342,614**	**345,614**	**+3,000**
	NASEC Through Wall Radar Imaging		3,000	
14	**BIOLOGICAL WARFARE DEFENSE**	**147,533**	**156,533**	**+9,000**
	Center for Tropical Disease Research and Training		3,000	
	Chemically Programmable Immunity		1,000	
	Asymmetric Protocols for Biological Defense		4,000	
	Center for Water Security-Aquatic Technology and Environmental Research		1,000	
15	**CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM**	**104,385**	**167,885**	**+63,500**
	Low-cost Automated Gas Chromatograph/Flame Photometric Detector System		3,000	
	Air Contaminant Monitoring System - SCAQMD		1,000	
	Future Force Warrior Program - Nanowire Mesh Fabrics for Chem-Bio Agent Defense		1,000	
	Real Time Non-specific Viral Agent Detection		2,000	
	LSH-SAW Hand-held Biosensor		3,000	
	Agent Fate Program		2,000	
	Zumwalt Program for Countermeasures to Biological and Chemical Threats		4,000	
	Integrated Biodefense Research		2,000	
	Technology for the Protection of Water and Air Systems		2,000	
	Systems for Sampling and Detecting Bioaerosols		3,000	

R-1		Budget Request	Committee Recommended	Change from Request
	Bio-Chem Vaporous Hydrogen Peroxide Decon for Military Aircraft and Equipment		3,000	
	Rapid Response Deployable Vaporous Hydrogen Peroxide Bio-Chem		1,000	
	Low-cost Chem-Bio Protective Shelter Development		5,000	
	Chem-Bio Protective Suit Membrane Research		5,000	
	IMS Sample Concentration and Bioagent Detection		1,000	
	Agent Detection and Neutralization System (AFSOC)		1,000	
	Global Pathogen Portal		2,000	
	Alternative Delivery Methods for Recombinant Protein Vaccines		1,000	
	Epidemic Outbreak Surveillance/Biosurveillance Data Warehouse		1,000	
	Heat Shock Protein Rapid Vaccine		3,000	
	Heteropolymer Anthrax Monoclonal Antibody		1,000	
	Multi-Purpose Biodefense Immunoarray		1,500	
	Rapid Antibody-Based Biological Countermeasures (RABB-C)		2,000	
	Early Warning and Detection Program		1,000	
	Remote Optical Sensing Program		1,000	
	Virginia Bioinformatic Institute		5,000	
	Genetic Reassortment by Mismatched Repair-Enhanced Acute Biowarfare Therapy Program		2,000	
	Bioinformatics Research		2,000	
	Mustard Gas Antidote Research		2,000	
16	**TACTICAL TECHNOLOGY**	**339,175**	**342,175**	**+3,000**
	National Cyber Security Center		1,000	
	Tactical Awareness for Friend or Foe		2,000	
17	**MATERIALS AND ELECTRONICS TECHNOLOGY**	**502,044**	**518,544**	**+16,500**
	Center for Optoelectronics and Optical Communications		5,000	
	Cryo-Power Electronics Development for the All-Electric Ship Program		2,500	
	MMI/MBI Nanotechnology Solutions		4,000	
	SEMATECH		5,000	
18	**WMD DEFEAT TECHNOLOGY**	**249,786**	**255,786**	**+6,000**
	Xenon Filled Gamma Ray Detectors		1,000	
	Center for Nonproliferation Studies		1,000	
	Force Protection Applied Technology		3,000	
	Center for Blast Mitigation Protection		1,000	
19	**STRATEGIC DEFENSE TECHNOLOGIES**	**116,113**	**117,113**	**+1,000**
	Integrated WMD Detection Network		1,000	
24	**MEDICAL ADVANCED TECHNOLOGY**	**2,063**	**6,563**	**+4,500**
	Ex-Rad Radiation Protection Program		3,000	
	Computer-Aided Detection and Diagnosis of Breast Cancer		1,500	
26	**SO/LIC ADVANCED DEVELOPMENT**	**32,682**	**34,682**	**+2,000**
	Wide Area Surveillance System (WASS)		2,000	

R-1		Budget Request	Committee Recommended	Change from Request
27	**COMBATING TERRORISM TECHNOLOGY SUPPORT**	**46,719**	**93,819**	**47,100**
	Counter-Terrorism - Intelligence Surveillance Reconnaissance System (CT-ISR)		2,500	
	Early Responder Distance Learning Center		2,600	
	Asymmetric Warfare Initiative		6,500	
	Collaborative and Virtual Reality Training Pilot		3,000	
	Collaborative First Responder Training		1,000	
	3D Facial Recognition Technology		1,000	
	Distributed Intrinsic Chemical Agent Sensing and Transmission		5,000	
	WMD Emergency Responder Training at the National Terrorism Preparedness Institute		3,500	
	CBRNE Force Response Element - Education, Development, Operations, and Mitigation (FREEDOM)		3,000	
	Technical Support Working Group		5,000	
	Facility Security		8,000	
	Remote Detection of Concealed Explosives (Note: Only for development and implementation of the Remote Detection of Concealed Explosives Program)		1,000	
	Security Perimeter Awareness Network (SPAN)		2,000	
	Advanced Robotic Vehicle Development		3,000	
28	**COUNTERPROLIFERATION ADVANCED DEVELOPMENT TECHNOLOGIES**	**74,456**	**76,456**	**2,000**
	Advanced Materials Research for Nuclear Detection Counter-proliferation (Note: Continuation only for mercuric iodide research)		2,000	
29	**BALLISTIC MISSILE DEFENSE TECHNOLOGY**	**204,320**	**196,320**	**-8,000**
	MKV Technology		-25,000	
	Army Counterspace Technology (ACT) Testbed		10,000	
	Advanced Processing Architecture		2,000	
	Next-Again-Generation Radiation Hard CMOS		2,000	
	Ultra-Thin Integrated Electronics Miniaturization Trusted Foundry		3,000	
32	**ADVANCED AEROSPACE SYSTEMS**	**361,067**	**364,067**	**3,000**
	Improving Sub-orbital Space Operations		3,000	
33	**CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEVELOPMENT**	**117,343**	**176,843**	**59,500**
	Adaptation Gaseous and Liquid Technology Decontamination		2,000	
	Protection Against Toxic Industrial Chemical		1,000	
	Rapid Response Database Systems Center		1,000	
	Advanced Engineered Enzyme Decontamination Systems		3,000	
	Hand Held Biological Agent Detection (HBAD)		2,000	
	Dual Use Detection Technology for Sick Building Syndrome		1,000	
	Rapid Response Bio-Chem Decon, Liquid and Dry (Decon Green)		3,500	
	Detecting Contaminants in Drinking Water		4,000	
	E-Smart Threat Agent Network		6,000	
	Center for Applied Science and Engineering for Expanded Development of Advanced Manufacturing Technologies		8,000	

R-1		Budget Request	Committee Recommended	Change from Request
	Center for BioDefense		1,000	
	Removal of NBC Agents in Drinking Water		4,000	
	Bioterrorism Preparedness		4,000	
	Industry-Based Research to Miniaturize Chemical and Biological Detectors (Continuation only)		2,000	
	National Testbed for Rescue Robotics		1,000	
	Countermeasures to Chemical and Biological Defense/Rapid Response		10,000	
	Hand-held Biosensor and Continuous Monitor for Biodetection		4,000	
	Polymer-Based Bio-Mems		2,000	
34	**JOINT UNMANNED COMBAT AIR SYSTEMS (J-UCAS) ADVANCED TECHNOLOGY DEVELOPMENT AND RESEARCH**	**284,617**	**449,617**	**165,000**
	Program Adjustment		165,000	
35	**SPECIAL TECHNICAL SUPPORT**	**0**	**6,000**	**6,000**
	MultiView: Data Standards for Integrated Digital Environmental		6,000	
37	**GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS**	**27,542**	**107,792**	**80,250**
	New England Manufacturing Supply Chain		4,000	
	Superlattice Nanotechnology		4,000	
	Emerging/Critical Interconnection Technology Program		3,000	
	Long Term Support of Microelectronic Technology Research		7,000	
	Advanced Microelectronics Feature Size Migration		2,000	
	Advanced Microelectronics Yield Enhancement		2,000	
	Distributed Inventory Management System		1,250	
	Ferrite Technology		3,000	
	Connectory for Rapid Identification of Technology Sources for DoD		2,000	
	DMS Center of Excellence Program		1,000	
	Spray Cooling Migration Program		9,000	
	High Temperature Superconducting Transceiver Program		1,000	
	Optical Manufacturing for Extreme Ultraviolet (EUV) Lithography (Note: Only to establish an extreme ultra violet optical manufacturing capability in the USA)		3,500	
	California Center for Nanocience Innovation for Defense (CalCNID)		10,000	
	Miniature Tunable RF Front End (Note: To develop a complete suite of tunable RF components and salient software for families of miniaturized tunable military RF radio front ends)		3,000	
	Optimized Electronics for Advanced Controlled Environment Systems (ACES)		8,000	

R-1		Budget Request	Committee Recommended	Change from Request
	Secure Digital Coherent Optical Communications (Note: Only to continue and expand the ongoing program)		3,500	
	Ruggedized Military RFID Tags (Note: Only for ruggedized RFID tags leveraging emerging integrated RF electronics for low power, long range and non-volatility, and implemented with fluidic self assembly to ensure low cost)		4,000	
	California Manufacturing Technology Center (CMTC)		8,000	
	Aging Systems Sustainment and Enabling		1,000	
38	**STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM**	**56,936**	**61,436**	**4,500**
	Institute of Environmental and Human Health Toxic Chemical Cleanup		1,500	
	National Environmental Educational and Training Center		3,000	
40	**ADVANCED ELECTRONICS TECHNOLOGIES**	**218,151**	**224,151**	**6,000**
	Embedded Intelligence: Migrating PreAct Symbolic Constructs into Hardware		4,000	
	Three-dimensional Imaging Technology Development		1,000	
	Crystals Materials for Electro-Optic Imaging and Communication		1,000	
41	**ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS**	**213,901**	**224,901**	**11,000**
	Low Cost Autonomous Attack System		2,000	
	Flexible JP-8 (Single Battlefield Fuel) Pilot Plant Program		4,000	
	Remote Unattended Sensing System (RUSS)		1,500	
	SecureD Hardware Encryption Device		2,000	
	Maria Tactical Mapping System		1,500	
42	**HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM**	**186,666**	**209,666**	**23,000**
	Data Intensive High Performance Computing		3,000	
	Army High Performance Computing Research Center		15,000	
	High Performance Computer Prototype - Naval Research Lab		5,000	
44	**SENSOR AND GUIDANCE TECHNOLOGY**	**337,117**	**344,617**	**7,500**
	Sandia National Laboratories Intelligent Systems and Robotics Center		3,500	
	360 Degree Portable Surveillance and Reconnaissance Unit		4,000	
49	**DISTRIBUTED LEARNING ADVANCED TECHNOLOGY DEVELOPMENT**	**13,756**	**16,756**	**3,000**
	NetCentric Warrior Training (NetCWT)		3,000	
52	**QUICK REACTION SPECIAL PROJECTS**	**64,389**	**42,926**	**-21,463**
	Defense Acquisition Challenge Program (transferred to BA 5)		-21,463	

R-1		Budget Request	Committee Recommended	Change from Request
55	**TECHNOLOGY LINK**	**1,934**	**7,934**	**6,000**
	Technology Transfer Project		1,000	
	Remote Presense (Note: Only to develop and demonstrate red cell and remote presence technology for transition to joint and first responder applications)		2,000	
	Technology Matching System		3,000	
58	**PHYSICAL SECURITY EQUIPMENT**	**0**	**8,000**	**8,000**
	Persistent Perimeter Security with Unmanned Mobile Sensors		3,000	
	Demonstration and Evaluation of Environmental Management System for Defense Facilities		1,000	
	Security Enhancements through Mobile Devised (SEMD)		4,000	
59	**JOINT ROBOTICS PROGRAM**	**11,771**	**19,771**	**8,000**
	Digital Communicator		1,000	
	Robotics Curriculum Partnership		1,000	
	Under Vehicle Mobile Inspection/Search UGV (ODIS)		5,000	
	Remotely Operated Electronic Ballistic Technology		1,000	
60	**ADVANCED SENSOR APPLICATIONS PROGRAM**	**17,581**	**28,581**	**11,000**
	Ceramics for Next Generation Tactical Laser System		3,000	
	Force Protection - Advanced Tactical Geolocation		3,000	
	Multi-Wavelength Surface Scanning Biologics Sensor		2,000	
	Secure Airborne Freespace Optical Communication		3,000	
62	**ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM**	**32,546**	**35,046**	**2,500**
	Bio-Remediation Demonstration Project		2,500	
64	**ADVANCED CONCEPTS, EVALUATIONS AND SYSTEMS**	**256,159**	**231,159**	**-25,000**
	Reduce programmed growth		-25,000	
66	**BALLISTIC MISSILE DEFENSE TERMINAL DEFENSE**	**937,748**	**876,248**	**-61,500**
	System Level Program Management		-31,500	
	Flight test schedule slip		-30,000	
67	**BALLISTIC MISSILE DEFENSE MIDCOURSE DEFENSE SEGMENT**	**4,384,775**	**4,369,775**	**-15,000**
	Long lead materials for interceptors #31-40		-35,000	
	S-Band Advanced Radar (SBAR) Algorithm Research and Analysis in Support of MDA-Specific Applications		20,000	
68	**BALLISTIC MISSILE DEFENSE BOOST DEFENSE SEGMENT**	**492,614**	**495,614**	**3,000**
	Combined Environment Radiation Effects Simulator		3,000	
70	**BALLISTIC MISSILE DEFENSE SENSORS**	**591,957**	**594,957**	**3,000**
	Airborne Infrared Surveillance (AIRS) System		3,000	
71	**BALLISTIC MISSILE DEFENSE SYSTEM INTERCEPTOR**	**511,262**	**398,262**	**-113,000**
	Deployment study		-45,000	
	NFIRE		-68,000	

R-1		Budget Request	Committee Recommended	Change from Request
73	**BALLISTIC MISSILE DEFENSE PRODUCTS**	**418,608**	**388,608**	**-30,000**
	Reduce programmed growth		-30,000	
74	**BALLISTIC MISSILE DEFENSE SYSTEMS CORE**	**479,764**	**310,264**	**-169,500**
	Excessive Overhead Costs		-175,000	
	Electro-Optic Components for Missile Defense		1,500	
	Sensor Electronics Life Cycle Cost Reduction		3,000	
	Wide Bandwidth Technology (WBT)		1,000	
78	**JOINT UNMANNED COMBAT AIR SYSTEMS (J-UCAS) ADVANCED COMPONENT AND PROTOTYPE DEVELOPMENT**	**422,873**	**260,784**	**-162,089**
	Program Adjustment		-162,089	
80	**REDUCTION OF TOTAL OWNERSHIP COST**	**27,351**	**10,351**	**-17,000**
	Unjustified Program		-17,000	
82	**CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD**	**152,379**	**187,879**	**35,500**
	Chem Bio Defense Initiative		25,000	
	Passive Materials for Chemical and Biological Agent Decontamination		2,000	
	Joint Biological Point Detection		1,500	
	Joint Warning and Reporting Network (JWARNS)		3,000	
	Laser Interrogation of Surface Agents		1,000	
	Array Biosensor Biological Agent Detection System Implementation		3,000	
83	**MANPADS DEFENSE PROGRAM**	**14,135**	**9,635**	**-4,500**
	Program Reduction		-6,500	
	Counter ManPads Airspace Protection System		2,000	
84	**JOINT ROBOTICS PROGRAM - EMD**	**13,845**	**28,845**	**15,000**
	Joint Robotics Initiative		12,000	
	National Center for Defense Robotics		3,000	
93	**FINANCIAL MANAGEMENT SYSTEM IMPROVEMENTS**	**94,767**	**49,767**	**-45,000**
	Reduce Programmed Growth		-45,000	
95	**INFORMATION SYSTEMS SECURITY PROGRAM**	**2,493**	**6,993**	**4,500**
	JITC Information Assurance Trend/Metric Analysis Support		2,500	
	Center for Secure Telecommunications		2,000	
97	**JOINT COMMAND AND CONTROL PROGRAM (JC2)**	**3,000**	**4,500**	**1,500**
	Internet Protocol Version 6		1,500	
	DEFENSE ACQUISITION CHALLENGE PROGRAM (transferred from BA 4)		**26,463**	**26,463**
	DACP		5,000	
101	**SPECIAL TECHNICAL SUPPORT**	**19,274**	**27,274**	**8,000**
	Classified adjustment		8,000	
104	**UNEXPLODED ORDNANCE DETECTION AND CLEARANCE**	**0**	**5,000**	**5,000**
	Project Renew		5,000	

R-1		Budget Request	Committee Recommended	Change from Request
103	**TRANSFORMATION INITIATIVES PROGRAM**	**9,977**	**0**	**-9,977**
	Unjustified Program		-9,977	
108	**TECHNICAL STUDIES, SUPPORT AND ANALYSIS**	**30,618**	**31,618**	**1,000**
	NDU Technology Pilot Program		1,000	
112	**FOREIGN MATERIAL ACQUISITION AND EXPLOITATION**	**35,572**	**37,072**	**1,500**
	Weather Scout UAV		1,500	
116	**CLASSIFIED PROGRAM USD(P)**	**0**	**85,000**	**85,000**
	Classified adjustment		85,000	
118	**SUPPORT TO NETWORKS AND INFORMATION INTEGRATION**	**11,490**	**12,490**	**1,000**
	Command Information Superiority Architectures Program		1,000	
125	**CLASSIFIED PROGRAMS - C3I**	**0**	**25,000**	**25,000**
	Independent Component Analysis Technology for Army			
	GCS (ASRVC2P - Fleet Voice Command and Control)		18,000	
	Foreign Supplier Assessment Center		5,000	
	Advanced Shipboard Acoustical Communications		1,000	
	CIPOC Visual Security Operations Monitoring and Support		1,000	
126	**SMALL BUSINESS INNOVATION RESEARCH/CHALLENGE ADMINISTRATION**	**1,999**	**4,999**	**3,000**
	Electro-Magnetic Flak Impulse Systems Technology		3,000	
128	**FORCE TRANSFORMATION DIRECTORATE**	**19,591**	**44,591**	**25,000**
	Operationally Responsive Satellite		25,000	
133	**INFORMATION TECHNOLOGY RAPID ACQUISITION**	**19,958**	**9,958**	**-10,000**
	Reduce Programmed Growth		-10,000	
137	**MANAGEMENT HEADQUARTERS-BMDO**	**141,923**	**100,023**	**-41,900**
	Reduce Programmed Growth		-41,900	
144	**C4I INTEROPERABILITY**	**41,074**	**44,074**	**3,000**
	System of Systems Engineering Center of Excellence (SOSECE)		3,000	
159	**INFORMATION SYSTEMS SECURITY PROGRAM**	**477,846**	**479,346**	**1,500**
	Center for C+Computer Security		500	
	CyberTA (Note: Only for development of CyberTA program to develop real-time detection of emerging Internet threats and develop solutions to actively guard against cyber-attacks.)		1,000	
167	**SPECIAL APPLICATIONS FOR CONTINGENCIES.**	**20,758**	**22,758**	**2,000**
	Tactical Imagery Communications Unit (TICU)		2,000	
174	**DEFENSE JOINT COUNTERINTELLIGENCE PROGRAM (JMIP)**	**0**	**17,000**	**17,000**
	Defense Joint Counterintelligence Center		17,000	

R-1		Budget Request	Committee Recommended	Change from Request
180	**NET CENTRICITY**	**214,222**	**144,222**	**-70,000**
	Program Growth		-70,000	
192	**INDUSTRIAL PREPAREDNESS**	**11,005**	**37,505**	**+26,500**
	Copper-base Casting Technology Program (C-BCT)		1,000	
	Next Generation Manufacturing Technologies Initiative		1,000	
	Defense Supply Chain Technology		8,000	
	Defense Procurement Technical Assistance Initiative for Small Business		1,500	
	Manufacturing Engineering of Spray Cooling		15,000	
197	**SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT**	**0**	**5,000**	**+5,000**
	SPIKE Missile Development and Production		5,000	
198	**SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT**	**0**	**25,500**	**+25,500**
	Snapshot Synthetic Aperture Radar		1,000	
	Battery-free Remote Sensing		2,000	
	ANGELFIRE Active Protection Integrated Sensor/Countermeasure Package		6,000	
	Neptune Maritime Unmanned Aerial Vehicle		2,000	
	Surveillance Augmentation Vehicle-Insertable on Request		1,000	
	Remote Video Weapon Sight		2,000	
	Advanced Multi-purpose Microdisplay System		3,000	
	Compact Three-Dimensional Imaging		1,000	
	Autonomous Navigation Sensor Suites		1,500	
	Foliage Penetrating Solid State Synthetic Aperture Radar		6,000	
199	**SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT**	**311,966**	**369,566**	**+57,600**
	Multi-Role, Anti-Armor, Anti-Personnel Weapon System (MAAWS) Multi-Target Warhead		4,000	
	Mark V Patrol Boat Replacement Craft Prototype		5,000	
	Tactical Systems Development for a SOF Covert Waveform Program		1,000	
	Sensor Integration with Lithium Polymer Batteries		5,000	
	MBITR Blue Force Tracking capability		4,000	
	Tactical Communication Systems Testbed Initiative		3,000	
	Next Generation Navigation System		1,000	
	SOCOM Rotary Wing UAV (Note: only for procurement of not fewer than seven prototype aircraft and for extensive TAFT/TTP development)		32,000	
	ASDS Restructure		12,600	
	Under Execution		-10,000	
200	**SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT**	**25,015**	**37,015**	**+12,000**
	Only for the UAV Near Real Time Video Program		2,000	
	Only for Optimal Placement of Unattended Sensors		1,000	
	Special Operations Joint Interagency Collaboration Center Support Data Site		3,000	
	Special Operations Forces Teletraining System		1,000	
	Multipurpose Antenna, X-Band (SMAX)		2,000	
	SOCOM Microelectromechanical Systems and Nanotechnology		3,000	

R-1	Budget Request	Committee Recommended	Change from Request
202 SOF OPERATIONAL ENHANCEMENTS	**57,643**	**74,343**	**16,700**
Only for development of enhancements to Digital Intelligence Situation Mapboards		1,000	
Tactical Radio Frequency Environment Monitor (TREX)		1,000	
Tactical Surveillance Equipment Integrated Remote Video Surveillance		3,700	
Force Protection Electronic Attack Systems		6,000	
CSWAN (Note: only for the Covert Self-Organizing Wireless Adhoc Network initiated under SBIR A02-105)		5,000	
999 CLASSIFIED PROGRAMS	**3,578,082**	**3,461,582**	**-116,500**
		-116,500	

COMPARATIVE GENOMICS FOR NATIONAL SECURITY GOALS

The Committee recommendation includes an additional $3,000,000 in DARPA's Defense Research Sciences line-item only to research novel computational approaches to biological processes with application to other problems of extreme computational complexity. These funds are also available only to enhance understanding of the evolution and transmission of pathogenicity, contributing to better identification and inactivation of pathogens and the development of effective countermeasures. The Committee encourages the Department of Defense to examine these innovative research methods and incorporate funding in the fiscal year 2006 and subsequent budget requests to continue this research.

OPERATIONALLY RESPONSIVE SATELLITE

The Committee has provided an additional $25,000,000 to the Force Transformation Directorate only for the Operationally Responsive Satellite program. The Committee notes that the program has been authorized in both the House and Senate. The Committee fully supports the program objectives as discussed in both the House and Senate authorization reports. The Committee sees great promise that this approach could provide transformational space-based capabilities to warfighters in a timely and cost-effective manner.

CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM

The Committee commends the Department on the execution of the Chem-Bio Defense Initiatives Fund and recommends continuing the program within the Department's Chemical and Biological Defense Program. The Committee's recommendation provides an increase of $25,000,000 for this fund. The Secretary of Defense is directed to allocate these funds among the programs that yield the greatest gain in our chem-bio defensive posture.

CALIFORNIA MANUFACTURING TECHNOLOGY CENTER (CMTC)

The Committee recommends continuing the California Manufacturing Technology Center (CMTC). The Committee's recommendation provides an increase of $8,000,000 only to continue development of efficient processes, techniques and tools to enable small manufacturers to respond to Diminished Manufacturing Sources (DMS) and to reduce costs with automatic and computer-based systems technology.

DEFENSE ACQUISITION CHALLENGE PROGRAM

The budget requests $21,463,000 for the Defense Acquisition Challenge Program in the Quick Reaction Special Projects Advanced Technology Development program element. The Committee believes the focus of this program should be less on new technology development and more on identifying and inserting innovative technologies quickly into the Department of Defense's weapon systems. Accordingly, the Committee has eliminated $21,463,000 from the budget request, and has instead provided $26,463,000 as a new program element line in Research, Development and Evaluation,

Defense-Wide Budget Activity 5 (Engineering and Manufacturing Development), an increase of $5,000,000 above the request.

BUSINESS MANAGEMENT MODERNIZATION PROGRAM

The budget requested $235,700,000 for the Business Management Modernization Program (BMMP), an increase of $108,200,000 over the fiscal year 2004 appropriation. The Committee recommends $138,452,000, a decrease of $97,248,000.

Based on concerns discussed in the Information Technology section of this report, the Committee has adjusted amounts available for BMMP for fiscal year 2005 to be applied as follows:

[In thousands of dollars]

Operation and Maintenance, Defense-Wide, BMMP	−7,000
Operation and Maintenance, Defense-Wide, BMMP Domains	−15,000
Procurement, Defense-Wide, BMMP Domain Procurement Systems	−30,248
Research, Development, Test and Evaluation, Defense-Wide, BMMP	−45,000

BALLISTIC MISSILE DEFENSE SYSTEM (BMDS) SUMMARY

The budget request includes $10,170,677,000 for missile defense programs, an increase of $1,090,311,000 over the fiscal year 2004 appropriation. The Committee recommends $9,712,777,000, a reduction of $457,900,000.

Within the total requested for fiscal year 2005, $9,146,672,000 is for the programs managed directly by the Missile Defense Agency (MDA). With respect to the MDA request, the Committee recommends $8,688,772,000, a reduction of $457,900,000. While the funding recommended is a reduction from the budget request, the Committee notes that, with respect to all missile defense programs, the recommended amount is $632,411,000 above that enacted in fiscal year 2004, with MDA programs funded at $977,088,000 above fiscal year 2004.

The Committee strongly supports the efforts of the Administration to field a system to provide an initial defense capability beginning in September 2004. To this end, the Committee fully funds that portion of the MDA budget request that provides for Ground Based Midcourse (GMD) programs related to initial defensive operations (IDO), including the provision of launch sites, interceptors, Aegis-class warships, and early warning radars (including continuing development of the Sea-Based X Band radar). The Committee also fully funds plans for forward-based radars and Theater Missile Defense programs such as Patriot, as described elsewhere in this report.

The Committee is concerned about a number of the proposals contained in the fiscal year 2005 budget request. For example, the Department of Defense appears to be rushing toward development of next-generation technologies without fully testing or developing the systems that comprise the current generation. Accordingly, the Committee recommends reductions of $25,000,000 each to both the BMDS—Technology program and the Advanced Concepts, Evaluations and Systems program. The Committee recommends a reduction of $61,500,000 to the Terminal Defense Segment program including $31,500,000 for excessive program management costs, and $30,000,000 because of program schedule delays related to rocket

motor production. The Committee recommends a reduction of $35,000,000 for long lead materials related to BMDS interceptors number 31 through 40 because MDA has failed to identify a suitable launch site. Finally, the Committee believes the level of funding requested for the national team efforts remains excessive. The Committee recognizes the work of the national team is essential to successful deployment of the integrated, layered missile defense system envisioned by DoD. However, the justification materials accompanying the budget request fail to provide an adequate basis for the requested level of funding. Accordingly, the Committee recommends reductions totaling $205,000,000 to the program elements containing national team funding.

The Committee also recommends rescinding funds provided in previous years. The Committee notes that MDA terminated the RAMOS program in execution of its fiscal year 2004 program, and substantially restructured the Airborne Laser (ABL) program. The Committee recommends a rescission of $31,500,000 due to the termination of the RAMOS program. The Committee is aware that MDA is presently developing plans to complete termination of this program. Accordingly, the Committee would consider a prior approval reprogramming of funds if this proves necessary for the orderly conclusion of this program. The Committee also recommends a rescission of $74,700,000 due to MDA's restructuring of the Airborne Laser program which resulted in termination of plans for the Iron Bird test facility and a second aircraft.

The table below provides a summary of the Committee's recommended funding for fiscal year 2005.

[In thousands of dollars]

Missile Defense Agency Programs:	
Ballistic Missile Defense—Technology	196,320
Advanced Concepts, Evaluations and Systems	231,159
Ballistic Missile Defense—Terminal Defense Segment (THAAD & Arrow)	876,248
BMD Midcourse Defense	4,369,775
BMD Boost Defense—Airborne Laser (ABL)	495,614
Ballistic Missile Defense—Sensors	594,957
Ballistic Missile Defense Interceptors	398,262
Ballistic Missile Defense—Test & Targets	713,658
Ballistic Missile Defense—Products (C2BMC)	388,608
Ballistic Missile Defense—Core (SE&I)	310,264
Pentagon Reservation	13,884
Management Headquarters	100,023
Total MDA Programs	8,688,772
JTAMDO	86,409
Theater Missile Defense Programs:	
Patriot PAC–3 System Summary	489,253
Patriot Modifications	87,948
Patriot Improvements	31,690
MEADS	264,527
Patriot PAC–3 Research & Development	64,178
Total—Theater Missile Defense Programs	937,596
Grand Total	9,712,777

AEGIS MISSILE DEFENSE PROGRAM

The fiscal year 2005 budget request includes $1,072,374,000 for the Aegis element of the Ballistic Missile Defense System (BMDS), and the budget materials reflect a program total of $4,681,115,000 from fiscal year 2003 through 2009. In addition to this robust level of funding, the Missile Defense Agency indicates that the Navy will commit as many as 18 Aegis-class ships to support this program. The Committee supports the continuing development of the Aegis program and has fully funded the Department's request in fiscal year 2005. However, the Committee has concerns about the required level of funding in the outyears to modify ships, provide a stock of SM–3 missiles, and provide for operation and maintenance costs of this element of the BMDS. Accordingly, the Committee directs the Secretary of Defense to submit a report to the congressional defense committees not later than January 31, 2005, that explains the Department's long range plans for the Aegis element of BMDS including the number of vessels that DoD will commit to support Aegis; plans to fund conversion of these vessels for missile defense purposes in future budget submissions; plans to resolve conflicts between Navy support for missile defense missions and other surface combatant missions; and plans to provide for operation and maintenance funding requirements.

BMDS OPERATION AND MAINTENANCE

The Committee notes that the Missile Defense Agency budget in support of the Ground-Based Midcourse (GMD) program contains over $300,000,000 for operation and maintenance related activities of the Ballistic Missile Defense System (BMDS). This includes about $200,000,000 for physical security and force protection, and $104,750,000 for contractor logistical support (CLS) needed to support missile sites upon activation. The budget provides neither an indication of the long-term operation and maintenance costs for the BMDS, nor an expression of DoD's plans to begin budgeting for these costs in the military services' operation and maintenance accounts. Accordingly, the Committee directs the Secretary of Defense to submit a report to the congressional defense committees not later than November 15, 2004, that outlines that Department's plans to program and budget for operation and maintenance costs necessary to keep the BMDS on alert status including manning and operating missile defense sites, maintenance of equipment, and providing for physical security of BMDS assets.

INTEGRATED FLIGHT TEST–13C (IFT–13C)

The Missile Defense Agency is presently finalizing preparations for Integrated Test Flight–13C scheduled for July 2004. The Committee understands this is a critically important test flight not only for the Ground Based Midcourse (GMD) booster and kill vehicle, but also as a test of the Command, Control, Battle Management and Communications (C2BMC) hardware and software. The Committee also notes the importance of this test given its timing with respect to initial defensive operations scheduled for September 2004. Accordingly, the Committee directs that the Director of the Missile Defense Agency provide a report to the congressional de-

fense committees not later than August 15, 2004, in both classified and unclassified form, including a detailed assessment of the results of IFT–13C and any impact these results may have on initial defensive operations.

ADVANCED MULTIPURPOSE MICRODISPLAY SYSTEM

The Committee recommends an increase of $3,000,000 only for development of an eyewear system that incorporates a high resolution display, based on a folded optics engine, that is low profile, first surface and is capable of high optical efficiency with low optical distortion.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
RESEARCH, DEVELOPMENT, TEST & EVAL, DW			
BASIC RESEARCH			
DEFENSE RESEARCH SCIENCES	143,729	168,729	+25,000
UNIVERSITY RESEARCH INITIATIVES	---	8,500	+8,500
GOVERNMENT/INDUSTRY COSPONSORSHIP OF UNIVERSITY RESEAR	---	8,000	+8,000
DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE	9,590	9,590	---
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	36,769	50,019	+13,250
TOTAL, BASIC RESEARCH	190,088	244,838	+54,750
APPLIED RESEARCH			
MEDICAL FREE ELECTRON LASER	9,668	9,668	---
HISTORICALLY BLACK & HISPANIC SERVNG INSTITU SCIENCES.	14,192	19,192	+5,000
LINCOLN LABORATORY RESEARCH PROGRAM	25,441	25,441	---
COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	342,614	345,614	+3,000
BIOLOGICAL WARFARE DEFENSE	147,533	156,533	+9,000
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	104,385	167,885	+63,500
TACTICAL TECHNOLOGY	339,175	342,175	+3,000
MATERIALS AND ELECTRONICS TECHNOLOGY	502,044	518,544	+16,500
WMD DEFEAT TECHNOLOGY	249,786	255,786	+6,000
STRATEGIC DEFENSE TECHNOLOGIES	116,113	117,113	+1,000
MEDICAL TECHNOLOGY	10,084	10,084	---
SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT	13,109	13,109	---
SOF MEDICAL TECHNOLOGY DEVELOPMENT	2,162	2,162	---
TOTAL, APPLIED RESEARCH	1,876,306	1,983,306	+107,000
ADVANCED TECHNOLOGY DEVELOPMENT			
MEDICAL ADVANCED TECHNOLOGY	2,063	6,563	+4,500
SO/LIC ADVANCED DEVELOPMENT	32,682	34,682	+2,000
COMBATING TERRORISM TECHNOLOGY SUPPORT	46,719	93,819	+47,100
COUNTERPROLIFERATION ADVANCED DEVELOPMENT TECHNOLOGIES	74,456	76,456	+2,000
BALLISTIC MISSILE DEFENSE TECHNOLOGY	204,320	196,320	-8,000
JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	23,319	23,319	---
ADVANCED AEROSPACE SYSTEMS	361,067	364,067	+3,000
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEV	117,343	176,843	+59,500
JOINT UNMANNED COMBAT AIR SYSTEMS (J-UCAS) ADVANCED TE	284,617	449,617	+165,000
SPECIAL TECHNICAL SUPPORT	---	6,000	+6,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	27,542	107,792	+80,250
STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	56,936	61,436	+4,500
JOINT WARFIGHTING PROGRAM	9,936	9,936	---
ADVANCED ELECTRONICS TECHNOLOGIES	218,151	224,151	+6,000
ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	213,901	224,901	+11,000
HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	186,666	209,666	+23,000
COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS	225,784	225,784	---
SENSOR AND GUIDANCE TECHNOLOGY	337,117	344,617	+7,500
LAND WARFARE TECHNOLOGY	63,121	63,121	---
CLASSIFIED DARPA PROGRAMS	238,131	238,131	---
NETWORK-CENTRIC WARFARE TECHNOLOGY	125,124	125,124	---
DISTRIBUTED LEARNING ADVANCED TECHNOLOGY DEVELOPMENT	13,756	16,756	+3,000
SOFTWARE ENGINEERING INSTITUTE	21,599	21,599	---
QUICK REACTION SPECIAL PROJECTS	64,389	42,926	-21,463
JOINT WARGAMING SIMULATION MANAGEMENT OFFICE	46,017	46,017	---
TECHNOLOGY LINK	1,934	7,934	+6,000
COUNTERPROLIFERATION SUPPORT	1,958	1,958	---
SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT	48,803	48,803	---
TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	3,047,451	3,448,338	+400,887
DEMONSTRATION & VALIDATION			
PHYSICAL SECURITY EQUIPMENT	---	8,000	+8,000
JOINT ROBOTICS PROGRAM	11,771	19,771	+8,000
ADVANCED SENSOR APPLICATIONS PROGRAM	17,581	28,581	+11,000
ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM	32,546	35,046	+2,500
ADVANCED CONCEPTS, EVALUATIONS AND SYSTEMS	256,159	231,159	-25,000
BALLISTIC MISSILE DEFENSE TERMINAL DEFENSE SEGMENT	937,748	876,248	-61,500
BALLISTIC MISSILE DEFENSE MIDCOURSE DEFENSE SEGMENT	4,384,775	4,369,775	-15,000
BALLISTIC MISSILE DEFENSE BOOST DEFENSE SEGMENT	492,614	495,614	+3,000
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - DEM/VAL	104,195	104,195	---
BALLISTIC MISSILE DEFENSE SENSORS	591,957	594,957	+3,000
BALLISTIC MISSILE DEFENSE SYSTEM INTERCEPTOR	511,262	398,262	-113,000
BALLISTIC MISSILE DEFENSE TEST & TARGETS	713,658	713,658	---
BALLISTIC MISSILE DEFENSE PRODUCTS	418,608	388,608	-30,000
BALLISTIC MISSILE DEFENSE SYSTEMS CORE	479,764	310,264	-169,500

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
HUMANITARIAN DEMINING	13,747	13,747	---
COALITION WARFARE	5,886	5,886	---
JOINT UNMANNED COMBAT AIR SYSTEMS (J-UCAS) ADVANCED CO	422,873	260,784	-162,089
REDUCTION OF TOTAL OWNERSHIP COST	27,351	10,351	-17,000
JOINT ELECTROMAGNETIC TECHNOLOGY (JET) PROGRAM	6,679	6,679	---
TOTAL, DEMONSTRATION & VALIDATION	9,429,174	8,871,585	-557,589
ENGINEERING & MANUFACTURING DEVELOPMENT			
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD	152,379	187,879	+35,500
MANPADS DEFENSE PROGRAM	14,135	9,635	-4,500
JOINT ROBOTICS PROGRAM - EMD	13,845	28,845	+15,000
ADVANCED IT SERVICES JOINT PROGRAM OFFICE (AITS-JPO)	18,183	18,183	---
JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	18,515	18,515	---
INFORMATION TECHNOLOGY DEVELOPMENT	10,683	10,683	---
INFORMATION TECHNOLOGY DEVELOPMENT	52,407	52,407	---
INFORMATION TECHNOLOGY DEVELOPMENT-STANDARD PROCUREMEN	6,690	6,690	---
FINANCIAL MANAGEMENT SYSTEM IMPROVEMENTS	94,767	49,767	-45,000
DEFENSE MESSAGE SYSTEM	6,623	6,623	---
INFORMATION SYSTEMS SECURITY PROGRAM	2,493	6,993	+4,500
GLOBAL COMBAT SUPPORT SYSTEM	17,867	17,867	---
JOINT COMMAND AND CONTROL PROGRAM (JC2)	3,000	4,500	+1,500
ELECTRONIC COMMERCE	3,466	3,466	---
ELECTRONIC COMMERCE	2,345	2,345	---
BMMP DOMAIN MANAGEMENT AND SYSTEMS INTEGRATION	7,472	7,472	---
DEFENSE ACQUISITION CHALLENGE PROGRAM	---	26,463	+26,463
TOTAL, ENGINEERING & MANUFACTURING DEVELOPMENT	424,870	458,333	+33,463
RDT&E MANAGEMENT SUPPORT			
SPECIAL TECHNICAL SUPPORT	19,274	27,274	+8,000
UNEXPLODED ORDNANCE DETECTION AND CLEARANCE	---	5,000	+5,000
TRANSFORMATION INITIATIVES PROGRAM	9,977	---	-9,977
DEFENSE READINESS REPORTING SYSTEM (DRRS)	19,691	19,691	---
JOINT SYSTEMS ARCHITECTURE DEVELOPMENT	4,989	4,989	---
THERMAL VICAR	7,263	7,263	---
TECHNICAL STUDIES, SUPPORT AND ANALYSIS	30,618	31,618	+1,000

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
CRITICAL TECHNOLOGY SUPPORT	1,937	1,937	---
BLACK LIGHT	21,535	21,535	---
FOREIGN MATERIAL ACQUISITION AND EXPLOITATION	35,572	37,072	+1,500
INTERAGENCY EXPORT LICENSE AUTOMATION	5,882	5,882	---
DEFENSE TRAVEL SYSTEM	28,508	28,508	---
JOINT THEATER AIR AND MISSILE DEFENSE ORGANIZATION	86,409	86,409	---
CLASSIFIED PROGRAM USD(P)	---	85,000	+85,000
FOREIGN COMPARATIVE TESTING	35,633	35,633	---
SUPPORT TO NETWORKS AND INFORMATION INTEGRATION	11,490	12,490	+1,000
GENERAL SUPPORT TO USD (INTELLIGENCE)	4,830	4,830	---
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	42,652	42,652	---
CLASSIFIED PROGRAMS - C3I	---	25,000	+25,000
SMALL BUSINESS INNOVATION RESEARCH/CHALLENGE ADMINISTR	1,999	4,999	+3,000
DEFENSE TECHNOLOGY ANALYSIS	7,279	7,279	---
FORCE TRANSFORMATION DIRECTORATE	19,591	44,591	+25,000
DEFENSE TECHNICAL INFORMATION SERVICES (DTIC)	45,203	45,203	---
R&D IN SUPPORT OF DOD ENLISTMENT, TESTING & EVALUATION	10,598	10,598	---
DEVELOPMENT TEST AND EVALUATION	8,882	8,882	---
MANAGEMENT HEADQUARTERS (RESEARCH & DEVELOPMENT) DARP.	46,689	46,689	---
INFORMATION TECHNOLOGY RAPID ACQUISITION	19,958	9,958	-10,000
INTELLIGENCE SUPPORT TO INFORMATION OPERATIONS (IO)	12,878	12,878	---
PENTAGON RESERVATION	13,884	13,884	---
MANAGEMENT HEADQUARTERS - MDA	141,923	100,023	-41,900
IT SOFTWARE DEV INITIATIVES	1,700	1,700	---
TOTAL, RDT&E MANAGEMENT SUPPORT	696,844	789,467	+92,623
OPERATIONAL SYSTEMS DEVELOPMENT			
PARTNERSHIP FOR PEACE (PFP) INFORMATION MANAGEMENT SYS	6,995	6,995	---
CHEMICAL AND BIOLOGICAL DEFENSE (OPERATIONAL SYSTEMS D	2,178	2,178	---
ISLAND SUN	1,663	1,663	---
C4I INTEROPERABILITY	41,074	44,074	+3,000
JOINT ANALYTICAL MODEL IMPROVEMENT PROGRAM	5,577	5,577	---
NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT	1,240	1,240	---
DEFENSE INFO INFRASTRUCTURE ENGINEERING AND INTEGRATIO	2,517	2,517	---
LONG HAUL COMMUNICATIONS (DCS)	11,401	11,401	---

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK....	7,261	7,261	---
INFORMATION SYSTEMS SECURITY PROGRAM.....	11,135	11,135	---
INFORMATION SYSTEMS SECURITY PROGRAM.....	477,846	479,346	+1,500
C4I FOR THE WARRIOR.....	4,177	4,177	---
C4I FOR THE WARRIOR.....	24,712	24,712	---
GLOBAL COMMAND AND CONTROL SYSTEM.....	43,693	43,693	---
JOINT SPECTRUM CENTER.....	18,941	18,941	---
DEFENSE COLLABORATION TOOL SUITE (DCTS).....	8,503	8,503	---
NET-CENTRIC ENTERPRISE SERVICES (NCES).....	52,059	52,059	---
TELEPORT PROGRAM.....	10,272	10,272	---
SPECIAL APPLICATIONS FOR CONTINGENCIES.....	20,758	22,758	+2,000
CRITICAL INFRASTRUCTURE PROTECTION (CIP).....	28,021	28,021	---
DEFENSE JOINT COUNTERINTELLIGENCE PROGRAM (JMIP).....	32,939	32,939	---
DEFENSE JOINT COUNTERINTELLIGENCE PROGRAM (JMIP).....	---	17,000	+17,000
NET CENTRICITY.....	214,222	144,222	-70,000
INDUSTRIAL PREPAREDNESS.....	11,005	37,505	+26,500
LOGISTICS SUPPORT ACTIVITIES.....	11,389	11,389	---
MANAGEMENT HEADQUARTERS (OJCS).....	22,421	22,421	---
NATO JOINT STARS.....	30,399	30,399	---
SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT.....	---	5,000	+5,000
SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT....	---	25,500	+25,500
SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT.....	311,966	369,566	+57,600
SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT...	25,015	37,015	+12,000
SOF OPERATIONAL ENHANCEMENTS.....	57,643	74,343	+16,700
TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT.....	1,497,022	1,593,822	+96,800
CLASSIFIED PROGRAMS.....	3,578,082	3,461,582	-116,500
TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, DW.....	20,739,837	20,851,271	+111,434

OPERATIONAL TEST AND EVALUATION, DEFENSE

Fiscal year 2004 appropriation	$305,861,000
Fiscal year 2005 budget request	305,135,000
Committee recommendation	309,135,000
Change from budget request	+4,000,000

This appropriation funds the Operational Test and Evaluation activities of the Department of Defense.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $309,135,000 for Operational Test and Evaluation, Defense. The following report and project level tables provide a summary of the Committee's recommendation.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

R-1		Budget Request	Committee Recommendation	Change from Request
	CENTRAL TEST AND EVALUATION INVESTMENT			
2	**DEVELOPMENT**	**123,562**	**127,562**	**+4,000**
	Joint Gulf Range Complex Upgrade		4,000	

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST	COMMITTEE RECOMMENDED	CHANGE FROM REQUEST
OPERATIONAL TEST & EVAL, DEFENSE			
ADVANCED TECHNOLOGY DEVELOPMENT			
TEST & EVALUATION SCIENCE & TECHNOLOGY	16,295	16,295	---
TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	16,295	16,295	---
RDT&E MANAGEMENT SUPPORT			
CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CT	123,562	127,562	+4,000
OPERATIONAL TEST AND EVALUATION	42,390	42,390	---
LIVE FIRE TESTING	10,209	10,209	---
DEVELOPMENT TEST AND EVALUATION	112,679	112,679	---
TOTAL, RDT&E MANAGEMENT SUPPORT	288,840	292,840	+4,000
TOTAL, OPERATIONAL TEST & EVAL, DEFENSE	305,135	309,135	+4,000

TITLE V

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

Fiscal year 2004 appropriation	$1,641,507,000
Fiscal year 2005 budget request	1,685,886,000
Committee recommendation	1,174,210,000
Change from budget request	−511,676,000

The Committee recommends an appropriation of $1,174,210,000 for the Defense Working Capital Funds. The recommendation is a decrease of $467,297,000 below the amount appropriated for fiscal year 2004.

DEFENSE WORKING CAPITAL FUNDS REDUCTION

The Committee recommends a reduction of $511,676,000 to the budget estimate, as a result of fiscal constraints, to be distributed only as follows:

Working Capital Fund, Army	−$184,056,000
Working Capital Fund, Navy	−65,385,000
Working Capital Fund, Air Force	−81,089,000
Working Capital Fund, Defense-Wide	−181,146,000

NATIONAL DEFENSE SEALIFT FUND

Fiscal year 2004 appropriation	$1,066,462,000
Fiscal year 2005 budget request	1,269,252,000
Committee recommendation	1,186,626,000
Change from budget request	−82,626,000

This appropriation provides funds for the lease, operation and supply of pre-positioning ships, operation of the Ready Reserve Force, and acquisition of ships for the Military Sealift Command, the Ready Reserve Force, and the Marine Corps.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,186,626,000 for the National Defense Sealift Fund (NDSF).

MARITIME PRE-POSITIONING FORCE (FUTURE)

The fiscal year 2005 budget includes a $117,000,000 request for Research, Development, Test and Evaluation for Strategic Sealift, an increase of $103,500,000 over the fiscal year 2004 level. Of the amount requested, $92,626,000 is for concept development and lead hull research and development efforts for the Maritime Pre-positioning Force (Future), MPF(F).

The Committee has provided a total of $34,326,000 for Research, Development, Test and Evaluation for Strategic Sealift, a reduction of $82,626,000 from the request. This reduction is applied to the re-

quest for MPF(F) for which the Committee provides a total of $10,000,000 for concept development. None of the funds provided for MPF(F) concept development may be obligated or expended until the Navy submits a detailed MPF(F) proposal and expenditure plan to the Committee on Appropriations.

Budget documentation provided to Congress in support of the fiscal year 2005 budget request provided no information detailing how the MPF(F) funds were to be spent. The only information provided states that lead hull construction costs are to be incrementally funded beginning in fiscal year 2007. Requests for additional information yielded no detail of the planned expenditures due to a not-yet completed study by the Center for Naval Analysis. The Committee notes that while detail was not provided to Congress, the trade press was provided some information and printed articles quoting senior Navy officials on plans for the possible construction of a fleet of MPF(F) ships.

The Committee believes the Navy must provide sufficient justification of its requests for appropriated funds. While the Committee appreciates that the timing inherent in the budget process does not always favor rapid transition to new ideas, it is not reasonable to request Congress provide funds for a program with no justification except that which is printed in the trade press. Furthermore, the Navy is well aware of the Committee's views with respect to incremental funding of programs. The Committee finds little humor in being asked to fund an unjustified request of nearly $100 million, for what is intended upon its maturation to become an incrementally funded program.

TITLE VI

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

Fiscal year 2004 appropriation	$15,730,013,000
Fiscal year 2005 budget request	17,640,411,000
Committee recommendation	17,959,186,000
Change from the budget request	+318,775,000

This appropriation funds the Defense Health Program of the Department of Defense.

COMMITTEE RECOMMENDATION

The budget requested $17,640,411,000 for the Defense Health Program, an increase of $1,910,398,000 over the fiscal year 2004 appropriation. The Committee recommends $17,959,186,000, an increase of $318,775,000 over the budget request.

DEFENSE HEALTH PROGRAM

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

	Budget Request	Committee Recommended	Change from Request
OPERATION AND MAINTENANCE	**17,203,369**	**17,148,069**	**-55,300**
IN-HOUSE CARE	**4,668,716**	**4,636,416**	**-32,300**
Army Fisher House NAFI		11,000	
Colon Cancer Program (NNMC)		7,000	
Defense and Veterans Head Injury Program		3,000	
DOD/VA Collaborative Wound Healing Initiative		500	
GAO Estimate Annual Unobligated Funds		-50,000	
Graduate School of Nursing		2,000	
Landstuhl Army Medical Center SRM		10,000	
White River Junction-Fort Ethan Allen Health Sharing Program		500	
Madigan Army Medical Center Trauma Assistance		1,000	
Military to Civilian Conversion Delay (Note: due to a delay in execution of conversion by the Navy that was to begin in June 2004)		-18,000	
Military-Civilian Education and Sexual Health Decision-Making Program		200	
Paralyzed Veterans Association		1,000	
Smart Shelf Chain of Custody and Control of Medical Records		3,000	
Third Party Collections GAO Report		-15,000	
US Air Force Medical Service Database (Note: only for continuing the existing program)		500	
USUHS Training for Medical Readiness against WMD		3,000	
WRAMC Amputee Center		8,000	
PRIVATE SECTOR CARE	**8,953,494**	**8,953,494**	**0**
CONSOLIDATED HEALTH CARE SUPPORT	**997,200**	**997,200**	**0**
INFORMATION MANAGEMENT	**789,524**	**766,524**	**-23,000**
Medical Data Records Conversion at WRAMC		1,000	
Medical Data Records Conversion at NNMC		1,000	
Financial Information Systems Excess Program Growth-All Other Office Automation (TMA)		-25,000	

	Budget Request	Committee Recommended	Change from Request
MANAGEMENT ACTIVITIES	**223,881**	**223,881**	**0**
EDUCATION AND TRAINING	**398,773**	**398,773**	**0**
BASE OPERATIONS/COMMUNICATIONS	**1,171,781**	**1,171,781**	**0**
PROCUREMENT	**364,635**	**364,635**	**0**
RESEARCH, DEVELOPMENT, TEST AND EVALUATION	**72,407**	**446,482**	**+374,075**
Air Force Environmental and Occupational Factors in Womens Health Program		1,500	
Air Force Integrated Medical Information Technology System (IMITS) Initiative		3,000	
Army Peer-Reviewed Breast Cancer Research Program		150,000	
Army Peer-Reviewed Prostate Cancer Research Program		85,000	
Assessment and Demonstration Center for USAF Surgeon General		4,000	
Cancerous Brain Tumors Drug Research		1,000	
Complementary and Alternative Medicine (MIL-CAM)		1,500	
Comprehensive Reproductive System Care Program (Note: only for the continued coordination between Walter Reed Army Medical Center, a rural non-profit medical research institute, and a non-profit medical foundation, to provide a program for reproductive systems risk assessment, diagnosis, treatment, and cutting-edge research)		14,000	
Computer Assisted Medical Diagnostics		3,000	
Direct Real-Time Secure Collaborative Application/Analysis Sharing Environment for the USAF Surgeon General		1,000	
DNI Anthrax Therapeutic		2,000	
Genetic Cancer Research in Women		3,000	
Global HIV/AIDS Prevention		10,000	
Gynecological Cancer Center		3,000	
Healthcare Informatics Testbed		2,000	
Leukemia Research (CMLRP)		5,000	
Metabolic Defense (Note: only to systematically identify and investigate selected dietary and nutritional supplements (DNS) for enhancing and maintaining military personnel readiness, effectiveness and well-being)		2,500	

	Budget Request	Committee Recommended	Change from Request
Motion Coupled Visual Environment (MOCOVE) for Motion Sickness Relief		1,000	
Muscular Dystrophy Research		3,000	
Muscle Research Consortium		5,000	
National Diabetes Model Program (Type 2 Diabetes Research with the Air Force)		20,000	
Neuroscience Research (Note: only for the public/private effort among DoD Medical Treatment Facilities, the Uniformed Services University of Health Sciences, an appropriate not-for-profit Medical Foundation, and a primary health care center to provide a comprehensive program in Neurosciences for DoD medical beneficiaries)		5,000	
Ophthalmology Training and Education		3,000	
Ovarian Cancer Research Program		10,000	
Pericscopic Surgery		2,500	
Portable Remote Medical Collection and Relay Capability		2,000	
Preventing Epilepsy after Traumatic Brain Injury		1,500	
Prosthetics and Orthotics Education Program		575	
Rapid Identification and Treatment for AFSOC Forces		4,000	
Real Time Healthcare Management Integration Demonstration with the USAF Surgeon General		1,000	
Spinal Cord Injury Research (Note: only for the project to cure paralysis)		3,000	
Tuberous Sclerosis Complex (TSC)		4,000	
United States Military Cancer Institute		4,000	
Virtual Colonoscopy - WRAMC		2,000	
Virtual Medical Trainer		1,000	
WRAMC Amputee Center Clinical and Applied Collaborative Research (Note: not less than $1,500,000 only for clinical evaluation of vacuum assisted suspension systems)		10,000	
OPERATION AND MAINTENANCE	**17,203,369**	**17,148,069**	**-55,300**
PROCUREMENT	**364,635**	**364,635**	**0**
RESEARCH, DEVELOPMENT, TEST AND EVALUATION	**72,407**	**446,482**	**+374,075**
TOTAL	**17,640,411**	**17,959,186**	**+318,775**

DEFENSE HEALTH PROGRAM—REPROGRAMMING

The Committee remains concerned as the Department of Defense embarks upon the transition to new TRICARE contracts and institutes new business practices to improve beneficiary satisfaction, access to care and efficiency of Military Treatment Facilities. As the Committee has observed in the past, the Department's typical pattern of budget execution for the Defense Health Program has been to divert funding from Direct (or In-House) Care to pay for the increasing cost of contractor-provided medical care, while continuing to insist at the time its budgets are submitted that such diversions will not be needed. To limit such transfers and improve oversight of this account, the Committee designates funding for the Direct Care System as a special interest item, as defined elsewhere in this report, and that the Department of Defense shall follow prior approval reprogramming procedures for any transfers out of the Direct Care System.

In addition, the Committee directs that the Department of Defense shall provide budget execution data for all of the Defense Health Program accounts. Such budget execution data shall be provided quarterly to the congressional defense committees through the DD–COMP(M) 1002.

WALTER REED ARMY MEDICAL CENTER—AMPUTEE PATIENT CARE PROGRAM

Ongoing combat operations have produced a surge in complex combat injuries involving amputations of major limbs. Military amputees demand highly specialized care that requires an experienced team of surgeons, physical and occupational therapists, phychologists, phychiatrists, nurses, social workers, nutritionists and others that specialize in treating this population. The Military Amputee Patient Care Program (headquartered at Walter Reed Army Medical Center) provides a center of expertise for state-of-the-art treatment, the rehabilitation of military amputee patients to the highest level of physical function, and a return to active duty if possible. The Committee commends the Army and those associated with this vital effort.

The Committee recommends an additional $18,000,000 over the budget request for this program. This includes $8,000,000 for operating costs associated with the center, including but not limited to personnel, equipment, patient travel, and prosthetic device costs. An additional $10,000,000 is provided for increased clinical and applied collaborative research in prosthetic care. Of this amount, not less than $1,500,000 shall be for clinical evaluation of vacuum assisted suspension systems, including investigation of the improved functionality resulting from volumetric control, as well as the circulatory and improved wound healing benefits of such technology in supporting our service members returning to pre-injury physical activity levels.

LANDSTUHL ARMY MEDICAL CENTER

The Committee acknowledges and commends Landstuhl Army Medical Center and its staff for the significant role they have played in the treatment of wounded service men and women during

the ongoing Operations Iraqi Freedom and Enduring Freedom. The Committee recommends $10,000,000 over the request, only for Landstuhl Army Medical Center to make upgrades to the facility in order to continue providing quality patient care.

ARMY FISHER HOUSES

Since 1990 Fisher Houses have been meeting the needs of military family members when confronted with the illness or hospitalization of an eligible military beneficiary. The Committee is aware that the Non-Appropriated Fund Instrumentalities established by law to help defray the operating costs of Fisher Houses have decreased in value due to poor financial market performance. Further, the costs to manage many Fisher Houses are much higher than planned due to an influx of patients at Military Treatment Facilities as a result of casualties suffered during Operations Iraqi Freedom and Enduring Freedom. Accordingly, the Committee has allocated $11,000,000 to the Defense Health Program to help mitigate any deficit in the Fisher House's operating costs. The Committee directs the Secretary of Defense to analyze the financial condition of the Fisher House operating accounts and submit a report to the congressional defense committees by March 1, 2005.

THIRD-PARTY COLLECTIONS

According to the General Accounting Office (GAO) DoD's Third-Party Collections Program generates on average about $122 million annually. However, total collections for fiscal year 2003 were down $30 million from the previous year, and the GAO has further documented that DoD fails to collect $44 million a year from third-party insurers (an amount that represents only 35 of the 132 Military Treatment Facilities under DoD's auspices). It is clear that DoD's failure to effectively bill and collect from third-party insurers pursuant to law is resulting in an increased burden on the taxpayer. The Committee also has concerns that DoD reduced its Information Technology budget for third-party outpatient collection systems from fiscal year 2004 to fiscal year 2005.

The Committee directs the DoD to report to the congressional defense committees by April 1, 2005, regarding the status of the transition to outpatient itemized billing and how third-party collections have progressed since the implementation of this system in fiscal year 2003. The Committee also directs the DoD to submit quarterly reports to the congressional defense committees on the status of collections during the current fiscal year.

MENTAL HEALTH SERVICES

The Committee believes that hardships resulting from U.S. troop deployments to Iraq and Afghanistan make it imperative for the Department of Defense to offer adequate mental health services for active duty and reserve members deployed to combat theaters. The Committee also is concerned that sufficient mental health services be made readily available to dependents of active duty and reserve members. As such, the Committee directs the Secretary of Defense to conduct a comprehensive review of mental health services available to our military members deployed in combat theaters, as well

as a review of services that may be available to their dependents during and after a military member's deployment. The report should be submitted to the congressional defense committees no later than 180 days after enactment of this legislation. The review should include, but not be limited to, the following subjects:

—Data on the average number of service days lost due to mental health reasons;

—The types of measures taken by the military services to reduce the stigma often associated with mental health counseling;

—An analysis of mental health services available—and barriers to access—to active duty and reserve members and their dependents (including dependents of activated members of the National Guard and Reserve Components); and,

—An analysis of the extent to which the U.S. Army has implemented the recommendations of the Army's Mental Health Advisory Team.

LIMITED ACCESS TO MILITARY TREATMENT FACILITIES IN RURAL AREAS

The Committee is encouraged by the Department of Defense's recent efforts to address the lack of access to care in rural and remote communities. However, the Committee remains concerned that despite these efforts, under-served communities still have difficulty accessing health care services, especially Reservist and retiree beneficiaries. Therefore, the Committee encourages the Assistant Secretary of Defense for Health Affairs to work in consultation with a private non-profit to develop a "community-based" model pilot program in Washington State to expand health care services in these areas.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, ARMY

Fiscal year 2004 appropriation	$1,500,261,000
Fiscal year 2005 budget request	1,371,990,000
Committee recommendation	1,371,990,000
Change from budget request	0

This appropriation funds the Chemical Agents and Munitions Destruction activities of the Department of the Army.

COMMITTEE RECOMMENDATION

The budget requested $1,371,990,000 for the Chemical Agents and Munitions Destruction, Army program, a decrease of $128,271,000 over the fiscal year 2004 appropriation. The Committee recommends the budget request of $1,371,990,000.

PROGRAM RECOMMENDED

The total program recommended in the bill will provide the following in fiscal year 2005.

(DOLLARS IN THOUSANDS)

	BUDGET REQUEST QTY	BUDGET REQUEST AMOUNT	COMMITTEE RECOMMENDED QTY	COMMITTEE RECOMMENDED AMOUNT	CHANGE FROM REQUEST QTY	CHANGE FROM REQUEST AMOUNT
CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY						
CHEM DEMILITARIZATION - O&M	---	1,138,801	---	1,138,801	---	---
CHEM DEMILITARIZATION - PROC	---	78,980	---	78,980	---	---
CHEM DEMILITARIZATION - RDTE	---	154,209	---	154,209	---	---
TOTAL, CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY		1,371,990		1,371,990		---

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

Fiscal year 2004 appropriation	$835,616,000
Fiscal year 2005 budget request	852,697,000
Committee recommendation	876,697,000
Change from the budget	+24,000,000

This appropriation provides funds for Military Personnel; Operation and Maintenance; Procurement; and Research, Development, Test and Evaluation for drug interdiction and counter-drug activities of the Department of Defense to include activities related to narcoterrorism.

COMMITTEE RECOMMENDATIONS

The Department of Defense requested $852,616,000 for Drug Interdiction and Counter-Drug Activities. The Committee recommends $876,697,000, an increase of $24,000,000.

EXPLANATION OF PROJECT LEVEL CHANGES

[In thousands of dollars]

Criminal Information Sharing Alliance Network (CISA)	+5,000
Florida National Guard Counter-Drug Activities	+3,000
Indiana National Guard Counter-Drug Activities	+1,000
Joint Task Force-6	+2,000
Multi-Jurisdictional Counter-Drug Task Force Training	+3,500
Nevada National Guard Counter-Drug Activities	+3,000
Project Athena Beta Site	+2,500
Southwest Border Fence	+7,000
Tennessee National Guard Counter-Drug Activities	+2,000
Volume Test Site for Point Sensors at NSWC	+3,000
Young Marines	+3,000
Tethered Aerostat	−5,000
Hemispheric Radar System	−5,000
ISR and Tanker Support	−1,000

VOLUME TEST SITE FOR POINT SENSORS

The Committee recommends an additional $3,000,000 only for the Volume Test Site for Point Sensors program at the Naval Surface Warfare Center, Dahlgren, VA. The Committee also directs that these funds be transferred to the Office of Naval Research for execution.

TETHERED AEROSTAT PROGRAM

The budget request includes $32,291,000 for the Tethered Aerostat Program. The Committee recommends $27,291,000, a reduction of $5,000,000 for the same reasons enunciated in House Report 108–187. The funds provided by the Committee are intended to continue the operation of all existing Aerostat systems.

HEMISPHERIC RADAR SYSTEM

The budget request includes $25,466,000 for the Hemispheric Radar System. The Committee recommends $20,466,000, a reduction of $5,000,000. The reduction is recommended based on operational assessments that determined that four radar sites would close in Peru, Colombia, and Venezuela.

OFFICE OF THE INSPECTOR GENERAL

Fiscal year 2004 appropriation	$162,449,000
Fiscal year 2005 Budget request	244,562,000
Committee recommendation	193,562,000
Change from budget request	−51,000,000

The Committee recommends an appropriation of $193,562,000 for the Office of the Inspector General. Of this amount, $191,362,000 shall be for operation and maintenance, $2,100,000 shall be for procurement, and $100,000 shall be for research, development, test and evaluation. The recommendation is an increase of $31,113,000 above the amount appropriated for fiscal year 2004.

The Committee supports the goal of achieving improved financial management within the Department of Defense, including clean financial audits. The Committee has provided additional funding to support an increase in audit capacity and mission support for the Offices of the Deputy Inspector General for Auditing, Intelligence, Investigations, and Inspections and Policy.

TITLE VII

RELATED AGENCIES

NATIONAL FOREIGN INTELLIGENCE PROGRAM

The National Foreign Intelligence Program (NFIP) consists of those intelligence activities of the government that provide the President, other officers of the Executive Branch, and the Congress with national foreign intelligence on broad strategic concerns bearing on U.S. national security. These concerns are stated by the National Security Council in the form of long-range and short-range requirements for the principal users of intelligence.

The NFIP budget funded in the Department of Defense Appropriations Act consists primarily of resources for the Central Intelligence Agency (CIA), the Defense Intelligence Agency, the National Reconnaissance Office, the National Security Agency, the National Geospatial-Intelligence Agency, the intelligence services of the Departments of the Army, Navy, and Air Force, the Intelligence Community Management Staff, and the CIA Retirement and Disability Fund.

CLASSIFIED ANNEX

The Committee's budget reviews are published in a separate, detailed and comprehensive classified annex. The intelligence community, Department of Defense and other organizations are expected to fully comply with the recommendations and directions in the classified annex accompanying the fiscal year 2005 Defense Appropriations Act.

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

Fiscal year 2004 appropriation	$226,400,000
Fiscal year 2005 budget request	239,400,000
Committee recommendation	239,400,000
Change from budget request	0

This appropriation provides payments of benefits to qualified beneficiaries in accordance with the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (P.L. 88–643), as amended by Public Law 94–522. This statute authorized the establishment of a CIA Retirement and Disability System (CIARDS) for certain CIA employees and authorized the establishment and maintenance of a fund from which benefits would be paid to those beneficiaries.

COMMITTEE RECOMMENDATION

The budget requested $239,400,000 for the Central Intelligence Agency Retirement and Disability System Fund, an increase of

$13,000,000 over the fiscal year 2004 appropriation. The Committee recommends $239,400,000 as requested for this mandatory account.

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

Fiscal year 2004 appropriation	$175,113,000
Fiscal year 2005 budget request	304,355,000
Committee recommendation	309,644,000
Change from budget request	+5,289,000

This appropriation provides funds for the activities that support the Director of Central Intelligence and the intelligence community.

COMMITTEE RECOMMENDATION

The budget requested $304,355,000 for the Intelligence Community Management Account, an increase of $134,531,000 over the fiscal year 2004 appropriation. The Committee recommends $309,644,000, an increase of $5,289,000. Of the amount appropriated under this heading, $46,100,000 is for transfer to the Department of Justice for operations at the National Drug Intelligence Center.

PAYMENT TO KAHO'OLAWE ISLAND CONVEYANCE, REMEDIATION, AND ENVIRONMETAL RESTORATION FUND

Fiscal Year 2004 appropriation	$18,430,000
Fiscal year 2005 budget request	0
Committee recommendation	0
Change from budget request	0

The Committee recommends an appropriation of $0 for the Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund, the amount proposed in the budget. The recommendation is $18,430,000 below the amount appropriated for fiscal year 2004.

NATIONAL SECURITY EDUCATION TRUST FUND

Fiscal year 2004 appropriation	$8,000,000
Fiscal year 2005 budget request	8,000,000
Committee recommendation	8,000,000
Change from budget request	0

The National Security Education Trust Fund was established to provide scholarships and fellowships to U.S. students to pursue higher education studies abroad and to provide grants to U.S. institutions for programs of study in foreign areas and languages.

COMMITTEE RECOMMENDATION

The budget requested $8,000,000 for the National Security Education Trust Fund, the same amount provided in the fiscal year 2004 appropriation.

The Committee recommends $8,000,000 for the purposes of title VIII of Public Law 102–183, to be derived from the National Security Education Trust Fund, as requested.

TITLE VIII

GENERAL PROVISIONS

The accompanying bill includes 122 general provisions. Most of these provisions were included in the Department of Defense Appropriations Act for fiscal year 2004 and many have been included in the Defense Appropriations Act for a number of years.

Actions taken by the Committee to amend last year's provisions or new provisions recommended by the Committee are discussed below or in the applicable section of the report.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100–119) and by the Budget Enforcement Act of 1990 (Public Law 101–508), the following information provides the definition of the term "program, project, and activity" for appropriations contained in the Department of Defense Appropriations Act. The term "program, project, and activity" shall include the most specific level of budget items, identified in the Department of Defense Appropriations Act, 2005, the accompanying House and Senate Committee reports, the conference report and the accompanying joint explanatory statement of the managers of the Committee in Conference, the related classified reports, and the P–1 and R–1 budget justification documents as subsequently modified by Congressional action.

In carrying out any Presidential sequestration, the Department of Defense and agencies shall conform to the definition for "program, project, and activity" set forth above with the following exceptions:

For Military Personnel and Operation and Maintenance accounts the term "program, project, and activity" is defined as the appropriations accounts contained in the Department of Defense Appropriations Act.

The Department and agencies should carry forth the Presidential sequestration order in a manner that would not adversely affect or alter Congressional policies and priorities established for the Department of Defense and the related agencies and no program, project, and activity should be eliminated or be reduced to a level of funding which would adversely affect the Department's ability to effectively continue any program, project, and activity.

CHAPTER 1

TITLE IX

ADDITIONAL APPROPRIATIONS

Department of Defense—Military

SUBMISSION OF BUDGET AMENDMENT

On May 12, 2004, the President submitted a budget amendment for the Department of Defense, requesting $25,000,000,000 for the Iraq Freedom Fund. These funds were requested as a contingent emergency reserve, dependent on Presidential designation for release. As proposed, these funds could be transferred to any appropriations account after five days prior notice to the Congress.

The Committee commends the Administration for submitting this request. The President's fiscal year 2005 budget, submitted in February 2004, contained no additional funding to support fiscal year 2005 operations in Iraq or Afghanistan. Funds for these operations were to be requested at the beginning of 2005 in a supplemental appropriations request, as has been the norm over the past decade with similar operations. However, events over recent months—the decision to sustain a higher force level in Iraq than had been previously forecast, the required troop movements to support those levels, and increased force protection requirements—make it abundantly clear that some level of funding to support these operations is required early in the fiscal year, so as to preclude the services from having to divert funds from other worldwide operational and training requirements.

The Committee believes the cost of continuing involvement of a substantial number of Army and Marine Corps combat divisions and support units will be more than the services can absorb within their peace time budgets, without unacceptable damage to home station training, maintenance, and support operations. Therefore, the funds requested in the budget amendment are intended to serve as a funding bridge until early next year when the Department of Defense will have better information on required resources, providing the basis for a supplemental request for the remaining fiscal year 2005 costs of the Iraq and Afghanistan operations.

Following receipt of the President's request, the Committee obtained background information on fiscal year 2005 war-related requirements from the Office of the Secretary of Defense, the military services and defense agencies, and the intelligence community. Additionally, the Committee reviewed available budget execution data for fiscal year 2004. These efforts provided a good understanding of anticipated funding needs for the first several months of fiscal year 2005, and formed the basis for the Committee's recommendations, cited below.

COMMITTEE RECOMMENDATIONS

In this chapter, the Committee recommends total new appropriations of $25,000,000,000, provided within 22 appropriations accounts. Funding by category is as follows:

Military Personnel	$3,932,000,000
Operation and Maintenance	14,335,400,000
Iraq Freedom Fund	2,978,000,000
Procurement	2,199,600,000
Defense Working Capital Funds	1,250,000,000
Defense Health Program	305,000,000

Funds are provided for specific appropriations accounts, and would be available upon enactment of the bill. Quarterly reports are required on the obligation of funds.

To provide some measure of flexibility to the Department of Defense, as was done in the November 2004 War Supplemental (Public Law 108–106), the Committee recommends providing appropriations for the Iraq Freedom Fund, which would be available for obligation five days after written notification is provided to the Congress. Also, the Committee bill provides transfer authority for funds in this title, permitting up to $2,000,000,000 to be reprogrammed among activities following approval by the congressional defense committees through regular order prior-approval notification and reprogramming procedures.

The Committee bill also includes certain authorities providing for war-related support to allied forces, and training and equipping Iraqi and Afghan military and security forces, consistent with similar authorities provided in Public Law 108–106.

For purposes of Section 402(a)(2) of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress), all funds provided in this chapter, and those made available by transfer or pursuant to authority in section 9003 of the Committee bill, are directly in support of national security and U.S. forces in the field, are sudden, meet an urgent and compelling need, are unpredictable, and are not permanent in nature.

The following table summarizes, by appropriations account or general provision, the Committee's recommendations compared to the President's request.

[In thousands of dollars]

Account	Request	Recommendation
Iraq Freedom Fund	$25,000,000	$2,978,000
Military Personnel:		
Military Personnel, Army		2,552,200
Military Personnel, Navy		232,200
Military Personnel, Marine Corps		273,200
Military Personnel, Air Force		874,400
Total Military Personnel		3,932,000
Operation and Maintenance:		
O&M, Army		11,698,400
O&M, Navy		303,000
O&M, Marine Corps		1,295,000
O&M, Air Force		744,000
O&M, Defense-Wide		295,000

[In thousands of dollars]

Account	Request	Recommendation
Total Operation and Maintenance		14,335,400
Procurement:		
Missile Procurement, Army		42,800
Procurement of WTCV, Army		201,900
Procurement of Ammunition, Army		330,000
Other Procurement, Army		1,151,400
Aircraft Procurement, Navy		34,000
Procurement of Ammunition, Navy and Marine Corps		112,800
Procurement, Marine Corps.		111,400
Other Procurement, Air Force		35,300
Procurement, Defense-Wide		80,000
National Guard and Reserve Equipment		100,000
Total Procurement		2,199,600
Revolving and Management Funds:		
Defense Working Capital Funds		1,250,000
Total Revolving and Management Funds		1,250,000
Other Department of Defense Programs:		
Defense Health Program		305,000
Total Other DoD Programs		305,000
Transfer Authority:		
Total Transfers	[25,000,000]	[2,000,000]
Grand Total Chapter 1, Title IX	25,000,000	25,000,000

Numbers in brackets do not add; represent transfer authority.

REPORTING REQUIREMENTS

The Committee directs the Secretary of Defense to provide a report to the congressional defense committees within 60 days of enactment of this legislation on the allocation of the funds within the accounts listed in this chapter. The Secretary shall submit updated quarterly reports thereafter.

The Committee also directs the Secretary of Defense to submit to the congressional defense committees, no later than January 31, April 30, and July 31, 2005, a comprehensive financial analysis and update for fiscal year 2005. This series of reports will detail both actual and projected obligation of appropriations provided in this Act for the continuation of the war in Iraq and Afghanistan.

In certain limited areas, the Committee has provided funds in this chapter at a line item level of detail more general than in the other titles of the bill. Examples include funds for the Army's Rapid Fielding Initiative, funded in both operation and maintenance and procurement accounts, and various "miscellaneous equipment" lines for the Marine Corps, Special Operations Forces, and the Guard and Reserve. This approach is intended to provide the military services with some degree of flexibility to respond to the needs of commanders in the field, provide support for service members, and to reconstitute units that return to their home stations. The Secretary of Defense is directed to provide a report to the congressional defense committees within 60 days of enactment of this legislation on the allocation of the funds within those line

items, and submit updated quarterly reports thereafter. Additional discussion on this subject is provided elsewhere in this report.

Finally, the Committee expects that in order to meet unanticipated requirements, the Department of Defense may need to transfer funds within those appropriations accounts for purposes other than those specified in this report. The Committee directs the Department of Defense to follow normal prior-approval reprogramming procedures should it be necessary to transfer funding between different appropriations accounts in this chapter.

ABUSE OF PRISONERS

The Committee is deeply troubled by the breakdown in training, supervision and discipline that resulted in the deplorable mistreatment of prisoners at the Abu Ghraib prison in Baghdad, Iraq. While investigations and the legal process continue, it is clear that the basic values inherent in American military conduct were ignored.

Military unit structure and training must be specific to the tasks or missions to which the units will be assigned. Military unit design must be reinforced by close supervision, discipline, and rigorous training, including training on values and ethics. Readiness must be assessed by inspections. A reporting system that provides confidentiality and protection for personnel to report misdeeds must be available, and military personnel must be aware of the system.

The Committee directs the Secretary of Defense to provide a report to the congressional defense committees not later than February 1, 2005, regarding military structure and job specialties for handling prisoners and managing prisons; the proper roles and separation of duties of military police, intelligence gathering officials, and civilian contractors; the training standards for those who handle prisoners; the responsibilities and interactions of supervisors between military and civilian personnel; the utility of internal controls; and the availability of a mechanism for junior personnel to report perceived abuses up the chain of supervision or command. The report shall address shortcomings discovered by Department of Defense investigations of this matter, and any corrective actions that will be implemented including changes in resource allocation.

INC FINANCIAL REVIEW

The Committee directs that the Office of Management and Budget (OMB), with the cooperation of the Secretaries of State and Defense, and the Director of Central Intelligence, submit a comprehensive report (in both unclassified and classified forms, as appropriate) to the Committee on Appropriations, within 15 days of enactment of this legislation. This report shall describe in detail all United States government sources of funding, and the purposes of this funding, provided directly to or in support of the Iraqi National Congress (INC) since the enactment of the Iraqi Liberation Act in 1998 through fiscal year 2004. This report shall include delineation of funds by fiscal year and agency, including financial and other support provided by the Coalition Provisional Authority during its existence, and the intended purpose of such funding. This report

should describe any anticipated U.S. government financial or other support for the INC for fiscal year 2005 and beyond. The report also should address military and security-related training efforts in which INC-sponsored personnel were or are currently involved in, as well as funds used to support their activities or movements. The Committee further requests that OMB furnish to the Committee copies of any agency Inspector General audits, inspections, or other internal reports completed regarding these programs. The Committee requests that OMB consult with the Committee prior to beginning this effort.

MILITARY PERSONNEL

The Committee recommends a total of $3,932,000,000 for the active duty military personnel accounts. Of the amount provided, the Committee provides $3,118,500,000 for first quarter incremental wartime costs of pays and allowances for active duty and Reserve personnel deployed in support of Operation Iraqi Freedom and Operation Enduring Freedom. Also included is $683,000,000 for costs of the services exceeding their mandated active duty end strength levels due to unprecedented retention levels and stop loss policies, and to support increased Army and Marine Corps end strength as provided for in the House-passed National Defense Authorization Act for Fiscal Year 2005. Finally, $130,500,000 is provided for Family Separation Allowance and Imminent Danger Pay.

The following table provides details of the recommendations for the military personnel accounts:

[In thousands of dollars]

	Recommendation
Military Personnel, Army:	
First quarter of incremental wartime costs	$2,200,000
Army active duty overstrength	162,000
Increased active duty end strength	150,000
Extension of Imminent Danger Pay	4,900
Extension of Family Separation Pay	35,300
Total Military Personnel, Army	2,552,200
Military Personnel, Navy:	
First quarter of incremental wartime costs	204,000
Extension of Imminent Danger Pay	700
Extension of Family Separation Pay	27,500
Total Military Personnel, Navy	232,200
Military Personnel, Marine Corps:	
First quarter of incremental wartime costs	207,500
Marine Corps overstrength and increased active duty end strength	50,000
Extension of Imminent Danger Pay	2,400
Extension of Family Separation Pay	13,300
Total Military Personnel, Marine Corps	273,200
Military Personnel, Air Force:	
First quarter of incremental wartime costs	507,000
Air Force active duty overstrength	321,000
Extension of Imminent Danger Pay	16,500

	Recommendation
Extension of Family Separation Pay	29,900
Total Military Personnel, Air Force	874,400
Total Military Personnel	3,932,000

OPERATION AND MAINTENANCE

The Committee recommends $14,335,400,000 for operation and maintenance accounts. Of this amount, $13,188,000,000 is provided for incremental operations and support costs of the war, critical field and depot maintenance, training, and base operations support, in accordance with requirements and priorities provided the Committee by the services.

$1,148,000,000 is provided for individual soldier equipment, including force protection items—such as $538,000,000 for body armor. Funding is provided for the Rapid Fielding Initiative in the Army, and for Initial Issue Equipment in the Marine Corps to address critical requirements for basic soldier and Marine equipment such as hydration on the move gear, advanced combat helmets, desert boots, cold weather clothing, and ultra-lightweight camouflage net systems. Funds necessary to support Army Brigade Restructuring (also referred to as "modularity") transformation in the early months of fiscal year 2005 have also been included.

The following table provides details of the recommendations for the operation and maintenance accounts:

[In thousands of dollars]

	Recommendation
Operation and Maintenance, Army:	
Incremental Wartime Operating Costs	$9,789,750
Depot Maintenance	220,000
Rapid Fielding Initiative	610,000
Interceptor Body Armor with Deltoid Auxiliary Protection	334,600
Brigade Restructuring (Modularity) HMMWV Recap	56,050
Reset (Delayed Desert Damage 10/20)	688,000
Total Operation and Maintenance, Army	11,698,400
Operation and Maintenance, Navy:	
Incremental Wartime Operating Costs	161,000
Ship Depot Maintenance	76,000
Aircraft Depot Maintenance	66,000
Total Operation and Maintenance, Navy	303,000
Operation and Maintenance, Marine Corps:	
Incremental Wartime Operating Costs	1,212,000
Depot Maintenance.	43,000
Initial Issue Including Body Armor	40,000
Total Operation and Maintenance, Marine Corps	1,295,000
Operation and Maintenance, Air Force:	
Incremental Wartime Operating Costs	600,000
Interceptor Body Armor	144,000
Total Operation and Maintenance, Air Force	744,000
Operation and Maintenance, Defense-Wide:	
Incremental Wartime Operating Costs	226,000
SOCOM Body Armor	19,000

	Recommendation
DISA	50,000
Total Operation and Maintenance, Defense-Wide	295,000
Total Operation and Maintenance	14,335,400

IRAQ FREEDOM FUND

The Committee recommends $2,978,000,000 for the Iraq Freedom Fund, instead of $25,000,000,000 as proposed by the President. Of this amount, not less than $1,978,000,000 is available only for classified programs, which are described in a classified annex to this report.

The Committee proposal provides substantial funding in the Iraq Freedom Fund to provide the Department of Defense with the capability to address emergent requirements. In particular, under this appropriation funds may be transferred to research, development test and evaluation accounts to support quick reaction development and fielding activities, especially those relating to force protection, such as countermeasures against improvised explosive devices.

Consistent with direction in prior appropriations acts, funds in the Iraq Freedom Fund may not be transferred for obligation unless the Secretary of Defense notifies the congressional defense committees in writing of the details of any transfer from this account five days prior to transfer. The Secretary is also directed to submit a report not later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

PROCUREMENT

The Committee recommends a total of $2,199,600,000 for various procurement appropriations. Of this amount, over $1.2 billion is provided for force protection and related equipment, including:

$674,300,000 for Up-armored HMMWVs;
$198,400,000 for Bolt-on Armor kits;
$297,400,000 for Rapid Fielding Initiative equipment; and
$59,000,000 for aircraft survivability equipment.

In addition, $417,800,000 is for ammunition, and over $300,000,000 is for additional equipment to equip the restructured Army brigades being stood up in 2004–2005. National Guard and Reserve forces will receive $100,000,000 for combat gear and support equipment, and Special Operations Forces $80,000,000.

The Committee believes that the Army and Marine Corps should make every effort to ensure that this funding is provided in support of deployed units, or those scheduled for rotation to the theater, without regard as to whether they are in the active or reserve component.

The following table provides details of the recommendations for the procurement accounts:

[In thousands of dollars]

	Recommendation
Missile Procurement, Army:	
Javelin, Brigade Restructuring (Modularity)	$42,800
Total Missile Procurement, Army	42,800
Procurement of Weapons and Tracked Combat Vehicles, Army:	
XM–8 Assault Weapon, Brigade Restructuring (Modularity)	25,900
Rapid Fielding Initiative	166,600
WTCV Procurement, Brigade Restructuring (Modularity)	9,400
Total Procurement of WTCV, Army	201,900
Procurement of Ammunition, Army:	
Small Arms Ammunition, Brigade Restructuring (Modularity)	315,000
Flares, Aircraft Survivability	15,000
Total Procurement of Ammunition, Army	330,000
Other Procurement, Army:	
M1114 Up-Armor HMMWV, Force Protection	639,000
Vehicle Bolt-on Armor and Emerging Requirements	132,400
Rapid Fielding Initiative	130,800
Other Procurement, Brigade Restructuring (Modularity)	249,200
Total Other Procurement, Army	1,151,400
Aircraft Procurement, Navy:	
Aircraft Survivability Equipment	34,000
Total Aircraft Procurement, Navy	34,000
Procurement of Ammunition, Navy and Marine Corps:	
Miscellaneous Ammunition	102,800
Flares, Aircraft Survivability	10,000
Total Procurement of Ammunition, Navy and Marine Corps	112,800
Procurement, Marine Corps:	
Miscellaneous Equipment	45,400
Bolt-on Armor Kits	66,000
Total Procurement, Marine Corps	111,400
Other Procurement, Air Force:	
Up-Armored HMMWV	35,300
Total Other Procurement, Air Force	35,300
Procurement, Defense-Wide:	
SOCOM Miscellaneous Equipment	80,000
Total Procurement, Defense-Wide	80,000
National Guard and Reserve Equipment:	
Miscellaneous Equipment for Deployment to OIF/OEF	100,000
Total National Guard and Reserve Equipment	100,000
Total Procurement	2,199,600

MISCELLANEOUS PROCUREMENT

As discussed earlier in this report, in certain limited areas the Committee has provided for some degree of flexibility for the

Army's Rapid Fielding Initiative, funded in both operation and maintenance and procurement accounts, and various "miscellaneous equipment" lines for the Marine Corps, Special Operations Forces, and the Guard and Reserve.

The Committee has provided $249,200,000 for Other Procurement, Army requirements related to the Army's Brigade Restructuring (Modularity) initiative. Among the items identified by the Army for possible procurement include communications equipment such as SINCGARS radios, other tactical radios, Joint Network Nodes, satellite communications hubs, and related equipment; equipment required for actionable intelligence including various DCGS–A items; and other equipment such as weapons sights and night vision equipment.

The Committee has provided $45,400,000 for Procurement, Marine Corps for similar equipment required to conduct ongoing operations. Items identified by the Marine Corps include: targeting devices, tactical radios, jammers, night vision devices, and intelligence gathering and analysis equipment.

The Committee has provided $80,000,000 in Procurement, Defense-Wide for equipment required for operations by Special Operations Forces. Examples of equipment identified by U.S. SOCOM include Critical Combat Mission Needs for Small Arms and Weapons, Communication Equipment and Electronics, Miscellaneous Equipment, SOF Operational Enhancements, Rotary Wing Upgrades and Sustainment, C–130 Modifications, Ammunition, and Equipment Reconstitution.

The Committee has provided $100,000,000 for National Guard and Reserve equipment required for operations of deployed units of the Army National Guard and the Army and Marine Corps Reserve, and to reconstitute equipment lost or left behind by returning units. Examples of equipment identified by the Guard and Reserve include Night Vision devices, Decontamination Kits, M4 Carbines, M240B Machine Guns, other Small Arms, High Frequency Radios, Multi-band Super High Frequency Terminals, Movement and Tracking Systems, All Terrain Lifting Army Systems, Truck Rough Terrain Container Handlers, Global Positioning Systems, and Handheld Standoff Mine Detection Systems. The Committee intends that these funds shall be in addition to the amounts provided elsewhere in this chapter providing for equipment to deploying Guard and Reserve units.

VEHICLE FORCE PROTECTION

Over the past year, the Committee observed the dramatic rise in the requirement for additional armored tactical and support vehicles, including armor kits for existing vehicles, as the threat to our troops in Iraq and Afghanistan from rocket propelled grenades and improvised explosive devices continued unabated. The Committee has long propounded the need for these vehicles and has provided increased funding for them in past appropriations acts. Once again, the Committee has acted to address the need for armored vehicles by recommending an increase of $674,300,000 to purchase additional up-armored HMMWVs and $198,400,000 for additional bolt-on armor kits within appropriations accounts under this title.

The Committee remains concerned that the heretofore haphazard approach to procuring armored vehicles resulted in increased risk to our troops in the field. To help quantify that risk and spur development of a clear policy for procuring armored vehicles, the Committee directs the Secretary of Defense to provide a report to the congressional defense committees that answers the following questions:

1. What is the Department's policy for purchasing armored vehicles, and how does the Department determine what percentage of the total vehicle fleet must be armored?
2. What factors have been used to set that policy, and when was it last updated?
3. What long-range plans does the Department have for purchasing armored vehicles and what funding has been allocated for that purpose?
4. What studies have been conducted by the Department or outside parties that characterize and/or quantify the protection provided by armored vehicles (versus non-armored vehicles) in the face of threats from rocket propelled grenades, improvised explosive devices, small arms fire and similar types of weapons?
5. How many U.S. casualties have been caused by these types of weapons; how many of these casualties were experienced by troops in non-armored vehicles; and how many of these casualties could have been avoided or minimized had the troops been using armored vehicles?

This report should be submitted (in unclassified and classified form, as appropriate) to Congress not later than November 15, 2004. The Committee intends to continue to work with the Department on this matter.

DEFENSE WORKING CAPITAL FUNDS

The Committee recommends an additional $1,250,000,000 for the Defense Working Capital Funds. This increase is recommended due to more recent, accurate estimates of fuel price increases as well as requirements in such programs as war reserves, spare parts, unused plant capacity, and fuel facilities studies.

The continued need to supplement funds due to repeated underpricing of fuel is of grave concern to the Committee. Admittedly, recent fuel price increases have exceeded forecasts, but the Committee believes part of this problem is due to the Department, under Office of Management and Budget guidance, failing to accurately estimate and budget for fuel price fluctuations. This must be corrected. Accordingly, the Committee directs the Secretary of Defense to provide a report by November 15, 2004, to the congressional defense committees on corrective actions being taken to improve fuel price estimates.

DEFENSE HEALTH PROGRAM

The Committee recommends $305,000,000 for the Defense Health Program. These funds will cover additional costs incurred by the military medical system, including costs associated with improving medical readiness for Ready Reserve members, and TRICARE eligibility for mobilized members of the Reserve Component and their

families during pre-mobilization and the transition back to Reserve Component status.

The Committee is determined to provide the best possible health care for the Reserve Component. Unfortunately the Department has failed to fully implement the provisions that were established in Public Law 108–136. Funds provided by the Committee are to meet these requirements, as well as related initiatives included in the House-passed version of the National Defense Authorization Act for Fiscal Year 2005.

OUTSOURCING OVERSIGHT OF DEFENSE CONTRACTS

The Committee is deeply concerned about the outsourcing of oversight responsibilities with respect to Iraq reconstruction contracts. The Coalition Provisional Authority (CPA) has awarded ten contracts worth $5.1 billion for the reconstruction of various sectors in Iraq. These contracts are cost-plus, single-award, indefinite-delivery/indefinite-quantity contracts. These types of contracts are typically awarded to multiple contractors to ensure competition, yet each of the Iraq reconstruction contracts was awarded to a single contractor.

With billions of dollars at stake and the unique nature of the reconstruction contracts, effective oversight is critically important to prevent waste, fraud, and abuse. The Committee has been advised that the CPA awarded seven program management contracts that assign oversight responsibilities for U.S. reconstruction contracts to private companies. Delegating oversight responsibilities to private contractors is potentially troublesome and should only be done if: (1) appropriate Federal personnel are not available to perform the oversight functions; (2) appropriate Federal personnel supervise the contract and perform all inherently governmental functions and; (3) the contractor does not have an organizational conflict of interest or the appearance of such a conflict of interest in the performance of the contract.

The Committee, however, is concerned that several of the private contractors awarded oversight contracts may have substantial ongoing commercial relationships with the companies they are charged with overseeing. The Committee strongly believes the Department should comply with the above conditions before entering into any such oversight contracts. Further, the Committee intends to pursue this matter to ensure proper oversight is given to contracting activities in Iraq and elsewhere.

CHAPTER 2

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

The Committee recommendation includes $665,300,000 for necessary expenses for the operations of the United States Mission in Iraq, including $240,000,000 for logistical support, $18,800,000 for the costs of worldwide OpenNet and classified connectivity infrastructure, $70,000,000 for the State Department operations in Iraq,

and $336,500,000 for the security-related costs, including equipment, armored vehicles, protective detail and contract support. Language is included designating funding for emergency and overseas contingency operations. For purposes of Section 402(a)(2) of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res 649 (108th Congress), funds provided under this heading are provided in response to a situation which poses a direct threat to U.S. personnel and property, is sudden, is an urgent and compelling need, is unpredictable, and is not permanent in nature.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

The Committee recommendation includes $20,000,000 for necessary expenses of securing interim United States Mission facilities in Iraq. Language is included designating funding for emergency and overseas contingency operations. For purposes of Section 492(a)(2) of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress), funds provided under this heading are provided in response to a situation which poses a direct threat to U.S. personnel and property, is sudden, is an urgent and compelling need, is unpredictable, and is not permanent in nature.

CHAPTER 3

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

The Committee recommendation includes $70,000,000 for necessary expenses to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad. Language is included designating funding for emergency and overseas contingency operations.

For purposes of Section 402(a)(2) of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress), funds provided under this heading are provided in response to a situation which poses a direct threat to life and property, is sudden, is an urgent and compelling need, is unpredictable, and is not permanent in nature.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

The Committee recommendation includes $25,000,000 for necessary expenses to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad. Language is included designating funding for emergency and overseas contingency operations.

For purposes of Section 402(a)(2) of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress), funds provided under this heading are provided in response to a situation which poses a direct threat to

life and property, is sudden, is an urgent and compelling need, is unpredictable, and is not permanent in nature.

GENERAL PROVISIONS—THIS TITLE

Title IX of the Committee bill contains fifteen general provisions. Several of these extend or modify war-related authorities included in Public Law 108–106, enacted in November 2004. These include extending until September 30, 2005 higher levels of Family Separation Allowance and Imminent Danger Pay, travel reimbursement for the families of hospitalized service members, and clothing allowances. The Committee bill also includes certain authorities providing for war-related support to allied forces, and training and equipping Iraqi and Afghan military and security forces.

In April 2004, the Administration requested that the congressional defense committees provide legislative authority for a new program called the Global Peace Operations Initiative. The House Armed Services Committee has addressed this matter, in both the House-passed version of the National Defense Authorization Act for Fiscal Year 2005 (H.R. 4200) and its accompanying report (House Report 108–491). Section 1213 of that bill directs the Administration provide additional information to the Congress. The requested legislative authority for this program was denied.

The Committee strongly agrees with the concerns expressed by the House Armed Services Committee and does not recommend providing the requested legislative authority. The Committee directs that those reports required by section 1213 of the authorization bill also be provided to the Subcommittees on Defense and Foreign Operations of the Committee on Appropriations. The Committee also suggests that, should this program be requested in any future budget, the funds required for implementation be included in the budget request.

A description of the recommended general provisions follows.

Section 9001 establishes the period of availability for obligation for appropriations and provides that funds in title IX are available for obligation upon enactment of this Act.

Section 9002 has been included which provides that funds made available in title IX are in addition to amounts provided elsewhere in this Act.

Section 9003 provides for transfer between appropriations of up to $2,000,000,000 of the funds in title IX, for the Department of Defense establishes notification requirements, and provides that transfer authority in this section is in addition to any other transfer authority available to the Department of Defense, and is subject to the same terms and conditions as provided in section 8005 of this Act. This section also amends section 8005 of the Department of Defense Appropriations Act, 2004, to increase transfer authority to $3,000,000,000, excludes transfers among military personnel appropriations from counting against this limitation, and repeals section 168(a) of division H of Public Law 108–199.

Section 9004 deems funds appropriated or made available by transfer in title IX for intelligence activities to be authorized by the Congress.

Section 9005 provides that none of the funds in title IX may be used to finance programs or activities denied by Congress, or to initiate a new start without prior congressional notification.

Section 9006 provides that Sections 1318 and 1319 of the Emergency Wartime Supplemental Appropriations Act, 2003, shall remain in effect for fiscal year 2005.

Section 9007 establishes certain military pay rates from October 1, 2004 through September 30, 2005.

Section 9008 provides that not to exceed $500,000,000 of operation and maintenance funds made available in title IX may be used to train and equip military or security forces in Iraq and Afghanistan to include the provision of supplies and equipment, that such authority is in addition to other authority to provide assistance, and provides for congressional notification.

Section 9009 makes available $300,000,000 of operation and maintenance funds provided by title IX to fund the Commander's Emergency Response Fund, and provides for quarterly reports to the congressional defense committees.

Section 9010 amends Section 202(b) of the Afghanistan Freedom Support Act by increasing the amount to $650,000,000.

Section 9011 provides that operation and maintenance funds in title IX may be used to provide supplies, services, and transportation to coalition forces supporting military operations in Iraq and Afghanistan, and provides for quarterly reports.

Section 9012 provides that the Secretary of Defense shall submit semi-annual reports on the military operations of the Armed Forces and reconstruction activities of the Department of Defense in Iraq and Afghanistan.

Section 9013 has been included regarding certain transfer, reprogramming, and other authorities applicable to amounts provided in this title for the Department of State.

Section 9014 has been included in which the Congress reaffirms that torture of prisoners of war and detainees is illegal and does not reflect the policies of the United States Government or the values of the people of the United States.

Section 9015 has been included which requires the President to provide to the Congress, no later than October 1, 2004, a report detailing the estimated costs from fiscal year 2006 to 2011 of Operation Iraqi Freedom and Operation Enduring Freedom, including reconstruction, security and support costs.

HOUSE OF REPRESENTATIVES REPORTING REQUIREMENTS

The following items are included in accordance with various requirements of the Rules of the House of Representatives:

CHANGES IN THE APPLICATION OF EXISTING LAW

Pursuant to clause 3(f)(1) of rule XIII of the Rules of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law.

Language is included in various parts of the bill to continue ongoing activities which require annual authorization or additional legislation, which to date has not been enacted.

The bill includes a number of provisions which place limitations on the use of funds in the bill or change existing limitations and which might, under some circumstances, be construed as changing the application of existing law.

The bill includes a number of provisions, which have been virtually unchanged for many years, that are technically considered legislation.

The bill provides that appropriations shall remain available for more than one year for some programs for which the basic authorizing legislation does not presently authorize each extended availability.

In various places in the bill, the Committee has earmarked funds within appropriation accounts in order to fund specific programs, and has adjusted some existing earmarking.

Those additional changes in the fiscal year 2005 bill, which might be interpreted as changing existing law, are as follows:

APPROPRIATIONS LANGUAGE

Language has been amended in "Operation and Maintenance, Army" which changes the amount provided for emergency and extraordinary expenses.

Language has been amended in "Operation and Maintenance, Navy" which changes the amount provided for emergency and extraordinary expenses.

Language has been amended in "Operation and Maintenance, Air Force" which changes the amount provided for emergency and extraordinary expenses.

Language has been amended in "Operation and Maintenance, Defense-Wide" which changes the name of the "CINC Initiative Fund" to "Combatant Commander Initiative Fund"; amends the earmark for funds available to the Combatant Commander Initiative Fund; changes the amount provided for emergency and extraordinary expenses; includes language which earmarks funds for an internship program for university students to participate in Defense educational programs; and amends the amount available for expenses relating to certain classified activities.

Language has been amended in "Operation and Maintenance, Air National Guard" with changes designed to make this appropriations paragraph consistent with the "Operation and Maintenance, Army National Guard" appropriations paragraph.

Language has been amended in "United States Court of Appeals for the Armed Forces" which changes the amount that may be provided for official representation purposes.

Language has been amended in "Overseas Humanitarian, Disaster, and Civic Aid" which changes a title 10 citation in this paragraph.

The appropriations paragraph "Former Soviet Union Threat Reduction" was amended to include the word "Account" in the title; and language has been deleted which earmarks funds for dismantling and disposal of nuclear submarines.

Language has been included in the Army's procurement accounts which earmarks funds for the Army Reserve and Army National Guard.

Language has been deleted in "Procurement of Weapons and Tracked Combat Vehicles, Army" which earmarks funds for the Stryker Brigade Combat Teams.

Language has been deleted in "Other Procurement, Army" concerning the purchase of vehicles required for physical security of personnel.

Language has been included in the Navy and Marine Corps' procurement accounts which earmarks funds for the Navy Reserve and Marine Corps Reserve.

Language has been deleted in "Other Procurement, Navy" concerning the purchase of vehicles required for physical security of personnel; and includes language which allows funds to be available for TRIDENT modifications associated with force protection and security requirements.

Language has been included in the Air Force's procurement accounts which earmarks funds for the Air Force Reserve and Air National Guard.

Language has been included in "Aircraft Procurement, Air Force" with regard to the procurement of C–17 aircraft.

Language has been deleted in "Other Procurement, Air Force" concerning the purchase of vehicles required for physical security of personnel.

Language has been deleted in "Procurement, Defense-Wide" concerning the purchase of vehicles for the Defense Security Service and vehicles required for physical security of personnel.

The appropriations account "National Guard and Reserve Equipment" has been deleted.

Language has been amended in "Research, Development, Test and Evaluation, Army" which earmarks $10,000,000 for Molecular Genetics and Musculoskeletal Research.

Language has been deleted in "National Defense Sealift Fund" which earmarks funds for the cost of constructing additional sealift capacity.

Language has been deleted in "Defense Health Program" which earmarks funds for contracts entered into under the TRICARE program; includes language which earmarks $11,000,000 for Army Fisher Houses; earmarks $10,000,000 for HIV prevention programs; and includes language concerning funds for HIV prevention programs in the Department of Defense Appropriations Act, 2004.

Language has been deleted in "Chemical Agents and Munitions Destruction, Army" which earmarks funds only for Chemical Stock-

pile Emergency Preparedness Program evacuation route improvements.

Language has been amended in "Intelligence Community Management Account" which earmarks $26,953,000 for the Advanced Research and Development Committee; and which transfers $46,100,000 to the Department of Justice.

The appropriations account "Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund" has been deleted.

Language has been included in Title IX which provides $25,000,000,000 to certain appropriations accounts for additional war related expenses for ongoing military operations in Iraq and Afghanistan.

Language has been included in Title IX in the "Iraq Freedom Fund" that provides for the transfer of funds into and out of this account; provides that no less than $1,978,000,000 be for classified programs; requires the Secretary of Defense to notify the congressional defense committees prior to making transfers from this appropriation; and requires the Secretary of Defense to report quarterly on the transfer of funds from this appropriation.

GENERAL PROVISIONS

Section 8005 has been amended which increases the level of general transfer authority for the Department of Defense, and provides that transfers between military personnel appropriations shall not be taken into account for purposes of the limitation of funds which may be transferred under this section.

Section 8008 has been amended to include language which provides multiyear authority for Lightweight 155mm Howitzer; and includes language which prohibits funds to be used for a multiyear contract unless certain conditions are met.

Section 8014 has been amended to prohibit an offeror from gaining a competitive advantage by not including a health care plan, or contributing less for employee health care than the amount paid by the Department of Defense for health care for employees.

Section 8015 has been amended which changes a title 10 citation in this provision.

Section 8018 has been amended to include language to make permanent the provision concerning residual value amounts.

Section 8024 has been amended to include language to make permanent the provision which allows the Secretary of Defense to adjust wage rates for civilian employees hired for health care occupations.

Section 8027 has been amended which earmarks $24,822,000 for the Civil Air Patrol Corporation; and deletes language which earmarks funds for administrative expenses incurred by the Air Force.

Section 8028 has been amended to change the number of staff years of technical effort that may be funded for defense Federally Funded Research and Development Centers (FFRDCs); includes language which provides a waiver for the staff years funded in the National Foreign Intelligence Program; deletes language on the number of staff years that may be funded for defense studies and analysis by FFRDCs; and amends the amount for reduction for FFRDCs.

Section 8033 has been amended to include language to make permanent the provision that allows funds available at the end of a fiscal year due to energy cost savings to remain available for the next fiscal year.

Section 8034 has been amended to include language to make permanent the provision concerning non-excess property leases.

Section 8036 has been amended to include language to make permanent the provision that allows funds available in "Drug Interdiction and Counter-Drug Activities, Defense" to be available for the "Young Marines program".

Section 8048 has been amended to include language which rescinds $399,750,000 from the following programs:

2003 Appropriations:	
Former Soviet Union Threat Reduction: Unobligated balances	$50,000,000
2004 Appropriations:	
Aircraft Procurement, Navy: Modification of Aircraft (T–38)	2,900,000
Shipbuilding and Conversion, Navy: SNN ERO (SNN 716)	10,300,000
Other Procurement, Navy: Minesweeping Replacement	5,200,000
Other Procurement, Air Force: Classified Programs	100,000,000
Procurement, Defense-Wide: ASDS Advanced Procurement	23,400,000
Research, Development, Test and Evaluation, Army:	
MEADS	41,650,000
Biomedical Engineering Technology and Advanced Material	1,000,000
Research, Development, Test and Evaluation, Navy: Unmanned Combat Aerial Vehicle	20,000,000
Research, Development, Test and Evaluation, Air Force:	
Unmanned Combat Aerial Vehicle	15,000,000
Classified Programs	9,000,000
ADV Polar	13,000,000
Research, Development, Test and Evaluation, Defense-Wide:	
Center for Information Assurance	2,100,000
Airborne Laser	74,700,000
RAMOS	31,500,000

Section 8051 has been amended to include language to make permanent the provision that allows funds appropriated for the Department of Defense to be available to compensate National Guard personnel for State counter-drug activities.

Section 8056 has been amended to include language to make permanent the provision that allows for the transfer of funds to other Department of Defense appropriations for projects related to increasing energy and water efficiency in Federal buildings.

Section 8063 has been amended to include language to make permanent the provision that allows the Secretary of Defense to issue loan guarantees in support of United States defense exports.

Section 8067 has been amended to include language to make permanent the provision permitting the obligation at the time a reimbursable order is accepted for funds appropriated in title II of this Act and for the Defense Health Program in title VI for supervision and administration costs for facilities maintenance or similar support functions.

Section 8079 has been amended to include language to make permanent the provision that refunds attributable to the use of Government travel cards and purchase cards may be credited to the Operation and maintenance and Research, development, test and evaluation accounts.

Section 8086 has been amended to change the dollar amount available for transfer, and deletes subsection (b) providing for additional transfers.

Section 8088 has been amended which provides funds for a grant to the Fisher House Foundation; and deletes language which provided funds to the Services for support and upkeep of existing Fisher Houses.

Section 8089 has been amended which reduces funds available in Operation and Maintenance accounts by $300,000,000 to reflect savings attributable to efficiencies and management improvements in the funding of the Services' miscellaneous or other contracts.

Section 8090 has been amended which changes the amount available under "Research, Development, Test and Evaluation, Defense-Wide" for the Arrow missile defense program; and amends the amount available for producing Arrow missile components in the United States and Arrow missile components and missiles in Israel to meet Israel's defense requirements.

Section 8091 has been included which provides that the Secretary of the Navy shall make certain grants related to ongoing research in support of the Office of Naval Research.

Section 8092 has been amended which reduces the amount available for transfer to fund increases in the cost of prior year shipbuilding programs.

Section 8094 has been amended to include language to make permanent the provision that allows appointments of healthcare professionals only after the individual has a recognized degree from an accredited institution and successfully completed a clinical education program affiliated with the Department.

Section 8096 has been amended which reduces funds available in title IV of this Act by $270,000,000 to reduce cost growth in information technology development and modernization.

Section 8098 has been amended which reduces funds available in Operation and Maintenance accounts by $316,000,000 to reflect cash balance and rate stabilization adjustments in Defense Working Capital Funds.

Section 8099 has been amended which provides $6,000,000 in "Operation and Maintenance, Army National Guard" only for a grant to the Center for Military Recruitment, Assessment and Veterans Employment.

Section 8100 has been amended which requires the Army to program and budget for fielding the Non-Line of Sight Cannon element of the Future Combat System by fiscal year 2010, and requires the Army to program and budget for no fewer than seven Stryker Brigade Combat Teams.

Section 8101 has been amended which provides grants to the Intrepid Sea-Air-Space Foundation, the Presidio Trust and the Fort Ticonderoga Association.

Section 8108 has been amended which provides for certain land conveyances at the former Norton Air Force Base.

Section 8109 has been amended which reduces funds available in titles III and IV of this Act by $345,000,000 to reflect savings from revised economic assumptions; and deletes language which exempts military personnel pay and benefits from reductions under this provision.

Section 8110 has been amended which reduces funds available in "Operation and Maintenance, Air Force" by $967,200,000 to reflect cash balance and rate stabilization adjustments in Defense Transportation Working Capital Fund.

Section 8111 has been amended to include new restrictions on the use of intelligence funding.

Section 8112 has been amended providing that subsection 8149(b) of the Department of Defense Appropriations Act, 2003, which requires a credit worthiness evaluation of an individual prior to the issuance of a government charge card, shall remain in effect for fiscal year 2005.

Section 8113 has been included which provides for the purchase of heavy and light armored vehicles for force protection purposes, and requires notification to Congress.

Section 8114 has been included which earmarks funds in "Operation and Maintenance, Marine Corps" for the Secretary of the Navy to enter into a contract for road improvements at the Twentynine Palms, California installation.

Section 8115 has been included which appropriates $3,000,000 to "Operation and Maintenance, Marine Corps", for a health demonstration project at the Marine Corps Air and Ground Combat Center.

Section 8116 has been included concerning the conveyance of a former Army Reserve Training Center to the city of Wooster, Ohio.

Section 8117 has been included which requires members of Reserve components to be notified in writing of the expected period for which the military member will be mobilized.

Section 8118 has been included which provides for the transfer of funds from any available Navy appropriation to any available ship construction program, and repeals Section 126 of Public Law 108–136.

Section 8119 has been included which reduces funds available in title II of this Act by $100,000,000 to reflect savings attributable to the offsetting of payments to contractors for the collection of unpaid taxes.

Section 8120 has been included which reduces funds available in title IV of this Act by $685,000,000 for non-statutory funding set asides.

Section 8121 has been included which establishes a Tanker Replacement Transfer Fund, and appropriates $100,000,000 to said Fund.

Section 8122 has been included which prohibits using funds in this Act to amend or cancel the Department of Defense Directive on personal commercial solicitation on military installations, until one year after the General Accounting Office provides a report on the regulations governing the sale of life insurance policies to military personnel, and policies and procedures for processing financial allotments.

An explanation for each of the general provisions included in Title IX of the bill are provided in that Title.

Appropriations Not Authorized by Law

Pursuant to clause 3(f)(1) of rule XIII of the Rules of the House of Representatives, the following table lists the appropriations in the accompanying bill which are not authorized by law:

[In thousands of dollars]

Agency/program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
Military Personnel, Army	2004	(1)	28,247,667	29,507,672
Military Personnel, Navy	2004	(1)	23,217,298	24,416,157
Military Personnel, Marine Corps	2004	(1)	8,971,897	9,591,102
Military Personnel, Air Force	2004	(1)	22,910,868	24,291,411
Reserve Personnel, Army	2004	(1)	3,568,725	3,719,990
Reserve Personnel, Navy	2004	(1)	2,002,727	2,108,232
Reserve Personnel, Marine Corps	2004	(1)	571,444	653,073
Reserve Personnel, Air Force	2004	(1)	1,288,088	1,451,950
National Guard Personnel, Army	2004	(1)	5,500,369	5,915,229
National Guard Personnel, Air Force	2004	(1)	2,174,598	2,536,742
Operation and Maintenance, Army	2004	24,627,037	25,029,346	25,820,311
Operation and Maintenance, Navy	2004	27,975,559	28,146,658	29,570,090
Operation and Maintenance, Marine Corps	2004	3,426,056	3,440,323	3,605,815
Operation and Maintenance, Air Force	2004	26,089,670	26,904,731	27,994,110
Operation and Maintenance, Defense-Wide	2004	16,243,157	16,226,841	17,346,411
Operation and Maintenance, Army Reserve	2004	1,966,009	1,998,609	1,976,128
Operation and Maintenance, Navy Reserve	2004	1,171,921	1,172,921	1,233,038
Operation and Maintenance, Marine Corps Reserve	2004	173,952	173,952	187,196
Operation and Maintenance, Air Force Reserve	2004	2,179,188	2,179,388	2,227,190
Operation and Maintenance, Army National Guard	2004	4,256,331	4,340,581	4,376,886
Operation and Maintenance, Air National Guard	2004	4,406,146	4,431,216	4,438,738
Overseas Contingency Operations Transfer Account	2004	5,000	5,000	5,000
United States Court of Appeals for the Armed Forces	2004	10,333	10,333	10,825
Environmental Restoration, Army	2004	396,018	396,018	400,948
Environmental Restoration, Navy	2004	256,153	256,153	266,820
Environmental Restoration, Air Force	2004	384,307	384,307	397,368
Environmental Restoration, Defense-Wide	2004	24,081	24,081	26,684
Environmental Restoration, Formerly Used Defense Sites	2004	252,619	284,619	216,516
Overseas Humanitarian, Disaster, and Civic Aid	2004	59,000	59,000	59,000
Former Soviet Union Threat Reduction Account	2004	450,800	450,800	409,200
Aircraft Procurement, Army	2004	2,098,985	2,154,035	3,107,941
Missile Procurement, Army	2004	1,549,462	1,505,462	1,327,000
Procurement of Weapons & Tracked Combat Vehicles, Army	2004	1,997,304	1,857,054	2,773,695
Procurement of Ammunition, Army	2004	1,413,305	1,387,759	1,608,302
Other Procurement, Army	2004	4,365,246	4,774,452	4,868,371
Aircraft Procurement, Navy	2004	9,009,948	9,110,848	8,841,824
Weapons Procurement, Navy	2004	2,233,534	2,095,784	1,993,754
Procurement of Ammunition, Navy and Marine Corps	2004	924,355	934,905	885,340
Shipbuilding and Conversion, Navy	2004	11,729,984	11,467,623	10,189,327
Other Procurement, Navy	2004	4,739,143	4,941,098	4,980,325
Procurement, Marine Corps	2004	1,123,499	1,165,727	1,462,703
Aircraft Procurement, Air Force	2004	12,035,151	12,086,201	13,289,984
Missile Procurement, Air Force	2004	4,298,505	4,165,633	4,425,013
Procurement of Ammunition, Air Force	2004	1,284,725	1,262,725	1,346,557
Other Procurement, Air Force	2004	11,631,859	11,558,799	13,199,607
Procurement, Defense-Wide	2004	3,768,506	3,709,926	3,028,033
National Guard and Reserve Equipment	2004	0	400,000	0
Defense Production Act Purchases	2004	0	78,016	27,015
Research, Development, Test and Evaluation, Army	2004	9,544,833	10,363,941	10,220,123

[In thousands of dollars]

Agency/program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
Research, Development, Test and Evaluation, Navy	2004	14,845,503	15,146,383	16,532,361
Research, Development, Test and Evaluation, Air Force	2004	20,555,667	20,500,984	21,033,622
Research, Development, Test and Evaluation, Defense-Wide	2004	18,438,718	18,900,715	20,851,271
Operational Test and Evaluation, Defense	2004	286,661	305,861	309,135
Defense Working Capital Funds	2004	632,261	1,641,507	1,174,210
National Defense Sealift Fund	2004	1,062,762	1,066,462	1,186,626
Defense Health Program	2004	15,401,509	15,730,013	17,959,186
Chemical Agents & Munitions Destruction, Army:				
Operation and maintenance	2004	1,199,168	1,169,168	1,138,801
Procurement	2004	79,212	79,212	78,980
Research, development, test and evaluation	2004	251,881	251,881	154,209
Drug Interdiction and Counter-Drug Activities, Defense	2004	817,371	835,616	876,697
Office of Inspector General	2004	162,449	162,449	193,562
CIA Retirement & Disability System Fund	2004	226,400	226,400	239,400
Intelligence Community Management Account	2004		175,113	309,664
Transfer to Dept of Justice	2004	0	(44,300)	(46,100)
National Security Education Trust Fund	2004	8,000	8,000	8,000
Sec. 8005	2004		(2,100,000)	(3,000,000)
Sec. 8021	2004		8,000	8,000
Sec. 8028	2004		−74,200	−40,000
Sec. 8034	2004		31,000	25,000
Sec. 8037	2004		1,331	1,000
Sec. 8048	2004		−325,560	−399,750
Sec. 8079	2004		44,000	44,000
Sec. 8101	2004		34,950	6,600
Sec. 8088	2004		3,800	2,000
Sec. 8089	2004		−504,500	−300,000
Sec. 8096	2004		−200,000	−270,000
Sec. 8098	2004		−372,000	−316,000
Sec. 8099	2004		5,500	6,000
Sec. 8110	2004		−451,000	−967,200
Sec. 8109	2004		−1,662,000	−345,000
Sec. 8115	2004		0	3,000
Sec. 8119	2004		0	−100,000
Sec. 8120	2004		0	−685,000
Sec. 8121	2004		0	100,000
Title IX, Department of Defense	2004		0	25,000,000
Title IX, Department of State, Administration of Foreign Affairs	2003	5,133,390	5,098,804	685,300
Title IX, International Disaster and Famine Assistance	1987	25,000	70,000	70,000
Title IX, Migration and Refugee Assistance	2001	750,000	700,000	25,000

[1] The FY 2004 National Defense Authorization Act authorizes $98,908,400 for military personnel.

TRANSFER OF FUNDS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following is submitted describing the transfer of funds provided in the accompanying bill.

TRANSFERS

Language has been included in "Operation and Maintenance, Army" which provides for the transfer of funds to Fort Baker.

Language has been included in "Operation and Maintenance, Defense-Wide" which provides for the transfer of funds relating to classified activities.

Language has been included in "Overseas Contingency Operations Transfer Account" which provides for the transfer of funds out of and into this account.

Language has been included in "Environmental Restoration, Army" which provides for the transfer of funds out of and into this account.

Language has been included in "Environmental Restoration, Navy" which provides for the transfer of funds out of and into this account.

Language has been included in "Environmental Restoration, Air Force" which provides for the transfer of funds out of and into this account.

Language has been included in "Environmental Restoration, Defense-Wide" which provides for the transfer of funds out of and into this account.

Language has been included in "Environmental Restoration, Formerly Used Defense Sites" which provides for the transfer of funds out of and into this account.

Language has been included in "Drug Interdiction and Counter-Drug Activities, Defense" which transfers funds to other appropriations accounts of the Department of Defense.

Language has been included in "Intelligence Community Management Account" which provides for the transfer of funds to the Department of Justice for the National Drug Intelligence Center.

Fourteen provisions (Sections 8005, 8006, 8015, 8027, 8034, 8037, 8056, 8065, 8086, 8090, 8092, 8110, 8118, 8121) contain language which allows transfers of funds between accounts.

Language has been included in Title IX, Chapter 1, "Iraq Freedom Fund" which transfers funds to other appropriations accounts of the Department of Defense.

Language has been included in Title IX, Chapter 1, section 9003, which provides transfer authority for funds in Chapter 1, and amends fiscal year 2004 transfer authority.

RESCISSIONS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following table is submitted describing the rescissions recommended in the accompanying bill:

Former Soviet Union Threat Reduction, 2003/2005	$50,000,000
Aircraft Procurement, Navy, 2004/2006	2,900,000
Shipbuilding and Conversion, Navy, 2004/2008	10,300,000
Other Procurement, Navy, 2004/2006	5,200,000
Other Procurement, Air Force, 2004/2006	100,000,000
Procurement, Defense-Wide, 2004/2006	23,400,000
Research, Development, Test and Evaluation, Army, 2004/2005	42,650,000
Research, Development, Test and Evaluation, Navy, 2004/2005	20,000,000
Research, Development, Test and Evaluation, Air Force, 2004/2005	37,000,000
Research, Development, Test and Evaluation, Defense-Wide, 2004/2005	108,300,000

COMPLIANCE WITH RULE XIII, CL. 3(e) (RAMSEYER RULE)

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omit-

ted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2004

* * * * * * *

TITLE VI

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law, $15,730,013,000, of which $14,914,816,000 shall be for Operation and maintenance, of which not to exceed 2 percent shall remain available until September 30, 2005, and of which $7,420,972,000 shall be available for contracts entered into under the TRICARE program; of which $328,826,000, to remain available for obligation until September 30, 2006, shall be for Procurement; and of which $486,371,000, to remain available for obligation until September 30, 2005, shall be for Research, development, test and evaluation*, of which not less than $4,250,000 shall be available for HIV prevention educational activities undertaken in connection with U.S. military training, exercises, and humanitarian assistance activities conducted primarily in African nations*.

* * * * * * *

TITLE VIII

GENERAL PROVISIONS

* * * * * * *

(TRANSFER OF FUNDS)

SEC. 8005. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed **[**$2,100,000,000**]** *$3,000,000,000* of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided,* That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by the Congress: *Provided further,* That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act: *Provided further,* That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than

those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress[: *Provided further,* That a request for multiple reprogrammings of funds using authority provided in this section must be made prior to June 30, 2004.]*: Provided further, That transfers among military personnel appropriations shall not be taken into account for purposes of the limitation on the amount of funds that may be transferred under this section.*

SECTION 126 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2004

[SEC. 126. PILOT PROGRAM FOR FLEXIBLE FUNDING OF CRUISER CONVERSIONS AND OVERHAULS.

[(a) ESTABLISHMENT.—The Secretary of the Navy may carry out a pilot program of flexible funding of conversions and overhauls of cruisers of the Navy in accordance with this section.

[(b) AUTHORITY.—Under the pilot program, the Secretary may, subject to subsection (d), transfer amounts described in subsection (c) to the appropriation for the Navy for procurement for shipbuilding and conversion for any fiscal year to continue to provide funds for any conversion or overhaul of a cruiser of the Navy for which funds were initially provided from the appropriation to which transferred.

[(c) FUNDS AVAILABLE FOR TRANSFER.—The amounts available for transfer under this section are amounts appropriated to the Navy for any fiscal year after fiscal year 2003 and before fiscal year 2013 for the following purposes:

[(1) For procurement, as follows:

[(A) For shipbuilding and conversion.

[(B) For weapons procurement.

[(C) For other procurement.

[(2) For operation and maintenance.

[(d) LIMITATIONS.—(1) A transfer may be made with respect to a cruiser under this section only to meet either (or both) of the following requirements:

[(A) An increase in the size of the workload for conversion or overhaul to meet existing requirements for the cruiser.

[(B) A new conversion or overhaul requirement resulting from a revision of the original baseline conversion or overhaul program for the cruiser.

[(2) A transfer may not be made under this section before the date that is 30 days after the date on which the Secretary of the Navy transmits to the congressional defense committees a written notification of the intended transfer. The notification shall include the following matters:

[(A) The purpose of the transfer.

[(B) The amounts to be transferred.

[(C) Each account from which the funds are to be transferred.

[(D) Each program, project, or activity from which the funds are to be transferred.

[(E) Each account to which the funds are to be transferred.

[(F) A discussion of the implications of the transfer for the total cost of the cruiser conversion or overhaul program for which the transfer is to be made.

[(e) MERGER OF FUNDS.—Amounts transferred to an appropriation with respect to the conversion or overhaul of a cruiser under this section shall be credited to and merged with other funds in the appropriation to which transferred and shall be available for the conversion or overhaul of such cruiser for the same period as the appropriation to which transferred.

[(f) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The authority to transfer funds under this section is in addition to any other authority provided by law to transfer appropriated funds and is not subject to any restriction, limitation, or procedure that is applicable to the exercise of any such other authority.

[(g) FINAL REPORT.—Not later than October 1, 2011, the Secretary of the Navy shall submit to the congressional defense committees a report containing the Secretary's evaluation of the efficacy of the authority provided under this section.

[(h) TERMINATION OF PROGRAM.—No transfer may be made under this section after September 30, 2012.]

SECTION 168 OF THE CONSOLIDATED APPROPRIATIONS ACT, 2004

(Division H of Public Law 108–199)

SEC. 168 [(a) RESCISSIONS.—From unobligated balances of amounts made available in Public Law 107–38, and in Public Law 107–117, and in appropriations Acts for the Department of Defense, $1,800,000,000 is hereby rescinded: *Provided*, That the Director of the Office of Management and Budget, after consultation with the Committees on Appropriations of the House and Senate and the Secretary of Defense, shall determine the amounts to be rescinded from each account that is to be so reduced: *Provided further*, That the rescissions shall take effect no later than September 30, 2004: *Provided further*, That the Director of the Office of Management and Budget shall notify the Committees on Appropriations of the House and Senate 30 days prior to rescinding such amounts: *Provided further*, That such notification shall include the accounts, programs, projects and activities from which the funds will be rescinded: *Provided further*, That this section shall not apply to any amounts appropriated or otherwise made available by the seventh proviso under the heading "Emergency Response Fund" in Public Law 107–38.]

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SECTION 202 OF THE AFGHANISTAN FREEDOM SUPPORT ACT OF 2002

SEC. 202. AUTHORIZATION OF ASSISTANCE.

(a) * * *

(b) AMOUNT OF ASSISTANCE.—The aggregate value (as defined in section 644(m) of the Foreign Assistance Act of 1961) of assistance

provided under subsection (a) may not exceed **[**$450,000,000**]** *$650,000,000*, except that such limitation shall be increased by any amounts appropriated pursuant to the authorization of appropriations in section 204(b)(1) and shall not count toward any limitation contained in section 506 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318).

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the following is a statement of general performance goals and objectives for which this measure authorizes funding:

The Committee on Appropriations considers program performance, including a program's success in developing and attaining outcome-related goals and objectives, in developing funding recommendations.

CONSTITUTIONAL AUTHORITY

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives states that:

> Each report of a committee on a bill or joint resolution of a public character, shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the law proposed by the bill or joint resolution.

The Committee on Appropriations bases its authority to report this legislation from Clause 7 of Section 9 of Article I of the Constitution of the United States of America which states:

> No money shall be drawn from the Treasury but in consequence of Appropriations made by law * * *

Appropriations contained in this Act are made pursuant to this specific power granted by the Constitution.

COMPARISON WITH THE BUDGET RESOLUTION

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives requires an explanation of compliance with section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, which requires that the report accompanying a bill providing new budget authority contain a statement detailing how that authority compares with the reports submitted under section 302 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year from the Committee's section 302(a) allocation. This information follows:

[In millions of dollars]

	302(b) allocation		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Discretionary:	390,931	415,987	390,931	415,594
Mandatory	239	239	239	239

FIVE-YEAR OUTLAY PROJECTIONS

In compliance with section 308(a)(1)(B) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill.

	(Millions)
Budget Authority	391,170
Outlays:	
2004	128
2005	286,638
2006	90,587
2007	24,555
2008 and beyond	13,970

FINANCIAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(C) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, no new budget or outlays are provided by the accompanying bill for financial assistance to State and local governments.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I					
MILITARY PERSONNEL					
Military Personnel, Army	28,247,667	29,723,472	29,507,672	+1,260,005	-215,800
Military Personnel, Navy	23,217,298	24,459,957	24,416,157	+1,198,859	-43,800
Military Personnel, Marine Corps	8,971,897	9,595,902	9,591,102	+619,205	-4,800
Military Personnel, Air Force	22,910,868	24,510,811	24,291,411	+1,380,543	-219,400
Reserve Personnel, Army	3,568,725	3,733,590	3,719,990	+151,265	-13,600
Reserve Personnel, Navy	2,002,727	2,171,632	2,108,232	+105,505	-63,400
Reserve Personnel, Marine Corps	571,444	654,973	653,073	+81,629	-1,900
Reserve Personnel, Air Force	1,288,088	1,464,050	1,451,950	+163,862	-12,100
National Guard Personnel, Army	5,500,369	5,950,729	5,915,229	+414,860	-35,500
National Guard Personnel, Air Force	2,174,598	2,546,442	2,536,742	+362,144	-9,700
Total, title I, Military Personnel	98,453,681	104,811,558	104,191,558	+5,737,877	-620,000
TITLE II					
OPERATION AND MAINTENANCE					
Operation and Maintenance, Army 2/	25,029,346	26,133,411	25,820,311	+790,965	-313,100
Operation and Maintenance, Navy	28,146,658	29,789,190	29,570,090	+1,423,432	-219,100
Operation and Maintenance, Marine Corps	3,440,323	3,632,115	3,605,815	+165,492	-26,300
Operation and Maintenance, Air Force	26,904,731	28,471,260	27,994,110	+1,089,379	-477,150
Operation and Maintenance, Defense-Wide	16,226,841	17,494,076	17,346,411	+1,119,570	-147,665
Operation and Maintenance, Army Reserve	1,998,609	2,008,128	1,976,128	-22,481	-32,000
Operation and Maintenance, Navy Reserve	1,172,921	1,240,038	1,233,038	+60,117	-7,000
Operation and Maintenance, Marine Corps Reserve	173,952	188,696	187,196	+13,244	-1,500
Operation and Maintenance, Air Force Reserve	2,179,388	2,239,790	2,227,190	+47,802	-12,600
Operation and Maintenance, Army National Guard 2/	4,340,581	4,440,686	4,376,886	+36,305	-63,800

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Operation and Maintenance, Air National Guard	4,431,216	4,422,838	4,438,738	+7,522	+15,900
Overseas Contingency Operations Transfer Account	5,000	30,000	5,000	---	-25,000
United States Court of Appeals for the Armed Forces	10,333	10,825	10,825	+492	---
Environmental Restoration, Army	396,018	400,948	400,948	+4,930	---
Environmental Restoration, Navy	256,153	266,820	266,820	+10,667	---
Environmental Restoration, Air Force	384,307	397,368	397,368	+13,061	---
Environmental Restoration, Defense-Wide	24,081	23,684	26,684	+2,603	+3,000
Environmental Restoration, Formerly Used Defense Sites	284,619	216,516	216,516	-68,103	---
Overseas Humanitarian, Disaster, and Civic Aid	59,000	59,000	59,000	---	---
Former Soviet Union Threat Reduction Account	450,800	409,200	409,200	-41,600	---
Total, title II, Operation and maintenance	115,914,877	121,874,589	120,568,274	+4,653,397	-1,306,315
TITLE III					
PROCUREMENT					
Aircraft Procurement, Army 2/	2,154,035	2,658,241	3,107,941	+953,906	+449,700
Missile Procurement, Army 2/	1,505,462	1,398,321	1,327,000	-178,462	-71,321
Procurement of Weapons and Tracked Combat Vehicles, Army	1,857,054	1,639,695	2,773,695	+916,641	+1,134,000
Procurement of Ammunition, Army 2/	1,387,759	1,556,902	1,608,302	+220,543	+51,400
Other Procurement, Army 2/	4,774,452	4,240,896	4,868,371	+93,919	+627,475
Aircraft Procurement, Navy	9,110,848	8,767,867	8,841,824	-269,024	+73,957
Weapons Procurement, Navy	2,095,784	2,101,529	1,993,754	-102,030	-107,775
Procurement of Ammunition, Navy and Marine Corps	934,905	858,640	885,340	-49,565	+26,700
Shipbuilding and Conversion, Navy	11,467,623	9,962,027	10,189,327	-1,278,296	+227,300
Other Procurement, Navy	4,941,098	4,834,278	4,980,325	+39,227	+146,047
Procurement, Marine Corps	1,165,727	1,190,103	1,462,703	+296,976	+272,600
Aircraft Procurement, Air Force	12,086,201	13,163,174	13,289,984	+1,203,783	+126,810
Missile Procurement, Air Force	4,165,633	4,718,313	4,425,013	+259,380	-293,300
Procurement of Ammunition, Air Force	1,262,725	1,396,457	1,346,557	+83,832	-49,900

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Other Procurement, Air Force	11,558,799	13,283,557	13,199,607	+1,640,808	-83,950
Procurement, Defense-Wide	3,709,926	2,883,302	3,028,033	-681,893	+144,731
National Guard and Reserve Equipment	400,000	---	---	-400,000	---
Defense Production Act Purchases	78,016	9,015	27,015	-51,001	+18,000
Total, title III, Procurement	74,656,047	74,662,317	77,354,791	+2,698,744	+2,692,474
TITLE IV					
RESEARCH, DEVELOPMENT, TEST AND EVALUATION					
Research, Development, Test and Evaluation, Army 2/	10,363,941	9,266,258	10,220,123	-143,818	+953,865
Research, Development, Test and Evaluation, Navy	15,146,383	16,346,391	16,532,361	+1,385,978	+185,970
Research, Development, Test and Evaluation, Air Force	20,500,984	21,114,667	21,033,622	+532,638	-81,045
Research, Development, Test and Evaluation, Defense-Wide	18,900,715	20,739,837	20,851,271	+1,950,556	+111,434
Operational Test and Evaluation, Defense	305,861	305,135	309,135	+3,274	+4,000
Total, title IV, Research, Development, Test and Evaluation	65,217,884	67,772,288	68,946,512	+3,728,628	+1,174,224
TITLE V					
REVOLVING AND MANAGEMENT FUNDS					
Defense Working Capital Funds	1,641,507	1,685,886	1,174,210	-467,297	-511,676
National Defense Sealift Fund: Ready Reserve Force	1,066,462	1,269,252	1,186,626	+120,164	-82,626
Total, title V, Revolving and Management Funds	2,707,969	2,955,138	2,360,836	-347,133	-594,302

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE VI					
OTHER DEPARTMENT OF DEFENSE PROGRAMS					
Defense Health Program:					
Operation and maintenance	14,914,816	17,203,369	17,148,069	+2,233,253	-55,300
Procurement	328,826	364,635	364,635	+35,809	---
Research and development	486,371	72,407	446,482	-39,889	+374,075
Total, Defense Health Program	15,730,013	17,640,411	17,959,186	+2,229,173	+318,775
Chemical Agents & Munitions Destruction, Army:					
Operation and maintenance	1,169,168	1,138,801	1,138,801	-30,367	---
Procurement	79,212	78,980	78,980	-232	---
Research, development, test and evaluation	251,881	154,209	154,209	-97,672	---
Total, Chemical Agents 1/	1,500,261	1,371,990	1,371,990	-128,271	---
Drug Interdiction and Counter-Drug Activities, Defense	835,616	852,697	876,697	+41,081	+24,000
Office of the Inspector General 3/	162,449	244,562	193,562	+31,113	-51,000
Total, title VI, Other Department of Defense Programs	18,228,339	20,109,660	20,401,435	+2,173,096	+291,775

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE VII					
RELATED AGENCIES					
Central Intelligence Agency Retirement and Disability System Fund	226,400	239,400	239,400	+13,000	---
Intelligence Community Management Account	175,113	304,355	309,644	+134,531	+5,289
Transfer to Department of Justice	(44,300)	(34,911)	(46,100)	(+1,800)	(+11,189)
Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund	18,430	---	---	-18,430	---
National Security Education Trust Fund	8,000	8,000	8,000	---	---
Total, title VII, Related agencies	427,943	551,755	557,044	+129,101	+5,289
TITLE VIII					
GENERAL PROVISIONS					
Additional transfer authority (Sec. 8005)	(2,100,000)	(4,000,000)	(3,000,000)	(+900,000)	(-1,000,000)
Indian Financing Act incentives (Sec. 8021)	8,000	---	8,000	---	+8,000
FFRDCs (Sec. 8028)	-74,200	---	-40,000	+34,200	-40,000
Disposal & lease of DOD real property (Sec. 8034)	31,000	25,000	25,000	-6,000	---
Overseas Mil Fac Invest Recovery (Sec. 8037)	1,331	1,000	1,000	-331	---
Rescissions (Sec. 8048)	-325,560	---	-399,750	-74,190	-399,750
Travel Cards (Sec. 8079)	44,000	44,000	44,000	---	---
Special needs students	5,500	---	---	-5,500	---
Fisher House (Sec. 8088)	3,800	---	2,000	-1,800	+2,000
CAAS/Contract Growth (Sec. 8089)	-504,500	---	-300,000	+204,500	-300,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Coast Guard transfer	60,000	---	---	-60,000	---
IT cost growth reduction (Sec. 8096)	-200,000	---	-270,000	-70,000	-270,000
Working Capital Funds Cash Balance (Sec.8098)	-372,000	---	-316,000	+56,000	-316,000
Working Capital Funds Excess Carryover	-44,000	---	---	+44,000	---
Ctr for Mil Recruiting Assessment & Vet Emp(Sec. 8099)	5,500	---	6,000	+500	+6,000
Intrepid Sea-Air-Space Foundation (Sec. 8101)	34,950	---	6,600	-28,350	+6,600
Revised Economic Assumptions (Sec. 8109)	-1,662,000	---	-345,000	+1,317,000	-345,000
Transportation Working Capital Fund (Sec. 8110)	-451,000	---	-967,200	-516,200	-967,200
Fort Irwin education	17,000	---	---	-17,000	---
Iraqi freedom fund (rescission)	-3,490,000	---	---	+3,490,000	---
MCAGCC health demonstration program (Sec. 8115)	---	---	3,000	+3,000	+3,000
Contract offsets (Sec. 8119)	---	---	-100,000	-100,000	-100,000
Budget withholds (Sec. 8120)	---	---	-685,000	-685,000	-685,000
Tanker replacement transfer fund (Sec. 8121)	---	---	100,000	+100,000	+100,000
Total, title VIII, General Provisions	-6,912,179	70,000	-3,227,350	+3,684,829	-3,297,350
TITLE IX - ADDITIONAL APPROPRIATIONS					
CHAPTER 1 - DEPARTMENT OF DEFENSE--MILITARY					
Military Personnel					
Military Personnel, Army (contingent operations)	---	---	2,552,200	+2,552,200	+2,552,200
Military Personnel, Navy (contingent operations)	---	---	232,200	+232,200	+232,200
Military Personnel, Marine Corps (contingent ops)	---	---	273,200	+273,200	+273,200
Military Personnel, Air Force (contingent operations)	---	---	874,400	+874,400	+874,400
Total, Military Personnel	---	---	3,932,000	+3,932,000	+3,932,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Operation and Maintenance					
Operation & Maintenance, Army (contingent operations).	---	---	11,698,400	+11,698,400	+11,698,400
Operation & Maintenance, Navy (contingent operations).	---	---	303,000	+303,000	+303,000
Operation & Maintenance, Marine Corps (contingent ops)	---	---	1,295,000	+1,295,000	+1,295,000
Operation & Maintenance, Air Force (contingent ops)...	---	---	744,000	+744,000	+744,000
Operation & Maintenance, Defense-Wide (contingent ops)	---	---	295,000	+295,000	+295,000
Iraq Freedom Fund:					
(Contingent emergency) (incl. transfer authority)	---	25,000,000	---	---	-25,000,000
(Contingent operations).....	---	---	2,978,000	+2,978,000	+2,978,000
Total, Operation and Maintenance.....	---	25,000,000	17,313,400	+17,313,400	-7,686,600
Procurement					
Missile Procurement, Army (contingent operations).....	---	---	42,800	+42,800	+42,800
Procurement of Weapons and Tracked Combat Vehicles, Army (contingent operations).....	---	---	201,900	+201,900	+201,900
Procurement of Ammunition, Army (contingent operations	---	---	330,000	+330,000	+330,000
Other Procurement, Army (contingent operations).....	---	---	1,151,400	+1,151,400	+1,151,400
Aircraft Procurement, Navy (contingent operations)....	---	---	34,000	+34,000	+34,000
Procurement of Ammunition, Navy and Marine Corps (contingent operations).....	---	---	112,800	+112,800	+112,800
Procurement, Marine Corps (contingent operations).....	---	---	111,400	+111,400	+111,400
Other Procurement, Air Force (contingent operations)..	---	---	35,300	+35,300	+35,300
Procurement, Defense-Wide (contingent operations).....	---	---	80,000	+80,000	+80,000
National Guard and Reserve Equipment (contingent opera	---	---	100,000	+100,000	+100,000
Total, Procurement.....	---	---	2,199,600	+2,199,600	+2,199,600

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Defense Working Capital Funds (contingent operations).	---	---	1,250,000	+1,250,000	+1,250,000
Defense Health Program (contingent operations).....	---	---	305,000	+305,000	+305,000
Additional transfer authority (contingent operations):					
Fiscal year 2005 (Sec. 9003(a)).....	---	---	(2,000,000)	(+2,000,000)	(+2,000,000)
Fiscal year 2004 (Sec. 9003(b)).....	---	---	(900,000)	(+900,000)	(+900,000)
Total, Chapter 1, Department of Defense 4/ 5/...	---	25,000,000	25,000,000	+25,000,000	---
CHAPTER 2 - DEPARTMENT OF STATE					
Administration of Foreign Affairs					
Diplomatic and consular programs (contingent ops).....	---	---	665,300	+665,300	+665,300
Embassy security, construction, and maintenance (contingent operations).....	---	---	20,000	+20,000	+20,000
Total, Chapter 2, Department of State 5/.....	---	---	685,300	+685,300	+685,300
CHAPTER 3 - BILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
United States Agency for International Development					
International disaster and famine assistance (emergency).....	---	---	70,000	+70,000	+70,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Department of State					
Migration and refugee assistance (emergency).....	---	---	25,000	+25,000	+25,000
Total, Chapter 3, Bilateral economic assist. 5/.	---	---	95,000	+95,000	+95,000
Total, Title IX, Additional appropriations 4/ 5/	---	25,000,000	25,780,300	+25,780,300	+780,300
Total for the bill (net) 5/.....	368,694,561	417,807,305	416,933,400	+48,238,839	-873,905
OTHER APPROPRIATIONS					
Emergency Supplemental, Defense, Iraq and Afghanistan, 2004 (P.L. 108-106).....	64,706,554	---	---	-64,706,554	---
Additional transfer authority (sec. 1101) (emerg).	(3,000,000)	---	---	(-3,000,000)	---
Consolidated appropriations (by transfer)(P.L.108-199)	(74,600)	---	---	(-74,600)	---
Additional transfer authority (Sec. 114).....	(120,000)	---	---	(-120,000)	---
Rescissions.....	-1,800,000	---	---	+1,800,000	---
Net grand total (including other appropriations)5/	431,601,115	417,807,305	416,933,400	-14,667,715	-873,905

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
CONGRESSIONAL BUDGET RECAP					
Scorekeeping adjustments:					
Disabled military retiree payments (mandatory)....	302,000	---	---	-302,000	---
Military personnel accounts (discretionary)...	-302,000	---	---	+302,000	---
Army Venture Capital Funds (Sec. 8105).....	17,000	17,000	17,000	---	---
O&M, Army transfer to National Park Service:					
Defense function.....	-2,500	---	-2,500	---	-2,500
Non-defense function.....	2,500	---	2,500	---	+2,500
Less defense emergency appropriations.....	-64,706,554	---	---	+64,706,554	---
Less non-defense emergency appropriations.....	---	---	-95,000	-95,000	-95,000
Less Title IX defense contingent operations.....	---	-25,000,000	-25,000,000	-25,000,000	---
Less Title IX non-defense contingent operations...	---	---	-685,300	-685,300	-685,300
Repeal of FY 2004 rescission (contingent ops).....	---	---	1,800,000	+1,800,000	+1,800,000
Amount charged to fiscal year 2004	---	---	-1,800,000	-1,800,000	-1,800,000
Total, scorekeeping adjustments.....	-64,689,554	-24,983,000	-25,763,300	+38,926,254	-780,300
Adjusted total (incl scorekeeping adjustments) ..	366,911,561	392,824,305	391,170,100	+24,258,539	-1,654,205
Appropriations.....	(372,527,121)	(392,824,305)	(391,569,850)	(+19,042,729)	(-1,254,455)
Rescissions.....	(-5,615,560)	---	(-399,750)	(+5,215,810)	(-399,750)
Total (including scorekeeping adjustments).....	366,911,561	392,824,305	391,170,100	+24,258,539	-1,654,205
Amount in this bill.....	(431,601,115)	(417,807,305)	(416,933,400)	(-14,667,715)	(-873,905)
Scorekeeping adjustments.....	(-64,689,554)	(-24,983,000)	(-25,763,300)	(+38,926,254)	(-780,300)
Total mandatory and discretionary.....	366,911,561	392,824,305	391,170,100	+24,258,539	-1,654,205
Mandatory.....	528,400	239,400	239,400	-289,000	---
Discretionary.....	366,383,161	392,584,905	390,930,700	+24,547,539	-1,654,205

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
RECAPITULATION					
Title I - Military Personnel	98,453,681	104,811,558	104,191,558	+5,737,877	-620,000
Title II - Operation and Maintenance	115,914,877	121,874,589	120,568,274	+4,653,397	-1,306,315
Title III - Procurement	74,656,047	74,662,317	77,354,791	+2,698,744	+2,692,474
Title IV - Research, Development, Test and Evaluation	65,217,884	67,772,288	68,946,512	+3,728,628	+1,174,224
Title V - Revolving and Management Funds	2,707,969	2,955,138	2,360,836	-347,133	-594,302
Title VI - Other Department of Defense Programs	18,228,339	20,109,660	20,401,435	+2,173,096	+291,775
Title VII - Related Agencies	427,943	551,755	557,044	+129,101	+5,289
Title VIII - General Provisions (net)	-6,912,179	70,000	-3,227,350	+3,684,829	-3,297,350
Title IX - Additional Appropriations (net)	---	25,000,000	25,780,300	+25,780,300	+780,300
Total, Department of Defense and other appropriations (in this bill)	368,694,561	417,807,305	416,933,400	+48,238,839	-873,905
Other defense appropriations	62,906,554	---	---	-62,906,554	---
Total funding available (net)	431,601,115	417,807,305	416,933,400	-14,667,715	-873,905
Department of Defense	(431,541,115)	(417,807,305)	(416,153,100)	(-15,388,015)	(-1,654,205)
Other Appropriations	(60,000)	---	(780,300)	(+720,300)	(+780,300)
Scorekeeping adjustments	-64,689,554	-24,983,000	-25,763,300	+38,926,254	-780,300
Total mandatory and discretionary	366,911,561	392,824,305	391,170,100	+24,258,539	-1,654,205

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
RECAP BY FUNCTION					
Mandatory	528,400	239,400	239,400	-289,000	---
Total, Mandatory	528,400	239,400	239,400	-289,000	---
Discretionary:					
General purpose discretionary:					
Defense discretionary	366,320,661	392,584,905	390,928,200	+24,607,539	-1,656,705
Total, Defense discretionary	366,320,661	392,584,905	390,928,200	+24,607,539	-1,656,705
Nondefense discretionary	62,500	---	2,500	-60,000	+2,500
Total, Nondefense discretionary	62,500	---	2,500	-60,000	+2,500
Total discretionary	366,383,161	392,584,905	390,930,700	+24,547,539	-1,654,205
Grand total, mandatory and discretionary	366,911,561	392,824,305	391,170,100	+24,258,539	-1,654,205

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request

FOOTNOTES:
1/ Included in Budget under Procurement title.
2/ Includes Budget Amendment (H. Doc. 108-170) which realigns $1,217,538,000 for the termination of the Comanche Helicopter program, of which $30,000,000 was reallocated to Mil. Construction, Army National Guard.
3/ Includes Budget Amendment (H. Doc. 108-183) which adds $10,000 to the Office of the Inspector General request for a technical correction.
4/ Includes Budget Amendment (H. Doc. 108-185) which establishes a $25 billion Contingent Emergency Reserve Fund for operations in Iraq and Afghanistan.
5/ If the Bill is enacted before October 1, 2004, $27,580,300,000 (including repeal of $1,800,000,000 rescission) will be considered FY 2004 budget authority.

ADDITIONAL VIEWS OF HON. DAVID OBEY

The Administration's steadfast refusal to appropriately plan for military operations in Iraq and Afghanistan and address critical shortfalls in our military was evident in its FY 2005 budget request for the Department of Defense. The President's budget included no funding for Iraq and Afghanistan operations, nor were funds requested to address known Army needs for additional manpower, protective gear, up-armored Humvees, and repair or replacement of weapons systems damaged in the war. Only recently did the Administration grudgingly admit the need for additional funds by submitting a $25 billion "emergency" supplemental.

The Administration's failure to budget for these ongoing efforts is irresponsible and reckless. It shows an unwillingness to make the difficult budgetary choices forced upon our nation by the President's Iraq policy, as well as a lack of respect for the American people who deserve to know the facts up front rather than on the installment plan.

The Committee did the right thing by including these funds, but based on analysis of the best available data from the Pentagon, operations in Iraq and Afghanistan will cost over $76 billion over the next year. If the White House and the Majority Party had been willing to deal with real numbers, I had intended to offer an amendment during Full Committee consideration of this bill that would have increased funding for Iraq and Afghanistan by $51.7 billion to fully fund the real expected cost of military operations and personnel costs in Iraq and Afghanistan for the entire year. I am inserting in the record the text of the amendment to show these real costs.

My amendment would have ensured that our forces in Iraq and Afghanistan had the supplies and support they require for their mission, and I am disappointed that the full cost of the war effort is not included as part of this bill. We have an obligation to our troops. We know that this obligation will cost more than $25 billion. Congress will need to provide these additional funds soon, whether or not the President chooses to support the troops by requesting the funds himself.

The Committee accepted my amendment requiring the President to provide details on estimated costs for FY 2006–11 for operations in Iraq and Afghanistan. This report will be due to the Congress on October 1, 2004, unless the President certifies that the costs cannot be divulged due to national security issues. I offered this amendment because the Administration owes the American people a full accounting of the cost of its policies in Iraq and Afghanistan over the next five years.

Since the beginning of military operations in Iraq, this Administration has said, "Trust us. We know better." The Committee did trust the Administration. We provided the Administration and its

political appointees in the Pentagon with every dollar requested for Iraq. We provided them with unprecedented flexibility in spending those funds. There were no questions asked and no strings attached.

The Administration and the Pentagon have abused the trust that the Congress and the American people placed in them.

They marched to war based upon flawed intelligence and knowingly used that false intelligence to persuade Members of Congress and the public to support military action.

The Administration exaggerated foreign military and financial support to downplay the full cost of the war.

They ignored the advice of career military officials, like Army Chief of Staff General Eric Shinseki, who suggested that an Iraqi occupation force should number "several hundred thousand."

The Defense Department pushed aside the State Department, which was more experienced and better prepared to help shape a post-war Iraq.

Most appallingly, the Administration and the Pentagon rushed our military into battle with inadequate supplies and support. Some 40,000 troops in the Iraqi theatre lacked protective plates for body armor vests. Portable electronic jammers for defeating roadside bombs were in woefully short supply. Only about 25 percent of the armored vehicles needed had been provided.

Today, U.S. forces are still short about 1,300 of the 4,000 armored Humvees needed in Iraq. Newsweek recently noted that: "[a]ccording to an unofficial study by a defense consultant that is now circulating through the Army, there have been 142 casualties by land mines or improvised explosive devices, while 48 others died in rocket propelled grenade attacks. Almost all of those soldiers were killed while in unprotected vehicles, which means that perhaps one in four of those killed in combat in Iraq might be alive if they had the stronger armor around them, the study suggested."

Today, the United States Army is stretched to the breaking point. Many Army units have had their deployments extended well beyond the 12-month rotation called for by Defense Department policy. Some units are being called back to Iraq earlier than planned. The Army recently went into "stop-loss," which prevents officers or enlisted persons in certain specialties from departing the service even after they are eligible to leave. In effect, the Administration has instituted a 'stealth draft' what will prevent Americans who have served their country honorably from returning to civilian life.

These facts demand that the Congress exercise its Constitutional oversight responsibility more aggressively. Conducting that oversight requires receiving the Pentagon's best estimate of the cost of our engagement in Iraq for the next five years. These numbers are available and they should be provided to the Committee and the Congress, as this bill now requires.

To date, Congress has appropriated about $150 billion in military and reconstruction funding for the Iraq conflict. It is undeniable that the additional $25 billion provided in this bill for Iraq will not be the last dollars that the Iraq mission will require or that the Congress will provide. The total figure will likely swell to roughly a quarter of a trillion dollars for operations in Iraq and Afghani-

stan, with the vast majority of that funding devoted to Iraq. To put this in perspective, a quarter of a trillion dollars would:

- Pay for last year's Veterans Affairs and Housing and Urban Development Departments bill, the Commerce, Justice and Senate Departments bill, and the Agriculture Department bill combined.
- More than double the total amount the states spend on education.
- Repair nearly every school in America that needs to be modernized.

The American people deserve a full accounting of the cost of the war in Iraq, and not on the installment plan. Since day one of the Iraq operation, the Administration's actions have been characterized by deception. I hope the Administration will take the opportunity they have been provided to have an honest conversation about the true cost of the Iraq mission. We owe the American people nothing less.

DAVE OBEY.

AMENDMENT TO BE OFFERED BY MR. OBEY

Strike Title IX and insert in lieu of

TITLE IX—ADDITIONAL APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE

ADDITIONAL APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE

CHAPTER I—DEPARTMENT OF DEFENSE

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for "Military Personnel, Army", $10,088,200,000.

MILITARY PERSONNEL, NAVY

For an additional amount for "Military Personnel, Navy", $844,200,000.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for "Military Personnel, Marine Corps", $1,045,700,000.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for "Military Personnel, Air Force", $3,358,400,000.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for "Operation and Maintenance, Army", $41,539,150,000.

OPERATION AND MAINTENANCE, NAVY

For an additional amount for "Operation and Maintenance, Navy", $806,000,000.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for "Operation and Maintenance, Marine Corps", $4,979,000,000.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for "Operation and Maintenance, Air Force", $2,787,000,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for "Operation and Maintenance, Defense-Wide", $1,123,000,000.

IRAQ FREEDOM FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Iraq Freedom Fund", $6,000,000,000, to remain available for transfer until September 30, 2006, for the purposes authorized under this heading in Public Law 108–11: *Provided,* That the Secretary of Defense may transfer the funds provided herein to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; the Defense Health Program; and working capital funds: *Provided further,* That of the amounts provided under this heading, not less than $5,000,000,000 shall be for classified programs, which shall be in addition to amounts provided for elsewhere in this title, and under this heading: *Provided further,* That funds transferred shall be merged with and be available for the same purposes and for the same time period as the appropriation or fund to which transferred: *Provided further,* That this transfer authority is in addition to any other transfer authority available to the Department of Defense: *Provided further,* That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further,* That the Secretary of Defense shall, not fewer than 15 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer: *Provided further,* That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

PROCUREMENT

MISSILE PROCUREMENT, ARMY

For an additional amount for "Missile Procurement, Army", $42,800,000, to remain available until September 30, 2007.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For an additional amount for "Procurement of Weapons and Tracked Combat Vehicles, Army", $201,900,000, to remain available until September 30, 2007.

PROCUREMENT OF AMMUNITION, ARMY

For an additional amount for "Procurement of Ammunition, Army", $330,000,000, to remain available until September 30, 2007.

OTHER PROCUREMENT, ARMY

For an additional amount for "Other Procurement, Army", $1,265,600,000, to remain available until September 30, 2007.

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for "Aircraft Procurement, Navy", $34,000,000, to remain available until September 30, 2007.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For an additional amount for "Procurement of Ammunition, Navy and Marine Corps", $112,800,000, to remain available until September 30, 2007.

PROCUREMENT, MARINE CORPS

For an additional amount for "Procurement, Marine Corps", $111,400,000, to remain available until September 30, 2007.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for "Other Procurement, Air Force", $35,300,000, to remain available until September 30, 2007.

PROCUREMENT, DEFENSE-WIDE

For an additional amount for "Procurement, Defense-Wide", $320,000,000, to remain available until September 30, 2007.

NATIONAL GUARD AND RESERVE EQUIPMENT

For an additional amount for "National Guard and Reserve Equipment", $100,000,000, to remain available until September 30, 2007.

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For an additional amount for "Defense Working Capital Funds", $1,250,000,000.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for "Defense Health Program", $305,000,000 for Operation and Maintenance.

CHAPTER II—GENERAL PROVISIONS

SEC. 9001. The amounts provided in this title, or made available by the transfer of funds in or pursuant to this title, are designated

by the Congress to be contingency operations pursuant to section 403 of S. Con. Res. 95 (108th Congress), and an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108th Congress).

SEC. 9002. Appropriations provided in this title are available for obligation until September 30, 2005, unless otherwise so provided in this title: *Provided,* That notwithstanding any other provision of law or of this Act, funds in this title are available for obligation, and authorities in this title shall apply, upon enactment of this Act.

SEC. 9003. Notwithstanding any other provision of law or of this Act, funds made available in this title are in addition to amounts provided elsewhere in this Act.

(TRANSFER OF FUNDS)

SEC. 9004. Upon his determination that such action is necessary in the national interest, the Secretary of Defense may transfer between appropriations up to $600,000,000 of the funds made available to the Department of Defense in this title: *Provided,* That the Secretary shall notify the Congress promptly of each transfer made pursuant to this authority: *Provided further,* That the transfer authority provided in this section is in addition to any other transfer authority available to the Department of Defense: *Provided further,* That the authority in this section is subject to the same terms and conditions as the authority provided in section 8005 of this Act.

SEC. 9005. Funds appropriated in this title, or made available by the transfer of funds in or pursuant to this title, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

SEC. 9006. None of the funds provided in this title may be used to finance programs or activities denied by Congress in fiscal year 2005 appropriations to the Department of Defense or to initiate a procurement or research, development, test and evaluation new start program without prior notification to the congressional defense committees.

SEC. 9007. Sections 1318 and 1319 of the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108–11; 117 Stat. 571), shall remain in effect during fiscal year 2005.

SEC. 9008. From October 1, 2004, through September 30, 2005, (a) the rates of pay authorized by section 310(a) of title 37, United States Code, shall be $225; and (b) the rates of pay authorized by section 427(a)(1) of title 37, United States Code, shall be $250.

SEC. 9009. Notwithstanding any other provision of law, from funds made available in this title to the Department of Defense for operation and maintenance, not to exceed *$500,000,000* may be used by the Secretary of Defense, with the concurrence of the Secretary of State, to train, equip, and provide related assistance to military or security forces in Iraq and Afghanistan, to enhance their capability to combat terrorism and to support U.S. military operations in Iraq and Afghanistan: *Provided*, That such assistance may include the provision of equipment, supplies, services, training and funding: *Provided further*, That the authority to provide assistance under this section is in addition to any other authority to provide assistance to foreign nations: *Provided further*, That the Secretary of Defense shall notify the congressional defense committees

not less than 15 days before providing assistance under the authority of this section.

SEC. 9010. From Funds made available to this title to the Department of Defense for operation and maintenance, not to exceed $300,000,000 may be used, notwithstanding any other provision of law, to fund the Commander's Emergency Response Program, for he purpose of enabling military commanders in Iraq to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the Iraqi people, and to fund a similar program to assist the people of Afghanistan: *Provided*, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees regarding the source of funds and the allocation and use of funds made available pursuant to the authority provided in this section.

SEC. 9011. Section 202(b) of the Afghanistan Freedom Support Act of 2002 (Public Law 107–327, as amended by section 2206 of Public Law 108–106) is amended by striking "$450,000,000" and inserting in lieu thereof "$650,000,000".

SEC. 9012. Funds available to the Department of Defense for operation and maintenance in this title may be used, notwithstanding any other provision of law, to provide supplies, services, transportation, including airlift and sealift, and other logistical support to coalition forces supporting military and stability operations in Iraq and Afghanistan: *Provided*, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees regarding support provided under this section.

SEC. 9013. (a) Not later than April 30 and October 31 of each year, the Secretary of Defense shall submit to Congress a report on the military operations of the Armed Forces and the reconstruction activities of the Department of Defense in Iraq and Afghanistan.

(b) Each report shall include the following information:

(1) For each of Iraq and Afghanistan for the half-fiscal year ending during the month preceding the due date of the report, the amount expended for military operations of the armed Forces and the amount expended for reconstruction activities, together with the cumulative total amounts expended for such operations and activities.

(2) An assessment of the progress made toward preventing attacks on United States personnel.

(3) An assessment of the effects of the operations and activities in Iraq and Afghanistan on the readiness of the Armed Forces.

(4) An assessment of the effects of the operations and activities in Iraq and Afghanistan on the recruitment and retention of personnel for the Armed Forces.

(5) For the half-fiscal year ending during the month preceding the due date of the report, the costs incurred for repair of Department of Defense equipment used in the operations and activities in Iraq and Afghanistan.

(6) The foreign countries, international organizations, and nongovernmental organizations that are contributing support for the ongoing military operations and reconstruction activities, together with a discussion of the amount and types of sup-

port contributed by each during the half-fiscal year ending during the month preceding the due date of the report.

(7) The extent to which, and the schedule on which, the Selected Reserve of the Ready Reserve of the Armed Forces is being involuntarily ordered to active duty under section 12304 of title 10, United States Code.

(8) For each unit of the National Guard of the United States and the other reserve components of the Armed Forces on active duty pursuant to an order to active duty under section 12304 of title 10, United States Code, the following information:

(A) The unit.

(B) The projected date of return of the unit to its home station.

(C) The extent (by percentage) to which the forces deployed within the United States and outside the United States in support of a contingency operation are composed of reserve component forces.

SEC. 9014. Of the amounts provided in this title, $5,000,000,000 may not be obligated or expended until such time as: (1) the President provides to the Congress a report detailing the estimated costs over the period from fiscal year 2006 to 2011 of Operation Iraqi Freedom and Operation Enduring Freedom, or any related military operations in and around Iraq and Afghanistan, and the estimated costs of reconstruction, internal security, and related economic support to Iraq and Afghanistan; or (2) the President certifies in writing to the Congress that estimates of these future military and economic support costs cannot be provided for purposes of national security; *Provided,* That the report referenced in subsection (1) shall be submitted no later than January 1, 2005.

Obey Amendment
[In thousands of dollars]

Account	Title IX	Recommendation	Change from Title IX
Iraq Freedom Fund:	2,978,000	6,000,000	3,022,000
Military Personnel:			
Military Personnel, Army	2,552,200	10,088,200	7,536,000
Military Personnel, Navy	232,200	844,200	612,000
Military Personnel, Marine Corps	273,200	1,045,700	772,500
Military Personnel, Air Force	874,400	3,358,400	2,484,000
Total Military Personnel	3,932,000	15,336,500	11,404,500
Operation and Maintenance:			
O&M, Army	11,698,400	41,569,150	29,870,750
O&M, Navy	303,000	806,000	503,000
O&M, Marine Corps	1,295,000	4,979,000	3,684,000
O&M, Air Force	744,000	2,787,000	2,043,000
O&M, Defense-Wide	295,000	1,123,000	828,000
Total Operation and Maintenance	14,335,400	51,264,150	36,928,750
Procurement:			
Aircraft Procurement, Army	0	0	0
Missile Procurement, Army	42,800	42,800	0
Procurement of WTCV, Army	201,900	201,900	0
Procurement of Ammunition, Army	330,000	330,000	0
Other Procurement, Army	1,151,400	1,265,600	114,200
Aircraft Procurement, Navy	34,000	34,000	0
Procurement of Ammunition, Navy & Marine Corps	112,800	112,800	0
Procurement, Marine Corps	111,400	111,400	0
Aircraft Procurement, Air Force	0	0	0
Other Procurement, Air Force	35,300	35,300	0
Procurement, Defense-Wide	80,000	320,000	240,000
National Guard and Reserve Equipment	100,000	100,000	0
Total Procurement	2,199,600	2,553,800	354,200
Revolving and Management Funds, Defense:			
Defense Fuel	1,250,000	1,250,000	0
Total Revolving and Management Funds	1,250,000	1,250,000	0
Other Department of Defense Programs:			
Defense Health	305,000	305,000	0
Total Other Defense Program	305,000	305,000	0
Transfer Authority:			
Total Transfers	[2,000,000]	[600,000]	[-1,400,000]
Grand Total	25,000,000	76,709,450	51,709,450