

MILITARY QUALITY OF LIFE AND VETERANS AFFAIRS,  
AND RELATED AGENCIES APPROPRIATIONS BILL, 2007

MAY 15, 2006.—Committed to the Committee of the Whole House on the State of  
the Union and ordered to be printed

Mr. WALSH, from the Committee on Appropriations,  
submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 5385]

The Committee on Appropriations submits the following report in  
explanation of the accompanying bill making appropriations for the  
military quality of life functions of the Department of Defense,  
military construction, the Department of Veterans Affairs, and re-  
lated agencies for the fiscal year ending September 30, 2007.

CONTENTS

	Page
Purpose of the Bill .....	2
Conformance With Authorization Bill .....	3
Summary of Committee Recommendation .....	3
Items of Interest .....	19
Department of Defense:	
Military Construction .....	21
NATO Security Investment Program .....	27
Family Housing Construction and Operation and Maintenance .....	29
Chemical Demilitarization Construction, Defense-Wide .....	32
Department of Defense Base Closure Account 1990 .....	32
Department of Defense Base Closure Account 2005 .....	32
Basic Allowance for Housing .....	33
Facilities Sustainment, Restoration and Modernization .....	35
Environmental Restoration .....	38
Defense Health Program .....	39
Administrative Provisions .....	46
Department of Veterans Affairs:	
Overview .....	48
Veterans Benefits Administration .....	51

Veterans Health Administration .....	54
Departmental Administration .....	59
Administrative Provisions .....	65
Related Agencies:	
American Battle Monuments Commission .....	66
U.S. Court of Appeals for Veterans Claims .....	68
Cemeterial Expenses, Army .....	68
Armed Forces Retirement Home .....	68
Additional Appropriations .....	69
General Provisions .....	69
Changes in Application of Existing Law .....	70
Appropriations Not Authorized by Law .....	73
Transfer of Funds .....	75
Rescissions .....	76
Constitutional Authority .....	76
Comparisons With Budget Resolution .....	76
Five-Year Projection of Outlays .....	77
Financial Assistance to State and Local Governments .....	77
Statement of General Performance Goals and Objectives .....	77
Full Committee Votes .....	77
State List .....	82
Additional Views .....	101

#### PURPOSE OF THE BILL

The structure of this bill allows for a more comprehensive look at the quality of life for U.S. servicemen and women, from recruitment through retirement. Since the advent of the All Volunteer Force in 1973, quality of life has come to play an increasingly prominent role in preserving the unmatched professionalism and capability of the U.S. armed forces. All of the witnesses, including the Chief of Staff of the military services, who have testified before the Committee in preparation for this bill, have spoken in full support of the bill structure highlighting the importance of maintaining a suitable quality of life for soldiers, sailors, airmen and marines. This quality of life necessarily involves the construction and maintenance of military facilities and housing, the basic allowance for housing, the defense health program, and environmental restoration. Several witnesses affirmed the saying, "you recruit the soldier and you retain the family," and all of these elements contribute to that purpose, while maintaining a high level of readiness.

Quality of life should also be a guiding concept upon a service member's retirement, making veterans affairs another primary component in achieving the purpose of this bill. The Committee continues to hear repeatedly of gaps and flaws in the transition from active duty to retirement, particularly in the switch from active duty health care to veterans health care. Unacceptable in peacetime, this situation becomes intolerable in a time of war. Advances in battlefield medicine have resulted in dramatic increases over previous conflicts in the percentage of service personnel who survive their wounds. The Committee is deeply concerned that wounded veterans receive the treatment they require and deserve. The Committee is also concerned that the mental health needs of servicemen and veterans are properly addressed. Therefore, the Committee will continue to examine opportunities for improving quality of life for active and reserve personnel, veterans, and those making the transition from active to veteran status.

The programs funded in the bill for the Department of Defense (DOD) include: military construction, including housing; operation

and maintenance of family housing; the family housing improvement fund; the basic allowance for housing payment; facilities sustainment, restoration and modernization; environmental restoration; the defense health program; the U.S. share of the North Atlantic Treaty Organization Security Investment Program; funds to execute projects identified by the base realignment and closure authorities; and the chemical demilitarization construction program. The bill also funds the Department of Veterans Affairs (VA). Finally, the bill funds four related agencies, including the American Battle Monuments Commission, Cemeterial Expenses, Army, the U.S. Court of Appeals for Veterans Claims, and the Armed Forces Retirement Home.

#### CONFORMANCE WITH AUTHORIZATION BILL

On May 3, 2006, the Armed Services Committee reported out the National Defense Authorization Act for 2007. At this time, conference action on the legislation has not concluded; therefore, projects in this bill are approved subject to authorization.

#### SUMMARY OF COMMITTEE RECOMMENDATION

The Committee recommends \$136,120,452,000 in new budget authority for the programs and activities funded in the bill. This recommendation is \$824,000,000 below the President's request and \$13,923,359,000 above the fiscal year 2006 enacted level. Included in this amount is \$41,415,643,000 in mandatory authority and \$94,704,809,000 in discretionary authority. The following table compares amounts recommended in the bill to the President's request and amounts appropriated in fiscal year 2006:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - DEPARTMENT OF DEFENSE					
Military construction, Army.....	1,757,507	2,059,762	1,756,298	-1,209	-303,464
Rescissions.....	-19,746	---	-43,348	-23,602	-43,348
Total.....	1,737,761	2,059,762	1,712,950	-24,811	-346,812
Military construction, Navy and Marine Corps.....	1,145,570	1,162,038	1,193,834	+48,264	+31,796
Rescissions.....	-50,037	---	-38,000	+12,037	-38,000
Emergency appropriations (P.L. 109-148).....	291,219	---	---	-291,219	---
Total.....	1,386,752	1,162,038	1,155,834	-230,918	-6,204
Military construction, Air Force.....	1,275,645	1,156,148	1,187,550	-88,095	+31,402
Rescissions.....	-29,700	---	-2,694	+26,406	-2,694
Emergency appropriations (P.L. 109-148).....	52,612	---	---	-52,612	---
Total.....	1,299,157	1,156,148	1,184,856	-114,301	+28,708
Military construction, Defense-Wide.....	998,766	1,208,198	1,107,606	+108,840	-100,592
Rescissions.....	-20,000	---	-110,229	-90,229	-110,229
Emergency appropriations (P.L. 109-148).....	45,000	---	---	-45,000	---
Total.....	1,023,766	1,208,198	997,377	-26,389	-210,821
Total, Active components.....	5,447,436	5,586,146	5,051,017	-396,419	-535,129

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Military construction, Army National Guard.....	517,919	473,197	512,873	-5,046	+39,676
Emergency appropriations (P.L. 109-148).....	374,300	---	---	-374,300	---
Total.....	892,219	473,197	512,873	-379,346	+39,676
Military construction, Air National Guard.....	312,956	125,788	207,088	-105,868	+81,300
Rescissions.....	-13,700	---	---	+13,700	---
Emergency appropriations (P.L. 109-148).....	35,000	---	---	-35,000	---
Total.....	334,256	125,788	207,088	-127,168	+81,300
Military construction, Army Reserve.....	151,043	166,487	167,774	+16,731	+1,287
Military construction, Navy Reserve.....	46,395	48,408	55,158	+8,763	+6,750
Rescissions.....	-16,560	---	---	+16,560	---
Emergency appropriations (P.L. 109-148).....	120,132	---	---	-120,132	---
Total.....	149,967	48,408	55,158	-94,809	+6,750
Military construction, Air Force Reserve.....	104,824	44,936	56,836	-47,988	+11,900
Rescissions.....	-13,815	---	---	+13,815	---
Total.....	91,009	44,936	56,836	-34,173	+11,900
Total, Reserve components.....	1,618,494	858,816	999,729	-618,765	+140,913

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>Total, Military construction.....</b>	<b>7,065,930</b>	<b>6,444,962</b>	<b>6,050,746</b>	<b>-1,015,184</b>	<b>-394,216</b>
Appropriations.....	(6,310,625)	(6,444,962)	(6,245,017)	(-65,608)	(-199,945)
Emergency appropriations.....	(918,263)	---	---	(-918,263)	---
Rescissions.....	(-162,958)	---	(-194,271)	(-31,313)	(-194,271)
	=====	=====	=====	=====	=====
<b>North Atlantic Treaty Organization Security Investment Program.....</b>	<b>204,789</b>	<b>220,985</b>	<b>200,985</b>	<b>-3,804</b>	<b>-20,000</b>
Rescissions.....	-30,000	---	---	+30,000	---
<b>Total.....</b>	<b>174,789</b>	<b>220,985</b>	<b>200,985</b>	<b>+26,196</b>	<b>-20,000</b>
<b>Family housing construction, Army.....</b>	<b>544,140</b>	<b>594,991</b>	<b>578,791</b>	<b>+34,651</b>	<b>-16,200</b>
Rescissions.....	-16,000	---	---	+16,000	---
<b>Total.....</b>	<b>528,140</b>	<b>594,991</b>	<b>578,791</b>	<b>+50,651</b>	<b>-16,200</b>
<b>Family housing operation and maintenance, Army.....</b>	<b>795,953</b>	<b>676,829</b>	<b>674,657</b>	<b>-121,296</b>	<b>-2,172</b>
<b>Family housing construction, Navy and Marine Corps....</b>	<b>216,753</b>	<b>305,071</b>	<b>308,956</b>	<b>+92,203</b>	<b>+3,885</b>
Emergency appropriations (P.L. 109-148).....	86,165	---	---	-86,165	---
<b>Total.....</b>	<b>302,918</b>	<b>305,071</b>	<b>308,956</b>	<b>+6,038</b>	<b>+3,885</b>
<b>Family housing operation and maintenance, Navy and Marine Corps.....</b>	<b>582,773</b>	<b>509,126</b>	<b>509,126</b>	<b>-73,647</b>	<b>---</b>
Emergency appropriations (P.L. 109-148).....	48,889	---	---	-48,889	---
<b>Total.....</b>	<b>631,662</b>	<b>509,126</b>	<b>509,126</b>	<b>-122,536</b>	<b>---</b>

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Family housing construction, Air Force.....	1,090,868	1,183,138	1,169,138	+78,270	-14,000
Rescissions.....	-43,900	---	-66,200	-22,300	-66,200
Emergency appropriations (P.L. 109-148).....	278,000	---	---	-278,000	---
Total.....	1,324,968	1,183,138	1,102,938	-222,030	-80,200
Family housing operation and maintenance, Air Force....	759,270	755,071	755,071	-4,199	---
Emergency appropriations (P.L. 109-148).....	47,019	---	---	-47,019	---
Total.....	806,289	755,071	755,071	-51,218	---
Family housing construction, Defense-Wide.....	---	8,808	8,808	+8,808	---
Family housing operation and maintenance, Defense-Wide	45,927	48,506	48,506	+2,579	---
Department of Defense Family Housing Improvement Fund.....	2,475	2,500	2,500	+25	---
Total, Family housing.....	4,438,332	4,084,040	3,989,353	-448,979	-94,687
Appropriations.....	(4,038,159)	(4,084,040)	(4,055,553)	(+17,394)	(-28,487)
Emergency appropriations.....	(460,073)	---	---	(-460,073)	---
Rescissions.....	(-59,900)	---	(-66,200)	(-6,300)	(-66,200)

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(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----	-----	-----	-----	-----	-----
Chemical demilitarization construction, Defense-Wide..	---	130,993	90,993	+90,993	-40,000
Base realignment and closure:					
Base realignment and closure account, 1990.....	252,279	191,220	216,220	-36,059	+25,000
Base realignment and closure account, 2005.....	1,489,421	5,626,223	5,309,876	+3,820,455	-316,347
-----	-----	-----	-----	-----	-----
Total, Base realignment and closure.....	1,741,700	5,817,443	5,526,096	+3,784,396	-291,347
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Basic Allowance for Housing: 1/					∞
Army.....	3,880,723	3,687,905	3,687,905	-192,818	---
Navy.....	3,511,570	4,135,061	4,135,061	+623,491	---
Marine Corps.....	1,166,686	1,350,921	1,350,921	+184,235	---
Air Force.....	3,162,073	2,934,327	2,934,327	-227,746	---
Emergency appropriations (P.L. 109-148).....	6,526	---	---	-6,526	---
-----	-----	-----	-----	-----	-----
Total.....	3,168,599	2,934,327	2,934,327	-234,272	---
Army National Guard.....	444,819	469,109	469,109	+24,290	---
Emergency appropriations (P.L. 109-148).....	32,294	---	---	-32,294	---
-----	-----	-----	-----	-----	-----
Total.....	477,113	469,109	469,109	-8,004	---
Air National Guard.....	238,396	277,533	277,533	+39,137	---
Emergency appropriations (P.L. 109-148).....	10,289	---	---	-10,289	---
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Total.....	248,685	277,533	277,533	+28,848	---



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AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Army Reserve.....	306,642	347,607	347,607	+40,965	---
Emergency appropriations (P.L. 109-148).....	361	---	---	-361	---
Total.....	307,003	347,607	347,607	+40,604	---
Navy Reserve.....	189,141	208,838	208,838	+19,697	---
Emergency appropriations (P.L. 109-148).....	1,053	---	---	-1,053	---
Total.....	190,194	208,838	208,838	+18,644	---
Marine Corps Reserve.....	40,134	43,082	43,082	+2,948	---
Air Force Reserve.....	69,357	76,218	76,218	+6,861	---
Emergency appropriations (P.L. 109-148).....	85	---	---	-85	---
Total.....	69,442	76,218	76,218	+6,776	---
=====					
Total, Basic Allowance for Housing.....	13,060,149	13,530,601	13,530,601	+470,452	---
Appropriations.....	(13,009,541)	(13,530,601)	(13,530,601)	(-521,060)	---
Emergency appropriations.....	(50,608)	---	---	(-50,608)	---
Facilities Sustainment, Restoration and Modernization: 1/ Army.....	1,832,607	1,810,774	1,810,774	-21,833	---

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	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Navy.....	1,331,521	1,201,313	1,201,313	-130,208	---
Emergency appropriations (P.L. 109-148).....	215,499	---	---	-215,499	---
Total.....	1,547,020	1,201,313	1,201,313	-345,707	---
Marine Corps.....	548,420	473,141	473,141	-75,279	---
Air Force.....	1,827,246	1,684,019	1,684,019	-143,227	---
Emergency appropriations (P.L. 109-148).....	69,005	---	---	-69,005	---
Total.....	1,896,251	1,684,019	1,684,019	-212,232	---
Defense-Wide.....	115,731	86,386	86,386	-29,345	---
Emergency appropriations (P.L. 109-148).....	5,238	---	---	-5,238	---
Total.....	120,969	86,386	86,386	-34,583	---
Army National Guard.....	392,579	387,882	387,882	-4,697	---
Emergency appropriations (P.L. 109-148).....	49,217	---	---	-49,217	---
Total.....	441,796	387,882	387,882	-53,914	---
Air National Guard.....	177,993	255,322	255,322	+77,329	---
Emergency appropriations (P.L. 109-148).....	13,557	---	---	-13,557	---
Total.....	191,550	255,322	255,322	+63,772	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Army Reserve.....	202,326	215,890	215,890	+13,564	---
Emergency appropriations (P.L. 109-148).....	1,128	---	---	-1,128	---
Total.....	203,454	215,890	215,890	+12,436	---
Navy Reserve.....	67,110	52,136	52,136	-14,974	---
Emergency appropriations (P.L. 109-148).....	310,024	---	---	-310,024	---
Total.....	377,134	52,136	52,136	-324,998	---
Marine Corps Reserve.....	10,004	9,579	9,579	-425	---
Emergency appropriations (P.L. 109-148).....	1,094	---	---	-1,094	---
Total.....	11,098	9,579	9,579	-1,519	---
Air Force Reserve.....	49,860	59,849	59,849	+9,989	---
Emergency appropriations (P.L. 109-148).....	1,917	---	---	-1,917	---
Total.....	51,777	59,849	59,849	+8,072	---
Total, Facilities Sustainment, Restoration and Modernization.....	7,222,076	6,236,291	6,236,291	-985,785	---
Appropriations.....	(6,555,397)	(6,236,291)	(6,236,291)	(-319,106)	---
Emergency appropriations.....	(666,679)	---	---	(-666,679)	---
Environmental Restoration: 1/					
Army.....	403,786	413,794	413,794	+10,008	---
Navy.....	302,222	304,409	304,409	+2,187	---

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(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Air Force.....	402,396	423,871	423,871	+21,475	---
Defense-Wide.....	27,885	18,431	18,431	-9,454	---
Formerly used Defense sites.....	254,352	242,790	257,790	+3,438	+15,000
Total, Environmental Restoration.....	1,390,641	1,403,295	1,418,295	+27,654	+15,000
Defense Health Program: 1/					
Operation and maintenance.....	19,106,789	20,498,163	20,218,205	+1,111,416	-279,958
Rescission.....	---	---	-40,042	-40,042	-40,042
Emergency appropriations (P.L. 109-148).....	120,000	---	---	-120,000	---
Emergency appropriations (P.L. 109-148).....	172,958	---	---	-172,958	---
Total, Operation and maintenance.....	19,399,747	20,498,163	20,178,163	+778,416	-320,000
Procurement.....	375,328	396,355	402,855	+27,527	+6,500
Emergency appropriations (P.L. 109-148).....	28,592	---	---	-28,592	---
Total, Procurement.....	403,920	396,355	402,855	-1,065	+6,500
Research and development.....	536,883	130,603	444,103	-92,780	+313,500
Total, Defense Health Program.....	20,340,550	21,025,121	21,025,121	+684,571	---
Appropriations.....	(20,019,000)	(21,025,121)	(21,065,163)	(+1,046,163)	(+40,042)
Emergency appropriations.....	(321,550)	---	---	(-321,550)	---
Total, title I.....	55,434,167	58,893,731	58,068,481	+2,634,314	-825,250

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Appropriations.....	(53,269,852)	(58,893,731)	(58,368,984)	(+5,099,142)	(-524,737)
Emergency appropriations.....	(2,417,173)	---	---	(-2,417,173)	---
Rescissions.....	(-252,858)	---	(-300,513)	(-47,655)	(-300,513)

1/ Funding for these programs in fiscal year 2006 was included in the Department of Defense Appropriations Act, 2006. Amounts are shown here for comparison purposes.

TITLE II - DEPARTMENT OF VETERANS AFFAIRS

Veterans Benefits Administration

Compensation and pensions.....	33,897,787	38,007,095	38,007,095	+4,109,308	---
Readjustment benefits.....	3,309,234	3,262,006	3,262,006	-47,228	---
Veterans insurance and indemnities.....	45,907	49,850	49,850	+3,943	---
Veterans housing benefit program fund program account (indefinite).....	64,586	196,692	196,692	+132,106	---
(Limitation on direct loans).....	(500)	(500)	(500)	---	---
Credit subsidy.....	-112,000	-100,000	-100,000	+12,000	---
Administrative expenses.....	153,575	153,185	153,185	-390	---
Vocational rehabilitation loans program account.....	53	53	67	+14	+14
(Limitation on direct loans).....	(4,242)	(4,242)	(3,369)	(-873)	(-873)
Administrative expenses.....	305	305	305	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Native American veteran housing loan program account..					
(Limitation on direct loans).....	580	615	615	+35	---
	(30,000)	(30,000)	(30,000)	---	---
Total, Veterans Benefits Administration.....	37,360,027	41,569,801	41,569,815	+4,209,788	+14
	=====	=====	=====	=====	=====
Veterans Health Administration					
Medical services.....	21,322,141	25,512,000	25,412,000	+4,089,859	-100,000
Emergency appropriations.....	1,225,000	---	---	-1,225,000	---
Emergency appropriations (P.L. 109-148).....	198,265	---	---	-198,265	---
Emergency appropriations (P.L. 109-148).....	27,000	---	---	-27,000	---
	=====	=====	=====	=====	=====
Subtotal, Medical Services.....	22,772,406	25,512,000	25,412,000	+2,639,594	-100,000
Medical administration.....	2,858,442	3,177,000	3,277,000	+418,558	+100,000
Medical facilities.....	3,297,669	3,569,000	3,594,000	+296,331	+25,000
Medical and prosthetic research.....	412,000	399,000	412,000	---	+13,000
Medical care cost recovery collections:					
Offsetting collections.....	-2,170,000	-2,329,000	-2,329,000	-159,000	---
Appropriations (indefinite).....	2,170,000	2,329,000	2,329,000	+159,000	---
	=====	=====	=====	=====	=====
Total, Veterans Health Administration.....	29,340,517	32,657,000	32,695,000	+3,354,483	+38,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>Departmental Administration</b>					
General operating expenses.....	1,410,520	1,480,764	1,480,764	+70,244	---
Emergency appropriations (P.L. 109-148).....	24,871	---	---	-24,871	---
Information technology systems.....	1,213,820	1,257,000	1,302,330	+88,510	+45,330
National Cemetery Administration.....	156,447	160,733	160,733	+4,286	---
Emergency appropriations (P.L. 109-148).....	200	---	---	-200	---
Office of Inspector General.....	70,174	69,499	69,499	-675	---
Construction, major projects.....	607,100	399,000	283,670	-323,430	-115,330
Emergency appropriations (P.L. 109-148).....	367,500	---	---	-367,500	---
Construction, minor projects.....	198,937	198,000	210,000	+11,063	+12,000
Emergency appropriations (P.L. 109-148).....	1,800	---	---	-1,800	---
Grants for construction of State extended care facilities.....	85,000	85,000	105,000	+20,000	+20,000
Grants for the construction of State veterans cemeteries.....	32,000	32,000	32,000	---	---
Disaster Compensation for Veterans (Emergency) (P.L. 109-148).....	3,000	---	---	-3,000	---
<b>Total, Departmental Administration.....</b>	<b>4,171,369</b>	<b>3,681,996</b>	<b>3,643,996</b>	<b>-527,373</b>	<b>-38,000</b>
<b>Total, title II.....</b>					
Appropriations.....	70,871,913	77,908,797	77,908,811	+7,036,898	+14
Emergency appropriations.....	(69,024,277)	(77,908,797)	(77,908,811)	(+8,884,534)	(+14)
(Limitation on direct loans).....	(1,847,636)	---	---	(-1,847,636)	---
	(34,742)	(34,742)	(33,869)	(-873)	(-873)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Discretionary.....	33,666,399	36,493,154	36,493,168	+2,826,769	+14
Mandatory.....	37,205,514	41,415,643	41,415,643	+4,210,129	---
	=====	=====	=====	=====	=====
TITLE III - RELATED AGENCIES					
American Battle Monuments Commission					
Salaries and expenses.....	35,888	35,838	37,088	+1,200	+1,250
Foreign currency fluctuations account.....	15,098	4,900	4,900	-10,198	---
Total, American Battle Monuments Commission.....	50,986	40,738	41,988	-8,998	+1,250
U.S. Court of Appeals for Veterans Claims					
Salaries and expenses.....	18,607	19,790	19,790	+1,183	---
Department of Defense - Civil					
Cemeterial Expenses, Army					
Salaries and expenses.....	28,760	26,550	26,550	-2,210	---
Armed Forces Retirement Home					
Operation and maintenance.....	56,463	54,846	54,846	-1,617	---



COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Capital program.....					
Emergency appropriations (P.L. 109-148).....	1,236	---	---	-1,236	---
	65,800	---	---	-65,800	---
Total, Armed Forces Retirement Home.....	123,499	54,846	54,846	-68,653	---
	=====	=====	=====	=====	=====
Total, title III.....	221,852	141,924	143,174	-78,678	+1,250
Appropriations.....	(156,052)	(141,924)	(143,174)	(-12,878)	(+1,250)
Emergency appropriations.....	(65,800)	---	---	(-65,800)	---

TITLE IV - DEPARTMENT OF DEFENSE  
ADDITIONAL APPROPRIATIONS

Military Construction, Army (contingency operations)...	---	---	379,300	+379,300	+379,300
Military Construction, Navy and Marine Corps (contingency operations)...	---	---	26,037	+26,037	+26,037
Military Construction, Air Force (contingency operations).....	---	---	49,923	+49,923	+49,923
Military Construction, Defense-Wide (contingency operations).....	---	---	44,500	+44,500	+44,500
Military Construction, Army National Guard (contingency operations).....	---	---	5,530	+5,530	+5,530

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2006  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2007  
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Military Construction, Army Reserve (contingency operations).....	---	---	1,713	+1,713	+1,713
Total, Title IV.....	---	---	507,003	+507,003	+507,003
=====					
Grand total.....	126,527,932	136,944,452	136,120,466	+9,592,534	-823,986
Appropriations.....	(122,450,181)	(136,944,452)	(136,420,979)	(+13,970,798)	(-523,473)
Emergency appropriations.....	(4,330,609)	---	---	(-4,330,609)	---
Rescissions.....	(-252,858)	---	(-300,513)	(-47,655)	(-300,513)
=====					

Note: FY 2006 enacted figures for Title I and III  
reflect a 1% across the board cut (P.L. 109-148).  
Title II is exempt.

## ITEMS OF INTEREST

*Budget Justifications.*—The House Committee on Appropriations is committed to enactment of all appropriations bills prior to the start of the fiscal year. The Committee waited more than eight weeks after the release of the President's budget proposal to receive budget justifications for all the programs in this bill. This is unacceptable. For the Committee to adequately review the budget proposal and make informed decisions on the recommendations therein, justification material must arrive in a more timely manner. The Department of Defense is directed to submit detailed justification material to the Committee on the date the President's budget is released.

*Joint Incentives Program.*—The Committee is concerned about the large amount of carryover funding in the Departments of Defense and Veterans Affairs Joint Incentive Fund and held a hearing on the issue this year. While the Committee believes that many of the issues that have precluded the funding from being spent have been resolved, there is still a large amount of funding that remains unobligated. This program has been authorized for four years and as of January of this year, only a small percentage of the funds had been obligated to projects. The Committee does not disagree with the rationale for having such a fund, but is waiting to see tangible results before continuing to provide additional funding. The Committee has not agreed to increase funding for payments into the fund in fiscal year 2007 and, in the case of the Department of Defense, has rescinded \$15,042,000 in unobligated balances from the fund.

*Information Technology Data Sharing.*—The Committee is concerned about the progress being made in implementing medical record data sharing between the Department of Defense and the Department of Veterans Affairs and also held a hearing on this issue earlier this year. While improvements are being made, problems with data sharing are still being experienced at the local level. In addition, the Department of Veterans Affairs is considering a new system for storing and housing individual medical records data. The Committee feels strongly that the two Departments should, to the maximum extent possible, use identical software platforms, data standards, and data repositories to increase the viability of data sharing and reduce system development costs. The Departments should report to the Committee on their plans for going forward with data sharing systems and standards no later than December 15, 2006.

*Incremental Funding for Military Construction Projects.*—The Committee understands that the Office of Management and Budget (OMB) has altered Administration policy on incremental funding of military construction projects. The Committee understands that approval of incremental funding in the past has been based on the following criteria: (1) the estimated cost of the project must be at least \$50,000,000; (2) the construction schedule must be at least 24 months; (3) incrementally funded contracts must conform with Federal Acquisition Regulations; and (4) incremental funding will not significantly increase the cost of the project. The Committee further understands that OMB will now refuse to grant approval for incre-

mental funding except for those projects subjectively determined by OMB to have a "major national security impact."

It is the Committee's view that military construction projects should be fully funded or separated into stand-alone phases whenever practical. In some cases, however, incremental funding makes fiscal and programmatic sense, regardless of OMB's subjective judgments. While the appropriations for incrementally funded projects are spread across two or more fiscal years, the total cost must be authorized in the first year, which allows Congress to exercise oversight before committing to such projects. The Committee will continue to exercise its prerogative to recommend incremental funding where it is deemed appropriate, in accordance with authorizing legislation. The Committee has therefore recommended that two projects be incrementally funded: Hangar 5 Recapitalization, NAS Whidbey Island, Washington, under Military Construction, Navy and Marine Corps; and Clinic Replacement, MacDill AFB, under Military Construction, Defense-Wide.

*Facilities Sustainment, Restoration and Modernization (FSRM).*—The Department is directed to continue describing on form 1390 the backlog of FSRM requirements at installations with future construction projects. For troop housing requests, form 1391 should describe any FSRM conducted in the past two years. Likewise, future requirements for unaccompanied housing at the corresponding installation should be included. Additionally, the forms should include English equivalent measurements for projects presented in metric measurement. Rules for funding repairs of facilities under the Operation and Maintenance account are described below:

- (1) components of the facility may be repaired by replacement. Such replacement can be up to current standards or codes;
- (2) interior arrangements and restorations may be included as repair;
- (3) additions, new facilities, and functional conversions must be performed as military construction projects. Such projects may be done concurrently with repair projects as long as the final conjunctively funded project is a complete and usable facility; and
- (4) the appropriate service secretary shall notify the appropriate committees 21 days prior to carrying out any repair project with an estimated cost in excess of \$7,500,000.

The Committee notes that, when adjusted for supplemental appropriations, funding for facilities sustainment, restoration, and modernization (FSRM) across the Department of Defense will be reduced by \$319,106,000, or 4.9 percent from fiscal year 2006. The reduction for the active components and Defense agencies alone is 7.1 percent. The Committee believes that this decrease in funding does not result from a declining requirement, but rather from current fiscal pressures and the Department's historic unwillingness to fully fund FSRM in its request. The Committee notes that under the recommended account structure the Department will no longer have the option of reprogramming funds between FSRM and base operating support (which is also historically underfunded), as has been the usual practice. It is the Committee's intention to stop this

practice, and therefore the Committee urges the Department to begin budgeting up front for full funding of the FSRM requirement.

*Reprogramming Criteria.*—Reprogramming requests are required for military construction and family housing projects when the increase equals or exceeds 25 percent of the appropriated amount or \$2,000,000, whichever is less.

*Impact of 2005 BRAC Round and Global Rebasing on Local Schools.*—The Committee is deeply concerned by the impact that the 2005 Base Realignment and Closure process, as well as global rebasing, could have on school districts near recipient installations. The Committee urges the Department of Defense to be as proactive as possible in assisting local communities with planning for growth in school enrollment due to increases in personnel with children. The Department must share, to the greatest extent possible, information concerning the schedule of BRAC and global rebasing actions, as well as demographic data and housing plans. The Committee intends to monitor the Department's actions in this regard.

*Basic Allowance for Housing Rate Calculations.*—The Committee is concerned that the annual process for determining basic allowance for housing (BAH) rates is too cumbersome to keep pace with a dynamic family housing market, leading to shortfalls in the year of execution that must be made up either with additional appropriations or funds from other accounts. This concern will grow as the number of government-owned family housing units decreases and more servicemembers move into privatized housing. The Committee believes that the BAH rate-setting process should be part of the 10th Quadrennial Review of Military Compensation now underway. The Committee also directs the Department of Defense to provide a report on the execution of each BAH appropriation recommended in this bill for the five most recent fiscal years for which data is available. The report shall include for each year and appropriation the budget request, appropriated amount (including supplemental appropriations), and the actual executed amount. The report shall also note legislative and policy initiatives affecting any differences between the budget request and executed amount in each year. This report shall be submitted no later than September 1, 2006.

## TITLE I

### DEPARTMENT OF DEFENSE

#### MILITARY CONSTRUCTION, ARMY

##### (INCLUDING RESCISSIONS OF FUNDS)

Fiscal year 2006 enacted level .....	\$1,737,761,000
Fiscal year 2007 budget request .....	2,059,762,000
Committee recommendation in the bill (including rescissions) .....	1,712,950,000
Comparison with:	
Fiscal year 2006 enacted level .....	(24,811,000)
Fiscal year 2007 budget request .....	(346,812,000)

The Committee recommends an appropriation of \$1,756,298,000 and a rescission of \$43,348,000 for Military Construction, Army, for fiscal year 2007. In addition, the Committee recommends an appropriation of \$379,300,000 in Title IV for projects supporting contingency operations related to the global war on terrorism. Together

this is an increase of \$354,489,000 above the fiscal year 2006 enacted level and an increase of \$32,488,000 above the budget request. The Committee recommends rescissions from previous appropriations to the account due to bid savings as follows:

Public Law/location	Project title	Recommended
PL 109–114 (FY 2006):		
Korea: Camp Humphreys .....	Barracks Complex (PN 058248) .....	(11,898,000)
Korea: Camp Humphreys .....	Barracks Complex (PN 058354) .....	(17,044,000)
Korea: Camp Humphreys .....	Barracks Complex (PN 058398) .....	(14,406,000)
Total .....	.....	(43,348,000)

*Arizona—Yuma Proving Ground: Special Operations Free Fall Simulator Facility.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$365,000 be made available for the design of this project.

*Georgia—Fort Benning: Combat Pistol Qualification Course.* Of the funds provided for minor construction in this account, the Committee directs that not less than \$930,000 be made available for this project.

*Utah—Dugway Proving Ground: Community Dining Facility.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$243,000 be made available for the design of this project.

*Virginia—Fort Belvoir: Sensitive Compartmented Information Facility.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$1,260,000 be made available for the design of this project.

*Reducing Overhead for Army Military Construction Projects.* The Committee is aware that cooperative efforts with the U.S. Army Corps of Engineers are underway to reduce design and overhead costs on military construction projects. The Committee understands that the increased use of standard designs and changes in Supervision, Inspection and Overhead (SIOH) practices will allow the Army to reduce the cost of projects. The Committee supports and encourages these efforts, and directs the Army to provide a status report on these efforts by October 2, 2006.

#### MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

##### (INCLUDING RESCISSIONS OF FUNDS)

Fiscal year 2006 enacted level .....	\$1,386,752,000
Fiscal year 2007 budget request .....	1,162,038,000
Committee recommendation in the bill (including rescissions) .....	1,155,834,000
Comparison with:	
Fiscal year 2006 enacted level .....	(230,918,000)
Fiscal year 2007 budget request .....	(6,204,000)

The Committee recommends an appropriation of \$1,193,834,000 and rescissions of \$38,000,000 for Military Construction, Navy and Marine Corps, for fiscal year 2007. In addition, the Committee recommends an appropriation of \$26,037,000 in Title IV for projects supporting contingency operations related to the global war on terrorism. Together this is a decrease of \$204,881,000 below the fiscal year 2006 enacted level and an increase of \$19,833,000 above the budget request. When adjusted for supplemental funding, the recommendation is an increase of \$86,338,000 above the fiscal year

2006 enacted level. The Committee recommends rescissions from previous appropriations to the account due to cancelled or delayed projects as follows:

Public Law/location	Project title	Recommended
PL 108–132 (FY 2004)		
Italy: La Maddalena .....	Consolidate Santo Stefano Facilities .....	(30,000,000)
PL 108–324 (FY 2005)		
NC: OLF Washington County .....	OLF Land Acquisition (Phase I) .....	(8,000,000)
Total .....		(38,000,000)

*Pennsylvania—Philadelphia: Full Scale Electric Test Drive Facility.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$945,000 be made available for the design of this project.

*North Carolina: Outlying Landing Field.* The Committee expects the Navy to comply with the requirements of federal law and relevant court decisions regarding the completion of a supplemental environmental impact statement (SEIS) for the Outlying Landing Field (OLF) in North Carolina. The Committee further directs that, no later than 30 days after completion of the draft SEIS, the Navy submit a report to the Committee detailing how the SEIS addresses the deficiencies in the initial EIS as identified by the relevant court decisions. That report shall also include the Navy's explanation of how it has complied with the Committee's previous direction to "fully reconsider alternative sites in cooperation with the State of North Carolina."

## MILITARY CONSTRUCTION, AIR FORCE

(INCLUDING RESCISSIONS OF FUNDS)

Fiscal year 2006 enacted level .....	\$1,299,157,000
Fiscal year 2007 budget request .....	1,156,148,000
Committee recommendation in the bill (including rescissions) .....	1,184,856,000
Comparison with:	
Fiscal year 2006 enacted level .....	(114,301,000)
Fiscal year 2007 budget request .....	28,708,000

The Committee recommends an appropriation of \$1,187,550,000 and a rescission of \$2,694,000 for Military Construction, Air Force, for fiscal year 2007. In addition, the Committee recommends an appropriation of \$49,923,000 in Title IV for projects supporting contingency operations related to the global war on terrorism. Together this is a decrease of \$64,378,000 below the fiscal year 2006 enacted level and an increase of \$78,631,000 above the budget request. When adjusted for supplemental funding, the recommendation is a decrease of \$11,766,000 below the fiscal year 2006 enacted level. The Committee recommends rescissions from previous appropriations to the account due to bid savings and a cancelled project as follows:

Public Law/location	Project title	Recommended
PL 108–324 (FY 2005):		
MD: Andrews AFB .....	ASA Munitions Storage Igloos .....	(1,100,000)
Italy: Aviano AB .....	Flight Simulator Facility .....	(1,594,000)
Total .....		(2,694,000)

*California—Travis AFB: C-17 and C-5 Squadron Operations and Aircraft Generation Squadron Facility.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$1,134,000 be made available for the design of this project.

*Georgia—Robins AFB: Software Support Facility.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$1,935,000 be made available for the design of this project.

*Idaho—Mountain Home AFB: Logistics Readiness Center.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$1,530,000 be made available for the design of this project.

*New Mexico—Kirtland AFB: Parajumper/Combat Rescue Officers Rescue Recovery Training Center.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$1,026,000 be made available for the design of this project.

*North Dakota—Grand Forks AFB: Fire Station.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$1,071,000 be made available for the design of this project.

*Ohio—Wright-Patterson AFB: Information Technology Complex, Phase 1.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$2,070,000 be made available for the design of this project.

*Energy Conservation.*—In previous years, the Committee encouraged the Navy to expand opportunities for the use of advanced photovoltaic technology such as triple junction amorphous silicon photovoltaic roofing in military construction projects. The Committee believes that many Air Force projects would also benefit from a similar emphasis on renewable energy technology. The Committee directs the Air Force to provide a report on plans and opportunities to include photovoltaic capability in Military Construction projects no later than January 15, 2007.

#### MILITARY CONSTRUCTION, DEFENSE-WIDE

##### (INCLUDING RESCISSIONS OF FUNDS)

Fiscal year 2006 enacted level .....	\$1,023,766,000
Fiscal year 2007 budget request .....	1,208,198,000
Committee recommendation in the bill (including rescissions) .....	997,377,000
Comparison with:	
Fiscal year 2006 enacted level .....	(26,389,000)
Fiscal year 2007 budget request .....	(210,821,000)

The Committee recommends an appropriation of \$1,107,606,000 and rescissions of \$110,229,000 for Military Construction, Defense-Wide, for fiscal year 2007. In addition, the Committee recommends an appropriation of \$44,500,000 in Title IV for projects supporting contingency operations related to the global war on terrorism. Together this is an increase of \$63,111,000 above the fiscal year 2006 enacted level and a decrease of \$166,321,000 below the budget request. When adjusted for supplemental funding, the recommendation is \$63,111,000 above the fiscal year 2006 enacted level. Within this appropriation is \$55,000,000 for the Energy Conservation Im-



provement Program, an increase of \$5,000,000 above the fiscal year 2006 level and a decrease of \$5,000,000 below the budget request. The Committee recommends rescissions from previous appropriations to the account due to bid savings and projects cancelled as a result of the 2005 base realignment and closure process. The rescissions are as follows:

Public Law/location	Project title	Recommended
PL 108–132 (FY 2004):		
DC: Walter Reed AMC .....	Hospital Energy Plant Addition .....	(9,000,000)
PL 108–324 (FY 2005):		
VA: Fort Belvoir .....	Hospital Replacement, Phase I .....	(43,000,000)
PL 109–114 (FY 2006):		
VA: Fort Belvoir .....	Alter Air Intakes .....	(1,900,000)
VA: Fort Belvoir .....	Hospital Replacement, Phase II .....	(56,329,000)
Subtotal, PL 109–114 .....		(58,229,000)
Total .....		(110,229,000)

*Florida: MacDill AFB—Clinic Replacement.* The Committee recommends incremental funding of this project. The Committee understands that this project was originally programmed by the Department of Defense as an incrementally funded project. After the Office of Management and Budget denied the Department's request for incremental funding (see earlier in this report), the project was reprogrammed as two phases: the Clinic Replacement in fiscal year 2007, with a follow-on Pharmacare addition in fiscal year 2008. Programming the project as two separate phases increases overhead costs, as the two phases will have to be done under separate contracts. Furthermore, since the Pharmacare phase will not be awarded until fiscal year 2008, the overall cost of the complete facility may actually increase due to inflation. The Committee believes that the entire project, including the Pharmacare addition, should be done as a single project under one contract, which will both control costs and ensure that the facility will be completed in a timely manner as an integrated whole.

#### MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

Fiscal year 2006 enacted level .....	\$892,219,000
Fiscal year 2007 budget request .....	473,197,000
Committee recommendation in the bill .....	512,873,000
Comparison with:	
Fiscal year 2006 enacted level .....	(379,346,000)
Fiscal year 2007 budget request .....	39,676,000

The Committee recommends an appropriation of \$512,873,000 for Military Construction, Army National Guard, for fiscal year 2007. In addition, the Committee recommends an appropriation of \$5,530,000 in Title IV for projects supporting contingency operations related to the global war on terrorism. Together this is a decrease of \$373,816,000 below the fiscal year 2006 enacted level and an increase of \$45,206,000 above the budget request. When adjusted for supplemental funding, the recommendation is \$484,000 above the fiscal year 2006 enacted level.

*New York—Camp Smith: Combined Support Maintenance Shop.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$1,031,000 be made available for the design of this project.

*Oregon—Salem: Readiness Center Addition/Alteration.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$749,000 be made available for the design of this project.

*North Carolina—Raleigh: Armed Forces Reserve Center (Joint Headquarters).* The Committee has previously noted the importance of this project, which is currently programmed for fiscal year 2010 in the current Future Years Defense Plan (FYDP). The Committee recommends that the Army National Guard accelerate the programming of this project to fiscal year 2008, and directs the Guard to submit a status report on the planning and design for this project by December 1, 2006.

#### MILITARY CONSTRUCTION, AIR NATIONAL GUARD

Fiscal year 2006 enacted level .....	\$334,256,000
Fiscal year 2007 budget request .....	125,788,000
Committee recommendation in the bill .....	207,088,000
Comparison with:	
Fiscal year 2006 enacted level .....	(127,168,000)
Fiscal year 2007 budget request .....	81,300,000

The Committee recommends an appropriation of \$207,088,000 for Military Construction, Air National Guard, for fiscal year 2007. This is a decrease of \$127,168,000 below the fiscal year 2006 enacted level and an increase of \$81,300,000 above the budget request. When adjusted for supplemental funding, the recommendation is \$92,168,000 below the fiscal year 2006 enacted level.

*New York—Gabreski ANGB: Replace Pararescue Complex.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$502,000 be made available for the design of this project.

*South Carolina—McEntire JRB: Wing Operations and Training Complex.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$1,000,000 be made available for the design of this project.

*Tennessee—McGhee-Tyson ANGB: Squadron Operations Facility/Relocate Main Gate.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$1,000,000 be made available for the design of this project.

#### MILITARY CONSTRUCTION, ARMY RESERVE

Fiscal year 2006 enacted level .....	\$151,043,000
Fiscal year 2007 budget request .....	166,487,000
Committee recommendation in the bill .....	167,774,000
Comparison with:	
Fiscal year 2006 enacted level .....	16,731,000
Fiscal year 2007 budget request .....	1,287,000

The Committee recommends an appropriation of \$167,774,000 for Military Construction, Army Reserve, for fiscal year 2007. In addition, the Committee recommends an appropriation of \$1,713,000 in Title IV for projects supporting contingency operations related to the global war on terrorism. Together this is an increase of \$18,444,000 above the fiscal year 2006 enacted level and an increase of \$3,000,000 above the budget request.

*California—Camp Parks: Combat Support Training Center Range Control Facility.* Of the funds provided for planning and de-

sign in this account, the Committee directs that not less than \$252,000 be made available for the design of this project.

*New York—Mattydale: Syracuse Armed Forces Reserve Center/Organizational Maintenance Shop/Area Maintenance Support Activity/Unheated Storage.* Of the funds provided for planning and design in this account, the Committee directs that not less than \$2,414,000 be made available for the design of this project.

#### MILITARY CONSTRUCTION, NAVY RESERVE

Fiscal year 2006 enacted level .....	\$149,967,000
Fiscal year 2007 budget request .....	48,408,000
Committee recommendation in the bill .....	55,158,000
Comparison with:	
Fiscal year 2006 enacted level .....	(94,809,000)
Fiscal year 2007 budget request .....	6,750,000

The Committee recommends an appropriation of \$55,158,000 for Military Construction, Navy Reserve, for fiscal year 2007. This is a decrease of \$94,809,000 below the fiscal year 2006 enacted level and an increase of \$6,750,000 above the budget request. When adjusted for supplemental funding, the recommendation is \$25,323,000 above the fiscal year 2006 enacted level.

#### MILITARY CONSTRUCTION, AIR FORCE RESERVE

Fiscal year 2006 enacted level .....	\$91,009,000
Fiscal year 2007 budget request .....	44,936,000
Committee recommendation in the bill .....	56,836,000
Comparison with:	
Fiscal year 2006 enacted level .....	(34,173,000)
Fiscal year 2007 budget request .....	11,900,000

The Committee recommends an appropriation of \$56,836,000 for Military Construction, Air Force Reserve, for fiscal year 2007. This is a decrease of \$34,173,000 below the fiscal year 2006 enacted level and an increase of \$11,900,000 above the budget request.

#### NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Fiscal year 2006 enacted level .....	\$174,789,000
Fiscal year 2007 budget request .....	220,985,000
Committee recommendation in the bill .....	200,985,000
Comparison with:	
Fiscal year 2006 enacted level .....	26,196,000
Fiscal year 2007 budget request .....	(20,000,000)

NSIP consists of annual contributions by NATO member countries. The program finances the costs of construction needed to support the roles of the major NATO commands. The investments cover facilities such as airfields, fuel pipelines and storage, harbors, communications and information systems, radar and navigational aids, and military headquarters.

The Committee recommends an appropriation of \$200,985,000 for the North Atlantic Treaty Organization Security Investment Program (NSIP) for fiscal year 2007. This is an increase of \$26,196,000 above the fiscal year 2006 enacted level and \$20,000,000 below the budget request. The Committee believes the exchange rate between the dollar and the euro will produce savings. The Committee expects projects will be prioritized with the highest priority given to NATO on-going missions such as those in Iraq and Afghanistan.

Occasionally, the U.S. has been forced to delay temporarily the authorization of projects due to shortfalls in U.S. obligation authority. The Committee directs the Secretary of Defense to notify the Committee 30 days prior to taking such action.

#### FAMILY HOUSING OVERVIEW

(INCLUDING RESCISSIONS OF FUNDS)

Fiscal year 2006 enacted level .....	\$4,438,332,000
Fiscal year 2007 budget request .....	4,084,040,000
Committee recommendation in the bill (including rescissions) .....	3,989,353,000
Comparison with:	
Fiscal year 2006 enacted level .....	(448,979,000)
Fiscal year 2007 budget request .....	(94,687,000)

Family housing construction accounts provide funds for new construction, construction improvements, the Federal government costs for family housing privatization projects, and planning and design. The operation and maintenance accounts provide funds to pay for maintenance and repair, furnishings, management, services, utilities, leasing, interest, mortgage insurance, and miscellaneous expenses.

The Committee recommends a total appropriation of \$4,055,553,000 and rescissions of \$66,200,000 for the family housing construction and operation and maintenance accounts for fiscal year 2007. This is a decrease of \$448,979,000 below the fiscal year 2006 enacted level and a decrease of \$94,687,000 below the budget request. When adjusted for supplemental funding, the recommendation is \$11,094,000 above the fiscal year 2006 enacted level.

*Family Housing Privatization Progress Reports.*—The Committee directs the Department of Defense to continue submitting semi-annual progress reports on the family housing privatization program as directed by House Report 109–95.

*Foreign Currency Savings.*—The Committee directs that savings from foreign currency re-estimates be used to maintain existing family housing units. The Comptroller is directed to report to the Committee on how these savings are allocated by December 1, 2006. Likewise, only 10 percent of funds made available to the construction and operation and maintenance sub-accounts may be transferred between the sub-accounts. Such transfers must be reported to the Committee within 30 days of such action.

*Leasing Reporting Requirement.*—The Secretary of Defense is directed to report to the Committee quarterly on the details of all new or renewed domestic leases entered into during the previous quarter that exceed \$20,000 per unit per year, including certification that less expensive housing was not available for lease. For foreign leases, the Department is directed to: (1) perform an economic analysis on all new leases or lease/contract agreements where more than 25 units are involved; (2) report the details of new or renewed lease agreements that exceed \$30,000 per unit per year 21 days prior to entering into such an agreement; and (3) base leasing decisions on the economic analysis.

*Reprogramming Criteria.*—The reprogramming criteria that apply to military construction projects (25 percent of the funded amount or \$2,000,000, whichever is less) apply to new housing con-

struction projects and improvement projects over \$2,000,000 as well.

#### FAMILY HOUSING CONSTRUCTION, ARMY

Fiscal year 2006 enacted level .....	\$528,140,000
Fiscal year 2007 budget request .....	594,991,000
Committee recommendation in the bill .....	578,791,000
Comparison with:	
Fiscal year 2006 enacted level .....	50,651,000
Fiscal year 2007 budget request .....	(16,200,000)

The Committee recommends an appropriation of \$578,791,000 for Family Housing Construction, Army, for fiscal year 2007. This is an increase of \$50,651,000 above the fiscal year 2006 enacted level and a decrease of \$16,200,000 below the budget request. The reduction from the request is taken from family housing improvements construction for general officers quarters at Fort McNair. The appropriation includes \$241,800,000 to construct new family housing units, \$320,659,000 to improve existing units, and \$16,332,000 for planning and design. This funding level supports the elimination of 9,925 inadequate family housing units.

#### FAMILY HOUSING OPERATION AND MAINTENANCE, ARMY

Fiscal year 2006 enacted level .....	\$795,953,000
Fiscal year 2007 budget request .....	676,829,000
Committee recommendation in the bill .....	674,657,000
Comparison with:	
Fiscal year 2006 enacted level .....	(121,296,000)
Fiscal year 2007 budget request .....	(2,172,000)

The Committee recommends an appropriation of \$674,657,000 for Family Housing Operation and Maintenance, Army, for fiscal year 2007. This is a decrease of \$121,296,000 below the fiscal year 2006 enacted level and a decrease of \$2,172,000 below the budget request for repair of general officers quarters in Stuttgart, Germany.

#### FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE CORPS

Fiscal year 2006 enacted level .....	\$302,918,000
Fiscal year 2007 budget request .....	305,071,000
Committee recommendation in the bill .....	308,956,000
Comparison with:	
Fiscal year 2006 enacted level .....	6,038,000
Fiscal year 2007 budget request .....	3,885,000

The Committee recommends an appropriation of \$308,956,000 for Family Housing Construction, Navy and Marine Corps, for fiscal year 2007. This is an increase of \$6,038,000 above the fiscal year 2006 enacted level and an increase of \$3,885,000 above the budget request. When adjusted for supplemental funding, the recommendation is \$92,203,000 above the fiscal year 2006 enacted level. The appropriation includes \$126,025,000 to construct new family housing units, \$180,146,000 to improve existing units, and \$2,785,000 for planning and design. This funding level supports the elimination of 7,811 inadequate family housing units.

*California—Twentynine Palms: Install Air Conditioning—Vista Del Sol, Phase 1.* Of the funds provided for construction improvements in this account, the Committee directs that no less than \$3,700,000 be made available for this project.

FAMILY HOUSING OPERATION AND MAINTENANCE, NAVY AND  
MARINE CORPS

Fiscal year 2006 enacted level .....	\$631,662,000
Fiscal year 2007 budget request .....	509,126,000
Committee recommendation in the bill .....	509,126,000
Comparison with:	
Fiscal year 2006 enacted level .....	(122,536,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$509,126,000 for Family Housing Operation and Maintenance, Navy and Marine Corps, for fiscal year 2007. This is a decrease of \$122,536,000 below the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$73,647,000 below the fiscal year 2006 enacted level.

FAMILY HOUSING CONSTRUCTION, AIR FORCE

(INCLUDING RESCISSIONS OF FUNDS)

Fiscal year 2006 enacted level .....	\$1,324,968,000
Fiscal year 2007 budget request .....	1,183,138,000
Committee recommendation in the bill (including rescissions) .....	1,102,938,000
Comparison with:	
Fiscal year 2006 enacted level .....	(222,030,000)
Fiscal year 2007 budget request .....	(80,200,000)

The Committee recommends an appropriation of \$1,169,138,000 and rescissions of \$66,200,000 for Family Housing Construction, Air Force, for fiscal year 2007. This is a decrease of \$222,030,000 below the fiscal year 2006 enacted level and a decrease of \$80,200,000 below the budget request. When adjusted for supplemental funding, the recommendation is \$55,970,000 above the fiscal year 2006 enacted level. The recommendation includes a reduction from the request for an Air Force programming error. The appropriation includes \$752,159,000 to construct new family housing units, \$403,777,000 to improve existing units, and \$13,202,000 for planning and design. This funding level supports the elimination of 17,457 inadequate family housing units.

The Committee recommends rescissions from previous appropriations to the account. The Committee believes that these funds are not required to execute any currently scheduled family housing projects. The Committee notes that the Air Force frequently reprograms funds within the Family Housing Construction account. In order to allow the Air Force to maintain this flexibility, the Committee recommends general rescissions as follows: –\$23,400,000 from P.L. 108–324 (fiscal year 2005), and –\$42,800,000 from P.L. 109–114 (fiscal year 2006).

FAMILY HOUSING OPERATION AND MAINTENANCE, AIR FORCE

Fiscal year 2006 enacted level .....	\$806,289,000
Fiscal year 2007 budget request .....	755,071,000
Committee recommendation in the bill .....	755,071,000
Comparison with:	
Fiscal year 2006 enacted level .....	(51,218,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$755,071,000 for Family Housing Operation and Maintenance, Air Force, for fiscal

year 2007. This is a decrease of \$51,218,000 below the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$4,199,000 below the fiscal year 2006 enacted level.

#### FAMILY HOUSING CONSTRUCTION, DEFENSE-WIDE

Fiscal year 2006 enacted level .....	
Fiscal year 2007 budget request .....	\$8,808,000
Committee recommendation in the bill .....	8,808,000
Comparison with:	
Fiscal year 2006 enacted level .....	8,808,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$8,808,000 for Family Housing Construction, Defense-Wide, for fiscal year 2007. This is an increase of \$8,808,000 above the fiscal year 2006 enacted level and the same as the budget request.

#### FAMILY HOUSING OPERATION AND MAINTENANCE, DEFENSE-WIDE

Fiscal year 2006 enacted level .....	\$45,927,000
Fiscal year 2007 budget request .....	48,506,000
Committee recommendation in the bill .....	48,506,000
Comparison with:	
Fiscal year 2006 enacted level .....	2,579,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$48,506,000 for Family Housing Operation and Maintenance, Defense-Wide, for fiscal year 2007. This is an increase of \$2,579,000 above the fiscal year 2006 enacted level and the same as the budget request.

#### DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND

Fiscal year 2006 enacted level .....	\$2,475,000
Fiscal year 2007 budget request .....	2,500,000
Committee recommendation in the bill .....	2,500,000
Comparison with:	
Fiscal year 2006 enacted level .....	25,000
Fiscal year 2007 budget request .....	

The FHIF is authorized by section 2883, title 10, United States Code, and provides the Department of Defense with authority to finance joint ventures with the private sector to revitalize and to manage the Department's housing inventory. The statute authorizes the Department to use limited partnerships, make direct and guaranteed loans, and convey Department-owned property to stimulate the private sector to increase the availability of affordable, quality housing for military personnel.

The FHIF is used to build or renovate family housing by mixing or matching various legal authorities, and by utilizing private capital and expertise to the maximum extent possible. The fund is administered as a single account without fiscal year limitations and contains appropriated and transferred funds from family housing construction accounts.

The Committee recommends an appropriation of \$2,500,000 for the Department of Defense Family Housing Improvement Fund (FHIF) for fiscal year 2007. This is an increase of \$25,000 above the fiscal year 2006 enacted level and the same as the budget request.

## CHEMICAL DEMILITARIZATION CONSTRUCTION, DEFENSE-WIDE

Fiscal year 2006 enacted level .....	
Fiscal year 2007 budget request .....	\$130,993,000
Committee recommendation in the bill .....	90,993,000
Comparison with:	
Fiscal year 2006 enacted level .....	90,993,000
Fiscal year 2007 budget request .....	(40,000,000)

The Chemical Demilitarization Construction, Defense-Wide account provides funds for the design and construction of full-scale chemical disposal facilities and associated projects to upgrade installation support facilities and infrastructures required to support the Chemical Demilitarization program.

The Committee recommends an appropriation of \$90,993,000 for Chemical Demilitarization Construction, Defense-Wide, for fiscal year 2007. This is an increase of \$90,993,000 above the fiscal year 2006 enacted level and a decrease of \$40,000,000 below the budget request.

The Committee commends the Department for requesting funds for the Chemical Demilitarization program and is committed to the United States treaty obligations in this area. However, the Committee notes that there are currently sufficient funds to continue planning activities and begin construction in fiscal year 2007. Additionally, the Committee is awaiting the revised program baseline decisions that are due later this year. Therefore, the Committee has reduced the recommended funding level by \$40,000,000.

## BASE REALIGNMENT AND CLOSURE ACCOUNT 1990

Fiscal year 2006 enacted level .....	\$252,279,000
Fiscal year 2007 budget request .....	191,220,000
Committee recommendation in the bill .....	216,220,000
Comparison with:	
Fiscal year 2006 enacted level .....	(36,059,000)
Fiscal year 2007 budget request .....	25,000,000

The Committee recommends an appropriation of \$216,220,000 for the Base Realignment and Closure Account 1990 for fiscal year 2007. This is a decrease of \$36,059,000 below the fiscal year 2006 enacted level and an increase of \$25,000,000 above the budget request to accelerate cleanup at closed installations. The Committee is aware that there is a backlog of remaining requirements, particularly for cleanup of unexploded ordnance, for closed installations dating back to the 1988 BRAC round. The Committee is concerned by the slow pace of progress in remediating these properties and directs the Department of Defense to make funding for previous BRAC rounds a higher priority.

## BASE REALIGNMENT AND CLOSURE ACCOUNT 2005

Fiscal year 2006 enacted level .....	\$1,489,421,000
Fiscal year 2007 budget request .....	5,626,223,000
Committee recommendation in the bill .....	5,309,876,000
Comparison with:	
Fiscal year 2006 enacted level .....	3,820,455,000
Fiscal year 2007 budget request .....	(316,347,000)

The Committee recommends an appropriation of \$5,309,876,000 for the Base Realignment and Closure Account 2005 for fiscal year 2007. This is an increase of \$3,820,455,000 above the fiscal year



2006 enacted level and a decrease of \$316,347,000 below the budget request.

#### BASIC ALLOWANCE FOR HOUSING, ARMY

Fiscal year 2006 enacted level .....	\$3,880,723,000
Fiscal year 2007 budget request .....	3,687,905,000
Committee recommendation in the bill .....	3,687,905,000
Comparison with:	
Fiscal year 2006 enacted level .....	(192,818,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$3,687,905,000 for Basic Allowance for Housing, Army for fiscal year 2007. This is a decrease of \$192,818,000 below the fiscal year 2006 enacted level and the same as the budget request.

#### BASIC ALLOWANCE FOR HOUSING, NAVY

Fiscal year 2006 enacted level .....	\$3,511,570,000
Fiscal year 2007 budget request .....	4,135,061,000
Committee recommendation in the bill .....	4,135,061,000
Comparison with:	
Fiscal year 2006 enacted level .....	623,491,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$4,135,061,000 for Basic Allowance for Housing, Navy for fiscal year 2007. This is an increase of \$623,491,000 above the fiscal year 2006 enacted level and the same as the budget request.

#### BASIC ALLOWANCE FOR HOUSING, MARINE CORPS

Fiscal year 2006 enacted level .....	\$1,166,686,000
Fiscal year 2007 budget request .....	1,350,921,000
Committee recommendation in the bill .....	1,350,921,000
Comparison with:	
Fiscal year 2006 enacted level .....	184,235,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$1,350,921,000 for Basic Allowance for Housing, Marine Corps for fiscal year 2007. This is an increase of \$184,235,000 above the fiscal year 2006 enacted level and the same as the budget request.

#### BASIC ALLOWANCE FOR HOUSING, AIR FORCE

Fiscal year 2006 enacted level .....	\$3,168,599,000
Fiscal year 2007 budget request .....	2,934,327,000
Committee recommendation in the bill .....	2,934,327,000
Comparison with:	
Fiscal year 2006 enacted level .....	(234,272,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$2,934,327,000 for Basic Allowance for Housing, Air Force for fiscal year 2007. This is a decrease of \$234,272,000 below the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$227,746,000 below the fiscal year 2006 enacted level.

## BASIC ALLOWANCE FOR HOUSING, ARMY NATIONAL GUARD

Fiscal year 2006 enacted level .....	\$477,113,000
Fiscal year 2007 budget request .....	469,109,000
Committee recommendation in the bill .....	469,109,000
Comparison with:	
Fiscal year 2006 enacted level .....	(8,004,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$469,109,000 for Basic Allowance for Housing, Army National Guard for fiscal year 2007. This is a decrease of \$8,004,000 below the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$24,290,000 above the fiscal year 2006 enacted level.

## BASIC ALLOWANCE FOR HOUSING, AIR NATIONAL GUARD

Fiscal year 2006 enacted level .....	\$248,685,000
Fiscal year 2007 budget request .....	277,533,000
Committee recommendation in the bill .....	277,533,000
Comparison with:	
Fiscal year 2006 enacted level .....	28,848,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$277,533,000 for Basic Allowance for Housing, Air National Guard for fiscal year 2007. This is an increase of \$28,848,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$39,137,000 above the fiscal year 2006 enacted level.

## BASIC ALLOWANCE FOR HOUSING, ARMY RESERVE

Fiscal year 2006 enacted level .....	\$307,003,000
Fiscal year 2007 budget request .....	347,607,000
Committee recommendation in the bill .....	347,607,000
Comparison with:	
Fiscal year 2006 enacted level .....	40,604,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$347,607,000 for Basic Allowance for Housing, Army Reserve for fiscal year 2007. This is an increase of \$40,604,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$40,965,000 above the fiscal year 2006 enacted level.

## BASIC ALLOWANCE FOR HOUSING, NAVY RESERVE

Fiscal year 2006 enacted level .....	\$190,194,000
Fiscal year 2007 budget request .....	208,838,000
Committee recommendation in the bill .....	208,838,000
Comparison with:	
Fiscal year 2006 enacted level .....	18,644,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$208,838,000 for Basic Allowance for Housing, Navy Reserve for fiscal year 2007. This is an increase of \$18,644,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$19,697,000 above the fiscal year 2006 enacted level.

## BASIC ALLOWANCE FOR HOUSING, MARINE CORPS RESERVE

Fiscal year 2006 enacted level .....	\$40,134,000
Fiscal year 2007 budget request .....	43,082,000
Committee recommendation in the bill .....	43,082,000
Comparison with:	
Fiscal year 2006 enacted level .....	2,948,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$43,082,000 for Basic Allowance for Housing, Marine Corps Reserve for fiscal year 2007. This is an increase of \$2,948,000 above the fiscal year 2006 enacted level and the same as the budget request.

## BASIC ALLOWANCE FOR HOUSING, AIR FORCE RESERVE

Fiscal year 2006 enacted level .....	\$69,442,000
Fiscal year 2007 budget request .....	76,218,000
Committee recommendation in the bill .....	76,218,000
Comparison with:	
Fiscal year 2006 enacted level .....	6,776,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$76,218,000 for Basic Allowance for Housing, Air Force Reserve for fiscal year 2007. This is an increase of \$6,776,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$6,861,000 above the fiscal year 2006 enacted level.

## FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION, ARMY

Fiscal year 2006 enacted level .....	\$1,832,607,000
Fiscal year 2007 budget request .....	1,810,774,000
Committee recommendation in the bill .....	1,810,774,000
Comparison with:	
Fiscal year 2006 enacted level .....	(21,833,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$1,810,774,000 for facilities sustainment, restoration and modernization, Army for fiscal year 2007. This is a decrease of \$21,833,000 below the fiscal year 2006 enacted level and the same as the budget request.

## FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION, NAVY

Fiscal year 2006 enacted level .....	\$1,547,020,000
Fiscal year 2007 budget request .....	1,201,313,000
Committee recommendation in the bill .....	1,201,313,000
Comparison with:	
Fiscal year 2006 enacted level .....	(345,707,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$1,201,313,000 for Facilities Sustainment, Restoration and Modernization, Navy for fiscal year 2007. This is a decrease of \$345,707,000 below the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$130,208,000 below the fiscal year 2006 enacted level.

FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION,  
MARINE CORPS

Fiscal year 2006 enacted level .....	\$548,420,000
Fiscal year 2007 budget request .....	473,141,000
Committee recommendation in the bill .....	473,141,000
Comparison with:	
Fiscal year 2006 enacted level .....	(75,279,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$473,141,000 for Facilities Sustainment, Restoration and Modernization, Marine Corps for fiscal year 2007. This is a decrease of \$75,279,000 below the fiscal year 2006 enacted level and the same as the budget request.

FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION, AIR  
FORCE

Fiscal year 2006 enacted level .....	\$1,896,251,000
Fiscal year 2007 budget request .....	1,684,019,000
Committee recommendation in the bill .....	1,684,019,000
Comparison with:	
Fiscal year 2006 enacted level .....	(212,232,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$1,684,019,000 for Facilities Sustainment, Restoration and Modernization, Air Force for fiscal year 2007. This is a decrease of \$212,232,000 below the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$143,227,000 below the fiscal year 2006 enacted level.

FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION,  
DEFENSE-WIDE

Fiscal year 2006 enacted level .....	\$120,969,000
Fiscal year 2007 budget request .....	86,386,000
Committee recommendation in the bill .....	86,386,000
Comparison with:	
Fiscal year 2006 enacted level .....	(34,583,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$86,386,000 for Facilities Sustainment, Restoration and Modernization, Defense-Wide for fiscal year 2007. This is a decrease of \$34,583,000 below the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$29,345,000 below the fiscal year 2006 enacted level.

FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION, ARMY  
NATIONAL GUARD

Fiscal year 2006 enacted level .....	\$441,796,000
Fiscal year 2007 budget request .....	387,882,000
Committee recommendation in the bill .....	387,882,000
Comparison with:	
Fiscal year 2006 enacted level .....	(53,914,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$387,882,000 for Facilities Sustainment, Restoration and Modernization, Army National Guard for fiscal year 2007. This is a decrease of \$53,914,000 below the fiscal year 2006 enacted level and the same as the budg-

et request. When adjusted for supplemental funding, the recommendation is \$4,697,000 below the fiscal year 2006 enacted level.

FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION, AIR  
NATIONAL GUARD

Fiscal year 2006 enacted level .....	\$191,550,000
Fiscal year 2007 budget request .....	255,322,000
Committee recommendation in the bill .....	255,322,000
Comparison with:	
Fiscal year 2006 enacted level .....	63,772,000
Fiscal year 2007 budget request .....	.....

The Committee recommends an appropriation of \$255,322,000 for Facilities Sustainment, Restoration and Modernization, Air National Guard for fiscal year 2007. This is an increase of \$63,772,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$77,329,000 above the fiscal year 2006 enacted level.

FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION, ARMY  
RESERVE

Fiscal year 2006 enacted level .....	\$203,454,000
Fiscal year 2007 budget request .....	215,890,000
Committee recommendation in the bill .....	215,890,000
Comparison with:	
Fiscal year 2006 enacted level .....	12,436,000
Fiscal year 2007 budget request .....	.....

The Committee recommends an appropriation of \$215,890,000 for Facilities Sustainment, Restoration and Modernization, Army Reserve for fiscal year 2007. This is an increase of \$12,436,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$13,564,000 above the fiscal year 2006 enacted level.

FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION, NAVY  
RESERVE

Fiscal year 2006 enacted level .....	\$377,134,000
Fiscal year 2007 budget request .....	52,136,000
Committee recommendation in the bill .....	52,136,000
Comparison with:	
Fiscal year 2006 enacted level .....	(324,998,000)
Fiscal year 2007 budget request .....	.....

The Committee recommends an appropriation of \$52,136,000 for Facilities Sustainment, Restoration and Modernization, Navy Reserve for fiscal year 2007. This is a decrease of \$324,998,000 below the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$14,974,000 below the fiscal year 2006 enacted level.

FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION,  
MARINE CORPS RESERVE

Fiscal year 2006 enacted level .....	\$11,098,000
Fiscal year 2007 budget request .....	9,579,000
Committee recommendation in the bill .....	9,579,000
Comparison with:	
Fiscal year 2006 enacted level .....	(1,519,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$9,579,000 for Facilities Sustainment, Restoration and Modernization, Marine Corps Reserve for fiscal year 2007. This is a decrease of \$1,519,000 below the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$425,000 below the fiscal year 2006 enacted level.

FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION, AIR  
FORCE RESERVE

Fiscal year 2006 enacted level .....	\$51,777,000
Fiscal year 2007 budget request .....	59,849,000
Committee recommendation in the bill .....	59,849,000
Comparison with:	
Fiscal year 2006 enacted level .....	8,072,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$59,849,000 for Facilities Sustainment, Restoration and Modernization, Air Force Reserve for fiscal year 2007. This is an increase of \$8,072,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$9,989,000 above the fiscal year 2006 enacted level.

ENVIRONMENTAL RESTORATION, ARMY

Fiscal year 2006 enacted level .....	\$403,786,000
Fiscal year 2007 budget request .....	413,794,000
Committee recommendation in the bill .....	413,794,000
Comparison with:	
Fiscal year 2006 enacted level .....	10,008,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$413,794,000 for Environmental Restoration, Army for fiscal year 2007. This is an increase of \$10,008,000 above the fiscal year 2006 enacted level and the same as the budget request.

ENVIRONMENTAL RESTORATION, NAVY

Fiscal year 2006 enacted level .....	\$302,222,000
Fiscal year 2007 budget request .....	304,409,000
Committee recommendation in the bill .....	304,409,000
Comparison with:	
Fiscal year 2006 enacted level .....	2,187,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$304,409,000 for Environmental Restoration, Navy for fiscal year 2007. This is an increase of \$2,187,000 above the fiscal year 2006 enacted level and the same as the budget request.

## ENVIRONMENTAL RESTORATION, AIR FORCE

Fiscal year 2006 enacted level .....	\$402,396,000
Fiscal year 2007 budget request .....	423,871,000
Committee recommendation in the bill .....	423,871,000
Comparison with:	
Fiscal year 2006 enacted level .....	21,475,000
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$423,871,000 for Environmental Restoration, Air Force for fiscal year 2007. This is an increase of \$21,475,000 above the fiscal year 2006 enacted level and the same as the budget request.

## ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

Fiscal year 2006 enacted level .....	\$27,885,000
Fiscal year 2007 budget request .....	18,431,000
Committee recommendation in the bill .....	18,431,000
Comparison with:	
Fiscal year 2006 enacted level .....	(9,454,000)
Fiscal year 2007 budget request .....	

The Committee recommends an appropriation of \$18,431,000 for Environmental Restoration, Defense-Wide for fiscal year 2007. This is a decrease of \$9,454,000 below the fiscal year 2006 enacted level and the same as the budget request.

## ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES

Fiscal year 2006 enacted level .....	\$254,352,000
Fiscal year 2007 budget request .....	242,790,000
Committee recommendation in the bill .....	257,790,000
Comparison with:	
Fiscal year 2006 enacted level .....	3,438,000
Fiscal year 2007 budget request .....	15,000,000

The Committee recommends an appropriation of \$257,790,000 for Environmental Restoration, Formerly Used Defense Sites for fiscal year 2007. This is an increase of \$3,438,000 above the fiscal year 2006 enacted level and an increase of \$15,000,000 above the budget request.

The Committee understands that this is a large, nationwide issue and urges the Department to increase funding levels in future years.

## DEFENSE HEALTH PROGRAM

## (INCLUDING RESCISSIONS OF FUNDS)

Fiscal year 2006 enacted level .....	\$20,340,550,000
Fiscal year 2007 budget request .....	21,025,121,000
Committee recommendation in the bill (including rescissions) .....	21,025,121,000
Comparison with:	
Fiscal year 2006 enacted level .....	684,571,000
Fiscal year 2007 budget request .....	

The DHP appropriation provides for worldwide medical and dental services to active forces and other eligible beneficiaries, veterinary services, medical command headquarters, specialized services for the training of medical personnel, and occupational and industrial health care. The budget request for normal peacetime funding sustains the Military Health System (MHS) to ensure the nation has available at all times a healthy force supported by a combat

ready health care system and to provide cost effective, quality healthcare. The program provides medical care for 9.2 million beneficiaries through a worldwide network of over 500 military hospitals and health clinics, and the Department of Defense's extensive private sector health care partners.

The Committee recommends a total appropriation of \$21,025,121,000 for the Defense Health Program (DHP) for fiscal year 2007. This is an increase of \$684,571,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$1,006,121,000 above the fiscal year 2006 enacted level.

*Mental Health.*—The Committee is very concerned about the mental health and wellness of troops returning from conflicts overseas. The full impact of the emotional toll that combat takes from our troops may not be fully realized for years into the future. The Committee believes that mental health and wellness need to be integrated into all aspects of military training, combat and support and that care cannot stop when the soldier returns home from the battlefield. The Department of Defense should be commended for the work it is doing and the improvements that have been made in the mental health area, but more needs to be done. The primary reason for soldiers failing to seek treatment for mental health issues is the stigma associated with seeking help. The Committee feels that the military needs to begin to integrate mandatory mental health services and counseling into the daily activities of soldiers and has included a \$25,000,000 increase in funds for this purpose. By making these programs a mandatory part of a soldier's tour of duty, the stigma associated with seeking care is eliminated. The Committee directs the Department of Defense to use the increased funds to initiate programs that make mental health screening and counseling a mandatory part of the operating procedures of soldiers in battle. The Department of Defense should report to the Committee on the use of these funds and an assessment of future funding requirements for this initiative by December 15, 2006. Further, the Committee directs the Department to continue to work with the Department of Veterans Affairs to study mental health issues, particularly Post Traumatic Stress Disorder (PTSD). The Committee has included Post Traumatic Stress Disorder as a disease available for study under the Peer-Reviewed Medical Research Fund in the Research, Development, Test, and Evaluation section of this appropriation and encourages increased research in this area.

*Sustaining the Benefit.*—The goal of the Committee is to ensure that the absolute highest quality health care is available to military personnel, retirees, and their families.

The Defense Health Program, like the rest of the Nation, is facing the challenges of rising health care costs. This issue is not new. In addition to health care inflation, the program is experiencing an increase in the number of beneficiaries, increased beneficiary demand, and military transformation all of which are placing greater demands on the system. However, the Department of Defense has had existing authority to increase some fees and co-pays and has failed to use this authority to make modest annual fee adjustments over time. The result of this is that we are now faced with large



fee increases for beneficiaries and an extreme funding deficit if fee increases are not enacted.

The budget request assumes a number of legislative changes that have not been adopted by the Congress. The proposal to increase co-pays and enrollment fees to combat the rise in health care costs is a legislative proposal that is being considered by the Authorization Committees of the House and Senate. Additionally, the proposal to provide federal contract prices for drugs at TRICARE retail outlets has not yet been transmitted to Congress for consideration. The Committee cannot responsibly address the funding implications of these proposals until these legislative issues are resolved. The Committee will continue to monitor the progress of these proposals throughout the appropriations process.

*Military Health System Office of Transformation.*—The Committee supports the establishment of the Office of Transformation for the Military Health System, but feels that this office should be working closely in conjunction with the Department of Veterans Affairs on issues that affect service men and women, specifically, seamless transition and co-location of facilities. The Committee directs the Department to report on the extent to which the Department of Veterans Affairs is integrated into the Office of Transformation by December 15, 2006.

*Unified Medical Command.*—The Committee understands that there has been some interest in creating a unified medical command structure to direct the management of health care services in the Department of Defense. The Committee directs the Department of Defense to report on the feasibility of this option and the potential costs savings associated with this command structure by December 15, 2006.

*Madigan Army Medical Trauma Center.*—The Committee is aware of the critical needs at Madigan Army Medical Trauma Center and expects the Department of Defense to continue to support the needs of this facility at or above the fiscal year 2006 funding level.

*Avian Influenza.*—The Committee is concerned about increased cases of avian influenza around the globe and the potential for pandemic influenza outbreak. Troops typically share close living quarters and work in situations where the spread of a virus could potentially impact overall troop readiness. The Committee understands that the Department is currently conducting basic research on avian influenza, but is unclear on what steps are being taken to protect active troop levels if there is an outbreak. The Committee directs the Department of Defense to report on its plans to protect troop readiness during an avian influenza outbreak scenario by December 15, 2006.

*Fort Drum Regional Health Planning Organization.*—The Committee fully supports the Fort Drum Regional Health Planning Organization pilot project, authorized in last year's Defense Authorization bill. The Committee believes that innovative options for addressing health care needs in military communities need to be investigated, particularly as military transformation and the base realignment and closure process move forward. The Committee directs the Department of Defense to provide \$400,000 for this pilot project and report on its progress by December 15, 2006.

*Armed Forces Institute of Pathology.*—The Committee is aware that the Department is considering a realignment of the Armed Forces Institute of Pathology (AFIP), and that one option is the relocation of AFIP components to the Uniformed Services University of the Health Sciences. The Committee remains strongly committed to maintaining the AFIP Tissue Repository within the Department of Defense. The Tissue Repository is recognized for its tremendous national value, housing over a quarter of the nation's tissue that is available for cancer and drug research. Therefore, the Department is directed to report to the Committee on its plans for AFIP including plans to maintain the Tissue Repository, pathology consultations, training and education functions by November 1, 2006.

*Unobligated Balances.*—The Committee is concerned with the amount of unobligated balances that are annually turned back to the Treasury. While the Committee understands the need to finalize remaining contracts and obligations, the amount of funds being canceled and returned to the Treasury is unacceptable. The Committee believes that the Department of Defense should be fiscally responsible in its budgeting of the Defense Health Program and should make annual adjustments to the budget activity groups based on prior year execution. The Committee does not agree with the proposal to increase the amount of funds that can be carried into the next fiscal year to three percent, and based upon the concerns stated above, has reduced that percentage to one percent. The Committee directs the Department to report on its plan to reduce the amount of funding returned to the Treasury by December 15, 2006.

*Special Items of Interest.*—Programs or activities for which additional funds have been provided above the budget request are to be considered as congressional interest items for the purpose of the Base for Reprogramming Form (DD 1414). Therefore, each of these items must be submitted to the Committee on the DD 1414 at the stated amount. These items remain special interest items whether or not they are repeated in a subsequent conference report.

*Reprogramming Procedures.*—The Committee has included language in the bill, similar to last year, to limit the funds available for Private Sector Care under the TRICARE program and make transfers above this limit subject to prior approval reprogramming procedures. This language should not be interpreted by the Department as limiting the amount of funds that may be transferred to the direct care system from other budget activities within the Defense Health Program.

#### OPERATION AND MAINTENANCE

Fiscal year 2006 enacted level .....	\$19,399,747,000
Fiscal year 2007 budget request .....	20,498,163,000
Committee recommendation in the bill .....	20,178,163,000
Comparison with:	
Fiscal year 2006 enacted level .....	778,416,000
Fiscal year 2007 budget request .....	(320,000,000)

The Committee recommends an appropriation of \$20,178,163,000 for operation and maintenance for fiscal year 2007. This is an increase of \$778,416,000 above the fiscal year 2006 enacted level and a decrease of \$320,000,000 below the budget request. When adjusted for supplemental funding, the recommendation is

\$1,071,374,000 above the fiscal year 2006 enacted level. The Committee's recommendations are as follows:

[In thousands of dollars]

Activity	Budget request	Committee recommendation
Operations and Maintenance .....	20,249,163	20,178,163
In-House Care .....	5,592,799	5,513,899
Mental Health Initiative .....		25,000
Pharmacy Reduction .....		— 48,000
Reversal of DOD/VA Joint Incentives Fund Payment .....		— 15,858
Unobligated Balances—Joint Incentive Fund .....		— 15,042
Unobligated Balances—Operations and Maintenance .....		— 25,000
Private Sector Care .....	10,638,784	10,638,784
Consolidated Health Care Support .....	1,219,873	1,219,873
Information Management .....	904,899	912,799
Integrated Clinical Systems Collaboration .....		1,500
Medical Records Digital Conversion at Bethesda and Walter Reed .....		1,000
Interactive Internet at Bethesda .....		1,900
Trauma Registry and Research Database .....		3,500
Management Activities .....	237,388	237,388
Education and Training .....	460,082	460,082
Base Operations/Communications .....	1,195,338	1,195,338

*Mental Health Funding.*—The Committee, as stated previously, has included an increase of \$25,000,000 to begin to integrate mandatory mental health services and counseling into the standard operating procedures for soldiers.

*Pharmacy Reduction in Direct Care.*—The Committee remains concerned that the current execution rate for pharmaceuticals does not justify the requested increase in funding. The Committee therefore reduces the amount provided for In-House Care by \$48,000,000.

*TRICARE Mail Order Pharmacy.*—The Committee believes that the Defense Health Program could realize additional savings by increased use of the mail-order pharmacy option. In previous years, the Committee asked the Defense Health Program to increase the use of this option for beneficiaries through marketing and education. This has had little effect. The Committee believes that the Defense Health Program should investigate the option of making the mail order pharmacy mandatory, to the maximum extent possible, for beneficiaries using long-term maintenance pharmaceuticals. The Department should report to the Committee on its plans to do this by December 15, 2006.

*Joint Incentive Fund.*—The Committee is concerned about the large amount of carryover funding in the Departments of Defense and Veterans Affairs Joint Incentive Fund and held a hearing on the issue this year. While the Committee believes that many of the issues that have precluded the funding from being spent have been resolved, there is still a large amount of funding that remains unallocated after four years of authorization. The Committee does not agree to the proposed increase of \$15,858,000 for payment into the fund for fiscal year 2007. In addition, the Committee has rescinded \$15,042,000 from unobligated balances in the Joint Incentive Fund.

*Unobligated Balances.*—The Committee has rescinded \$25,000,000 in unobligated operation and maintenance funding and has shifted this funding to the mental health initiative described above.

*Information Technology.*—The Committee has included funding in the Information Technology account to continue and complete several ongoing projects. Funds are included to continue the Integrated Systems Collaboration Project in North Carolina, continue digital conversion of medical records at Bethesda and Walter Reed, establish interactive internet capabilities for wounded soldiers at Bethesda Naval Hospital, and to complete the Trauma Registry and Research Database.

The Committee fully supports the requested increase of \$4,644,000 for the Defense Medical Logistics Standard Support (DMLSS) and Blood Standard Support.

*Carryover Funds.*—The Committee does not agree to proposed bill language that increases the amount of funding available for carryover into the next fiscal year to three percent, and because of the amount of funding being cancelled and returned to the Treasury every year, has reduced this carryover percentage to one percent.

#### PROCUREMENT

Fiscal year 2006 enacted level .....	\$403,920,000
Fiscal year 2007 budget request .....	396,355,000
Committee recommendation in the bill .....	402,855,000
Comparison with:	
Fiscal year 2006 enacted level .....	(1,065,000)
Fiscal year 2007 budget request .....	6,500,000

The Committee recommends an appropriation of \$402,855,000 for procurement for fiscal year 2007. This is a decrease of \$1,065,000 below the fiscal year 2006 enacted level and an increase of \$6,500,000 above the budget request. When adjusted for supplemental funding, the recommendation is \$27,527,000 above the fiscal year 2006 enacted level. The Committee's recommendation is as follows:

[In thousands of dollars]

Activity	Budget request	Committee recommendation
Procurement .....	396,355	402,855
Protected Health Information Initiative .....		3,000
Air Force Surgeon General Server Consolidation Initiative .....		3,500

The Committee has included funding to continue the protected health information initiative and the Air Force general server consolidation program. The Committee believes that in future years, these programs should be integrated into an overall Defense-Wide plan for upgrading and consolidating information technology hardware and developing data standards. The Committee directs the Department to report back to the Committee on its plan for upgrading, replacement, and consolidation of information technology hardware by March 1, 2007.

*Procurement of Information Technology Systems.*—The Committee is concerned with the increased number of requests it receives for procuring information technology systems for the Defense Health Program. Many of these requests are for geographically localized systems to improve information sharing with the Department of Veterans Affairs, consolidating and upgrading hardware,

software packages for reviewing and auditing data, geographic information system tools, and assorted other information technology issues. While many of these requests represent worthy products, implementing multiple systems in multiple locations could ultimately lead to more problems with system interoperability rather than fewer problems. The Committee directs the Department to include a detailed report on its information technology needs in future budget submissions. The Committee will be reluctant to fund projects that are geographically localized or cannot be implemented Defense-Wide in the future.

#### RESEARCH AND DEVELOPMENT

Fiscal year 2006 enacted level .....	\$536,883,000
Fiscal year 2007 budget request .....	130,603,000
Committee recommendation in the bill .....	444,103,000
Comparison with:	
Fiscal year 2006 enacted level .....	(92,780,000)
Fiscal year 2007 budget request .....	313,500,000

The Committee recommends an appropriation of \$444,103,000 for research and development for fiscal year 2007. This is a decrease of \$92,780,000 below the fiscal year 2006 enacted level and an increase of \$313,500,000 above the budget request. The Committee's recommendation is as follows:

[In thousands of dollars]

Activity	Budget request	Committee recommendation
Research, Development, Testing and Evaluation .....	130,603	444,103
Peer Reviewed Breast Cancer Research Program .....		115,000
Peer Reviewed Ovarian Cancer Research .....		15,000
Peer Reviewed Prostate Cancer Research Program .....		80,000
Peer Reviewed Medical Research Program .....		45,000
Advanced Military Wound Healing and Treatment .....		1,900
Amyotrophic Lateral Sclerosis (ALS) .....		2,000
Bethesda Hospital Emergency Preparedness Partnership .....		5,000
Biomolecular Materials Composites Research Program .....		1,000
Copper Antimicrobial Research Program .....		2,000
DOD Global HIV/AIDS Prevention Program .....		7,000
Downed Pilot Forward Osmosis Water Filtration System .....		2,500
Early Diagnosis, Treatment and Care of Cancer Patients .....		2,500
Leukemia Research (CMLRP) .....		5,000
Medical Surveillance Technology—Clinical Looking Glass .....		2,100
Metabolic Defense Research Program .....		2,500
Microencapsulation and Vaccine Delivery Research .....		3,000
Muscle Research Consortium .....		3,500
Periscopic Surgery Research .....		2,500
Post Traumatic Stress Disorder Center at Phoebe Putney Medical Center .....		2,000
Stress Disorder Research Initiative at Fort Hood .....		3,500
Tuberous Sclerosis Complex (TSC) .....		5,000
United States Military Cancer Care Institute at WRAMC .....		2,500
Water-Related Viral Disease Countermeasures for Air Force Medical Service .....		3,000

*Peer Reviewed Cancer Research.*—The Committee has provided \$210,000,000 for Peer Reviewed Cancer Research for Breast, Ovarian, and Prostate Cancers.

*Peer Reviewed Medical Research Program.*—The Committee has provided \$45,000,000 for the Peer Reviewed Medical Research Program. The Committee recommends the following issues as candidates for research: autism, chronic epilepsy, tissue transplant technology, duchenne and limb girdle muscular dystrophy,

hemastasis and thrombosis, immunology research, manganese research, obesity and nutritional factors in military health, polycystic kidney disease, prader-willi syndrome, pulmonary hypertension, post traumatic stress disorder, lupus, and eye and vision research.

The Committee has included post traumatic stress disorder in this fund and encourages increased research in this area. Much more research needs to be initiated to determine the most effective treatment methods for this disorder as more troops return from operations in Iraq and Afghanistan.

#### ADMINISTRATIVE PROVISIONS

The Administration proposed eliminating several administrative provisions enacted in the Military Construction, Military Quality of Life and Veterans Affairs Appropriations Act, 2006 (P.L. 109–114), including sections 111, 113, 118, 121, 122, 125, 126, 128, 129, and 130.

The Administration proposed eliminating three general provisions enacted in the Department of Defense Appropriations Act, 2006 (P.L. 109–148), including sections 8049, 8051, and 8085(b).

The Administration proposed one new administrative provision to allow for the transfer of expired funds to the “Foreign Currency Fluctuations, Construction, Defense” account.

The bill includes 34 provisions that were included in the fiscal year 2006 appropriations bill and one new provision proposed by the Administration. The administrative provisions included in the bill are as follows:

Section 101 prohibits the use of funds for payments under a cost-plus-a-fixed-fee contract for construction where cost estimates exceed \$25,000. An exception for Alaska is provided.

Section 102 permits the hire of passenger motor vehicles.

Section 103 permits funds to be expended on the construction of defense access roads under certain circumstances.

Section 104 prohibits construction of new bases in the United States without a specific appropriation.

Section 105 limits the use of funds for the purchase of land or land easements that exceed 100 percent of value except under certain conditions.

Section 106 prohibits the use of funds to acquire land, prepare sites, or install utilities for family housing except housing for which funds have been appropriated.

Section 107 limits the use of minor construction funds to be transferred or relocated from one installation to another.

Section 108 prohibits the procurement of steel unless American producers, fabricators, and manufacturers have been allowed to compete.

Section 109 prohibits the use of funds to pay real property taxes in foreign nations.

Section 110 prohibits the use of funds to initiate a new installation overseas without prior notification.

Section 111 establishes a preference for American architectural and engineering services where the services are in Japan, NATO member countries, and countries bordering the Arabian Gulf.

Section 112 establishes a preference for American contractors for military construction in the United States territories and possessions in the Pacific and on Kwajalein Atoll, or in countries bor-

dering the Arabian Gulf, except bids by Marshallese contractors for military construction on Kwajalein Atoll.

Section 113 requires the Secretary of Defense to give prior notice to Congress of military exercises where construction costs, either temporary or permanent, exceed \$100,000.

Section 114 limits obligations to no more than 20 percent during the last two months of the fiscal year.

Section 115 allows funds appropriated in prior years to be used for new projects authorized during the current session of Congress.

Section 116 allows the use of expired or lapsed funds to pay the cost of supervision for any project being completed with lapsed funds.

Section 117 provides that funds for military construction projects are available until the end of the fourth fiscal year following the fiscal year in which funds are appropriated, subject to certain conditions.

Section 118 requires the Secretary of Defense to report annually on actions taken during the current fiscal year to encourage other member nations of the NATO, Japan, Korea, and United States allies bordering the Arabian Gulf to assume a greater share of defense costs.

Section 119 allows for the transfer of proceeds from "Base Realignment and Closure Account, Part I" to the continuing Base Realignment and Closure accounts.

Section 120 allows for the transfer of funds from Family Housing, Construction accounts to the Department of Defense Family Housing Improvement Fund.

Section 121 prohibits the obligation of funds for Partnership for Peace Programs in the New Independent States of the former Soviet Union.

Section 122 requires the Secretary of Defense to notify Congressional Committees sixty days prior to issuing a solicitation for a contract with the private sector for military family housing.

Section 123 provides transfer authority to the Homeowners Assistance Program.

Section 124 requires that funds in this title be the sole source of all operation and maintenance for flag and general officer quarter houses, except at military service academies, and limits the repair on these quarters to \$35,000 per year without notification.

Section 125 prohibits funds appropriated for the NATO Security Investment Program from being obligated or expended for the purpose of missile defense studies.

Section 126 requires the Secretary of Defense or any other official of the Department of Defense to respond in writing to a question or inquiry submitted by the chairman or another member of the subcommittee within 21 days.

Section 127 makes funds in the Ford Island Improvement Fund available until expended.

Section 128 prohibits the use of funds for military construction, family housing, or land acquisition projects at installations closed or realigned under BRAC, except under certain conditions.

Section 129 allows the transfer of expired funds to the "Foreign Currency Fluctuations, Construction, Defense" account.

Section 130 prohibits the reimbursement of any health care provider for inpatient mental health services for care received when a

patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred, except under certain conditions.

Section 131 allows the distribution of surplus medical and dental equipment, at no cost to the Department of Defense, to Indian Health Service facilities and to federally qualified health centers.

Section 132 allows the Secretary of Defense to adjust wage rates for civilian employees hired for certain health care occupations.

Section 133 limits the amount of environmental remediation funds that can be obligated under indefinite delivery/indefinite quantity contracts with a total contract value of \$130,000,000 or higher.

Section 134 allows for the transportation of medical supplies and equipment to American Samoa and the Indian Health Service under certain conditions.

Section 135 allows the Secretary of Defense to exercise the provisions of section 7403(g) of title 38, United States Code.

## TITLE II

### DEPARTMENT OF VETERANS AFFAIRS

Fiscal year 2006 enacted level <sup>1</sup> .....	\$70,871,913,000
Fiscal year 2007 budget request .....	77,908,797,000
Committee recommendation in the bill .....	77,908,797,000
Comparison with:	
Fiscal year 2006 enacted level .....	7,036,884,000
Fiscal year 2007 budget request .....	.....

<sup>1</sup>Includes impact of 0.8% rescission totaling \$246,828,040 pursuant to Public Law 108-447 and additional funding of \$124,070,000 pursuant to Public Law 108-324, the Military Construction Appropriations and Emergency Hurricane Supplemental Appropriations Act, 2005.  
All funding cited above excludes amounts in the Medical Care Collections Fund.

The Department of Veterans Affairs is one of the largest Federal agencies in terms of employment with an average employment of approximately 223,327. It administers benefits for more than 24,600,000 veterans, and 37,840,000 family members of living veterans and survivors of deceased veterans. Thus, close to 64,400,000 people, comprising about 21 percent of the total population of the United States, are potential recipients of veterans benefits provided by the Federal government.

The Committee recommends a total of \$77,908,797,000 in new budget authority for programs in fiscal year 2007. This is an increase of \$7,036,884,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for supplemental funding, the recommendation is \$8,884,520,000 above the fiscal year 2006 enacted level.

The funds recommended provide compensation payments to 3,215,492 veterans and survivors of deceased veterans with service-connected disabilities; pension payments to 519,809 non-service-connected disabled veterans, widows and children in need of financial assistance; education training, tuition assistance, and vocational assistance to 589,478 veterans, service members, and reservists, and 83,235 eligible dependents of deceased veterans or seriously disabled veterans; housing credit assistance in the form of 230,000 guaranteed loans to veterans and servicepersons; administration or supervision of life insurance programs with 7,270,907 policies for veterans and active duty servicepersons providing cov-



erage of \$1,100,182,000,000; inpatient care and treatment of beneficiaries in 156 hospitals, 43 Department of Veterans Affairs domiciliary residential rehabilitation treatment programs (formerly called “domiciliaries”), 135 nursing homes, and 935 outpatient clinics which includes independent, satellite, community-based, and rural outreach clinics involving 61,555,000 visits; and administration of the National Cemetery Administration for burial of eligible veterans, servicepersons and their survivors.

*Joint Research Initiatives.*—The Committee understands that the Department has been involved in discussions with the Israeli Ministry of Defense regarding a number of research issues including Post Traumatic Stress Disorder, virtual reality rehabilitation for motor recovery and ambulatory training for veterans with prosthetic limbs, and robotic rehabilitation trials for the neurologically impaired and for veterans with missing limbs. The Committee is supportive of continued discussions regarding the possibility of developing a working group composed of the Veterans Health Administration, the Israeli Ministry of Defense, clinicians, and researchers that would guide collaborative research in these areas.

Not later than March 1, 2007, the Secretary shall submit to the Committees on Appropriations of both Houses of Congress a report that describes: (1) the ways in which the Department of Veterans Affairs and Israel have cooperated on Post Traumatic Stress Disorder, virtual reality rehabilitation for motor recovery and ambulatory training for veterans with prosthetic limbs, and robotic rehabilitation trials for the neurologically impaired and for veterans with missing limbs; (2) projects initiated; and (3) plans for future cooperation and joint projects.

*Veterans’ Transportation Services.*—The Committee is concerned that veterans’ transportation services are largely uncoordinated with the existing community and public transportation network and are heavily reliant upon a pool of volunteer services and drivers that has dwindled in many areas as fuel and insurance costs have soared. The current system is inefficient and in some cases veterans find themselves isolated from the vital health care they need. Further, studies have shown that veterans who need health care transportation, particularly those with long-term health care needs, are also likely to need transportation solutions to work, to shop, to socialize, and to otherwise enjoy a high quality of life. The Department spends about \$170,000,000 annually on various transportation services for veterans, but has no uniform or consistent approach to their mobility needs. Some facilities work with local volunteers, others with available transit services, some provide no transportation at all. The lack of coordination of transportation services at the headquarters level has led to inconsistent and inefficient mobility for many veterans. Furthermore, the Department does not appear to have a way to communicate with hospitals, clinics, and Veterans Service Organizations on best practices in non-emergency transportation and the most cost efficient ways to get veterans, in both cities and rural areas, to hospitals and clinics.

The Committee directs the Department to develop a program of coordination, information sharing, and technical assistance for veterans’ transportation. In developing such a program, the Committee recommends that the Department consult with organizations, such as the Community Transportation Association of Amer-

ica (CTAA), which have expertise in transit program design and development and provides technical assistance to transit systems and community and human services transportation providers.

*Fort Ord Cemetery.*—The Committee notes the success of the military housing Residential Communities Initiatives as a public/private partnership. The Committee encourages the Department of Veterans Affairs to work with the Fort Ord Reuse Authority in Monterey, California to develop a pilot program to demonstrate the cost effectiveness of using public/private partnerships in establishing a state veterans cemetery at Fort Ord.

*Centers of Excellence.*—The Committee recommendation for Medical Services includes an additional \$400,000,000 for mental health programs, when compared to the fiscal year 2006 program as adjusted for inflation. Within this amount, the Committee directs the Department to ensure adequate resources are dedicated to establishing and supporting the three Centers of Excellence established by Public Law 109-114.

*Veterans Centers.*—The Committee has repeatedly noted its concerns regarding the Department's efforts to detect and treat increasing incidents of Post Traumatic Stress Disorder among returning soldiers. A recent Army report found that more than one in three soldiers and Marines who returned from service in Iraq later sought help for mental health problems. This data indicates a clear need to improve the mental health services we provide to our nation's service men and women. At the forefront of the Department's efforts to ensure that the needs of returning soldiers and their families are met are the Veterans Centers. Specifically, the Veterans Centers provide outreach and psychological counseling, war-related counseling, and marital and family counseling, in addition to many other services. An important step in addressing this need is to ensure adequate Veterans Centers are located throughout the nation, including rural areas, to ensure that veterans do not fall through the cracks. The Committee directs the Department to report to the Committees on Appropriations of both Houses of Congress on the plans for expanding the network of Veterans Centers over the next five years, with a particular emphasis on rural centers. The report shall be submitted no later than November 10, 2006.

*Design-Build Project Delivery.*—The Committee notes that the Department has used the design-build project delivery method in the past and believes the Department should expand its use in order to expedite construction projects. In addition, the Committee understands that current Department regulations preclude the option of design-build when the Department provides grants and loans for capital projects. Since current Federal regulations allow the design-build process to be used for federal projects, the Committee feels the option should be available for grant-funded projects. Therefore, the Committee directs the Department to study this issue and report by March 1, 2007 on options for revising its regulations.

*Disability Determinations.*—The Committee is concerned about the length of time it takes the Department to determine eligibility for disability compensation, in particular those cases that may take three years or longer. The Committee directs the Department to report, within 30 days of enactment, on the number of cases which

take three years or longer for a final determination, and to report on those cases where the beneficiary is a retired military person.

## VETERANS BENEFITS ADMINISTRATION

### COMPENSATION AND PENSIONS

#### (INCLUDING TRANSFER OF FUNDS)

Fiscal year 2006 enacted level .....	\$33,897,787,000
Fiscal year 2007 budget request .....	38,007,095,000
Committee recommendation in the bill .....	38,007,095,000
Comparison with:	
Fiscal year 2006 enacted level .....	4,109,308,000
Fiscal year 2007 budget request .....	

This appropriation provides funds for service-connected compensation payments to an estimated 3,215,492 beneficiaries and pension payments to another 519,809 beneficiaries with non-service-connected disabilities. The average cost per compensation case in 2007 is estimated at \$10,600, and pension payments are projected at a unit cost of \$6,811.

The Committee recommends an appropriation of \$38,007,095,000 for compensation, pension and burial benefits for fiscal year 2007. This is an increase of \$4,109,308,000 above the fiscal year 2006 enacted level and the same as the budget request.

The appropriation includes funding not to exceed \$28,112,000 of which \$13,536,000 is for the general operating expenses account and \$14,576,000 is for the medical administration account for the administrative expenses of implementing cost saving provisions required by the Omnibus Budget Reconciliation Act of 1990, Public Law 101–508, the Veterans’ Benefits Act of 1992, Public Law 102–568, and the Veterans’ Benefits Improvements Act of 1994, Public Law 103–446. These cost savings provisions include verifying pension income against Internal Revenue Service and Social Security Administration (SSA) data; establishing a match with the SSA to obtain verification of Social Security numbers; and the \$90 monthly VA pension cap for Medicaid-eligible single veterans and surviving spouses alone in Medicaid-covered nursing homes. The bill includes requested language permitting this appropriation to reimburse such sums as may be earned to the medical care collections fund to help defray the operating expenses of individual medical facilities for nursing home care provided to pensioners.

The Administration has proposed to provide a cost-of-living adjustment, based on the change in the Consumer Price Index, to all compensation beneficiaries, including dependency and indemnity compensation for spouses and children. It is currently estimated at 2.6 percent. This is the same as the COLA that will be provided, under current law, to veterans’ pension and Social Security recipients. The increase, effective December 1, 2006, has an estimated cost of \$590,293,000 during fiscal year 2007 and is reflected in the Compensation and Pensions budget request, pending authorization approval.

*Claims Processing.*—The Committee is concerned about the lengthy wait time veterans experience in receiving a benefit claims decision. The Committee directs the Department to report on their plan for resolving the backlog and the timeline for implementation

of this plan, including any needs for additional personnel. The report shall be submitted no later than November 10, 2006.

#### READJUSTMENT BENEFITS

##### (INCLUDING TRANSFER OF FUNDS)

Fiscal year 2006 enacted level .....	\$3,309,234,000
Fiscal year 2007 budget request .....	3,262,006,000
Committee recommendation in the bill .....	3,262,006,000
Comparison with:	
Fiscal year 2006 enacted level .....	(47,228,000)
Fiscal year 2007 budget request .....	

This appropriation finances the education and training of veterans and servicepersons whose initial entry on active duty took place on or after July 1, 1985. These benefits are included in the All-Volunteer Force Educational Assistance Program. Eligibility to receive this assistance began in 1987. Basic benefits are funded through appropriations made to the readjustment benefits appropriation and transfers from the Department of Defense. Supplemental benefits are also provided to certain veterans through education assistance to certain members of the Selected Reserve and are funded through transfers from the Departments of Defense and Homeland Security. In addition, certain disabled veterans are provided with vocational rehabilitation, specially adapted housing grants, and automobile grants with approved adaptive equipment.

This account also finances educational assistance allowances for eligible dependents of those veterans who died from service-connected causes or have a total and permanent service-connected disability as well as dependents of servicepersons who were captured or missing-in-action.

The Committee recommends an appropriation of \$3,262,006,000 for readjustment benefits for fiscal year 2007. This is a decrease of \$47,228,000 below the fiscal year 2006 enacted level and the same as the budget request.

#### VETERANS INSURANCE AND INDEMNITIES

##### (INCLUDING TRANSFER OF FUNDS)

Fiscal year 2006 enacted level .....	\$45,907,000
Fiscal year 2007 budget request .....	49,850,000
Committee recommendation in the bill .....	49,850,000
Comparison with:	
Fiscal year 2006 enacted level .....	3,943,000
Fiscal year 2007 budget request .....	

The veterans insurance and indemnities appropriation is made up of the former appropriations for military and naval insurance, applicable to World War I veterans; national service life insurance (NSLI), applicable to certain World War II veterans; servicemen's indemnities, applicable to Korean conflict veterans; and the veterans mortgage life insurance, applicable to individuals who have received a grant for specially adapted housing.

The Committee recommends an appropriation of \$49,850,000 for veterans insurance and indemnities for fiscal year 2007. This is an increase of \$3,943,000 above the fiscal year 2006 enacted level and the same as the budget request. The amount provided will enable the Department to transfer funding to the service-disabled veterans insurance fund and transfer additional amounts for payments for

the 2,350 policies under the veterans mortgage life insurance program. These policies are identified under the veterans' insurance and indemnity appropriation since they provide insurance to service-disabled veterans unable to qualify under basic NSLI.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT  
(INCLUDING TRANSFER OF FUNDS)

	Program account	Limitation on direct loans for specially adapted housing loans	Administrative expenses
Fiscal year 2006 enacted level .....	<sup>1</sup> \$64,586,000	\$500,000	\$153,575,000
Fiscal year 2007 budget request .....	196,692,000	500,000	153,185,000
Committee recommendation in the bill .....	196,692,000	500,000	153,185,000
Comparison with:			
Fiscal year 2006 enacted level .....	132,106,000	.....	(390,000)
Fiscal year 2007 budget request .....	.....	.....	.....

<sup>1</sup> Reflects subsidy estimate from last year's report. The new estimate for 2005 is \$1,900,392.

The purpose of the VA home loan guaranty program is to facilitate the extension of mortgage credit on favorable terms by private lenders to eligible veterans. This appropriation provides for all costs, with the exception of the native American veterans housing loan program, of the Department's direct and guaranteed loans programs. The Federal Credit Reform Act of 1990 requires budgetary resources to be available prior to incurring a direct loan obligation or a loan guaranty commitment. In addition, the bill requires all administrative expenses of a direct or guaranteed loan program to be funded through a program account. VA loan guaranties are made to service members, veterans, reservists, and single surviving spouses for the purchase of homes, condominiums, and manufactured homes and for refinancing loans. The Department guarantees part of the total loan, permitting the purchaser to obtain a mortgage with a competitive interest rate, even without a down payment if the lender agrees. The Department requires that a down payment be made for a manufactured home. With a Department guaranty, the lender is protected against loss up to the amount of the guaranty if the borrower fails to repay the loan.

The Committee recommends such sums as may be necessary (currently estimated to total \$42,892,000) for funding subsidy payments, \$500,000 for the limitation on direct loans for specially adapted housing loans, and \$153,185,000 for administrative expenses. The appropriation for administrative expenses may be transferred to and merged with the General Operating Expenses account.

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT  
(INCLUDING TRANSFER OF FUNDS)

	Program account	Limitation on direct loans	Administrative expenses
Fiscal year 2006 enacted level .....	\$53,000	\$4,242,000	\$305,000
Fiscal year 2007 budget request .....	53,000	4,242,000	305,000
Committee recommendation in the bill .....	67,000	3,369	305,000
Comparison with:			
Fiscal year 2006 enacted level .....	.....	.....	.....
Fiscal year 2007 budget request .....	.....	.....	.....

This appropriation covers the funding subsidy cost of direct loans for vocational rehabilitation of eligible veterans and, in addition, it includes administrative expenses necessary to carry out the direct loan program. Loans of up to \$977.00 (based on indexed chapter 31 subsistence allowance rate) are available to service-connected disabled veterans enrolled in vocational rehabilitation programs when the veteran is temporarily in need of additional assistance. Repayment is made in monthly installments, without interest, through deductions from future payments of compensation, pension, subsistence allowance, educational assistance allowance, or retirement pay. Most loans are repaid in full in less than one year. The Federal Credit Reform Act of 1990 requires budgetary resources to be available prior to incurring a direct loan obligation. In addition, the Act requires all administrative expenses of a direct loan program to be funded through a program account.

The Committee recommends \$67,000 for funding subsidy program costs and \$305,000 for administrative expenses. The administrative expenses may be transferred to and merged with the General Operating Expenses account.

In addition, the Committee includes language limiting program direct loans to \$3,369,000. It is estimated that the Department will make 4,630 loans in fiscal year 2007, with an average amount of \$728.00.

#### NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

##### (INCLUDING TRANSFER OF FUNDS)

##### Administrative expenses:

Fiscal year 2006 enacted level .....	\$580,000
Fiscal year 2007 budget recommendation .....	615,000
Committee recommendation in the bill .....	615,000
Comparison with:	
Fiscal year 2006 enacted level .....	35,000
Fiscal year 2007 budget request .....	

This program tests the feasibility of authorizing VA to make direct home loans to Native American veterans who live on U.S. trust land. This is a pilot program which began in 1993 and expires on December 31, 2008. The Committee recommends the budget request of \$615,000 for administrative expenses, which may be transferred to and merged with the General Operating Expenses account.

#### GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM ACCOUNT

Public Law 105-368, the Veterans Programs Enhancement Act of 1998, established this program. All funds authorized for this program were appropriated in fiscal year 2000. Therefore, no appropriation request has been included for fiscal year 2007. Bill language is included allowing the use of funds in Medical Administration and General Operating Expenses to administer this program up to a total of \$750,000.

#### VETERANS HEALTH ADMINISTRATION

The Department of Veterans Affairs operates the largest Federal medical care delivery system in the country, with 156 hospitals, 43

domiciliary residential rehabilitation treatment programs (formerly called ‘domiciliaries’), 135 nursing homes, and 935 outpatient clinics which includes independent, satellite, community-based, and rural outreach clinics.

The Veterans Health Administration (VHA) is comprised of four accounts: medical services, medical administration, medical facilities, and medical and prosthetic research. For these four accounts, the Administration has requested total resources of \$32,657,000,000 in direct appropriations and \$2,329,000,000 in Medical Care Collections Fund appropriations, to fund the various operating programs of the VHA.

#### MEDICAL SERVICES

##### (INCLUDING TRANSFER OF FUNDS)

Fiscal year 2006 enacted level .....	\$22,772,406,000
Fiscal year 2007 budget request .....	25,512,000,000
Committee recommendation in the bill .....	25,412,000,000
Comparison with:	
Fiscal year 2006 enacted level .....	2,639,594,000
Fiscal year 2007 budget request .....	(100,000,000)

This appropriation provides for medical services of eligible veterans and beneficiaries in VA medical centers, outpatient clinic facilities, contract hospitals, State homes, and outpatient programs on a fee basis. Hospital and outpatient care is also provided by the private sector for certain dependents and survivors of veterans under the civilian health and medical programs for the Department of Veterans Affairs.

The Committee recommends an appropriation of \$25,412,000,000 for Medical Services for fiscal year 2007. This is an increase of \$2,639,594,000 above the fiscal year 2006 enacted level and a decrease of \$100,000,000 below the budget request. When adjusted for supplemental funding, the recommendation is \$2,864,859,000 above the fiscal year 2006 enacted level.

The Committee recommendation builds on the information provided in public hearings by the organizations responsible for development of the Independent Budget for the Department of Veterans Affairs. The Committee notes that during fiscal year 2006, when significant medical services shortfalls were identified by the Department, there was general acceptance that the model used by the Independent Budget performed better than the model used by the Department of Veteran Affairs. With this in mind, the Committee recommendation takes as its baseline, the Independent Budget calculation of current services and anticipated workload increases to arrive at a core funding need of \$24,821,600,000. To this baseline, the Committee recommendation adds program enhancements, including \$400,000,000 for mental health initiatives, \$100,000,000 for prosthetics, \$32,000,000 for dental care, and \$58,400,000 for activations and other operational changes not covered in the baseline program adjustment.

Within the amount provided, not less than \$2,800,000,000 is designated for specialty mental health care.

The bill includes requested language in the Compensation and Pension appropriation transferring \$14,576,000 for administrative expenses of implementing cost saving provisions required by the

Omnibus Budget Reconciliation Act of 1990, and the Veterans' Benefits Act of 1992.

The Committee has included bill language to make available through September 30, 2008, up to \$1,100,000,000 of the Medical Services appropriation. This provides flexibility to the Department as it continues to implement significant program changes.

The bill does not include requested language to allow for the transfer of \$15,000,000 to the DoD/VA Health Care Sharing Incentive Fund, as authorized by section 721 of the Fiscal Year 2003 National Defense Authorization Act, Public Law 107-314, to transfer a minimum of \$15,000,000, for any purpose authorized by 38 U.S.C. 8111. The Committee notes that the Fund has a large unobligated balance in its fourth year of existence and additional funds are not recommended at this time.

The Committee has included bill language under Administrative Provisions of this title to allow the Secretary to transfer funds among the Medical Services, Medical Administration, and Medical Facilities appropriations, after notifying the Committees on Appropriations of both Houses of Congress and receiving approval. This authority is to be used solely for the purpose of perfecting the accounts as the three-account structure is implemented.

The Committee directs the Department to continue the use of the long-employed Joslin Vision Network for its collaborative diabetes project.

*Telemedicine Programs.*—The Committee notes that the Department started telemedicine pilot projects in the mid 1990s to confirm technical feasibility and started funding projects in 1998 to define telemedicine's role in supporting home care and making specialty consultations locally available. The Committee notes the significant benefits already received as a result of telemedicine programs and encourages the Department to expand such programs to gain even greater benefits.

*Genomic Medicine Program.*—The Committee is aware the Veterans Health Administration has created a Committee to advise the Department on emerging issues in genomic medicine. The Committee is also aware of the Department's long-term relationship with the Research Foundation of the State University of New York on this issue and urges the Department to move forward with this important initiative.

#### MEDICAL CARE COLLECTIONS FUND

The Department of Veterans Affairs Medical Care Collections Fund (MCCF) was established by the Balanced Budget Act of 1997 (Public Law 105-33). The Department deposits first-party and pharmacy co-payments, third-party insurance payments and enhanced-use collections, long-term care co-payments, Compensated Work Therapy Program collections, Compensation and Pension Living Expenses Program collections, and Parking Program fees into the MCCF. The Congressional Budget Office (CBO) estimate of fees that will be collected in fiscal year 2007 is \$2,329,000,000. The original budget request anticipated collections of \$2,832,778,000, which included new user fees which have not been enacted by the Congress and are not therefore included in the CBO scoring of the budget request. The bill does not include any language regarding the Medical Care Collections Fund since permanent authority was



included in the fiscal year 2005 appropriations bill, Public Law 108–447.

#### MEDICAL ADMINISTRATION

##### (INCLUDING TRANSFER OF FUNDS)

Fiscal year 2006 enacted level .....	\$2,858,442,000
Fiscal year 2007 budget request .....	3,177,000,000
Committee recommendation in the bill .....	3,277,000,000
Comparison with:	
Fiscal year 2006 enacted level .....	418,558,000
Fiscal year 2007 budget request .....	100,000,000

The Medical Administration appropriation provides funds for the expenses of management and administration of the Department of Veterans Affairs health care system. Included under this heading are provisions for costs associated with operation of medical centers, other facilities, and VHA headquarters, plus the costs of Veteran's Integrated Service Network (VISN) offices and facility director offices, chief of staff operations, quality of care oversight, legal services, billing and coding activities, procurement, and medical program information technology personnel services, travel, and training.

The Committee recommends an appropriation of \$3,277,000,000 for Medical Administration for fiscal year 2007. This is an increase of \$418,558,000 above the fiscal year 2006 enacted level and an increase of \$100,000,000 above the budget request.

The Committee has included bill language to make available through September 30, 2008, up to \$250,000,000 of the Medical Administration appropriation. This provides flexibility to the Department as it continues to implement significant program changes.

The Committee has included bill language under Administrative Provisions of this title to allow the Secretary to transfer funds among the Medical Services, Medical Administration, and Medical Facilities appropriations, after notifying the Committees on Appropriations of both Houses of Congress and receiving approval. This authority is to be used solely for the purpose of perfecting the accounts as the three-account structure is implemented.

#### MEDICAL FACILITIES

##### (INCLUDING TRANSFER OF FUNDS)

Fiscal year 2006 enacted level .....	\$3,297,669,000
Fiscal year 2007 budget request .....	3,569,000,000
Committee recommendation in the bill .....	3,594,000,000
Comparison with:	
Fiscal year 2006 enacted level .....	296,331,000
Fiscal year 2007 budget request .....	25,000,000

The Medical Facilities appropriation provides funds for the operation and maintenance of the Department's health care system's vast capital infrastructure. Included under this heading are provisions for costs associated with utilities, engineering, capital planning, leases, laundry and food services, groundskeeping, garbage, housekeeping, facility repair, and property disposition and acquisition.

The Committee recommends an appropriation of \$3,594,000,000 for Medical Facilities for fiscal year 2007. This is an increase of

\$296,331,000 above the fiscal year 2006 enacted level and an increase of \$25,000,000 above the budget request.

The Committee has included bill language to make available through September 30, 2008, up to \$250,000,000 of the Medical Facilities appropriation. This provides flexibility to the Department as it continues to implement significant program changes.

The Committee has included bill language under Administrative Provisions of this title to allow the Secretary to transfer funds among the Medical Services, Medical Administration, and Medical Facilities appropriations, after notifying the Committees on Appropriations of both Houses of Congress and receiving approval. This authority is to be used solely for the purpose of perfecting the accounts as the three-account structure is implemented.

*Community-Based Outpatient Clinics.*—The Committee continues to receive conflicting information from the Department on the status of implementing the recommendations of the Capital Asset Realignment for Enhanced Services (CARES) Commission regarding new community-based outpatient clinics (CBOC). In response to direction of the fiscal year 2006 appropriations conference report (H. Rept. 109–305), the Department submitted a report on the status of establishing CBOC’s in various locations around the country. The report submitted to the Committee on March 17, 2006 was a convoluted discussion of the business plan review process, “anticipate[d] possible activation” schedules, and undefined national CBOC planning criteria. During the Committee’s hearing on CARES last year, in response to a direct question asking how many CBOC’s were opened in 2005, the Department did not provide a definitive answer. During the Committee’s hearing earlier this year, the Secretary stated that 22 were opened in fiscal year 2005, 31 are under analysis for opening in fiscal year 2006, and 27 are proposed for analysis in fiscal year 2007. Despite these definitive statements during the hearing, the budget material submitted to the Congress does not provide such definition, and in no case does it give a listing of sites under consideration. It is with this as background that the Committee recommends an addition of \$25,000,000 to the budget request for the establishment of at least 10 new community-based outpatient clinics in fiscal year 2007. This is in addition to the 27 funded in the budget submission. In order to have a clearer understanding about the status establishing new CBOC’s, the Department is directed to provide a report to the Committees on Appropriations of both Houses of Congress on the location of CBOCs opened in each of the last three years and the cost of establishing each CBOC. In addition, the report shall include a listing of all business plans not approved for funding and the reasons for the rejection. The report shall be submitted no later than August 4, 2006.

#### MEDICAL AND PROSTHETIC RESEARCH

Fiscal year 2006 enacted level .....	\$412,000,000
Fiscal year 2007 budget request .....	399,000,000
Committee recommendation in the bill .....	412,000,000
Comparison with:	
Fiscal year 2006 enacted level .....	
Fiscal year 2007 budget request .....	13,000,000

This account includes medical, rehabilitative and health services research. Medical research is an important aspect of the Depart-

ment's programs, providing complete medical and hospital services for veterans. The prosthetic research program is also essential in the development and testing of prosthetic, orthopedic and sensory aids for the purpose of improving the care and rehabilitation of eligible disabled veterans, including amputees, paraplegics and the blind. The health service research program provides unique opportunities to improve the effectiveness and efficiency of the health care delivery system. In addition, budgetary resources from a number of areas including appropriations from the medical care accounts; reimbursements from the Department of Defense; and grants from the National Institutes of Health, private proprietary sources, and voluntary agencies provide support for the Department's researchers.

The Committee recommends an appropriation of \$412,000,000 for Medical and Prosthetic Research for fiscal year 2007. This is an increase of \$13,000,000 above the budget request. This is the same amount as the fiscal year 2006 enacted level and within the Construction, Minor Projects account, the Committee recommendation includes \$12,000,000 to begin an effort to modernize and upgrade research facilities.

*Smart Technologies for Electromechanical Prosthetic Systems.*—Continued advances in microsystem technologies, gait analysis, computer-aided prosthetic design, and neurology may one day provide the means to fully restore physical and sensory capabilities lost as a result of amputation, injury, arthritis, arterial disease, diabetes, and other causes. Because of its competencies and extensive collaborative relationships, the Committee believes the Infotonics Technology Center of Rochester, New York is well positioned to work with the Department of Veterans Affairs to help disabled veterans take their first steps along this journey. The Committee urges the Department to establish a beneficial working relationship with the Center.

*Photon-Mediated Pain Treatment.*—The Committee is aware of non-drug alternative treatments available for pain relief, in particular the option of using light-based treatments, also known as photon-mediated treatment for pain. The Committee believes that such treatment options deserve careful study and consideration by the Department and encourages the Department to work with qualified researchers to validate the possible benefits of such treatment.

*Technology Transfer.*—The Committee directs the Department to continue its technology transfer activities with the West Virginia High Technology Consortium Foundation.

#### DEPARTMENTAL ADMINISTRATION

##### GENERAL OPERATING EXPENSES

Fiscal year 2006 enacted level .....	\$1,435,391,000
Fiscal year 2007 budget request .....	1,480,764,000
Committee recommendation in the bill .....	1,480,764,000
Comparison with:	
Fiscal year 2006 enacted level .....	45,373,000
Fiscal year 2007 budget request .....	

The General Operating Expenses appropriation provides for the administration of non-medical veterans benefits through the Veterans Benefits Administration (VBA) and Departmental manage-

ment and support. The Federal Credit Reform Act of 1990 changed the accounting of Federal credit programs and required that all administrative costs associated with such programs be included within the respective credit accounts. Beginning in fiscal year 1992, costs incurred by housing and vocational rehabilitation programs for administration of these credit programs are reimbursed by those accounts. The bill includes the budget requests totaling \$132,374,000 in other accounts for these credit programs. In addition, \$13,536,000 is transferred from the compensation and pensions account for administrative costs of implementing cost saving provisions required by the Omnibus Budget Reconciliation Act of 1990 and the Veterans' Benefits Act of 1992. Section 207 of the administrative provisions provides requested language which permits excess revenues in three insurance funds to be used for administrative expenses. The Department estimates that \$39,863,000 will be utilized for such purposes in fiscal year 2007. Prior to fiscal year 1996, such costs were included in the general operating expenses appropriation. In total, \$1,825,697,000 is requested in fiscal year 2007 for administrative costs of non-medical benefits.

The Committee recommends an appropriation of \$1,480,764,000 for General Operating Expenses for fiscal year 2007. This is an increase of \$45,373,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for Supplemental funding, the recommendation is \$70,244,000 above the fiscal year 2006 enacted level.

#### INFORMATION TECHNOLOGY

Fiscal year 2006 enacted level .....	\$1,213,820,000
Fiscal year 2007 budget request .....	1,257,000,000
Committee recommendation in the bill .....	1,302,330,000
Comparison with:	
Fiscal year 2006 enacted level .....	88,510,000
Fiscal year 2007 budget request .....	45,330,000

The Information Technology Systems account was established in P.L. 109–114. The account encompasses the entire non-pay information technology portfolio for the Department of Veterans Affairs, including all automation efforts in all administrations. The Committee recommends an appropriation of \$1,302,330,000 for Information Technology Systems. In addition, the bill includes \$21,731,000 in other accounts for information technology in support of credit programs and \$4,032,000 in excess revenues from three insurance funds for information technology support in fiscal year 2007. In total, \$1,328,093,000 is requested in fiscal year 2007 for information technology.

The Committee recommendation includes an additional \$45,330,000, centrally managed by the Office of the Chief Information Officer, to continue the Regional Data Processing Center consolidation initiative, to include data center consolidation, as well as the telecommunication network enhancements necessary to support this initiative, and to achieve a valid continuity of operations capability. The Committee believes this will have significant benefit to the Department and will result in reduced cost of operations.

## NATIONAL CEMETERY ADMINISTRATION

Fiscal year 2006 enacted level .....	\$156,647,000
Fiscal year 2007 budget request .....	160,733,000
Committee recommendation in the bill .....	160,733,000
Comparison with:	
Fiscal year 2006 enacted level .....	4,086,000
Fiscal year 2007 budget request .....	

The National Cemetery Administration was established in accordance with Public Law 93-43, the National Cemeteries Act of 1973. It has a fourfold mission: to provide for the interment in any national cemetery with available grave space the remains of eligible deceased servicepersons and discharged veterans, together with their spouses and certain dependents, and to permanently maintain their graves; to provide headstones for, and to mark graves of eligible persons in national, State, and private cemeteries; to administer the grant program for aid to States in establishing, expanding, or improving State veterans' cemeteries; and to administer the Presidential Memorial Certificate Program. This appropriation provides for the operation and maintenance of 158 cemeterial installations in 39 States, the District of Columbia, and Puerto Rico.

The Committee recommends an appropriation of \$160,733,000 for the National Cemetery Administration for fiscal year 2007. This is an increase of \$4,086,000 above the fiscal year 2006 enacted level and the same as the budget request. When adjusted for Supplemental funding, the recommendation is \$4,286,000 above the fiscal year 2006 enacted level.

## OFFICE OF INSPECTOR GENERAL

Fiscal year 2006 enacted level .....	\$70,174,000
Fiscal year 2007 budget request .....	69,499,000
Committee recommendation in the bill .....	69,499,000
Comparison with:	
Fiscal year 2006 enacted level .....	(675,000)
Fiscal year 2007 budget request .....	

The Office of Inspector General was established by the Inspector General Act of 1978 and is responsible for the audit, investigation and inspection of all Department of Veterans Affairs programs and operations. The overall operational objective is to focus available resources on areas which would help improve services to veterans and their beneficiaries, assist managers of Department programs to operate economically in accomplishing program goals, and prevent and deter recurring and potential fraud, waste and inefficiencies.

The Committee recommends an appropriation of \$69,499,000 for the Office of Inspector General for fiscal year 2007. This is a decrease of \$675,000 below the fiscal year 2006 enacted level and the same as the budget request.

## CONSTRUCTION, MAJOR PROJECTS

Fiscal year 2006 enacted level .....	\$974,600,000
Fiscal year 2007 budget request .....	399,000,000
Committee recommendation in the bill .....	283,670,000
Comparison with:	
Fiscal year 2006 enacted level .....	(690,930,000)
Fiscal year 2007 budget request .....	(115,330,000)

The Construction, Major Projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, Capital Asset Realignment Enhanced Services (CARES) activities, assessments and site acquisition where the estimated cost of a project is \$7,000,000 or more. Emphasis is placed on correction of life/safety code deficiencies in existing Department medical facilities.

The Committee recommends an appropriation of \$283,670,000 for Construction, Major Projects for fiscal year 2007. This is a decrease of \$690,930,000 below the fiscal year 2006 enacted level and a decrease of \$115,330,000 below the budget request. When adjusted for supplemental funding, the recommendation is \$323,430,000 below the fiscal year 2006 enacted level.

The Committee recommendation does not include funding for refurbishment of operating rooms at the Columbia, Missouri VAMC, and refurbishment of the Spinal Cord Injury Center at the Milwaukee, Wisconsin VAMC, both of which are relatively low priority projects. The estimate submitted in the budget for the Capital Region Data Center project includes a contingency reserve of over 25 percent, well in excess of needs for such a project. The funding for this project is therefore reduced by \$5,000,000, leaving 12.5 percent for a contingency reserve. The Committee recommendation includes no funding for the replacement hospital in Denver, Colorado. The Committee notes that less than two years ago, when original planning funds were appropriated for the Denver facility, the estimated total cost of the project was \$328,000,000. The current estimate for the project is in the range of \$621,000,000, almost double the previous estimate. This is not the only instance of large cost growth for construction projects of the Department, but this is a project at a stage where work can be halted before significant and irreversible financial damage is done. The Committee is concerned with the rapid escalation in the cost of building new facilities and cautions the Department that few, if any, projects will be approved in the future if such costs are not brought under control.

The Committee recommendation also includes a general provision which places restrictions on the use of funds previously appropriated for a new facility in Biloxi, Mississippi. It is the Committee's direction that no funds can be expended on a new facility unless it is a joint-use facility shared with Keesler Air Force Base.

The specific amounts recommended by the Committee are as follows:

[In thousands of dollars]

Location and description	2007 request	Committee recommendation
Veterans Health Administration (VHA):		
American Lake, WA Seismic Correction, NHCU & Dietetics .....	\$38,220	\$38,220
Columbia, MO OR Replacement .....	25,830	0
Denver, CO Replacement Medical Center Facility .....	52,000	0
Long Beach, CA Seismic Correction, Bldg. 7 & 126 .....	97,545	97,545
Milwaukee, WI Spinal Cord Injury (SCI) Center .....	32,500	0
St. Louis (JB), MO Medical Facil Improv & Cem Exp .....	7,000	7,000
Advance planning fund: Various locations .....	39,255	39,255
Asbestos abatement: Various locations .....	5,000	5,000
Claims Analyses: Various locations .....	2,000	2,000

[In thousands of dollars]

Location and description	2007 request	Committee recommendation
Judgment Fund: Various locations .....	2,000	2,000
Hazardous Waste: Various locations .....	2,000	2,000
Facility Security Fund: Various locations .....	4,000	4,000
Total VHA construction, major projects .....	307,350	197,020
National Cemetery Administration (NCA):		
Dallas/Fort Worth, TX Phase 2 Gravesite Expansion .....	13,000	13,000
Gerald B. H. Solomon-Saratoga, NY Phase 2 Gravesite Expansion .....	7,600	7,600
Great Lakes, MI Phase 1B Development .....	16,900	16,900
Design Fund: Various locations .....	2,300	2,300
Advance planning fund: Various locations .....	13,600	13,600
Total NCA construction, major projects .....	53,400	53,400
General Administration (Staff Offices):		
Martinsburg, WV Capital Region Data Center .....	35,000	30,000
Asset Management (APF) Various Locations .....	3,250	3,250
Total construction, major projects .....	399,000	283,670

*San Juan Veterans Medical Center.*—The Committee remains concerned that the need for medical facility improvements in San Juan, Puerto Rico is not being adequately addressed. The Committee urges the Department to explore all options, including the option of a public/private partnership, to construct and operate a facility which would replace the current hospital.

#### CONSTRUCTION, MINOR PROJECTS

Fiscal year 2006 enacted level .....	\$200,737,000
Fiscal year 2007 budget request .....	198,000,000
Committee recommendation in the bill .....	210,000,000
Comparison with:	
Fiscal year 2006 enacted level .....	9,263,000
Fiscal year 2007 budget request .....	12,000,000

The Construction, Minor Projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department, including planning, CARES activities, assessment of needs, architectural and engineering services, and site acquisition, where the estimated cost of a project is less than \$7,000,000.

The Committee recommends an appropriation of \$210,000,000 for Construction, Minor Projects for fiscal year 2007. This is an increase of \$9,263,000 above the fiscal year 2006 enacted level and an increase of \$12,000,000 above the budget request. When compared to Supplemental funding, the recommendation is \$11,063,000 above the fiscal year 2006 enacted level.

The Committee received testimony earlier this year from a number of organizations concerned about the state of research facilities within the Department of Veterans Affairs organization. In the words of one witness, “[S]tate-of-the-art research requires state-of-the-art technology, equipment, and facilities.” Many Department research facilities have run out of space, and ventilation, electrical supply, and plumbing problems continue to fall at the bottom of the list when minor construction funds are allocated. This situation cannot continue long before serious problems begin to emerge. The Committee shares the concern of the research community and

therefore has provided an increase of \$12,000,000 to this account to be used solely for a program of upgrade and modernization of research facilities to ensure they maintain or attain state-of-the-art status. The Committee directs the Department to institute a process by which research infrastructure needs are given full and careful consideration for funding within this account. In addition, the Department is directed to report to the Committee by March 1, 2007 on the value of research infrastructure improvements, by project location, made in each of the last three fiscal years and the projects competing for the funding provided by this appropriation.

#### GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

Fiscal year 2006 enacted level .....	\$85,000,000
Fiscal year 2007 budget request .....	85,000,000
Committee recommendation in the bill .....	105,000,000
Comparison with:	
Fiscal year 2006 enacted level .....	20,000,000
Fiscal year 2007 budget request .....	20,000,000

This program provides grants to assist States to construct State home facilities, for furnishing domiciliary or nursing home care to veterans, and to expand, remodel or alter existing buildings for furnishing domiciliary, nursing home or hospital care to veterans in State homes. A grant may not exceed 65 percent of the total cost of the project.

The Committee recommends an appropriation of \$105,000,000 for Grants for Construction of State Extended Care Facilities for fiscal year 2007. This is an increase of \$20,000,000 above the fiscal year 2006 enacted level and an increase of \$20,000,000 above the budget request. The Committee recommendation also includes bill language specifying that not less than \$20,000,000 shall be for grants for modifications to existing facilities, including life/patient safety improvements. The Committee has taken this action to ensure that while new construction in some areas of the country is urgently needed, such new construction will not crowd out necessary modifications to existing older facilities.

#### GRANTS FOR CONSTRUCTION OF STATE VETERANS CEMETERIES

Fiscal year 2006 enacted level .....	\$32,000,000
Fiscal year 2007 budget request .....	32,000,000
Committee recommendation in the bill .....	32,000,000
Comparison with:	
Fiscal year 2006 enacted level .....	.....
Fiscal year 2007 budget request .....	.....

This program provides grants to assist States with the establishment, expansion, and improvement of State veterans' cemeteries which are operated and permanently maintained by the States. Grants under this program fund up to 100 percent of construction costs and the initial equipment expenses when the cemetery is established.

The states remain responsible for providing the land and for paying all costs related to the operation and maintenance of the state cemeteries, including the costs for subsequent equipment purchases. The Committee recommends an appropriation of \$32,000,000 for Grants for Construction of State Veterans Cemeteries for fiscal year 2007. This is the same as the fiscal year 2006 enacted level and the same as the budget request.



The Committee encourages the Department to work with States for maximum usage of this grant program. Given that over ten percent of the nation's veterans reside in California, the Committee encourages the Department to work with the state of California as it applies for a grant.

ADMINISTRATIVE PROVISIONS  
(INCLUDING TRANSFER OF FUNDS)

The Administration proposed eliminating several administrative provisions enacted in the Military Construction, Military Quality of Life and Veterans Affairs Appropriations Act, 2006 (P.L. 109–114). Including section 203, 208, 211, 217, 220, 221, 223–226, 228, and 229.

The bill continues 22 administrative provisions, all of which were included in the fiscal year 2006 appropriations bill.

Section 201 allows for the transfer of funds among three mandatory appropriations.

Section 202 allows for salaries and expenses funds to be used for hire of passenger vehicles, lease of facilities or land, and purchase of uniforms.

Section 203 provides that only funding in the “Construction, major projects” and “Construction, minor projects” accounts can be used for the purchase of any site for any new hospital or home or to construct any new hospital or home.

Section 204 requires the Department to be reimbursed for medical services it provides to any person not defined as a beneficiary to ensure the Department is receiving payment for all medical services provided.

Section 205 allows for the use of funds appropriated in fiscal year 2007 for “Compensation and pensions”, “Readjustment benefits”, and “Veterans insurance and indemnities” for payment of accrued obligations recorded in the last quarter of fiscal year 2006.

Section 206 allows for the use of fiscal year 2007 funds to pay prior year obligations resulting from implementation of sections 3328(a), 3334, and 3712(a) of title 31, United States Code.

Section 207 allows the Department to use surplus earning from the National service life insurance, U.S. Government life insurance, and veterans special life insurance program to administer these programs.

Section 208 allows the Department to cover the administrative expenses of structuring enhanced-use leasing proposals and provides authority to obligate these reimbursements in the year funds are received.

Section 209 limits the amount of reimbursement the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication can charge other offices and accounts of the Department for services provided.

Section 210 requires the Secretary to submit a report to the Committees on Appropriations to approve new leases of real property more than \$300,000.

Section 211 requires the Department to collect current, accurate third-party reimbursement information for the purposes of third-party insurance collections. If persons receiving care or medical

services do not disclose this information, the Department is allowed to bill them reasonable charges for services provided.

Section 212 allows the Department to use enhanced-use leasing funds for construction and alterations for medical facilities to facilitate the CARES efforts as the Department restructures the delivery of healthcare to veterans.

Section 213 allows the Department to use the “Medical services” appropriation for expenses related to the broader mission of medical care to veterans.

Section 214 allows the Department to transfer Medical Care Collections to the “Medical services” appropriation to be used for veterans’ medical care.

Section 215 allows the Department to transfer funding between the three medical care appropriations in fiscal year 2007 to implement the three-account structure which was directed by Congress in fiscal year 2004.

Section 216 allows veterans who reside in Alaska to obtain medical services from medical facilities supported by the Indian Health Services or tribal organizations, and provides for reimbursement for those services from the Department of Veterans Affairs.

Section 217 allows the Department to transfer the proceeds received from the transfer of real property deposited into the Department of Veterans Affairs Capital Asset Fund (CAF) to the major and minor construction appropriations.

Section 218 prohibits the expenditure of any funds available to the Department for implementation of a national standardized contract for diabetes monitoring systems.

Section 219 provides that no funds may be used to prohibit Directors of Veterans Integrated Service Networks from conducting outreach or marketing programs.

Section 220 requires the Secretary to submit quarterly reports on the financial status of the Veterans Health Administration.

Section 221 requires the Department to request Congressional authority to transfer funding in excess of \$1,000,000 between information technology system projects.

Section 222 extends authorization for the Department of Veterans Affairs homeless programs until September 30, 2007.

### TITLE III

#### RELATED AGENCIES

##### AMERICAN BATTLE MONUMENTS COMMISSION

##### SALARIES AND EXPENSES

Fiscal year 2006 enacted level .....	\$35,888,000
Fiscal year 2007 budget request .....	35,838,000
Committee recommendation in the bill .....	37,088,000
Comparison with:	
Fiscal year 2006 enacted level .....	1,200,000
Fiscal year 2007 budget request .....	1,250,000

The American Battle Monuments Commission is responsible for the administration, operation and maintenance of cemetery and war memorials to commemorate the achievements and sacrifices of the American Armed Forces where they have served since April 6, 1917. In performing these functions, the Commission maintains

twenty-four permanent American military cemetery memorials and thirty-one monuments, memorials, markers and offices in fifteen foreign countries, the Commonwealth of the Northern Mariana Islands, and the British dependency of Gibraltar. In addition, six memorials are located in the United States: the East Coast Memorial in New York; the West Coast Memorial, The Presidio in San Francisco; the Honolulu Memorial in the National Memorial Cemetery of the Pacific in Honolulu, Hawaii; and the American Expeditionary Forces Memorial and the World War II and Korean War Veterans Memorials in Washington, D.C.

The Committee recommends an appropriation of \$37,088,000 for the American Battle Monuments Commission's fiscal year 2007 salaries and expenses account. This is an increase of \$1,200,000 above the fiscal year 2006 enacted level and \$1,250,000 above the budget request. Included in the increase is \$300,000 to continue the study being conducted to determine what, if any, action is warranted to preserve the stability of the site of the World War II Pointe du Hoc Ranger Monument located near the Normandy American Cemetery in France. Also included in the increase is additional funding for maintenance and repair work.

Language is included allowing up to \$7,500 to be used for official reception and representation expenses.

*Normandy Interpretive Center.*—The recommendation includes funding for the Normandy Interpretive Center at the Normandy American Cemetery in France. The new center will provide a full array of interactive services to put the D-Day landings and the following battles in Europe in perspective as one of the greatest military achievements of all time. The Committee looks forward to the opening of this important facility on June 6, 2007, the anniversary of D-Day.

#### FOREIGN CURRENCY FLUCTUATION ACCOUNT

Fiscal year 2006 enacted level .....	\$15,098,000
Fiscal year 2007 budget request .....	4,900,000
Committee recommendation in the bill .....	4,900,000
Comparison with:	
Fiscal year 2006 enacted level .....	(10,198,000)
Fiscal year 2007 budget request .....	

The Commission's foreign currency fluctuations account is authorized pursuant to 36 U.S.C. 2109 to pay the costs of salaries and expenses that exceed the amount appropriated for salaries and expenses because of fluctuations in currency exchange rates of foreign countries occurring after a budget request for the Commission is submitted to the Congress. The account may not be used for any other purpose.

The Committee recommends an appropriation of \$4,900,000 to re-capitalize the Commission's Foreign Currency Fluctuations account. This is a decrease of \$10,198,000 below the fiscal year 2006 enacted level and the same as the budget request. Re-capitalization of the account ensures that funds are available to offset dollar losses during fiscal year 2007.

## UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

## SALARIES AND EXPENSES

Fiscal year 2006 enacted level .....	\$18,607,000
Fiscal year 2007 budget request .....	19,790,000
Committee recommendation in the bill .....	19,790,000
Comparison with:	
Fiscal year 2006 enacted level .....	1,183,000
Fiscal year 2007 budget request .....	

The Veterans' Judicial Review Act established the Court of Appeals for Veterans Claims. The Court reviews appeals from Department of Veterans Affairs claimants seeking review of a benefit denial. The Court has the authority to overturn findings of fact, regulations and interpretations of law.

The Committee recommends an appropriation of \$19,790,000 for the Court of Appeals for Veterans Claims for fiscal year 2007. This is an increase of \$1,183,000 above the fiscal year 2006 enacted level and the same as the budget request.

The bill also identifies \$1,260,000 to be used for the pro bono representation program, the same as proposed in the budget request.

## DEPARTMENT OF DEFENSE—CIVIL

## CEMETERIAL EXPENSES, ARMY

## SALARIES AND EXPENSES

Fiscal year 2006 enacted level .....	\$28,760,000
Fiscal year 2007 budget request .....	26,550,000
Committee recommendation in the bill .....	26,550,000
Comparison with:	
Fiscal year 2006 enacted level .....	(2,210,000)
Fiscal year 2007 budget request .....	

The Secretary of the Army is responsible for the administration, operation and maintenance of Arlington National Cemetery and the Soldiers' and Airmen's Home National Cemetery. In addition to its principal function as a national cemetery, Arlington is the site of approximately 3,100 non-funeral ceremonies each year and has approximately 4,000,000 visitors annually.

The Committee recommends an appropriation of \$26,550,000 for salaries and expenses for fiscal year 2007. This is a decrease of \$2,210,000 below the fiscal year 2006 enacted level and the same as the budget request.

The Committee notes that the 1998 Master Plan for Arlington National Cemetery recommended relocating all utilities from under open space to below roadways. Such a change would yield between 8,000 and 10,000 additional gravesite spaces. The Committee believes the Department of the Army should actively pursue this course of action and directs the Department to report by March 1, 2007 on the cost and barriers to moving forward with this project.

## ARMED FORCES RETIREMENT HOME

Fiscal year 2006 enacted level .....	\$123,499,000
Fiscal year 2007 budget request .....	54,846,000
Committee recommendation in the bill .....	54,846,000
Comparison with:	
Fiscal year 2006 enacted level .....	(68,653,000)
Fiscal year 2007 budget request .....	

The Armed Forces Retirement Home consists of two retirement communities, one in Washington, D.C. and the other in Gulfport, Mississippi. The Washington, D.C. facility was established in 1851 as a soldiers' home for old and disabled veterans. The original home for Navy officers, sailors, and Marines was established in Philadelphia, Pennsylvania in 1811, and was relocated to Gulfport, Mississippi almost a century and a half later.

The Committee recommendation provides authority to expend \$54,846,000 from the Armed Forces Retirement Home Trust Fund for operations of the United States Soldiers' and Airmen's Home and the United States Naval Home. This is a decrease of \$68,653,000 below the fiscal year 2006 enacted level and the same as the budget request.

The bill does not provide authority to expend funding from the Armed Forces Retirement Home Trust Fund for capital activities at the Soldiers' and Airmen's Home and the United States Naval Home as proposed in the budget request. This is a decrease of \$1,236,000 below the fiscal year 2006 enacted level and the same as the budget request.

#### TITLE IV

#### DEPARTMENT OF DEFENSE

#### ADDITIONAL APPROPRIATIONS

The Committee recommends \$507,003,000 in additional funds for military construction accounts for projects supporting contingency operations related to the global war on terrorism. In its recommendation, the Committee has emphasized projects related to urgent transformation efforts, as well as projects directly supporting operations in the theater and those that will enhance training in urban operations and close quarters combat.

Military Construction, Army .....	\$379,300,000
Military Construction, Navy and Marine Corps .....	26,037,000
Military Construction, Air Force .....	49,923,000
Military Construction, Defense-Wide .....	44,500,000
Military Construction, Army National Guard .....	5,530,000
Military Construction, Army Reserve .....	1,713,000
<hr/> Total .....	<hr/> 507,003,000

#### TITLE V

#### GENERAL PROVISIONS

The Administration proposed to delete two general provisions in the Military Construction, Military Quality of Life and Veterans Affairs Appropriations Act, 2006, including section 406 and 408.

The bill includes seven provisions that were included in the fiscal year 2006 appropriations bill and one new provision. The general provisions included in the bill are as follows:

Section 501 prohibits the obligation of funds beyond the current fiscal year unless expressly so provided.

Section 502 requires pay raises to be absorbed within the levels appropriated.

Section 503 prohibits the use of funds for programs, projects or activities not in compliance with Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

Section 504 prohibits the use of funds to support or defeat legislation pending before Congress.

Section 505 encourages the expansion of E-Commerce technologies and procedures.

Section 506 limits funds from being transferred from this appropriations measure to any instrumentality of the United States Government without authority from an appropriation Act.

Section 507 specifies the congressional committees that are to receive all reports and notifications.

Section 508 requires funds provided for medical facilities of the Department of Defense and the Department of Veterans Affairs in the Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006 division of Public Law 109–148 to be used for joint-use and/or co-located facilities.

#### HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

The following items are included in accordance with various requirements of the rules of the House of Representatives.

#### CHANGES IN 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 that directly or indirectly change the application of existing law.

Language is included in various parts of the bill to continue ongoing activities that require annual authorization or additional legislation, which to date have 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.

Language is included that enables various appropriations to remain available for more than one year for some programs for which the basic authority legislation does not presently authorize such extended availability.

Language is included in various parts of the bill which permits the transfer of funds to other accounts in the bill.

Language is included in the Defense Health Program limiting the amount of funding available for contracts entered into under the TRICARE Program.

Language is included in the Defense Health Program providing funds for HIV educational activities.

Language is included under Title I, Administrative Provisions limiting payments for cost-plus-a-fixed-fee contract under certain circumstances.

Language is included under Title I, Administrative Provisions allowing the hire of passenger motor vehicles.

Language is included under Title I, Administrative Provisions allowing advances to the Federal Highway Administration, Department of Transportation under certain circumstances.

Language is included under Title I, Administrative Provisions limiting funds for implementing construction of new bases in the United States without specific appropriations.

Language is included under Title I, Administrative Provisions limiting funds for purchase of land or land easements under certain circumstances.

Language is included under Title I, Administrative Provisions limiting funds for land acquisition, site preparation, and utility installation unless funds have been made available in annual appropriations acts.

Language is included under Title I, Administrative Provisions limiting funds for the procurement of steel for any activity if American steel producers have been denied the opportunity to compete for such steel procurements.

Language is included under Title I, Administrative Provisions limiting funds for initiating new installations overseas without notifying the Committees on appropriations.

Language is included under Title I, Administrative Provisions limiting the use of funds for architect and engineer contracts under certain circumstances.

Language is included under Title I, Administrative Provisions limiting funds for awarding contracts to foreign contractors under certain circumstances.

Language is included under Title I, Administrative Provisions requiring the Department of Defense to notify the appropriate committees of Congress of any proposed military exercises under certain circumstances.

Language is included under Title I, Administrative Provisions limiting funding obligations in the last two months of the fiscal year to 20 percent.

Language is included under Title I, Administrative Provisions allowing prior year construction funding to be available for current year projects.

Language is included under Title I, Administrative Provisions allowing payment for the cost associated with supervision, inspection, overhead, engineering and design on family housing or military construction projects that are being completed expired or lapsed funds.

Language is included under Title I, Administrative Provisions allowing funds to be expended on military construction projects for four fiscal years after enactment under certain circumstances.

Language is included under Title I, Administrative Provisions requiring the Secretary of Defense to provide the Committees on Appropriations and annual report on actions to encourage other member nations of the North Atlantic Treaty Organization to assume a greater share of common defense burden.

Language is included under Title I, Administrative Provisions that limiting funds for the Partnership for Peace Programs in the New Independent States of the former Soviet Union.

Language is included under Title I, Administrative Provisions that requiring the various military departments to submit notice to the Committee on Appropriations of solicitation for contracts with

the private sector for military family housing under certain circumstances.

Language is included under Title I, Administrative Provisions limiting funds for the operation and maintenance of family housing to those provided in this appropriations with exceptions under certain circumstances.

Language is included under Title I, Administrative Provisions limiting funds for the North Atlantic Treaty Organization Security Investment Program for the conduct of missile defense studies.

Language is included under Title I, Administrative Provisions requiring officials from the agencies covered in this appropriation to respond to requests within 21 days.

Language is included under Title I, Administrative Provisions allowing funds for the Ford Island Improvement Account to be available until expended for certain purposes.

Language is included under Title I, Administrative Provisions limiting funds for realignment of installations under certain circumstances.

Language is included under Title I, Administrative Provisions allowing transfer of expired funding to the Foreign Currency Fluctuation Account under certain circumstances.

Language is included under Title I, Administrative Provisions limiting funds for reimbursement for mental health services under certain circumstances.

Language is included under Title I, Administrative Provisions allowing surplus medical equipment to be distributed to other federal agencies under certain circumstances.

Language is included under Title I, Administrative Provisions allowing the Secretary of Defense to adjust wage rates for civilian medical employees under certain circumstances.

Language is included under Title I, Administrative Provisions limiting the amount of funds for indefinite/indefinite quantity contracts for environmental remediation under certain circumstances.

Language is included under Title I, Administrative Provisions allowing funds to be used for transportation of medical supplies and equipment to American Samoa and the Indian Health Service.

Language is included under Title I, Administrative Provisions allowing the Secretary of Defense to appoint and promote certain health care professionals.

Language is included under the Department of Veterans Affairs, General Operating Expenses, providing for the reimbursement to the Department of Defense for the costs of overseas employee mail. This language has been carried previously and permits free mailing privileges for personnel stationed in the Philippines.

Language is included under the Department of Veterans Affairs, Construction, Major Projects, establishing time limitations and reporting requirements concerning the obligation of major construction funds, limiting the use of funds, and allowing the use of funds for program costs.

Language is included under the Department of Veterans Affairs, Construction, Major Projects, providing that unobligated balances of previous appropriations may be used for any project with an estimated cost of less than \$4,000,000, allowing the use of funds for program costs, and making funds available for damage caused by natural disasters.



Language is included under the Department of Veterans Affairs, Grants for Construction of State Extended Care Facilities, providing that not less than \$20,000,000 may be used for modifications to existing facilities.

Language is included under the Department of Veterans Affairs, Administrative Provisions, permitting transfers between mandatory and discretionary accounts, limiting and providing for the use of certain funds, funding administrative expenses associated with VA life insurance programs from excess program revenues, allowing reimbursement from enhanced-use leases, allowing for reimbursement for certain services, requiring notification of new lease agreements, requiring disclosure of insurance and income information, allowing the Secretary to establish a priority system for medical services, allowing a recovery audit collection program, prohibiting the use of funds for instituting a new standard for glucose monitoring systems, extending the authority to operate the homeless program, allowing veterans in the state of Alaska to use Indian Health Service facilities under certain conditions, and allowing medical services funds for recreational and funeral expenses.

Language is included under the Court of Appeals for Veterans Claims, Salaries and Expenses, permitting the use of funds for a pro bono program.

Language is included under Cemeterial Expenses, Army, Salaries and Expenses, permitting the use of funds for parking maintenance and repairs.

Language is included under Title V, General Provisions requiring sums necessary for pay raises to be absorbed within levels appropriated.

Language is included under Title V, General Provisions limiting the use of funds for federal entities when they are not in compliance with federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

Language is included under Title V, General Provisions limiting funding for publicity or propaganda designed to support or defeat legislation pending before Congress.

Language is included under Title V, General Provisions encouraging the expanded use of "E-Commerce" technology.

Language is included under Title V, General Provisions delineating the recipients of reports required in this Act.

Language is included under Title V, General Provisions limiting funding for construction of certain Department of Defense and Department of Veterans Affairs facilities unless these facilities are co-located.

Language is included under the Department of Veterans Affairs, Information Technology Systems, limiting the obligation of funds until certain reporting requirements are met.

Language is included under the Department of Veterans Affairs, Medical Services, designating \$2,800,000,000 for specialty mental health care.

#### 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:

[dollars in thousands]				
Agency/program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
Military Construction, Army.....	2006	1,775,260	1,757,507	2,135,598
Military Construction, Navy.....	2006	1,157,141	1,436,789	1,219,871
Military Construction, Air Force.....	2006	1,288,530	1,328,257	1,237,473
Military Construction, Defense-Wide.....	2006	1,008,855	1,043,766	1,152,106
Military Construction, Army National Guard.....	2006	523,151	892,219	518,403
Military Construction, Air National Guard.....	2006	316,117	347,956	207,088
Military Construction, Army Reserve.....	2006	152,569	151,043	169,487
Military Construction, Navy Reserve.....	2006	46,864	166,527	55,158
Military Construction, Air Force Reserve.....	2006	105,883	104,824	56,836
North Atlantic Treaty Organization Security Investment Program.....	2006	206,858	204,789	200,985
Family Housing Construction, Army.....	2006	549,636	544,140	578,791
Family Housing Construction Operation and Maintenance, Army.....	2006	803,993	795,953	674,657
Family Housing Construction, Navy and Marine Corps.....	2006	218,942	302,918	308,956
Family Housing Construction Operation and Maintenance, Navy and Marine Corps.....	2006	588,660	631,662	509,126
Family Housing Construction, Air Force.....	2006	1,101,887	1,368,868	1,169,138
Family Housing Construction Operation and Maintenance, Air Force.....	2006	766,939	806,289	755,071
Family Housing Construction, Defense-Wide.....	2005	49	49	8,808
Family Housing Construction Operation and Maintenance, Defense-Wide.....	2006	46,391	45,927	48,506
Department of Defense Family Housing Improvement Fund.....	2006	2,500	2,475	2,500
Chemical Demilitarization Construction, Defense-Wide.....	2005	81,886	81,886	90,993
Base Realignment and Closure, 1990.....	2006	254,827	252,279	216,220
Base Realignment and Closure, 2005.....	2006	1,504,466	1,489,421	5,309,876
Basic Allowance for Housing, Army.....	2006	N/A	3,880,723	3,687,905
Basic Allowance for Housing, Navy.....	2006	N/A	3,511,570	4,135,061
Basic Allowance for Housing, Marine Corps.....	2006	N/A	1,166,686	1,350,921
Basic Allowance for Housing, Air Force.....	2006	N/A	3,168,599	2,934,327
Basic Allowance for Housing, Army National Guard.....	2006	N/A	477,113	469,109
Basic Allowance for Housing, Air National Guard.....	2006	N/A	248,685	277,533
Basic Allowance for Housing, Army Reserve.....	2006	N/A	307,003	347,607
Basic Allowance for Housing, Navy Reserve.....	2006	N/A	190,194	208,838
Basic Allowance for Housing, Marine Corps Reserve.....	2006	N/A	40,134	43,082
Basic Allowance for Housing, Air Force Reserve.....	2006	N/A	69,442	76,218
Facilities Sustainment, Army.....	2006	1,825,518	1,832,607	1,810,774
Facilities Sustainment, Navy.....	2006	1,344,971	1,547,020	1,201,313
Facilities Sustainment, Marine Corps.....	2006	553,960	548,420	473,141
Facilities Sustainment, Air Force.....	2006	1,815,701	1,896,251	1,684,019
Facilities Sustainment, Defense-Wide.....	2006	N/A	120,969	86,386
Facilities Sustainment, Army National Guard.....	2006	391,544	441,796	387,882
Facilities Sustainment, Air National Guard.....	2006	169,791	191,550	255,322
Facilities Sustainment, Army Reserve.....	2006	204,370	203,454	215,890
Facilities Sustainment, Navy Reserve.....	2006	62,788	377,134	52,136
Facilities Sustainment, Marine Corps Reserve.....	2006	10,105	11,098	9,579
Facilities Sustainment, Air Force Reserve.....	2006	55,764	51,777	59,849
Environmental Restoration, Army.....	2006	407,865	403,786	413,794
Environmental Restoration, Navy.....	2006	305,275	302,222	304,409
Environmental Restoration, Air Force.....	2006	406,461	402,396	423,871
Environmental Restoration, Defense-wide.....	2006	28,167	27,885	18,431
Environmental Restoration, Formerly Used Defense Sites.....	2006	261,921	254,352	257,790
Defense Health Program.....	2006	19,892,594	20,340,550	21,025,121
Program Grants and Per Diem Housing for Homeless Veterans.....	2006	99,000	99,000	99,000
Department of Veterans Affairs, Major Medical Facilities, Construction and Leases.....	2004	607,100	974,600	283,670

## TRANSFER OF FUNDS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, a statement is required describing the transfer of funds provided in the accompanying bill.

Language under "Military Construction, Defense-Wide", "Environmental Restoration, Army", "Environmental Restoration, Navy", "Environmental Restoration, Air Force", "Environmental Restoration, Defense-Wide", "Environmental Restoration, Formerly Used Defense Sites", and sections 115, 119, 120, 123, 128 of Administrative Provisions provide certain transfer authority.

The Committee has included language transferring not to exceed \$28,112,000 from Compensation and Pensions to General Operating Expenses and Medical Services. These funds are for the administrative costs of implementing cost-savings proposals required by the Omnibus Budget Reconciliation Act of 1990 and the Veterans' Benefits Act of 1992. Language is also included permitting necessary sums to be transferred to the medical facilities revolving fund to augment funding of medical centers for nursing home care provided to pensioners as authorized by the Veterans' Benefits Act of 1992.

The Committee recommends transferring the following amounts to the Department of Veterans Affairs General Operating Expenses appropriation pursuant to the Federal Credit Reform Act of 1990: the Veterans Housing Benefit Program Fund Program Account (\$153,185,000), the Vocational Rehabilitation Loans Program Account (\$305,000) and the Native American Veteran Housing Loan Program Account (\$615,000). In addition, the bill provides up to \$750,000 in General Operating Expenses and Medical Services for administration of the Guaranteed Transitional Housing Loans for Homeless Veterans Program Account.

The Committee recommends providing authority for the Department of Veterans Affairs for any funds appropriated in 2007 for Compensation and Pensions, Readjustment Benefits, and Veterans Insurance and Indemnities to be transferred between those three accounts. This will provide the Department of Veterans Affairs flexibility in administering its entitlement programs.

The Committee has included language permitting the funds from three life insurance funds to be transferred to General Operating Expenses for the costs of administering such programs.

The Committee recommends language permitting up to \$34,305,000 to be transferred to General Operating Expenses from any funds appropriated in 2007 to reimburse the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication for services provided.

The Committee has included language that would transfer certain funds derived from enhanced-use leasing activities to the Construction, Major Projects and Construction, Minor Projects accounts.

The Committee has included language under the Department of Veterans Affairs that would transfer funds from the Medical Care Collections Fund to Medical Services.

The Committee recommends providing authority for the Department of Veterans Affairs to transfer amounts among the Medical Services, Medical Administration and Medical Facilities accounts to

the extent necessary to implement the restructuring of these accounts subject to certain notification and approval requirements.

The Committee recommends providing authority for the Department of Veterans Affairs to transfer amounts among the programs within the Information Technology Systems account subject to certain notification and approval requirements.

The Committee recommends language under the Department of Veterans Affairs that would allow the transfer of funds from the General Operating Expenses account to the Veterans Housing Benefit Program Fund Program Account for certain purposes.

The Committee recommends language under the Department of Veterans Affairs that would allow the transfer of funds from the Capital Asset Fund to the Construction, Major Projects and Construction, Minor Projects accounts.

#### RESCISSIONS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following is submitted describing the rescissions recommended in the accompanying bill:

Department/Activity	Amounts recommended for rescission
Department of Defense, Military Construction, Army .....	\$43,348,000
Department of Defense, Military Construction, Navy .....	38,000,000
Department of Defense, Military Construction, Air Force .....	2,694,000
Department of Defense, Military Construction, Defense-Wide .....	110,229,000
Department of Defense, Family Housing Construction, Air Force .....	66,200,000
Department of Defense, Defense Health Program .....	40,042,000

#### 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 bill are made pursuant to this specific power granted by the Constitution.

#### COMPARISONS WITH 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 of 302(a) allocation.

[In millions of dollars]

	302(b) allocation		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Discretionary .....	94,705	36,388	94,705	36,388
Mandatory .....	88,728	36,284	88,728	36,284

#### FIVE-YEAR PROJECTION OF OUTLAYS

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:

[In millions of dollars]

Outlays:	
2007 .....	106,267
2008 .....	16,013
2009 .....	6,708
2010 .....	2,964
2011 and beyond .....	1,287

The bill will not affect the levels of revenues, tax expenditures, direct loan obligations, or primary loan guarantee commitments under existing law.

#### 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, the financial assistance to State and local governments is as follows:

[In millions of dollars]

New budget authority .....	692
Fiscal year 2007 outlays resulting therefrom .....	488

#### 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.

#### FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the Rules of the House of Representatives, the results of each rollcall vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

## ROLL CALL NO. 1

Date: May 10, 2006

Measure: Military Construction, Military Quality of Life and Veterans Affairs Appropriations Bill, FY 2007

Motion by: Mr. Edwards

Description of Motion: To increase the defense health program by \$735,000,000 offset by a reduction to tax cuts for certain income groups.

Results: Rejected 25 yeas to 35 nays.

*Members Voting Yea*

Mr. Berry  
Mr. Bishop  
Mr. Boyd  
Mr. Clyburn  
Mr. Cramer  
Ms. DeLauro  
Mr. Dicks  
Mr. Edwards  
Mr. Farr  
Mr. Hinchey  
Mr. Hoyer  
Mr. Jackson  
Ms. Kilpatrick  
Mrs. Lowey  
Mr. Mollohan  
Mr. Moran  
Mr. Murtha  
Mr. Obey  
Mr. Olver  
Mr. Pastor  
Mr. Price  
Mr. Rothman  
Ms. Roybal-Allard  
Mr. Sabo  
Mr. Serrano

*Members Voting Nay*

Mr. Aderholt  
Mr. Alexander  
Mr. Bonilla  
Mr. Carter  
Mr. Crenshaw  
Mr. Culberson  
Mr. Doolittle  
Mrs. Emerson  
Mr. Frelinghuysen  
Mr. Goode  
Ms. Granger  
Mr. Hobson  
Mr. Istook  
Mr. Kingston  
Mr. Kirk  
Mr. Knollenberg  
Mr. Kolbe  
Mr. LaHood  
Mr. Latham  
Mr. Lewis  
Mrs. Northup  
Mr. Peterson  
Mr. Regula  
Mr. Rehberg  
Mr. Rogers  
Mr. Sherwood  
Mr. Simpson  
Mr. Taylor  
Mr. Tiahrt  
Mr. Walsh  
Mr. Wamp  
Dr. Weldon  
Mr. Wicker  
Mr. Wolf  
Mr. Young

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 2

Date: May 10, 2006

Measure: Military Construction, Military Quality of Life and Veterans Affairs Appropriations Bill, FY2007

Motion by: Mr. Obey

Description of Motion: To remove various designations pursuant to section 402 of H. Con. Res. 376 (109<sup>th</sup> Congress), the concurrent resolution on the budget for fiscal year 2007, offset by a reduction to tax cuts for certain income groups.

Results: Rejected 28 yeas to 35 nays.

*Members Voting Yea*

Mr. Berry  
Mr. Bishop  
Mr. Boyd  
Mr. Clyburn  
Mr. Cramer  
Ms. DeLauro  
Mr. Dicks  
Mr. Edwards  
Mr. Farr  
Mr. Fattah  
Mr. Hinchey  
Mr. Hoyer  
Mr. Jackson  
Ms. Kaptur  
Ms. Kilpatrick  
Mrs. Lowey  
Mr. Mollohan  
Mr. Moran  
Mr. Murtha  
Mr. Obey  
Mr. Olver  
Mr. Pastor  
Mr. Price  
Mr. Rothman  
Ms. Roybal-Allard  
Mr. Sabo  
Mr. Serrano  
Mr. Visclosky

*Members Voting Nay*

Mr. Aderholt  
Mr. Alexander  
Mr. Bonilla  
Mr. Carter  
Mr. Crenshaw  
Mr. Culberson  
Mr. Doolittle  
Mrs. Emerson  
Mr. Frelinghuysen  
Mr. Goode  
Ms. Granger  
Mr. Hobson  
Mr. Istook  
Mr. Kingston  
Mr. Knollenberg  
Mr. Kolbe  
Mr. LaHood  
Mr. Latham  
Mr. Lewis  
Mrs. Northup  
Mr. Peterson  
Mr. Regula  
Mr. Rehberg  
Mr. Rogers  
Mr. Sherwood  
Mr. Simpson  
Mr. Sweeney  
Mr. Taylor  
Mr. Tiahrt  
Mr. Walsh  
Mr. Wamp  
Dr. Weldon  
Mr. Wicker  
Mr. Wolf  
Mr. Young

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

## ROLL CALL NO. 3

Date: May 10, 2006

Measure: Military Construction, Military Quality of Life and Veterans Affairs Appropriations Bill, FY2007

Motion by: Mr. Farr

Description of Motion: To increase certain veterans programs by \$1,820,330,000, offset by a reduction to tax cuts for certain income groups.

Results: Rejected 28 yeas to 35 nays.

*Members Voting Yea*

Mr. Berry  
Mr. Bishop  
Mr. Boyd  
Mr. Clyburn  
Mr. Cramer  
Ms. DeLauro  
Mr. Dicks  
Mr. Edwards  
Mr. Farr  
Mr. Fattah  
Mr. Hinchey  
Mr. Hoyer  
Mr. Jackson  
Ms. Kaptur  
Ms. Kilpatrick  
Mrs. Lowey  
Mr. Mollohan  
Mr. Moran  
Mr. Murtha  
Mr. Obey  
Mr. Olver  
Mr. Pastor  
Mr. Price  
Mr. Rothman  
Ms. Roybal-Allard  
Mr. Sabo  
Mr. Serrano  
Mr. Visclosky

*Members Voting Nay*

Mr. Aderholt  
Mr. Alexander  
Mr. Bonilla  
Mr. Carter  
Mr. Crenshaw  
Mr. Culberson  
Mr. Doolittle  
Mrs. Emerson  
Mr. Frelinghuysen  
Mr. Goode  
Ms. Granger  
Mr. Hobson  
Mr. Istook  
Mr. Kingston  
Mr. Knollenberg  
Mr. Kolbe  
Mr. LaHood  
Mr. Latham  
Mr. Lewis  
Mrs. Northup  
Mr. Peterson  
Mr. Regula  
Mr. Rehberg  
Mr. Rogers  
Mr. Sherwood  
Mr. Simpson  
Mr. Sweeney  
Mr. Taylor  
Mr. Tiahrt  
Mr. Walsh  
Mr. Wamp  
Dr. Weldon  
Mr. Wicker  
Mr. Wolf  
Mr. Young



## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 4

Date: May 10, 2006

Measure: Military Construction, Military Quality of Life and Veterans Affairs Appropriations Bill, FY2007

Motion by: Mr. Price

Description of Motion: To increase veterans medical and prosthetic research by \$23,000,000, offset by a reduction to veterans medical administration.

Results: Rejected 27 yeas to 35 nays.

*Members Voting Yea*

Mr. Berry  
Mr. Bishop  
Mr. Boyd  
Mr. Clyburn  
Mr. Cramer  
Ms. DeLauro  
Mr. Dicks  
Mr. Edwards  
Mr. Farr  
Mr. Fattah  
Mr. Hinchey  
Mr. Hoyer  
Ms. Kaptur  
Ms. Kilpatrick  
Mrs. Lowey  
Mr. Mollohan  
Mr. Moran  
Mr. Murtha  
Mr. Obey  
Mr. Oliver  
Mr. Pastor  
Mr. Price  
Mr. Rothman  
Ms. Roybal-Allard  
Mr. Sabo  
Mr. Serrano  
Mr. Visclosky

*Members Voting Nay*

Mr. Aderholt  
Mr. Alexander  
Mr. Bonilla  
Mr. Carter  
Mr. Crenshaw  
Mr. Culberson  
Mr. Doolittle  
Mrs. Emerson  
Mr. Frelinghuysen  
Mr. Goode  
Ms. Granger  
Mr. Hobson  
Mr. Istook  
Mr. Kingston  
Mr. Knollenberg  
Mr. Kolbe  
Mr. LaHood  
Mr. Latham  
Mr. Lewis  
Mrs. Northup  
Mr. Peterson  
Mr. Regula  
Mr. Rehberg  
Mr. Rogers  
Mr. Sherwood  
Mr. Simpson  
Mr. Sweeney  
Mr. Taylor  
Mr. Tiahrt  
Mr. Walsh  
Mr. Wamp  
Dr. Weldon  
Mr. Wicker  
Mr. Wolf  
Mr. Young

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
-----		
ALABAMA		
ARMY		
REDSTONE ARSENAL		
CHILD CARE CENTER.....	---	2,000
EXPLOSIVE CARGO HANDLING APRON.....	---	2,300
ARMY NATIONAL GUARD		
ANNISTON		
READINESS CENTER PHASE 1.....	13,223	13,223
MOBILE		
ARMED FORCES RESERVE CENTER BUILDING (PHASE III)...	9,012	9,012
AIR NATIONAL GUARD		
BIRMINGHAM		
ALERT QUARTERS AND MOBILITY PROCESSING COMPLEX....	---	4,500
ALASKA		
ARMY		
FORT RICHARDSON		
AMMUNITION SUPPLY POINT UPGRADE.....	9,800	9,800
BARRACKS COMPLEX.....	50,000	48,356
CHILD DEVELOPMENT CENTER.....	12,500	12,500
AIR FORCE		
EIELSON AFB		
ADD/ALTER PHYSICAL FITNESS CENTER.....	23,900	23,900
REPLACE CHAPEL CENTER.....	14,400	14,400
ELMENDORF AFB		
C-17 MAINTENANCE COMPLEX PHASE 2.....	30,000	30,000
DORMITORY (120 RM).....	21,000	21,000
F/A-22 CORROSION CONTROL/LOW OBSERVABLE		
COMPOSITE REPAIR FACILITY.....	31,750	31,750
F/A-22 FIGHTER TOWN EAST INFRASTRUCTURE.....	3,350	3,350
DEFENSE-WIDE		
FORT RICHARDSON		
HEALTH CLINIC.....	37,200	37,200
ARIZONA		
NAVY		
YUMA		
FIXED WING FUELING APRON.....	5,966	5,966
AIR FORCE		
DAVIS-MONTHAN AFB		
COMBAT SEARCH AND RESCUE GROUP HEADQUARTERS		
FACILITY.....	4,600	4,600
CONSOLIDATED MISSION SUPPORT CENTER.....	---	7,200
DEFENSE-WIDE		
YUMA		
FIXED WING HYDRANT FUEL SYSTEM.....	8,715	8,715
ARKANSAS		
AIR FORCE		
LITTLE ROCK AFB		
EDUCATION CENTER COMPLEX.....	---	9,800
CALIFORNIA		
ARMY		
FORT IRWIN		
CHILD DEVELOPMENT CENTER.....	---	8,200
LAND ACQUISITION PHASE 4.....	10,000	10,000
NAVY		
CAMP PENDLETON		
ARMORY/COMMUNICATIONS COMPLEX.....	12,160	12,160
AMPHIBIOUS VEHICLE TEST BRANCH ANNEX - DEL MAR....	2,320	2,320
BACHELOR ENLISTED QUARTERS (TITLE IV).....	18,068	18,068
BACHELOR ENLISTED QUARTERS - 22 AREA - FREST.....	14,940	14,940
FIRE STATION - DEL MAR.....	4,710	4,710

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
LIGHT ARMORED RECONNAISSANCE BATTALION FACILITY (TITLE IV).....	7,969	7,969
MARSOC BACHELOR ENLISTED QUARTERS AND DINING FACILITY.....	31,115	31,115
RECLAMATION/CONVEYANCE (WASTEWATER PHASE 2).....	33,290	33,290
REGIMENTAL MAINTENANCE SUPPORT FACILITIES (PHASE 2).....	14,860	14,860
TACTICAL SUPPORT VAN PADS EXPANSION.....	5,057	5,057
TAXIWAY IMPROVEMENTS.....	1,355	1,355
MIRAMAR		
MISSILE MAGAZINE.....	2,968	2,968
MONTEREY		
GLOBAL WEATHER OPERATIONS CENTER EXPANSION.....	---	7,380
NORTH ISLAND		
WATERFRONT AMPHIBIOUS OPERATIONS FACILITY.....	21,535	21,535
TWENTYNINE PALMS		
COMMUNICATIONS/ELECTRONICS MAINTENANCE AND STORAGE.....	8,217	8,217
MILITARY OPERATIONS ON URBAN TERRAIN FACILITY, PHASE 2.....	---	19,000
AIR FORCE		
BEALE AFB		
DISTRIBUTED COMMON GROUND STATION OPERATIONS FACILITY.....	28,000	28,000
EDWARDS AIR FORCE BASE		
MAIN BASE RUNWAY, PHASE 2.....	31,000	31,000
TRAVIS AFB		
C-17 MUNITIONS STORAGE FACILITY.....	6,200	6,200
C-17 ROADS/UTILITIES.....	8,800	8,800
C-17 TAXIWAY LIMA.....	8,500	8,500
C-17 TWO-2-BAY HANGAR.....	50,400	50,400
DEFENSE-WIDE		
BEALE AFB		
REPLACE FUEL STORAGE AND DISTRIBUTION SYSTEM.....	9,000	9,000
CAMP PENDLETON		
SOF MARINE SPECIAL OPERATIONS COMMAND HEADQUARTERS.....	24,400	24,400
FORT IRWIN		
DENTAL CLINIC ADDITION/ALTERATION.....	6,050	6,050
ARMY NATIONAL GUARD		
CAMP ROBERTS		
INFANTRY SQUAD BATTLE COURSE (TITLE IV).....	2,000	2,000
FORT IRWIN		
MANEUVER AREA TRAINING AND EQUIPMENT SITE PHASE 2..	20,000	20,000
FRESNO		
AVIATION CLASSIFICATION AND REPAIR DEPOT PHASE 1..	30,000	30,000
SACRAMENTO ARMY DEPOT		
FIELD MAINTENANCE SHOP ADDITION/ALTERATION.....	4,500	4,500
AIR NATIONAL GUARD		
MARCH AFB		
PREDATOR OPERATIONS AND TRAINING COMPLEX.....	6,000	6,000
ARMY RESERVE		
FORT HUNTER LIGGETT		
COMBAT PISTOL/MILITARY POLICE QUALIFICATIONS COURSE.....	1,351	1,351
MORENO VALLEY		
ARMED FORCES RESERVE CENTER/ORGANIZATIONAL MAINTENANCE SHOP/AREA MAINTENANCE AND SUPPORT ACTIVITY/UNHEATED STORAGE.....	32,562	32,562
NAVY RESERVE		
COLTON		
RESERVE TRAINING CENTER - 29 PALMS CA.....	11,453	11,453
AIR FORCE RESERVE		
MARCH AFB		
C-17 ALTER GENERAL MAINTENANCE HANGAR.....	10,300	10,300

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
-----		
COLORADO		
ARMY		
FORT CARSON		
AIRFIELD ARRIVAL/DEPARTURE COMPLEX PHASE 2.....	24,000	24,000
UTILITY UPGRADES, PHASE 1.....	---	6,800
AIR FORCE		
BUCKLEY AIR FORCE BASE		
CONSOLIDATED FUELS FACILITY.....	10,700	10,700
PETERSON AFB		
COMMAND COMPLEX FORCE PROTECTION LAND ACQUISITION.	---	4,900
SCHRIEVER AFB		
SPACE TEST & EVALUATION FACILITY.....	21,000	21,000
DEFENSE-WIDE		
FORT CARSON		
COMBAT SERVICE SUPPORT COMPLEX.....	26,100	26,100
AIR NATIONAL GUARD		
BUCKLEY AFB		
AIR SOVEREIGNTY ALERT- ALERT CREW QUARTERS.....	---	3,100
CONNECTICUT		
NAVY		
NEW LONDON		
WATERFRONT OPS. & SMALL CRAFT MAINTENANCE FACILITY	---	9,580
DELAWARE		
AIR FORCE		
DOVER AFB		
C-17 ADD/ALTER COMPOSITE SHOP.....	2,600	2,600
C-17 AIRCREW LIFE SUPPORT.....	7,400	7,400
C-17 ALTER HANGARS.....	13,400	13,400
C-17 ENGINE STORAGE.....	3,000	3,000
DISTRICT OF COLUMBIA		
NAVY RESERVE		
DISTRICT OF COLUMBIA		
ADMINISTRATIVE & BOAT STORAGE FACILITY.....	1,924	1,924
FLORIDA		
NAVY		
BLOUNT ISLAND		
WATERFRONT OPERATIONS FACILITY.....	---	3,580
JACKSONVILLE		
HELICOPTER HANGAR REPLACEMENT (INCREMENTED).....	43,250	43,250
PENSACOLA		
BACHELOR ENLISTED QUARTERS.....	13,486	13,486
AIR FORCE		
EGLIN AFB		
CHILD DEVELOPMENT CENTER.....	---	11,000
DORMITORIES (144 RM).....	15,000	15,000
REPLACE EXPLOSIVE ORDNANCE DISPOSAL COMPLEX.....	4,350	4,350
HURLBURT FIELD		
ADAL SECURITY FORCES OPERATIONS FACILITY.....	1,900	1,900
DORMITORY (50 RM).....	8,400	8,400
FIRE CRASH/RESCUE STATION.....	6,400	6,400
JOINT OPERATIONS PLAN FACILITY.....	7,250	7,250
REALIGN CRUZ AVENUE.....	2,000	2,000
VEHICLE MAINTENANCE FACILITY (823RHS).....	7,000	7,000
MACDILL AFB		
ADD TO USCENTCOM HEADQUARTERS.....	60,000	60,000
CENTCOM JOINT INTEL CENTER.....	23,300	23,300
DORMITORY (96 RM).....	11,000	11,000
TYNDALL AFB		
1ST AIR FORCE/AFFOR CENTER, PHASE 3.....	---	6,400
F-22 OPERATIONS FACILITY ADDITION.....	1,800	1,800

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
-----		
DEFENSE-WIDE		
HURLBURT FIELD		
SOF ENGINE MAINTENANCE AND STORAGE FACILITY.....	8,500	8,500
SOF TALON II SQUADRON OPERATIONS FACILITY.....	5,982	5,982
JACKSONVILLE		
HOSPITAL ALTERATION.....	16,000	16,000
MACDILL AFB		
CLINIC REPLACEMENT.....	87,000	45,600
SOF 501-D BUILDING ADDITION.....	27,300	27,300
ARMY NATIONAL GUARD		
CAMP BLANDING		
REGIONAL TRAINING INSTITUTE, PHASE 3.....	---	14,800
AIR FORCE RESERVE		
PATRICK AFB		
ISO/PHASE DOCK EXTENSION, HANGAR 630.....	---	3,000
GEORGIA		
ARMY		
FORT GILLEM		
FORENSIC LAB.....	15,000	15,000
FORT STEWART		
BRIGADE COMPLEX (TITLE IV).....	23,800	23,800
CHILD DEVELOPMENT CENTER.....	7,700	7,700
CHILD DEVELOPMENT CENTER.....	6,800	6,800
COMBINED ARMS COLLECTIVE TRAINING FACILITY		
(TITLE IV).....	23,000	23,000
DIGITAL MULTIPURPOSE RANGE COMPLEX.....	34,000	34,000
NAVY		
ALBANY		
COMBAT VEHICLE WAREHOUSE.....	---	4,960
LAND SETTLEMENT - BLOUNT ISLAND.....	62,000	62,000
KINGS BAY		
REACTION FORCE FACILITY AUXILIARY SUPPORT COMPLEX.	13,648	13,648
WATERFRONT SECURITY FORCE FACILITY.....	6,634	6,634
AIR FORCE		
ROBINS AFB		
ADVANCED METAL FINISHING FACILITY.....	30,000	30,000
CONSOLIDATED LOGISTICS FACILITY, PHASE 1.....	---	7,000
DEPOT MAINTENANCE SUPPORT HANGAR.....	8,600	8,600
DEFENSE-WIDE		
AUGUSTA		
REGIONAL SECURITY OPERATIONS CENTER INCREMENT 1...	107,118	87,118
AIR NATIONAL GUARD		
SAVANNAH/HILTON HEAD IAP		
REPLACE OPERATIONS TRAINING AND SECURITY FORCES		
COMPLEX.....	7,100	7,100
REPLACE TROOP TRAINING QUARTERS.....	---	8,700
HAWAII		
ARMY		
SCHOFIELD BARRACKS		
CHILD DEVELOPMENT CENTER.....	12,500	12,500
UNIT OPERATIONAL FACILITIES.....	42,000	42,000
NAVY		
PEARL HARBOR		
DREDGE WEST LOCH CHANNEL FOR T-AKE.....	30,994	30,994
HELICOPTER FLIGHT TRAINING FACILITY.....	4,324	4,324
NAVAL MAGAZINE FIRE STATION.....	---	6,010
SITE PREPARATION MOBILE USER OBJECTIVE SYSTEM....	13,020	13,020
AIR FORCE		
HICKAM AFB		
C-17 FUEL CELL NOSE DOCK.....	25,000	25,000
C-17 ROAD RESTORATION.....	3,538	3,538
DEFENSE-WIDE		
KUNIA		
REGIONAL SECURITY OPERATIONS CENTER REPLACEMENT..	47,016	47,016

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
PEARL HARBOR		
ENVIRONMENTAL PREVENTING MEDICINE UNIT 6 REPLACEME FACILITY.....	7,700	7,700
ILLINOIS		
NAVY		
GREAT LAKES		
RECRUIT TRAINING COMMAND INFRASTRUCTURE UPGRADE, GREAT LAKES.....	23,589	23,589
AIR FORCE		
SCOTT AFB		
DORMITORY (120 RM).....	20,000	20,000
DEFENSE-WIDE		
GREAT LAKES		
FED HEALTH CARE FACILITY, (PHASE 1).....	20,000	20,000
ARMY NATIONAL GUARD		
SPARTA		
FIRE STATION.....	1,700	1,700
ARMY RESERVE		
GRANITE CITY		
ARMY RESERVE CENTER/ORGANIZATIONAL MAINTENANCE SHOP/AREA MAINTENANCE SUPPORT ACTIVITY/ UNHEATED STORAGE.....	20,935	20,935
AIR FORCE RESERVE		
SCOTT AFB		
CONTRACTOR LOGISTICS SUPPORT STORAGE FACILITY.....	4,350	4,350
SQUADRON OPERATIONS FACILITY.....	10,200	10,200
INDIANA		
NAVY		
CRANE		
SPECIAL WEAPONS ASSESSMENT FACILITY.....	---	6,730
ARMY NATIONAL GUARD		
CAMP ATTERBURY		
LIVE FIRE SHOOT HOUSE (TITLE IV).....	1,929	1,929
URBAN ASSAULT COURSE (TITLE IV).....	1,601	1,601
EVANSVILLE		
MOTOR VEHICLE STORAGE COMPOUND.....	2,566	2,566
AIR NATIONAL GUARD		
FORT WAYNE IAP		
REPLACE SECURITY FORCES OPERATIONS AND TRAINING FACILITY.....	4,300	4,300
IOWA		
ARMY NATIONAL GUARD		
WATERLOO		
ARMY AVIATION SUPPORT FACILITY.....	11,432	11,432
AIR NATIONAL GUARD		
FORT DODGE		
VEHICLE MAINTENANCE/COMMUNICATIONS TRAINING CENTER	---	5,600
KANSAS		
ARMY		
FORT LEAVENWORTH		
BATTLE SEMINAR FACILITY.....	15,000	15,000
CHILD DEVELOPMENT CENTER.....	---	8,200
FORT RILEY		
BARRACKS COMPLEX.....	32,000	32,000
CHILD DEVELOPMENT CENTER.....	5,200	5,200
AIR FORCE		
MCCONNELL AFB		
UPGRADE RAMP LIGHTING NORTH AND SOUTH.....	---	3,875
KENTUCKY		
ARMY		
BLUE GRASS ARMY DEPOT		

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
BLOCK & BRACE FACILITY (TITLE IV).....	3,500	3,500
FORT CAMPBELL		
BARRACKS.....	26,000	26,000
BARRACKS COMPLEX.....	50,000	50,000
BATTLE COMMAND TRAINING CENTER.....	24,400	24,400
CHILD DEVELOPMENT CENTER.....	5,000	5,000
TACTICAL UNMANNED AERIAL VEHICLE FACILITY.....	---	8,100
VEHICLE MAINTENANCE SHOP (TITLE IV).....	10,000	10,000
AIR FORCE		
FORT KNOX		
TACTICAL AIR CONTROL PARTY-AIR SUPPORT OPERATIONS SQUADRON FACILITY.....	3,500	3,500
DEFENSE-WIDE		
FORT CAMPBELL		
SOF BATTALION OPERATIONS COMPLEX (5 SPECIAL FORCES GROUP).....	24,500	24,500
FORT KNOX		
HIGH SCHOOL REPLACEMENT.....	18,108	18,108
ARMY NATIONAL GUARD		
LONDON		
READINESS CENTER ADDITION/ALTERATION.....	---	2,500
LOUISIANA		
ARMY		
FORT POLK		
CHILD CARE CENTER.....	---	6,100
MARYLAND		
ARMY		
FORT DETRICK		
RESEARCH ACQUISITION BUILDING.....	---	12,400
NAVY		
ANNAPOLIS		
WESLEY BROWN FIELD HOUSE (INCREMENTED).....	26,685	21,685
PATUXENT RIVER		
MULTI-MISSION MARITIME AIRCRAFT TEST FACILITIES, RENOVATION & MODERNIZATION.....	16,316	16,316
SUITLAND		
NATIONAL MARITIME INTEL CENTER (INCREMENT 1).....	11,780	11,780
AIR FORCE		
ANDREWS AFB		
STRATEGIC PLANNING & DEVELOPMENT FACILITY.....	29,000	---
DEFENSE-WIDE		
FORT DETRICK		
US ARMY MEDICAL RESEARCH INSTITUTE OF INFECTIOUS DISEASES REPLACEMENT FACILITY STAGE I, INCREMENT I.....	29,000	29,000
FORT MEADE		
CLASSIFIED MATERIAL CONVERSION INCREMENT II.....	11,151	11,151
HEADQUARTERS UTILITY UPGRADE.....	4,517	4,517
ARMY NATIONAL GUARD		
GAITHERSBURG		
READINESS CENTER ADDITION/ALTERATION.....	5,612	5,612
AIR NATIONAL GUARD		
MARTIN STATE AIRPORT		
REPLACE FIRE STATION AND AIRCRAFT SURVIVABILITY EQUIPMENT FACILITY.....	---	8,800
MASSACHUSETTS		
ARMY RESERVE		
FORT DEVENS		
URBAN ASSAULT COURSE (TITLE IV).....	1,713	1,713
AIR NATIONAL GUARD		
BARNES ANGB		
ADD/ALTER FIRE/CRASH RESCUE STATION.....	---	7,000

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
-----		
MICHIGAN		
ARMY NATIONAL GUARD		
LANSING		
US PROPERTY AND FISCAL OFFICE/READINESS CENTER, PHASE 2.....	---	4,239
MINNESOTA		
ARMY NATIONAL GUARD		
CAMP RIPLEY		
URBAN ASSAULT COURSE.....	---	1,700
ST CLOUD		
ARMY AVIATION SUPPORT FACILITY.....	34,453	34,453
AIR FORCE RESERVE		
MINNEAPOLIS - ST. PAUL IAP		
AERIAL PORT FACILITY.....	---	6,400
MISSISSIPPI		
DEFENSE-WIDE		
STENNIS SPACE CENTER		
SOF RIVERINE AND COMBATANT CRAFT OPERATIONS FACILITY SBT-22.....	---	10,200
ARMY NATIONAL GUARD		
TUPELO		
ARMY AVIATION SUPPORT FACILITY.....	29,888	29,888
MISSOURI		
ARMY		
FORT LEONARD WOOD		
BARRACKS.....	17,000	17,000
VEHICLE MAINTENANCE SHOP, 58TH TRANSPORTATION BATTALION.....	---	10,600
AIR FORCE		
WHITEMAN AFB		
ANIMAL CLINIC/SECURITY FORCES KENNEL COMPLEX.....	---	3,800
NAVY RESERVE		
ST LOUIS		
ADMINISTRATIVE & BOAT STORAGE FACILITY.....	4,108	4,108
MONTANA		
AIR FORCE		
MALMSTROM AFB		
COMMUNITY ACTIVITY CENTER.....	---	5,700
NEBRASKA		
ARMY NATIONAL GUARD		
GRAND ISLAND		
ARMY AVIATION SUPPORT FACILITY.....	17,275	17,275
ARMY RESERVE		
OMAHA		
ARMY RESERVE CENTER/ORGANIZATIONAL MAINTENANCE SHOP/AREA MAINTENANCE SUPPORT ACTIVITY/ UNHEATED STORAGE.....	24,143	24,143
NAVY RESERVE		
OMAHA		
ARMED FORCES RESERVE CENTER OFFUTT AFB.....	5,160	5,160
NEVADA		
AIR FORCE		
INDIAN SPRINGS		
PREDATOR VARIOUS FACILITIES (TITLE IV).....	26,000	26,000
PREDATOR VARIOUS FACILITIES (TITLE IV).....	23,923	23,923
ARMY NATIONAL GUARD		
RENO-TAHOE		
REPLACE VEHICLE MAINTENANCE COMPLEX.....	---	5,000



MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
-----		
NEW JERSEY		
ARMY		
PICATINNY ARSENAL		
ARMAMENT INTEGRATION FACILITY.....	---	9,900
AIR FORCE		
MCGUIRE AFB		
C-17 NORTHEAST ASSAULT LANDING ZONE.....	15,500	15,500
UNIFIED SECURITY FORCES OPERATIONS FACILITY.....	---	13,000
ARMY NATIONAL GUARD		
LAKEHURST		
CONSOLIDATED LOGISTICS AND TRAINING FACILITY,....	20,024	20,024
AIR NATIONAL GUARD		
ATLANTIC CITY		
ARM/DISARM APRON.....	---	1,800
NEW YORK		
ARMY		
FORT DRUM		
AUTOMATED QUALIFICATION TRAINING RANGE.....	---	9,400
BARRACKS.....	40,000	40,000
BARRACKS.....	29,000	29,000
BARRACKS COMPLEX INCREMENT 2.....	16,500	16,500
BRIGADE COMPLEX #1, PHASE 1 (TITLE IV).....	36,500	36,500
BRIGADE COMPLEX #2, PHASE 1 (TITLE IV).....	37,400	37,400
BRIGADE COMPLEX #3, PHASE 1 (TITLE IV).....	42,400	42,400
CHILD DEVELOPMENT CENTER.....	7,400	7,400
COMBINED ARMS COLLECTIVE TRAINING FACILITY (TITLE IV).....	16,500	16,500
DEFENSE-WIDE		
DENTAL CLINIC.....	9,700	9,700
ARMY NATIONAL GUARD		
CAMP SMITH		
READINESS CENTER.....	21,908	21,908
FORT DRUM		
MANEUVER AREA TRAINING & EQUIPMENT SITE PHASE II..	12,658	12,658
QUEENSBURY		
READINESS CENTER ADDITION/ALTERATION.....	9,763	9,763
AIR NATIONAL GUARD		
GRIFFISS		
NORTHEAST AIR DEFENSE SECTOR SUPPORT FACILITY, PHASE 2.....	---	6,600
HANCOCK FIELD		
UPGRADE BASE FACILITIES.....	---	8,000
NAVY RESERVE		
STEWART IAP		
MARINE CORPS RESERVE CENTER.....	1,834	1,834
AIR FORCE RESERVE		
NIAGARA FALLS IAP		
VISITING QUARTERS PHASE 2.....	7,800	7,800
NORTH CAROLINA		
ARMY		
FORT BRAGG		
BARRACKS.....	22,000	22,000
BARRACKS COMPLEX.....	39,000	39,000
BARRACKS COMPLEX INCREMENT 2.....	37,000	37,000
BARRACKS COMPLEX INCREMENT 2.....	50,000	50,000
BARRACKS COMPLEX INCREMENT 2.....	31,000	31,000
DIGITAL MULTIPURPOSE RANGE COMPLEX.....	28,000	28,000
SUNNY POINT MILITARY OCEAN TERMINAL		
CENTER WHARF EXPANSION (TITLE IV).....	46,000	46,000
NAVY		
CAMP LEJEUNE		
ACADEMIC INSTRUCTION FACILITY (PHASE 2).....	15,140	15,140
AMMO SUPPLY POINT UPGRADE (PHASE 2).....	7,610	7,610
ARMORIES - II MARINE EXPEDITIONARY FORCE.....	4,702	4,702

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
MARSOC BACHELOR ENLISTED QUARTERS.....	61,905	61,905
MARSOC DINING FACILITY.....	13,420	13,420
MARSOC INTEL OPERATIONS.....	20,430	20,430
MARSOC MAINTENANCE COMPLEX.....	22,117	22,117
MARSOC MEDICAL/BATTALION AND STATION FACILITIES...	3,478	3,478
MODERNIZE K-RANGES (PHASE 1).....	12,102	12,102
CHERRY POINT		
COMMERCIAL POWER/CARGO REFUELING SYSTEM.....	---	2,790
NEW RIVER		
AIRCRAFT HANGAR.....	21,500	21,500
NAVAL OUTLYING LANDING FIELD WASHINGTON COUNTY		
OUTLYING LANDING FIELD FACILITIES (INCREMENT I)...	7,926	7,926
DEFENSE-WIDE		
CAMP LEJEUNE		
SOF MARINE SPECIAL OPERATIONS COMMAND		
HEADQUARTERS.....	51,600	51,600
FORT BRAGG		
SOF COMMUNICATIONS TRAINING FACILITY.....	---	6,900
SOF OPERATIONS FACILITY NORTHEAST ADDITION.....	18,291	18,291
SOF OPERATIONS FACILITY NORTHWEST ADDITION.....	17,927	17,927
SOF TRAINING FACILITY (PHASE IV) (SWCS).....	8,650	8,650
POPE AFB		
SOF SQUADRON OPERATIONS/HANGAR.....	15,276	15,276
AIR NATIONAL GUARD		
STANLY COUNTY AIRPORT		
RELOCATE COMMUNICATIONS AND ELECTRONICS TRAINING		
COMPLEX.....	5,100	5,100
ARMY RESERVE		
RALEIGH-DURHAM		
ARMY RESERVE CENTER/ORGANIZATIONAL MAINTENANCE		
SHOP/UNHEATED STORAGE.....	12,114	12,114
NAVY RESERVE		
CAMP LEJEUNE		
RESERVE CENTER RELOCATION.....	5,210	5,210
RESERVE TRAINING CENTER.....	5,792	5,792
NORTH DAKOTA		
AIR NATIONAL GUARD		
HECTOR IAP		
PREDATOR OPERATIONS COMPLEX.....	5,500	5,500
OHIO		
ARMY NATIONAL GUARD		
COLUMBUS		
READINESS CENTER, ADDITION/ALTERATION.....	1,108	1,108
MARYSVILLE		
READINESS CENTER.....	6,163	6,163
AIR NATIONAL GUARD		
RICKENBACKER ANGB		
SECURITY FORCES COMPLEX, COMMUNICATIONS FACILITY..	---	7,200
AIR FORCE RESERVE		
WRIGHT-PATTERSON AFB		
C-5 ALTER FACILITY FOR RESERVE TRAINING.....	2,700	2,700
OKLAHOMA		
ARMY		
MCALESTER		
FABRICATION FACILITY.....	3,050	3,050
AIR FORCE		
ALTUS AFB		
DEFENSE ACCESS ROAD REPAIR MCQUEEN ROAD.....	1,500	1,500
TINKER AFB		
ELECTRICAL SUBSTATION 6.....	---	5,700

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
-----		
OREGON		
ARMY NATIONAL GUARD		
BOARDMAN		
MULTI-PURPOSE TRAINING RANGE.....	3,314	3,314
PENNSYLVANIA		
DEFENSE-WIDE		
DEFENSE DISTRIBUTION DEPOT NEW CUMBERLAND		
ADD TO CONSOLIDATED MAINTENANCE FACILITY.....	8,900	8,900
ARMY NATIONAL GUARD		
BRADFORD		
READINESS CENTER (STRYKER BRIGADE COMBAT		
TEAM (SBCT).....	6,206	6,206
BUTLER		
READINESS CENTER, ADD/ALT (SBCT).....	2,496	2,496
CARLISLE		
FIELD MAINTENANCE SHOP (SBCT).....	7,033	7,033
CHAMBERSBURG		
READINESS CENTER, ADD/ALT (SBCT).....	4,560	4,560
EASTON		
FIELD MAINTENANCE SHOP (SBCT).....	9,707	9,707
READINESS CENTER (SBCT).....	5,190	5,190
LANCASTER		
FIELD MAINTENANCE SHOP (SBCT).....	8,309	8,309
READINESS CENTER (SBCT).....	10,714	10,714
LEWISTOWN		
READINESS CENTER, ADD/ALT (SBCT).....	8,868	8,868
PUNXSUTAWNEY		
READINESS CENTER, ADD/ALT (SBCT).....	5,470	5,470
READING		
READINESS CENTER ADD/ALT (SBCT).....	5,817	5,817
WAYNESBURG		
READINESS CENTER.....	---	8,012
AIR NATIONAL GUARD		
FORT INDIANTOWN GAP		
OPERATIONS AND TRAINING FACILITY.....	---	6,000
STATE COLLEGE ANG		
REPLACE AIR OPERATIONS SQUADRON TRAINING FACILITY.	5,300	5,300
ARMY RESERVE		
BEAVER FALLS		
ARMY RESERVE CENTER/ORGANIZATIONAL MAINTENANCE		
SHOP/UNHEATED STORAGE.....	10,285	10,285
RHODE ISLAND		
ARMY NATIONAL GUARD		
EAST GREENWICH		
COMBINED SUPPORT MAINTENANCE SHOP.....	27,472	27,472
SOUTH CAROLINA		
NAVY		
BEAUFORT		
ENLISTED DINING FACILITY.....	14,970	14,970
LAND ACQUISITION (PHASE 1).....	7,255	7,255
NUCLEAR/BIOLOGICAL/CHEMICAL TRAINING FACILITY.....	---	3,350
AIR FORCE		
SHAW AFB		
AEROSPACE GROUND EQUIPMENT SHOP.....	6,200	6,200
AIR DEFENSE ALERT AIRFIELD PAVEMENTS.....	---	9,300
DORMITORY (144 RM).....	16,000	16,000
SOUTH DAKOTA		
AIR FORCE		
ELLSWORTH AFB		
BASE WATER WELL.....	---	3,000

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
-----		
ARMY RESERVE		
SIOUX FALLS		
AFRC/OMS/AMSA/UNH STRG WITH LAND.....	12,876	12,876
TENNESSEE		
ARMY NATIONAL GUARD		
LOUISVILLE		
ARMY AVIATION SUPPORT FACILITY.....	5,239	5,239
AIR NATIONAL GUARD		
MEMPHIS IAP		
C-5 INFRASTRUCTURE UPGRADE.....	5,000	5,000
C-5 REPLACE FIRE CRASH RESCUE STATION.....	4,350	4,350
C-5 REPLACE AIRCRAFT SUPPORT EQUIPMENT SHOP		
AND STORAGE.....	4,400	4,400
C-5 REPLACE SQUADRON OPERATIONS/SIMULATOR		
FACILITY.....	10,000	10,000
TEXAS		
ARMY		
CORPUS CHRISTI		
AIRCRAFT COMPONENT MAINTENANCE FACILITY.....	---	12,200
FORT BLISS		
PHYSICAL FITNESS FACILITY.....	---	8,200
FORT HOOD		
BARRACKS COMPLEX.....	47,000	47,000
CH-47 MAINTENANCE HANGAR.....	---	18,000
COMBINED ARMS COLLECTIVE TRAINING FACILITY		
(TITLE IV).....	28,000	28,000
AIR FORCE		
FORT BLISS		
TACTICAL AIR CONTROL PARTY AIR SUPPORT OPERATIONS		
SQUADRON FACILITY.....	8,500	8,500
LACKLAND AFB		
REPLACE TELECOMMUNICATIONS SWITCH/ADMIN SUPPORT		
FACILITY.....	13,200	13,200
LAUGHLIN AFB		
STUDENT OFFICER QUARTERS, PHASE 2.....	---	12,600
SHEPPARD AFB		
BASE OPERATIONS RAMP, PHASE 1.....	---	7,000
DEFENSE-WIDE		
FORT HOOD		
WOMEN'S HEALTH SERVICES ADDITION/ALTERATION.....	18,000	18,000
ARMY NATIONAL GUARD		
CAMP BOWIE		
MULTI-PURPOSE MACHINE GUN RANGE.....	2,229	2,229
AIR NATIONAL GUARD		
ELLINGTON FIELD		
PREDATOR OPERATIONS COMPLEX.....	6,000	6,000
NAVY RESERVE		
FORT WORTH		
JOINT GROUND SUPPORT EQUIP & AIRCRAFT		
MAINTENANCE FACILITY.....	9,428	9,428
JOINT MULTI-LEVEL PARKING FACILITY.....	---	6,500
UTAH		
ARMY		
DUGWAY PROVING GROUND		
MICHAEL ARMY AIRFIELD RUNWAY PHASE 3.....	14,400	14,400
AIR FORCE		
HILL AFB		
ADD TO SOFTWARE SUPPORT FACILITY.....	20,000	20,000
ARMAMENT OVERHAUL FACILITY.....	7,400	7,400
F/A-22 FUELED COMPOSITE AIRCRAFT OVERHAUL/TEST		
FACILITY.....	26,000	26,000

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
-----		
ARMY NATIONAL GUARD		
CAMP WILLIAMS		
TOTAL ARMY SCHOOL SYSTEM BARRACKS (PHASE I).....	19,688	19,688
VERMONT		
ARMY NATIONAL GUARD		
ETHAN ALLEN		
INFANTRY SQUAD BATTLE COURSE.....	2,204	2,204
VIRGINIA		
ARMY		
FORT BELVOIR		
ADMINISTRATIVE BUILDINGS.....	31,000	---
DEFENSE ACCESS ROAD PHASE 2.....	13,000	13,000
MUSEUM SUPPORT CENTER.....	27,000	---
FORT LEE		
DEPLOYMENT STAGING AREA.....	---	4,150
NAVY		
NORFOLK		
DAMAGE CONTROL SCHOOL TRAINER.....	13,502	13,502
DRY DOCK #8 MODERNIZATION.....	34,952	34,952
HELICOPTER TRAINING FACILITY ADDITION.....	12,062	12,062
JOINT DEPLOYMENT/FLEET SERVICES COMMAND CENTER....	14,960	14,960
JOINT FORCES COMMAND HEADQUARTERS FACILITY,		
BUILDING 1.....	---	13,250
PIER 11 REPLACEMENT INCREMENT III.....	30,633	30,633
SHIP REPAIR PIER 3 REPLACEMENT (INCREMENT 2).....	30,939	30,939
QUANTICO		
ACADEMIC INSTRUCTION FACILITY - STAFF		
NONCOMMISSIONED OFFICERS.....	8,317	8,317
STUDENT QUARTERS - THE BASIC SCHOOL (PHASE 1)....	22,311	22,311
AIR FORCE		
LANGLEY AFB		
DISTRIBUTED COMMON GROUND STATION OPERATIONS		
FACILITY.....	47,700	47,700
DORMITORY (96 RM).....	10,000	10,000
DEFENSE-WIDE		
FORT BELVOIR		
MATERIAL RECEIVING AND SCREENING FACILITY.....	5,500	5,500
LITTLE CREEK		
SOF SEAL DELIVERY VEHICLE TEAM TWO MAINTENANCE		
FACILITY.....	22,000	22,000
ARMY NATIONAL GUARD		
FORT PICKETT		
AMMO SUPPLY POINT MAGAZINES (STRYKER BRIGADE		
COMBAT TEAM).....	1,889	1,889
WINCHESTER		
ORGANIZATIONAL MAINTENANCE SHOP.....	---	3,113
WASHINGTON		
ARMY		
FORT LEWIS		
BARRACKS COMPLEX.....	35,000	35,000
BARRACKS COMPLEX.....	49,000	49,000
BRIGADE COMPLEX INCREMENT 1 (TITLE IV).....	102,000	102,000
CHILD DEVELOPMENT CENTER.....	10,600	10,600
NAVY		
BANGOR		
LIMITED AREA PRODUCTION AND STORAGE COMPLEX.....	14,274	14,274
REACTION FORCE FACILITY AUXILIARY SUPPORT COMPLEX.		
EVERETT		
BEQ HOMEPORT ASHORE (INCREMENT 2).....	20,917	20,917
KITSAP		
OCEAN ENGINEERING SUPPORT FACILITY.....	---	4,110

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
WHIDBEY ISLAND		
HANGAR 5 RECAPITALIZATION.....	57,653	26,500
INDOOR WASHRACK.....	---	9,650
AIR FORCE		
FAIRCHILD AFB		
PHYSIOLOGICAL TRAINING FACILITY.....	---	4,250
DEFENSE-WIDE		
CONSOLIDATED FUEL FACILITY.....	26,000	26,000
WEST VIRGINIA		
ARMY NATIONAL GUARD		
CAMP DAWSON		
MULTI-PURPOSE BUILDING.....	---	4,842
AIR NATIONAL GUARD		
REGIONAL AIRPORT - SHEPHERD FIELD		
C-5 REPLACE BASE SUPPLY FACILITY.....	5,700	5,700
C-5 REPLACE FIRE, CRASH AND RESCUE STATION.....	7,500	7,500
C-5 UPGRADE/EXTEND RUNWAY AND TAXIWAYS.....	20,500	20,500
WISCONSIN		
ARMY RESERVE		
FORT MCCOY		
GENERAL PURPOSE WAREHOUSE.....	13,744	13,744
MENASHA		
ARMY RESERVE CENTER/ORGANIZATIONAL MAINTENANCE		
SHOP/UNHEATED STORAGE.....	12,159	12,159
WYOMING		
AIR FORCE		
F. E. WARREN AFB		
RENOVATE DORMITORY 320.....	11,000	11,000
ARMY NATIONAL GUARD		
CAMP GUERNSEY		
MULTI-PURPOSE MACHINE GUN RANGE.....	1,796	1,796
AIR NATIONAL GUARD		
CHEYENNE MAP		
ADD TO AND ALTER FIRE CRASH/RESCUE STATION.....	4,200	4,200
DIEGO GARCIA		
NAVY		
DIEGO GARCIA		
WHARF IMPROVEMENTS & SHORE SUPPORT FACILITY.....	37,473	37,473
GERMANY		
ARMY		
GRAFENWOEHR		
BARRACKS.....	29,000	29,000
BARRACKS.....	29,000	29,000
BRIGADE HEADQUARTERS.....	11,132	11,132
VEHICLE MAINTENANCE COMPLEX.....	29,500	29,500
VEHICLE MAINTENANCE COMPLEX.....	29,500	29,500
VEHICLE MAINTENANCE COMPLEX.....	29,500	29,500
VILSECK		
BARRACKS.....	19,000	19,000
AIR FORCE		
RAMSTEIN AB		
C-130 CONSTRUCT 2-BAY HANGAR.....	22,000	22,000
C-130 CONSTRUCT AIRCRAFT PARTS STORE.....	3,300	3,300
RAMP 1, PHASE 2.....	27,850	27,850
GUAM		
AIR FORCE		
ANDERSEN AFB		
GLOBAL HAWK AIRCRAFT MAINTENANCE & OPERATIONS		
COMPLEX.....	52,800	52,800

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
INTELLIGENCE, SURVEILLANCE, AND RECONNAISSANCE/ STRIKE TASK FORCE CONSTRUCT CONTRACTOR GATE/ ACCESS ROAD.....	15,500	15,500
UPGRADE NORTHWEST FIELD INFRASTRUCTURE, PHASE 1...	12,500	12,500
ITALY		
ARMY		
VICENZA		
BARRACKS COMPLEX.....	46,000	46,000
BARRACKS COMPLEX.....	29,000	29,000
BARRACKS COMPLEX.....	41,000	41,000
BRIGADE COMPLEX.....	32,000	32,000
BRIGADE COMPLEX INFRASTRUCTURE.....	49,000	49,000
PHYSICAL FITNESS CENTER.....	26,000	26,000
NAVY		
SIGONELLA		
MOBILE USER OBJECTIVE SYSTEM INSTALLATION.....	13,051	13,051
DEFENSE-WIDE		
CAMP EDERLE		
CASERMA EDERLE, NEW ELEMENTARY SCHOOL.....	31,460	31,460
VICENZA		
ENHANCED HEALTH SERVICE CENTER.....	52,000	52,000
VICENZA (VILLAGIO) NEW MIDDLE SCHOOL.....	---	---
JAPAN		
ARMY		
CAMP HANSEN		
RANGE COMPLEX PH 2 (TITLE IV).....	7,150	7,150
NAVY		
YOKOSUKA		
WHARF UPGRADES (INCREMENT 2).....	44,360	44,360
DEFENSE-WIDE		
TENGAN ANCHORAGE (OKINAWA)		
REPLACE SINGLE POINT MOORING.....	5,000	5,000
KOREA		
ARMY		
CAMP HUMPHREYS		
BARRACKS COMPLEX.....	42,000	42,000
BARRACKS COMPLEX.....	35,000	35,000
YONPYONG		
DIGITAL MULTIPURPOSE RANGE.....	4,350	4,350
SHOOT HOUSE (TITLE IV).....	1,450	1,450
SHOOT HOUSE (TITLE IV).....	1,600	1,600
AIR FORCE		
KUNSAN AB		
DORMITORY (480 RM).....	46,700	46,700
OSAN AB		
DISTRIBUTED COMMON GROUND STATION INTEL SQUAD OPERATIONS FACILITY.....	2,156	2,156
DEFENSE-WIDE		
OSAN HIGH SCHOOL ADDITION.....	4,589	4,589
KWAJALEIN		
DEFENSE-WIDE		
KWAJALEIN ATOLL		
LAUNCH CONTROL FACILITY LIFE SAFETY UPGRADES.....	7,592	---

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
-----		
MARIANA ISLANDS		
NAVY		
GUAM		
ALPHA/BRAVO WHARVES IMPROVEMENTS, MARIANAS.....	29,772	29,772
PUERTO RICO		
ARMY RESERVE		
CAMP SANTIAGO		
COMBAT PISTOL/MILITARY POLICE FIREARM QUALIFICATION COURSE.....	2,054	2,054
QATAR		
DEFENSE-WIDE		
QATAR		
SOF AIRCRAFT OPERATIONS AND MAINTENANCE HANGAR (TITLE IV).....	28,000	28,000
SOF ROTARY WING HANGAR (TITLE IV).....	16,500	16,500
SPAIN		
DEFENSE-WIDE		
ROTA		
ROTA HIGH SCHOOL ADDITION.....	23,048	23,048
UNITED KINGDOM		
DEFENSE-WIDE		
MENWITH HILL STATION		
OPERATIONS/TECH BUILDING INCREMENT 2.....	46,386	46,386
WAKE ISLAND		
DEFENSE-WIDE		
WAKE ISLAND		
REPLACE FUEL TRUCK LOADING FACILITY.....	2,600	2,600
NORTH ATLANTIC TREATY ORGANIZATION		
NATO SECURITY INVESTMENT PROGRAM.....	220,985	200,985
WORLDWIDE CLASSIFIED		
ARMY		
CLASSIFIED LOCATION		
BASE CAMP.....	34,800	34,800
AIR FORCE		
CLASSIFIED PROJECT.....	3,377	3,377
CLASSIFIED.....	1,700	1,700
CLASSIFIED-SPECIAL EVALUATION PROGRAM.....	4,600	4,600
GLOBAL HAWK AIRCRAFT MAINTENANCE AND OPERATIONS COMPLEX.....	26,000	26,000
WORLDWIDE UNSPECIFIED		
ARMY		
HOST NATION SUPPORT.....	21,000	21,000
MINOR CONSTRUCTION.....	23,000	23,930
PLANNING & DESIGN.....	191,830	199,830
RESCISSION (P.L. 109-114).....	---	-43,348
NAVY		
PLANNING AND DESIGN.....	67,861	72,857
UNSPECIFIED MINOR CONSTR.....	8,939	8,939
HELICOPTER SUPPORT FACILITY.....	12,185	12,185
HOCHMUTH HALL ADDITION.....	11,559	10,159
RESCISSION (P.L. 108-132).....	---	-30,000
RESCISSION (P.L. 108-324).....	---	-8,000
AIR FORCE		
COMMON BATTLEFIELD AIRMAN TRAINING COMPLEX.....	14,200	---
PLANNING AND DESIGN.....	87,504	97,504
UNSPECIFIED MINOR CONSTRUCTION.....	15,000	15,000
RESCISSION (P.L. 108-324).....	---	-2,694



MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
DEFENSE-WIDE		
CONTINGENCY CONSTRUCTION.....	10,000	10,000
ENERGY CONSERVATION IMPROVEMENT PROGRAM.....	60,000	55,000
PLANNING AND DESIGN		
NATIONAL SECURITY AGENCY.....	6,416	6,416
SPECIAL OPERATIONS COMMAND.....	47,915	48,715
TRICARE MANAGEMENT ACTIVITY.....	81,800	81,800
WASHINGTON HEADQUARTERS SERVICE.....	507	507
UNDISTRIBUTED.....	35,512	35,512
SUBTOTAL, PLANNING AND DESIGN.....	172,150	172,950
UNSPECIFIED MINOR CONSTRUCTION		
DEFENSE FINANCE AND ACCOUNTING SERVICE.....	1,421	1,421
DEPARTMENT OF DEFENSE DEPENDENT EDUCATION.....	466	466
THE JOINT STAFF.....	7,531	7,531
SPECIAL OPERATIONS COMMAND.....	4,342	4,342
TRICARE MANAGEMENT ACTIVITY.....	3,321	3,321
UNDISTRIBUTED.....	4,591	4,591
RESCISSION (P.L. 108-132).....	---	-9,000
RESCISSION (P.L. 108-324).....	---	-43,000
RESCISSION (P.L. 109-114).....	---	-58,229
SUBTOTAL, UNSPECIFIED MINOR CONSTRUCTION.....	21,672	-88,557
ARMY NATIONAL GUARD		
PLANNING AND DESIGN.....	57,337	63,337
UNSPECIFIED MINOR CONSTRUCTION.....	20,844	20,844
AIR NATIONAL GUARD		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN AIR NATIONAL GUARD.....	18,838	27,838
UNSPECIFIED MINOR CONSTRUCTION.....	6,000	6,000
ARMY RESERVE		
PLANNING AND DESIGN.....	19,509	22,509
UNSPECIFIED MINOR CONSTRUCTION.....	3,042	3,042
NAVY RESERVE		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN.....	2,387	2,637
UNSPECIFIED MINOR CONSTRUCTION.....	1,112	1,112
AIR FORCE RESERVE		
VARIOUS WORLDWIDE LOCATIONS		
PLANNING AND DESIGN.....	5,109	7,609
UNSPECIFIED MINOR CONSTRUCTION.....	4,477	4,477
FAMILY HOUSING, ARMY		
ALASKA		
FORT RICHARDSON (105 UNITS).....	45,000	45,000
FORT RICHARDSON (57 UNITS).....	25,000	25,000

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
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FORT WAINWRIGHT (58 UNITS).....	32,000	32,000
FORT WAINWRIGHT (86 UNITS).....	50,000	50,000
FORT WAINWRIGHT (90 UNITS).....	50,000	50,000
ARIZONA		
FORT HUACHUCA		
FORT HUACHUCA (119 UNITS).....	32,000	32,000
ARKANSAS		
PINE BLUFF ARSENAL (10 UNITS).....	2,900	2,900
WISCONSIN		
FORT MCCOY (13 UNITS).....	4,900	4,900
CONSTRUCTION IMPROVEMENTS.....	336,859	320,659
PLANNING AND DESIGN.....	16,332	16,332
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SUBTOTAL, CONSTRUCTION.....	594,991	578,791
OPERATION AND MAINTENANCE		
UTILITIES ACCOUNT.....	106,133	106,133
SERVICES ACCOUNT.....	26,726	26,726
MANAGEMENT ACCOUNT.....	60,919	60,919
MISCELLANEOUS ACCOUNT.....	630	630
FURNISHINGS ACCOUNT.....	36,687	36,687
LEASING.....	214,781	214,781
MAINTENANCE OF REAL PROPERTY.....	204,963	202,791
PRIVATIZATION SUPPORT COSTS.....	25,990	25,990
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SUBTOTAL, OPERATION AND MAINTENANCE.....	676,829	674,657
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TOTAL, FAMILY HOUSING, ARMY.....	1,271,820	1,253,448
FAMILY HOUSING, NAVY AND MARINE CORPS		
CALIFORNIA		
BARSTOW - DESERT VIEW & CLUB ST (74 UNITS).....	27,851	27,851
GUAM		
NORTH TIPALO - PHASE II (108 UNITS).....	50,157	50,157
OLD APRA - PHASE I (68 UNITS).....	48,017	48,017
CONSTRUCTION IMPROVEMENTS.....	176,446	180,146
PLANNING AND DESIGN.....	2,600	2,785
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SUBTOTAL, CONSTRUCTION.....	305,071	308,956
OPERATION AND MAINTENANCE		
UTILITIES ACCOUNT.....	80,751	80,751
SERVICES ACCOUNT.....	34,123	34,123
MANAGEMENT ACCOUNT.....	75,085	75,085
MISCELLANEOUS ACCOUNT.....	595	595
FURNISHING ACCOUNT.....	18,036	18,036
LEASING.....	132,282	132,282
MAINTENANCE OF REAL PROPERTY.....	152,991	152,991
MORTGAGE INSURANCE PREMIUM.....	2	2
PRIVATIZATION SUPPORT COSTS.....	15,261	15,261
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SUBTOTAL, OPERATION AND MAINTENANCE.....	509,126	509,126
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TOTAL, FAMILY HOUSING, NAVY AND MARINE CORPS....	814,197	818,082
FAMILY HOUSING, AIR FORCE		
ALASKA		
EIELSON AFB (129 UNITS).....	87,414	87,414
IDAHO		
MOUNTAIN HOME AFB (457 UNITS).....	107,800	107,800
MISSOURI		
WHITEMAN AFB (116 UNITS).....	39,270	39,270

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
MONTANA		
MALMSTROM AFB (493 UNITS).....	140,252	140,252
NORTH CAROLINA		
SEYMOUR JOHNSON AFB (56 UNITS).....	22,956	22,956
NORTH DAKOTA		
MINOT AFB (575 UNITS).....	171,188	171,188
TEXAS		
DYESS AFB (199 UNITS).....	49,215	49,215
GERMANY		
RAMSTEIN AB (101 UNITS).....	73,488	59,488
SPANGDAHLEM AB (60 UNITS).....	39,294	39,294
UNITED KINGDOM		
ROYAL AIR FORCE LAKENHEATH (74 UNITS).....	35,282	35,282
CONSTRUCTION IMPROVEMENTS.....	403,777	403,777
PLANNING AND DESIGN.....	13,202	13,202
RESCISSION (P.L. 108-324).....	---	-23,400
RESCISSION (P.L. 109-114).....	---	-42,800
SUBTOTAL, CONSTRUCTION.....	1,183,138	1,102,938
OPERATION AND MAINTENANCE		
UTILITIES ACCOUNT.....	103,250	103,250
MANAGEMENT ACCOUNT.....	77,981	77,981
SERVICES ACCOUNT.....	25,888	25,888
FURNISHINGS ACCOUNT.....	44,545	44,545
MISCELLANEOUS ACCOUNT.....	1,914	1,914
LEASING.....	121,295	121,295
MAINTENANCE.....	342,298	342,298
DEBT ACCOUNT.....	1	1
PRIVATIZATION SUPPORT COSTS.....	37,899	37,899
SUBTOTAL, OPERATION AND MAINTENANCE.....	755,071	755,071
TOTAL, FAMILY HOUSING, AIR FORCE.....	1,938,209	1,858,009
FAMILY HOUSING, DEFENSE-WIDE		
VIRGINIA		
DEFENSE SUPPLY CENTER RICHMOND (DLA) (25 UNITS)....	7,840	7,840
CONSTRUCTION IMPROVEMENTS.....	768	768
PLANNING AND DESIGN (DLA).....	200	200
SUBTOTAL, CONSTRUCTION.....	8,808	8,808
OPERATION AND MAINTENANCE		
FURNISHINGS ACCOUNT (NSA).....	26	26
UTILITIES ACCOUNT (NSA).....	7	7
MAINTENANCE OF REAL PROPERTY (NSA).....	70	70
LEASING (NSA).....	10,261	10,261
FURNISHINGS ACCOUNT (DIA).....	4,182	4,182
LEASING (DIA).....	32,821	32,821
MANAGEMENT ACCOUNT (DLA).....	374	374
SERVICES ACCOUNT (DLA).....	72	72
FURNISHINGS ACCOUNT (DLA).....	58	58
UTILITIES ACCOUNT (DLA).....	399	399
MAINTENANCE OF REAL PROPERTY (DLA).....	236	236
SUBTOTAL, OPERATION AND MAINTENANCE.....	48,506	48,506
TOTAL, FAMILY HOUSING, DEFENSE-WIDE.....	57,314	57,314
CHEMICAL DEMILITARIZATION CONSTRUCTION, DEFENSE-WIDE		
CHEMICAL DEMILITARIZATION CONSTRUCTION, DEFENSE-WIDE..	130,993	90,993

MILITARY CONSTRUCTION  
(AMOUNTS IN THOUSANDS)

	BUDGET REQUEST	HOUSE
DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUN		
DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND.	2,500	2,500
BASE REALIGNMENT AND CLOSURE ACCOUNT		
BASE REALIGNMENT AND CLOSURE ACCOUNT, 1990.....	191,220	216,220
BASE REALIGNMENT AND CLOSURE ACCOUNT, 2005.....	5,626,223	5,309,876
TOTAL, BASE REALIGNMENT AND CLOSURE.....	5,817,443	5,526,096
	=====	=====
GRAND TOTAL.....	16,698,423	16,365,176
	=====	=====

ADDITIONAL VIEWS OF REPRESENTATIVES CHET  
EDWARDS, SAM FARR, AND DAVID R. OBEY

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MILITARY QUALITY OF LIFE AND VETERANS AFFAIRS AND RELATED  
AGENCIES APPROPRIATIONS BILL, 2007

The two most important decisions affecting the Military Quality of Life bill were not made while the bill was before the Committee.

On May 9, 2006, on a party-line vote, Committee Republicans cut the allocation for this bill by \$824 million below the President's request.

The next day the Majority pushed a bill through the House that provides taxpayers with incomes greater than \$1 million per year tax cuts of \$42,000, while families with incomes of \$50,000 a year would only get on average a \$46 tax cut.

Those two actions by the Republican Majority are the reason for this bare bones bill. While it provides a \$635 million increase in veterans spending above the President's request it also has to rely on a \$500 million budget gimmick; even with this fiscal sleight of hand the bill still fails military retirees' and veterans' medical needs.

Democrats offered three amendments that would have significantly improved the bill by eliminating the budget gimmick, making certain military retirees would not face increased costs, and ensuring the quality and timeliness of VA medical care. These amendments were part of a fiscally disciplined, balanced Democratic approach that would return Congressional budgeting to the principle of "paying-as-you-go", providing additional funding for key investments and reducing the deficit by scaling back the supersized tax cuts for those making more than \$1 million a year.

MILITARY RETIREES

The President proposed to increase enrollment fees, co-payments and deductibles for military retirees less than 65 years of age within the Defense Health Program. The President's proposal included:

- Raising the annual enrollment fees for TRICARE Prime;
- Establishing annual enrollment fees for the more basic TRICARE Standard;
- Increasing annual deductibles; and,
- Raising the mail-order and retail pharmacy co-payments.

The Administration's budget claimed that these increased costs imposed on military retirees would raise \$735 million.

Democrats wholly reject imposing these fee increases on military retirees. Thankfully, the House Committee on Armed Services agreed and rejected the proposal. However, this bill fails to deal

with the President's proposal to increase fees, leaving a \$735 million hole in the Defense Health Program.

Mr. Edwards offered an amendment to provide the necessary \$735 million that is needed to get the Defense Health Program through the next year, and to offset the costs proposed a minor reduction in the tax cut for those with annual incomes above a million dollars. A less than two percent reduction in the average tax cuts for people making over \$1 million a year would ensure the Defense Health Program is fully funded. Presented with a choice between reducing the tax cut for millionaires or adequately funding healthcare for military retirees, Republicans voted to protect the super-sized tax cuts for millionaires and rejected Mr. Edwards' amendment on a party-line vote.

#### BUDGET GIMMICKRY

The second Democratic amendment would have eliminated the budget gimmick that designated \$507 million for 20 routine military construction projects as an "emergency" so that this funding would not count against the bill's allocation.

None of these projects were unforeseen. The Administration budget requested 310 military construction projects, including these 20 projects. They are all conventional military construction projects—things like hangars, barracks and unit headquarters. These projects are selected through long-term planning exercises developed by the services, coordinated by the Department of Defense, and then vetted by the Office of Management and Budget. None of these projects were designated by the Administration as emergency requirements.

Democrats recognized these projects as valid and continue to support our service men and women. However, the Minority has a more fiscally disciplined and balanced approach to addressing these critical needs.

Mr. Obey offered an amendment to pay for these 20 military construction projects by reducing the tax cuts for people making more than \$1 million a year by \$1,400 or one percent. Republicans defeated the amendment on a party-line vote.

#### VETERANS HEALTHCARE

Last year, the Administration was twice forced to admit that it failed to adequately budget for veterans health care. Twice, at the urging of Democrats, Congress provided additional funding to close the shortfall. After that fiasco, Congress understandably cast a skeptical eye on the President's 2007 request for VA healthcare.

This year, the Committee wisely chose to set its mark to the estimates offered in the Independent Budget, which is drafted by veterans service organizations, rather than the request of the Administration. As this report notes, the Independent Budget provides a more reliable yardstick. In total, the Committee provided an additional \$635 million above the President's budget.

While this increase is necessary and commendable we still believe that the bill leaves much room for improvement. The bill's allocation is still too low to meet many of the Independent Budget's recommendations, high priority construction projects were cut, and

increases recommended by the authorizers could not be accommodated.

Mr. Farr offered an amendment to increase veterans health care funding by \$1.82 billion. For example, the amendment would have provided:

- \$300 million to fully fund the Independent Budget's mental health and prosthetics initiatives;
- An additional \$119 million to increase the number of full-time employees as suggested by the Independent Budget;
- An additional \$48 million in medical and prosthetic research;
- An additional \$232 million to offset in unjustifiable "savings" claimed by the President's budget;
- An additional \$471 million for long-term care the VA is statutorily required to provide;
- An additional \$341 million to enroll "lower priority" veterans who, while often called high income, are excluded from the VA healthcare system even though they make as little as \$27,000 a year;
- An additional \$8 million to allow the Inspector General to expand oversight efforts to make certain that veterans get the best healthcare in a timely manner;
- An additional \$115 million to restore badly needed hospital construction projects cut from the Administration's request; and,
- An additional \$73 million for General Operating Expenses to help reduce the claims processing backlog. Last year, 74,000 veterans waited more than six months to resolve a claim; today, over 95,000 are waiting.

The Farr amendment was paid for by reducing the average tax cut for people making more than \$1 million a year by slightly more than \$5,000, leaving them with \$109,025. The Majority defeated the amendment on a party-line vote.

Time and again, the Majority prioritized the needs of people making more than \$1 million a year ahead of key investments, such as health care for our veterans.

As a result, veterans will continue to wait too long for care, many will not get the mental health assistance they need, prosthetic research and services will be under funded, and "wealthy" lower priority veterans will continue to be denied access to VA healthcare altogether.

Meanwhile, there are 362,000 taxpayers with annual incomes over \$1 million who are scheduled to receive an average tax cut of \$114,172.

Committee Democrats only asked that we give a little bit less to those who already have much so that we could do a little bit better

by our veterans. We were told by the Majority that this was not “legitimate.”

In a time of war, reducing a millionaire’s tax cut in order to care for those “who shall have borne the battle” is not only legitimate, it is a moral imperative.

CHET EDWARDS.

SAM FARR.

DAVID R. OBEY.

