

PRESS RELEASE

House Armed Services Committee Bob Stump, Chairman

FOR IMMEDIATE RELEASE

May 1, 2002

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HOUSE ARMED SERVICES COMMITTEE REPORTS FISCAL YEAR 2003 DEFENSE AUTHORIZATION LEGISLATION

Bills continue commitment to defend homeland,
support military personnel, and prepare for war

The House Armed Services Committee today reported H.R. 4546, the National Defense Authorization Act for Fiscal Year 2003, out of committee on a bipartisan 57 to 1 vote. The committee also began work on H.R. 4547, the Cost of War Against Terrorism Authorization Act, but agreed to complete consideration of the legislation at a later date. Chairman Bob Stump (R-AZ) issued the following statement on the committee's work:

“Tonight, the House Armed Services Committee reported the first defense authorization legislation to be drafted entirely since the start of the war against terrorism. This is a notable distinction, as these bills were crafted within the context of the post-September 11 environment: America is at war, our military personnel are in combat, and our nation is facing the most difficult threat it has faced in decades.

“Together, H.R. 4546 and H.R. 4547 signal our unwavering support for the American soldiers, sailors, airmen, and Marines who are fighting the war against terrorism. They demonstrate our dedication to providing them with a decent quality of life, ensuring that they have the training they need, and maintaining the technological edge that saves lives on the battlefield.

“At this time last year, I believed that we had ‘turned the corner’ on providing for our nation’s defense. Today, I remain convinced that we are on the road to recovery, as these defense bills will set a modern day high-water mark for the nation’s defense program with:

- the largest real increase to defense spending since 1966;
- the largest defense budget (in inflation-adjusted terms) since fiscal year 1990;
- the fifth straight year of real increases to defense spending, after 13 consecutive years of real cuts to defense budgets; and
- the largest increase in military manpower since 1986.

“Our message is clear – we are completely committed to restoring the strength of our nation’s military. In these bills, we have focused on improving our homeland defenses against terrorism and weapons of mass destruction, supporting the needs of our military personnel, and preparing for an extended war against terrorism. I believe we have largely succeeded in meeting these needs.

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“However, it is also clear that even this sizeable defense budget does not fully address all of the military’s pressing needs, particularly in the areas of military construction, critical readiness accounts, and certain modernization programs. To ensure continued progress in the effort to rebuild the United States military, the fiscal year 2004 defense program must be stronger than this fiscal year 2003 effort – with another real budget increase, further increases to manpower levels, and sufficient funds for the acquisition of critical weapons and equipment.”

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The funding level contained in H.R. 4546, \$383.4 billion in budget authority, matches the amount recommended by the House-passed Budget Resolution. A complete summary of H.R. 4546 as reported by the committee is available on the House Armed Services Committee website at: <http://www.house.gov/hasc>. Electronic versions of the legislation and the associated committee report will be posted on the committee website by Friday, May 3. Details of H.R. 4547 will be made available after the committee completes consideration of the legislation.

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Summary of Major Provisions

H.R. 4546:

National Defense Authorization Act for Fiscal Year 2003

May 1, 2002

EXECUTIVE SUMMARY

On May 1, 2002, the House Armed Services Committee reported H.R. 4546 out of committee on a bipartisan 57 to 1 vote. The bill authorizes \$383.4 billion for the “core” of the fiscal year 2003 defense program, fully funding the President’s non-war budget request.

The committee also began work on H.R. 4547, the Cost of War Against Terrorism Authorization Act, but agreed to complete consideration of the legislation at a later date. This second bill will contain the second portion of the President’s defense budget request – approximately \$10 billion for items related to the cost of the war against terrorism.

This two-bill approach recognizes that America’s military will face unprecedented and as yet undefined challenges in the war against terrorism. The unconventional nature of this military campaign requires that Congress accordingly adjust its traditional budget process to allow for greater flexibility in financing the significant costs of these operations.

Therefore, H.R. 4546 contains the base defense budget for fiscal year 2003 and largely covers the costs associated with the normal rate of investment and operations of the Department of Defense. H.R. 4547 covers the known costs of continuing Operations Noble Eagle and Enduring Freedom, as well as miscellaneous DOD incremental costs directly associated with the war on terrorism. This legislation will also serve as the vehicle for further authorization action once the Administration submits a detailed budget proposal for the \$10 billion contingency fund identified in the budget request.

This approach implements the flexible budgeting proposal contained in both the President’s budget request and the House-passed Concurrent Resolution on the Budget. Equally important, this two-bill effort will facilitate appropriate Congressional oversight of the entire proposed defense budget by ensuring regular-order consideration and action.

Although the following press release summarizes committee recommendations made to H.R. 4546, it also includes funding recommendations contained in H.R. 4547 for highlighted programs for which funds are included in both bills. Key recommendations included in H.R. 4546 include:

Making the Homeland Safe

Counterterrorism Programs: Supports the President’s request for \$7.3 billion for programs to combat terrorism

Ballistic Missile Defense: Supports the President’s Ballistic Missile Defense program by authorizing \$7.8 billion, \$21 million more than the President’s request.

Supporting U.S. Military Personnel

Pay Raise: Provides a 4.1 percent military pay raise, with larger pay increases for mid-grade and senior noncommissioned officers and mid-grade officers (effective January 1, 2003).

Concurrent Receipt: Eliminates current law provisions that cause military retirees who are eligible for veteran’s disability compensation to have their retirement pay reduced. The bill establishes a payment transition program

to compensate retirees who are 60 percent or greater disabled until fiscal year 2007, when all such retirees will receive their full retirement and disability compensation.

Housing Costs: Continues to reduce out-of-pocket housing costs for military personnel by increasing housing allowances to cover 92.5 percent of all housing costs.

Unfunded Requirements: Satisfies over \$200 million of the service chiefs' unfunded personnel requirements.

Meeting Construction Needs: Provides \$10 billion, \$425 million more than the President's request, for military construction and family housing projects.

Preparing for War

Increasing Military Manpower: Increases active duty endstrengths by more than 12,000 personnel (nearly one percent of the current force) to meet increased demands resulting from the war against terrorism. The bill also includes \$550 million to meet the costs of these additional personnel.

Critical Readiness Accounts: Increases key readiness accounts by approximately \$4.6 billion above the fiscal year 2002 level, and satisfies \$200 million of the service chief's unfunded readiness requirements.

Procurement Accounts: Provides \$73.4 billion, \$3.2 billion more than the President's request, for procurement programs. Through careful reprioritization, the committee met more than \$2 billion of the services' unfunded requirements for procurement programs.

Research and Development Accounts: Provides \$56.5 billion, \$649 million more than the President's request for programs to research and develop next generation technologies.

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MAKING THE HOMELAND SAFE

“In crafting this bill, the committee emphasized programs that will make America a safer place by improving our defenses against terrorists, rogue nations, and chemical, biological, and nuclear weapons.”

-HASC Chairman Bob Stump

The September 11 attacks proved that those who wish to harm the United States are willing to use any means to attack America’s financial, military, and political centers. As a result, eliminating vulnerabilities to terrorist attacks is a top national priority, for which continued support is critical to prevent terrorists from successfully striking the homeland again.

Combating Terrorism

The President’s budget request included \$7.3 billion for DOD efforts to combat terrorism, including counterterrorism, force protection, counter-intelligence, consequence management, and anti-terrorism programs. The committee supported this request, as well as requests for DOE efforts to combat terrorism and the proliferation of weapons of mass destruction. Highlights include:

HOMELAND SECURITY FACTS:

At least 25 countries now possess or are acquiring nuclear, biological, or chemical weapons.

At least 28 countries, including Iran, Iraq, North Korea, Syria, and Libya, possess ballistic missiles.

Since 1980, ballistic missiles have been used in six regional conflicts.

During the Persian Gulf War, 28 U.S. military personnel died from a ballistic missile attack.

President George W. Bush: “America’s development of a missile defense is a search for security, not a search for advantage.”

Defending Against Weapons of Mass Destruction (WMD)

Chemical-Biological Detection, Protection, and Decontamination. The committee recommends \$578 million in H.R. 4546 and \$390 million in H.R. 4547 (The Cost of War Against Terrorism Authorization Act (COWATAA)) totaling \$968 million, \$35 million more than the President’s request) for research and development of advanced individual protection programs and equipment to detect and decontaminate chemical-biological agents. In addition, the committee recommends \$382 million in H.R. 4546 and \$90 million in the COWATAA (totaling \$472 million, \$46.3 million more than the President’s request) to procure chemical-biological protection and decontamination equipment, including:

- \$78.3 million in H.R. 4546 and \$60 million in the COWATAA (totaling \$138.2 million, \$21.4 million more than the President’s request) for contamination and avoidance equipment;
- \$113.2 million H.R. 4546 and \$30 million in the COWATAA (totaling \$143.2 million, matching the President’s request) for the joint biological defense program;
- \$125.3 million (matching the President’s request) for procurement of individual protection equipment;

- \$49.6 million (\$14.9 million more than the President's request) for collective protection equipment; and
- \$15.6 million (matching the President's request) for decontamination equipment.

Cooperative Threat Reduction (CTR). The committee recommends \$416.7 million (matching the President's request) to dismantle and secure Former Soviet Union (FSU) weapons of mass destruction, encourage higher standards of conduct, and support defense cooperation with preventing WMD proliferation through the CTR program including:

- \$70.5 million (matching the President's request) to eliminate strategic offensive arms in Russia;
- \$55 million (matching the President's request and \$33 million more than the current spending level) to prevent proliferation of biological weapons from the FSU;
- \$50 million (\$83.6 million less than the President's request but matching the current funding level) to destroy chemical weapons in Russia. The committee recommends making the \$83.6 million reduction to this program available for strategic offensive arms elimination in the FSU and nuclear weapons transportation and storage security in Russia;
- \$40 million (matching the President's request) to prevent the proliferation of WMDs and WMD technologies and material;
- \$39.9 million (matching the President's request) to improve security at nuclear weapons storage facilities in Russia; and
- \$17.8 million (matching the President's request) to eliminate WMD infrastructure in the FSU.

Finally, the committee recommends a provision to express the sense of Congress that Russian proliferation of WMD goods, technologies, and know-how to Iran and other countries of concern represents a clear threat to U.S. national security and vital interests. As such, the committee recommends a provision to require the President to report to Congress on the issue of Russian proliferation, and to present a plan to control these dangerous activities.

Defense Advanced Research Projects Agency (DARPA) Biowarfare Defense Technology.

The DARPA biological warfare defense program focuses on developing technologies to thwart the use of biological warfare agents. The committee recommends \$137 million (\$4 million more than the President's request) for DARPA efforts to develop technology to detect biowarfare attacks and counter the effects of such an attack.

Defense Threat Reduction Agency (DTRA). The intelligence community continues to warn that rogue states and foreign terrorist organizations are pursuing weapons of mass destruction (WMD). Although WMD materials and technologies are difficult to acquire, stockpiles of these items in Russia and the other states of the FSU are vulnerable to theft or illicit transfer. The committee recommends \$452 million (\$7 million more than the President's request) for DTRA programs to deter, reduce, and counter these WMD threats. Of the total amount for DTRA, the committee recommends \$221 million (\$4 million more than the President's request) for DTRA's arms control programs and to develop technologies to defeat WMDs.

Homeland Security Biological Defense Test Bed. DOD has begun a comprehensive pilot program to build a National Biological Defense System for the Office of Home Security. The program will create an integrated capability for protection of urban areas, high value assets, and special events, and detect and respond to biological incidents. DOD's fiscal year 2003 plan for the program includes establishment of fully equipped test beds on selected military installations, an enhanced biological monitoring system in the National Capital Region, and an initial biological monitoring capability in two additional urban areas. The committee directs the Secretary of Defense to establish a competitive program for selection of the urban area test beds and believes that such a regional biological defense network will serve as a national model for developing integrated solutions to secure America's borders, support first responders, and defend against bioterrorism.

National Nuclear Security Administration (NNSA) Nonproliferation Programs. NNSA's nonproliferation programs are intended to reduce the threat resulting from the proliferation of WMD and nuclear materials, and to prepare the U.S. to respond to domestic nuclear, chemical, and biological attacks. The committee recommends \$1.1 billion (\$39 million less than the President's request) to address the proliferation of weapons of mass destruction (Also see "NNSA Nuclear Nonproliferation," page 28).

Other Programs

Counter-Drug Activities. The committee continues to support DOD efforts to stop the flow of drugs into the U.S., particularly in light of the clear connection between terrorist organizations and the international narcotics trade. As such, the committee recommends \$149.8 million (matching the President's request) of funds in the operating budgets of the services and \$848.9 million (matching the President's request) for counter-drug activities.

Defense Export Loan Guarantee Program (DELG) Expansion. The DELG is a loan program available to key U.S. allies to purchase or lease defense articles or services. However, many nations that are engaged in fighting drug trafficking and terrorist organizations, such as Colombia, do not currently qualify for the DELG. To further the war on terrorism and to assist in the war on drugs, the committee recommends a provision to allow the Secretaries of Defense and State to expand the list of countries eligible for DELG assistance.

Force Protection Facilities. The committee recommends \$707.3 million (\$38.4 million more than the President's request) for construction and improvement of facilities to protect U.S. military installations and personnel against terrorist or enemy attacks.

Protecting Americans from Ballistic Missile Attack

Today, the United States remains completely vulnerable to attack or intimidation by nations armed with ballistic missiles. The risk of an intentional, accidental, or unauthorized launch of a ballistic missile remains real. In fact, a recent National Intelligence Estimate asserts that, “The probability that a missile with a weapon of mass destruction will be used against U.S. forces or interests is higher today than during most of the Cold War, and it will continue to grow as the capabilities of potential adversaries mature.”

Indeed, the continued proliferation of ballistic missile and weapons of mass destruction (WMD) technologies has allowed rogue states such as North Korea and Iran to develop missile capabilities that have exceeded the intelligence community’s expectations. In fact, North Korea could strike the U.S. today with a ballistic missile, Iran may be able to do so by 2005, and Iraq by 2015. Yet, despite repeated warnings by the Intelligence Community, and alarming reports by outside experts and commissions, the United States remains defenseless against ballistic missiles.

This vulnerability must end. The committee applauds the President’s commitment to missile defenses, and fully endorses his missile defense programs, including the proposed layered ballistic missile defense system and realistic testing and experimentation program. As such, the committee recommends \$7.8 billion (\$21 million more than the President’s request) for the continued development of ballistic missile defenses including:

- **Midcourse Defenses.** The committee recommends \$3.2 billion (\$52 million more than the President’s request) for mid-course defense programs, including the 2004 Pacific Test Bed, ground-based (formerly known as National Missile Defense), sea-based (formerly known as Navy Theater Wide Defenses) programs. The additional funds are for Aegis LEAP interceptor articles for the Navy upper tier demonstration program and for continued development of long-range tracking and discrimination radar.
- **Ballistic Missile Defense System.** The committee recommends \$1.1 billion (\$20 million more than the President’s request) for battle management command, control, and communication, system engineering, and system-wide test and evaluation efforts.
- **Protecting Developmental Programs.** The committee recommends \$1.1 billion (matching the President’s request) for Theater High Altitude Air Defense system (THAAD) and Patriot Advanced Capability–3 (PAC-3) engineering and manufacturing development (EMD). However, the committee recommends moving PAC-3 EMD funding and Medium Extended Air Defense System (MEADS) research and development funding back into the Missile Defense Agency (MDA) because it concurs with DOD guidance that MDA should retain responsibility for research and development for fielded systems to ensure interoperability with the BMD family of systems.
- **Boost Defense Segment.** The committee recommends \$719.4 million (\$77.5 million less than the President’s request, reflecting the committee’s recommendation not to fund an additional aircraft) for boost defense systems, including “hit-to-kill” boost phase intercept programs, Airborne Laser, and Space-Based Laser.
- **Sensors.** The committee recommends \$373.4 million (matching the President’s request) for space-based sensors, including the Space-Based Infrared System.

- **Cooperative Programs.** Although the committee believes that the U.S. should lead in the development of BMD capabilities, U.S. security is enhanced when benefits and costs are shared with friends and allies. Accordingly, the committee recommends \$117.7 million (matching the President's request) for co-development with Italy and Germany of MEADS, \$79 million (matching the President's request) for cooperative development with Japan of sea-based high altitude missile defenses, \$69.1 million (matching the President's request) for the Russian-American Observation Satellite program, and \$86.7 million (\$21 million more than the President's request) for Israel's Arrow terminal missile program.
- **Terminal Defenses.** The committee recommends \$308.7 million (\$138 million more than the President's request) for terminal defense system research and development, including MEADS, sea-based terminal, and the Arrow program.
- **Technology.** The committee recommends \$127.3 million (\$5.5 million more than the President's request) for advanced technological components, such as wide bandgap technology, and innovative concepts necessary to keep pace with constantly evolving missile threats.

SUPPORTING AMERICA'S SERVICE MEMBERS

“With U.S. military personnel risking their lives on the front lines of the war on terrorism, the defense authorization bill is more than just a signal to our soldiers, sailors, airmen and Marines that this nation recognizes their sacrifices. It is the means by which we meet our commitment to providing them a decent quality of life by boosting military pay and bonuses, improving benefits, and continuing to build new housing and working facilities.”

-HASC Chairman Bob Stump

America's soldiers, sailors, airmen, and Marines make extraordinary sacrifices to make the United States homeland safe. Though they are volunteers, it is unrealistic to expect U.S. military personnel to endure the erosion of their pay and benefits, live and work in deteriorating facilities, and work hard to compensate for the nation's failure to supply them with the manpower, equipment, and weapons they need. The committee recognizes the value of maintaining a strong all-volunteer force, and recommends modest increases to military pay, improvements to critical benefits such as health care and education, added resources to renovate or replace aging working and living facilities, and provisions to restore the nation's commitment to disabled veterans.

PERSONNEL FACTS:

The active duty military includes:

- Approximately 1.5 million personnel.
- Approximately 200,000 women.
- More than 270,000 African-Americans.
- Nearly 110,000 Hispanics.

More than half of all active-duty enlisted personnel are married; 70 percent of the active-duty officer corps is married.

Approximately 97 percent of the officer corps hold college degrees, and approximately 45 percent hold advanced degrees.

Basic pay for a new enlisted service member is approximately \$1,020 per month.

Pay and Bonuses

Basic Military Pay. Continuing its commitment to raising military pay, the committee recommends an across-the-board 4.1 percent pay increase for military personnel. In addition, the committee recommends targeted increases of up to 6.5 percent for mid-grade and senior noncommissioned officers and mid-grade officers.

Housing Allowance. The committee recommends the President's request to reduce the average amount of housing expenses paid by service members from the current 11.3 percent to 7.5 percent in fiscal year 2003, and to eliminate the out-of-pocket expense completely by fiscal year 2005.

Active Duty Special Pay and Bonuses. The committee recommends provisions to extend several special pays and bonuses for active duty personnel through December 31, 2003, including:

- aviation officer retention bonus;
- special pay for nuclear qualified officers extending their period of active service;
- nuclear career accession bonus;
- nuclear career annual incentive bonus;
- accession bonuses for dental officers and registered nurses;
- incentive pay for nurse anesthetists;
- nurse officer candidate accession program; and
- retention bonus for members with critical skills (in addition, the committee recommends eliminating caps on bonus amounts and extending years of eligibility for bonuses for health care providers).

Reserve Forces Special Pay and Bonuses. The committee recommends provisions to extend certain special pays and bonuses for reserve personnel through December 31, 2003 (except as noted), including:

- special pay for health care professionals who serve in the selected reserve in critically short wartime specialties;
- selected reserve reenlistment bonuses;
- special pay for selected reserve enlisted personnel who are assigned to certain high priority units;
- ready reserve enlistment and reenlistment bonus;
- selected reserve affiliation bonus;
- prior service enlistment bonus, which is also increased from:
 - \$5,000 to \$8,000 for members who enlist for six years;
 - \$2,500 to \$4,000 for members who enlist for three years; and
 - \$2,000 to \$3,500 for members who received prior bonuses for a three-year enlistment and enlist for an additional three years;
- authority for repayment of educational loans for certain health professionals who serve in the selected reserve (extended to January 1, 2004); and
- make permanent the reduction for minimum service required before qualifying for retirement pay from eight to six years.

Benefits

Concurrent Receipt. Under current law, military retirees with service-connected disabilities have their retirement pay reduced to offset disability compensation paid by the Department of Veterans Affairs (VA). Consistent with the Fiscal Year 2003 Budget Resolution, the committee recommends a provision to authorize military retirees who are 60 percent or greater disabled to receive their full retirement pay and disability compensation benefit by fiscal year 2007. Until the program is fully implemented, the committee recommends establishing a transition program through which military retirees will receive increasing amounts of monthly compensation. In fiscal year 2003, these payments will be as follows:

- 100 percent disabled - \$750;
- 90 percent disabled - \$500;
- 70 - 80 percent disabled - \$250; and
- 60 percent disabled - \$125.

Transition payment levels will increase annually until fiscal year 2007, when all retirees with a disability rating of 60 percent or greater will receive their full retired and VA disability pay.

Improving the Montgomery GI Bill for the Reserves. Under current law, members of the selected reserve may use Montgomery GI Bill benefits for as many as ten years after becoming eligible. The committee recommends a provision to extend this period to 14 years.

Leave Sharing. The committee recommends a provision to authorize service members to transfer accrued leave to other service members who are in need of extended leave for family or personal hardship. The commanding officers of both the contributor and the recipient would be required to approve the transfer.

Reforming the TRICARE Process. DOD's current TRICARE claims process is far more burdensome than equivalent civilian claims processes, thus discouraging medical providers from participating in TRICARE and limiting TRICARE patients' access to health care. Continuing in its commitment to improve TRICARE and TRICARE for Life (TFL), the committee recommends:

- **Cutting Costs for TRICARE Beneficiaries in Nursing Homes.** Currently, TRICARE considers the pharmacy services used by most nursing homes to be out-of-network pharmacies. As a result, beneficiaries are forced to pay a \$150 annual deductible. To correct this inequity, the committee directs the Secretary of Defense to implement regulations or recommend necessary legislative changes to eliminate the deductible for beneficiaries penalized by current TRICARE policy.
- **Expansion of TRICARE Prime Remote.** Under current law, a dependent whose sponsor is assigned to a remote location (more than 50 miles or one hour's drive from the nearest medical facility) is entitled to TRICARE Prime Remote benefits only if they also reside with the service member. However, this benefit does not apply to those dependents whose sponsors are reassigned to an unaccompanied permanent duty station,

such as Korea. Therefore, the committee recommends a provision to extend TRICARE Prime Remote benefits to dependents who remain in a remote location when they cannot accompany their sponsor.

- **Reforming the Claims Process.** Various cross-over claims problems prevent Medicare-eligible beneficiaries under the age of 65 from having their health care claims filed electronically, making it impossible for them to fully participate in TFL. The committee directs the Secretary of Defense to resolve the cross-over claims issue and the barrier for TFL participation for Medicare-eligible beneficiaries under the age of 65. In response to growing concerns about the stability of TRICARE provider networks and the requirements of TRICARE claims processing, the committee also recommends a provision to require the Comptroller General to study TRICARE provider accessibility and claims processing issues.
- **TRICARE Provider Certification.** Currently, certified Medicare providers who treat TFL patients (over age 65) cannot treat TRICARE patients (under age 65) unless they are further certified as TRICARE providers. This administrative requirement deters some providers from participating in the TRICARE program. As such, the committee recommends a provision to require the Secretary of Defense to ease the administrative requirements and accept Medicare certification as TRICARE certification.

Travel and Transportation Benefit. In order to improve the travel and transportation benefit available to service members, the committee recommends a provision to allow service members serving in a second consecutive overseas tour to defer expenses-paid transportation and travel benefits until the second tour is completed. If a service member cannot travel because of participation in a contingency operation, benefits may be deferred for one year after the contingency operation duty ends. In addition, military personnel who extend an overseas tour currently receive travel and transportation benefits only to and from the nearest port of entry. The committee recommends a provision to permit travel to the nearest port of entry within the 48 contiguous states, or an alternate location that does not exceed the travel costs to the nearest port of entry.

Maintaining a Quality Commissary Benefit. Access to military commissaries is one of the most valuable non-pay benefits provided to military families. Unfortunately, the Defense Commissary Agency (DECA) is planning to reduce its budget and eliminate nearly 3,000 civilian jobs over the next three years, potentially jeopardizing the quality of the commissary benefit. The committee directs the Comptroller General to assess the DECA plan, and directs the Secretary of Defense to curb DECA's proposed personnel reductions until the Comptroller General's review is completed.

Use of Commissaries by National Guard. Under current law, the thousands of National Guard members who are called to duty for national emergencies, such as those serving in Operation Noble Eagle under state-controlled status are not eligible for commissary privileges. Therefore, the committee recommends a provision to grant commissary privileges to National Guard members who are participating in federally declared national emergencies.

Improving Living and Working Facilities

After an impressive fiscal year 2002 military construction and family housing budget, the President's request for the fiscal year 2003 budget was a disappointment. Not only did it fail to maintain the standard set by the fiscal year 2002 budget, but it actually cut the current spending level by 15 percent. Once again, the committee targeted additional funding towards programs to improve living and working conditions for military personnel and their families. Accordingly, the committee recommends \$10 billion (\$425 million more than the President's request) for military construction and family housing accounts, including nearly \$2 billion for quality-of-life enhancements. Highlights of the committee's recommendations include:

- **Military Family Housing.** The committee recommends \$678.4 million (\$17.7 million more than the President's request) for construction and improvement of 3,447 units and the privatization of over 30,000 units.
- **Troop Housing.** The committee recommends \$1.2 billion for the construction of 49 new barracks and dormitories in H.R. 4546 and \$8.6 million in the COWATAA for unaccompanied personnel housing in Qatar (totaling \$1.2 billion, \$24.3 million and three buildings more than the President's request) to support unaccompanied military personnel.
- **Child Development Centers.** The committee recommends \$17.6 million for four child development centers (\$6.9 million and one more than the President's request).
- **Fitness Centers.** The committee recommends \$82 million for ten fitness centers (\$21.9 million and three more than the President's request).

Educating the Children of Service Members

Impact Aid. The Department of Education's Impact Aid program provides supplemental funds to school districts nationwide to support the education of approximately 600,000 military children. Although the Department of Education bears the principal responsibility for providing educational support for the nation's children, the committee remains committed to supporting the education of military children and recommends an additional \$30 million for Impact Aid spending.

Education Funding. The committee recommends \$1.6 billion (matching the President's request) for DOD Dependent schools, which educate more than 100,000 military children each year.

PREPARING FOR WAR

“The success of the United States military in recent decades has largely been the result of efforts to maintain high levels of military readiness and overwhelming technological superiority. Our success or failure in future military engagements will similarly depend upon our willingness to commit the resources necessary to train our service members, maintain our equipment, and support operational costs, without sacrificing the effort to modernize weapons and equipment.”

-HASC Chairman Bob Stump

U.S. military dominance on today's battlefields is made possible by a commitment to the two pillars of military strength - readiness and modernization. Fortunately, for a second consecutive year, the Administration demonstrated a commitment to maintain this dominance by requesting a defense budget that includes a realistic approach to training, maintenance, operations, and modernization accounts. In these areas, the committee supports the Administration's request and recommends additional funds to modernize U.S. military end strength levels, equipment, and weapons.

Increasing Military Manpower

Each of the military services entered the war on terrorism with personnel shortages - a situation that has been aggravated by the operational requirements of the war. To partially address manning shortfalls, the committee recommends increasing active duty end strength levels by 12,652 personnel (nearly one percent) – the largest single-year increase since 1986. In order to support this increase, the committee recommends increasing military personnel accounts by \$550 million. In addition, the committee recommends a provision to grant the service secretaries more flexibility to manage their forces by authorizing them to increase their active duty end strengths by up to one percent above the levels authorized by the committee. The committee also recommends the following (tables of all recommended end strength levels are included on pages 31-32):

- **Selected Reserve End Strengths.** The committee supports the President's request for selected reserve end strengths.
- **Full-Time Support End Strengths.** The readiness of reserve components depends upon the skills and availability of full-time military and civilian personnel assigned to support National Guard and reserve units. The committee recommends increasing full-time support end strength levels by 1,456 (a 2.2 percent increase) in Active Guard and Reserve (AGR) personnel and 1,003 (a 1.6 percent increase) in military technicians over fiscal year 2002 levels.

READINESS AND MODERNIZATION FACTS:

In the post-Vietnam War era, the active duty military peaked at 2.2 million personnel – today, it has less than 1.5 million personnel.

More than 80,000 guard and reserve personnel are serving on active duty today in order to meet homeland security requirements.

According to the chairman of the Joint Chiefs, the military needs annual procurement budgets of approximately \$100-110 billion to recapitalize the force.

Since 1990, the average age of Air Force planes has increased from 13 years to 22 years.

According to the Chief of Naval Operations, the Navy needs 375 ships. Today, the Navy has 315 ships, but the rate of shipbuilding/retirement requested for fiscal year 2003 will eventually shrink the fleet to less than 250.

- **Service Academy End Strengths.** The committee recommends a provision to allow the service secretaries to increase service academy end strengths beginning in the 2003-2004 academic year from the current limit of 4,000 to 4,400. The increases are limited to 100 cadets or midshipmen per year, and may not exceed the ROTC increases of that service during the preceding year.

Readiness and Training

Critical Readiness Accounts. The committee supports the President's request for \$78.4 billion (\$4.6 billion more than the fiscal year 2002 level) for readiness accounts that are critical to the day to day operations of the U.S. military and recommends:

- \$31.5 billion for aircraft operations and flying hours (\$1.7 billion more than the fiscal year 2002 level);
- \$25.3 billion for facility maintenance and base support (\$1.7 billion more than the fiscal year 2002 level);
- \$9.1 billion for depot maintenance (\$64 million more than the fiscal year 2002 level);
- \$8.1 billion for training accounts (\$561.7 million more than the fiscal year 2002 level); and
- \$4.4 billion for ground forces operations (\$585.5 million more than the fiscal year 2002 level).

Unfunded Readiness Requirements. The committee continues to place a high priority on addressing the concerns expressed by the service chiefs in their annual Unfunded Requirements Lists. The committee recommends an increase of \$200 million to support a number of high priority unfunded requirements, such as:

- \$80 million for Air Force B-1B Pivot Shear Replacement;
- \$57 million for Navy LHA Stability Improvements Alterations;
- \$31 million for Marine Corps facilities modernization; and
- \$32 million for Army Training Range Modernizations.

“Readiness” vs. Operations & Maintenance (O&M) Accounts. At more than \$150 billion, O&M funding represents more than one-third of the defense budget request for fiscal year 2003. While it is often misconceived as the “readiness” account, a closer look at O&M accounts reveals much more than “readiness” spending – these accounts fund many other items including DOD’s administrative functions, environmental restoration, and cooperative threat reduction efforts, and new for this year the Defense Emergency Response Fund. Once again, the committee undertook a careful examination of these accounts in an effort to move funds from non-warfighting readiness O&M programs to higher priority defense accounts. This year, reductions in non-readiness O&M programs include:

- \$522.4 million from foreign currency accounts – reflecting overestimated values of foreign currency in the President’s 2003 budget request and surpluses from previous years;
- \$300 million from the Defense Emergency Response Fund – reflecting relaxed requirements for combat air patrols since submission of the budget request; and
- \$50 million from the Overseas Contingency Fund, which has been funded in the military service accounts starting this year.

Reserve Component Training and Readiness The committee recommends \$512.9 million (\$215.2 million more than the President’s request) for facilities enhancements to improve the training and readiness of the National Guard and reserves, including:

- \$170.8 million for the Army National Guard;
- \$119.3 million for the Air National Guard;
- \$86.8 million for the Army Reserve;
- \$68.6 million for the Air Force Reserve; and
- \$67 million for the Navy and Marine Corps Reserves.

National Guard Reforms. Following a committee investigation into National Guard unit strength accounting and management and other issues, the committee recommends a provision to require the Comptroller General and the Secretary of Defense to report to Congress on DOD’s efforts to improve unit strength management, the effectiveness of the federal process for evaluating National Guard officers serving in a certain federal grade or rank, the systems for administrative and judicial actions in misconduct cases, and the adequacy of federal whistleblower protections. Additionally, in order to promote a consistent and updated military justice system for guardsmen under state control, the committee recommends a provision to require the Secretary of Defense to develop a model Uniform Code of Military Justice and Manual for Courts-Martial for all states and territories to consider for adoption.

Peacekeeping Operations and Combat Readiness. As the war on terrorism continues, the strain on U.S. military readiness resulting from participation in operations other than war, such as peacekeeping and humanitarian missions, is of increasing concern. Therefore, the committee recommends a provision to require the Secretary of Defense to report on the impact that these types of non-combat operations have on unit and individual readiness, and what their costs and benefits are to the nation.

Modernizing The Force

In order to retain the technological edge in combat, the United States military must continually invest in new equipment and weapons. As such, the committee recommends \$73.4 billion (\$3.2 billion more than the President's request) to procure weapons, ammunition, and equipment, while careful reprioritization of the budget enabled the committee to meet \$2 billion of the service chiefs' unfunded requirements.

In addition, maintaining the technological edge on future battlefields requires a commitment to the research and development of new technologies. As such, the committee supports the President's research and development budget – which includes the most significant increase in more than 20 years – and recommends \$56.5 billion (\$649 million more than the President's request) for research and development programs, including funds for ballistic missile defense programs (see “Protecting Americans from Ballistic Missile Attack” on page 4).

Aircraft

(Listed Alphabetically)

Anti-Surface Warfare Improvement Program (AIP) Kits. The committee recommends \$111 million (\$27 million and two kits more than the President's request) to procure six AIP kits, an unfunded requirement of the Chief of Naval Operations that will improve the targeting capabilities of the Navy's P-3 Orion antisubmarine aircraft.

AV-8B Harrier. The committee recommends \$93 million (\$60.8 more than the President's request) for modifications for the AV-8B Harrier, the Marine Corps' vertical take off and landing strike fighter. Included in the modifications, the committee recommends \$5.8 million (the President did not request any funds) for engine life management programs (ELMP), to enhance safety and reliability, and \$55 million (the President did not request any funds) for 32 Litening AT pods, to enhance the Harrier's existing multi-sensor and precision strike capability. Both the ELMP and the Litening AT pods are unfunded requirements of the Commandant of the Marine Corps.

B-2 Spirit. The Air Force's plan for a future “global strike task force” depends heavily upon the B-2 fleet, and the committee believes that the Air Force should continue to upgrade the existing B-2 fleet with the most effective systems and weapons. Accordingly, the committee recommends \$104.1 million (\$32 million more than the President's request) for modifications and \$242.3 million (\$17 million more than the President's request) for research and development for the B-2. Specific recommendations include \$35.1 million (\$25.2 million more than the President's request) to upgrade the remaining B-2 fleet with enhanced satellite communications and \$17 million (the President did not request any funds) to develop low observability maintenance improvements to augment door seals and engine exhaust and tailpipe coatings.

C-130 Hercules. The fourth-generation terrain awareness and warning system (TAWS) helps prevent aircraft crashes by warning pilots of potential impact with the ground. The Air Force plans to equip its passenger and troop carrying aircraft with fourth-generation TAWS by fiscal year 2005 but has not scheduled the C-130 fleet for installation of TAWS until fiscal years 2006-2014. Therefore, the committee recommends \$31 million (the President did not request any funds) to procure and install fourth-generation TAWS on the Air Force C-130 fleet.

C-17 Globemaster. The C-17 is capable of carrying large combat equipment, troops, and other cargo across international distances. The committee strongly supports continued C-17 procurement, and recommends a total of \$3.7 billion (matching the President's request) for 12 C-17 aircraft, long-lead procurement for fiscal year 2003 aircraft, and contractor support.

Comet Infra-red (IR) Countermeasures Pod. The Comet IR countermeasures pod protects combat and mobility aircraft from surface-to-air missiles by producing a decoy target for heat seeking missiles. The committee recommends \$5.2 million (the President did not request any funds) for research and development of the Comet IR countermeasures pod. In addition, the committee recommends \$18 million (the President did not request any funds) to procure 48 IR countermeasures pods and 576 decoy cartridges for Air Force A-10 aircraft, a top unfunded requirement for the Air Force Chief of Staff.

E-2 Hawkeye. The Hawkeye 2000 configuration upgrades older-model E-2C aircraft with satellite communications and cooperative engagement capability equipment. The committee recommends \$81.2 million (\$64 million more than the President's request) for E-2 modifications, including two upgrades to Hawkeye 2000 configuration.

EA-6B Prowler. The committee recommends \$327.5 million (\$104 million more than the President's request) for EA-6B modifications. Included in the increase is \$40 million for wing structural enhancements, \$35 million to improve communications jamming capabilities, and \$29 million to improve radar jamming capabilities. Each of these increases is a top unfunded requirement of both the Chief of Naval Operations and the Commandant of the Marine Corps.

E-8C Joint Surveillance and Target Attack Radar System (JSTARS). The E-8C JSTARS is an aircraft equipped with a long-range, air-to-ground surveillance system designed to locate, classify, and track ground targets in all weather conditions. The committee recommends \$279.3 million (matching the President's request) for procurement of one E-8C JSTARS aircraft.

F-16 Falcon. The F-16 is a maneuverable, multi-role fighter aircraft. The committee recommends \$348 million (\$83 million more than the President's request) for modifications and \$77.9 million (\$11.1 million more than the President's request) for research and development for the F-16 (see "National Guard and Reserve Equipment" on page 20 for details about additional procurement funds for F-16 modifications).

F/A-18 Hornet. The F/A-18A, B, C, and D fleets are the primary fighter and attack aircraft for both the Navy and the Marine Corps. The newest model, the F/A-18E/F Superhornet, began production four years ago and will begin operational deployments this year. To provide the Navy with the improved capabilities of the Superhornet, the committee recommends \$3.2 billion

(matching the President's request) for procurement of 44 F/A-18E/Fs, \$421.7 million (matching the President's request) for improvements to the existing F/A-18 fleet, and \$204 million (matching the President's request) for F/A-18 research and development.

F-22 Raptor. The F-22 Raptor is the Air Force's next-generation air dominance fighter. The committee supports the President's requests for \$627.3 million for F-22 research and development, \$4.1 billion for 23 low-rate initial production (LRIP) F-22s, and \$530.6 million for advance procurement of 27 LRIP Raptors in fiscal year 2004.

F-35 Joint Strike Fighter (JSF). The JSF will be a high technology, affordable, multi-role, combat aircraft based on a common airframe and components which will be used by the Air Force, Navy, and Marine Corps. The committee supports the President's requests for \$1.7 billion for Navy JSF development and \$1.7 billion for Air Force JSF development.

Joint Primary Air Training System (JPATS). JPATS, consisting of T-6A Navy aircraft and a ground-based training system, provides a safe and effective pilot training program for Navy and Air Force pilots. Although the Navy does not plan to procure additional JPATS until fiscal year 2007, purchasing JPATS units in fiscal year 2003 will reduce operations, maintenance, and procurement costs. Therefore, the committee recommends \$60 million (the President did not request any funds) for ten T-6A aircraft and ground based training systems, an unfunded requirement of the Chief of Naval Operations.

V-22 Osprey. The V-22 is a tilt-rotor vertical takeoff and landing aircraft that is being developed for the Marine Corps as an MV-22 variant, followed by a CV-22 variant for the Air Force's Special Operations Forces, and an HV-22 variant for the Navy. The committee recommends \$1 billion (matching the President's request) for 11 MV-22s, \$420.1 million (matching the President's request) for V-22A Navy research and development, \$101 million (matching the President's request) for Air Force CV-22 procurement, \$58.5 million (matching the President's request) for Special Operations CV-22 procurement, and \$11.4 million (matching the President's request) for Air Force CV-22 avionics development.

Ground Weapons and Vehicles

(Listed Alphabetically)

Communications Systems. In order to improve communications for joint military deployments, the committee recommends \$5 million (the President did not request any funds) for Tactical Hand Held Radios (THHR), a secure voice and data radio that is interoperable with numerous DOD communications radios, and \$20 million (\$19 million more than the President's request) to begin procurement of Lightweight Multiband Satellite Terminals (LMST), a tri-band satellite terminal that provides long-distance communications. Both the THHR and the LMST are unfunded requirements of the Commandant of the Marine Corps.

Family of Medium Tactical Vehicles (FMTV). The committee recommends \$681.4 million (matching the President's request) for 3,574 FMTVs, the Army's primary medium tactical truck for combat support and combat service support forces.

Future Combat System (FCS). The Army has begun to transform into a more strategically responsive force capable of dominating the full spectrum of operations. This transformation began last year with a partnership between the Army and the Defense Advanced Research Projects Agency (DARPA) to incorporate high-risk, high-gain technologies into a family of future combat systems. The committee is encouraged by the Army's vision for the future, particularly the capabilities of future combat vehicles and automotive advanced technology, and recommends \$714 million (matching the President's request) for FCS research and development and \$122 million (matching the President's request) in DARPA for the FCS.

High Mobility Multipurpose Wheeled Vehicle (HMMWV). The committee recommends \$346.3 million (\$31.1 million more than the President's request) for 3,731 Army and Marine Corps HMMWVs, a light tactical, four-wheel drive utility and combat support vehicle. The additional funds will support the procurement of 180 Up-Armored HMMWVs for the Army and Army Reserve; these vehicles provide proven ballistic protection to soldiers from anti-tank and anti-personnel mines, and armor-piercing munitions, an unfunded requirement of the Army Chief of Staff.

Interim Armored Vehicles. The Army currently lacks medium-weight forces capable of deploying in response to the full spectrum of contingencies from low intensity conflicts, to full-scale warfare, to peacekeeping. In support of the Army's initiative to transform two medium brigades, the committee recommends \$811.8 million (matching the President's request) for the procurement of 332 medium armored vehicles for the third interim brigade combat team, and \$124.1 million (matching the President's request) for research and development of medium armored vehicles.

M1A2 Abrams Tank and M2A3 Bradley Fighting Vehicle. To complete the final year of multiyear procurement contracts for two types of heavy armored vehicles for the Army's heavy counter-attack corps, the committee recommends \$376.3 million (matching the President's request) for 103 M1A2 Abrams System Enhancement Program tanks, and \$397.1 million (matching the President's request) for 138 M2A3 Bradley Fighting Vehicles, both key components of the Army's heavy counter-attack corps through at least 2020 (see "National Guard and Reserve Equipment" on page 20 for details about additional procurement funds for Bradley modifications).

M249 Squad Automatic Weapons (SAW). The SAW is a lightweight machine gun capable of delivering accurate, automatic fire up to 800 meters. As an integral weapon system for the infantry that has proven critical for units deployed in support of Operation Enduring Freedom, the committee recommends \$18.6 million (the President did not request any funds) for procurement of 9,580 SAWs, an unfunded requirement of the Army Chief of Staff.

M88A2 Improved Recovery Vehicle (IRV). The M88A2 IRV's increased engine horsepower, braking, steering, and suspension capabilities enable it to recover heavy combat systems such as Abrams tanks. The committee recommends \$50.3 million (matching the President's request) for 16 M88A2's for the Army (see "National Guard and Reserve Equipment" on page 20 for details about additional procurement funds for the M88A2).

Night Vision. The AN/PVS-17 is a lightweight, rifle-mounted, state-of-the-art night vision sight that replaces obsolete, post-Vietnam era AN/PVS-4 sights. The committee recommends \$9.8 million (the President did not request any funds) to purchase AN/PVS-17 night vision sights for the Marine Corps, an unfunded requirement of the Commandant of Marine Corps.

Helicopters (Listed Alphabetically)

AH-64 Apache Longbow. The Apache Longbow is the Army's upgraded heavy attack helicopter designed to destroy tanks and support infantry ground offensives. The committee recommends \$865.8 million (matching the President's request) for 74 Apache Longbow upgrades and recapitalization.

CH-47 Chinook Modifications. Only the pilot and co-pilot seats in the CH-47 cargo helicopters are equipped with crashworthy seats, exposing crew chief and load master personnel to potential injuries in the event of a crash or hard landing. The committee recommends \$13.5 million (the President did not include any funds) for the procurement of crashworthy seats for CH-47s, an unfunded requirement of the Army Chief of Staff.

Cockpit Airbag System (CABS). CABS is a crash-activated, inflatable system designed to protect helicopter aircrews in the event of a crash or hard landing. The committee recommends \$26.1 million (the President did not request any funds) for procurement of CABS, an unfunded requirement of the Army Chief of Staff.

H-60. Link 16 upgrades will improve the ability of the H-60 helicopter to provide real-time information to pilots and warfare commanders for strike operations. Therefore, the committee recommends \$55 million (the President did not request any funds) for Link 16 upgrades for the H-60, an unfunded requirement for the Chief of Naval Operations.

MH-60S. The MH-60S will replace the aging H-46D helicopter fleet and will provide airborne mine countermeasures for both carrier battle groups and amphibious readiness groups, and conduct vertical replenishment and search and rescue missions. In order to facilitate the retirement of the H-46D, the committee recommends \$372.2 million (\$88 million and four more helicopters than the President's request) for procurement of 19 MH-60S helicopters and \$88 million (matching the President's request) for advance procurement of long-lead components for five additional helicopters in fiscal year 2004, an unfunded requirement of the Chief of Naval Operations. Also, the committee recommends \$23 million (matching the President's request) for MH-60 research and development.

RAH-66 Comanche. The Comanche is the Army's next-generation, stealthy, armed reconnaissance helicopter. The committee recommends \$910 million (matching the President's request) for Comanche engineering and manufacturing development (EMD). However, because of continued program delays and unreliable cost estimates, the committee recommends a provision to prohibit the Secretary of the Army from obligating fiscal year 2003 funds in EMD

for the Comanche until reporting to Congress with accurate cost estimate and a timeline for EMD completion and operational capability.

TH-67 Creek. The Army's Flight School XXI initiative includes updating the services' inventory of basic and instrument flight training aircraft. In order to meet this shortfall, the committee recommends \$9.6 million (the President did not request any funds) for six TH-67 Creek new training helicopters.

Munitions

Ammunition. The committee recommends \$1.3 billion (\$133.6 million more than the President's request) for Army ammunition programs, and \$315 million (\$38.9 million more than the President's request) for ammunition for the Marine Corps, top unfunded requirements of both the Army Chief of Staff and the Commandant of the Marine Corps.

Missiles and Precision-Guided Munitions (PGMs). In operations since the Persian Gulf War, and most recently in Operation Enduring Freedom, the services have greatly increased the use of PGMs to strike targets more precisely and reduce risk to U.S. military personnel and collateral damage around enemy targets, while enhancing the effectiveness of U.S. weapons platforms. The committee recommends:

- \$624.6 million and \$140.3 million in the COWATAA (totaling \$764.9 million, matching the President's request) to procure Joint Direct Attack Munitions (\$484.9 million for bomb kits for the Air Force and \$280 million for bomb kits for the Navy);
- \$250.5 million (matching the President's request) for 1,725 Javelin anti-tank missiles;
- \$167.8 million (\$22 million more than the President's request) for 106 block IV tactical Tomahawk missiles. The \$22 million increase will purchase equipment necessary to increase production from 450 to 600 missiles per year;
- \$83.8 million (matching the President's request) for 120 Standoff Land Attack Missile-Expanded Response missiles;
- \$80 million (the President did not request any funds) for Hellfire II missiles (\$40 million for the Army and \$40 million for the Navy), an unfunded requirement of the Army Chief of Staff, the Chief of Naval Operations, and the Commandant of the Marine Corps;
- \$110.3 million (matching the President's request) for AIM-9X missiles;
- \$52.1 million (\$10 million more than the President's request) for testing of the Joint Air to Surface Standoff Missile (JASSM). The additional funds will accelerate JASSM testing; and
- \$38 million (matching the President's request) for Army tactical missile system (ATACMS) Quick Reaction Program unitary warhead missiles, a surface-to-surface missile system.

National Guard and Reserve Equipment

Bradley Fighting Vehicle Modifications. The Army National Guard (ARNG) relies upon the Bradley Fighting Vehicle as their primary infantry support vehicle. The committee recommends \$60 million (the President did not request any funds) to upgrade 45 ARNG Bradley A0 Fighting Vehicles to A2 Operation Desert Storm combat-capable specifications. (See “Ground Weapons and Vehicles” on page 17 for details about additional procurement funds for the Bradley Fighting Vehicle.)

F-15 Eagle. The F-15A, B, C and D models are the Air Force’s all-weather, supersonic, air superiority attack aircraft until replaced by the F-22. The committee recommends \$291.5 million (\$59 million more than the President’s request) to upgrade engines in Air National Guard (ANG) F-15 aircraft to a newer configuration and to purchase additional ALQ-135 band 1.5 countermeasures systems, a critical self-protection capability.

F-16 Falcon. The F-16 is a maneuverable, multi-role fighter aircraft. The committee recommends \$83 million (the President did not request any funds) for modifications to ANG F-16s including \$14 million for Litening AT targeting system upgrades, a top unfunded requirement of the Air Force Reserve Commander, and \$62 million for F100 re-engine kits to provide increased thrust for ANG F-16 block 42 aircraft (see “Aircraft” on page 15 for details about additional procurement funds for the F-16).

M88A2 Improved Recovery Vehicle. The M88A2 IRV’s increased engine horsepower, braking, steering, and suspension capabilities enable it to recover safely heavy combat systems such as Abrams tanks. The committee recommends \$45.8 million (the President did not request any funds) for 15 M88A2 upgrades for the ARNG (see “Ground Weapons and Vehicles” on page 18 for details about additional procurement funds for the M88A2).

Improved High Frequency Radio (IHFR). Army Reserve maneuver battalions and combat service support units rely upon IHFRs for short- and long-range communications. The committee recommends \$61 million (the President did not request any funds) to procure IHFRs for the Army Reserve, an unfunded requirement of the Chief of the Army Reserve.

UH-60 Blackhawk. The committee recommends \$291.7 million (\$100.3 million more than the President’s request) for 20 UH-60L Blackhawks for the ARNG, including five UH-60L utility aircraft, and three HH-60L medevac aircraft.

Shipbuilding Programs (Listed Alphabetically)

Acoustic Rapid Commercial-Off-The-Shelf Technology Insertion (ARCI). The Navy plans to upgrade its current submarine sonar systems in fiscal year 2008 with ARCI, a computer technology which allows the continual upgrade of technology. To accelerate implementation, the committee recommends \$123.5 million (\$25 million more than the President's request) for research and development to insert ARCI into submarine and other naval sonar systems.

Anti-Submarine Warfare, Mine Countermeasures, and Ship Self-Defense. Anti-submarine warfare, ship self-defense, and mine countermeasures capabilities are keys to successful naval operations in the littoral regions of the world. The committee supports the President's request to boost these defenses and recommends an additional \$312 million to improve U.S. naval sensors, command and control, weapons, and training. Specifically, the committee recommends \$126 million in research and development and \$82 million in procurement for the Navy's antisubmarine warfare program, \$18 million for research and development of mine countermeasures, and \$61 million in research and development and \$25 million for procurement for ship self-defense.

Aircraft Carriers. The committee recommends \$91.7 million (matching the President's request) for research and development on the CVN-77 aircraft carrier, \$268 million (matching the President's request) for CVN(X) research and development and \$472.7 million (\$229 million more than the President's request) to accelerate the CVN(X)-1 contract by one year.

Future Navy Surface Combatants. The committee supports the Navy's program for development of the next-generation surface combatant, the DD(X) land attack destroyer, and recommends a total of \$960 million (matching the President's request) for the program. In addition, the committee also recommends:

- \$204 million (matching the President's request) for the Navy's Cooperative Engagement Capability (\$89 million in research and development and \$115 million in procurement);
- \$134 million (\$25.5 million more than the President's request) for the Navy's land attack technology program, including an increase of \$11 million for the Secretary of Defense to re-establish a competitive program for development of the Advanced Land Attack Missile, and an increase of \$14.5 million to the 5-inch extended range guided munitions program; and
- \$60 million (\$20 million more than the President's request) for development and integration of combat systems for naval combatants.

Guided Missile Submarine Conversion. Through the guided missile submarine conversion program, the Navy will refuel ballistic missile submarines and replace their nuclear missiles with long-range conventional Tomahawk cruise missiles. The committee recommends \$404.3 million (matching the President's request) to complete conversion of the first two submarines and \$421 million (matching the President's request) for advance procurement of long-lead components to convert the remaining two submarines in fiscal year 2004.

LHD-8. LHD-8 will be the eighth ship in this amphibious assault ship class, improving the Navy and Marine Corps' ability to operate helicopters, AV-8B attack aircraft, and amphibious assault and landing craft during assault combat missions. The committee recommends \$243 million (matching the President's request) to continue to build LHD-8.

LPD-17 The *San Antonio*-class LPD-17 ships will provide improved capabilities to embark, transport, and land elements of Marine landing forces. The committee recommends \$596.5 million (matching the President's request) for the fifth ship and \$8 million (matching the President's request) for advance procurement of future *San Antonio*-class amphibious ships.

Joint Mission High-Speed Vessel. The committee recommends \$7 million (the President did not request any funds) for development of a joint mission high-speed vessel for sea-based joint operations of the Army, Navy, and Marine Corps. The committee supports evaluation of this commercial technology-based capability to support high speed, sustained, sea-based joint operations.

Shipbuilding Initiative. The committee recommends \$810 million for one additional *Arleigh Burke*-class destroyer in fiscal year 2003 if the Secretary of the Navy certifies that the prime contractor for the *Virginia*-class submarine program has committed to expend from its own funds an amount not less than \$385 million for procurement of components for *Virginia*-class submarines beginning in fiscal year 2003. If this certification is not provided, then \$810 million will be allocated as follows: \$415 million for *Virginia*-class submarine advance procurement, \$210 million for cruiser conversion advance procurement, and \$185 million for nuclear attack submarine engineering refueling overhaul.

- **DDG-51.** The DDG-51 class of Navy AEGIS destroyers provides improved radar, fleet defense, missile defense, and land attack capabilities to the Navy's surface fleet. The committee recommends \$3.1 billion (\$810 million and one DDG-51 more than the President's request) for procurement of three *Arleigh Burke*-class destroyers and \$311 million (\$10 million more than the President's request) for AEGIS combat system engineering. If the settlement does not occur as anticipated, the committee recommends only \$2.3 billion (matching the President's request) for two DDG-51s and \$311 million for AEGIS combat system engineering.
- **New Attack Submarine.** The committee recommends \$1.6 billion (matching the President's request) for advance procurement of the fourth boat in the *Virginia*-class of submarines, which will replace retiring *Los Angeles*-class submarines and constitute the bulk of the future attack submarine force. If the settlement does not occur as anticipated, the committee recommends an additional \$415 million for advance procurement of equipment for one additional *Virginia*-class submarine to be purchased in fiscal year 2005.
- **Cruiser conversion.** The cruiser conversion program will significantly upgrade the capabilities of the Navy's *Ticonderoga*-class cruisers. If the settlement does not occur as anticipated, the committee recommends an additional \$210 million to purchase the first set of cruiser conversion materials, which would allow the Navy to accelerate the conversion by one year to fiscal year 2005.

- **Attack Submarine (SSN) Engineered Refueling Overhaul (ERO):** The SSN ERO program refuels, modernizes, and upgrades SSNs for extended service in the fleet. The committee recommends \$271.3 million (matching the President's request) for one SSN ERO and \$88.3 million (matching the President's request) for advance procurement of components for the two SSN EROs planned for fiscal year 2004. If the settlement does not occur as anticipated, the committee recommends an additional \$185 million for one more SSN ERO in fiscal year 2003.

T-AKE. The committee recommends \$388.8 million (matching the President's request) for procurement of the third T-AKE, a ship that replenishes battlegroups at sea with ammunition, spare parts, and provisions.

Innovative Technology

Technology Transition Initiative. The committee strongly supports the development and rapid introduction of new technologies that provide advanced war fighting capabilities to U.S. forces. To facilitate the rapid transition of new technologies from DOD science and technology programs into new equipment and capabilities, the committee recommends a provision to establish a "Technology Transition Initiative" that would accelerate the introduction of new technologies into acquisition programs, demonstrate the technologies under realistic conditions, and ensure their readiness for production.

Defense Acquisition Challenge Program. In order to create new avenues for the introduction of innovative technologies into defense acquisition programs, the committee recommends a provision to establish a Defense Acquisition Challenge Program that complements, and is tied to the Technology Transition Initiative. The Challenge Program would provide the opportunity for persons, institutions, industry and other organizations to propose the use innovative technologies that would provide significant improvements in performance, affordability, manufacturability, or operational capability in defense acquisition programs. Under this approach, program offices and prime contractors would be encouraged to adopt those challenges that receive a successful evaluation.

Unmanned Aerial Vehicles (UAVs)

UAVs have proven valuable in Operation Enduring Freedom in Afghanistan by identifying and tracking enemy targets, and conducting missions too dangerous for manned aircraft. In the future, U.S. military intelligence and warfighting capabilities will benefit from UAVs that can travel greater distances and work in varying terrain, such as urban environments. In support of UAV programs, the committee recommends nearly \$1 billion for UAV procurement and research and development, including:

- **Global Hawk UAV.** The committee recommends \$562.3 million in H.R. 4546 and \$65 million in the COWATAA (totaling \$627.3 million, matching the President's request) for Global Hawk procurement and development.
- **Predator B.** The committee recommends \$49.1 million (\$26 million more Predators than the President's request) for six Predator B UAV systems, a turbo prop variant of the Predator that is faster and able to carry a larger payload.
- **Shadow Tactical UAV (TUAV).** The Shadow is the Army and the Marine Corps' TUAV for battlefield and peacekeeping reconnaissance and surveillance missions. The committee recommends \$99.5 million (matching the President's request) for ten Shadow TUAVs and for initial spare parts.

OTHER INITIATIVES

(Listed Alphabetically)

Defending Taiwan. Over the last few years, the People's Republic of China has conducted amphibious exercises, deployed ballistic missiles opposite Taiwan, and acquired sophisticated weapons that threaten the balance of power in the Taiwan Strait. In an effort to help ensure Taiwan's ability to defend itself, in accordance with the Taiwan Relations Act of 1979, and to promote stability in the Taiwan Strait, the committee recommends a provision to require the Secretary of Defense to establish operational training exercises and exchanges of senior military officers between the U.S. and Taiwanese armed forces.

Defense Prisoner of War/Missing in Action Office (DPMO). DPMO carries out the important mission of accounting for and recovering military personnel lost during the nation's past conflicts, and preparing to locate and recover those who may be lost in future conflicts. The committee raised concerns last year about declining funding and personnel levels at DPMO; despite these concerns and DPMO's increasing workload, the Secretary of Defense plans to cut 15 percent of DPMO staff in FY 2003. The committee recommends provisions to prohibit the Secretary of Defense in FY 2003 from reducing personnel and funding below levels requested in the budget, and require the Secretary of Defense to increase DPMO's personnel and funding levels in FY 2004 and beyond.

Disposal of Retired Ships. The committee recommends \$20 million (\$8.9 million more than the President's request) to scrap obsolete ships in the National Reserve Fleet or sink them as part of an artificial reef program. Although the Maritime Administration already has an artificial reef program, it has not been widely utilized because states are reluctant to absorb the costs of moving, cleaning, and sinking the ships. Therefore, the committee recommends a provision to allow the Secretary of Transportation to use ship disposal funds to pay for the costs of environmental remediation, towing, and sinking. As sinking ships for the artificial reef program is substantially less expensive than scrapping them, this program has the potential to save significant amounts of money, while also accelerating the retirement of the aging National Reserve Fleet.

Funeral Honors Duty Compensation. In continued support for ensuring the presence of a military honor guard at veterans' funerals, the committee recommends a provision to authorize the Secretary of Defense to establish a daily stipend for military retirees, non-service members, and non-governmental employees who participate in funeral honor detail duties.

Saving the Armed Forces Retirement Home (AFRH) Trust Fund. America's AFRHs provide a place for enlisted veterans to enjoy an independent lifestyle in a safe and comfortable environment. Under current law, all active duty enlisted and warrant officer personnel contribute 50 cents per month to the AFRH Trust Fund to support maintenance and operations of the two AFRHs, which are located in Washington, D.C. and Gulfport, Mississippi. In response to rising costs, Congress authorized the Secretary of Defense to increase this amount to \$1.00 per month in 1995. However, DOD has not used this authority to increase the contribution level, costing the fund \$55 million and causing it to shrink to levels that will not sustain the AFRHs in

the near future. In order to save the trust fund, and therefore the continuing health of the AFRHs, the committee recommends a provision to require the Secretary of Defense to raise the monthly deduction from 50 cents to \$1.00.

Title XI Loan Guarantee Program. The committee recommends \$54.1 million (\$50 million more than the President's request) for this vessel construction loan guarantee program administered by the U.S. Maritime Administration.

Responsible Environment Management

From programs to protect endangered species, to efforts to reduce the emission of pollutants from military equipment, the U.S. military has demonstrated a strong commitment to the environment. The committee remains dedicated to ensuring that DOD and DOE remain responsible environmental stewards, and recommends the following funding levels and initiatives:

DOD Environmental Programs. The committee recommends \$4 billion (matching the President's request) for Department of Defense environmental programs. In addition, the committee recommends a responsible set of initiatives intended to restore a balance between protecting the environment and military readiness without reducing DOD's obligation to comply with environmental laws:

- **Establishing Buffer Zones.** The committee recommends two provisions to set aside land near military installations to preserve natural resources and reduce the impact of urban encroachment on military installations and endangered and threatened species. Specifically, one provision would allow the Secretary of Defense to enter into agreements with private organizations whose principal purpose is the conservation of natural resources to acquire interest in land near military installations to limit commercial development. The second provision would permit the service secretaries to convey DOD land to state or local governments or nonprofit conservation organizations to permanently maintain for the conservation of natural resources.
- **Migratory Birds.** The Migratory Bird Treaty Act (MBTA) allows federal agencies to obtain permits to remove migratory birds for economic or safety reasons, such as clearing geese from a golf course or runway. However, a March 2002 court decision on Navy activities at a training range near Guam ruled that the MBTA does not allow for permits for the accidental removal of birds during military readiness activities. As a result, the court imposed an injunction on April 30 which shut down the training facility for 30 days to prevent the Navy from accidentally taking birds since it does not have a permit to do so. In order to ensure that DOD can operate all of its facilities without further interruptions of this nature, the committee recommends a provision to grant authority to the Secretary of the Interior under the MBTA to issue permits to DOD for the accidental removal of migratory birds during military readiness activities.
- **Conservation of Protected Species.** Due to the Endangered Species Act (ESA), the military frequently loses access to unique training areas when critical habitat is designated for threatened and endangered species on military installations. Therefore,

the committee recommends a provision to amend the ESA to prohibit further designations of critical habitat on military installations in areas where there is already a comprehensive Integrated Natural Resources Management Plan (INRMP) prepared in cooperation with DOD and state and federal Fish and Wildlife Services. Although the provision would not annul existing critical habitat areas, it would allow the Secretary of the Interior to revise existing habitat designations provided that redesignating the land would not result in harm to, or the extinction of, an endangered or threatened species.

Utah Test and Training Range (UTTR). Since 1990, approximately 4.4 million acres in Utah have been designated as wilderness or Wilderness Study Areas, including 200,000 acres within the UTTR, a critical military testing and air training area. As a result, the services' ability to test and train at UTTR has been attacked by environmental groups who claim that military activities in the UTTR airspace above designated wilderness areas violate the Wilderness Act. In order to preserve the UTTR's usefulness as a training area, the committee recommends a provision to designate approximately 500,000 acres beneath the UTTR airspace as wilderness and release the remaining federal lands to the Bureau of Land Management to be managed under the Federal Lands Policy and Management Act. This approach would preserve wilderness areas, but guarantee continued military access to the UTTR by specifying that the Wilderness Act does not restrict the military's overflights, designation of new training routes, communications systems, or maintenance of installations or equipment on the UTTR.

Department of Energy (DOE) Defense Environmental Management Programs. The committee recommends \$6.6 billion (matching the President's request) for DOE environmental management programs including:

- \$2.6 billion (matching the President's request) for construction and project work at facilities with complex and extensive environmental problems that will be closed after 2006;
- \$1.1 billion (matching the President's request) for the Defense Facilities Closure Projects;
- \$788 million (matching the President's request) for construction and site completion at facilities that will be closed by 2006;
- \$92 million (matching the President's request) for the Defense Environmental Restoration and Waste Management Science and Technology program to develop new technologies for nuclear waste cleanup; and
- \$158.4 million (matching the President's request) for Defense Environmental Management Privatization.

DOE Environmental Management Spending. The committee recommends \$800 million (matching the President's request) to establish a new DOE-wide environmental management cleanup reform program, based upon positive results achieved at Rocky Flats, Colorado, which is now scheduled to complete cleanup 50 years ahead of schedule and cost \$30 billion less than originally anticipated.

Reforming DOD's Organization and Business Practices

DOD Purchase Cards. Although DOD has recently taken steps to reduce the abuse of purchase cards by cardholding employees, a March 2002 Inspector General report indicated that additional steps are necessary to correct the problem. As such, the committee recommends provisions to enable the Secretary of Defense to hold financially responsible and punish any DOD official who submits illegal or incorrect information that will be used to pay a purchase card voucher.

Electronic Reports. The National Defense Authorization Act for Fiscal Year 2002 (*P.L. 107-107*) required DOD to provide, upon request, electronic versions of unclassified documents submitted to Congress. In order to facilitate this program, and ease dissemination and accessibility of official DOD information, the committee recommends a provision to require DOD to submit electronic versions of all unclassified reports to Congress.

Shaping the U.S. Nuclear Deterrent for the 21st Century

National Nuclear Security Administration (NNSA). The committee recommends \$8 billion (matching the President's request) for NNSA, a semi-autonomous agency within DOE with responsibility for managing the nation's nuclear weapons, nonproliferation, and naval reactor programs.

- **Weapons Activities.** The committee recommends \$5.9 billion (\$67.6 million more than the President's request) to support maintenance of a safe, reliable, and secure nuclear weapons stockpile, and to continue the recapitalization of the defense nuclear complex infrastructure.
- **Defense Nuclear Nonproliferation.** The committee recommends \$1.1 billion (\$39 million less than the President's request) to address the threat of proliferation of weapons of mass destruction, assist with safeguarding weapons and weapons grade materials in Russia, and dispose of nuclear materials excess to defense needs (see "Defending Against Weapons of Mass Destruction" on page 3).
- **Naval Reactors.** The committee recommends \$706.8 million (matching the President's request) for the naval reactors program, which supports operation, maintenance, and continuing development of Navy nuclear propulsion systems.
- **Office of the Administrator for Nuclear Security.** The committee recommends \$315.9 million (\$31.8 million less than the President's request) for the Office of the Administrator for Nuclear Security, which provides federal management and oversight of the activities of the defense nuclear complex.

Nuclear Test Readiness. Although the United States continues to observe a moratorium on nuclear testing, it is essential to the viability and safety of the nation's nuclear deterrent to maintain an ability to resume underground nuclear testing, should the President determine that such testing is necessary. Current DOE policy is to be able to resume testing within two to three years. However, due to the current state of the weapons complex, the actual lead time is closer to three years. As such long lead time does not make resuming testing a realistic option, the

committee recommends a provision to require the Secretary of Energy, in consultation with the NNSA Administrator, to provide to Congress with the fiscal year 2004 budget a plan for achieving a one-year readiness posture to resume underground nuclear tests.

Strategic Force Structure Plan. In January 2002, DOD submitted the Nuclear Posture Review (NPR) to Congress. While a valuable document, it does not contain a nuclear force structure plan, nor does it specify the numbers and types of warheads, weapons systems, or infrastructure that the United States should maintain. Therefore, the committee recommends a provision to require the Secretaries of Defense and Energy to submit a baseline nuclear force structure plan and budget to Congress by January 1, 2003. In addition, in order to maintain a credible nuclear deterrent until future force decisions are made, the committee recommends a provision to express the sense of Congress that the United States needs to maintain a flexible and reliable strategic deterrent in accordance with the national defense strategy, the Nuclear Posture Review, and the global strategic environment.

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APPENDIX

Increasing Military Manpower

FISCAL YEAR 2003 END STRENGTH – ACTIVE FORCES

<i>Service</i>	<i>FY 2002 Level</i>	Fiscal Year 2003		Change from Fiscal Year	
		<i>President's Request</i>	<i>HASC Recommendation</i>	<i>2003 Request</i>	<i>2002 Level</i>
Army	480,000	480,000	484,800	4,800	4,800
Navy	376,000	375,700	379,457	3,757	3,457
USMC	172,600	175,000	175,000	0	2,400
Air Force	358,800	359,000	360,795	1,795	1,995
Total	1,387,400	1,389,700	1,400,052	10,352	12,652

FISCAL YEAR 2003 END STRENGTH – SELECTED RESERVE

<i>Service</i>	<i>FY 2002 Level</i>	Fiscal Year 2003		Change from Fiscal Year	
		<i>President's Request</i>	<i>HASC Recommendation</i>	<i>2003 Request</i>	<i>2002 Level</i>
ARNG	350,000	350,000	350,000	0	0
USAR	205,000	205,000	205,000	0	0
USNR	87,000	87,800	87,800	0	800
USMCR	39,558	39,558	39,558	0	0
ANG	108,400	106,600	106,600	0	-1,800
AFR	74,700	75,600	75,600	0	900
Total	864,658	864,558	864,558	0	-100
USCGR	8,000	9,000	9,000	0	1,000

FISCAL YEAR 2003 END STRENGTH – Active Guard Reserve

<i>Service</i>	<i>FY 2002 Level</i>	Fiscal Year 2003		Change from Fiscal Year	
		<i>President's Request</i>	<i>HASC Recommendation</i>	<i>2003 Request</i>	<i>2002 Level</i>
ARNG	23,698	23,768	24,562	794	864
USAR	13,406	13,588	14,070	482	664
USNR	14,811	14,572	14,572	0	-239
USMCR	2,261	2,261	2,261	0	0
ANG	11,591	11,697	11,697	0	106
AFR	1,437	1,498	1,498	0	61
Total	67,204	67,384	68,660	1276	1456

FISCAL YEAR 2003 END STRENGTH – Dual Status Military Technicians

<i>Service</i>	<i>FY 2002 Level</i>	Fiscal year 2003		Change from Fiscal Year	
		<i>President's Request</i>	<i>HASC Recommendation</i>	<i>2003 Request</i>	<i>2002 Level</i>
ARNG	23,615	23,615	24,102	487	487
USAR	6,249	6,349	6,599	250	350
ANG	22,422	22,495	22,495	0	73
AFR	9,818	9,911	9,911	0	93
Total	62,104	62,370	63,107	737	1003

Actions on Major Programs in the Fiscal Year 2003 Defense Authorization Act
(dollars in millions)

	Major Army Programs					
	FY 2003 Budget Request			H.R. 4546		
	R & D	Quantity	Procurement	R & D	Quantity	Procurement
RAH-66 Comanche	\$910.0			\$910.0		
UH-60 Blackhawk		12	\$176.4		20	\$291.7
CH-47 Upgrades		7	\$399.7		7	\$413.3
TH-67 Creek Training Helicopters			\$0.0		6	\$9.6
AH-64D Apache Longbow		74	\$865.8		74	\$865.8
Bradley A2ODS Upgrades			\$0.0		45	\$60.0
Crusader	\$475.2			\$475.2		
Future Combat System	\$704.0			\$704.0		
Interim Armored Vehicle		332	\$811.8		332	\$811.8
Javelin Missiles						
Hellfire Missiles			\$193.8			\$233.9
HMMWV		2,064	\$196.7		2,244	\$227.8
FMTV		3,574	\$681.4		3,574	\$681.4
Army Science & Technology	\$1,610.2			\$1,779.6		

	Major Navy and Marine Corps Programs					
	FY 2003 Budget Request			H.R. 4546		
	R & D	Quantity	Procurement	R & D	Quantity	Procurement
V-22 Osprey	\$420.1	11	\$1,106.0	\$420.1	11	\$1,106.0
Joint Strike Fighter	\$1,727.5			\$1,727.5		
F/A-18E/F	\$107.8	44	\$3,159.5	\$107.8	44	\$3,159.5
JPATS					10	\$60.0
E-2C Hawkeye	\$113.7	5	\$295.5	\$113.7	5	\$295.5
T-45		8	\$221.4		8	\$231.4
VA Class Submarine	\$238.3	1	\$2,219.0	\$238.3	1	\$2,219.0
CVN-77	\$91.7			\$91.7		
CVN(X)	\$268.0		\$243.7	\$268.0		\$472.7
DDG-51*	\$300.7	2	\$2,369.5	\$310.7	3	\$3,179.5
LPD-17	\$10.1	1	\$604.5	\$10.1	1	\$604.5
T-AKE		1	\$388.8		1	\$388.8
DD (X)	\$960.4			\$960.4		
Cooperative Engagement Capability	\$89.1		\$115.1	\$89.1		
MH-60S	\$23.3	15	\$372.2	\$23.3	19	\$460.2
Tomahawk	\$94.3	106	\$145.8	\$94.3	106	\$167.8
MTVR	\$1.0	1,405	\$347.6	\$1.0	1,405	\$347.6
Navy Science & Technology	\$1,607.3			\$1,871.5		
MH-60R	\$89.0		\$116.2	\$89.0		\$116.2
ASW-MCH-SSDS-Initiative	\$0.0		\$0.0	\$205.5		\$106.7
EA-6B Prowler	\$66.9		\$223.5	\$66.9		\$327.5

* See "Shipbuilding Initiative" on page 21

	Major Air Force Programs					
	FY 2003 Budget Request			H.R. 4546		
	R & D	Quantity	Procurement	R & D	Quantity	Procurement
F-22	\$627.3	23	\$4,621.0	\$627.3	23	\$4,621.0
E-8C Joint STARS		1	\$279.3		1	\$279.3
F-16C/D Fighting Falcon mods.	\$66.8		\$265.0	\$77.9		\$348.0
JPATS		35	\$211.8		35	\$211.8
C-17 Globemaster		12	\$3,086.0		12	\$3,086.0
Joint Strike Fighter	\$1,743.7			\$1,743.7		
JASSM		100	\$54.2		100	\$54.2
B1-B Bomber	\$160.7		\$98.0	\$160.7		\$98.0
B-2 Stealth Bomber	\$225.3		\$72.1	\$242.3		\$104.1
Air Force Science & Technology	\$1,653.6			\$1,797.9		
F-15 Strike Eagle mods.			\$232.0			\$291.5

	Major Defense-Wide Programs					
	FY 2003 Budget Request			H.R. 4546		
	R & D	Quantity	Procurement	R & D	Quantity	Procurement
Ammunition (all services)			\$3,195.0			\$3,499.2
Ballistic Missile Defense						
BMD Technology	\$121.8			\$127.3		
BMD System Segment	\$1,066.0			\$1,086.0		
Terminal Defense Segment	\$170.0			\$308.7		
Mid-Course Defense Segment	\$3,192.6			\$3,244.6		
Boost Defense Segment	\$769.9			\$719.4		
BMD Sensors	\$373.4			\$373.4		
BMD Procurement PAC-3		72	\$471.7		72	\$471.7
Defense Agency Science & Technology	\$4,800.2			\$4,573.0		

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