

PRESS RELEASE



**United States Senate
Committee on Armed Services**

**John Warner, Virginia
Chairman**

SR-228 Russell Senate Office Building, Washington, DC 20510 202-224-3871

MEDIA CONTACT:

John Ulliot
Senator Warner's office
202-224-2023

Tara Andringa
Senator Levin's Office
202-224-1471

FOR IMMEDIATE RELEASE
October 8, 2004
9:00 a.m.

SENATE AND HOUSE COMPLETE CONFERENCE ON RONALD W. REAGAN NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

Senator John Warner (R-VA), Chairman of the Senate Armed Services Committee, and Senator Carl Levin, Ranking Member, announced today that the Senate and House conferees reached agreement on the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005. The bill authorizes funding for the Department of Defense and the national security programs of the Department of Energy.

"We remain a nation at war against terrorism, and we will win because of the extraordinary Americans who volunteer to serve the cause of peace and freedom. All Americans are in their debt, and they and their families deserve our unwavering support," said Warner. "I can think of no better way to honor the service and sacrifice of our service men and women and their families than to provide them with a higher level of pay and benefits, and to give them the equipment they need to carry out their critical missions on behalf of our nation. I think it is particularly fitting that this bill is named after President Reagan," Senator Warner added.

"This bill improves the quality of life for our men and women in uniform, provides the equipment they need to perform their important and dangerous missions, and makes the investments we need to meet the challenges of the 21st Century," said Senator Levin. "I am especially pleased that this bill increases the active duty end strength of the Army and Marine Corps, and increases the benefits for our active duty, National Guard and Reserve forces, and for their families," he added.

CONFERENCE REPORT HIGHLIGHTS

This conference report underscores the Committee's strong support for the men and women of the Armed Forces who are fighting so bravely in the Global War on Terrorism. The conference report includes a 3.5 percent across-the-board increase in pay for all uniformed service personnel. It creates a new healthcare benefit for reservists by authorizing TRICARE coverage for Reserve members who served on extended active duty. It authorizes a permanent increase in special pay for duty subject to hostile fire or imminent danger and family separation allowances, and increases special pays for members of the National Guard and Reserve for enlistment and reenlistment.

The conferees agreed to authorize a multiyear procurement for 100 new aerial refueling aircraft, while prohibiting the lease of KC-767A tanker aircraft by the Air Force. They also agreed to require that any contract for the maintenance and logistics support for new aerial refueling aircraft be competitively awarded.

The conferees reached an agreement that will maintain the authority for the Department of Defense to conduct a round of Base Realignment and Closure in 2005. Senator Warner stated, "This top Administration priority is absolutely essential and necessary for 2005, to allow the Department to evaluate its infrastructure and to make smart decisions to support a well-postured 21st Century military. We must complete this crucial process over the next year in order to reduce aging, excess infrastructure, provide resources for the military where they need it the most, and provide investment and development opportunities for the local communities that so strongly support our military forces."

In addition, the conferees:

- authorized a 3.5 percent across-the-board pay raise for all uniformed service personnel.
- authorized increases in active-duty end strength of 20,000 for the Army and 3,000 for the Marine Corps.
- authorized an increase in the Survivor Benefit Plan annuity that will be phased in over 3.5 years and, by 2008, eliminate the existing "two tier" system.
- approved permanent eligibility for up to 90 days of TRICARE coverage for Reserve members and their families prior to mobilization, and 180 days of transitional health benefits for Reserves, active duty members, and their families when the member separates from active duty service.
- authorized a new program of educational assistance to members of the Selected Reserve, providing varying amounts of aid depending on the length of time

mobilized.

- authorized immediate concurrent receipt, without phase in, of military retired pay and veterans' disability compensation for retirees who are rated at 100 percent disabled.
- included a provision that would expand criminal jurisdiction over federal employees and contractor personnel supporting the DOD mission overseas.
- removed the existing funding limitations on the military housing privatization authorities, which will allow the military services to continue to partner with the private sector to provide the highest quality housing for military members and their families in the shortest amount of time.
- authorized \$10.0 billion for ballistic missile defense, and provided additional funding for the ground-based midcourse missile defense segment.
- established new benefits under the Energy Employee Occupational Illness Compensation Program Act (EEOICPA) to compensate energy employees for illnesses resulting from exposure to toxic substances at a Department of Energy facility. The provision would direct the Department of Labor (DOL) to administer this new benefit program, which is intended to provide a simple, fair and uniform workers compensation system.
- authorized an additional \$572.0 million for additional up-armored variants of the High Mobility Multi-purpose Wheeled Vehicle and \$100.0 million for wheeled vehicle ballistic bolt-on armor.
- authorized the Secretary of Defense to use up to \$500.0 million in fiscal year 2005 to train and equip Iraq and Afghanistan military and security forces, and up to \$300.0 million in fiscal year 2005 for the Commanders' Emergency Response Program for small-scale humanitarian and reconstruction projects in Iraq and Afghanistan.
- required the Secretary of Defense to prescribe policies to ensure the humane treatment of prisoners detained in armed conflict and to report to Congress.
- authorized an additional \$46.9 million to field an additional 7 Weapons of Mass Destruction-Civil Support teams (WMD-CST), for a total of 55 teams by the end of FY 05.

A full summary of the bill is available at <http://armed-services.senate.gov/press.htm>.

#####

PRESS RELEASE



**United States Senate
Committee on Armed Services**

**John Warner, Virginia
Chairman**

October 8, 2004

RONALD W. REAGAN NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005 BILL SUMMARY

FUNDING LEVELS

The conferees authorized \$420.6 billion for defense programs in fiscal year 2005, an increase of \$19.3 billion above the amount authorized by the Congress last year. This represents an increase of 3.4 percent in real terms for defense. In addition, the conferees authorized \$25.0 billion for additional war-related costs for Operations Iraqi Freedom and Enduring Freedom.

CONFERENCE REPORT HIGHLIGHTS

The conferees addressed a number of defense priorities in this year's bill. Specifically, the conferees:

- authorized a 3.5 percent across-the-board pay raise for all uniformed service personnel.
- authorized increases in active-duty end strength of 20,000 for the Army and 3,000 for the Marine Corps.
- created a new healthcare benefit for members of the reserve component by authorizing TRICARE coverage for Reserve members who have served on extended active duty.
- authorized an increase in the Survivor Benefit Plan annuity that will be phased in over 3.5 years and, by 2008, eliminate the existing "two tier" system.
- approved permanent eligibility for up to 90 days of TRICARE coverage for Reserve members and their families prior to mobilization, and 180 days of

transitional health benefits for Reserves, active duty members, and their families when the member separates from active duty service.

- authorized a new program of educational assistance to members of the Selected Reserve, providing varying amounts of aid depending on the length of time mobilized.
- authorized immediate concurrent receipt, without phase in, of military retired pay and veterans' disability compensation for retirees who are rated at 100 percent disabled.
- included a provision that would expand criminal jurisdiction over federal employees and contractor personnel supporting the DOD mission overseas.
- authorized a multiyear procurement for 100 new aerial refueling aircraft while prohibiting the lease of KC-767A tanker aircraft by the Air Force, and required that any contract for the maintenance and logistics support for new aerial refueling aircraft be competitively awarded.
- removed the existing funding limitations on the military housing privatization authorities, which will allow the military services to continue to partner with the private sector to provide the highest quality housing for military members and their families in the shortest amount of time.
- reinforced Congressional support for the Base Realignment and Closing (BRAC) process by continuing to support the 2005 BRAC round.
- authorized \$10.0 billion for ballistic missile defense, and provided additional funding for the ground-based midcourse missile defense segment.
- established new benefits under the Energy Employee Occupational Illness Compensation Program Act (EEOICPA) to compensate energy employees for illnesses resulting from exposure to toxic substances at a Department of Energy facility. The provision would direct the Department of Labor (DOL) to administer this new benefit program, which is intended to provide a simple, fair and uniform workers compensation system.
- authorized an additional \$572.0 million for additional up-armored variants of the High Mobility Multi-purpose Wheeled Vehicle and \$100.0 million for wheeled vehicle ballistic bolt-on armor.
- authorized the Secretary of Defense to use up to \$500.0 million in fiscal year 2005 to train and equip Iraq and Afghanistan military and security forces, and up to \$300.0 million in fiscal year 2005 for the Commanders' Emergency

Response Program for small-scale humanitarian and reconstruction projects in Iraq and Afghanistan.

- required the Secretary of Defense to prescribe policies to ensure the humane treatment of prisoners detained in armed conflict and to report to Congress.
- authorized an additional \$46.9 million to field an additional 7 Weapons of Mass Destruction-Civil Support teams (WMD-CST), for a total of 55 teams by the end of FY 05.

SUBCOMMITTEE ON PERSONNEL

The Personnel Subcommittee focused on improving compensation and quality of life programs for service members, retirees and their families. Specifically, the conferees:

- authorized a permanent increase in special pay of \$225.00 a month for duty subject to hostile fire or imminent danger, and a permanent increase in the family separation allowance of \$250.00 a month.
- authorized increases in special pays for members of the National Guard and Reserve for enlistment and reenlistment, and authorized a bonus of up to \$6,000 for foreign language proficiency.
- approved permanent eligibility for up to 90 days of TRICARE coverage for Reserve members prior to mobilization.
- authorized a new program of educational assistance to members of the Selected Reserve providing varying amounts of aid depending on the length of time mobilized.
- required a physical examination prior to separation from active-duty service for Reservists and certain active-duty members.
- required promulgation of uniform DOD policy on prevention of and response to sexual assaults involving members of the Armed Forces.
- authorized the Secretary of Defense to approve deployment of National Guard units and personnel under the authority of State governors for up to 180 days to perform homeland defense activities.
- established a Commission to study the roles and mission of the National Guard and Reserves.

- required the Secretary of Defense to improve medical readiness training and health surveillance.
- authorized use of Federal write-in ballots for absentee military voters in the United States.

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

The conference report continues the Committee's efforts to ensure the readiness of the Armed Forces. Specifically, the conferees:

- provided \$16.4 billion in direct, immediate support for the men and women of the Armed Forces to continue Operation Enduring Freedom, Operation Iraqi Freedom, and Operation Noble Eagle.
- added \$757.0 million for force protection gear and combat clothing for active, reserve and national guard service members, including \$435.2 million specifically for individual body armor.
- added \$31.4 million to advance Army transformation to a lighter, mobile, agile force.
- added \$164.4 million for ammunition, including war reserves and training munitions, and demilitarization of obsolete ammunition, and \$50.9 million for ammunition production equipment modernization.

The conference also included a number of legislative provisions designed to enhance defense management and operations, including:

- a provision that would direct the Secretary to reimburse service members who purchased, or had another person purchase on their behalf, any protective, safety, or health equipment for use while deployed in connection with Operation Noble Eagle, Operation Enduring Freedom, or Operation Iraqi Freedom.
- a provision that would streamline the ability of the Secretary of Defense to transfer to any state firefighting agency excess Defense Department equipment suitable for use in providing fire and emergency medical services, including personal protective equipment and equipment for communications and monitoring.
- a provision that would require the Department of Defense to develop and

implement a business enterprise architecture to gain better control over its finances.

- a provision that would extend the authority for energy savings performance contracts for two years, enabling the Department of Defense and other federal agencies to save hundreds of millions of dollars through improved energy efficiency.
- a series of provisions that would streamline and clarify the DOD contracting process in a manner that provides assurance that federal dollars are being spent appropriately.
- a provision that would establish a process to ensure that federal employees have a right to be heard in protests of public-private competitions.
- a provision that would require the Secretary of Defense to establish guidelines for oversight and safety of contractors operating in combat areas.

The conferees supported efforts to provide better environmental quality across the armed forces installations and ranges. Specifically, the conferees authorized \$256.5 million for remediation of Formerly Used Defense Sites, an increase of \$40.0 million over the budget request.

MILITARY CONSTRUCTION

The conferees reaffirmed their support for the military services' efforts to modernize, renovate, and improve aging defense facilities and focused their funding priorities on improving quality of life, infrastructure, and readiness-related projects for the active and reserve components.

The conferees agreed to authorize \$10.0 billion for military construction and family housing programs, \$450.0 million above the Administration's request. The conferees included over \$280.0 million in additional funding for critical unfunded military construction requirements identified by the military services at installations in the United States, and more than \$260.0 million in additional funding for readiness and training facilities for the National Guard and Reserve forces.

The conferees authorized \$4.2 billion for family housing programs, including \$1.6 billion for new construction and \$2.6 billion for maintenance. They also agreed to provide \$246 million to fund environmental clean-up and restoration activities for bases closed in the 1990's in order to return the property to local communities.

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

The Emerging Threats and Capabilities Subcommittee oversees programs and policies to improve the ability of the armed services to meet nontraditional threats, including efforts to: combat terrorism both at home and abroad; counter the threat of weapons of mass destruction; and accelerate transformational technologies to enable the military to confront current and future threats. In these areas, the conferees:

- authorized an additional \$640.0 million, for a total of \$11.2 billion, for the Defense Science and Technology program.
- authorized an additional \$70.0 million for basic research, which serves as the foundation for future capabilities and equipment and assists in training the future national security technical workforce.
- authorized an additional \$50.0 million for unmanned systems science and technology programs to ensure interoperability, continue development of autonomous capabilities, and establish joint standards and testing.
- authorized an additional \$40.0 million for key battlefield medicine and combat casualty care research programs to ensure the latest life and limb saving technology is available to our men and women in uniform.
- authorized a provision that would establish a new pilot Science, Mathematics, And Research for Transformation (SMART) Defense Scholarship program for students pursuing undergraduate or graduate degrees in science and engineering disciplines of specific national security need.

In the area of homeland defense and counterterrorism the conferees:

- authorized an additional \$46.9 million to field an additional 7 Weapons of Mass Destruction-Civil Support teams (WMD-CST), which will result in a total of 55 teams by the end of FY 05.
- authorized an additional \$3.0 million for the information assurance scholarship program.

In the area of chemical, biological, radiological and nuclear and high-yield explosives (CBRNE) programs, the conferees:

- authorized an additional \$170.0 million for projects geared toward improved sensors and detectors, emergency communications capabilities and equipment, and chemical and biological defense programs to continue support for the nation's fight against terrorism.
- authorized an additional \$38.0 million specifically for procurement of collective and individual protection and contamination avoidance equipment to combat chemical, biological, radiological and nuclear threats.
- authorized an additional \$50.0 million for the Pueblo Chemical Agent Disposal Facility to facilitate the ability of the United States to meet its obligations under the Chemical Weapons Convention.
- authorized a provision that would direct the Secretary of Defense to develop and coordinate a policy for ensuring the survivability of defense critical systems exposed to chemical or biological contamination.

In the area of nonproliferation and cooperative threat reduction, the conferees:

- authorized \$1.3 billion for the Department of Energy (DOE) nonproliferation programs, and removed the \$50.0 million limitation on DOE's authority to spend nuclear materials protection and cooperation program funds on new projects outside of the former Soviet Union.
- authorized \$409.2 million for the Department of Defense's Cooperative Threat Reduction (CTR) Program, and provided the President authority through December 31, 2006, to waive, on an annual basis, the conditions that must be met before continuing the Russian chemical demilitarization program at Shchuch'ye.

In addition, the conferees:

- provided important new authorities for the Secretary of Defense and the

Commander, U.S. Special Operations Command, to successfully prosecute the global war on terrorism.

- included a provision which would extend for two more years authority for the Secretary of Defense to use counterdrug funding to assist the Government of Colombia in conducting a unified campaign against drug trafficking and narco-terrorism in Colombia, and would increase the number of military and contractor personnel that may be employed to assist the Government of Colombia in that campaign.

SUBCOMMITTEE ON STRATEGIC FORCES

The Strategic Forces Subcommittee has jurisdiction over national security space programs, strategic forces, ballistic and cruise missile defenses, and intelligence, reconnaissance and surveillance programs, as well as Department of Energy nuclear and environmental management programs.

To enhance national security space capabilities, the conferees:

- authorized a provision to establish a panel to review national security space launch capabilities and needs in the future.
- authorized a provision to require the Department of Defense to conduct an extensive review of national security space policy.
- authorized an increase of \$35.0 million for the Space Based Infrared System, the next generation early warning satellite, to help move that program forward.

In the area of ballistic missile defense, the conferees:

- authorized \$10.0 billion for ballistic missile defense (BMD) research and development and procurement.
- authorized an additional \$75.0 million for the ground-based midcourse BMD system for activities to reduce program risk.

- authorized a provision to require the Secretary to establish criteria for operationally realistic testing for ballistic missile defense and to conduct a test consistent with those criteria during fiscal year 2005.
- included a provision to authorize the use of research and development funds to field initial ballistic missile defense capabilities.

To upgrade strategic force capabilities, the conferees:

- Authorized an additional \$30.0 million for improvements to the B-2 bomber and \$20.0 million for improvements to the B-1 bomber.
- Authorized \$30.0 million for research on a next generation bomber.

The conferees supported efforts to strengthen the nation's nuclear weapons research, development and test readiness capabilities and program management. Specifically, the conferees:

- authorized \$28.0 million to continue a feasibility study on the Robust Nuclear Earth Penetrator (RNEP).
- authorized \$9.0 million for the Advanced Concepts Initiative (ACI).
- authorized \$29.8 million for the Modern Pit Facility (MPF).
- authorized \$30.0 million for enhanced test readiness.
- clarified the authority of the Secretary of Energy to proceed with the accelerated cleanup plan at the Savannah River Site in South Carolina and the Idaho National Environmental and Engineering Laboratory in Idaho, including waste incidental to reprocessing.

SUBCOMMITTEE ON AIRLAND

The Airland Subcommittee has jurisdiction over the policies and programs for the Army and the Air Force, as well as the tactical aviation of all the services. The conferees supported the department's procurement and research and development request while emphasizing those programs that contributed to transformation activities and current force readiness and capability improvements.

To support Army transformation, the conferees:

- authorized over \$2.9 billion in research and development funding for the Future Combat Systems (including \$498.0 million for the development of the Non-line of Sight Cannon system).
- authorized \$100.0 million in research and development funding for the Warfighter Information System-Tactical communications system.
- authorized \$435.0 million in procurement and research and development funding for the Joint Tactical Radio System.

The conferees approved the requested funding for a number of major programs, many of which are employed in Operation Iraqi Freedom and Operation Enduring Freedom. Specifically, the conferees authorized:

- \$280.0 million for 27 UH-60 Black Hawk helicopters.
- \$272.0 million for the procurement of aircraft survivability equipment infrared countermeasures.
- \$334.0 million for Army Hellfire and Javelin missile systems.
- \$905.0 million for Stryker vehicles for the sixth Stryker Brigade Combat Team.
- \$292.0 million for 67 Abrams M1A2 System Enhancement Program tanks.
- \$506.0 million for the Family of Medium Tactical Vehicles.
- \$4.1 billion for 24 F/A-22 aircraft for the Air Force.

- \$3.0 billion for 42 F/A-18E/F aircraft for the Navy.
- \$939.0 million for 11 C-130J aircraft for the Air Force, and \$320.0 million for four KC-130J aircraft for the Marine Corps.
- \$226.0 million for two E-2C aircraft for the Navy.
- \$307.0 million for 53 JPATS trainer aircraft for the Air Force.

The conferees authorized additional funding for the several major programs which provide soldiers protection and increases capabilities. Specifically, the conferees:

- authorized \$105.0 million for the Rapid Fielding Initiative, a program initiated to address individual soldiers' deficiencies identified as part of lessons learned from the deployment of combat units to Afghanistan.
- authorized \$572.0 million for additional up-armored variants of the High Mobility Multi-purpose Wheeled Vehicle, including funding to increase the production of the up-armored variant of the High Mobility Multi-purpose Wheeled Vehicle to 450 per month.
- authorized \$100.0 million for wheeled vehicle ballistic bolt-on armor.
- authorized \$51.5 million for Bradley Fighting Vehicle modifications.
- authorized \$21.0 million for the Movement Tracking System for the Family of Heavy Tactical Vehicles.
- authorized \$5.0 million for aircrew and aircraft survivability equipment procurement, an shortfall identified during Operation Iraqi Freedom.
- authorized \$18.0 million for an additional Shadow Tactical Unmanned Aerial Vehicle (TUAV) and TUAV life cycle maintenance and enhancement initiatives.

- authorized \$53.3 million for a second C-37 aircraft, for a total of two aircraft and \$106.6 million total.
- authorized \$52.4 million for two additional T-45 aircraft, for a total of 10 aircraft and \$306.0 million.

The conferees authorized \$4.3 billion for the Joint Strike Fighter program, a decrease of \$207.0 million for certain projects due to program delay.

SUBCOMMITTEE ON SEAPOWER

The Subcommittee on Seapower has jurisdiction over all Navy and Marine Corps programs, including non-tactical air programs. The conferees took action both to support the planned transformation of the Navy and the Marine Corps, while ensuring the existing fleet is capable of responding to near-term contingencies. Specifically, the conferees:

- approved the requested funding for the construction of nine new ships:
 - \$2.3 billion for the multi-year procurement of one *Virginia*-class submarine.
 - \$3.5 billion for three *Arleigh Burke*-class destroyers.
 - \$1.1 billion for one *San Antonio*-class amphibious ship.
 - \$768.4 million in the National Defense Sealift Fund for two T-AKE auxiliary cargo and ammunition ships.
 - \$1.5 billion in RDT&E funding for the development and increment of construction of the first DD(X) destroyer.
 - \$350.0 million in RDT&E funding for the development and increment of construction of the first Littoral Combat Ship.
- approved the requested funding for several major programs, including:

- \$783.8 million for the conversion of one Ballistic Missile Submarine into an SSGN.
- \$292.5 million for the engineered refueling overhaul of one Ballistic Missile Submarine.
- \$327.0 million in development and \$626.0 million in advance procurement for the CVN-21 aircraft carrier.
- \$885.3 million for eight MV-22 Osprey tilt-rotor aircraft for the Marine Corps, and \$320.6 million for three CV-22 special operations tilt-rotor aircraft for the Air Force.
- \$2.9 billion for the procurement of 14 C-17 airlift aircraft.
- \$175.0 million and multiyear procurement authority for the lightweight 155 mm howitzer.
- \$241.0 million for the procurement of the AH-1Y Cobra and UH-1N Huey helicopters.
- authorized additional funding for the following major programs:
 - \$150.0 million to accelerate the first LHA(R) amphibious ship.
 - \$84.0 million for detail design of the second DD(X) destroyer.
 - \$30.0 million for various submarine RDT&E programs.
 - \$46.0 million for the Amphibious Assault Vehicle 7A1 product improvement program.
 - \$10.0 million for the non-lethal weapon development for the Marine Corps.

- \$15.0 million for additional night vision equipment.