



**Policy Brief.....May 21, 2003**

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**H.R. 1588**—National Defense Authorization Act for Fiscal Year 2004

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**H.R. 1588—National Defense Authorization Act for Fiscal Year 2004  
(Hunter)**

**Order of Business:** The bill is expected to be considered on Wednesday, May 20<sup>th</sup>, subject to a structured rule. (See separate sheet for list of amendments.)

**Cost to Taxpayers:** According to CBO, H.R. 1588 would authorize appropriations totaling \$398.081 billion in FY2004 and \$398.824 over the FY2004-2008 period. The bill also contains provisions that would increase mandatory spending (including asset sales) by \$156 million in FY2004 and by a total of \$462 million over the FY2004-08 period.

For details on specific authorizations, see the “Comprehensive Summary” section below.

**Overall Authorizations:** **The President requested budget authority of \$399.69 billion for the national defense budget function for fiscal year 2004.**

**The committee recommends an overall level of \$400.54 billion in budget authority.** This amount represents an increase of approximately \$17.74 billion from the budget authority requested in the authorization bill for FY2003 (H.R. 4546 in the 107<sup>th</sup> Congress). This differential does not include the supplemental appropriations enacted into law for FY2003.

**Does the Bill Create New Federal Programs or Rules?:** Yes, as detailed below and in the specifics of the bill.

**Constitutional Authority:** The version of the Armed Services Committee’s Report #108-106 on the committee website does not cite constitutional authority. Article I, Section 8, Clause 1 grants Congress the power to “provide for the common Defence and general welfare of the United States.” Article I, Section 8, Clauses 12 through 16 grant Congress the power “To raise and support Armies, but no Appropriation of Money to that Use shall be for a longer Term than two Years; To provide and maintain a Navy; To make Rules for the Government and Regulation of the land and naval forces; To provide for calling forth the Militia to execute the Laws of the Unions, suppress Insurrections and repel Invasions; To provide for organizing, arming, and disciplining, the Militia and for governing such Part of them as may be employed in the Service of the United States...” In addition, Article I, Section 8, Clause 17

provides that Congress shall have the power “To exercise exclusive Legislation in all Cases whatsoever...over all Places purchased by the Consent of the Legislature of the state in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings;”.

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**Comprehensive Summary:** H.R. 1588 would authorize appropriations for fiscal year 2004 for the Department of Defense and the military functions of the Department of Energy. The bill would also prescribe personnel strengths for all components of the U.S. armed forces. What follows are highlights of the three divisions (Dept. of Defense, Military Construction, and Dept. of Energy & Others) of the bill.

**Where available, the Bush Administration’s funding requests are parenthetically indicated in italics.**

Division A = Department of Defense Authorizations

Division B = Military Construction Authorizations

Division C = Department of Energy National Security Authorizations and Other Authorizations

### **Division A—Title I—Procurement**

- **Total Procurement.** \$74.91 billion (*\$72.65 billion*)
- **Army.** Aircraft--\$2.19 billion (*\$2.13 billion*); Missiles—\$1.59 billion (*\$1.46 billion*); Weapons and Tracked Combat Vehicles--\$2.20 billion (*\$1.64 billion*); Ammunition--\$1.43 billion (*\$1.31 billion*); Other Procurement--\$4.32 billion (*\$4.22 billion*).
- **Navy.** Aircraft--\$9.05 billion (*\$8.79 billion*); Weapons (including missiles and torpedoes)--\$2.53 billion (*\$1.99 billion*); Ammunition--\$963.4 million (*\$922.4 million*); Shipbuilding and Conversion--\$11.47 billion (*\$11.44 billion*); Other Procurement--\$4.61 billion (*\$4.68 billion*).
- **Marine Corps.** \$1.15 billion (*\$1.07 billion*).
- **Air Force.** Aircraft--\$12.60 billion (*\$12.08 billion*); Missiles--\$4.35 billion (*\$4.39 billion*); Ammunition--\$1.32 billion (*\$1.28 billion*); Other Procurement--\$11.38 billion (*\$11.58 billion*).
- **Defense-Wide Activities.** \$3.73 billion (*\$3.67 billion*).
- **Stryker Program.** Limits spending on the Stryker program to \$655 million until the Secretary of Defense has submitted a report to Congress on the improvements that this program would make to U.S. defenses.

### **Division A—Title II—Research, Development, Test, and Evaluation**

- **Total RDT&E.** \$62.69 billion (*\$61.83 billion*)
- **Army.** \$9.33 billion (*\$9.12 billion*)
- **Navy.** \$14.34 billion (*\$14.11 billion*)
- **Air Force.** \$20.55 billion (*\$20.34 billion*)

- **Defense-Wide Activities.** \$18.46 billion (*\$17.97 billion*)
- **Defense Science and Technology.** Earmarks \$10.89 billion for the Defense Science and Technology Program.
- **Titanium.** Earmarks \$8 million for a titanium development program.
- **Electromagnetic Guns.** Requires the Defense Secretary to establish a collaborative program for the development of electromagnetic gun technology.
- **Ballistic Missile Defense RDT&E.** Gives the President greater flexibility in developing ballistic missile defenses.

### **Division A—Title III—Operation and Maintenance**

- **Army.** \$25.05 billion
- **Navy.** \$27.90 billion
- **Marine Corps.** \$3.52 billion
- **Air Force.** \$25.43 billion
- **Defense-Wide Activities.** \$16.13 billion
- **Army Reserve.** \$1.95 billion
- **Naval Reserve.** \$1.17 billion
- **Marine Corps Reserve.** \$199.5 million
- **Air Force Reserve.** \$2.17 billion
- **Army National Guard.** \$4.19 billion
- **Air National Guard.** \$4.40 billion
- **U.S. Court of Appeals for the Armed Forces.** \$10.3 million
- **Environmental Restoration, Army.** \$396.0 million
- **Environmental Restoration, Navy.** \$256.2 million
- **Environmental Restoration, Air Force.** \$384.3 million
- **Environmental Restoration, Defense-Wide.** \$24.1 million
- **Environmental Restoration, Formerly Used Defense Sites.** \$212.6 million
- **Overseas Humanitarian, Disaster, and Civic Aid Programs.** \$59.0 million
- **Drug Interdiction and Counter-Drug Activities, Defense-Wide.** \$817.4 million
- **Defense Health Program.** \$15.32 billion
- **Cooperative Threat Reduction Programs.** \$450.8 million
- **U.S. Industrial Base Capabilities Fund.** \$100.0 million
- **Defense Working Capital Funds.** \$632.3 million
- **National Defense Sealift Fund.** \$1.10 billion
- **Defense Commissary Agency Working Capital Fund.** \$1.09 billion
- **Chemical Agents and Munitions Destruction.** \$1.58 billion (*\$1.53 billion*)
- **Defense Inspector General.** \$162.4 million
- **Environment.** Reauthorizes and expands through FY2008 the provisions in current law regarding environmental protection on Defense Department lands. Highlights follow:
  - **Critical Habitat Areas.** Prohibits further designations of critical habitat areas on military installations in areas where there is an Integrated Natural Resources Management Plan, prepared in cooperation with DOD and state and federal Fish and Wildlife Services.

- **Marine Mammal Protection.** Narrows the instances in which the Navy would have to seek a permit before conducting readiness exercises in the sea. Also redefines what would be considered “harassment” of marine mammals. Provides an exception for national security reasons to current marine mammal protection laws.

### **Division A—Title IV—Military Personnel Authorizations**

Authorized personnel levels as of September 30, 2004:

- **DOD Total.** 1,394,343 (1,388,100)
- **Army.** 482,375 (480,000)
- **Navy.** 375,700 (373,800)
- **Marine Corps.** 175,000 (175,000)
- **Air Force.** 361,268 (359,300)
- **Army National Guard, Selected Reserve.** 350,000 (350,000)
- **Army Reserve, Selected Reserve.** 205,000 (205,000)
- **Naval Reserve, Selected Reserve.** 85,900 (85,900)
- **Marine Corps Reserve, Selected Reserve.** 39,600 (39,600)
- **Air National Guard, Selected Reserve.** 107,000 (107,700)
- **Air Force Reserve, Selected Reserve.** 75,800 (75,800)
- **Coast Guard Reserve, Selected Reserve.** 10,000 (10,000)
- **Army National Guard, Full-Time Duty.** 25,386 (25,386)
- **Army Reserve, Full-Time Duty.** 14,374 (14,374)
- **Naval Reserve, Full-Time Duty.** 14,384 (14,384)
- **Marine Corps Reserve, Full-Time Duty.** 2,261 (2,261)
- **Air National Guard, Full-Time Duty.** 12,140 (12,140)
- **Air Force Reserve, Full-Time Duty.** 1,660 (1,660)
- **Army National Guard, Dual-Status Military Technicians.** At least 24,589 (24,589)
- **Army Reserve, Dual-Status Military Technicians.** At least 7,844 (6,699)
- **Air National Guard, Dual-Status Military Technicians.** At least 22,806 (22,806)
- **Air Force Reserve, Dual-Status Military Technicians.** At least 9,991 (9,991)
- **Army Reserve, Non-Dual-Status Military Technicians.** No more than 910
- **Army National Guard, Non-Dual-Status Military Technicians.** No more than 1,600
- **Air Force Reserve, Non-Dual-Status Military Technicians.** No more than 90
- **Air National Guard, Non-Dual-Status Military Technicians.** No more than 350
- **Armed Forces Retirement Home.** \$65.3 million
- **Authorization of Appropriations for Military Personnel.** \$98.94 billion

### **Division A—Title V—Military Personnel Policy**

- **Sexual Harassment.** Requires the Secretary of Defense to establish a task force to examine matters relating to sexual harassment and violence at the U.S. Military Academy and the U.S. Naval Academy.

- **Elective Office.** Removes the restriction on active-duty reservists or retirees from holding state or local elective office.
- **Public Notice of Casualties.** Prohibits the Secretary of Defense from publicly releasing the name or other personally identifying information of any member of the Army, Navy, Air Force, or Marine Corps who, while on active duty or performing inactive duty training, is killed or injured, whose duty status becomes unknown, or who is otherwise considered to be a casualty, until a period of 24 hours has elapsed after the notification of the next-of-kin of such member.
- **Chaplains.** Permanently authorizes military chaplains to give assistance to the *families* of Servicemembers.
- **Dependent Abuse.** Requires the Secretary of Defense to pay the travel and transportation expenses for the relocation of dependents who are victims of abuse by Servicemembers.

### **Division A—Title VI—Compensation and Other Personnel Benefits**

- **Basic Pay for All Uniformed Services.** Increases basic pay a minimum of **4.1%** for all members of the uniformed services, gives additional increases to mid-grade and senior noncommissioned officers and mid-grade officers to maintain incentives to serve, and provides incentives to retain junior officers and highly skilled enlisted members. The combined across-the-board and targeted raise would reduce the pay gap between military and private-sector pay increases over time from 6.4% to 5.5%.
- **Other Raises.** Increases the basic pay for members of the National Oceanic and Atmospheric Administration and of the Public Health Service by 2%.
- **Special Subsistence Allowance.** Provides a special subsistence allowance for Servicemembers assigned to high-cost duty stations or under other unusual circumstances.
- **Bonuses.** Extends through December 31, 2004, dozens of bonus and special-pay authorities (for example: bonuses for reserve reenlistment, nurse anesthetists, dentists, nuclear specialists, aviation officer retention, prior service enlistment, and service in Antarctica or on the Arctic Icepak).
- **Imminent Danger Pay.** Extends the availability of hostile fire and imminent danger pay to reserve component members on inactive duty in hostile areas (and is subject to hostile fire or explosions).

### **Division A—Title VII—Health Care Matters**

- **Health Plan Information.** Directs the Secretary of Defense to develop a plan to ensure that Servicemembers are provided more information about the health care plans available to them.
- **Base Closures.** Directs the Secretary of Defense, not later than December 31, 2003, to establish a working group on the provision of military health care to persons who rely on health care facilities located at military installations that are the targets of base closures and realignments.

**Division A—Title VIII—Acquisition Policy, Acquisition Management, and Related Matters**

- **Acquisition Acceleration**. Eliminates various acquisition reporting requirements.
- **Industrial Assessment**. Directs the Secretary of Defense, in coordination with the Secretary of each military department, to establish a program to assess the capabilities of the United States defense industrial base to produce military systems necessary to support national security requirements.
- **American Sources**. Requires that certain critical items (including certain metals) be procured from American sources, subject to exceptions.
- **Defense Industrial Base Capabilities Fund**. Establishes this new fund (authorized at \$100 million for FY2004) for the purposes of establishing capabilities within the United States to produce critical items that are only available from foreign sources or that are not readily available in the United States.

**Division A—Title IX—Department of Defense Organization and Management**

- **Secretary of the Navy**. Redesignates the title of the Secretary of the Navy to the Secretary of the Navy and Marine Corps.
- **Imagery and Mapping**. Redesignates the National Imagery and Mapping Agency of the Department of Defense as the National Geospatial-Intelligence Agency.
- **Space Surveillance**. Authorizes the Secretary of Defense to carry out a pilot program to determine the feasibility and desirability of providing space surveillance data support to non-U.S. governmental entities.
- **Defense Acquisition Workforce Reductions**. Implements a schedule for reducing the number of defense acquisition and support personnel by 25% over the next five years.

**Division A—Title X—General Provisions**

- **Transfer Authority**. Authorizes the Secretary of Defense in the interest of national security to transfer up to **\$2.5 billion** in authorizations to any other authorization for fiscal year 2004, as long as the transfer is from a lower-priority authorization to a higher-priority authorization, the transfer is not used to provide authority to an item that has been denied authorization by Congress, and the Secretary “promptly” notifies Congress of the transfer. Treats any such transfer as an equivalent increase in the amount authorized for the account to which the amount is transferred.
- **Supplemental Appropriations**. Authorizes FY2003 supplemental appropriations assigned to the Department of Defense.
- **Acquisition Transfers**. Allows the Secretary of Defense to transfer funds from Procurement to Research, Development, Test, and Evaluation (RDT&E), for the same acquisition program when that program's development effort cannot transition to procurement as planned. This transfer authority is limited to a total of \$250.0 million for any fiscal year and \$20.0 million per acquisition program per fiscal year.
- **Reports**. Repeals dozens and dozens of report requirements.
- **Iraqi Freedom**. Requires a report on Operation Iraqi Freedom and on post-war activities in Iraq.

- **Biomedical Countermeasures**. Directs the Secretary of Defense to carry out a program to accelerate the research, development, and procurement of biomedical countermeasures, including but not limited to therapeutics and vaccines, for the protection of the Armed Forces from attack by one or more biological, chemical, radiological, or nuclear agents.
- **Nuclear Strategy Commission**. Establishes a commission on the nuclear strategy of the U.S.

### **Division A—Title XI—Civilian Personnel**

- **Bi-weekly Pay**. Authorizes Cabinet Secretaries, Secretaries of military departments, and heads of executive agencies to be paid on a bi-weekly basis.
- **Personnel System**. Establishes a Department of Defense National Security Personnel System, including a human resources management system, incentives to attract highly qualified experts, provisions for older employees, and special pay and benefits for certain employees outside the United States.
  - **Mirrors Homeland Security**. Personnel system closely mirrors the authorities already granted to the Department of Homeland Security.
  - **Tracks Previously-Approved Demonstration Projects**. Personnel system also follows nine existing congressionally-approved DOD demonstration programs for personnel, which are considered successful and popular.
  - **Basic Civil Service Protections**. Retains all of the core, existing protections that guarantee fairness in the civil service:
    - merit would continue to be paramount;
    - prohibited personnel practices would remain prohibited;
    - nepotism would remain unlawful;
    - equal employment opportunity laws and rules would be unaffected; and
    - veterans preference would be left completely intact.
  - **Collective Bargaining**. Guarantees the right of Defense employees to bargain collectively regarding the essential conditions of their employment. Local unions still would have input regarding local conditions of employment, and national-level unions would exercise authority to represent employees regarding matters of national-level significance.
  - **Veterans' Preference**. Continues to preserve every aspect of existing law establishing veterans' preference, including applicability of the preference in hiring and retention during reductions-in-force (RIFs).
  - **Longevity During RIFs**. Specifies that longevity must continue to be an important factor during RIFs.
  - **“Sole, Exclusive, and Unreviewable” Authority**. Drops the proposed language to grant the Secretary of Defense “sole, exclusive, and unreviewable discretion” regarding many elements of the Department’s civilian personnel system.
  - **Independent Review Panel for Employment Appeals**. Mandates an “Independent Review Panel” to ensure a fair appeals process for employees facing disciplinary action.
  - **Unresolved Implementation Differences**. Directs DOD to consult the Office of Personnel Management (OPM) in designing implementation regulations. When

DOD and OPM reach impasse, DOD must seek approval from the President before proceeding further.

- **Pay-for-Performance.** Consistent with GAO recommendations, DOD must ensure the elements of its performance management system are in place prior to implementing pay-for-performance.

### **Division A—Title XII—Matters Relating to Other Nations**

- **Non-Combat Achievement Awards.** Authorizes the Secretary of Defense to present awards and mementos purchased with funds appropriated for operation and maintenance of the armed forces to recognize superior non-combat achievements or performance by members of friendly foreign forces and other foreign nationals that significantly enhance or support the national security strategy of the United States.
- **Iraq.** Requires a report on Iraq’s weapons of mass destruction and how they were able to obtain materials for them (including an assessment of the effectiveness of the United Nations).
- **Colombia.** Limits to 500 the number of members of the Armed Forces that can be in the Republic of Colombia at any one time, subject to certain exceptions. (This limitation is the same as current law.)

### **Division A—Title XIII—Cooperative Threat Reduction with States of the Former Soviet Union**

*Cooperative Threat Reduction Program Allocations (Of the \$450.8 million authorized in “Division A—Title III” above) :*

- **Strategic Offensive Arms Elimination in Russia.** \$86.4 million (*\$57.6 million*)
- **Nuclear Weapons Transportation Security in Russia.** \$23.2 million (*\$23.2 million*)
- **Nuclear Weapons Storage Security in Russia.** \$48.0 million (*\$48.0 million*)
- **Biological Weapons Proliferation Prevention Activities in the Former Soviet Union.** \$54.2 million (*\$54.2 million*)
- **Other Program Support.** \$13.1 million (*\$13.1 million*)
- **Defense and Military Contacts.** \$11.1 million (*\$11.1 million*)
- **Chemical Weapons Destruction in Russia.** \$171.5 million (*\$200.3 million*)
- **Weapons of Mass Destruction Proliferation Prevention Activities in Former Soviet States.** \$39.4 million (*\$39.4 million*)
- **Nuclear Arms Elimination Activities in Ukraine.** \$3.9 million (*\$3.9 million*)

### **Division A—Title XIV—Services Acquisition Reform**

- **Acquisition Workforce Training Fund.** Establishes a new fund to help train acquisition workers in executive agencies *besides* the Defense Department.
- **Chief Acquisition Officers.** Establishes Chief Acquisition Officers in each executive agency, other than the Defense Department. Establishes a Chief Acquisition Officers Council within the Executive Branch.
- **Performance-Based Contracting.** Adds incentives for the use of performance-based contracting for services.
- **Quotas.** Prohibits the Office of Management and Budget from establishing, applying, or enforcing any numerical goal, target, or quota for subjecting the employees of a



federal department or agency to public-private competitions or converting such employees or the work performed by such employees to contractor performance, unless the goal, target, or quota is based on considered research and sound analysis of past activities and is consistent with the stated mission of the department or agency.

### **Division B—Title XXI—Army**

*Authorization of Appropriations for Military Construction, Army. Specific projects listed in Section 2101 of H.R. 1588, as reported.*

- **Inside the U.S.** \$1.11 billion
- **Outside the U.S.** \$388.3 million
- **Military Family Housing: Construction, Acquisition, Planning, Design, Improvement.** \$409.2 million
- **Military Family Housing: Support.** \$1.04 billion
- **Totals.** H.R. 1588, as reported: \$1.60 billion for Army military construction (*\$1.68 billion*) and \$1.45 billion for Army military family housing (*\$1.45 billion*)

### **Division B—Title XXII—Navy**

*Authorization of Appropriations for Military Construction, Navy. Specific projects listed in Section 2201 of H.R. 1588, as reported.*

- **Inside the U.S.** \$1.34 billion
- **Outside the U.S.** \$114.6 million
- **Military Family Housing: Construction, Acquisition, Planning, Design, Improvement.** \$184.2 million
- **Military Family Housing: Support.** \$852.8 million
- **Totals.** H.R. 1588, as reported: \$1.25 billion for Navy military construction (*\$1.15 billion*) and \$1.04 billion for Navy military family housing (*\$1.04 billion*)

### **Division B—Title XXIII—Air Force**

*Authorization of Appropriations for Military Construction, Air Force. Specific projects listed in Section 2301 of H.R. 1588, as reported.*

- **Inside the U.S.** \$668.8 million
- **Outside the U.S.** \$169.4 million
- **Military Family Housing: Construction, Acquisition, Planning, Design, Improvement.** \$657.1 million
- **Military Family Housing: Support.** \$834.5 million
- **Totals.** H.R. 1588, as reported: \$986.1 million for Air Force military construction (*\$830.7 million*) and \$1.49 billion for Air Force military family housing (*\$1.49 billion*)

### **Division B—Title XXIV—Defense Agencies**

*Authorization of Appropriations for Military Construction, Defense Agencies. Specific projects listed in Section 2401 of H.R. 1588, as reported.*

- **Inside the U.S.** \$343.6 million
- **Outside the U.S.** \$152.0 million
- **Base Closure and Realignment.** \$370.4 million

- **Military Family Housing: Improvement.** \$350,000
- **Military Family Housing: Support.** \$49.4 million
- **Totals.** H.R. 1588, as reported: \$802.5 million for defense agencies military construction (*\$655.4 million*) and \$49.8 million for defense agencies military family housing (*\$49.8 million*)

**Division B—Title XXV—North Atlantic Treaty Organization Security Investment Program**

- **NATO Construction and Land Acquisition Projects.** \$169.3 million (*\$169.3 million*)

**Division B—Title XXVI—Guard and Reserve Facilities**

- **Army National Guard.** \$253.8 million
- **Army Reserve.** \$89.8 million
- **Naval and Marine Corps Reserve.** \$45.8 million
- **Air National Guard.** \$123.4 million
- **Air Force Reserve.** \$61.1 million
- **Totals.** \$573.9 million (*\$369.6 million*)

**Division B—Title XXVII—Expiration and Extension of Authorizations**

- **Expiration of Authorizations.** Establishes expiration date for all military construction and family housing authorizations at the later of October 1, 2006 or the date of enactment of an Act authorizing funds for military construction for fiscal year 2007.
- **Extensions of Authorizations.** Extends by several years the expiration dates of various specific projects.

**Division B—Title XXVIII—General Provisions**

- **Emergency Construction.** Increases from \$30 million to \$45 million the authorized amount of emergency construction in any given year.
- **Land Conveyances.** Authorizes dozens of land conveyances to localities.

**Division C—Title XXXI—Department of Energy National Security Programs**

*Authorization of Appropriations for the National Nuclear Security Administration. Details on specific projects given in Section 3101 of H.R. 1588, as reported.*

- **Weapons Activities.** \$6.39 billion
- **Defense Nuclear Nonproliferation.** \$1.31 billion
- **Naval Reactors.** \$768.4 million
- **Office of Administrator for Nuclear Security.** \$348.0 million
- **Total.** \$8.82 billion (*\$8.83 billion*)

*Authorization of Appropriations for Environmental and Other Activities. Details on specific projects given in Section 3101 of H.R. 1588, as reported.*

- **Defense Site Acceleration Completion.** \$5.82 billion
- **Defense Environmental Services.** \$995.2 million

- **Other Defense Activities for National Security.** \$497.3 million
- **Defense Nuclear Waste Disposal.** \$430.0 million
- **Energy Supply.** \$110.5 million
- **Total.** \$7.75 billion (*\$7.73 billion*)

*Other provisions:*

- **Project Consolidation.** Consolidates recurring and general provisions of Energy Department national security programs.
- **Funds Transfers.** Outlines requirements for funds transfers within the Department of Energy and to other appropriate agencies.

**Division C—Title XXXII—Defense Nuclear Facilities Safety Board**

- **Authorized Appropriations.** \$19.6 million

**Division C—Title XXXIII—National Defense Stockpile**

- **Authorization of Appropriations.** Authorizes \$69.7 million from the National Defense Stockpile Transaction Fund for the operation and maintenance of the National Defense Stockpile for fiscal year 2004. Permits the use of additional funds for extraordinary or emergency conditions 45 days after a notification to Congress.

**Division C—Title XXXIV—Naval Petroleum Reserves**

- **Authorized Appropriations.** \$16.5 million

**Division C—Title XXXV—Maritime Administration**

- **Maritime Security Fleet.** Directs the Secretary of Transportation to establish a fleet of active, militarily useful, privately owned vessels to meet national defense and other security requirements and maintain a United States presence in international commercial shipping. Each participating vessel would be eligible for annual payments of \$2.6 million in FY2006, FY2007, and each effective year thereafter.
- **Authorized Appropriations for the Fleet.** \$156 million for FY2006 and FY2007, and such sums as may be necessary for each fiscal year thereafter through FY2015.
- **National Defense Tank Vessel Construction Program.** Directs the Secretary of Transportation to establish a program for the provision of financial assistance for the construction in the United States of a fleet of up to five privately owned product tank vessels to be operated in commercial service in foreign commerce and to be available for national defense purposes in time of war or national emergency. No more than \$50 million per vessel could be paid (up to 75% of total production costs).
- **Authorized Appropriations for the Constriction Program.** \$250 million for fiscal years after FY2004.

*Authorization of Appropriations for the Maritime Administration under the Department of Transportation.*

- **Operations and Training Activities.** \$104.4 million
- **Loan Guarantee Program.** \$39.5 million
- **Disposal of Obsolete Vessels.** \$20.0 million

To view the RSC Policy Brief for the defense authorizations for FY2003 (last year's bill. H.R. 4546), visit this website: <http://www.house.gov/burton/RSC/DefenseAuthPBFY03.PDF>

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