

[Home](#) | [Graphic Version](#)The U.S. House of Representatives: **COMMITTEE ON APPROPRIATIONS****News Room:**[Press Releases](#)**Committee Schedule:**[Schedule](#)**About the Committee:**[Committee Rules](#)[Committee Oversight Plan](#)[Past Chairmen](#)[Background Information on the Committee](#)[Subcommittees](#)[Full Committee](#)[Chairman Biography](#)**Legislation:**[Related Legislation](#)**Committee Documents:**[Documents](#)**Minority Website:**[view website](#)**Links:**[Categories](#)**Contact Us:**[Form](#)**Search:****Email Sign Up****News Room****FULL COMMITTEE APPROVES FY05 DEFENSE APPROPRIATIONS**

June 16th, 2004 --

Amendments Adopted in Full Committee:

(Lewis): Managers amendment which made a number of technical changes and also added the following \$685 million in emergency funds for the State Department for their logistical operations, facilities, and security expenses in Iraq; \$95 million in emergency funds for humanitarian and refuge assistance in Sudan and Chad.

(Obey): Requires the President to submit a report to Congress regarding the long-term costs of the military operations in Iraq and Afghanistan.

The fiscal year 2005 Defense Appropriations bill reported by the Subcommittee on Defense will contain \$416.9 billion in new discretionary spending authority for the Department of Defense for fiscal year 2005. This amount includes \$25 billion requested by the President for early fiscal year 2005 costs associated with operations in Iraq and Afghanistan. The remaining \$391.1 billion reflects an increase of \$24.3 billion over amounts provided in the fiscal year 2004 Defense Appropriations Act.

Major Recommendations

The Subcommittee bill provides funds to:

- Support operations in Iraq and Afghanistan and fight the Global War on Terrorism;
- Increase growth in the Intelligence budget and maintain the overall readiness of DoD forces worldwide;
- Fully fund military pay, benefits, and medical programs,
- Start a major initiative to recapitalize Army and Marine Corps ground forces;
- Support the initial deployment of national missile defenses and continue investment in theater missile defenses;
- Continue production of major platforms such as the Virginia class submarine, the C-17, C-130 and V-22 transport aircraft, and the F/A-18 and F/A-22 fighter aircraft; and
- Provide program increases in support of "military transformation", while making measured adjustments to ensure that future costs, as well as development, testing, and production profiles are efficiently managed.

The Subcommittee bill also carries several new legislative and reporting provisions aimed at strengthening Department of Defense fiscal controls, accountability, and contract oversight.

A summary of major provisions in the bill follows:

Fiscal Year 2005 Operational Costs.—The Subcommittee bill proposes \$25,000,000,000 to defray operational costs in Iraq and Afghanistan. These funds are provided in these categories:

Military Personnel --	\$3,932,000,000
Operation and Maintenance --	\$14,335,400,000
Iraq Freedom Fund --	\$2,978,000,000
Procurement --	\$2,199,600,000
Defense Working Capital Funds --	\$1,250,000,000
Defense Health Program --	\$305,000,000

- Within these totals, the bill provides funding for the manpower costs stemming from these operations and the associated increases in end strength approved by the House in the National Defense Authorization Act for Fiscal Year 2005.
- It also includes over \$2.3 billion for individual soldier equipment and critical force protection requirements (such as Up-armored HMMWVs and individual body armor), and funds equipment for the restructured Army brigades which will be rotating into theater.
- All funds within the \$25 billion are provided through specific appropriations accounts, and will be

available upon enactment of the bill. Quarterly reports are required on the obligation of funds.

- Transfer authority is provided, permitting up to \$2,000,000,000 of these amounts to be reprogrammed among activities following approval by the congressional defense committees through prior-approval reprogramming procedures.
- The Subcommittee also directs --
 - A report from the Secretary of Defense regarding military structure, training, and job specialties for handling prisoners and managing prisons, and related matters.
 - Classified and unclassified reviews regarding U.S. financial assistance to the Iraqi National Congress, and alleged intelligence compromises involving the INC.

Ground Forces Recapitalization.—The Subcommittee bill provides increases over the budget request totaling \$2.2 billion for the Army and Marine Corps for combat and tactical vehicles, helicopters, and ammunition production. Of this amount, some \$330 million is directed to Guard and Reserve forces.

- This initiative accelerates the process of restocking our ground forces' inventory; supports Army transformational efforts to restructure its brigades; and provides a more robust transitional force for the Army as it moves towards fielding the Future Combat System.
- Amounts proposed for this initiative, over the budget request, include:
 - \$1.3 billion for combat vehicles – including procurement of equipment for an additional Stryker brigade combat team (\$950 million) above that requested in the budget;
 - \$503 million for helicopters;
 - \$390 million for trucks and other support vehicles; and
 - \$52 million for the ammunition production base.

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

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

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

Chemical and Biological Defense Initiatives.— The Subcommittee bill provides nearly \$1.7 billion for procurement and development of chemical and biological defenses, with additional funding for shelters, mobile chemical agent detection, air contaminant monitoring systems, early warning and detection programs, and miniature chemical and biological detectors.

Army Future Combat System.— The Subcommittee bill provides \$2.9 billion for this program, which is the Army's development of a new generation of networked combat vehicles. This amount is an increase over fiscal year 2004 of \$1.2 billion and a decrease of \$324 million to the budget request. The bill fully funds the requested amount for the Non Line of Sight Cannon (NLOS-C) and directs its fielding by no later than 2010.

Shipbuilding Programs.— The Subcommittee bill provides a total of \$10.2 billion for shipbuilding procurement, an increase of \$227 million over the request. The bill fully funds amounts requested for fiscal year 2005 production ships, including one Virginia-class submarine, one Trident SSGN conversion and three DDG-51 destroyers. An additional \$225 million is allocated towards a DDG-51 modernization program and for procurement of an additional DDG-51 in the future.

Regarding future ship development, the Committee recommends \$953 million for the next-generation CVN-21 carrier, the requested amount; \$409 million for the Littoral Combat Ship, an addition of \$107 million over the request; and \$1.2 billion for the DD(X) program, a reduction of \$248 million from the request owing to a decision to defer construction of the first DD(X) ship.

Major Aviation Programs.— The Subcommittee bill makes the following recommendations:

Army: The Subcommittee bill approves termination of the Comanche program and redistributes funding to other Army aviation programs, as proposed by the Army. As part of the Subcommittee's ground forces recapitalization initiative, \$463 million is added over the request for additional Blackhawk and Chinook helicopters.

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

Air Force: The Subcommittee bill recommends \$3.6 billion for 24 F/A-22 fighters, and \$2.7 billion for 15 C-17 aircraft, an addition of \$158 million and one aircraft over the request. \$100 million is added for continued development of the B-2 and a next-generation bomber program. The bill also includes \$100 million for a "Tanker Replacement Transfer Fund", to be used for the eventual acquisition of KC-76 tankers

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

Unmanned Combat Aerial Vehicles.— The Subcommittee bill provides \$710,401,000 for the Joint Unmanned Combat Aerial System (JUCAS) program, the requested amount and an increase of \$382 million over fiscal year 2004. Funding within this amount is re-allocated to more closely match Air Force and Navy requirements.

Space Programs.— The Subcommittee bill provides \$560 million for the Space Based Infrared System (SBIRS-High), an increase of \$91 million over the request; and provides \$520 million for Enhanced Expendable Launch Vehicle (EELV) procurement. Development funding for the Advanced Wideband System (also known as Transformational Satellite Communications) and Mobile User Objective System programs are reduced due to technical maturity and the need for risk reduction. Funding for the Space Based Radar program is reduced to \$75 million, with direction to return this effort back to the technology development phase.

Multiyear Procurement.— As a result of the Air Force having entered into multiyear contracts for the C-17 and C-130 aircraft that permit incremental funding of these programs, and put future budgets at risk through excessive government liability, the Subcommittee bill revises provisions relating to future multiyear procurement contracts. These changes will require that any future multi-years must be budgeted and executed as fully funded production programs, and must limit the government's exposure in terms of expected production levels, follow-on contracts and termination liability.

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