PRESS RELEASE
House Armed Services Committee
Bob Stump, Chairman

FOR IMMEDIATE RELEASE
December 12, 2001

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CONFEREES REACH BIPARTISAN ACCORD ON FISCAL YEAR 2002 DEFENSE AUTHORIZATION BILL

House Armed Services Committee Chairman Bob Stump (R-AZ) today announced that conferees have reached agreement on the conference report to the National Defense Authorization Act for Fiscal Year 2002 (S. 1438). Chairman Stump issued the following statement on the agreement:

"I am pleased to announce that conferees have reached agreement on the Fiscal Year 2002 National Defense Authorization Act. The resulting conference report accomplishes three critical goals: supporting U.S. military personnel through improved pay and benefits, restoring U.S. military readiness, and boosting efforts to defend the American homeland from terrorism and ballistic missile attack.

"The events of September 11 were a wake-up call to those who claim that our nation spends 'too much' on defense. The truth is that we spend far too little.

"Over the last two decades, this nation slashed defense spending. As a result, the United States military suffered significant declines in readiness and quality of life, and was forced to forgo efforts to develop and procure modern weapons and equipment for the force.

"A nation at war cannot afford to continue this trend. This conference report is an important step towards repairing the damage done by years of neglect and decline, and ensuring that America's enemies will properly respect the United States military today, tomorrow, and years into the future.

"As such, this legislation marks an important turning point. President Reagan is widely credited for reversing years of military decline in the early 1980s. President Bush deserves similar credit for changing the manner in which this nation views, uses, manages, and supports its armed forces.

"This conference report provides the largest single-year increase to defense spending since the early 1980s. It boosts funding for programs to combat terrorism and defeat weapons of mass destruction, provides a significant military pay raise, substantially increases critical readiness accounts, and revitalizes efforts to research tomorrow's weapons and equipment even while providing the weapons and equipment the U.S. military needs today.

"This is a strong defense bill, but this nation must provide further defense spending increases in the near future. Over the past six years, Congress increased defense budgets by nearly $60 billion to address the most important

— continued —

unfunded needs of our military. Even these increases did not fulfill all requirements, and the war against terrorism will reveal still new shortfalls. We need to move beyond the legacy of shortchanging our military's needs, even if it requires further increasing defense spending later this year."

# # #

The conference committee authorized $343.3 billion in budget authority (matching the President's request). Highlights of S. 1438 include:

Defending the Homeland

The conference report provides approximately $15 billion for efforts to defend the American homeland, including programs to combat terrorism, defeat weapons of mass destruction, and defend against ballistic missile attack. This total includes:

- **Combating Terrorism:** Provides nearly $7 billion ($1 billion more than the fiscal year 2001 level) for DOD and DOE programs to combat terrorism and defeat weapons of mass destruction.

- **Protecting America and U.S. Interests from Ballistic Missile Attack:** Provides up to $8.3 billion ($3 billion more than the fiscal year 2001 level) for continued development of ballistic missile defenses. In addition, the conference report provides flexibility for the President to use up to $1.3 billion of these funds for efforts to combat terrorism.

Quality of Life

Pay Raise: Raises the pay of every service member by between five and 10 percent (effective January 1, 2002).

Housing Costs: Reduces out-of-pocket housing costs for military personnel to 11.3 percent.

Health Care: Fully funds the defense health program and improves the health care benefit.

PCS Moves: Reduces the financial burden of permanent change of station (PCS) moves on military families.

Military Construction: Provide $10.5 billion ($528.6 million more than the President's request and $2 billion more than the fiscal year 2001 level) for military construction and family housing accounts.

Military Readiness

Critical Readiness Accounts: Increases key readiness accounts above fiscal year 2001 levels by nearly $10 billion.

Training: Protects the military's ability to conduct realistic training by allowing continued use of training facilities at Vieques, Puerto Rico and expanding training areas at Fort Irwin, California.

Modernization

Procurement Accounts: Supports the President's request for procurement of weapons, equipment and ammunition by authorizing nearly $62 billion, an increase of nearly $700 million to the President's request, $400 million of which is applied to meeting the service chiefs' unfunded requirements.

Research and Development Accounts: Supports the President's request for research and development efforts by providing $47.8 billion, $331 million more than the President's request and $6.8 billion more than the fiscal year 2001 spending level.

A summary of the major provisions included in the conference agreement is available on the committee's homepage at http://www.house.gov/hasc/.

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Summary of Major Provisions

Conference Report to S. 1438:
National Defense Authorization Act for Fiscal Year 2002

December 12, 2001

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DEFENDING AMERICA'S HOMELAND

"Defending America's homeland was our top priority during conference.
In a wartime environment, nothing could be more important."
-HASC Chairman Bob Stump

Since the September 11 terrorist attacks, the United States military has assumed an important role in providing for the security of America's homeland. From deploying fighter jets to protect U.S. cities, to activating National Guard and reserve personnel for security functions at airports and government buildings, to teaching emergency response personnel how to deal with chemical, nuclear, and biological attacks, America's military has a new focus - defending the United States homeland. With the start of Operation Enduring Freedom *in October 2001, this role expanded still further with new responsibilities in the global campaign against terrorism. The conferees support the U.S. military's role in defending America's homeland, and provided approximately $15 billion for programs in two primary areas: combating terrorism and defending against ballistic missile attack.*

Combating Terrorism

The President's budget request included $5.6 billion for DOD efforts to combat terrorism, including force protection, intelligence gathering efforts, and anti-terrorism programs. The conferees supported this request, as well as budget requests for DOE efforts to combat terrorism and the proliferation of weapons of mass destruction. In addition, the conferees added $296 million for procurement and research and development programs to upgrade intelligence and situational awareness, enhance force protection, improve force command and control, and accelerate development and procurement of critical weapon systems. Highlights include:

Defending Against Weapons of Mass Destruction (WMD)

Chemical-Biological Detection, Protection, and Decontamination. The conferees authorized $523.2 million ($15.5 million more than the President's request) for research and development of programs to provide advanced individual protection and equipment to detect and decontaminate chemical-biological agents. In addition, the conferees authorized $366 million ($17.4 million more than the President's request) to procure chemical-biological protection and decontamination equipment. Finally, the conferees authorized an increase of $16.2 million in the budgets of the military departments and defense agencies for additional chemical-biological defense research and development.

Countermeasures Against Biological Warfare Agents. The conferees directed the Secretary of Defense to accelerate the program for development and production of medical countermeasures to defend against the most significant biological warfare agents, and authorized $10 million in the chemical-biological defense program for this purpose. The conferees also directed a study by the Institute of Medicine and the National Research Council on accelerating the approval and licensing of new vaccines and other medical countermeasures. Finally, the conferees directed DOD to develop a

long-range plan for the production and acquisition of vaccines to meet DOD needs, including requirements for vaccine production facilities.

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 conferees provided $143.1 million ($3 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). DTRA is responsible for coordinating the U.S. military's efforts to deter, reduce, and counter weapons of mass destruction. Recognizing the increased priority of DTRA programs, the conferees authorized $1.1 billion (matching the president's request and $52 million more than the fiscal year 2001 level) for DTRA programs. Of the total amount for DTRA, the conferees authorized $446.7 million ($6 million more than the President's request) for research and development for DTRA counterproliferation and arms control technology programs. The conferees also authorized $403 million (matching the President's request) for Cooperative Threat Reduction (CTR) programs including:

- $133.4 million (matching the President's request) to eliminate strategic nuclear weapons in Russia;
- $51.5 million (matching the President's request) to eliminate strategic nuclear weapons in Ukraine;
- $56 million (matching the President's request) to improve security at nuclear weapons storage facilities in Russia;
- $50 million (matching the President's request) to destroy chemical weapons in Russia. The conferees also included a provision to amend the current law prohibition on funding for construction of a chemical weapons elimination facility in Russia by allowing the project to go forward only if the Secretary of Defense certifies that Russia has:
    - made full and accurate disclosure of its chemical weapons stockpile;
    - committed to spend at least $25 million annually to eliminate chemical weapons;
    - developed a practical plan for eliminating its chemical weapons stockpile;
    - provided legal authority to eliminate all nerve agents at a single site; and
    - agreed to destroy its chemical weapons production facilities at Volgograd and Novocheboksarsk.
- $41.7 million (matching the President's request) to eliminate plutonium production reactors in Russia; and
- $17 million (matching the President's request) to prevent proliferation of biological weapons in Russia.

National Nuclear Security Administration (NNSA) Nonproliferation Programs. NNSA nonproliferation programs work to stop global proliferation of nuclear weapons, reduce the risk that weapons of mass destruction (WMD) will be used against the United States, advance nuclear safety, and prevent terrorists and rogue nations from obtaining materials that may be used to make nuclear and radiological weapons. The conferees provided $776.9 million ($3.2 million more than the President's request) for NNSA nonproliferation programs. In addition, the conferees consolidated

management of the Nuclear Cities Initiative (NCI) and the Initiatives for Proliferation Prevention programs, and made expansion of NCI contingent upon the Russian Federation granting U.S. access to closed cities and production facilities. (Also see "NNSA Nuclear Nonproliferation," page 33).

Training and Equipment

Assistance for Firefighters. Firefighters are often the first emergency personnel to respond to a crisis. As such, firefighters need additional training and equipment in order to safely and effectively respond to a terrorist or WMD attack. To that end, the conferees increased the existing firefighter grant program from $300 million to $900 million per year through 2004, and expanded the grants to include equipment and training to help firefighters respond to a terrorist or WMD attack. The United States Fire Administration, an organization within the Federal Emergency Management Agency, will administer funds for the program.

Combating Terrorism Readiness Initiative Fund. In the wake of the 1995 bombing of the Khobar Towers in Saudi Arabia, the Combating Terrorism Readiness Initiatives Fund was established to fund unanticipated and emergency requirements for combating terrorism. The conferees codified the fund and provided $38 million ($10 million more than the President's request) for the program.

Consequence Management Training. In order to better prepare U.S. armed forces to manage the effects of the threat or use of WMDs, the conferees authorized $5 million (the President did not specifically request any funds) for consequence management training for both active and reserve military personnel.

Critical Infrastructure Protection. To help the Navy identify and protect mission critical assets, such as weapons systems that are relevant in the Navy's role in Homeland Security, the conferees authorized $6 million (the President did not specifically request any funds) for the Navy's critical infrastructure protection initiative.

Assessing Homeland Security Requirements

Advisory Terrorism and Weapons of Mass Destruction Panel. The advisory terrorism and WMD Panel provides valuable information and recommendations to the federal government about efforts to prepare responses to terrorist WMD attacks. The conferees extended authority for the panel through December 2003.

Chemical and Biological Protective Equipment from DOD Personnel. The conferees directed the Secretary of Defense to identify current shortfalls in chemical and biological protective equipment for military personnel, assess the appropriate level of protection for DOD civilian employees, and plan procurement of chemical and biological protection for military personnel and DOD civilian employees.

DOD And Homeland Security. The conferees required the Secretary of Defense to report to Congress on DOD's requirements for combating terrorism and securing America's homeland. The report must detail how DOD will interact with the Office of Homeland Security and include:

- plans for DOD to share intelligence with federal, state, and local entities;
- an assessment of DOD's ability to protect the United States from airborne threats, including aircraft attacks similar to the September 11 terrorist acts;
- clarification of the responsibilities of DOD's Weapons of Mass Destruction-Civil Support Teams and how these teams will interact with other federal agencies in the event of a WMD attack; and
- an assessment of actions necessary to eliminate vulnerabilities in homeland security.

Department of Energy (DOE) Facility Vulnerabilities. DOE facilities are responsible for maintaining the U.S. nuclear stockpile, requiring them to store tons of nuclear weapons materials. To better assess the safety and security of DOE facilities, the conferees directed the Secretary of Energy to report to Congress annually on the vulnerability of DOE facilities to terrorist attack.

Securing Nuclear Weapons in the Former Soviet Union. Reflecting concerns that Russia may be unable to safeguard its stockpile of nuclear weapons, the conferees directed the President to submit to Congress a plan for disposing of Russian and other former Soviet states' excess nuclear weapons and weapons-grade materials. In addition, the conferees required the President to develop plans to assist Russia in downsizing its nuclear weapons research and production complex.

Other Initiatives

DOD Special Procurement Authority. In the days following the September 11 attack on the Pentagon, existing procedural limits on DOD purchases of property and services hampered efforts to respond to the crisis. In order to facilitate DOD's ability to respond in the future, the conferees raised spending thresholds that trigger streamlined procedures for making purchases necessary to respond to terrorist, chemical, or biological attacks, and simplified acquisition procedures (to $200,000 inside the U.S. and to $500,000 outside the U.S.). In addition, the conferees authorized DOD to purchase biotechnology as a commercial item.

Monetary Contributions for Pentagon Repair. The conferees authorized the Secretary of Defense to accept private monetary contributions for efforts to repair damage to the Pentagon that resulted from the September 11 terrorist attack, and to establish a memorial to the victims of the attack.

Olympic Security. In light of the campaign against terrorism and the precedent for terrorist attacks during Olympic Games, extra steps should be taken to ensure the security and safety of athletes and spectators at the 2002 Winter Olympics in Salt Lake City, Utah. As such, the conferees included a Sense of Congress that the Secretary of Defense should, upon request by the appropriate authorities, provide U.S. military forces to assist in essential safety and security enforcement at the 2002 Winter Olympics.

Protecting America and U.S. Interests from Ballistic Missile Attack

Ballistic missiles, armed with nuclear, biological, or chemical warheads, present a considerable threat to U.S. troops deployed abroad, allies, and the American homeland. Whether by accident, terrorist plot, or design, the risk of ballistic missile attack continues to increase as the proliferation of missile technology allows new nations, such as North Korea and Iran, to develop missiles capable of reaching U.S. troops and cities. The consequences of such an attack on the United States would be staggering; yet, the United States currently has no system capable of effectively stopping even a single ballistic missile headed toward the American homeland or deployed U.S. troops.

This vulnerability must end. The President's request for a significant increase in funding for ballistic missile defense programs was an important first step toward protecting all Americans against ballistic missile attack. The conferees provided up to $8.3 billion, $3 billion more than the fiscal year 2001 level, for the continued development of ballistic missile defenses. In addition, the conferees provided flexibility for the President to use up to $1.3 billion of these funds for programs to combat terrorism.

Strengthening the Missile Defense Program. In recent years, missile defense programs have suffered from a focus on individual program results, rather than the more important "big picture" effort to develop a unified ballistic missile defense program. The conferees recognize this shortcoming and approved the Administration's request to fundamentally restructure the nation's ballistic missile defense programs into six primary areas: Boost, Midcourse, and Terminal Defenses, Systems Engineering, Sensors, and Technology Development. This "family of systems" approach to developing an effective, layered, ballistic missile defense system will include greatly enhanced testing and test infrastructure. Furthermore, the conferees provided the following funding levels for the restructured program:

- **Missile Defense Test Bed.** The conferees supported the President's request for $786 million for the 2004 Pacific missile defense test bed, including $273 million for construction primarily at Fort Greely, Alaska and other Alaska locations. Establishment of a test site at Fort Greely affords an opportunity to test the various hardware and software elements of the system in a realistic environment. Beginning in 2004, the Pacific missile test bed will allow more challenging testing in a far wider range of engagement scenarios than can be accommodated today.
- **Ballistic Missile Defense (BMD) System.** The conferees provided $780 million (matching the President's request) for BMD system activities including battle management, communications, targets, countermeasures, and system integration.
- **Terminal Defenses.** The conferees provided $2.2 billion (matching the President's request) for terminal defense systems, including Patriot Advanced Capability – 3 (PAC-3), Medium Extended Air Defense System (MEADS), Navy Area, Theater High Altitude Air Defense (THAAD), and international missile defense programs, including the Arrow program. This funding level supports the purchase of additional PAC-3 missiles and acceleration of the THAAD program if system tests are successful.
- **Midcourse Defenses.** The conferees provided $3.9 billion (matching the President's request) for mid-course defense systems, including ground-based (formerly known as National Missile Defense) and sea-based (formerly known as Navy Theater Wide Defense) missile defense

programs. This funding level supports a realistic testing program for the Navy Theater Wide program, and initial efforts to develop sea-based defenses against longer-range threats.

- **Boost Phase Defenses.** The conferees provided $685 million (matching the President's request) for boost phase systems, including the Airborne Laser (ABL) and Space-Based Laser (SBL).
- **Protecting Developmental Programs.** The conferees did not support the President's request to transfer PAC-3, Medium Extended Air Defense System, and Navy Area programs from BMDO to the military services as there is no assurance that the services will be able to adequately support them. The conferees required the Secretary of Defense to establish guidelines for future transfers, and to certify that transferred programs are adequately funded in the future years defense program and that roles and responsibilities for system improvements are clearly defined.
- **Sensors.** The conferees provided $496 million (matching the President's request) for the Space-Based Infrared System (SBIRS) and international sensor programs, including the Russian-American Observation Satellite project.
- **Technology.** The conferees provided $113 million (matching the President's request) for development of technology and innovative concepts necessary to keep pace with evolving missile threats.

QUALITY OF LIFE

"U.S. military personnel make extraordinary sacrifices to serve their country.
This conference report reflects the conviction that this nation owes
U.S. service members and their families a decent standard of living."
-HASC Chairman Bob Stump

U.S. military personnel and their families deserve good living and working conditions, decent pay, and easy access to health care and other quality of life benefits. As such, the conferees fully supported the President's proposals for significant across-the-board pay raises for all service members as well as targeted pay increases for mid-career service members. The conferees also provided the largest military construction and family housing budget in more than 15 years and recommended measures to substantially reduce over the next several years the significant out-of-pocket costs experienced by military personnel as a result of permanent change of station moves.

Raising the Military Standard of Living

Basic Military Pay. The conferees provided the largest pay increase for military personnel since 1982, effective January 1, 2002. As a result, enlisted service members will receive at least a six percent pay raise and officers will receive at least a five percent pay raise. The conferees also adjusted pay tables, resulting in pay increases of as much as 10 percent for mid-grade and senior noncommissioned officers and mid-grade officers.

Housing Allowance. The conferees acted to cut out-of-pocket housing costs for service members by supporting the President's request to reduce the average amount of housing expenses paid by service members from the current 15 percent to 11.3 percent in fiscal year 2002, and to eliminate the out-of-pocket expense completely by fiscal year 2005.

Permanent Change of Station (PCS) Reimbursement. A fact of life in the military is that service members must move from one military facility to another every few years. Such moves, known as PCS moves, often result in out-of-pocket costs to service members of more than $1,000 per move. The conferees acted to relieve military families of the financial burden of PCS moves by including provisions to:

- increase from $110 to $180 the daily maximum that service members may be reimbursed for temporary lodging and subsistence expenses incurred in the U.S. as a result of a PCS move (effective January 1, 2002);
- authorize payment of temporary lodging and subsistence expenses to officers reporting to their first permanent duty station (effective January 1, 2002);
- authorize advance payment at government expense of vehicle storage and shipment costs for moves from one permanent duty station to another within the continental U.S. (effective upon enactment of the bill);

- increase from $275 to $550 the amount that military personnel may be reimbursed for mandatory pet quarantine fees resulting from a PCS move (effective upon enactment of the bill);
- authorize a $500 partial dislocation allowance for service members ordered from their homes to their first duty stations (effective upon enactment of the bill);
- increase the maximum weight allowance for shipment of household effects for enlisted members in grades E-4 and below to 8,000 pounds for members with dependents, 7,000 pounds for grade E-4 members with less than two years of service without dependents, and 5,000 pounds for grades E-1 through E-3 without dependents (effective January 1, 2003);
- require that per diem rates for service members conducting PCS moves be equivalent to federally regulated per diem rates for civilian employees changing permanent duty stations (effective January 1, 2003); and
- require payment of a temporary housing allowance to service members in pay grades below E-4 with less than 4 years of service while on travel or leave status between permanent duty stations (effective January 1, 2003).

Expanding the Survivor Benefit Plan (SBP). Under current law, when an active duty service member dies in the line of duty, but is not yet eligible for retirement, his or her family does not receive benefits under the SBP. Accordingly, the conferees expanded SBP benefits to include surviving family members of active duty service members who die in the line of duty, but are not yet eligible for retirement.

Assistance for Families of Service Members. Capitalizing on lessons learned during the Persian Gulf War, the conferees authorized the Secretary of Defense to provide assistance such as child care, education, and other youth services to the families of active and reserve military personnel serving in *Operation Enduring Freedom*.

Expanding Reservist Access to Commissaries. Under current law, reservists are not eligible to receive commissary privileges until they have attended unit drills for one year. This policy is inconsistent with eligibility requirements for other morale, welfare, and recreation benefits, including access to military exchanges, which are immediately available to reservists. As such, the conferees authorized reservists to receive commissary privileges immediately upon entering reserve service.

Employment for Military Spouses. The transitory nature of the military often makes it difficult for military spouses to find employment. Therefore, the conferees directed the Secretary of Defense to help military spouses access financial, educational, and employment opportunities through existing DOD, federal, state, and nongovernmental programs. The resulting opportunities will improve both the job skills and the employability of military spouses.

Military Health Care

Maintaining a quality health care benefit program is vital to the welfare of the military force. In addition to supporting the President's request for the defense health program, the conferees included a number of provisions to further improve access to health care.

Sub-acute and Long-term Care Program Reform. The conferees required the Secretary of Defense to establish a home health care and skilled nursing facility benefit. This reform of the DOD health program for families with extraordinary medical needs will bring TRICARE in line with other federal health insurance programs by redefining custodial care and providing coordinated coverage between TRICARE and Medicare benefits. The conferees also required the Secretary of Defense to provide enhanced services and easier access to TRICARE benefits for active duty members who have dependents with extraordinary medical conditions.

Expansion of Provisions for Dependents. Currently, many legitimate medical benefits are not covered by the TRICARE program for military dependents. As such, the conferees required the Secretary of Defense to include hearing aids, prosthetics, durable medical equipment, and rehabilitative therapy as covered benefits under TRICARE for dependents.

Protecting Health Care Choices. Many military retirees are eligible for health care in facilities and programs of both the Department of Defense and the Department of Veterans Affairs (VA). To protect the ability of these retirees to choose the best available option for their health care needs, the conferees prohibited the Secretary of Defense from forcing military retirees to choose between DOD and VA programs.

Travel Expenses Reimbursement. In some cases, military personnel and their families must travel significant distances to obtain specialty care services under the TRICARE system. When a child in a military family is in need of such care, the parents should not be burdened with the costs of traveling with them. Therefore, the conferees required the Secretary of Defense to reimburse reasonable travel expenses of a parent or guardian when the location of specialty care is more than 100 miles from the primary care facility.

Transitional Health Care for Members Separated from Active Duty. The conferees included a provision to extend permanent transitional health care benefits to service members who are involuntarily separated from active duty, members of reserve components who are separated for more than 30 days of active duty in support of a contingency operation, and members separated after being involuntarily retained on active duty.

Reservist Health Care. The federal government should lead the way in supporting employees who serve as military reservists. To this end, the conferees authorized federal agencies to pay the employee out-of-pocket portion as well as the government portion of Federal Employees Health Benefit Plan premiums for federal reservist employees who are called to active duty for more than 30 days to serve in contingency operations.

Improving Living and Working Facilities

The President's fiscal year 2002 budget request for military construction and family housing was the largest request in more than 15 years and a $1.4 billion increase over the fiscal year 2001 level. The conferees welcome this increase and further boosted funding for critical military infrastructure accounts to improve living and working conditions for military personnel and their families. As such,

the conferees provided $10.5 billion ($528.6 million more than the President's request and $2 billion more than the fiscal year 2001 level) for military construction and family housing accounts. Included in this increase is $120 million for quality-of-life enhancements. Highlights of the conferees actions include:

- **Housing Privatization.** The conferees extended the Military Housing Privatization Initiative through 2012. This program uses private sector expertise and capital to accelerate improvement of government-owned housing and eliminate the serious shortage of quality affordable housing for military personnel and their families.
- **Military Family Housing.** The conferees provided $1.2 billion ($81 million more than the President's request) for construction and improvement of 1,940 family housing units and privatization of 35,000 family housing units.
- **Troop Housing.** The conferees provided $1.2 billion for construction of 66 new barracks and dormitories ($67 million and seven more buildings than the President's request) to support unaccompanied military personnel.
- **Child Development Centers.** The conferees provided $53.2 million for nine child development centers ($18.8 million and four more centers than the President's request).
- **Fitness Centers.** The conferees provided $226.8 million for 17 fitness centers ($16.8 million and two more than the President's request).

Educating the Children of Service Members

Education Funding. The conferees provided $1.5 billion for DOD Dependent schools (matching the President's request). In addition, the conferees continued to support military families who choose home schooling for their children by authorizing home school dependents to use various DOD educational benefits, including access to school libraries, and participation in extracurricular activities. Finally, the conferees expanded the ability of the military services to fund student travel through school-sponsored exchange programs for military dependents stationed overseas.

Impact Aid. The Department of Education's Impact Aid program provides supplemental funds to school districts nationwide to support the education of nearly 550,000 military children. The conferees provided an additional $30 million for Impact Aid spending for school districts heavily impacted by military children, $5 million for dependents with severe disabilities, and $1 million for schools that have been affected by base closure actions.

IMPROVING U.S. MILITARY READINESS

"Readiness is the foundation upon which military dominance is built. Allowing military readiness to decline, as this nation has over the past decade, risks American lives in future military conflicts. While this conference report makes significant progress in rebuilding U.S. military readiness, complete recovery will take years of sustained commitment to restoring our military preparedness."
-HASC Chairman Bob Stump

U.S. military readiness will be severely tested by the campaign against terrorism. After nearly a decade of operating at an unprecedented peacetime pace that has contributed to rapidly escalating maintenance costs and prematurely aging equipment, America's military was showing signs of declining readiness even before the start of Operation Enduring Freedom. *Fortunately, the President's fiscal year 2002 budget request included significant increases to key operations, maintenance, training, and facilities sustainment accounts. The conferees supported these efforts, which are especially vital to maintaining a high level of readiness during the campaign against terrorism.*

Readiness and Training

Critical Readiness Accounts. The conferees supported the President's request for maintenance, operations, and training budgets by providing:

- $23 billion for facility maintenance and base support ($2.9 billion more than the fiscal year 2001 level);
- $30.1 billion for aircraft operations and flying hours ($5 billion more than the fiscal year 2001 level);
- $8.7 billion for depot maintenance ($1.2 billion more than the fiscal year 2001 level); and
- $7.5 billion for training accounts ($825 million more than the fiscal year 2001 level).

"Readiness" vs. Operations & Maintenance (O&M) Accounts. At more than $125 billion, O&M funding represents more than one-third of the defense budget request for fiscal year 2002 and is traditionally considered the "readiness" account. However, O&M accounts also include many non-readiness items including DOD's administrative functions, environmental restoration, cooperative threat reduction efforts, and humanitarian assistance. This year, reductions in non-readiness O&M programs include:

- $1.1 billion for savings resulting from management reform initiatives (for details, see "Management Reform Initiatives," page 28);
- $295.6 million from fuel savings – reflecting lower than anticipated fuel prices;
- $213.4 million from excess foreign currency – reflecting overestimated values of foreign currency in the fiscal year 2002 budget request;
- $125 million from energy accounts – reflecting lower than anticipated natural gas prices;
- $123 million from excessive program growth in administrative accounts;

- $100 million from information technology systems budgets to remove funds from systems that are not interoperable between all the services as required by current laws;
- $82 million from civilian retirement buyouts – reflecting lower than anticipated numbers of DOD civilian employees seeking early retirement;
- $65 million from the Navy Marine Corps Intranet program (for details, also see "Navy Marine Corps Intranet" page 29);
- $45.4 million from civilian personnel budget underexecution – reflecting a smaller than anticipated civilian workforce; and
- $37 million from A-76 studies – reflecting fewer anticipated studies and a correction of the Navy's budget estimate for A-76 studies.

Vieques. The Vieques training range provides an irreplaceable training facility for U.S. military forces, who have used its unique combination of live fire areas, aerial bombardment ranges, and amphibious landing beaches to reach high levels of readiness in preparation for nearly every conflict since World War II. As such, the conferees included legislation to:

- cancel the referendum currently planned for January 2002;
- authorize the Secretary of the Navy to close the training facilities at Vieques only after certifying that a training site or sites will be available to provide an equivalent or superior level of training compared to Vieques if training facilities at the island are closed. In making the certification, the Secretary must consider the recommendations of the Chief of Naval Operations and the Commandant of the Marine Corps on this question; and
- transfer the military training areas at Vieques to the Department of the Interior, if the Secretary of the Navy closes the Vieques facilities.

National Training Center Expansion. The National Training Center at Fort Irwin provides realistic battlegrounds for training brigades to meet the challenges of the 21st century. In the 20 years that NTC has been in operation, the speed and power of weaponry have increased significantly, requiring larger training areas, even while the military is losing training lands due to land restrictions or development. Therefore, the conferees expanded the NTC by adding over 110,000 acres of open maneuver space in a manner that recognizes the Army's critical training needs as well as the needs of the environment.

Reserve Component Readiness Infrastructure for Training and Readiness. The conferees provided $942 million ($326.8 million more than the President's request) for facilities enhancements to improve the training and readiness of the National Guard and reserves, including:

- $393 million ($126 million more than the President's request) for the Army National Guard;
- $254 million ($105 million more than the President's request) for the Air National Guard;
- $169 million ($58 million more than the President's request) for the Army Reserve;
- $73 million ($19 million more than the President's request) for the Air Force Reserve; and
- $53 million ($19 million more than the President's request) for the Navy and Marine Corps Reserves.

Defense Impact Review Process. Due to increasing restrictions imposed by existing environmental regulations and laws, such as the Endangered Species Act, the U.S. military is facing increased limitations on its ability to train and operate. Therefore, the conferees required the Secretary of Defense to examine whether a defense impact review process should be established within the executive branch to assess the extent to which the military's compliance with environmental laws and regulations has an adverse effect on U.S. national security, and to submit his recommendation to the President and Congress.

Managing the Force

Managing the Force - Special Pay and Bonuses

Special Pay and Bonuses. The conferees authorized:

- aviation career pay and surface warfare continuation pay for recommitting officers during the year before their current service contract expires;
- hazardous duty incentive pay for service members who regularly conduct visit, board, search, and seizure duties in support of maritime interdiction operations;
- up to $1,000 per month for submarine duty incentive pay based upon pay grade and years of service; and
- a $500 dislocation allowance to service members ordered to occupy or vacate government family housing as a result of privatization, renovation, or other reasons unrelated to a permanent change of station move.

Payment for Unused Leave. When reservists are ordered to active duty, they often accumulate a significant amount of leave time that they are unable to use. Furthermore, under current law, reservists may only be compensated for up to 60 days of unused leave over the course of their career, forcing many reservists to forfeit compensation for leave time they have earned. To correct this inequity, the conferees authorized compensation for accrued leave beyond 60 days to reservists on active duty for more than 30 days but less than one year.

Hostile Fire Pay. The conferees authorized federal agencies to pay civilian federal employees up to $150 per month for any month during which the employee is exposed to hostile fire or hostile land mines. In addition, if an employee in such a situation is wounded and must be hospitalized to receive treatment, the employee will be paid hostile fire pay for up to three months of his or her hospital stay.

Active Duty Special Pay and Bonuses. The conferees extended authorities for several special pays and bonuses for active duty personnel through December 31, 2002, including:

- aviation officer retention bonus;
- reenlistment bonus for active members;
- special pay for nuclear qualified officers extending their period of active service;
- nuclear career accession bonus; and
- nuclear career annual incentive bonus.

Reserve Forces Special Pay and Bonuses. The conferees extended certain special pays and bonuses for reserve personnel through December 31, 2002, 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;
- the selected reserve affiliation bonus;
- prior service enlistment bonus; and
- authority for repayment of educational loans for certain health professionals who serve in the selected reserve (extended to January 1, 2003).

Managing the Force - Education Initiatives

Army College First. Under current law, the Army College First Program allows eligible soldiers to attend college for up to two years while serving in the reserves or the Army's delayed entry program. The conferees extended the limit for delayed entry from two years to 30 months and increased the monthly allowance for College First soldiers to match the subsistence allowance for members of the Senior Reserve Officers' Training Corps with the corresponding number of years of participation.

Education Savings Plan. In an effort to encourage service members with critical skills to continue to serve, the conferees authorized the Secretary of Defense to establish an education savings plan under which service members who sign up for another six years of active duty in a critical skill may earn up to $30,000 in U.S. savings bonds.

Improving the Montgomery GI Benefit. Since 1984, eligible military service members have been able to earn money for higher education through the Montgomery GI Bill. The conferees expanded the benefits of the Montgomery GI Bill to authorize service secretaries to allow service members with critical skills who have served a minimum of six years, and contract for an additional four years, to transfer up to 18 months of unused basic GI Bill benefits to their spouse or children. A service member's spouse may use transferred benefits after the service member completes the initial six years of service. A service member's child who is at least 18 years old, or has a high school diploma, may use transferred benefits after the parent completes the additional four-year commitment.

Health Professionals Stipend. The conferees expanded the stipend program for reserve health professionals by authorizing compensation for medical and dental school students and graduates participating in residency programs in critical skill areas.

Managing the Force - Shaping the Force

Excepted Service for Health Care Professionals. Currently, health care professionals are required to go through a lengthy and time-consuming application process before being hired by DOD. In an effort to speed the hiring process and ease DOD's shortage of health care professionals, the conferees authorized the Secretary of Defense to exempt certain health care professionals from the competitive service and hire them through the excepted service.

Strengthening the Officer Corps. The conferees recognize the importance of encouraging good candidates to become military officers and included provisions to:

- reduce the time-in-grade requirements for promotion to O-3 (Army/Air Force/Marine Corps Captain; Navy Lieutenant) from 24 to 18 months through fiscal year 2005;
- authorize the service secretaries to pay accession bonuses of up to $60,000 to officer candidates in critical skills who enter into written service agreements to accept commissions as officers;
- increase the maximum allowable age for the senior Reserve Officer Training Corps (ROTC) scholarship program from age 27 on June 30 of the year of the anticipated commissioning year to age 31 on December 31 of the anticipated commissioning year;
- authorize active duty enlisted personnel to participate in the senior ROTC program; and
- allow officer candidates to receive financial assistance while training to be nurses at institutions where there are ROTC programs for which the candidates are not eligible.

Active Duty and Reserve End Strengths. The conferees supported the President's requests for active duty and selected reserve end strengths, including increased active duty end strengths for the Navy and Air Force to reduce manning shortfalls in a range of critical skills. In addition, the conferees retained active duty end strength floors at the levels requested by the military services.

FISCAL YEAR 2002 END STRENGTH – ACTIVE FORCES

		Fiscal Year 2002		Change from Fiscal Year	
Service	*FY 2001 Level*	*Request*	*Conference Agreement*	*2002 Request*	*2001 Level*
Army	480,000	480,000	480,000	0	0
Navy	372,642	376,000	376,000	0	3,358
USMC	172,600	172,600	172,600	0	0
Air Force	357,000	358,800	358,800	0	1,800
Total	1,382,242	1,387,400	1,387,400	0	5,158

FISCAL YEAR 2002 END STRENGTH – SELECTED RESERVE

		Fiscal year 2002		Change from Fiscal Year	
Service	*FY 2001 Level*	*Request*	*Conference Agreement*	*2002 Request*	*2001 Level*
ARNG	350,526	350,000	350,000	0	-526
USAR	205,300	205,000	205,000	0	-300
USNR	88,900	87,000	87,000	0	-1,900
USMCR	39,558	39,558	39,558	0	0
ANG	108,022	108,400	108,400	0	378
AFR	74,358	74,700	74,700	0	342
Total	866,664	864,658	864,658	0	-2,006
USCGR	8,000	8,000	8,000	0	0

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 the National Guard and reserve units. The Army developed a plan to increase incrementally the number of full-time reservists over the next 11 years, beginning in fiscal year 2002. The conferees authorized an increase to the President's request for full-time reservists in order to implement the Army's planned increase for Active Guard Reserve personnel and Military Technicians.

FISCAL YEAR 2002 END STRENGTH – Active Guard Reserve

		Fiscal year 2002		Change from Fiscal Year	
Service	*FY 2001 Level*	*Request*	*Conference Agreement*	*2002 Request*	*2001 Level*
ARNG	22,974	22,974	23,698	724	724
USAR	13,106	13,108	13,406	298	300
USNR	14,649	14,811	14,811	0	162
USMCR	2,261	2,261	2,261	0	0
ANG	11,170	11,591	11,591	0	421
AFR	1,336	1,437	1,437	0	101
Total	65,496	66,182	67,204	1,022	1,708

FISCAL YEAR 2002 END STRENGTH – Military Technicians

		Fiscal year 2002		Change from Fiscal Year	
Service	*FY 2001 Level*	*Request*	*Conference Agreement*	*2002 Request*	*2001 Level*
ARNG	23,128	23,128	23,615	487	487
USAR	5,921	5,999	6,249	250	328
ANG	22,247	22,422	22,422	0	175
AFR	9,785	9,818	9,818	0	33
Total	61,081	61,367	62,104	737	1,023

MODERNIZING THE FORCE

"Properly funding efforts to research, develop, and procure new military equipment and weapons is critical to maintaining the technological 'edge' for U.S. forces on the battlefield. This conference report is the first step towards rebuilding America's military so that our service members have the 'tools' they need to meet increasingly varied threats and win this nation's wars."
-HASC Chairman Bob Stump

The conferees focused modernization efforts in three areas: transforming the force to meet 21st century threats, meeting the unfunded needs of the services, and equipping the U.S. military to fight the campaign against terrorism.

The conferees supported the President's request for procurement programs and provided $61.8 billion ($679.2 million more than the President's request) to purchase weapons, ammunition and equipment. By adding funds to procurement accounts, the conferees were able to address $413.7 million of the services' unfunded requirements.

The President's budget request for research and development (R&D) programs was the largest R&D budget ever requested, and the most significant increase to R&D budgets in six years. This aggressive support for R&D programs reflects the President's commitment to revolutionary modernization of the U.S. military, and supports efforts to rapidly develop innovative technologies. Therefore, the conferees provided up to $47.8 billion ($331 million more than the President's request and $6.8 billion more than the fiscal year 2001 level) for research and development programs, including funds for ballistic missile defense programs (see "Protecting Americans from Ballistic Missile Attacks," page 5).

Transformation Programs

(Listed Alphabetically)

Advanced Radar Systems. Last year's Surface Navy Radar Roadmap report identified a need to improve radar performance in order to meet the Navy's future requirements, including necessary advances in wide bandgap semiconductor materials to achieve increased range and signal processing. The conferees directed the Secretary of Defense to carry out a collaborative Defense Advanced Research Project Agency (DARPA)/Navy program to develop and deploy advanced electronic technologies for advanced radar systems, including high frequency and high power wide bandgap semiconductor materials. The conferees authorized $41 million (matching the President's request) in DARPA, and $11 million ($2.5 million more than the President's request) in Navy wide bandgap semiconductor research and development, for the program.

Affordable Weapon Advanced Technology Demonstration. The conferees authorized $10 million (the President's request did not include any funds) to continue a Navy project to develop and demonstrate a 600-mile range, 200-pound payload, precision strike missile. The missile would use commercial off-the-shelf components, and cost approximately $30,000 to produce.

Army Transformation. The Army currently lacks medium-weight forces capable of deploying rapidly in response to the full spectrum of contingencies including low intensity conflicts, full-scale warfare, peacekeeping, and humanitarian operations. In support of the Army's initiative to transform two medium brigades, the conferees authorized:

- $663 million (matching the President's request) for procurement and $102 million (matching the President's request) for research and development of medium armored vehicles;
- the Secretary of Defense to waive current law requirements for a cost-benefit analysis of the interim armored vehicles (IAV) selected for the Interim Brigade Combat Team;
- $20 million (the President did not request any funds) for hybrid electrical drive development for the IAV; and
- $511 million (matching the President's request and $146 million more than the fiscal year 2001 level) for DARPA programs to develop future combat vehicles and automotive advanced technology.

Experimental Littoral Support Craft (LSC-X). The conferees authorized $31 million ($11 million more than the President's request) for development of the LSC-X, an experimental Navy craft capable of providing logistical and combat support in shallow water regions between the shore and 75 miles or more at sea.

Global Hawk Unmanned Aerial Vehicle (UAV). The Global Hawk High Altitude Endurance (HAE) UAV is an unmanned aircraft designed to conduct intelligence, surveillance, and reconnaissance flights. The conferees authorized $118.9 million (matching the President's request) for two HAE Global Hawk UAVs.

Small Diameter Bomb. The Small Diameter Bomb program is an effort to reduce the size and weight of weapons ordnance while maintaining or improving its effectiveness. Such technology will allow the services to increase weapons load-outs of current and future strike aircraft. The conferees authorized $40 million (matching the President's request) to continue advanced development of the Small Diameter Bomb Program.

Aircraft and Strategic Forces

(Listed Alphabetically)

B-1B Lancer. The Air Force plans to reduce the size of its B-1B bomber fleet from 93 to 60, and to consolidate B-1B operations from five bases to two. The conferees support this decision and authorized the Secretary of the Air Force to proceed with the reduction after providing Congress with a report on the service's strategy for implementing the proposed consolidation, and for handling the reduction in the U.S. bomber fleet and National Guard units. The conferees authorized $95.5 million (matching the President's request) for B-1 modifications and $194.5 million (matching the President's request) for B-1B research and development activities. In addition, the conferees provided $100 million (the President did not request any funds) for operations and maintenance costs for the Air Guard B-1 fleet until the proposed consolidation is implemented.

B-2 Spirit. The Air Force's plan for a future "global strike task force" depends heavily upon the B-2 fleet, requiring the service to continue upgrading the systems and weapons of the existing B-2 fleet. The conferees authorized $25.4 million ($13.5 million more than the President's request) for satellite communications upgrades and $202 million ($49.9 million more than the President's request) for Link 16 display and computer upgrades, and for correction of other shortfalls.

C-130J and KC-130J Hercules. The C-130J will replace older-model Air Force C-130E transport aircraft and the KC-130J can be configured for either transport or refueling to replace the Marine Corps' aging KC-130F-, R-, and T-model fleets. The conferees authorized $293.8 million for three Air Force C-130J aircraft ($72 million and one aircraft more than the President's request) and $299 million (matching the President's request) for four KC-130Js for the Marine Corps.

C-17 Globemaster. The conferees provided a total of $3.5 billion (matching the President's request) for 15 C-17 aircraft, long-lead procurement for fiscal year 2003 aircraft, and contractor support. According to the recent Mobility Requirements Study – 2005, the planned airlift fleet is inadequate to meet the requirements of the National Military Strategy. Furthermore, in order to replace aging C-141 aircraft, C-17s must be procured at greater rates than currently planned. Accordingly, the conferees included a provision to authorize the Air Force to enter into a multiyear contract for up to 60 C-17 aircraft beginning in fiscal year 2002.

EA-6B Prowler. The conferees authorized $162.6 million ($25 million more than the President's request) for modifications to improve the jamming capability of EA-6B aircraft.

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 conferees authorized $283.2 million (matching the President's request) for procurement of one E-8C JSTARS aircraft and $49 million (matching the President's request) for advance procurement of the 17th aircraft in the fleet in fiscal year 2003.

F-15 Eagle Modifications. The F-15 fleet consists of F-15A, B, C, and D air superiority models and the F-15E deep penetration, air-to-surface attack model. The conferees authorized $245.2 million ($33 million more than the President's request) to convert the F-15A through D fleets' F100 engines to the higher-powered F100-220E configuration, and to procure ALQ-135 countermeasures systems for all F-15 models to improve the aircraft's self-protection jamming capability against modern enemy surface-to-air missiles.

F-22 Raptor. The F-22 Raptor is the Air Force's next-generation air dominance fighter. The conferees provided $865.5 million (matching the President's request) for F-22 research and development, $2.7 billion (matching the President's request) for 13 low-rate initial production F-22 aircraft, and $379.2 million (matching the President's request) for advance procurement of fiscal year 2003 aircraft.

F-35 Joint Strike Fighter (JSF). The F-35 will be a high technology, multi-role, combat aircraft used by the Air Force, Navy, and Marine Corps. The conferees supported the President's requests for $767.3 million for Navy F-35 development and $769.5 million for Air Force F-35 development.

Nuclear Weapons Reduction. According to the President, U.S. national security would not be compromised by a significant reduction in the existing number of U.S. nuclear weapons. The conferees recognize the importance of providing flexibility for the President to negotiate nuclear arms reductions with other nations, including Russia. Therefore, the conferees repealed current law provisions in order to allow the Administration to reduce U.S. nuclear weapons to a level below that mandated by the Strategic Arms Reduction Treaty II (START II). Furthermore, the conferees authorized $17.3 million ($12.2 million more than the President's request, and a top unfunded requirement of the Air Force) to procure long-lead items necessary to retire the Peacekeeper intercontinental ballistic missile fleet.

P-3 Orion Anti-surface Warfare Improvement Program (AIP). AIP modifications enable Navy P-3 aircraft to operate against surface targets in coastal regions and provide better standoff surveillance and targeting. The conferees authorized $128.2 million ($15 million more than the President's request) for procurement of one additional AIP kit for the P-3 aircraft fleet.

Tactical Unmanned Aerial Vehicle (TUAV). The conferees authorized $91.6 million ($7.3 million more than the President's request) to upgrade all of the Army's initial production TUAV systems with state-of-the-art collection and dissemination capabilities and avionics.

V-22 Osprey. The V-22 is a tilt-rotor vertical takeoff and landing aircraft that is being developed for the Marine Corps (MV-22), Air Force Special Operations Forces (CV-22), and Navy (HV-22). Following two mishaps involving MV-22s last year, the Marine Corps grounded its fleet, pending a review of the program by a panel appointed by the Secretary of Defense. In April 2001, the panel recommended a near-term decrease in V-22 production along with increased design and re-engineering efforts to improve the aircraft's safety and reliability. These actions delayed both the full-rate MV-22 production decision and the development activities of the CV-22 variant. The conferees support a minimum sustaining rate for the V-22 program in fiscal year 2002, and authorized:

- $1.3 billion for 11 MV-22s ($70 million and one aircraft less than the President's request);
- $446.7 million ($100 million less than the President's request) for V-22A Navy research and development. The $100 million reduction included funding for Air Force CV-22 test articles. The conferees believe that safety and reliability design and re-engineering efforts should be accomplished on the MV-22 before the more complex CV-22 test articles are funded;
- $101.7 million (matching the President's request) for Special Operations Command CV-22 component development;
- $10 million (matching the President's request) for CV-22 avionics development;

- no funding ($136.5 million less than the President's request) for Air Force CV-22 procurement; and
- no funding ($28.2 million less than the President's request) for Special Operations CV-22 procurement.

Helicopters

(Listed Alphabetically)

AH-64D Apache Longbow. The Apache Longbow is the Army's upgraded heavy attack helicopter, armed with digital fire control radar and fire-and-forget anti-tank missiles. The conferees authorized $899 million ($10 million more than the President's request) to upgrade 60 Apache helicopters to the Longbow model.

MH-60S. The MH-60S provides airborne mine countermeasures for both carrier battle groups and amphibious readiness groups, and conducts vertical replenishment and search and rescue missions. The conferees provided $182 million (matching the President's request) for procurement of 13 MH-60S helicopters and $64.2 million (matching the President's request) for advance procurement of long-lead components for the helicopter.

RAH-66 Comanche. The conferees authorized $816.4 million ($28.3 more than the President's request) for development of the Comanche, a next-generation, stealthy, armed reconnaissance helicopter for the Army.

UH-60 Blackhawk. The Blackhawk is the Army's primary utility helicopter for air assault, general support, and medical evacuation missions. The conferees authorized $277 million for 22 UH-60L Blackhawks ($102.5 million and 10 helicopters more than the President's request) for the Army National Guard and $30 million (matching the President's request) for eight UH-60Q enhanced medical evacuation helicopter kits. Additionally, the conferees provided $23.3 million ($6 million more than the President's request) for crashworthy external fuel systems for Army National Guard UH-60s (also listed in "National Guard and Reserve Equipment," page 25).

Precision Guided Munitions (PGMs)

In military operations since the Persian Gulf War, including the ongoing campaign against terrorism, the military services have increasingly used PGMs to reduce the risk to U.S. military personnel and enhance the effectiveness of U.S. weapons platforms. The conferees authorized:

- $415 million (matching the President's request) for 4,139 Javelin anti-tank missiles;
- $241.8 million (matching the President's request) for 2,200 Hellfire missiles for the Army, and $20 million (the President did not request any funds) for 250 Hellfire missiles for the Marine Corps, a top unfunded requirement of the Marine Corps;
- $228.4 million ($187 million for 8,383 missiles for the Air Force and $41 million for 1,417 missiles for the Navy, matching the President's request) for Joint Direct Attack Munitions;

- $65.1 million (matching the President's request) for 34 Tomahawk Land Attack Missiles (TLAM). In addition, the conferees authorized $15 million (the President did not request any funds) for specialized tools to expedite the building of TLAMs;
- $64.2 million in increases to the President's request for research and development of other PGMs including the Advanced Anti-Radiation Guided Missile, Affordable Weapon, Trajectory Corrected Munition, and Joint Helmet Mounted Cueing System;
- $30 million (the President's request did not include any funds) for Litening II pods for the AV-8B Harrier aircraft, which will enable Marine Corps' Harriers to utilize PGMs, a top unfunded requirement of the Marine Corps; and
- $26.2 million (matching the President's request) for 30 Standoff Land Attack Missile-Expanded Response missiles.

Shipbuilding Programs

(Listed Alphabetically)

Acoustic Rapid Commercial-off-the-Shelf Insertion (A-RCI). The Navy's A-RCI program uses commercial-off-the-shelf computer technology and advanced processing software to improve the performance of current submarine sonar systems. The conferees authorized $10 million (the President did not request any funds) to improve the performance of submarine tactical information systems. Also, the conferees authorized $5 million (the President did not request any funds) for application of the A-RCI process to improve the performance of the MK-48 Advanced Capability torpedo.

CVN-77 and CVN(X). The conferees provided $35.5 million (matching the President's request) for research and development of the CVN-77 aircraft carrier, $314.3 million (matching the President's request) for CVN(X) research and development, and $138.9 million (matching the President's request) for procurement of long lead materials for the CVN(X).

DDG-51. The Navy's DDG-51 AEGIS destroyers provide improved radar, fleet defense, missile defense, and land attack capabilities to the Navy's surface fleet. The conferees authorized $3 billion (matching the President's request) for procurement of three DDG-51 class destroyers.

Future Navy Surface Combatants. Recently, the Navy announced plans to restructure the Surface Combatant-21 program from development of the DD-21 land attack destroyer to development of a family of surface combatants, the first of which would be the DD(X) destroyer. Furthermore, the ongoing competition between the Blue and Gold contractor teams who are competing for the DD-21 program would be extended and reoriented toward the new DD(X) program. The conferees authorized $593.5 million ($50 million less than the President's request), reflecting the delay in choosing a single contractor for the design phase, for the program.

Guided Missile Submarine (SSGN) Conversion. The SSGN conversion program will refuel ballistic missile submarines (SSBNs) and replace their nuclear missiles with long-range conventional Tomahawk cruise missiles. The conferees authorized $137.4 million ($51 million more than the

President's request) for advance submarine conversion planning in the shipbuilding account and $320.8 million ($112 million more than the President's request) in the Navy's other procurement account for an additional SSGN reactor core. While the President's request only supported conversion of two SSBNs, the funding increases support long-lead activities to convert all four available SSBNs to the SSGN configuration.

LHD-8. The LHD is the Navy's latest amphibious assault ship class, allowing the Navy and Marine Corps to conduct combat missions with helicopters, AV-8B attack aircraft, and amphibious assault and landing craft. The conferees authorized $267.2 million (matching the President's request) to continue building LHD-8, the eighth ship in the class.

LPD-17. The *San Antonio*-class LPD-17 ships will provide improved capabilities to embark, transport, and land elements of Marine landing forces. The conferees provided $421.3 million (matching the President's request) for advance procurement of the fifth and sixth *San Antonio*-class amphibious ships.

New Attack Submarine. The conferees provided $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.

Submarine Combat System Modernization. To accelerate the upgrade of the combat control systems on *Seawolf-class* submarines and Navy efforts to make submarine combat control systems throughout various submarine classes common, the conferees recommended $54.2 million ($25 million more than the President's request) for submarine tactical warfare systems development.

T-AKE. The conferees authorized $370.8 million (matching the President's request) for procurement of the third T-AKE, a ship to replenish battlegroups at sea with ammunition, spare parts, and provisions.

Ground Weapons and Vehicles

(Listed Alphabetically)

Crusader. The conferees provided $487.3 million (matching the President's request) for continued development and procurement of long lead items for the Crusader, a self-propelled howitzer system.

Family of Medium Tactical Vehicles (FMTV). The conferees authorized $467.4 million (matching the President's request) for FMTVs, the Army's primary medium tactical truck for combat support and combat service support forces.

High Mobility Multipurpose Wheeled Vehicle (HMMWV). The conferees authorized $240 million (matching the President's request) for Army and Marine Corps HMMWVs, a four-wheel drive utility and logistics vehicle.

M1A2 Abrams Tank and Wolverine Heavy Assault Bridge. The M1A2 Abrams System Enhancement Program (SEP) tank is a key component of the Army's heavy counterattack force and will remain so through at least the year 2020. The conferees authorized $395.8 million (matching the President's request) to upgrade 104 M1 Abrams tanks to the M1A2 SEP configuration and $48.6 million (matching the President's request) for Wolverine Heavy Assault Bridge vehicles.

AN/PVS-17 Night Vision Sights. 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 conferees authorized $10 million (the President's request did not include any funds) for AN/PVS-17 night vision sights, a top unfunded requirement of the Marine Corps.

National Guard and Reserve Equipment

(Listed Alphabetically)

BEAMHIT Laser Marksmanship Training System (LMTS). BEAMHIT LMTS is a training program used by the U.S. military to maintain and enhance small arms marksmanship. Currently, the Army Reserve lacks sufficient BEAMHIT LMTS, to maintain marksmanship skills. Therefore, the conferees authorized $7 million (the President did not request any funds) to purchase BEAMHIT LMTS for the Army Reserve.

Bradley Fighting Vehicle Modifications. The Army and the Army National Guard rely upon the Bradley Fighting Vehicle as their primary infantry support vehicle. The conferees provided $60 million (the President did not request any funds) to continue upgrading Army National Guard Bradley Fighting Vehicles to A2 Operation Desert Storm combat-capable specifications and $400.8 million (matching the President's request) to upgrade active-Army Bradleys to the A3 variant.

Deployable Force-on-Force Instrumentation Range System (DFIRST). DFIRST provides realistic, state-of-the-art training for Army National Guard armored units by using wireless and global positioning technology to conduct simulated battles using actual troops and equipment. The conferees authorized $60 million (the President did not request any funds) for additional DFIRSTs for the Army National Guard.

Improved High Frequency Radio (IHFR). Army Reserve maneuver battalions and combat service support units rely upon IHFRs for short- and long-range communications. The conferees authorized $5 million (the President did not request any funds) to procure IHFRs for the Army Reserve.

Ribbon Bridge Equipment. The conferees authorized $59.3 million ($11.2 million more than the President's request) for ribbon bridging equipment to accelerate the fielding of two Army National Guard multi-role Bridge companies.

UH-60 Blackhawk. The Blackhawk is the Army's primary utility helicopter for air assault, general support, and medical evacuation missions. The conferees authorized $277 million for 22 UH-60L Blackhawks ($102.5 million and 10 helicopters more than the President's request) for the Army National Guard and $30 million (matching the President's request) for eight UH-60Q enhanced

medical evacuation helicopter kits. In addition, the conferees provided $23.3 million ($6 million more than the President's request) for crashworthy external fuel systems for Army National Guard UH-60s (also listed in "National Guard and Reserve Equipment," page 22).

ELIMINATING WASTE AND REFORMING DOD'S ORGANIZATION AND BUSINESS PRACTICES

Base Realignment and Closure (BRAC) Authority. The conferees approved the President's request for a round of base closures, but with revised procedures to create a fair and objective process that places national security as the principal objective, closes loopholes, and ensures that BRAC decisions support military force structure and strategy. Furthermore, the conferees agreed to delay the BRAC round until 2005 to ensure that the U.S. economy has time to recover, DOD has time to define its military strategy and requirements, and the federal government and U.S. military have time to adjust budgets so that up-front BRAC costs do not damage military modernization, readiness, or personnel requirements. Details of the process are as follows:

- In February 2004, the Secretary of Defense must submit to Congress a detailed force structure plan, including end strengths and major combatant units (e.g., Army divisions, Navy ships, Air Force air wings), an infrastructure inventory that supports future U.S. military needs;
- The Secretary of Defense must compare the force structure and infrastructure inventory, and certify that proceeding with base closures is necessary and justified. He must also certify that his recommendations for base closures will result in annual net savings for each of the services by 2011. Failure to do so will stop the BRAC process;
- The President, in consultation with the congressional leadership, will appoint nine members of the BRAC Commission, who will convene in March 2005;
- In May 2005, the Secretary of Defense must submit to Congress, the BRAC Commission, and the Federal Register a list of bases and facilities to be closed;
- The BRAC Commission will assess and may modify the plans of the Secretary of Defense. In September 2005, the commission will submit to the President a list of closure and realignment recommendations; and
- Upon receiving the list, the President will have 15 days to accept or reject the commission's entire list. If the President approves it, Congress will have 45 days to approve or reject the entire list. If the President rejects the list, the BRAC Commission will have 30 days to consider the President's objections, make adjustments to the list, and resubmit the list to the President. Upon receiving the resubmitted list, the President will have another 15 days to approve or reject it. If approved, Congress will have 45 days to approve or reject the entire list.

While the BRAC process approved by the conferees is similar to previous base closure rounds, there are a number of important changes, including:

- "Military value" must be the primary evaluation factor to be used in the base closure process;
- "Military value" is defined in detail to ensure that valuable training land, air, and sea space are not sacrificed for short-term budgetary pressures, and that military readiness, strategy, and training requirements are protected;

- DOD and the BRAC Commission must consider the extent and timing of costs and savings, the impact of potential environmental remediation costs, and the impact on existing communities in the vicinity of military installations when making closure and realignment decisions;
- DOD may place closed bases into caretaker status (rather than disposing of them) if those facilities may be needed in the future for national security purposes or it is otherwise in DOD's interest;
- The BRAC Commission may not add any military facility to the list of facilities to be closed under the Secretary of Defense's infrastructure plan unless a super-majority (seven of the nine commissioners) agrees to do so. In contrast, the commission may remove a base from the closure list by a simple-majority vote; and
- Loopholes in past BRAC legislation that allowed the decisions to be politicized have been eliminated.

Electronic Reports. Although DOD has made significant strides in moving towards a paperless environment, it continues to submit reports to Congress only in paper form, making dissemination and use of such documents difficult and time-consuming. Accordingly, the conferees required DOD to provide electronic copies of reports upon request by Congress.

Management Reform Initiatives. Last year, the General Accounting Office reported that DOD annually wastes billions of dollars on inefficient business practices. Furthermore, the Secretary of Defense testified that DOD may be able to cut as much as five percent of its administrative costs through management improvements. The conferees expect DOD to realize significant savings in fiscal year 2002 by improving its business practices and its processes for procuring property and services. As such, the conferees reduced management accounts by $1.1 billion (less than one percent of the Operation and Maintenance budget) to encourage DOD to take the necessary steps to achieve savings through management reforms.

Military Voting Reforms. Some service members experienced difficulty voting in the 2000 elections because of the way military commanders and voting assistance officers performed their duties pertaining to existing laws and regulations. As such, the conferees included a number of provisions to correct problems with the DOD mail and voting systems including:

- **Voting Assistance Programs.** The Federal Voting Assistance Program (FVAP) is intended to protect the integrity of the electoral process at the federal, state, and local levels. The conferees required the Secretary of Defense to enforce the regulations set by FVAP and to ensure that each service complies with the regulations. To ensure that recommended changes to voting laws are being implemented among the states, the conferees required governors to report on the progress of implementation of recommendations for legislative changes within 90 days.
- **Ensuring Service Member Access to Voting Information.** Voting assistance officers are often appointed haphazardly and on a short-term basis, an approach that provides little incentive for appointees to carry out their duties completely and correctly. Accordingly, the conferees required commanders at all levels to ensure that voting assistance officers are

provided appropriate training and resources to carry out their duties and require that the performance of voting assistance officers be included in their evaluation reports.

- **Quality Mail Service.** In the weeks following the 2000 election, there were widespread reports of problems with the military mail system. In an effort to better understand the scope of these problems, the conferees required the Secretary of Defense, in the four months prior to congressional elections, to poll all units and ships at sea responsible for collecting and shipping mail to determine whether voting materials are awaiting shipment and to assess the length of time that the materials have been held at those locations.
- **Electronic Voting Demonstration Project.** Future military absentee voting will likely be conducted through an electronic voting system by which service members may cast votes from wherever they are deployed. As such, the conferees required the Secretary of Defense to conduct a demonstration project in 2002 for transmitting military absentee votes through an electronic voting system.
- **Guarantee of Residency.** Military orders that result in a temporary change of station should not prevent a service member from voting in his or her state of residence. Therefore, the conferees included a provision to ensure that a service members who is absent from his or her place of residency due to military orders cannot be declared to have lost residence in that state or to have acquired residency in another state.
- **Compliance with Existing Laws.** The conferees required the DOD Inspector General to assess annually each service's compliance with the requirements of the Uniformed and Overseas Citizens Absentee Voting Act, DOD regulations regarding the Federal Voting Assistance Program, and other requirements of law.
- **Use of DOD Facilities as Polling Places.** The conferees required DOD to allow the use of its facilities for polling places if state or local election officials had designated them as such on December 31, 2000, or if the facilities have been used as polling places since January 1, 1996. However, the conferees also authorized the Secretary of Defense and the service secretaries to waive this requirement when warranted by local security conditions.
- **Simplification of Voter Registration and Absentee Ballot Procedures.** The conferees took steps to make voter registration and absentee voting easier for "absentee" military voters and other overseas voters. As such, the conferees required states to allow deployed military personnel and other overseas voters to simultaneously register to vote and apply for an absentee ballot for any federal election. In addition, the conferees required states to provide, when requested by absentee military voters and other overseas voters, automatic mailing of ballots for any subsequent federal election for the remainder of the year.
- **Importance of Military Voting.** Every service member should have the opportunity to vote in federal, state, and local elections and to have that vote counted in the election result. Therefore, the conferees included a Sense of Congress that election administrators should ensure that service members receive the utmost consideration and cooperation when voting, and that ballots cast by service members should be duly counted.

Navy Marine Corps Intranet (NMCI). NMCI is the Navy's effort to create a single network of communication systems by transferring ownership and responsibility of its computers and associated equipment to a contractor who would own, operate, and maintain the network. The conferees authorized the phased implementation of NMCI, including the Marine Corps, naval aviation depots, and shipyards. However, lengthy program delays and questions about the Navy's funding and

budgetary strategy for NMCI prompted the conferees to reduce funding and improve oversight of the program. In order to ensure that the program is operating efficiently, the conferees required DOD to maintain responsibility for each new phase, the Secretary of the Navy to appoint a program manager whose sole responsibility is to direct and oversee the program, and GAO to audit the costs and review the impact NMCI has on depot rates. The conferees provided $582 million ($65 million less than the President's request) for phased implementation and supervision of NMCI.

Protecting Commissary Surcharge Funds. Commissary facilities are built and maintained with funds collected from commissary patrons – service members, their families, and retirees. In order to ensure that these funds are not lost to service members, the conferees required the services to reimburse commissary accounts when such facilities are closed and converted to military uses.

Recovery Audits. Audits to find mistakes in payments for the large volume of purchases and transactions made by DOD and other federal agencies have the potential to save the federal government more than $100 million over the next five years. Therefore, the conferees required every federal agency to implement a program to identify errors in payments made to contractors and to recover overpayment amounts. If the agency elects, funds recovered through this audit process may be used to reimburse the agency for costs associated with conducting audits. Furthermore, while the Office of Management and Budget must provide guidance, specifics of audit implementation are left to each agency.

OTHER INITIATIVES

(Listed Alphabetically)

Air Force Memorial and Arlington National Cemetery (ANC). The conferees transferred the site for the Air Force Memorial from Arlington Ridge, near the Marine Corps Memorial, to the Navy Annex property. In addition, the conferees continued efforts begun by the 106th Congress to increase availability of in-ground burial space for veteran interments at ANC by adding parcels of adjacent federal property to the cemetery grounds.

Armed Forces Retirement Home (AFRH). America's AFRHs provide a place for enlisted veterans to enjoy an independent lifestyle in a safe and comfortable environment. In order to ensure the long-term viability and solvency of the AFRH, the conferees reformed the oversight and management structure of the two existing homes. The conferees included provisions to:

- establish a Chief Operating Officer for AFRH within the Department of Defense who must be a continuing care retirement community professional;
- require that, for the next three years, the directors and deputy directors of each home be active duty officers in the pay grade of no higher than O-6 and O-5, respectively; and
- establish a new position of Associate Director for each home to be filled by an active duty or retired E-9 to serve as an ombudsman for the residents of each home.

Assisting Homeless Veterans. DOD routinely disposes of excess property, including personal items such as clothing, shoes, and sleeping bags. The conferees included a provision to make these excess DOD items available to Veterans Affairs programs to help homeless veterans.

Concurrent Receipt and Severe Disability Compensation. Under current law, the retirement pay of military retirees with service-connected disabilities is reduced to offset disability compensation paid by the Department of Veterans Affairs (VA). The conferees authorized military retirees to receive VA disability compensation without a reduction in retirement pay, effective after the President submits legislation in an annual budget request, and Congress enacts legislation, to expressly offset the costs of this initiative. In addition, the conferees enhanced the special compensation program for severely disabled retirees by:

- expanding eligibility to retirees who are 60 percent disabled (effective February 1, 2002);
- increasing payments to retirees who are 80 percent to 100 percent disabled (effective January 1, 2003); and
- further increasing payments to retirees who are 70 percent to 100 percent disabled (effective October 1, 2004).

Counter-Drug Activities. The conferees provided $820.4 million (matching the President's request) for programs to stop the flow of drugs into the United States and $166.8 million (matching the President's request) for service operating costs resulting from the counter-drug mission.

Funeral Honors Duty. In continued support for the presence of a military honor guard at veterans' funerals, the conferees included a provision to ensure that reserve and National Guard members who

perform funeral honors duty receive the same rights, benefits, and protections provided to service members performing inactive-duty training. In addition, the conferees authorized the military services to pay retired service members an allowance for performing funeral honors duties.

Medal of Honor Review. In response to concerns that prevailing discriminatory attitudes may have denied some deserving Jewish and Hispanic war veterans the Medal of Honor, the conferees required the service secretaries to review the service records of certain Jewish and Hispanic veterans from World War II to determine if they should have received the Medal of Honor.

Merchant Marine. Ensuring a healthy U.S. maritime industry as well as maintaining a viable shipbuilding industrial base remains a critical element of U.S. military and economic strength. Therefore, the conferees provided $103.9 million ($100 million more than the President's request) for the Title XI loan guarantee program. In addition, the conferees provided $99.1 million (matching the President's request) for operation of the Maritime Administration and the U.S. Merchant Marine Academy, scrapping of obsolete vessels, and continuing assistance to the six state maritime academies.

DEPARTMENT OF ENERGY (DOE)

DOE Environmental Management Programs. The conferees provided $6.2 billion ($435 million more than the President's request) for DOE environmental cleanup and management programs including:

- $3.3 billion ($345 million more than the President's request) for work at facilities with complex and extensive environmental problems that will be closed after 2006. The additional funds will support current cleanup schedules at the Savannah River Site. In addition, the conferees extended the termination date of the Office of River Protection to 2010 and provided $882 million ($70 million more than the President's request) for remediation activities at the Hanford Site;
- $1.1 billion ($30 million more than the President's request) for the Defense Facilities Closure Project. This project provides funds, equipment, and other materials necessary to accelerate the closure of defense environmental management sites and reduce total project costs;
- $959.7 million ($47.7 million more than the President's request) for construction and site completion at facilities that will be closed by 2006;
- $216 million ($20 million more than the President's request) for the Defense Environmental Restoration and Waste Management Science and Technology program, an effort to develop new technologies for nuclear waste cleanup; and
- $153.5 million ($12 million more than the President's request) for Defense Environmental Management Privatization.

National Nuclear Security Administration (NNSA). The conferees provided $7.1 billion ($344 million more than 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, including:

- **Directed Stockpile Work**. The conferees provided $1 billion ($41.5 million less than the President's request) for stockpile life extension and evaluation programs.
- **Campaigns**. The conferees provided $2.1 billion ($78 million more than the President's request) for focused efforts to develop the tools and knowledge necessary to ensure the safety, reliability, and performance of the nuclear stockpile in the absence of underground nuclear weapons testing. Of note, the conferees provided $219 million ($90.4 million more than the President's request) to fully fund plutonium pit manufacturing and certification, a critical capability that has been absent from the complex for over a decade.
- **Facilities and Infrastructure.** The conferees provided $200 million (the President did not request any funds) to begin to recapitalize the nation's nuclear weapons complex infrastructure, much of which dates to the post-World War II era.
- **Defense Nuclear Nonproliferation**. The conferees provided $776.9 million ($3.2 million more than the President's request) to address the proliferation of weapons of mass destruction. In addition, the conferees consolidated management of the Nuclear Cities Initiative (NCI) and the Initiatives for Proliferation Prevention programs, and made expansion of NCI contingent

upon the Russian Federation granting U.S. access to closed cities and production facilities (Also listed in "NNSA Nuclear Nonproliferation," page 2).

- **Naval Reactors.** The conferees provided $688 million (matching the President's request) for the naval reactors program, which supports operation, maintenance, and continuing development of Navy nuclear propulsion systems.

Actions on Major Programs in the Fiscal Year 2002 Defense Authorization Act

(dollars in millions)

Dashes (-) indicate either no funds were requested or none were authorized

Major Army Programs

	FY 2002 Budget Request			Conference Agreement		
	R & D	*Quantity*	*Procurement*	*R & D*	*Quantity*	*Procurement*
RAH-66 Comanche	$788	-	-	$816	-	-
UH-60 Blackhawk	-	12	$175	-	22	$277
TH-67 Creek	-	-	$0	-	15	$25
CH-47 Upgrades	-	-	$295	-	-	$295
AH-64D Apache Longbow	-	60	$889	-	60	$899
Bradley A2ODS Upgrades	-	-	-	-	45	$60
Crusader	$487	-	-	$487	-	-
Future Combat System	$511	-	-	$511	-	-
Interim Armored Vehicle	-	326	$663	-	326	$663
Javelin Missiles	$1	4,139	$415	$6	4,139	$415
Hellfire Missiles	-	2,200	$242	-	2,200	$242
HMMWV	-	1,143	$131	-	1,143	$131
FMTV	-	2,493	$467	-	2,493	$467
Army Science & Technology	$1,579	-	-	$1,663	-	-

Major Navy and Marine Corps Programs

	FY 2002 Budget Request			Conference Agreement		
	R & D	*Quantity*	*Procurement*	*R & D*	*Quantity*	*Procurement*
V-22 Osprey	$547	12	$1,326	$447	11	$1,256
Joint Strike Fighter	$767	-	-	$767	-	-
F/A-18E/F	-	48	$3,156	-	48	$3,169
E-2C Hawkeye	$21	5	$278	$9	5	$278
E-2C Radar Modernization	$96	-	-	$96	-	-
T-45	-	6	$179	$21	6	$186
NSSN	$202	1	$2,293	$202	1	$2,293
CVN-77	$36	-	$138	$36	-	$139
CVN(X)	$314	-	-	$314	-	-
DDG-51	-	3	$2,966	-	3	$2,966
JPATS	-	-	-	-	6	$32
LPD-17	$1	-	$421	$1	-	$421
HMMWV	-	1,466	$109	-	1,466	$109
KC-130J	-	4	$299	-	4	$299
T-AKE	-	1	$371	-	1	$371
DD-21	$644	-	-	$594	-	-
Cooperative Engagement Capability	$74	-	$77	$74	-	$77
MH-60S	$50	13	$246	$50	13	$246
Tomahawk	$76	34	$50	$76	34	$65
MTVR	-	1,946	$312	-	1,946	$312
SSGN	$30	-	$86	$45	-	$249
Navy Science & Technology	$1,713	-	-	$1,791	-	-

Major Air Force Programs

	FY 2002 Budget Request			Conference Agreement		
	R & D	*Quantity*	*Procurement*	*R & D*	*Quantity*	*Procurement*
F-22	$882	13	$3,037	$882	13	$3,037
E-8C Joint STARS	$148	1	$283	$159	1	$283
E-8C Joint STARS Adv. Proc.	-	-	$49	-	-	$49
F-16C/D Fighting Falcon	$111	-	$232	$111	-	$264
JPATS	-	48	$228	-	48	$232
C-17 Globemaster	$111	15	$3,545	$111	15	$3,545
Joint Strike Fighter	$770	-	-	$770	-	-
JASSM	$79	76	$45	$79	76	$45
Global Hawk UAV	$184	2	$119	$184	2	$119
B1-B Bomber	$195	-	$95	$195	-	$95
B-2 Stealth Bomber	$155	-	$12	$205	-	$25
Air Force Science & Technology	$1,382	-	-	$1,416	-	-

Major Defense-Wide Programs

	FY 2002 Budget Request			Conference Agreement		
	R & D	*Quantity*	*Procurement*	*R & D*	*Quantity*	*Procurement*
Ammunition (all services)	-	-	$2,390	-	-	$2,412
Ballistic Missile Defense	-	-	-	-	-	-
BMD Technology	$113	-	-	$113	-	-
BMD System Segment	$780	-	-	$780	-	-
Terminal Defense Segment	$988	-	-	$1557*	-	-
Mid-Course Defense Segment	$3,941	-	-	$3,941	-	-
Boost Defense Segment	$685	-	-	$685	-	-
BMD Sensors	$496	-	-	$496	-	-
BMD Procurement	-	-	-	-	-	$684**
Defense Agency Science & Technology	$4,083	-	-	$4,132	-	-
Chemical-Biological Defense	$508	-	$349	$523	-	$366

* Includes MEADS and EMD for PAC -3/Navy Area

**Transfer of PAC-3/Navy Area from military department

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