



COMMITTEE ON APPROPRIATIONS

Contact: Kirstin Brost, Full Committee, 202-225-2771
Matt Mazonkey, Chairman Murtha, 202-225-2065

SUMMARY: 2008 DEFENSE APPROPRIATIONS AS PASSED BY THE HOUSE

At stake in this bill is nothing short of the security of our nation. The bill addresses that responsibility head on, fully funding our troops so that they are prepared for whatever emergencies may arise, providing them with first class weapons and equipment, and ensuring that they and their families are well taken care of.

At the same time, the bill realizes its obligation to meet the recent dependence on the use of contractors with increased support for their management and oversight. It likewise makes a commitment to fiscal responsibility.

The subcommittee took its responsibility seriously, holding 31 hearings and 6 formal briefings before writing the bill. In addition, this year the House created the Select Intelligence Oversight Panel, bringing together members of the Appropriations Committee and the Intelligence Committee to improve oversight on intelligence programs. This panel reviewed the intelligence budget and prepared a report making recommendations for the subcommittee's use as it prepared the classified annex accompanying the bill.

Bill Total	Discretionary
2007 Enacted:	\$419.871 billion
President's Request:	\$463.143 billion
Committee Mark:	\$459.594 billion

KEY INVESTMENTS

Keeping Our Commitments to Our Troops and Their Families

Addressing Guard and Reserve Equipment Shortfalls: \$925 million, \$635 million above 2007, specifically to address equipment shortfalls in order to help forces meet the demands of overseas deployments and respond to natural disasters here at home. This amount meets the requirements identified by the Chief of the National Guard Bureau in the "Essential 10 Equipment Requirements for the Global War on Terror."

Supporting Military Families: \$2.9 billion, \$558.4 million above the President's request, for programs including childcare centers, education programs and the family advocacy program which provides support to military families affected by the demands of war and episodes of child or spouse abuse.

Defense Health: \$22.957 billion, \$1.7 billion above 2007 and \$416 million above the President's request, rejecting the President's proposal to inflict \$1.9 billion in TRICARE fee and premium increases on our troops. Invests in improving the Department's electronic medical records and fostering better coordination between DoD and the Department of Veterans Affairs, enhancing preventative medicine programs and military medical research.

Military Pay Raise: \$2.2 billion is provided to cover the cost of a 3.5% military pay raise, as approved in the House version of the Defense Authorization bill.

Army Facilities: \$1.252 billion above the President's request to repair barracks, improve child care facilities, and improve community services, to address the strain put on facilities by changes in force structure, base closures, and a global repositioning of forces all while meeting the demands of war.

Base Security: \$268.1 million, \$141.9 million above the President's request, for perimeter security force protection and related security improvements, to protect DoD bases, schools, hospitals, base housing, churches and childcare centers from terrorist attacks.

Basic Allowance for Housing (BAH): \$15 billion, \$1.6 billion above 2007, to ensure there are no out-of-pocket expenses for service personnel and support the privatization of housing for military families.

Prepares Our Forces to Meet Future Needs

Training: \$7.548 billion, a 13% increase for all home-stationing training, so that our troops are well prepared for any eventual deployment.

Growing the Force: Supports DoD's plans to increase the size of the Army and Marine Corps in order to reduce the pressure to extend troop deployments.

- **Army:** \$4 billion to cover the equipment costs of adding 7,000 new members.
- **Marine Corps:** \$2 billion to cover costs of adding 5,000 new members.

Research, Development, Test and Evaluation: \$76.229 billion, \$1.112 billion above the President's request and \$508 million above 2007. These funds are used for basic research, advanced research on and development of weapons systems, and military medical research.

- **Expeditionary Fighting Vehicle:** \$288 million, the President's request for vehicles to transport Marines from ship to shore.
- **F-35 Lightning Joint Strike Fighter:** \$4.146 billion to continue development of the aircraft, \$705 million above the President's request.

Procurement: \$99.6 billion, \$18.7 billion or 23% above 2007, the largest increase in the bill including:

- **Stryker Vehicles:** \$1.912 billion including \$1.1 billion to outfit a new eighth Stryker Brigade to support the Army's evolution to a larger, more rapidly deployable force.
- **Navy Shipbuilding:** \$15.304 billion, \$1.647 billion above the President's request to procure 5 additional Navy ships including 2 LPD-17 Amphibious Transport Docs, 1 SSN-774 Attack Submarine, advanced procurement for another attack submarine, and 1 CBN – 78 Aircraft Carrier and 1 Littoral Combat Ship as well as to continue funding 2 DDG-1000 Guided Missile Destroyers, and 1 LHA-6 Amphibious Assault Ship. These investments will ensure the stability of our country's shipbuilding industry and maintain our superiority at sea.
- **F-35 Lightning II Aircraft:** \$2.410 billion for 12 F-35s – 6 Air Force and 6 Marine Corps.
- **Blackhawk Helicopters:** \$770.8 million, the President's request, for 52 Helicopters
- **V-22 Aircraft:** \$2.213 billion for 26 V-22s including 21 MV-22s for the Marine Corps and 5 CV-22s for the Air Force.
- **National Defense Sealift Fund:** \$1.866 billion, \$1.41 billion above the President's request for 4 T-AKE Auxiliary Dry Cargo/Ammunition Ships.
- **F-22s:** \$3.153 billion for 20 F-22 Raptor aircraft.
- **Chemical and Biological Defense Programs:** \$558.3 million, \$41.3 million above 2007 and \$9.5 million above the President's request.

SIGNIFICANT CUTS

Armed Reconnaissance Helicopter: Funding for production is zeroed out because they are not ready to go into production. Research and development will continue.

Missile Defense: \$8.498 billion, \$883.4 million below 2007 and \$298 million below the President's request, as the President's plan included unrealistic missile deployment schedules.

Future Combat System: \$3.157 billion, \$406 million below the President's request, as the request was in excess of what was needed to keep the program on a reasonable development schedule.

OTHER IMPORTANT POLICY ITEMS

Improving Oversight of Contractors: From 2000 to 2005 the cost of O&M service contracts increased by more than 73%, but oversight has actually decreased. This bill works to turn things around through:

- **Funding:** Increases are made in key oversight areas including: the Defense Contract Audit Agency (+\$12 million), the Defense Contract Management Agency (+\$17 million) and the Department of Defense Inspector General (+\$24 million). The bill also provides \$21 million to temporarily assign 600 contract specialists from the General Services Administration to help DoD oversee contracts. Funding for contracted services is reduced by 5% across the military services in anticipation of savings from improved management and oversight.
- **Contracting Security Positions:** Requires the Secretary of Defense to develop minimum standards for all contractors performing security functions and to establish a clear set of rules of engagement for those operating in Iraq and Afghanistan, within 90 days of the bill's enactment.
- **Improving Acquisition Workforce:** Requires a report that identifies: 1) acquisition workforce needs; and 2) tools to recruit and retain these personnel in order to provide adequate management of contracts and oversight of contract performance. The report is due within 90 days of enactment.
- **Restrictions:** Includes two provisions regarding contracting out: 1) restricts payment of award fees to contractors who fail to meet contractual requirements and 2) fences 10% of all O&M funds appropriated in the bill until the Pentagon submits a report on contracting out required in the FY 2007 Iraq supplemental.

Fiscal Discipline

- **Transfers:** Prohibits Department of Defense procedures that resulted in significant funding transfers without Congressional Approval.
- **Reprogramming News Starts:** Prohibits the Pentagon's initiating new programs through reprogrammings.

No Permanent Bases In Iraq: Continues to prohibit the establishment of permanent bases.

Torture: Continues to carry a provision prohibiting torture.