

Excerpt from HASC FY07 NDAA Markup
 Title III – Operation and Maintenance Legislative Provisions

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LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Section 301—Operation and Maintenance Funding

This section would authorize \$129.8 billion in operation and maintenance funding for the military departments and defensewide activities.

Section 302—Working Capital Funds

This section would authorize \$2.6 billion for working capital funds of the Department of Defense and the National Defense Sealift Fund.

Section 303—Other Department of Defense Programs

This section would authorize \$22.4 billion for other Department of Defense Programs for (1) the Defense Health Program; (2) Chemical Agents and Munitions Destruction; (3) Drug Interdiction and Counter-Drug Activities, Defense-Wide; and (4) the Defense Inspector General.

SUBTITLE B—ENVIRONMENTAL PROVISIONS

Section 311—Revision of Requirement for Unexploded Ordnance Program Manager

This section would rescind the authority extended to the Secretary of Defense to delegate the unexploded ordnance program manager position to one of the military departments. This section would also add research to the list of duties for this position.

Section 312—Identification and Monitoring of Military Munitions Disposal Sites in Ocean Waters Extending From United States Coast to Outer Boundary of Outer Continental Shelf

This section would require the Secretary of Defense to identify, research, monitor, and provide navigational and safety information on conventional and chemical military munitions disposal sites in the ocean waters that extend from the United States coast to the outer boundary of the outer continental shelf. Specifically, it would require the Secretary to review historical records to determine the number and probable locations of disposal sites, the size of these sites, and the types and quantities of military munitions disposed of at these sites. The Secretary shall release periodically to the public and submit annually to Congress the information obtained in this review. This section would also require the Secretary to cooperate with the National Oceanic and Atmospheric Administration to inform those who use the ocean environment of known or potential hazards. Finally, this section would require the Secretary to conduct research on the effects of military munitions, and to monitor certain disposal sites to recognize and track potential contamination.

Section 313—Reimbursement of Environmental Protection Agency for Certain Costs in Connection With Moses Lake Wellfield Superfund Site, Moses Lake, Washington

This section would authorize the Secretary of Defense to transfer not more than \$111,114.03 to the Moses Lake Wellfield Superfund Site, 10-6J Special Account, to reimburse the Environmental Protection Agency for costs incurred in overseeing a remedial investigation and feasibility study performed by the Department of the Army.

Section 314—Funding of Cooperative Agreements Under Environmental Restoration Program

This section would amend section 2701(d)(2) of title 10, United States Code, to allow cooperative agreements entered into for environmental restoration at defense facilities to extend beyond the present two-year limitation when the agreements are funded out of either the Department of Defense Base Closure Account 1990 or the Department of Defense Base Closure Account 2005.

Section 315—Analysis and Report Regarding Contamination and Remediation Responsibility for Norwalk Defense Fuel Supply Point, Norwalk, California

This section would require the Secretary of the Air Force to report to Congress not later than January 30, 2007, on matters relating to contamination and remediation of property at the Norwalk Defense Fuel Supply Point in Norwalk, California. This section would also prohibit the Secretary from conveying the property by public auction before pursuing a fair market value transfer of the property to the city of Norwalk, submitting the report required, and providing an explanation of why efforts to transfer the property to the city have not been successful.

SUBTITLE C—WORKPLACE AND DEPOT ISSUES

Section 321—Extension of Exclusion of Certain Expenditures From Percentage Limitation on Contracting for Depot-Level Maintenance

This section would extend for five years the authority to exclude amounts expended for the performance of depot-level maintenance and repair workload by non-federal government personnel at a Center of Industrial and Technical Excellence from the percentage limitation in section 2466(a) of title 10, United States Code, if the personnel performing the work are provided pursuant to a public-private partnership.

Section 322—Minimum Capital Investment for Air Force Depots

This section would require the Secretary of the Air Force to invest a minimum of six percent of the total revenue of the Air Force depots in the capital investment budget to improve or sustain depot maintenance facilities, equipment, or processes.

Section 323—Extension of Temporary Authority for Contractor Performance of Security Guard Functions

This section would amend subsection 332(c) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107-314) to extend the temporary authority to contract for increased performance of security guard functions. The authority would expire at the end of fiscal year 2008. This section would require the Secretary of Defense to submit a report by February 1, 2007, to the Senate Committee on Armed Services and House Committee on Armed Services detailing progress towards implementing the recommendations of the Government Accountability Office report entitled, "Army's Guard Program Requires Greater Oversight and Reassessment of Acquisition Approach." The extension of authority granted in this section would not be effective until the report is submitted to the Senate Committee on Armed Services and the House Committee on Armed Services.

SUBTITLE D—REPORTS

Section 331—Report on Nuclear Attack Submarine Depot Maintenance

This section would require the Secretary of the Navy to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by February 1, 2007, on criteria used when a nuclear attack submarine is sent for maintenance to a facility other than a facility located at the homeport of the submarine.

Section 332—Report on Navy Fleet Response Plan

This section would require the Secretary of the Navy to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by December 1, 2006, on the Navy Fleet Response Plan. The committee expects the report would include assessments from senior enlisted officers, for example chief engineers and command master chiefs, who served on aircraft carriers, destroyers and cruisers that participated in the Fleet Response Plan regarding the following:

- (1) material condition of the ship;
- (2) maintenance of the ship;
- (3) en-route training;
- (4) professional development training available on the ship;
- (5) combat skill training;
- (6) personnel assignments and manning;
- (7) retention of personnel; and
- (8) suggestions for improvement.

This section would also require the Comptroller General to submit a review of the Secretary of the Navy report to the Senate Committee on Armed Services and the House Committee on Armed Services that includes a recommendation on the extension of the Fleet Response Plan to expeditionary strike groups by March 15, 2007. Finally, this section would postpone the expansion of the Fleet Response Plan beyond the carrier strike groups until October 1, 2007.

The committee has concerns regarding expansion of the Fleet Response Plan to other ships beyond those in a carrier strike group. The committee notes the Navy has neither fully tested and evaluated the Fleet Response Plan nor formally implemented the required operational, training and personnel directives to manage this program.

Section 333—Report on Navy Surface Ship Rotational Crew Programs

This section would require the Secretary of the Navy to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by April 1, 2007, on ship rotational crew experiments. This section would also require the Comptroller General to submit an assessment of the Secretary of Navy's report to the Senate Committee on Armed Services and the House Committee on Armed Services by July 15, 2007.

This section would further require the Director of the Congressional Budget Office to submit a report to the Senate Committee

on Armed Services and the House Committee on Armed Services that examines long-term benefits and costs of surface ship crew rotational programs by July 15, 2007. Finally, this section would postpone the implementation of any new surface ship rotational crew experiment or program until October 1, 2009.

The committee is concerned about the expansion of the surface ship rotation crew program formally known as Sea Swap to other surface ships. Potential disadvantages of Sea Swap include extensive wear and tear on the deployed ship due to a lengthy period of time at sea, reduced sense of crew ownership of a given ship, reduced opportunities for transit port calls and a negative impact on crew morale and retention.

Section 334—Report on Army Live-Fire Ranges in Hawaii

This section would require the Secretary of the Army to submit a report to Congress by March 1, 2007, on the adequacy of live-fire training facilities in the state of Hawaii in relation to current and future training requirements, and plans for modifications or additions to the live-fire training infrastructure in Hawaii.

Section 335—Comptroller General Report on Joint Standards and Protocols for Access Control Systems at Department of Defense Installations

This section would require the Comptroller General to submit a report to the Senate Committee Armed Services and the House Committee on Armed Services within one year of enactment of this Act, on joint standards and protocols for access control systems at Department of Defense (DOD) installations. The report would contain an assessment of whether the establishment of joint standards and protocols for access control at DOD installations would improve access control across all installations by providing greater consistency and improved force protection.

Section 336—Report on Personnel Security Investigations for Industry and National Industrial Security Program

This section would require the Secretary of Defense to submit, within 90 days of enactment, a report on the future requirements of the Department of Defense with respect to the Personnel Security Investigations for Industry and the National Security Investigations for Industry Security Program of the Defense Security Service. The report would be delivered to the congressional defense committees, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

This report would include an accounting of clearance investigations completed, the number of each type of clearance granted, the unit cost of each clearance granted, the unit cost to the Department of Defense of each security clearance granted, the amount of any fee or surcharge paid by the Office of Personnel Management as a result of conducting a personnel security clearance investigation, a description of the procedures used to estimate future investigations to be performed, and a plan for meeting increased demand of clearances. It would also require subsequent semi-annual reports on future funding requirements, backlog size, and progress toward meet-

ing implemented changes in the investigation process. Lastly, it would require the Government Accountability Office to examine the Department's plan and to conduct an independent assessment after the initial report is submitted by the Department of Defense.

The Committee recommends that the Office of Management and Budget further open and extend its review and reform efforts for the security clearance process to include the appropriate external expert sources such as defense contractors, academic institutions, workforce providers, and research and development organizations to provide intelligence and resources to assist in the development of a new clear human capital management system, as current process does not fully address the needs and impacts of the institutions and organizations outside of the federal government and related agencies.

The committee is disappointed by an announcement that the Defense Security Service has suspended the processing of new clearances and is concerned about the potential impact on national security and the defense industrial base. The committee is concerned by the Defense Security Service's failure to warn Congress of this failure in advance so that the problem might have been averted. The committee remains committed to finding a solution to the problem of clearance investigations as soon as possible.

SUBTITLE E—OTHER MATTERS

Section 341—Department of Defense Strategic Policy on Prepositioning of Materiel and Equipment

This section would amend chapter 131 of title 10, United States Code, to require the Secretary of Defense to establish a comprehensive approach to Department of Defense (DOD) prepositioning programs. This section would also limit the diversion of materiel and equipment from prepositioned stocks except for the purpose of supporting a contingency operation, or in accordance with a change to the prepositioning policy required under this section. This section would require the Secretary to notify the congressional defense committees before implementing or changing the prepositioning policy. Finally, this section would require the Secretary to establish the prepositioning policy within six months after the enactment of this Act.

The committee recognizes that prepositioned materiel offers significant strategic flexibility, as demonstrated in Operation Iraqi Freedom. The committee is concerned, however, that there is a lack of clear DOD policy to guide the prepositioning programs of the services. Furthermore, the committee notes that the Secretary of Defense has failed to report on DOD prepositioned equipment and materiel as required in section 1046 of the Ronald W. Reagan National Defense Authorization Act of Fiscal Year 2005 (Public Law 108-375).

Additionally, the committee is discouraged by recent decisions regarding Army prepositioned stocks. For example, the Army recently programmed the download of an entire brigade set from its afloat prepositioned combat capability. Furthermore, the Government Accountability Office (GAO) testified before the Subcommittees on Readiness and Tactical Air and Land Forces on March 30, 2006, that the Army is making plans to reduce its contractor workforce

in Charleston, South Carolina, where it performs the maintenance on its afloat stocks. GAO also noted that the Army has a large military construction project well underway at a site in Italy, but the Army's draft prepositioning strategy identifies no significant prepositioning mission in Europe. The committee believes these recent changes to the Army prepositioning program, together with the continued challenge of maintaining the combat capability of the Army prepositioned stocks in Korea and Southwest Asia, contribute to a severe underinvestment in these assets.

Section 342—Authority to Make Department of Defense Horses Available for Adoption at End of Useful Working Life

This section would amend section 2583 of title 10, United States Code to include horses owned by the Department of Defense. The committee notes that currently private adoption of caisson horses from the 1st Battalion, 3rd United States Infantry Regiment is prohibited. The committee notes the contributions of these animals and their service to the public good.

Section 343—Sale and Use of Proceeds of Recyclable Munitions Materials

This section would authorize the Secretary of the Army to establish a separate program to sell recyclable munitions materials resulting from the demilitarization of conventional military munitions such as brass, scrap metal, propellants, and explosives. Furthermore, this section would credit the proceeds from the sales to the funds available to the Army for reclamation, recycling, and reuse of conventional military munitions. This process would be consistent with the Solid Waste Disposal Act, commonly referred to as the Resource Conservation and Recovery Act (42 U.S.C. 6901 *et seq.*) and its implementing regulations.

Section 344—Capital Security Cost Sharing

This section would require the Secretary of Defense to perform an annual accounting of Department of Defense (DOD) overseas staffing requirements in order to reconcile cost-sharing fees levied by the Secretary of State, in accordance with section 629(e)(1) of the Consolidated Appropriations Act, 2005 (Public Law 108-447).

Section 345—Prioritization of Funds Within Navy Mission Operations, Ship Maintenance, Combat Support Forces, and Weapons System Support

This section would require the Secretary of Navy to ensure that 100 percent of the requirements for steaming days per quarter for deployed and non-deployed ship operations and 100 percent of the projected ship and air depot maintenance workload are funded before funds appropriated to the Department of Navy for operation and maintenance may be expended for the Navy Expeditionary Combat Command. This section would also require the Secretary of Navy to submit a report with the annual budget request that certifies these requirements are fully funded.

The committee is aware that the Department of Navy has funded ship and air operations and depot maintenance below the oper-

ational requirements. For example, ship operation funding for deployed ships was funded at 71 percent of the requirement. Accordingly, carrier strike groups and expeditionary strike groups will be unable to fully execute missions in their assigned area of responsibility.

Against this backdrop, the committee has learned that the Department of Navy has expanded its role and function to ground and river combat missions. The Navy Expeditionary Combat Command was established on January 13, 2006, in order to expand the Navy's capabilities for participating in the global war on terrorism. The Navy will deploy Riverine Group 1 to patrol the waterways of Baghdad, Iraq in 2007. At the moment, these sailors have no boats, no manuals, and no past mission to draw experience from before they engage in combat operations.

While the committee understands the Department of Navy's desire to expand its role from the sea to the river and land, we have concerns that the traditional role and mission of the Navy is not being adequately funded.

Section 346—Prioritization of Funds Within Army Reconstitution and Transformation

This section would require the Secretary of the Army to fully fund in each fiscal year after fiscal year 2007 the reset of equipment used in the global war on terrorism, the fulfillment of equipment requirements for units transforming to modularity, and the reconstitution of prepositioned stocks. This section would require the Secretary to submit a report to the congressional defense committees at the time the budget request is transmitted to Congress. This report would provide information on the funding priorities described in this section and would be required annually until the requirements of these priorities are met. This section would also limit to \$2.85 billion the funds to be appropriated in any fiscal year after fiscal year 2007 for the Future Combat Systems (FCS) until the funding priorities described in this section are met in that fiscal year. If the Army does not meet this requirement, this section would require funds that were not expended for FCS to be used for the identified funding priorities.

For the purposes of this section, the requirements of the identified funding priorities shall be based on the following guidelines. The Army has testified, based on equipment combat losses and battle damage, that the amount needed in fiscal year 2006 to repair, recapitalize, and replace equipment used in the global war on terrorism is \$13.5 billion. The committee is also aware that a recent cost estimate to payback equipment to the reserve component in accordance with Department of Defense Directive 1225.6 is \$4.8 billion. The committee assumes that the current use of equipment in Operation Iraqi Freedom and Operation Enduring Freedom will continue at the same level as experienced in fiscal year 2006. Therefore, the committee calculates that at least \$72.3 billion over the fiscal year 2008 Future Years Defense Program would be required to adequately fund equipment reset in both the active and reserve components.

The committee considers the equipment requirements for units transforming to modularity to be those that were described in the Modular Force Initiative report submitted to Congress in March

2006. Additionally, the committee expects the Army to include the procurement of M1A2 Abrams SEP tanks and Bradley Fighting Vehicle A3s in the funding requirements for modularity. The cost estimate for equipment requirements for modularity stated in this section includes this additional requirement.

The committee also considers the requirement for the reconstitution of Army Prepositioned Stocks (APS) to be consistent with the materiel configuration outlined in APS Strategy 2012 or a subsequent strategy created in accordance with section 2229 of title 10, United States Code, a section added to title 10 in another section of this Act.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

OVERVIEW

The committee continues to believe that the manpower levels in the budget request for the active components of the Army and the Marine Corps are too low for the requirements placed on those services by the national security strategy. Beginning with the National Defense Authorization Act for Fiscal Year 2003, as passed by the House of Representatives, the committee has recommended active end strength levels, especially for the Army, greater than those requested. Similarly, the committee's recommendations for fiscal year 2007 increase the active Army end strength by six percent, and the Marine Corps end strength by nearly three percent above the budget request. In recognition of the integral roles and missions performed by the reserve components, the committee commends and supports the decision by the Secretary of the Army and the chief of staff of the Army to request an Army National Guard end strength of 350,000, and recommends an increase of \$789.0 million in Army National Guard personnel, operations and maintenance, defense health and procurement accounts to support the Army leadership's request.

LEGISLATIVE PROVISIONS

SUBTITLE A—ACTIVE FORCES

Section 401—End Strengths for Active Forces

This section would authorize the following end strengths for active duty personnel of the armed forces as of September 30, 2007:

Service	FY 2006 authorized	FY 2007		Change from	
		Request	Committee recommendation	FY 2007 request	FY 2006 authorized
Army	512,400	482,400	512,400	30,000	0
Navy	352,700	340,700	340,700	0	-12,000
USMC	179,000	175,000	180,000	5,000	1,000
Air Force	357,400	334,200	334,200	0	-23,200
DOD	1,401,500	1,332,300	1,367,300	35,000	-34,200

The authorizations contained in this section for the Army and Marine Corps exceed by 30,000 and 5,000 respectively the end