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# Defense: FY2011 Authorization and Appropriations

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## Summary

The President's FY2011 budget request, released February 1, 2010, requested authorization of \$725.9 billion in new budget authority in the FY2011 National Defense Authorization Act. In addition to \$548.9 billion for the regular (non-war) operations of the Department of Defense (DOD), the authorization request included \$159.3 billion for ongoing military operations in Afghanistan and Iraq, bringing the total DOD request for FY2011 to \$708.2 billion. The request also included \$17.7 billion for defense-related activities of the Department of Energy.

The President's FY2011 DOD appropriations request, totaling \$709.0 billion, was accompanied by a request for a supplemental FY2010 DOD appropriation of \$33.7 billion. The supplemental request included \$33.0 billion for war costs and \$655 million to pay DOD's share of the cost of humanitarian relief operations in Haiti, struck on January 12, 2010, by a devastating earthquake.

The \$548.9 billion appropriation requested for DOD's so-called "base budget"—that is, all activities other than war costs—was \$18.2 billion higher than the amount appropriated for DOD non-war costs in FY2010. By DOD's estimate, this 3.4% increase would have amounted to a "real" increase of 1.8% in purchasing power, after taking into account the cost of inflation.

On May 28, 2010, the House passed H.R. 5136, the National Defense Authorization Act for FY2011, which would have authorized \$725.9 billion for DOD and other defense-related activities, a reduction of less than \$3 million from the Administration's request for programs covered by that legislation. The House bill would have added to the budget \$485 million to continue development of the alternate engine for the Joint Strike Fighter (JSF), despite warnings by Defense Secretary Robert H. Gates that he would recommend a veto of any bill that would continue that project. An amendment adopted by the House would have repealed a 1993 law that, in effect, bars from military service those who are openly homosexual.

On June 4, 2010, the Senate Armed Services Committee reported its version of the FY2011 National Defense Authorization Act (S. 3454; S.Rept. 111-201), which would have authorized \$725.7 billion for DOD and other defense-related activities, a reduction of \$240.7 million from the Administration's request. The committee bill would have repealed the "don't ask, don't tell" law and it would not add funds for the JSF alternate engine. Controversy over the "don't ask, don't tell" repeal and other provisions blocked Senate action on S. 3454 for months.

Meanwhile, informal negotiations among senior members of the House and Senate Armed Services Committees produced a compromise bill, the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (H.R. 6523). This bill was cleared for the President on December 22, 2010, and was signed by the President on January 7, 2011 (P.L. 111-383). The enacted defense authorization bill included no provision relating to the "don't ask, don't tell" policy, which was repealed by separate legislation (H.R. 2965; P.L. 111-321).

Neither the House nor the Senate passed any FY2011 appropriations bills before the fiscal year began on October 1, 2010, so DOD—like other federal agencies—was funded through the first six months of FY2011 by a series of continuing resolutions. The legislative battle over the FY2011 budget wound up on April 15, 2011, when the President signed H.R. 1473 (P.L. 112-10), funding Defense and other agencies through the balance of FY2011. For DOD, the bill provided a total of \$688.6 billion, which is \$20.4 billion less than the President's request. The bill included no funds for the JSF alternate engine.

# Contents

Most Recent Developments.....	1
FY2011 National Defense Authorization Act.....	2
Status of Legislation.....	4
FY2011 National Defense Budget Overview (Budget Function 050).....	5
FY2011 War Costs and FY2010 Supplemental.....	6
Real Growth and “Security Agencies”.....	7
FY2011 DOD Base Budget.....	8
Projected Growth Rate and Proposed Efficiencies.....	10
Defense Budget as Share of Gross Domestic Product (GDP).....	13
Long-term Planning: Strategies and Budgets.....	14
FY2011 Base Budget Highlights and Potential Issues.....	16
Military Personnel.....	17
Military Pay Raise.....	18
Don’t Ask, Don’t Tell.....	19
Military Health Care Costs.....	20
Procurement and R&D.....	21
Army Combat Force Modernization Programs.....	22
Navy Force Structure and Shipbuilding Plans.....	22
Aircraft Programs.....	25
Ballistic Missile Defense.....	27
Military Construction.....	28
Aircraft Carrier Homeport.....	28
Marine Corps Relocation to Guam.....	29
US CYBERCOM.....	29
State Department Role in Security Assistance.....	30
Bill-by-Bill Synopsis of Congressional Action to Date.....	32
FY2011 National Defense Authorization Act (H.R. 5136, S. 3454, H.R. 6523).....	32
Military Personnel Issues (Authorization).....	34
Sexual Assault.....	35
Medical Care (Authorization).....	36
Fort Hood Shooting Incident.....	36
Ballistic Missile Defense, Strategic Weapons, and the New START Treaty (Authorization).....	37
Shipbuilding (Authorization).....	38
Aircraft (Authorization).....	40
Ground Combat Vehicle and Brigade Combat Team Modernization (Authorization).....	42
Military Construction: Carrier Homeport and Guam (Authorization).....	42
Guantanamo Bay Detainee Issues.....	43
Security Assistance and the State Department (Authorization).....	43
Cybersecurity (Authorization).....	45
FY2011 Congressional Budget Ceilings (“302b Allocations”).....	45
FY2011 Defense Appropriations Bill.....	46
Military Personnel and Medical Care Issues (Appropriations).....	49
Missile Defense and Strategic Strike (Appropriations).....	49

Shipbuilding (Appropriations) .....	50
Aircraft (Appropriations) .....	50
Ground Combat Vehicles (Appropriations) .....	50

## Figures

Figure 1. Total DOD Appropriations, FY2001-FY2011 .....	9
Figure 2. DOD Budget (Excluding Post-9/11 War Costs), FY1948-FY2014 .....	10
Figure 3. Proposed Spending Categories Relevant to a Budget ‘Freeze’ .....	13
Figure 4. DOD Appropriations as Share of GDP, FY1976-2015 .....	14
Figure 5. Authorized Active Duty End Strength, FY1987-FY2011 .....	18

## Tables

Table 1. Summary: DOD Funding in the FY2011 National Defense Authorization (H.R. 5136, S. 3454, H.R. 6523) .....	3
Table 2. National Defense Authorization Act, FY2011 (H.R. 5136; S. 3454; H.R. 6523) .....	4
Table 3. FY2011 DOD Appropriations Bill (S. 3800; H.R. 1473) .....	4
Table 4. FY2011 National Defense Budget Request (Function 050) .....	5
Table 5. FY2009-FY2011 DOD Discretionary Appropriations (Including Military Construction and DOD Family Housing) .....	6
Table 6. DOD War Funding, FY2001-FY2011 Request .....	7
Table 7. Security Agency and Non-security Agency Discretionary Budget Authority Enacted and Requested, FY2009-FY2011 .....	8
Table 8. Projected and Alternative DOD Base Budgets, FY2011-FY2015 .....	11
Table 9. Defense Outlays as Share of GDP, FY2008-FY2011 .....	14
Table 10. DOD Base Budget Discretionary Funding Request by Title. FY2010-FY2011 .....	17
Table 11. FY2011 National Defense Authorization Act (H.R. 5136, S. 3454, H.R. 6523) .....	33
Table 12. FY2011 Appropriations Subcommittee Discretionary Spending Ceilings (“302(b) Allocations”) .....	46
Table 13. FY2011 Department of Defense Appropriations (unnumbered House Defense Appropriations Subcommittee draft bill; S. 3800; H.R. 1473) .....	48
Table A-1. FY2011 National Defense Authorization Act (by account) .....	51
Table A-2. Congressional Action on Selected FY2011 Missile Defense Funding: Authorization .....	58
Table A-3. Congressional Action on Selected FY2011 Missile Defense Funding: Appropriations .....	61
Table A-4. Congressional Action on Selected FY2011 Army and Marine Corps Programs: Authorization .....	65
Table A-5. Congressional Action on Selected FY2011 Army and Marine Corps Programs: Appropriation .....	67

Table A-6. Congressional Action on Selected FY2010 Shipbuilding Programs:  
Authorization..... 69

Table A-7. Congressional Action on Selected FY2011 Shipbuilding Programs:  
Appropriations..... 70

Table A-8. Congressional Action on Selected FY2010 Navy, Marine Corps and Air Force  
Aircraft Programs: Authorization..... 72

Table A-9. Unmanned Aerial Vehicles (UAVs) ..... 75

Table A-10. Congressional Action on Selected FY2011 Navy, Marine, and Air Force  
Aircraft Programs: Appropriation ..... 76

## **Appendixes**

Appendix. Selected Program Summary Tables ..... 51

## **Contacts**

Author Information..... 80

## Most Recent Developments

Until FY2011 was more than half over, the Department of Defense (DOD)—like all other federal agencies that depend on appropriated funds—was funded by a series of continuing resolutions which, in general, allowed the agencies to keep spending money at what had been their rate of expenditure during FY2010. These temporary funding measures also included some restrictions on agencies’ activities, including a prohibition on the start of any new programs unless specifically allowed for.

On April 15, 2011, the President signed an omnibus funding bill for the balance of FY2011 (H.R. 1473; P.L. 112-10), which incorporated a fully detailed FY2011 DOD appropriations bill providing a total of \$659.9 billion for all DOD activities except military construction.<sup>1</sup> This amounted to a reduction of \$18.2 billion from the total the President had requested for the FY2011 DOD appropriations bill.

For DOD’s military construction budget, which is funded in a separate appropriations bill that also pays for the Department of Veterans Affairs and certain other agencies, H.R. 1473 provided \$17.8 billion, a reduction of \$2.2 billion from the President’s request.

### Military Construction Appropriations Report

This report deals with military construction issues raised by the annual defense authorization act. However, for an analysis of military construction appropriations issues, see CRS Report R41345, *Military Construction, Veterans Affairs, and Related Agencies: FY2011 Appropriations*, by Daniel H. Else, Christine Scott, and Sidath Viranga Panangala.

As enacted, the section of H.R. 1473 that corresponded to a regular, annual DOD appropriations bill incorporated \$4.4 billion worth of reductions to the President’s request that were applied to broad categories of spending rather than to specific programs, including:

- \$2.0 billion rescinded from DOD funds appropriated for prior fiscal years;<sup>2</sup>
- A total of \$1.5 billion cut proportionately from every project and program funded by the bill’s accounts for Operations and Maintenance, Procurement, and Research and Development;
- \$723 million from the total appropriated for civilian pay; and
- \$125 million from the total appropriated for federally funded research and development corporations (FFRDCs) such as RAND.

The bill also made significant reductions to the amounts requested for some major weapons programs, including:

- \$1.7 billion cut from the \$10.2 billion requested for continued development and production of the F-35 Joint Strike Fighter;

<sup>1</sup> In addition to the amounts appropriated for DOD in this bill the total amount appropriated for DOD in FY2011 included \$10.9 billion for the accrual payments that fund the so-called “Tricare for Life” program which extends coverage under the military health care program to Medicare-eligible military retirees and their dependents. The annual Tricare for Life accrual payment, based on actuarial calculations, is made on the basis of a permanent appropriation, rather than as an element of the annual appropriations bill. For FY2011, the total appropriated for DOD—including the Tricare for Life accrual payment and military construction funds, was \$688.6 billion.

<sup>2</sup> Funds appropriated in prior years that are rescinded are used to partly offset the cost of newly appropriated programs; Thus, they reduce the amount of the new budget authority required by the bill.

- \$473 million from the \$934 million requested for a new ground combat vehicle for the Army; and
- \$325 million cut from the \$864 billion requested to develop a new mid-air refueling tanker for the Air Force.

The hundreds of cuts to the President's DOD budget made by H.R. 1473 were partly offset by some 226 instances in which the bill added funds to the request.<sup>3</sup> Among the amounts the bill added to the budget request are:

- \$495.0 million for nine F/A-18E/F Navy strike fighters,
- \$1.38 billion for equipment for the National Guard and reserve components;
- \$661.7 million for various medical research programs;
- \$523.2 million to foster innovative research;
- \$293.2 million for Israeli missile defense systems; and
- \$165.0 million to increase funding for the Military Career Advancement Account (MyCAA) program, which provides tuition assistance to the spouses of service members;

The bill did not add funds to continue development of an alternate engine for the F-35 Joint Strike Fighter.

## **FY2011 National Defense Authorization Act**

The version of the FY2011 National Defense Authorization Act passed May 28 by the House (H.R. 5136; H.Rept. 111-491) would have authorized \$725.9 billion for DOD and other defense-related activities, which was \$2.7 million less than the Administration requested. The version of the bill reported by the Senate Armed Services Committee on June 4, 2010, (S. 3454; S.Rept. 111-201), would have authorized \$725.7 billion, a reduction of \$240.7 million from the Administration's request.

The Senate did not act on this version of bill, partly because of opposition to a provision that would have repealed a 1993 law (10 U.S.C. 654) that, in effect, had barred from military service those who are openly homosexual, establishing a policy colloquially referred to as "don't ask, don't tell." S. 3454 was set aside after the Senate, on December 9, 2010, rejected a motion to invoke cloture on motion to begin consideration of the bill. The vote was 57-40 in favor of invoking cloture, which would have required 60 "yea" votes.

Members of the House and Senate Armed Services Committees negotiated a compromise version of the authorization bill (H.R. 6523), which dropped the provision relating to the "don't ask; don't tell" policy and which was cleared for the President on December 22, 2010. The President signed the bill on January 7, 2011 (P.L. 111-383).

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<sup>3</sup> This is about one-eighth the number of additions Congress has made to DOD budget requests for the past few years. According to a database of congressional earmarks in appropriations bills, which is maintained by the Office of Management and Budget, there were 2,085 earmarks in the defense appropriations bill for FY2008, 2,084 in the bill for FY2009, and 1,758 in the FY2010 bill. See OMB, "FY2010 Earmarks by Appropriations Subcommittee" accessed at <http://earmarks.omb.gov/earmarks-public/2010-appropriations-by-spendcom/summary.html>.

**Table I. Summary: DOD Funding in the FY2011 National Defense Authorization (H.R. 5136, S. 3454, H.R. 6523)**

(amounts in billions of dollars of discretionary budget authority)

	Administration request for Authorization	House-passed H.R. 5136 5/28/11	Senate committee- reported S. 3454 6/4/10	H.R. 6523 Enacted (P.L. 111-383) 1/7/2011
Base Budget	548.871	548.869	550.314	548.055
War Costs (“Overseas Contingency Operations”)	159.336	159.335	157.648	158.750
Total	708.207	708.204	707.962	706.805

**Sources:** House Armed Services Committee, Report to Accompany H.R. 5136, the National Defense Authorization Act for Fiscal Year 2011, H.Rept. 111-491; Senate Armed Services Committee, Report to Accompany S. 3454, the National Defense Authorization Act for Fiscal Year 2011, S.Rept. 111-201. House Armed Services Committee Print, HASC No. 6, Ike Skelton National Defense Authorization Act for Fiscal Year 2011, Legislative Text and Joint Explanatory Statement, to accompany H.R. 6523, P.L. 111-383.

**Notes:** These amounts include funding for military construction and DOD family housing, but exclude funds authorized by the bill for defense-related nuclear energy programs conducted by the Department of Energy and certain other defense-related federal activities outside of DOD that the federal budget includes in budget function 050 (“national defense”). A summary table including all authorizations in the bill is printed as **Selected Program Summary Tables, Table A-1.**

Totals may not add due to rounding.

Both the versions of the authorization passed by the House and Senate generally supported the Administration’s budget request. In particular, both versions—and the enacted H.R. 6523—supported President Obama’s position by not adding to the budget funds to continue production of the C-17 long-range cargo plane.

On two other high profile issues, the original House-passed bill challenged Administration positions that were backed by the original Senate bill:

- authorizing a 1.9% increase in basic pay for military personnel instead of the 1.4% increase requested by the President, which was authorized by the Senate bill; and
- authorizing \$485 million not requested in the budget to continue development of an alternate jet engine for the F-35 Joint Strike Fighter, a project the Bush and Obama Administrations both have tried to terminate.

The enacted version of the FY2011 bill, H.R. 6523, authorized the 1.4% basic pay raise, as requested, and \$485 million for the alternate engine for the F-35.



## Status of Legislation

**Table 2. National Defense Authorization Act, FY2011 (H.R. 5136; S. 3454; H.R. 6523)**

House Report	House Passage	Senate Report	Senate Passage S. 3454	Conf. Report	H.R. 6523		Public Law
	H.R. 5136				House Passage	Senate Passage	
H.Rept. 111-491 5/21/10	229-186 5/28/10	S.Rept. 111-201 6/4/10	--	--	341-48 12/17/10	u/c 12/22/10	P.L. 111-383 1/7/11

**Note:** In lieu of a conference report on the enacted version of the bill (H.R. 6523), see House Armed Services Committee Print HASC No. 5, *Legislative Text and Joint Explanatory Statement to Accompany H.R. 6523*, December, 2010.

**Table 3. FY2011 DOD Appropriations Bill (S. 3800; H.R. 1473)**

Subcommittee Markup							FY2011 Continuing Resolution (H.R. 1473) Passage		
House (draft bill)	Senate (S. 3800)	House Report	House Passage	Senate Report (S. 3800)	Senate Passage	Conf. Report	House	Senate	Public Law
9/27/10	9/14/10	--	--	S.Rept. 111-295 9/16/10	--	--	260-167 4/14/11	81-19 4/14/11	P.L. 112-10 4/15/11

**Note:** Division A of the FY2011 continuing resolution (H.R. 1473) is a complete DOD appropriations bill. Since the final version of the bill was negotiated without a formal conference, there is no conference report. Nor is there a Joint Explanatory Statement discussing the legislative intent behind provisions of the bill. The text of the agreed on bill as well as detailed funding tables are printed in the "Department of Defense and Full-Year Continuing Appropriations Act, 2011," *Congressional Record*, daily edition, vol. 157, number 55 (April 14, 2011), pp. H2697-H2788.

## FY2011 National Defense Budget Overview (Budget Function 050)

The President’s FY2011 budget request, released February 1, 2010, included \$738.7 billion in new budget authority for the so-called “national defense” function of the federal government (function 050), which includes the military activities of the Department of Defense (DOD) and defense-related activities of other agencies, the largest component of which is Energy Department work related to nuclear weapons and nuclear powerplants for warships.<sup>4</sup>

Of that total, \$733.3 billion is discretionary spending, most of which requires an annual appropriation.<sup>5</sup> The FY2011 budget for the 050 function also includes a net sum of \$5.3 billion in mandatory spending, the largest share of which is for military retirees who are authorized to receive “concurrent receipt” of their full military pension and a disability pension from the Department of Veterans Affairs (Table 4).<sup>6</sup>

**Table 4. FY2011 National Defense Budget Request (Function 050)**  
(amounts are in billions of dollars)

	Discretionary	Mandatory	Total
Department of Defense, Base Budget	548.9	3.9	552.8
Department of Defense, war costs	159.3	0	159.3
Other “national defense” activities	25.2	1.4	26.6
Total	733.4	5.3	738.7

**Source:** Office of the Undersecretary of Defense (Comptroller), *National Defense Budget Estimates for FY2011* (“The Green Book”), March 2010, Table I-9, “National Defense Budget Authority-Function 050,” pp. 14-15.

In addition to \$548.9 billion requested for the regular (non-war) operations of the Department of Defense (DOD) in FY2011, the budget request included \$159.3 billion for ongoing military operations, primarily funding the campaigns in Afghanistan and Iraq, bringing the total DOD request for FY2011 to \$708.3 billion. The Administration also requested \$33 billion in supplemental DOD appropriations for FY2010 war costs, in order to cover the cost of the President’s decision, announced on November 30, 2009, to deploy an additional 30,000 troops to Afghanistan. This “surge” would bring to 98,000 the total number of U.S. troops in that country in FY2011. Added to the funds previously appropriated for war costs in the FY2010 DOD appropriations bill enacted December 19, 2009 (H.R. 3326/P.L. 111-118), the requested supplemental funds would bring the total amount appropriated for FY2010 war costs to \$162.6 billion (Table 5).

<sup>4</sup> Civil works activities of the Army Corps of Engineers are not included in the “national defense” budget function.

<sup>5</sup> Accrual payments to support medical care for military retirees under the so-called Tricare-for-Life program are counted as discretionary spending, but are funded under a permanent appropriation.

<sup>6</sup> Mandatory spending for concurrent receipt and other activities is partially offset by various receipts and income from trust funds.

**Table 5. FY2009-FY2011 DOD Discretionary Appropriations  
(Including Military Construction and DOD Family Housing)**  
(amounts in billions of dollars)

	<b>FY2009 Enacted</b>	<b>FY2010 Enacted</b>	<b>FY2010 Supplemental Request</b>	<b>FY2011 Requested</b>
Base Budget	513.1	530.7	n/a	548.9
“Economic Stimulus” package	7.4	n/a	n/a	n/a
War Costs/Overseas Contingency Operations	145.8	129.6	33.0	159.3
Haiti Relief Operations	n/a	n/a	.7	n/a
<b>Total</b>	<b>666.3</b>	<b>660.3</b>	<b>33.7</b>	<b>708.3</b>

**Sources:** CRS calculations based on *National Defense Budget Estimates for FY2011* (“The Green Book”). Office of the Undersecretary of Defense (Comptroller), March 2010, Table I-9, “National Defense Budget Authority-Function 050,” pp. 14-15 and CRS Report R40531, *FY2009 Spring Supplemental Appropriations for Overseas Contingency Operations*, coordinated by Stephen Daggett and Susan B. Epstein, Table F-1, pp. 62-72. Totals may not add due to rounding.

**Note:** Base budget amounts include accrual payments to support medical care for military retirees under the so-called Tricare-for-Life program, which is discretionary spending, but is funded pursuant to a permanent appropriation.

### FY2011 War Costs and FY2010 Supplemental

The Administration’s \$159.3 billion request for war costs in FY2011 was roughly \$3 billion lower than the FY2010 war budget (including the pending supplemental request that would increase the FY2010 amount by \$33 billion). For the third year in a row, the budget request reflected a shift in emphasis from operations in Iraq to those in Afghanistan (**Table 6**).

**Table 6. DOD War Funding, FY2001-FY2011 Request**

(in billions of dollars and shares of total)

	<b>Total: FY2001- FY2008</b>	<b>FY2009</b>	<b>FY2010 Enacted in 2009</b>	<b>FY2010 Supplemental Request</b>	<b>FY2010 Total with Supplemental as Enacted 7/27/10</b>	<b>FY2011 Request</b>
<b>IRAQ</b>						
Funding	\$553.5	\$92.0	\$59.6	\$1.0	\$60.6	\$45.8
Share of Total	78%	62%	46%	3%	38%	29%
<b>AFGHANISTAN</b>						
Funding	\$159.2	\$56.1	\$69.1	\$30.0	\$98.9	\$113.5
Share of Total	22%	38%	54%	97%	62%	71%
<b>TOTAL</b>						
Funding	\$712.7	\$148.2	\$128.7	\$31.0	\$159.5	\$159.3
Share of Total	100%	100%	100%	100%	100%	100%

**Source:** CRS Report R41232, *FY2010 Supplemental for Wars, Disaster Assistance, Haiti Relief, and Other Programs*, coordinated by Amy Belasco, based on Table 8-5 in DOD, *FY2011 Budget Request Overview*, February 1, 2010; [http://comptroller.defense.gov/defbudget/fy2011/FY2011\\_Budget\\_Request\\_Overview\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2011/FY2011_Budget_Request_Overview_Book.pdf).

**Notes:** CRS calculations exclude non-war funding in supplementals, and include funds from DOD’s regular budget used for war needs.

**War Funding**

For an analysis of some issues raised by the Administration’s funding request for military operations in Iraq and Afghanistan and for congressional action on the FY2010 supplemental appropriations request for war costs, see CRS Report R41232, *FY2010 Supplemental for Wars, Disaster Assistance, Haiti Relief, and Other Programs*, coordinated by Amy Belasco. For further information on war costs, see CRS Report RL33110, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*, by Amy Belasco.

**Haiti Operations Supplemental**

On March 24, 2010, the Administration amended its FY2010 DOD supplemental funding request to include an additional \$655 million to pay for humanitarian relief operations in Haiti, which was struck on January 12, 2010, by a devastating earthquake. The DOD relief effort included the deployment of 18 Navy ships, 830 cargo flights and nearly 21,000 military personnel.

**Real Growth and “Security Agencies”**

DOD is one of the federal agencies the Administration has defined as “security agencies” that are exempt from the budget freeze on discretionary spending by non-security agencies. Compared with the amount appropriated for the DOD base budget in FY2010, the requested FY2011 base budget would be an increase of 3.4%, amounting to a 1.8% “real growth” in purchasing power (that is, taking account of the cost of inflation).

The budget request also would provide real growth in spending for other “security agencies”—a category that it defined as including the Department of State and “other international programs,”

the Departments of Veterans Affairs and Homeland Security and the National Nuclear Security Administration (NNSA) of the Department of Energy.<sup>7</sup>

In sum, the Administration requested \$719.2 billion for discretionary programs of the security agencies (excluding war costs), which is 5.2% more than was appropriated for those programs in FY2010. For non-security agencies—that is, all other discretionary programs—the Administration requested \$386.4 billion, a 1.5% decrease from their FY2010 appropriations (Table 7).

**Table 7. Security Agency and Non-security Agency Discretionary Budget Authority Enacted and Requested, FY2009-FY2011**

(amounts are in billions of dollars)

	FY2009 enacted		FY2010 enacted	FY2011 requested
	Regular Appropriations	American Recovery and Reinvestment Act (“Stimulus Package”)		
<b>Security Agencies</b>				
DOD (excluding war costs)	513.2	7.4	530.8	548.9
National Nuclear Security Administration (Department of Energy)	9.1	--	9.9	11.2
Department of Homeland Security	42.1	2.8	39.4	43.6
Department of Veterans Affairs	47.6	1.4	53.1	57.0
State and other International Programs	38.1	0.4	50.6	58.5
<b>Subtotal, Security Agencies</b>	<b>650.1</b>	<b>12.0</b>	<b>683.7</b>	<b>719.2</b>
<b>Subtotal, Nonsecurity Agencies</b>	<b>354.1</b>	<b>253.1</b>	<b>392.1</b>	<b>386.4</b>

**Source:** Office of Management and Budget, *The Budget for Fiscal Year 2011*, Table S-7, “Funding Levels for Appropriated (“Discretionary”) Programs by Agency,” pp. 130-31.

**Note:** Nonsecurity Agencies are all federal agencies not listed as “Security Agencies.”

## FY2011 DOD Base Budget

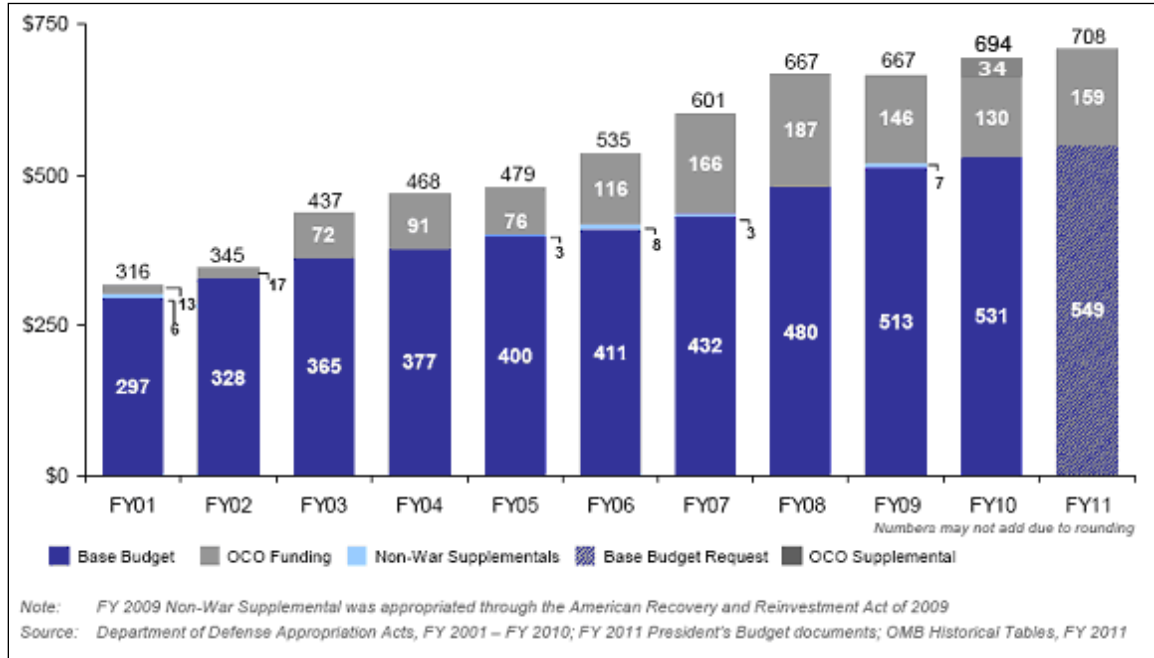
The \$548.9 billion requested for the FY2011 DOD base budget is \$18.2 billion higher than the \$531.0 billion appropriated for DOD non-war costs in FY2010. By DOD’s estimate, this 3.4% increase would provide a 1.8% increase in real purchasing power, after taking into account the

<sup>7</sup> For the Energy Department’s Nuclear National Security Agency (NNSA), which was designated as a “security agency” and, thus, exempt from its budget freeze, the Administration requested \$11.2 billion in FY2011, 13.5% more than was appropriated for the agency in FY2010. However, the Administration also requested \$6.5 billion for other defense-related Energy Department activities which OMB designates as part of the “National Security” function of the budget (Function 050) and which are covered by the annual National Defense Authorization Act, but which the Administration did not designate as “security agencies” that were exempt from the budget freeze. Office of Management and Budget, *Historical Tables, Budget of the U.S. Government, Fiscal Year 2011*, Table 5.1, “Budget Authority by Function and Subfunction, 1976-2015,” p. 94, and Department of Energy, “Summary Table: Budget by Appropriation,” accessed at <http://www.mbe.doe.gov/budget/11budget/Content/Aprprsum.pdf>.

cost of inflation. The request would continue the relatively steady upward trend in DOD base budgets since FY1998, which was the low-water mark of the post-Cold War retrenchment in defense funding (**Figure 1**).

**Figure 1. Total DOD Appropriations, FY2001-FY2011**

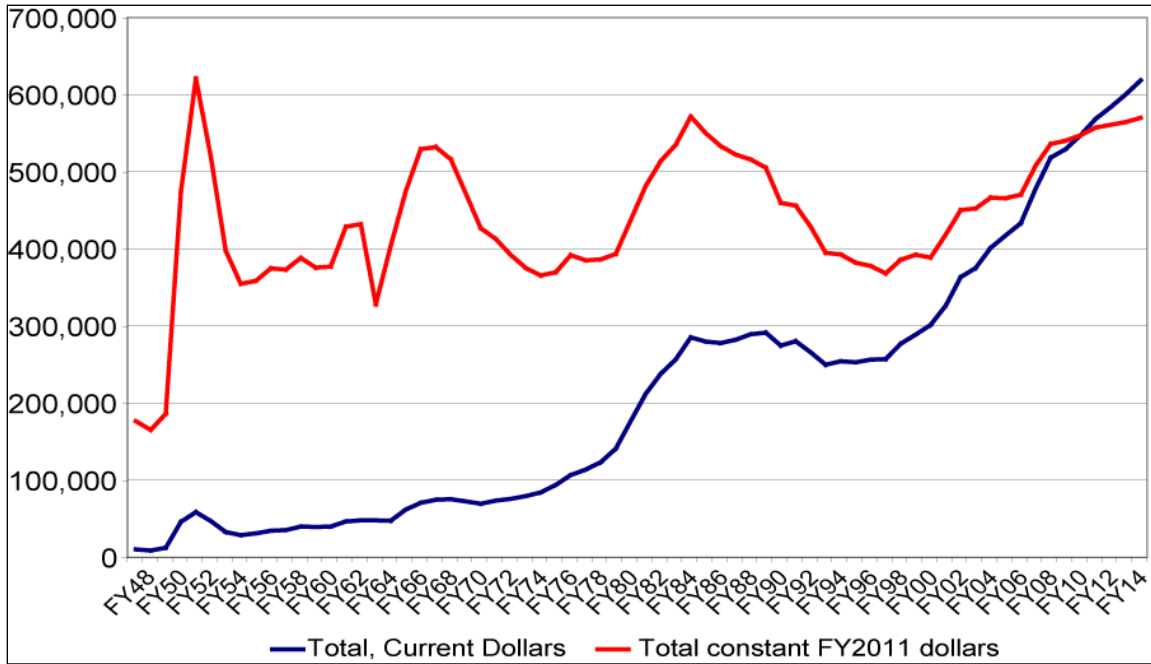
(dollars in billions)



**Source:** DOD; Briefing on the FY2011 Budget Request, February 2010, accessed at [http://comptroller.defense.gov/defbudget/fy2011/fy2011\\_BudgetBriefing.pdf](http://comptroller.defense.gov/defbudget/fy2011/fy2011_BudgetBriefing.pdf)

Adjusted for inflation (using DOD deflators), the requested FY2011 base budget would be DOD’s third largest since the end of the Korean War, after the amounts appropriated for FY1985 and FY1986 at the peak of the Reagan Administration’s defense buildup (**Figure 2**).

**Figure 2. DOD Budget (Excluding Post-9/11 War Costs), FY1948-FY2014**  
amounts in millions of dollars



**Source:** Office of the Undersecretary of Defense (Comptroller), *National Defense Budget Estimates for FY2011* (“The Green Book”), Table 6-8, “Department of Defense BA by Title,” pp. 109-114. Data for FY2001-FY2011 from CRS analysis based on distinction between base budget and war costs for those years in DOD; Briefing on the FY2011 Budget Request, February 2010 (see **Figure 1**, above).

**Notes:** Data for FY2010 and FY2011 based on Administration’s February 2010 budget request. Data for the FY1976 transition quarter are omitted.

## Projected Growth Rate and Proposed Efficiencies

For the four years following FY2011 (FY2012-FY2015), the Administration projects annual increases in the DOD base budget that would exceed inflation, on average, by 0.8%. This falls short of the 2% real growth rate that Defense Secretary Robert Gates said, in congressional testimony on May 14, 2009, would be needed to pay for the investments the Department planned to make through FY2015 (**Table 8**).<sup>8</sup>

<sup>8</sup>Transcript, Senate Armed Services Committee hearing on the FY2010 DOD budget request, May 14, 2009. Accessed at <http://www.cq.com/display.do?dockkey=/cqonline/prod/data/docs/html/transcripts/congressional/111/congressionaltranscripts111-000003117540.html@committees&metapub=CQ-CONGTRANSCRIPTS&searchIndex=1&seqNum=1>.

**Table 8. Projected and Alternative DOD Base Budgets, FY2011-FY2015**

(total budget authority, including mandatory, in billions of dollars)

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2011- FY2015, total
Administration Plan (current dollars)	552.8	570.1	585.7	601.8	620.2	2,930.6
Administration Plan (constant FY2011 dollars)	552.8	558.8	562.7	566.3	571.5	2,812.1
percent real growth	1.8%	1.1%	0.7%	0.6%	0.9%	n/a
Amount that would provide 2% real growth, compounded (current dollars)	553.9	576.4	600.0	624.6	650.7	3,005.6
Amount by which 2% real growth budget would exceed Administration Plan (current dollars)	1.1	6.3	14.3	22.8	30.5	75.0

**Source:** Office of the Undersecretary of Defense (Comptroller), *National Defense Budget Estimates for FY2011* (“The Green Book”), Table 6-8, “Department of Defense BA by Title,” p. 114. Data concerning 2% real growth rate are CRS calculations based on data in Table 6-8. Figures may not add due to rounding.

In a May 8, 2010, speech, Secretary Gates proposed bridging that gap between the cost of sustaining the current force and the budgets he expected in the future by reducing DOD’s overhead costs by \$10 billion annually, in order to sustain its current forces with the budgets he expected in the future, given the country’s current difficult economic circumstances. Sustaining the current force, Secretary Gates said, would require, “real growth in the defense budget ranging from two to 3% above inflation.... But, realistically, it is highly unlikely that we will achieve the real growth rates necessary to sustain the current force structure.”<sup>9</sup>

The solution Secretary Gates proposed was to shift funds within the budget, providing the necessary real growth in those accounts that directly support combat forces, but offsetting the additional cost by an equivalent reduction in spending for administrative and support activities such as personnel management, acquisition oversight, and DOD’s medical program. Phrased in terms of military jargon, Secretary Gates proposed increasing the amount spent on DOD’s fighting force—the “tooth”—by decreasing the amount spent on administrative and support functions—the “tail.”

The goal is to cut our overhead costs and to transfer those savings to force structure and modernization within the programmed budget: In other words, to convert sufficient “tail” to “tooth” to provide the equivalent of roughly two to three percent real growth.... Simply taking a few percent off the top of everything on a one-time basis will not do. These savings must stem from root-and-branch changes that can be sustained and added to over time.<sup>10</sup>

Citing an estimate by the Defense Business Board<sup>11</sup> that DOD’s tail absorbs roughly 40% of the department’s annual budget,<sup>12</sup> Gates told reporters that a shift of about \$10 billion from those

<sup>9</sup> Secretary Gates delivered this address at the Eisenhower Library in Abilene, Kansas. Office of the Assistant Secretary of Defense (Public Affairs), “Remarks as Delivered by Secretary of Defense Robert M. Gates, Abilene, KAS, May 8, 2010”, accessed at: <http://www.defense.gov/Speeches/Speech.aspx?SpeechID=1467>.

<sup>10</sup> Ibid.

<sup>11</sup> The Defense Business Board, is a federal advisory committee that provides management advice to the Secretary of Defense.

<sup>12</sup> Defense Business Board, *Report to the Secretary of Defense: Task Group Report on Tooth-to-Tail Analysis*, April



support functions to the part of the budget that directly supports combat units would provide a total real increase of about 3% in the “tooth”-related part of the FY2012 DOD budget request.<sup>13</sup>

On August 9, 2010, Secretary Gates announced several initiatives he said would reduce the cost of DOD’s headquarters and support bureaucracies. Among these were:

- a 10% reduction in funding for service support contractors in each of the next three years;
- a reduction in the number of generals and admirals by 50 and a reduction in the number of senior DOD civilians by 150 over the next two years; and
- elimination of the Joint Forces Command, the Business Transformation Agency and the Office of the Assistant Secretary of Defense for Networks and Information Integration.<sup>14</sup>

On September 14, 2010, Secretary Gates announced 23 additional initiatives, all of which were intended to increase the efficiency with which DOD contracts for goods and services—activities which, he said, account for about \$400 billion of the roughly \$700 billion the department spends annually. Among these contracting and acquisition initiatives were:

- a requirement that weapons program managers treat an “affordability target” as a key requirement of each new system, on a par with the usual performance requirements such as speed or data transmission rate;
- various contracting revisions intended to reward contractors for managing their programs more efficiently; and
- several changes in contracting rules intended to reduce the cost of contracts for services, which account for more than half DOD’s annual contracting budget.<sup>15</sup>

Some Members of Congress contend that the Administration’s projected real budget increases, even if realized, would be inadequate, given the steadily rising cost of personnel and operations. For example, Representative Howard P. “Buck” McKeon, then the ranking minority Member of the House Armed Services Committee, commented in a February 4, 2010, Heritage Foundation lecture that the planned budgets would force DOD to scale back some planned acquisition programs:

One percent real growth in the defense budget over the next five years is a net cut for investment and procurement accounts.<sup>16</sup>

On the other hand, some Members object to exempting DOD (and other “security agencies”) from the Administration-imposed budget freeze on discretionary spending (**Figure 3**). For example, Representative Barney Frank has called for reductions in the DOD budget based on the

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2008, accessed at [http://dbb.defense.gov/pdf/Tooth\\_to\\_Tail\\_Final\\_Report.pdf](http://dbb.defense.gov/pdf/Tooth_to_Tail_Final_Report.pdf).

<sup>13</sup> Office of the Assistant Secretary of Defense (Public Affairs), “Media Availability with Secretary Gates en route to Kansas City, MO, May 7, 2010, accessed at <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4621>.

<sup>14</sup> Secretary of Defense Robert M. Gates, “Statement on Department Efficiencies Initiative,” August 9, 2010, Office of the Assistant Secretary of Defense (Public Affairs), accessed at <http://www.defense.gov/Speeches/Speech.aspx?SpeechID=1496>

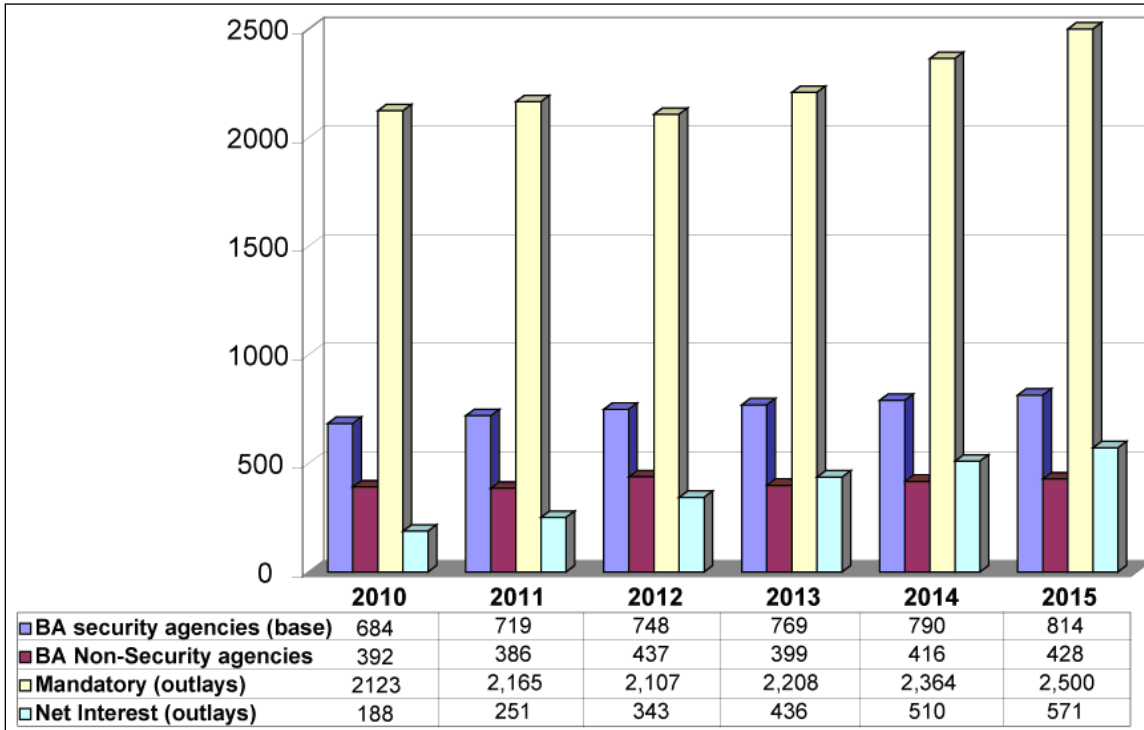
<sup>15</sup> See Office of the Assistant Secretary of Defense (Public Affairs), News Transcript, “DOD News Briefing with Under Secretary Carter with Opening Remarks by Secretary Gates from the Pentagon,” September 14, 2010, accessed at <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4684>, on September 16, 2010.

<sup>16</sup> Hon. Howard P. “Buck” McKeon, “Building a Robust National Defense,” accessed at <http://www.heritage.org/Research/Lecture/Building-a-Robust-National-Defense>.

termination of unnecessary weapons programs and a retrenchment from some of overseas military deployments.

[President Obama’s] announcement that he is going to begin deficit reduction, while exempting the ever-increasing military budget from the same scrutiny that goes to other federal expenditures means either that deficit reduction in both the near and long term is doomed to failure, or that devastating cuts will occur in virtually every federal program that aims at improving the quality of our lives.<sup>17</sup>

**Figure 3. Proposed Spending Categories Relevant to a Budget ‘Freeze’**  
amounts in billions of current dollars



**Source:** Office of Management and Budget, *The Budget for Fiscal Year 2011*. Data for Security Agencies (excluding war costs) and Non-Security Agencies drawn from Table S-11, “Funding Levels for Appropriated (“Discretionary”) Programs by Agency,” p. 174. Data for Mandatory Spending and Net Interest drawn from Table S-4, “Proposed Budget by Category,” p. 151.

**Notes:** Besides DOD, the Obama Administration defines as “security agencies” the following: the Department of Homeland Security, the Department of Veterans Affairs, the Department of State “and other international programs,” and the National Nuclear Security Administration within the Department of Energy. Ibid., Table S-11, “Funding Levels for Appropriated (“Discretionary”) Programs by Agency,” p. 174.

## Defense Budget as Share of Gross Domestic Product (GDP)

The FY2011 DOD base budget request amounts to 3.6% of the GDP, by the Administration’s calculations—the same percentage as the FY2010 base budget (Table 9).

<sup>17</sup> Rep. Barney Frank, “You Can’t Succeed at Deficit Reduction Without Really Trying,” *Congressional Record*, daily edition, February 4, 2010, p. E157. <http://www.house.gov/frank/speeches/2010/02-02-10-deficit-reduction-military-speech.pdf>.

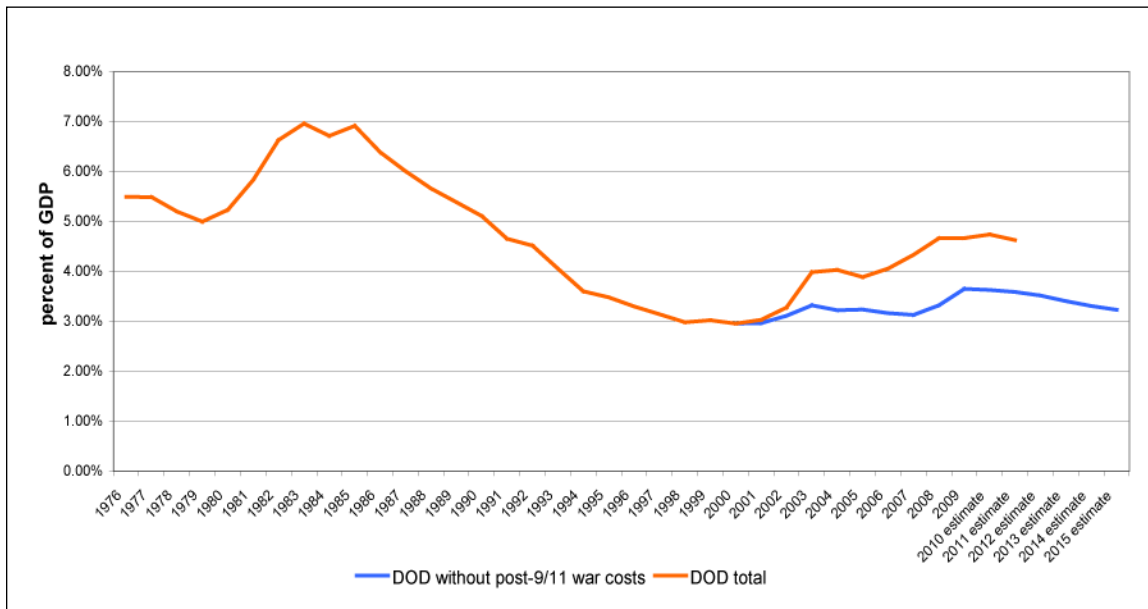
**Table 9. Defense Outlays as Share of GDP, FY2008-FY2011**

	2008	2009	2010	2011
DOD Base Budget (without war costs)	3.3%	3.5%	3.6%	3.6%
DOD Total Budget	4.1%	4.5%	4.7%	4.7%

**Source:** Office of the Undersecretary of Defense (Comptroller), *National Defense Budget Estimates for FY2011* (“The Green Book”), Table 7-7, “Defense Shares of Economic and Budgetary Aggregates,” pp. 223-24, and Office of the Undersecretary of Defense (Comptroller), Fiscal Year 2011 Budget Request, briefing slides accessed at [http://comptroller.defense.gov/defbudget/fy2011/fy2011\\_BudgetBriefing.pdf](http://comptroller.defense.gov/defbudget/fy2011/fy2011_BudgetBriefing.pdf).

Viewed over the long haul, the FY2011 request would mark the leveling off of a relatively steady upward trend in the DOD share of GDP since the attacks of September 11, 2001 (**Figure 4**).

**Figure 4. DOD Appropriations as Share of GDP, FY1976-2015**



**Source:** CRS calculations based on Office of the Undersecretary of Defense (Comptroller), *National Defense Budget Estimates for FY2011* (“The Green Book”), Table 7-7, “Defense Shares of Economic and Budgetary Aggregates,” pp. 223-24.

**Notes:** Discussions of the DOD share of the GDP typically use data based on DOD outlays for each fiscal year, as in Table 5, above. This chart is based on annual levels of DOD budget authority, because available outlay data do not separate war costs from base budget expenditures. Year to year changes in outlays lag corresponding movements in budget authority, but over a long period, trends in the ratio of DOD budget authority to GDP should closely track trends in the ratio of DOD outlays to GDP.

## Long-term Planning: Strategies and Budgets

The Administration did not propose in its FY2011 DOD budget request as many significant changes to major weapons programs as had been incorporated into its FY2010 request. Nevertheless, the FY2011 budget sustains the initiatives launched in the previous budget. Moreover, the budget request reflects the strategy and force planning assumptions that are embodied in DOD’s Quadrennial Defense Review (QDR), a legislatively mandated assessment of

defense strategy and priorities, the most recent of which was released on February 1, 2010, to accompany the FY2011 budget request.

### 2010 Quadrennial Defense Review

For a more comprehensive review of the 2010 QDR, see CRS Report R41250, *Quadrennial Defense Review 2010: Overview and Implications for National Security Planning*, by Stephen Daggett.

The four QDRs produced in 1997, 2001, 2005, and 2010 document an ongoing evolution of DOD strategic thinking that has seen a shift away from emphasizing the readiness of U.S. forces to wage smaller versions of Cold War-era conventional wars, such as the 1991 Persian Gulf War. Increasingly, U.S. planners have focused on the need for U.S. forces to be ready for a diverse array of missions.<sup>18</sup> Two key assumptions running through the 2010 QDR are particularly relevant to the Administration's budgetary priorities.

The first of these key assumptions is that DOD's top priority is fighting and winning the ongoing campaigns in Iraq and Afghanistan. Accordingly, the report says, the department must rebalance its priorities to put more emphasis on support for forces engaged in current operations, and institutionalize capabilities for counterinsurgency, stability, and counter-terrorism operations, such as those currently being conducted by U.S. forces in Iraq and Afghanistan.

Among the near-term initiatives recommended by the QDR toward this end are increased funding to acquire helicopters, UAVs, improved intelligence and analysis capabilities, counter IED technologies, and AC-130 gunship aircraft.<sup>19</sup> The report also recommends some longer-term initiatives, including the conversion of one heavy Army brigade combat team (BCT) into a Stryker brigade—such brigades use wheeled Stryker armored vehicles for mobility. The report says that “several more BCTs” may be converted “as resources become available and future global demands become clearer.”<sup>20</sup>

A second basic assumption asserted throughout the 2010 QDR is that no adversary in prospect over the next 10-20 years is likely to directly confront U.S. conventional, military capabilities as embodied in armored brigades, aircraft carrier task forces, and squadrons of advanced jet fighters. Instead, the argument goes, any foe—whether a violent, radical non-state terrorist group or a technologically advanced near-peer competitor—will try to challenge U.S. forces “asymmetrically,” that is, by using unconventional tactics and technologies to exploit U.S. limitations. The report challenges the widely held notion that there is a spectrum of conflict, ranging from unsophisticated insurgents or terrorists at the low end to sophisticated national armies at the high end. Instead, the QDR says, “low-end” terrorist groups may use advanced technologies such as precision-guided missiles and near-peer competitors may use guerrilla-like “indirect means” of attack, such as a cyber-war campaign to degrade the computer networks on which U.S. forces rely heavily.

The 2010 QDR emphasizes the importance of the military's ability to operate effectively in cyberspace, which it characterizes as one more domain of operations along with air, sea and space. The report also asserts that DOD must strengthen its capabilities to actively defend its cyber-networks. Towards this end, the report calls for several specific steps, including:

<sup>18</sup> Department of Defense, *Quadrennial Defense Review Report, 2010*, at [http://www.defense.gov/qdr/images/QDR\\_as\\_of\\_12Feb10\\_1000.pdf](http://www.defense.gov/qdr/images/QDR_as_of_12Feb10_1000.pdf).

<sup>19</sup> “UAVs” refers to unmanned or unpiloted aerial vehicles, particularly used for intelligence, surveillance, and reconnaissance (ISR) missions. IEDs are improvised explosive devices, including roadside, car, and truck bombs.

<sup>20</sup> Department of Defense, *Quadrennial Defense Review Report, 2010*, p. 24 at [http://www.defense.gov/qdr/images/QDR\\_as\\_of\\_12Feb10\\_1000.pdf](http://www.defense.gov/qdr/images/QDR_as_of_12Feb10_1000.pdf).

developing a more comprehensive approach to DOD operations in cyberspace; developing a greater cyber expertise and awareness within DOD; centralizing command of cyber operations; and collaborating more closely with other agencies and levels of government to enhance cyber security.

The 2010 QDR does not abandon the long-standing policy that U.S. forces should be able to win two major regional wars that occur nearly simultaneously in widely separated theaters of action. However, the report assigns equal importance to ensuring that U.S. forces can respond flexibly and effectively when required to conduct concurrently, at various points around the globe, several missions of different types. For example, one scenario the QDR said U.S. forces should be able to handle combined a major operation to stabilize another country, sustaining deterrence of a potential aggressor in another region, conducting a medium-sized counter-insurgency mission in yet another country, and providing support to U.S. civil authorities in the wake of some major disaster or terrorist attack.

The 2010 QDR emphasizes the importance of preparing U.S. forces to deal with one particular type of asymmetric threat that has potentially significant implications for conventional U.S. forces: a so-called “anti-access, area-denial” capability that China and other potential adversaries appear to be developing. The argument is that China or Iran could use a variety of both simple and sophisticated technologies to target U.S. forward bases in nearby nations and naval forces operating relatively close to shore, which are the basis of the U.S. ability to project power in regions far from the U.S. homeland. Such power projection capabilities are the bedrock of U.S. alliances in Europe and Asia and the key to U.S. efforts to bolster stability in other important regions as well. Such capabilities are also expensive. The cost of power projection capabilities is one reason why U.S. defense spending dramatically exceeds that of any other nation.

Those sinews of U.S. power projections may be increasingly vulnerable to attack. Overseas ground bases may be increasingly vulnerable to ballistic missile, cruise missile, and bomber attacks. Naval forces, particularly aircraft carriers and other service combatants, may be increasingly vulnerable to anti-ship cruise missiles; modern, quiet diesel electric submarines; smart mines that can be activated on command and maneuvered into place; small, fast boats laden with explosives; or, at the high end of the technological spectrum, ballistic missiles with maneuverable warheads that can be redirected in flight to strike moving ships.

The QDR makes a number of recommendations for countering anti-access strategies, including increased reliance on long-range strike weapons and submarines that would be less vulnerable to such methods. For instance, long-range strike forces might include a new manned or unmanned bomber, perhaps armed with long-range cruise missiles for stand-off attacks. Measures to defeat enemy sensors and engagement systems include development of offensive “electronic attack” capabilities, which remain highly classified. Missile defense may be a major and expensive part of measures to protect forward deployed forces.

## **FY2011 Base Budget Highlights and Potential Issues**

The FY2011 base budget request reflected some major initiatives of long standing, and others—particularly in acquisition—that were launched by the Obama Administration in its FY2010 budget (**Table 10**). Following are some highlights:

**Table 10. DOD Base Budget Discretionary Funding Request by Title. FY2010-FY2011**  
(current dollar amounts in billions)

	FY2010	FY2011	Change, FY210-FY211
Military Personnel	\$135.0	\$138.5	+2.6%
Operations and Maintenance	184.5	200.2	+8.5%
Procurement	104.8	112.9	+7.7%
Research and Development	80.1	76.1	-5.0%
Military Construction and Family Housing	23.3	18.7	-19.6%
Revolving and Management Funds	3.1	2.4	-23.7%
<b>Total</b>	<b>\$530.7</b>	<b>\$548.9</b>	<b>+3.4%</b>

**Source:** DOD; Briefing on the FY2011 Budget Request, February 2010, accessed at: [http://comptroller.defense.gov/defbudget/fy2011/fy2011\\_BudgetBriefing.pdf](http://comptroller.defense.gov/defbudget/fy2011/fy2011_BudgetBriefing.pdf)

## Military Personnel<sup>21</sup>

The FY2011 budget request would fund 1.43 million active duty personnel in the regular components.<sup>22</sup> This amounts to a 4.7% increase over the end-strength of 1.38 million in FY2000, which was the low point in a reduction in active-duty manpower that began in FY1987 and accelerated during the 1990s, after the collapse of the Soviet Union.

### Additional Detail on Selected FY2011 Military Personnel Issues

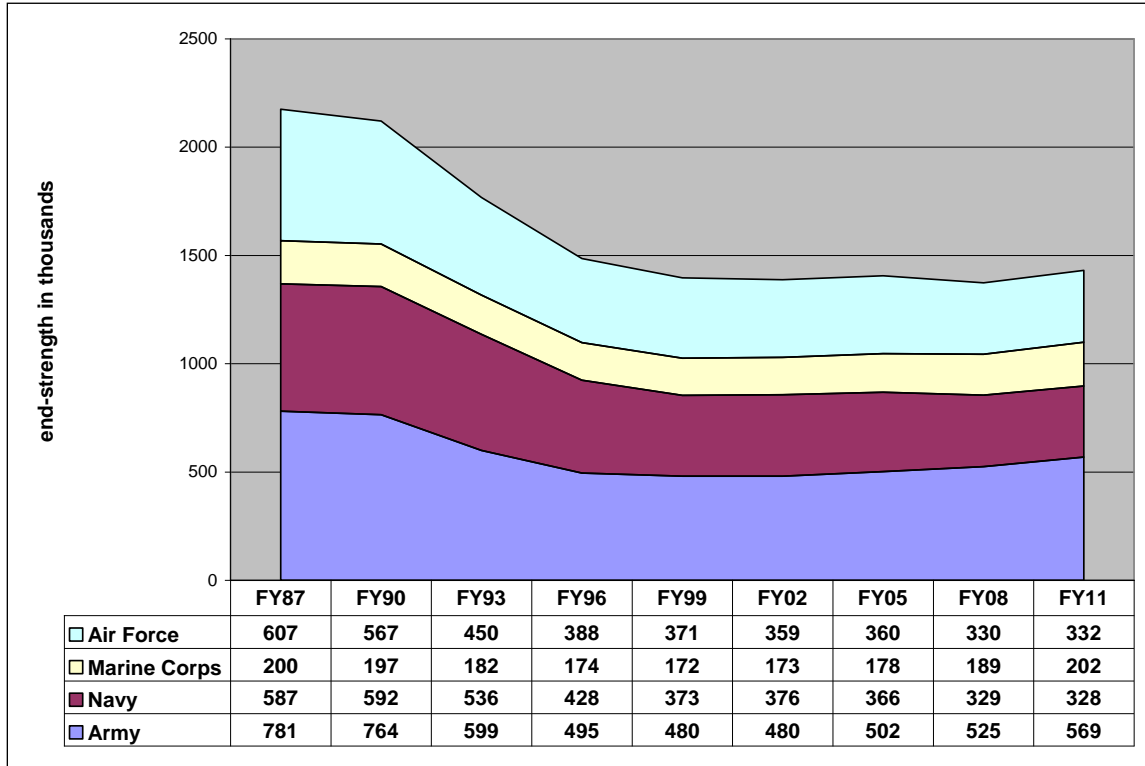
For a more comprehensive review of military personnel issues in the FY2011 budget, see CRS Report R41316, *FY2011 National Defense Authorization Act: Selected Military Personnel Policy Issues*, coordinated by Charles A. Henning.

From an active-duty end-strength of 2.18 million in FY1987, the high-water mark of the Reagan defense buildup, active duty end-strength was reduced by about one-third across each of the services during the drawdown of the early 1990s. Since the start of combat operations in Afghanistan and Iraq, the end strength of the Army and Marine Corps rebounded to 562,400 and 202,100, respectively. Both goals have been met, three years earlier than had been planned (**Figure 5**). In 2010, Congress authorized an additional, temporary increase in the Army’s active duty strength, which is reflected in the FY2011 request for an Army end-strength of 569,400.

<sup>21</sup> Prepared in collaboration with Charles A. Henning, Specialist in Military Manpower Policy.

<sup>22</sup> This total includes 26,000 personnel who comprise what DOD regards as a temporary expansion to fill billets associated with ongoing operations in Iraq and Afghanistan. It does not include 79,000 members of the reserve components (including the National Guard) who are serving full-time, nor does it include the much larger number of reserve component personnel who have been temporarily called to active duty in connection with ongoing combat operations in Iraq and Afghanistan.

**Figure 5. Authorized Active Duty End Strength, FY1987-FY2011**  
(end-strength levels in thousands)



**Source:** Office of the Undersecretary of Defense (Comptroller), *National Defense Budget Estimates for FY2011* (“The Green Book”), Table 7-5, “Department of Defense Manpower,” pp. 217-18.

**Notes:** Data do not include temporary end strength authority of 30,000 for the Army and 9,000 for the Marine Corps, in effect during the period FY2005-FY2009 nor additional temporary end strength authority of 22,000 for the Army and 13,000 for the Marine Corps in effect during FY2009-FY2010.

Data for FY2011 are the Administration’s request.

### Military Pay Raise

The budget included nearly \$1 billion to give military personnel a 1.4 % raise in basic pay effective January 1, 2011. This increase would equal the average increase in private-sector pay and benefits as measured by the Labor Department’s Employment Cost Index (ECI), as required by law.<sup>23</sup> In addition, the Basic Allowance for Housing, a non-taxable cash payment to service members who do not live in government-provided housing (which can add about 20% to a service member’s basic pay), was scheduled to increase by 4.2% in FY2011.

In each year but one since FY2004, Congress has approved raises in military basic pay that were 0.5% higher than the ECI increase, on the grounds that military pay increases had lagged behind civilian pay hikes during the 1980s.<sup>24</sup>

DOD officials contend that service members currently are better paid than 70% of private sector workers with comparable experience and responsibility and that the \$340 million it would cost to

<sup>23</sup> Title 37, United States Code, Section 1009.

<sup>24</sup> Congress did not increase the proposed pay raise in FY2007.

provide the higher 1.9% raise across-the-board would provide more benefit to the department if it were spent, instead, on reenlistment bonuses and special pays for military personnel in critical specialties. Military advocacy groups insist, however, that service members need the higher increase to close a “pay gap” between military personnel and their civilian peers.<sup>25</sup>

## Don't Ask, Don't Tell

The FY2011 DOD funding bills provided a vehicle for legislative initiatives by supporters and opponents of President Obama's decision to revise a 1993 law<sup>26</sup> and DOD regulations that, in effect, bar from military service those who are openly homosexual. Under a compromise policy reached in 1993, colloquially referred to as “don't ask, don't tell,” service members are not to be asked about nor allowed to discuss their same-sex orientation.

Some Members of Congress contend that the presence in combat units of openly homosexual personnel would undermine the units' cohesion and combat effectiveness.

Some critics oppose changing the current policy while the tempo of deployments in Iraq and Afghanistan is imposing stress on the services. Other legislators have called for immediate repeal of the 1993 law or, at least, a moratorium in the discharge of service members for violating the don't ask, don't tell policy. Two bills introduced in the 111<sup>th</sup> Congress would have repealed the law and replace it with a policy of nondiscrimination on the basis of sexual orientation—H.R. 1283 and S. 3065.<sup>27</sup>

In his January 27, 2010, State of the Union Address, President Obama called for repealing the 1993 legislation and adopting a policy of nondiscrimination against persons with a same-sex orientation. DOD launched a study, slated for completion by December 1, 2010, on how such a change in law and policy would be implemented. Secretary Gates has opposed repeal of the 1993 law pending completion of that study. On March 25, 2010, he announced changes in the department's procedures for enforcement of the current law, providing that only a general or flag officer would have the authority to initiate an investigation and separate someone who had engaged in homosexual conduct, and that third party information alleging homosexual conduct by a service member must be given under oath.

In a May 24, 2010, letter to President Obama, Senators Carl Levin and Joseph I. Lieberman and Representative Patrick J. Murphy proposed an amendment to the FY2011 Defense Authorization Act that would repeal the 1993 legislation barring openly homosexual persons from military service after (1) the current DOD review has been completed: and (2) the President, the Secretary of Defense and the Chairman of the Joint Chiefs of Staff have certified to Congress that policies and regulations have been prepared that would allow the repeal of the ban to be implemented in a

### Analysis of Issues Related to the 'Don't Ask, Don't Tell' Policy

For more comprehensive analyses of issues related to legislation and DOD policy concerning service of openly homosexual persons in the armed forces, see CRS Reports CRS Report R40782, “Don't Ask, Don't Tell”: Military Policy and the Law on Same-Sex Behavior, by David F. Burrelli, and CRS Report R40795, “Don't Ask, Don't Tell”: A Legal Analysis, by Jody Feder.

<sup>25</sup> See CRS Report R41316, *FY2011 National Defense Authorization Act: Selected Military Personnel Policy Issues*, coordinated by Charles A. Henning.

<sup>26</sup> Title 10, United States Code, Section 654.

<sup>27</sup> CRS Report R40782, “Don't Ask, Don't Tell”: Military Policy and the Law on Same-Sex Behavior, by David F. Burrelli and CRS Report R40795, “Don't Ask, Don't Tell”: A Legal Analysis, by Jody Feder.



way that is, “consistent with the standards of military readiness, military effectiveness, unit cohesion, and recruiting and retention of the armed forces.”<sup>28</sup>

In a letter responding to the three Members, then Office of Management and Budget Director Peter R. Orzag said that, while the Administration would have preferred that congressional action on the issue await completion of the current DOD study, the Administration “understands that Congress has chosen to move forward with legislation now,” and that the Administration supports the draft amendment.<sup>29</sup>

In a statement to reporters on May 25, 2010, DOD press spokesman Geoff Morrell reportedly said:

Secretary Gates continues to believe that ideally, the [Defense Department] review should be completed before there is any legislation to repeal the ‘don’t ask, don’t tell,’ law. With Congress having indicated that is not possible, the secretary can accept the language in the proposed amendment.<sup>30</sup>

On September 9, 2010, Federal Judge Virginia A. Phillips ruled that the 1993 law was unconstitutional. One month later (on October 12, 2010), Judge Phillips enjoined DOD “from enforcing or applying the ‘Don’t Ask, Don’t Tell’ Act.” On October 19, 2010, the Ninth Circuit temporarily stayed Judge Phillips’ injunction while the court considers the stay for the rest of the appeals process.

Two days later, on October 21, 2010, Under Secretary of Defense for Personnel Clifford Stanley issued a memorandum stating that only five senior DOD officials would have the authority to discharge service members for homosexual behavior as defined in the law.

## **Military Health Care Costs<sup>31</sup>**

The FY2011 budget request included \$50.7 billion for the DOD health care system that employs 85,000 military personnel and 53,000 civilian DOD employees. The system serves 9.5 million eligible beneficiaries through 56 hospitals, 363 out-patient medical facilities, and 275 dental clinics.

The system’s cost, which was \$19 billion in FY2001, has more than doubled in the 10 years since then. The cost of the medical program is projected by DOD to increase annually at a rate of 5-7% through FY2015, when it is projected to account for 10% of the planned DOD budget.

In addition to the cost of general inflation and new developments in medical technology, DOD officials attribute the steady increase in military health care costs to several factors, including:

- an increase in the number of retirees using DOD’s TRICARE medical insurance rather than other, less generous insurance plans for which they are eligible;
- an increase in the frequency with which eligible beneficiaries use DOD medical services;

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<sup>28</sup> Draft legislative amendment accessed on the White House Press Office website at [http://www.whitehouse.gov/sites/default/files/Lieberman\\_NDAA\\_DADT\\_Amendment.pdf](http://www.whitehouse.gov/sites/default/files/Lieberman_NDAA_DADT_Amendment.pdf).

<sup>29</sup> Peter R. Orzag, letter to Senator Joseph I. Lieberman, accessed on the White House Press Office website at [http://www.whitehouse.gov/sites/default/files/Sen\\_Lieberman.pdf](http://www.whitehouse.gov/sites/default/files/Sen_Lieberman.pdf).

<sup>30</sup> Donna Miles, “Gates Can Accept ‘Don’t Ask, Don’t Tell’ Amendment,” Armed Forces Press Service, May 25, 2010, accessed at <http://www.defense.gov/news/newsarticle.aspx?id=59321>.

<sup>31</sup> Prepared in collaboration with Don J. Jansen, Analyst in Military Health Care Policy.

- legislatively mandated increases in benefits, such as expanded access to TRICARE for reservists; and
- no increase in fees and copayments for TRICARE beneficiaries since 1995, when the program was created.

The Bush Administration's DOD budget requests for FY2007, FY2008, and FY2009 proposed to increase enrollment fees and copayment requirements for those TRICARE beneficiaries who were not eligible for Medicare. Each year fee increases were proposed, Congress passed legislation to prohibit them.<sup>32</sup>

Although the Obama Administration's 2011 budget did not include any legislative proposals to increase TRICARE annual fees or copayments, Secretary Gates stated in a February 1, 2010, press conference, "We certainly would like to work with the Congress in figuring out a way to try and bring some modest control to this program .... We absolutely want to take care of our men and women in uniform and our retirees, but at some point, there has to be some reasonable tradeoff between reasonable cost increases or premium increases or co-pays or something and the cost of the program."<sup>33</sup>

## Procurement and R&D

The FY2011 request would have increased the total amount provided for development and procurement of weapons and equipment from \$184.9 billion in FY2010 to \$189.0 billion in FY2011. The proportion of the total DOD budget dedicated to procurement would have slightly increased from 56% to 60%, while the proportion going to R&D would decline from 44% to 40%.

In part, that shift reflected the transition into production of some major programs that have had relatively large R&D budgets in recent years, the largest of which is the F-35 Joint Strike Fighter. For that program, a total of \$11.2 billion was appropriated in FY2010: \$4.0 billion for R&D and \$7.2 billion for procurement. For FY2011, the total budget request was only slightly higher—\$11.2 billion—however that total includes \$2.3 billion for R&D and \$9.0 billion for procurement.<sup>34</sup>

The Administration proposed few new cuts in major weapons programs beyond those it proposed in its FY2010 DOD budget.<sup>35</sup> But it reiterated two of the proposed cuts that Congress rejected in 2009. The FY2011 budget request included no funds either for production of additional C-17 wide-body cargo jets or for development of an alternate jet engine for the F-35. In 2009, when the Obama Administration also requested no funding for either of those programs, Congress added \$2.5 billion to the FY2010 DOD funding bills for 10 C-17s and \$465 million to continue work on the alternate engine.

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<sup>32</sup> CRS Report RS22402, *Increases in Tricare Costs: Background and Options for Congress*, by Don J. Jansen; and CRS Report R40711, *FY2010 National Defense Authorization Act: Selected Military Personnel Policy Issues*, coordinated by Don J. Jansen.

<sup>33</sup> Department of Defense, "DoD News Briefing with Secretary Gates and Adm. Mullen from the Pentagon," press release, February 1, 2010, <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4549>.

<sup>34</sup> Figures do not add due to rounding.

<sup>35</sup> Opposition to additional procurement of F-22 fighters was not an initiative of the Obama Administration. The preceding Bush Administration had decided cap the number of F-22s at the 183 planes already funded. There was an effort to add funding for additional F-22s to the FY2010 DOD appropriations bill, but the effort was dropped after President Obama threatened to veto any bill funding additional F-22s. See CRS Report RL31673, *Air Force F-22 Fighter Program: Background and Issues for Congress*, by Jeremiah Gertler.

## Army Combat Force Modernization Programs

Some Members of Congress have raised questions about the Army's Brigade Combat Team (BCT) Modernization program, intended to develop a new generation of ground combat equipment, for which the Administration requested \$3.2 billion in FY2011. One controversial element of the program is the design of a proposed new Ground Combat Vehicle (GCV).

The BCT Modernization program replaced the Future Combat System (FCS) program, which had been intended to develop a new generation of combat equipment to replace current systems, such as the M-1 *Abrams* tank and the M-2 *Bradley* infantry fighting vehicle. By 2009, FCS involved efforts to develop 14 manned and unmanned systems tied together by an extensive communications and information network. On April 6, 2009, however, Secretary of Defense Gates recommended cancelling the manned ground vehicle (MGV) component of FCS, which was intended to field eight separate tracked combat vehicle variants built on a common chassis. Secretary Gates said he acted because there were significant unanswered questions in the FCS vehicle design strategy and because, despite some adjustments to the MGVs, the emerging vehicles did not adequately reflect the lessons of counterinsurgency and close-quarters combat in Iraq and Afghanistan.

In place of MGV, the Army launched the GCV program intended to field by 2015-2017 a family of fighting vehicles based on mature technologies and designed to readily incorporate future network capabilities. Another potential oversight question for Congress is whether the Army is rushing the development of the GCV, thereby inviting undue risk that would set the stage for another unsuccessful acquisition program.<sup>36</sup>

On August 25, 2010—after the two Armed Services committees had drafted their respective versions of the FY2011 national defense authorization bill—the Army cancelled the existing competition for the GCV development contract and announced it was revising the performance specifications the new vehicle would have to meet. The Army restarted the GCV competition on November 30, 2010.

While the MGV component of FCS was terminated, other elements of the FCS program including sensors, unmanned aerial and ground vehicles, and a modified FCS command and control network were incorporated into the Army's (BCT) Modernization program under which the service plans to "spin out" the components, as they become available, to all 73 Army BCTs by 2025. According to the Government Accountability Office (GAO), the FCS components that the Army plans to deploy under the "spin out" approach have not demonstrated their effectiveness in field exercises.<sup>37</sup>

## Navy Force Structure and Shipbuilding Plans<sup>38</sup>

The Navy's proposed FY2011 budget requested funding for the procurement of nine new battle force ships (i.e., ships that count against the 313-ship goal). The nine ships included two attack submarines, two destroyers, two Littoral Combat Ships (LCSs), one amphibious assault ship, one Mobile Landing Platform (MLP) ship (i.e., a maritime prepositioning ship), and one Joint High Speed Vessel (JHSV). The Navy's five-year (FY2011-FY2015) shipbuilding plan includes a total

<sup>36</sup> CRS Report RL32888, *Army Future Combat System (FCS) "Spin-Outs" and Ground Combat Vehicle (GCV): Background and Issues for Congress*, by Andrew Feickert and Nathan Jacob Lucas.

<sup>37</sup> U.S. Government Accountability Office, *Defense Acquisitions: Opportunities Exist to Position Army's Ground Force Modernization Effort for Success*, GAO-10-406, March 2010.

<sup>38</sup> Prepared in collaboration with Ronald O'Rourke, Specialist in Naval Affairs.

of 50 new battle force ships, or an average of 10 per year. Of the 50 ships in the plan, half are relatively inexpensive LCSs or JHSVs.

The Navy's FY2011 30-year (FY2011-FY2040) shipbuilding plan includes 276 ships. The plan does not include enough ships to fully support all elements of the 313-ship plan over the long run. The Navy projects that implementing the 30-year plan would result in a fleet that grows from 284 ships in FY2011 to 315 ships in FY2020, reaches a peak of 320 ships in FY2024, drops below 313 ships in FY2027, declines to 288 ships in FY2032-FY2033, and then increases to 301 ships in FY2039-FY2040. The Navy projects that the attack submarine and cruiser-destroyer forces will drop substantially below required levels in the latter years of the 30-year plan.

The Navy estimates that executing the 30-year shipbuilding plan would require an average of \$15.9 billion per year in constant FY2010 dollars. A May 2010 Congressional Budget Office (CBO) report estimates that the plan would require an average of \$19.0 billion per year in constant FY2010 dollars, or about 18% more than the Navy estimates. The CBO report states: "If the Navy receives the same amount of funding for ship construction in the next 30 years as it has over the past three decades—an average of about \$15 billion a year in 2010 dollars—it will not be able to afford all of the purchases in the 2011 plan."<sup>39</sup>

Specific shipbuilding issues that were discussed at hearings on the Navy's proposed FY2011 budget include the following:

### ***Next Generation Ballistic Missile Submarine SSBN(X)***

The Navy is currently conducting development and design work on a planned class of 12 next-generation ballistic missile submarines, or SSBN(X)s,<sup>1</sup> which the service wants to procure as replacements for its current force of 14 Ohio-class ballistic missile submarines. The SSBN(X) program, also known as the Ohio-class replacement program, received \$497.4 million in research and development funding in the Navy's FY2010 budget, and the Navy's FY2011 budget requested an additional \$672.3 million in research and development funding for the program. Navy plans to call for procuring the first SSBN(X) in FY2019, with advance procurement funding for the boat beginning in FY2015.

The Navy preliminarily estimates the procurement cost of each SSBN(X) at \$6 billion to \$7 billion in FY2010 dollars—a figure equivalent to roughly one-half of the Navy's budget each year for procuring new ships. Some observers are concerned that the SSBN(X) program will significantly compound the challenge the Navy faces in ensuring the affordability of its long-term shipbuilding program. These observers are concerned that procuring 12 SSBN(X)s during the 15-year period FY2019-FY2033, as called for in Navy plans, could lead to reductions in procurement rates for other types of Navy ships during those years. The Navy's report on its 30-year (FY2011-FY2040) shipbuilding plan states: "While the SSBN(X) is being procured, the Navy will be limited in its ability to procure other ship classes." (See CRS Report R41129, *Navy SSBN(X) Ballistic Missile Submarine Program: Background and Issues for Congress*, by Ronald O'Rourke.)

Options for reducing the cost of the SSBN(X) program or its potential impact on other Navy shipbuilding programs include procuring fewer than 12 SSBN(X)s; reducing the number of submarine-launched ballistic missiles (SLBMs) to be carried by each SSBN(X); designing the SSBN(X) to carry a smaller SLBM; stretching out the schedule for procuring SSBN(X)s and making greater use of split funding (i.e., two-year incremental funding) in procuring them;

<sup>39</sup> Congressional Budget Office, "An Analysis of the Navy's Fiscal Year 2011 Shipbuilding Plan," May 2010, p. vii.

funding the procurement of SSBN(X)s in a part of the Department of Defense (DOD) budget other than the Navy's shipbuilding account; and increasing the Navy's shipbuilding budget.

### ***DDG-51 Destroyers and Ballistic Missile Defense***

The FY2010 budget that the Navy submitted to Congress last year proposed ending procurement of Zumwalt (DDG-1000) class destroyers at three ships and resuming procurement of Arleigh Burke (DDG-51) class Aegis destroyers. Congress, as part of its action on the FY2010 defense budget supported this proposal. The Navy's FY2011 budget submission called for procuring two DDG-51s in FY2011 and six more in FY2012-FY2015.

The Navy's FY2011 budget also proposed terminating the Navy's planned CG(X) cruiser program as unaffordable. Rather than starting to procure CG(X)s around FY2017, as the Navy had previously envisaged, the Navy is proposing to build an improved version of the DDG-51, called the Flight III version, starting in FY2016. Navy plans thus call for procuring the current version of the DDG-51, called the Flight IIA version, in FY2010-FY2015, followed by procurement of Flight III DDG-51s starting in FY2016. Flight III DDG-51s are to carry a smaller version of the new Air and Missile Defense Radar (AMDR) that was to be carried by the CG(X). The Navy's proposed FY2011 budget requested \$228.4 million in research and development funding for the AMDR.

The Aegis ballistic missile defense (BMD) program, which is carried out by the Missile Defense Agency (MDA) and the Navy, gives Navy Aegis cruisers and destroyers a capability for conducting BMD operations. Under current MDA and Navy plans, the number of BMD-capable Navy Aegis ships is scheduled to grow from 20 at the end of FY2010 to 38 at the end of FY2015.

Some observers are concerned—particularly following the Administration's announcement of its intention to use Aegis-BMD ships to defend Europe against potential ballistic missile attacks—that demands from U.S. regional military commanders for BMD-capable Aegis ships are growing faster than the number of BMD-capable Aegis ships. They are also concerned that demands from U.S. regional military commanders for Aegis ships for conducting BMD operations could strain the Navy's ability to provide regional military commanders with Aegis ships for performing non-BMD missions.

The Aegis BMD program is funded mostly through MDA's budget. The Navy's budget provides additional funding for BMD-related efforts. MDA's proposed FY2011 budget requested a total of \$2,161.6 million for the Aegis BMD program. The Navy's proposed FY2011 budget requested a total of \$457.0 million for BMD-related efforts. FY2011 issues for Congress included whether to approve, reject, or modify the Navy's proposal to develop the Flight III DDG-51 design and start procuring it in FY2016, whether to approve, reject, or modify the FY2011 MDA and Navy funding requests for the Aegis BMD program, and whether to provide MDA or the Navy with additional direction concerning the program.

### ***Littoral Combat Ship (LCS)***

The FY2011 budget requested \$1.59 billion to fund two of a planned force of 55 Littoral Combat Ships (LCS), which are relatively small and inexpensive vessels (compared to other U.S. warships) designed to operate in shallow water carrying interchangeable weapons modules that would equip them either to fend off attacks by small boats, clear underwater minefields, or hunt submarines. As initially planned, the Navy was to buy several copies of each of two quite different versions of LCS designed by two industry teams—one led by Lockheed Martin, the other by General Dynamics—before selecting one of the designs to comprise most of the LCS fleet.

On September 16, 2009, the Navy accelerated its timetable for choosing between the two designs, announcing it would select a single design to which all LCSs procured in FY2010 and subsequent years would be built. Under this plan, the winning contractor would build 10 LCSs over the five-year period FY2010-FY2014, at a rate of two ships per year. The Navy would then hold a second competition—open to all bidders other than the winning firm—to select a second shipyard to build up to five additional LCSs to the same design in FY2012-FY2014 (one ship in FY2012, and two ships per year in FY2013-FY2014). These two shipyards would then compete for contracts to build LCSs procured in FY2015 and subsequent years.

On November 3, 2010, Navy officials announced that they were seeking approval from Congress to pursue a different acquisition strategy, buying 10 ships from each of the competing industry teams.<sup>40</sup>

### Aircraft Programs<sup>41</sup>

Fighter aircraft are a major component of U.S. military capability and account for a significant portion of U.S. defense spending. In early 2009, the Air Force, Navy, and Marine Corps collectively had an inventory of about 3,500 fighters. Because fighters built in large numbers during the 1980s are nearing the end of their service lives, there is a concern that the services may fall short of the number of planes needed because of budgetary limits on the rate at which replacement fighters can be procured. Air Force officials in 2008 testimony projected an Air Force fighter shortfall of up to 800 aircraft by 2024. Navy officials have projected a Navy-Marine Corps strike fighter shortfall peaking at more than 100 aircraft, and possibly more than 200 aircraft, by about 2018.

A key issue for Congress regarding tactical aircraft is the overall affordability of DOD's plans for modernizing the tactical aircraft force. The issue has been a concern in Congress and elsewhere for many years, with some observers predicting that tactical aircraft modernization is heading for an eventual budget "train wreck" as tactical aircraft acquisition plans collide with insufficient amounts of funding available for tactical aircraft acquisition.<sup>42</sup>

### F-35

The F-35 Joint Strike Fighter (JSF), being procured in different versions for the Air Force, Marine Corps, and Navy, is the key to DOD's tactical aircraft modernization plans, which call for acquiring a total of 2,443 JSFs at an estimated total acquisition cost (as of December 31, 2009) of about \$238 billion in constant (i.e., inflation-adjusted) FY2002 dollars, or more than \$300 billion in current prices. The F-35 program is DOD's largest weapon procurement program in terms of total estimated acquisition cost. Hundreds of additional F-35s are slated to be purchased by several U.S. allies, eight of which are cost-sharing partners in the program.<sup>43</sup>

The Administration's FY2011 budget requested a total of \$11.3 billion for the F-35 program, including \$2.5 billion in Air Force and Navy research and development funding and \$8.8 billion in Air Force and Navy procurement funding.<sup>44</sup>

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<sup>40</sup> [http://www.navy.mil/search/display.asp?story\\_id=57007](http://www.navy.mil/search/display.asp?story_id=57007)

<sup>41</sup> Prepared in collaboration with Jeremiah Gertler, Specialist in Military Aviation.

<sup>42</sup> CRS Report RL33543, *Tactical Aircraft Modernization: Issues for Congress*, by Jeremiah Gertler.

<sup>43</sup> CRS Report RL30563, *F-35 Joint Strike Fighter (JSF) Program: Background and Issues for Congress*, by Jeremiah Gertler.

<sup>44</sup> Development and procurement of Marine Corps aircraft are funded through the Navy's budget.

Although the F-35 was conceived as a relatively affordable strike fighter, some observers are concerned that in a situation of constrained DOD resources, F-35s might not be affordable in the annual quantities planned by DOD, at least not without reducing funding for other DOD programs. As the annual production rate of the F-35 increases, the program will require more than \$10 billion per year in acquisition funding at the same time that DOD will face other budgetary challenges. Supporters of the F-35 might argue that, as a relatively affordable aircraft that can be procured in similar, though not identical, versions for the Air Force, Marine Corps, and Navy, the F-35 represents the most economical and cost-effective strategy for avoiding or mitigating such shortfalls.

On October 18, 2010, the British government announced, as part of a far-reaching plan to reduce its defense spending, that it would reduce the number of F-35s it planned to buy from the initially planned 138 planes to as few as 40. Moreover, the British now plan to buy none of the vertical-takeoff version of the plane, designated the “B” model, of which Britain’s Royal Navy had been slated to make the second-largest purchase, after the U.S. Marine Corps.<sup>45</sup>

### *F-35 Alternate Engine*

For four successive years, Congress has rejected Administration proposals to terminate the program to develop the General Electric/Rolls-Royce F136 engine as an alternative to the Pratt & Whitney F135 engine that currently powers the F-35 Joint Strike Fighter (JSF). The Administration's FY2011 budget submission again proposed to terminate the program.

Through FY2009, Congress has provided approximately \$2.5 billion for the Joint Strike Fighter alternate engine program. DOD has estimated that the program would need an additional \$2.9 billion through 2017 to complete the development of the F136 engine.<sup>46</sup> In a September 15, 2010, letter to Senate Armed Services Committee Chairman Carl Levin, the GAO said that the DOD estimate, “should be viewed as one point within a range of possible costs depending on the factors and assumptions used, and not as an absolute amount.”<sup>47</sup>

Critics of the proposal to terminate the F136 alternate engine argue that termination was driven more by immediate budget pressures on the department than the long-term pros and cons of the F136 program. They argue that engine competition on the F-15 and F-16 programs saved money and resulted in greater reliability. Some who applaud the proposed termination say that single-source engine production contracts have been the norm, not the exception. Long-term engine affordability, they claim, is best achieved by procuring engines through multiyear contracts from a single source.

Cancelling the F136 engine poses questions on the operational risk—particularly of fleet grounding—posed by having a single engine design and supplier. Additional issues include the potential impact this termination might have on the U.S. defense industrial base and on U.S. relations with key allied countries involved in the alternate engine program. Finally, eliminating competitive market forces for DOD business worth billions of dollars may concern those who seek efficiency from DOD’s acquisition system and raises the challenge of cost control in a single-supplier environment.

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<sup>45</sup>Government of the United Kingdom, *Securing Britain in an Age of Uncertainty: The Strategic Defense and Security Review*, October, 2010, pp. 22-23. Accessed at [http://www.direct.gov.uk/prod\\_consum\\_dg/groups/dg\\_digitalassets/@dg/@en/documents/digitalasset/dg\\_191634.pdf](http://www.direct.gov.uk/prod_consum_dg/groups/dg_digitalassets/@dg/@en/documents/digitalasset/dg_191634.pdf).

<sup>46</sup> CRS Report R41131, *F-35 Alternate Engine Program: Background and Issues for Congress*, by Jeremiah Gertler.

<sup>47</sup> U.S. Government Accountability Office, *Joint Strike Fighter: Assessment of DOD's Funding Projection for the F136 Alternate Engine*, GAO 10-1020R, September 15, 2010, p.2.

Continuing F136 development raises issues of impact on the F-35 acquisition program, including possible reduction of the numbers of F-35s that could be acquired if program funds are used for the alternate engine. It also raises issues of the outyear costs and operational concerns stemming from the requirement to support two different engines in the field.

### **KC-X**

The Administration's proposed FY2011 defense budget requested \$863.9 million in Air Force research and development funding for its third attempt since 2003 to acquire a new fleet of mid-air refueling tankers, designated KC-X, that would replace its aging fleet of KC-135 tankers. An initial effort, that involved leasing new tankers from Boeing, was blocked by Congress. A subsequent competition pitted Boeing, which offered a tanker based on its 767 jetliner, against the team of Northrop Grumman and the European Aeronautic Defense and Space Company (EADS), which offered a tanker based on the EADS Airbus A330.

On February 24, 2010, the Department of Defense (DOD) released its Request for Proposals for a program to build 179 new KC-X aerial refueling tankers for the Air Force, a contract valued at roughly \$35 billion.

Bidding closed on July 9, 2010, with three offerors submitting bids. The European Aeronautic Defense and Space Company (EADS) offered a KC-X design based on the Airbus A330 airliner, to be built in Mobile, AL. Boeing offered a KC-X design based on its 767 airliner, to be built in Seattle, WA, and Wichita, KS. A team of the Ukrainian airframe maker Antonov and U.S. Aerospace offered a variant of the An-124 freighter, with production location uncertain; this bid was excluded for arriving after the deadline, and the GAO subsequently denied U.S. Aerospace's protest of the exclusion.<sup>48</sup>

On February 24, 2011, DOD announced it would award the new tanker contract to Boeing. On March 4, EADS announced it would not challenge that decision.

The KC-X acquisition program has been a subject of intense interest because of the dollar value of the contract, the number of jobs it would create, the importance of tanker aircraft to U.S. military operations, and because DOD's attempts to acquire a new tanker over the past several years have been highly contentious. The history of those earlier attempts forms an important part of the context for DOD's proposed new KC-X competition, particularly in terms of defining the required capabilities for the KC-X, and designing and conducting a fair and transparent competition.

### **Ballistic Missile Defense**

The George W. Bush Administration had planned to deploy in Poland and the Czech Republic a modified version of the land-based BMD system currently deployed in Alaska and California. The Obama Administration dropped that plan in favor of the so-called Phased Adaptive Approach (PAA), which calls for deploying BMD-capable Aegis ships (and, eventually, a relocatable, land-based version of the Aegis system and associated Standard missile) to defend Europe and, eventually, the United States against potential ballistic missile attacks from Iran. The

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<sup>48</sup> CRS Report RL34398, *Air Force KC-46A Tanker Aircraft Program: Background and Issues for Congress*, by Jeremiah Gertler.



Administration has said that similar BMD capabilities could be pursued in other regions such as the Middle East and Northeast Asia.<sup>49</sup>

The Administration requested a total of \$2.27 billion in FY2011 for programs associated with the PAA, including \$712 million for development efforts unique to PAA and an additional \$1.56 billion to continue development and procurement of the Aegis ship-borne BMD system that would be integral to PAA as well as other missile defense missions.

## Military Construction<sup>50</sup>

The \$18.7 billion requested in the FY2011 base budget for military construction and family housing is nearly 20% lower than the corresponding appropriation for FY2010. Most of the reduction is the result of a decline from \$7.9 billion to \$2.7 billion in the amount that is being spent to build new facilities for units that are moving to new sites as a result of the 2005 Base Realignment and Closure (BRAC) Commission. Most of that BRAC-related construction was funded in earlier budgets, since the deadline for completing the moves is September 15, 2011.

In addition, the budget for military family housing dropped from \$2.3 billion in FY2010 to \$1.8 billion in the FY2011 request. According to DOD officials, this is a result of a policy, begun in the late 1990s, of privatizing military family housing. The amounts appropriated for the Basic Allowance for Housing paid to personnel who do not live in government furnished housing has increased over the past decade, partly because more service members are paying rent to private landlords and partly because of a policy decision that housing allowances (which are pegged to regional home rental and utility costs) should cover a larger proportion of a service member's housing costs.

## Aircraft Carrier Homeport

The FY2011 DOD bills provided a vehicle for those Members of Congress opposed to the Navy's plan to move to Mayport, FL, one of the five nuclear powered aircraft carriers currently homeported in Norfolk, VA. The Department of Defense's (DOD's) final report on the 2010 Quadrennial Defense Review (QDR), released on February 1, 2010, endorses the Navy's desire to establish Mayport as a second Atlantic Fleet carrier home port. The report stated:

To mitigate the risk of a terrorist attack, accident, or natural disaster, the U.S. Navy will homeport an East Coast carrier in Mayport, Florida.

Because all carriers currently in service are nuclear powered, such a move would require the construction of new, specialized nuclear support facilities at the Mayport site, near Jacksonville. In addition, such a move would shift from Norfolk to Mayport the local economic activity associated with homeporting an aircraft carrier, which some sources estimate as being worth hundreds of millions of dollars per year.<sup>51</sup>

Certain Members of Congress from Florida have expressed support for the proposal to homeport an aircraft carrier at Mayport, endorsing the argument made by DOD and the Navy that the benefits in terms of mitigating risks to the Navy's Atlantic Fleet CVNs are worth the costs associated with moving a CVN to Mayport, which the Navy estimates would total \$589.7 million.

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<sup>49</sup> For additional analysis, see CRS Report RL34051, *Long-Range Ballistic Missile Defense in Europe*, by Steven A. Hildreth and Carl Ek.

<sup>50</sup> Prepared in collaboration with Daniel H. Else, Specialist in National Defense.

<sup>51</sup> CRS Report R40248, *Navy Nuclear Aircraft Carrier (CVN) Homeporting at Mayport: Background and Issues for Congress*, by Ronald O'Rourke.

That total includes \$46.3 million for dredging, which Congress approved in its action on the FY2010 DOD budget, but with the proviso that it was not prejudging the issue of the carrier homeport.

Certain Members of Congress from Virginia have expressed skepticism regarding, or opposition to the proposal, arguing that the benefits in terms of mitigating risks to the Navy's Atlantic Fleet CVNs are questionable or uncertain, and that the funding needed to implement the proposal could achieve greater benefits if it were spent on other Navy priorities.

## Marine Corps Relocation to Guam

The Administration's budget included \$139 million for facilities on the U.S. territory of Guam, in the western Pacific for use by 8,000 Marines, their families, and support personnel slated to move to that island from the Japanese island of Okinawa. The planned move is the result of extensive negotiations between the Departments of State and Defense and the Government of Japan. DOD also plans to move additional military personnel to Guam from their current stations in the United States. These relocations are expected to be completed by 2014-2016.

Guam is a mountainous island with an area roughly three times that of the District of Columbia, and a population of about 178,000. Estimates of the permanent increase in population due to the planned influx of military personnel, their families, DOD personnel, and supporting contractors have ranged as high as 56,000. In addition, some analysts have estimated that as many as 25,000 temporary workers would be needed to build the planned facilities, a number amounting to 14% of the population. These analysts question whether Guam's current transportation, electrical and utility grid could support such a surge in the island's population.<sup>52</sup>

## US CYBERCOM

The Administration's budget supported the creation of the U.S. Cyber Command (USCYBERCOM) as a component of the U.S. Strategic Command that is intended to centralize command of DOD networks and to coordinate their protection and operation. The reorganization of cyber forces began in October 2008 when Secretary Gates directed that the Joint Task Force for Global Network Operations (JTF GNO), which was responsible for defending DOD's global information grid against cyber attack, be placed under the operational control of the Joint Functional Component Command for Network Warfare (JFCC NW), which was responsible for "offensive" information operations, including cyber attacks on adversaries. This integration into one organization of responsibility for both offensive and defensive cyber operations marked a departure from the historical segregation of those two capabilities.<sup>53</sup> In June, 2009, Secretary Gates took the consolidation of DOD cyber operations one step further, directing the U.S. Strategic Command to establish U.S. Cyber Command as one of its components with responsibility for both offensive and defensive cyber operations. The director of the National Security Agency (NSA) was nominated to lead the new command while retaining the NSA directorship.<sup>54</sup>

<sup>52</sup> See CRS Report RS22570, *Guam: U.S. Defense Deployments*, by Shirley A. Kan, and CRS Report R40731, *Military Construction, Veterans Affairs, and Related Agencies: FY2010 Appropriations*, coordinated by Daniel H. Else.

<sup>53</sup> For background, see CRS Report RL31787, *Information Operations, Cyberwarfare, and Cybersecurity: Capabilities and Related Policy Issues*, by Catherine A. Theohary.

<sup>54</sup> Cyber Command was officially activated by the Secretary of Defense on May 21, 2010, after the Senate confirmed the nomination of NSA Director Lt. Gen. Keith B. Alexander to head the new command (while retaining his NSA post) with the rank of General.

Some observers contend that co-locating offensive and defensive cyber capabilities represents the militarization of cyberspace and that NSA involvement will impinge upon the privacy of civilian information systems. Others maintain that centralized command will better organize and standardize DOD cyber practices and operations and that the new command will be responsible only for defending DOD networks, providing support for civil authorities upon request.

The Administration's FY2011 budget request for Air Force Operations and Maintenance reportedly included \$139 million to stand up U.S. Cyber Command, an increase of approximately \$105 million above the FY2010 Cyber Command budget that would fund the lease of temporary facilities and infrastructure at Ft. Meade, MD, where the organization is to be located.<sup>55</sup>

## State Department Role in Security Assistance

Some elements of the FY2011 DOD budget request reflected what the Obama Administration describes as an effort to “rebalance” the roles of DOD and the State Department in providing foreign assistance, particularly security assistance. The FY2011 NDAA legislation does not include two programs previously funded by DOD because the Administration requested these controversial items in the Department of State budget:

- The so-called “Section 1207” program to provide crisis reaction funding for reconstruction, security and stabilization activities, that are up for funding in the State Department/USAID Complex Crisis Fund (\$100 million in the State Department budget);<sup>56</sup> and
- The Pakistan Counterinsurgency Capability Fund, that is, the PCCF (\$1.2 billion in the State Department Budget).

In FY2012, the State Department also will take responsibility for Iraq police training. The DOD budget request for FY2011 includes funding for the Iraq Security Forces Fund (ISSF), used for Iraqi police training, even though the State Department FY2011 budget request also includes police support funding for the FY2011 transition year.<sup>57</sup> (Funding for the Afghanistan Security Forces Fund (ASFF) to train the Afghan National Police remains in the DOD budget.)<sup>58</sup>

In its FY2011 budget request, the Department of State stated that the transfer of the Section 1207, PCCF, and Iraqi police training will “begin to rebalance the roles between DOD and State.”<sup>59</sup> Nevertheless, within weeks of the Administration's release of its FY2011 budget request, statements by some Pentagon officials seemed to call for DOD to maintain, if not expand, its current role in security assistance. The Administration is engaged in an extensive interagency review over the appropriate division of security assistance authorities, which the Senate Armed Services Committee (SASC) took note of in the report accompanying its version of the FY2011

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<sup>55</sup> Officials in the U.S. Strategic Command have cited the figures that appear in the following article by DOD's in-house news service, however, CRS is unable to independently verify the actual numbers from DOD budget documents with the exception of the approximately \$105 million requested covering classified aspects of U.S. Cyber Command standup. See, “Cybersecurity Seizes More Attention, Budget Dollars,” by John J. Kruzal, Armed Forces Press Services, February 4, 2010, accessed at <http://www.defense.gov/news/newsarticle.aspx?id=57871>.

<sup>56</sup> DOD funding was authorized by Section 1207 of P.L. 109-163 as amended.

<sup>57</sup> The Administration's supplemental appropriations request for FY2010 included \$650 million to initiate this transfer. For further analysis of the FY2010 request, see CRS Report R41232, *FY2010 Supplemental for Wars, Disaster Assistance, Haiti Relief, and Other Programs*, coordinated by Amy Belasco.

<sup>58</sup> For details on ISSF and ASFF funding, see CRS Report RL33110, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*, by Amy Belasco.

<sup>59</sup> For additional analysis of the State Department funding request for these programs, see CRS Report R41228, *State, Foreign Operations, and Related Programs: FY2011 Budget and Appropriations*, op.cit.

NDAAs (S.Rept. 111-201), stating it “welcomes this review and looks forward to any proposals for enhancing U.S. security assistance that result from this process.”

In a February 24, 2010, speech, Secretary of Defense Robert M. Gates said that advising and mentoring foreign security forces is becoming a key military mission. He cited changes that the armed forces are making in their own organization to facilitate their role in advising, training and assisting partner nations. His remarks reflect recommendations contained in the February 8, 2010, Quadrennial Defense Review (QDR) Report that called for all four armed services “to strengthen and institutionalize” their capability to train and advise the security forces of partner nations.

Secretary Gates’ remarks were reinforced by a March 3, 2010, speech by Chairman of the Joint Chiefs of Staff Admiral Mike Mullen, who urged that military power should not be considered the last resort of the state, “but as potentially the best, first option” when combined with diplomacy and other instruments of national power. Both Secretary Gates and Adm. Mullen, as well as the QDR report, encouraged lawmakers to substantially bolster civilian capabilities to assist foreign governments in preventing, containing, and recovering from conflict. All three described a new relationship between defense and diplomacy, which “are no longer discrete choices ... but must in fact, complement one another throughout the messy process of international relations,” according to Chairman Mullen.

Consistent with this position, the Administration’s FY2011 DOD budget request leaves under DOD’s control other controversial security assistance programs, notably the so-called “Section 1206” program to train and equip the security forces of other countries threatened by terrorists, for which the budget included \$489.5 million.<sup>60</sup> The DOD budget also contains a funding request for the Combating Terrorism Fellowship Program (\$33.3 million), and two new DOD security assistance programs created in FY2010: the Defense Institution Reform Initiative to promote the institutional development of foreign defense ministries (\$5.7 million); and a related program to provide legal instruction to foreign military members and civilian government officials (\$1.6 million). The FY2011 request also would launch a new program, the Stability Operations Fellowship Program (\$5.0 million), but Congress has turned down this proposal in the past.

While affirming in his February speech that the State Department should maintain the lead, Secretary Gates described the current national security system as outmoded, with the roles of defense and diplomacy designed for a different set of threats than those the United States faces today. According to some defense experts, some Members have considered introducing legislation based on one Gates’ proposal, a pooled fund for security assistance to which DOD, State, and USAID contribute, but instead are awaiting the Administration’s own proposal.

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<sup>60</sup> DOD funding for this program was authorized by Section 1206 of P.L. 109-163, as amended. For more information on Section 1206 funding, see CRS Report RL32862, *Peacekeeping/Stabilization and Conflict Transitions: Background and Congressional Action on the Civilian Response/Reserve Corps and other Civilian Stabilization and Reconstruction Capabilities*, by Nina M. Serafino.

## Bill-by-Bill Synopsis of Congressional Action to Date

### FY2011 National Defense Authorization Act (H.R. 5136, S. 3454, H.R. 6523)

The version of the FY2011 National Defense Authorization Act passed May 28 by the House (H.R. 5136; H.Rept. 111-491) would authorize \$725.9 billion for DOD and other defense-related activities, which is \$2.7 million less than the Administration requested. The version of the bill reported by the Senate Armed Services Committee on June 4, 2010, (S. 3454; S.Rept. 111-201), would authorize \$725.7 billion, a reduction of \$240.7 million from the Administration's request. The Senate did not act on this version of bill, partly because of opposition to a provision that would have repealed a 1993 law (10 U.S.C. 654) that, in effect, had barred from military service those who are openly homosexual, establishing a policy colloquially referred to as "don't ask, don't tell." S. 3454 was set aside after the Senate, on December 9, 2010, rejected a motion to invoke cloture on motion to begin consideration of the bill. The vote was 57-40 in favor of invoking cloture, which would have required 60 "yea" votes.

Members of the House and Senate Armed Services Committees subsequently negotiated a compromise version of the authorization bill (H.R. 6523), which dropped the provision relating to the "don't ask; don't tell" policy which was cleared for the President on December 22, 2010, and signed by the President on January 7, 2011 (P.L. 111-383).

As is customary, H.R. 6523 authorized lump-sum totals to be appropriated for each several dozen appropriations accounts in the DOD and Energy Department budgets (**Table 11**). However, neither the text of the bill nor the accompanying Joint Explanatory Statement<sup>61</sup> included the customary funding tables allocating those totals among specific programs.

#### Lump-sum Authorizations With No Program Detail in H.R. 6523

As enacted, the Ike Skelton National Defense Authorization Act for FY2011, H.R. 6523, does not include funding details for specific procurement and R&D programs (in most cases), either in the text of the bill, or in the accompanying Joint Explanatory Statement (Committee Print HASC No. 5). So, with a handful of exceptions, the final version of the authorization bill does not authorize specific amounts for any acquisition program.

In following synopsis of action on the FY2011 authorization bill, funding levels requested by the Administration for some programs and the levels approved for those programs by the House-passed and Senate committee-reported versions of the authorization bill are included to provide context for other program-related actions incorporated in the final version of the bill. Authorization levels requested and approved by the House-passed and Senate committee-reported versions of the bill are presented in the **Appendix**.

<sup>61</sup> The Joint Explanatory Statement, equivalent to a conference report, was published by the House Armed Services Committee as a Committee print, "Joint Explanatory Statement of the Committees on Armed Services of the U.S. Senate and House of Representatives on H.R. 6523, Ike Skelton National Defense Authorization Act for Fiscal Year 2011," December 22, 2010, accessed at <http://www.gpo.gov/fdsys/pkg/CPRT-111HPRT63160/pdf/CPRT-111HPRT63160.pdf>.

**Table 11. FY2011 National Defense Authorization Act (H.R. 5136, S. 3454, H.R. 6523)**  
(amounts in millions of dollars)

	Administration request	House-passed (H.R. 5136)	Senate Armed Services Committee reported (S. 3454)	H.R. 6523 as enacted (P.L. 111-383)
<b>Division A: DOD Base Budget (except Military Construction)</b>				
Procurement	111,377	111,246	111,751	110,433
Research and Development	76,131	76,473	76,799	76,587
Operation and Maintenance	167,879	167,620	168,224	168,151
Military Personnel	138,541	138,541	138,541	138,541
Other Authorizations	36,197	36,243	36,265	36,153
<b>Subtotal, DOD Base Budget (except MilCon)</b>	<b>530,124</b>	<b>530,124</b>	<b>531,579</b>	<b>529,864</b>
<b>Division B: Military Construction (Base Budget)</b>				
Military Construction,	14,209	14,649	14,197	13,653
Family Housing	1,823	1,823	1,823	1,823
Base Realignment and Closure (BRAC)	2,715	2,715	2,715	2,715
General Reductions	0	-441	0	0
<b>Subtotal, Military Construction, Base Budget</b>	<b>18,747</b>	<b>18,745</b>	<b>18,735</b>	<b>18,191</b>
<b>Total, DOD Base Budget</b>	<b>548,871</b>	<b>548,869</b>	<b>550,314</b>	<b>548,055</b>
<b>Division C: Department of Energy Nuclear National Security Agency (NNSA) and Other Authorizations</b>	17,716	17,716	17,721	17,716
<b>Total, National Defense Budget Function (050), FY2011 Base Budget</b>	<b>566,587</b>	<b>566,585</b>	<b>568,034</b>	<b>565,892</b>
<b>FY2011 Overseas Contingency Operations, DOD</b>	<b>159,336</b>	<b>159,335</b>	<b>157,648</b>	<b>158,750</b>
<b>Grand Total, FY2011 National Defense</b>	<b>725,922</b>	<b>725,920</b>	<b>725,682</b>	<b>724,642</b>

**Sources:** House Armed Services Committee, Report on H.R. 5136, the National Defense Authorization Act for FY2011 H.Rept. 111-491, pp. 4-13; Senate Armed Services Committee, Report on S. 3454, the National Defense Authorization Act for FY2011, S.Rept. 111-201, pp. 5-9; House Armed Services Committee, Committee Print HASC No. 5, "Ike Skelton National Defense Authorization Act for Fiscal Year 2011, Legislative Text and Joint Explanatory Statement to Accompany H.R. 6523, Public Law 111-383."

Following are highlights of H.R. 5136 as passed by the House, S. 3454 as reported by the Senate Armed Services Committee, and the final version of the authorization bill, H.R. 6523 as enacted (P.L. 111-383).

## **Military Personnel Issues (Authorization)<sup>62</sup>**

All three versions of the defense authorization bill would authorize, as requested, a total end-strength of 1.43 million members for the active-duty components of the four armed services. This is an increase of 7,400 over the end-strength authorized for FY2010.

### ***Military Compensation***

The Senate committee bill and the final version authorized a 1.4% increase in military basic pay, as requested by the Administration. The House-passed bill would have authorized a 1.9% raise which, the committee said, would have added \$380 million to the FY2011 military personnel costs (Section 601).

The final bill did not include provisions in the House bill would have authorized (1) an increase in the monthly allowance paid to married personnel who are separated from their families by deployment, from \$250 to \$285 and (2) an increase in the monthly payments to personnel whose assignments subject them to risk of hostile fire or imminent danger, from \$225 to \$260.

In its report to accompany S. 3454, the Senate Armed Services Committee directed the Government Accountability Office (GAO) to assess DOD's use of cash incentives to recruit and retain highly qualified individuals into hard-to-fill specialties that are essential in wartime. In particular, it directs GAO to review the process by which DOD identifies specialties for which such incentives are offered. The Senate committee also directed GAO to assess the efficiency and accuracy of the process by which DOD determines the size of the housing allowance paid to service members assigned to any given base who do not occupy government-provided housing.

### ***"Don't Ask, Don't Tell"***

The final version of the FY2011 defense authorization act did not include a controversial provision, included in both the House-passed and Senate committee-reported versions of the bill, that would have repealed the 1993 legislation barring openly homosexual persons from military service. Such a provision was enacted as a free-standing law (H.R. 2965, P.L. 111-321).

On May 27, 2011, the House had adopted by a vote of 234-194 an amendment to H.R. 5136 by Representative Patrick Murphy that would repeal the 1993 legislation barring openly homosexual persons from military service after (1) the current DOD review has been completed; and (2) the President, the Secretary of Defense and the Chairman of the Joint Chiefs of Staff have certified to Congress that policies and regulations have been prepared that would allow the repeal of the ban to be implemented in a way that is, "consistent with the standards of military readiness, military effectiveness, unit cohesion, and recruiting and retention of the armed forces." This provision, which was incorporated in the House bill as Section 536, was substantially the language that had been agreed to in negotiations between proponents of repeal and Administration officials.

On June 1, 2010, the Senate Armed Services Committee voted 16-12 to include in S. 3454 a substantially identical provision (Section 591). On September 21, 2010, the Senate voted on a motion to invoke cloture on debate over whether to begin consideration of the bill. During the brief debate preceding that vote, Senator John McCain, the senior Republican member of the Armed Services Committee, contended that Senate action on the bill was premature since DOD had not yet concluded its review of the effects of repealing the "don't ask, don't tell" policy. The

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<sup>62</sup> For background, see "Military Personnel," pp. 17, ff. For appropriations action, see "Military Personnel and Medical Care Issues (Appropriations)", p. 52.

motion to invoke cloture, which would have required 60 votes for adoption, failed on a vote of 56-43.

### ***Abortions in Military Medical Facilities***

The final version of the bill did not include a provision of the Senate committee version that would have repealed an existing law that prohibits the use of any military facility to perform abortion, with certain exceptions. This action would have allowed DOD to return to the policy it followed in 1993-1995 of allowing military facilities to provide abortions using private funds.<sup>63</sup> Although repeal has been advocated on the grounds that such an action would protect U.S. service members stationed overseas, the Senate committee provision would have applied to all DOD facilities, foreign and domestic.

### ***Alternative Career Track for Officers***

The enacted version of the authorization bill did not include a House-passed provision that would have authorized a pilot program to assess the value of allowing a certain number of officers to pursue a more varied range of mid-career educational programs and assignments outside of their service for the sake of broadening their experience and strategic judgment. To allow for this richer mixture of experience, participants would have been given leeway to skip or delay some of the established requirements and deadlines for promotion and might be required to commit to a longer-than-usual period of service (Section 661).

### **Sexual Assault**

The original House-passed version of the bill included 28 provisions that would have enacted many of the recommendations of a congressionally chartered DOD commission studying the issue of sexual assault in the military.<sup>64</sup> The enacted version of the bill included many of these provisions (mostly with modifications) but not others.

The final version of the bill establishes in law the position of director of DOD's Sexual Assault Response and Prevention office, but without the additional requirement in the House-passed bill that the job be held by a flag or general officer or a civil servant of comparable rank. It also requires that DOD establish improved protocols for the medical care of military personnel and their dependents who are sexual assault victims, and it guarantees that such victims have access to victim advocates.

H.R. 6523 does not include provisions of the original House-passed bill that would have guaranteed the confidentiality of victims' communications with victim advocates. Nor does it include provisions of the original House bill that would have guaranteed such victims legal assistance and required the establishment of a hotline for reporting sexual assaults. The bill does require the Secretary of Defense to evaluate the feasibility of authorizing sexual assault victims to receive assistance from military legal counsel.

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<sup>63</sup> For additional analysis, see CRS Report 95-387, *Abortion Services and Military Medical Facilities*, by David F. Burrelli.

<sup>64</sup> The commission was established by Section 576 of the Ronald W. Reagan National Defense Authorization Act for FY2005 (H.R. 4200).



## Medical Care (Authorization)<sup>65</sup>

H.R. 6523, like both the House-passed and Senate committee-reported versions of the authorization bill, would authorize substantially all of the Administration's \$50.7 billion budget request for DOD's health care program.

### *TRICARE Fee Limitation*

Although the budget request did not include increases in TRICARE fees and pharmacy copayments, which the Bush and Obama Administrations had recommended in prior years and which Congress regularly had rejected, the House-passed H.R. 5136, the Senate Armed Services Committee's S. 3454 and the final enacted version of the authorization bill (H.R. 6523) each contain provisions similar to those Congress had enacted in earlier years prohibiting any increase in TRICARE fees and pharmacy copayments.<sup>66</sup>

All three versions of the bill allow TRICARE beneficiaries to extend coverage to their dependent children up to age 26, an option made available to beneficiaries of private health insurance programs under the Patient Protection and Affordable Care Act (P.L. 111-148), the health care reform bill enacted in April 2010 (Section 702).

The enacted version of the bill did not include a House provision that would have authorized the President, through the Secretary of Defense, to establish a unified medical command (Section 903) under the Assistant Secretary of Defense for Health Affairs and a new Defense Health Agency to administer the TRICARE program.

## Fort Hood Shooting Incident

H.R. 6523, as enacted, included a modified version of a House-passed provision requiring the Secretary of Defense to ensure that the training programs for officers in the services' medical corps properly document their academic and military performance. The provision was a response to a November 2009 incident at Fort Hood, TX, in November 2009 in which an Army psychiatrist allegedly opened fire on troops preparing for deployment to Iraq. There were allegations that the supposed perpetrator had a record of substandard and erratic performance.

The final version of the authorization bill did not include two other provisions of the House-passed H.R. 5136 that were intended to deal with the causes and consequences of the incident at Fort Hood and another one at a recruiting station in Little Rock, AR, on June 1, 2009, in which service members and DOD civilians were killed or wounded in terrorist attacks. The House provision not included in the final bill would have:

- provided special compensation to persons killed or wounded in those two incidents or in any other incident subsequent to November 6, 2009, in which service members or DOD civilians were targeted because of their affiliation with the U.S. military (Section 619). These individuals would be awarded the same compensation as DOD personnel killed or wounded in a combat zone.

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<sup>65</sup> For background, see "Military Health Care Costs", pp. 20 ff. For appropriations action, see "Military Personnel and Medical Care Issues (Appropriations)," p. 52.

<sup>66</sup> The relevant provisions are numbered Section 701 both in the House bill and in the Senate committee bill. For background see "Military Health Care Costs," above.

- required the Secretary of Defense to earmark up to \$100 million in a fund to implement recommendations of a panel that had been set up by DOD to analyze the Fort Hood incident.<sup>67</sup>

### **Ballistic Missile Defense, Strategic Weapons, and the New START Treaty (Authorization)<sup>68</sup>**

Both the bill passed by the House and the one reported by the Senate committee generally supported the Administration’s ballistic missile defense (BMD) activities, including its plan for defending U.S. troops and allies in Europe against ballistic missiles attacks from Iran. Both bills would have authorized slightly more than the \$10.3 billion requested for missile defense, with H.R. 5136 adding \$361.6 million and the Senate committee’s S. 3454 adding \$349.1 million.

Consistent with both the House-passed and Senate committee bills, H.R. 6523 specifically authorized \$205 million to continue development of Israel’s “Iron Dome” system, which is intended to intercept short-range bombardment rockets and artillery shells. DOD had requested the funds after the FY2011 budget request was sent to Congress.

Except for the funding for “Iron Dome,” neither H.R. 6523 as enacted nor its accompanying explanatory statement allocates among specific programs the lump-sums authorized for each appropriations account. Thus, the bill does not authorize any identifiable total for the set of programs that comprise the Administration’s missile defense plan. Funding levels that would have been authorized for specific missile defense programs by H.R. 5136 and S. 3454 are presented in **Table A-2**.

Like the House-passed and Senate committee versions of the bill, H.R. 6523 include a provision affirming that the strategic arms reduction treaty with the Russian Federation (dubbed “New START”), which the Senate approved on December 22, 2010, would not restrict U.S. missile defense programs. Some Russian sources have asserted that the Administration’s plan for defending Europe against long-range ballistic missiles would undermine the treaty.<sup>69</sup>

### ***Phased Adaptive Approach (Missile Defense for Europe) and Arms Control***

The Administration requested a total of \$2.27 billion in FY2011 for programs associated with its so-called “Phased Adaptive Approach” (PAA) for defending Europe against long-range ballistic missiles. The budget requested \$712 million for development efforts unique to PAA and an additional \$1.56 billion to continue development and procurement of the Aegis ship-borne BMD system that would be integral to PAA as well as other missile defense missions.

The final version of the authorization bill requires a DOD report on the PAA. It also would place restrictions on the PAA similar to those that Congress previously had applied to the Bush plan, namely:

<sup>67</sup> An independent panel, established by the Secretary of Defense to review the incident, issued its report, “Protecting the Force: Lessons from Fort Hood,” in January 2010. The report was accessed at [http://www.defense.gov/pubs/pdfs/DOD-ProtectingTheForce-Web\\_Security\\_HR\\_13Jan10.pdf](http://www.defense.gov/pubs/pdfs/DOD-ProtectingTheForce-Web_Security_HR_13Jan10.pdf) on September 15, 2010.

<sup>68</sup> For background, see “Ballistic Missile Defense”, p. 28. For appropriations action, see “Missile Defense and Strategic Strike (Appropriations)”, p. 52.

<sup>69</sup> For background, see CRS Report R41251, *Ballistic Missile Defense and Offensive Arms Reductions: A Review of the Historical Record*, by Steven A. Hildreth and Amy F. Woolf and CRS Report R41219, *The New START Treaty: Central Limits and Key Provisions*, by Amy F. Woolf.

- It limits deployment in Europe of defenses against medium-range and long-range missiles until the Secretary of Defense certifies that the proposed technology is operationally effective, based on realistic flight tests; and
- It limits the use of funds for BMD deployments in any country until the host government has ratified any necessary agreements and until 45 days after Congress has received a report on alternative BMD systems for Europe required by the FY2010 National Defense Authorization Act (P.L. 111-84).

Unlike the House-passed bill, which included similar restrictions on the PAA, H.R. 6523 allows the Secretary of Defense to waive the two provisions in the interest of national security.

The final version of the bill also includes a provision authorizing the establishment of a shared ballistic missile early warning system with the Czech Republic. The Administration had requested the authorization in May 2010, too late to be included in either H.R. 5136 or S. 3454.

In addition, the final version declared as the sense of Congress several propositions that the House-passed and Senate committee versions also had endorsed, either as statements of national policy or as expressions of the sense of Congress. Among these were statements that:

- a future version of the Standard missile be able to intercept Iranian ICBMs aimed at U.S. territory;
- DOD should continue development of the two-stage ground-based interceptor, as hedge against potential technical challenges with the Standard missile; and
- PAA is not intended to diminish strategic stability with the Russian Federation.

The final version of the authorization bill does not include provisions in the House bill that would have:

- barred the reduction of U.S. nuclear weapons below the limits set by the New START Treaty until 180 days after the Secretary of Defense and the Administrator for Nuclear Security of the Nuclear National Security Administration of the Department of Energy submit to Congress a joint report justifying the proposed cuts in detail (Section 1058), and
- expressed the sense of Congress that the Administration's Nuclear Posture Review, published April 6, 2010, weakens U.S. security by forswearing the option of using nuclear weapons to retaliate for a catastrophic attack on the United States by a non-nuclear-armed state using chemical or biological weapons.<sup>70</sup>

### **Shipbuilding (Authorization)<sup>71</sup>**

The final version of the authorization bill, like the House-passed and Senate committee versions, approved the \$15.7 billion requested for Navy shipbuilding. Although H.R. 6523 did not allocate that amount among specific programs, the budget request included funding for two DDG-51 Aegis destroyers (\$2.92 billion), two Virginia-class attack submarines (\$3.44 billion), two Littoral Combat Ships (\$1.23 billion), a high-speed troop and cargo carrier designated an "intra-theater connector" (\$180.7 million), an oceanographic research ship (\$88.6 million). The request also

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<sup>70</sup> See Department of Defense, Nuclear Posture Review Report, April 6, 2010, at <http://www.defense.gov/npr/docs/2010%20Nuclear%20Posture%20Review%20Report.pdf>.

<sup>71</sup> For background, see "Navy Force Structure and Shipbuilding Plans", pp. 23 ff.

included the fourth and final increment of funding for the nuclear-powered aircraft carrier *U.S.S. Gerald R. Ford* (\$1.73 billion), the first of two increments for an LHA-class helicopter carrier to support amphibious landings (\$949.9 million), and the third increment of funding for refueling and overhauling the nuclear-powered carrier *U.S.S. Theodore Roosevelt* (\$1.26 billion).<sup>72</sup>

### ***Incremental Funding of Major Warships***

Although incremental funding has become the norm in recent years for very expensive ships, including aircraft carriers and large amphibious assault ships, it is an anomaly in the congressional appropriations process that, with a few exceptions, requires that the full cost of a weapons system be budgeted in one year.<sup>73</sup> Existing law allows aircraft carriers to be incrementally funded (for up to four years) and H.R. 6523 includes a provision that would allow a helicopter carrier (LHA-7) to be funded over two years. A provision of the House-passed bill would have provided a general exception to the “full funding” rule for large amphibious assault ships.

### ***Fleet Size***

H.R. 6523 included a provision requiring a report on how the Navy’s shipbuilding requirements could be affected by the Administration’s plan to use cruisers and destroyers equipped with the Aegis anti-missile system to provide anti-ballistic missile protection for various regions. It directed DOD to report its plans for regional BMD deployments inasmuch as the demand for Aegis missile-defense ships is expected to exceed the supply for some time to come.

The final version of the authorization bill did not include two other provisions from the House-passed bill that were intended to prevent a decline in the size of the fleet. One of those House provisions would have blocked the planned retirement of two large helicopter carriers until their replacements are in service; The other would have barred the Navy from retiring more than two ships for every three new vessels commissioned (except for submarines), until the size of the fleet reaches the Navy’s current goal of 313 ships.

In its report to accompany S. 3454, the Senate committee said that the Navy’s projected shipbuilding schedule was overly optimistic but, even so, would not purchase enough ships to sustain the array of commercial shipyards on which DOD relies for the construction of new ships. The committee directed the Secretary of Defense and the Congressional Budget Office each to conduct a formal assessment of how the Navy’s plans for building new ships and retiring existing ones would affect the Marine Corps’s ability to conduct major amphibious landings. Navy and Marine Corps leaders have agreed that, while a fleet of 38 amphibious landing ships would be the ideal number to support two brigade-sized assault landings, the 33 ships contemplated by the Navy’s most recent long-range shipbuilding plan would be adequate. But the Senate committee said that cost increases and construction delays might make it impossible to reach the reduced goal of 33 amphibious ships.

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<sup>72</sup> For several ships that would receive the bulk of their funding in the FY2011 budget, so-called “long-lead” funding totaling as much as several hundred million dollars has been provided in earlier budgets to buy components needed in the early stages of construction. Similarly, the \$15.7 billion requested for shipbuilding in FY2011 includes more than \$3 billion in long-lead funding for ships slated to receive most of their funding in future budgets.

<sup>73</sup> See CRS Report RL31404, *Defense Procurement: Full Funding Policy—Background, Issues, and Options for Congress*, by Ronald O’Rourke and Stephen Daggett.

### ***Ballistic Missile Submarines***

The final version of the FY2011 defense authorization bill included no language relating to the Navy's plan to replace its 14 *Ohio*-class ballistic missile submarines with a new class of submarines which would be large enough to carry the Trident II (D-5) missile carried by the current class. Because of their expense, these new ships, designated SSBN(X), are expected to absorb a large share of the Navy's shipbuilding budgets after 2016, possibly crowding out the construction of other planned ships.<sup>74</sup>

The House-passed and Senate committee reported versions of the authorization bill would have approved the \$672.3 million requested for SSBN(X) development in FY2011, but the final version of the bill approves only a lump-sum authorization for Navy R&D without allocating that total among specific programs. The final version of the bill did not include a House-passed provision that would have barred the Navy from obligating more than half of the money until the Secretary of Defense submits a report including certain information about the program.

### **Aircraft (Authorization)<sup>75</sup>**

Neither the House-passed nor the Senate committee-reported bill would have authorized funds to continue production of the C-17 wide-body cargo jet, for which the Administration requested no funds. Over the objections of the Bush and Obama Administrations, Congress had added funds to the FY2009 and FY2010 budgets to continue C-17 production. The Administration has warned that any bill funding production of additional C-17s would be vetoed.

### ***F-35 Joint Strike Fighter and Alternate Engine***

The Armed Services committees of the Senate and House each had decried cost overruns in the F-35 Joint Strike Fighter program and delays in its flight test program. As enacted, the authorization bill included a Senate committee provision requiring DOD to create a detailed plan by which Congress could assess the ongoing progress of the F-35 development program. The final bill did not include a House provision that would have limited the number of F-35s procured in FY2011 until DOD certified that the program has met several cost and performance milestones.

Both the House-passed and Senate committee-approved versions of the bill would have authorized a total of \$11 billion to continue development of the F-35 aircraft and purchase 42 planes. Both bills also rejected a request for one additional F-35 (\$205 million) that would have been authorized in the part of the bill dealing with war costs. The Administration's rationale for this additional plane was that it was to replace a fighter that was lost during the currently ongoing combat operations. In its report on H.R. 5136, the House Armed Services Committee noted that the Air Force could replace the lost aircraft by continuing to operate another fighter of the same type slated for retirement.

The House-passed bill would have added to the budget \$485 million to continue development of an alternate jet engine for the F-35. The Senate committee's bill would not have provided additional funds for the second engine. The enacted version of the bill takes no specific position on the additional funding.

The final bill did not include a Senate committee provision that would have barred the expenditure of any additional funds for the alternate engine unless the Secretary of Defense

<sup>74</sup> See CRS Report R41129, *Navy SSBN(X) Ballistic Missile Submarine Program: Background and Issues for Congress*, by Ronald O'Rourke.

<sup>75</sup> For background, see "Aircraft Programs," pp. 26 ff. For appropriations action, see "Aircraft (Appropriations)," p. 53.

certified that that project would reduce the life-cycle cost and improve the operational readiness of the F-35 fleet while neither disrupting the plane's development program nor resulting in a reduction in the number of planes purchased.

In a May 20, 2010, Pentagon press conference, Secretary Gates reaffirmed his intention to recommend that President Obama veto any defense bill that funded the alternate F-35 engine. He also said that the detailed requirements the committee bill placed on the F-35 test program and production schedule would make the program "unexecutable."<sup>76</sup>

### ***F/A-18E/F***

The House and Senate Armed Services Committees each contend that the Navy's planned aircraft procurement budgets would result in an unwise drop in the number of carrier-borne fighters because delays in the F-35 program mean that older F/A-18s will be retired before the planes meant to replace them are in service. To bridge this, so-called "strike fighter gap," both the House-passed bill and the Senate committee-reported bill would have added funding for additional F/A-18E/F model fighters. Because the enacted bill does not allocate authorization totals among specific programs, it does not authorize any specific number of the planes.

The enacted bill also includes a modified version of a Senate committee provision requiring the Navy to report to Congress on the cost and risks of dealing with the projected strike fighter gap either by extending the service life of F/A-18s currently in service or by reducing the number of planes in certain F/A-18 squadrons.

### ***KC-X***

The House-passed and Senate committee-reported bills each would authorize, as requested, \$863.9 million to continue development of the KC-X mid-air refueling tanker. France-based EADS proposed a tanker based on its Airbus A-330 to compete with a Boeing bid based on its 767 jetliner.

By a vote of 410-8, the House adopted an amendment to H.R. 5136 (Section 839) that would require DOD to take into account, when considering bids for the KC-X tanker, "any unfair competitive advantage that an offeror may possess," and to submit a report on such advantages to Congress. The provision defines an "unfair competitive advantage" as "a situation in which the cost of development, production, or manufacturing is not fully borne by the offeror for such contract." Several House Members speaking in support of the amendment indicated that it was based on a finding by the World Trade Organization that France-based EADS had received government subsidies for its commercial airliners that might give it an unfair advantage when bidding on KC-X. However, the amendment was supported by many avowed supporters of both planes. The provision was not included in H.R. 6523.

On February 24, 2011, DOD announced it had selected Boeing's tanker design, which is designated the KC-46A. On March 4, 2011, EADS announced it would not challenge Boeing's selection.

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<sup>76</sup>May 20, 2010, DOD press conference accessed at <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4625>.

## **Ground Combat Vehicle and Brigade Combat Team Modernization (Authorization)<sup>77</sup>**

Both H.R. 5136 as passed by the House and S. 3454 as reported by the Senate Armed Services Committee would deny authorization for part of the \$3.19 billion requested by the Army for its Brigade Combat Team (BCT) Modernization program, which is the successor to the service's Future Combat Systems (FCS) program. FCS was an effort to develop an array of digitally linked manned and unmanned vehicles which Secretary Gates terminated in 2009 on grounds that it was too complex and too expensive.

The House-passed and Senate committee-recommended versions of the authorization bill both would have denied \$431.8 billion requested for the Non-Line of Sight (N-LOS) missile program, which DOD cancelled after the FY2011 budget was submitted. However, the House bill went considerably further in trimming back the Army's plan, cutting an additional \$347.4 million from the total BCT Modernization request, whereas the Senate committee cut the request by only \$29.7 million beyond the N-LOS reduction.

The enacted version of the authorization did not allocate a specific funding level to the projects comprising the BCT program.

The House-passed and Senate committee-recommended bills each would have authorized the \$934.4 million requested as part of the BCT Modernization program to develop a new family of Ground Combat Vehicles (GCV). In its report on H.R. 5136, the House Armed Services Committee urged the Army to take a less technologically ambitious approach with the new combat vehicle program. It urged the Army to focus on developing vehicles that could meet basic requirements and be upgraded later. The panel also said that the Army should consider whether its current fleet of combat vehicles could be upgraded to meet the basic GCV requirements. It included in the bill a provision that would allow the Army to spend only half of the FY2011 GCV appropriation until the service provides the committee with a detailed analysis of its plans for developing the new fleet of vehicles.

Subsequently, DOD reduced its FY2011 GCV funding request to \$461 million. While the enacted version of the authorization bill includes no details on funding for individual programs such as GCV, the House Armed Services Committee's press release on the enacted bill said H.R. 6523 "fully funds the Administration's adjusted request of \$461 million."<sup>78</sup>

## **Military Construction: Carrier Homeport and Guam (Authorization)<sup>79</sup>**

The enacted version of the authorization bill did not include a House provision that would have barred the use of any funds authorized by the bill to plan and design structures at the Naval Station in Mayport, FL, to homeport a nuclear-powered aircraft carrier. In its report accompanying the House-passed version of the bill, the House Armed Services Committee directed the GAO to conduct an assessment of the direct and indirect costs of homeporting a carrier in Mayport. The House committee also directed the Navy to report on the cost and benefits

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<sup>77</sup> For background, see "Army Combat Force Modernization Programs," p. 21. For appropriations action, see "Ground Combat Vehicles (Appropriations)," p. 53.

<sup>78</sup> House Armed Services Committee press release: "H.R. 6523, National Defense Authorization Act for Fiscal Year 2011."

<sup>79</sup> For background, see "Military Construction," pp. 29-30. For appropriations action, see CRS Report R41345, *Military Construction, Veterans Affairs, and Related Agencies: FY2011 Appropriations*, by Daniel H. Else, Christine Scott, and Sidath Viranga Panangala.

of various other options for using the Mayport naval facilities, including the stationing of non-nuclear powered ships.

H.R. 6523 authorized \$176.0 billion of the \$566.2 billion requested for military construction on Guam, with most of the reduction coming from the \$426.9 million directly related to the planned redeployment to Guam of Marine Corps units currently stationed in the Japanese Prefecture of Okinawa. Like the Senate committee-reported version, the final bill approved funds requested to improve access roads and wharves for Guam's harbor, but denied funding to begin construction on the island of a Marine base and facilities for Marine aviation squadrons.

In addition, the final version of the bill did not authorize \$70.0 million requested to replace Guam's military hospital. It did authorize, as requested, \$50.3 million for Air Force projects related to DOD's global repositioning of forces and \$19.0 million for construction of a new National Guard Readiness Center.

The final version of the bill did not include a House provision that would have authorized the Secretary of Defense to "assist the Government of Guam in meeting the costs of providing increased municipal services and facilities required as a result of the realignment" by transferring up to \$500 million of appropriated DOD operation and maintenance funds to any existing federal program available to Guam.

H.R. 6523 also requires the Secretary of Defense to report to Congress on the military facilities needed to support force redeployment, and a report by the Secretary of the Interior assessing the civil infrastructure improvements that will be needed to serve both the permanent increase in population because of the re-stationed combat forces and the temporary surge caused by construction workers preparing the new facilities.

### **Guantanamo Bay Detainee Issues**

As the House-passed version of the bill would have done, H.R. 6523 bars the use of funds authorized by the bill to transfer to or release into U.S. territory any detainee currently held in the U.S. facility at Guantanamo Bay, Cuba. It also would prohibit the use of DOD funds to transfer any Guantanamo Bay detainee to the custody of any foreign government unless the Secretary of Defense certifies to Congress that certain conditions are met that are intended to minimize the risk that the detainee would be released.

Unlike the House-passed and Senate committee-approved versions of the bill, the final version waives those two restrictions in cases in which a competent court or military tribunal orders a detainee's transfer.

H.R. 6523 also bars the use of funds authorized by the bill to build or modify at any other location facilities to house detainees currently at Guantanamo Bay. It requires the Secretary of Defense to report to Congress on the costs, benefits and risks of transferring Guantanamo detainees to any alternative site.

### **Security Assistance and the State Department (Authorization)<sup>80</sup>**

For the so-called "Global Train and Equip" program, also known as the "Section 1206 program," the Administration's DOD appropriations request for FY2011 was \$489.5 million.

This would have required an amendment to existing law, which limits to \$350 million the annual appropriation for the Section 1206 program.

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<sup>80</sup> For background, see "State Department Role in Security Assistance", pp. 31-ff.



The House-passed version of the authorization bill would have (1) authorized the requested appropriation, (2) increased the Section 1206 funding ceiling to \$500 million, and 3) extended authorization for the program, which currently is set to expire at the end of FY2011, through FY2012.

The House bill also would have required DOD to transfer \$75 million to the Secretary of State to build the counterterrorism forces of the Yemeni Ministry of Interior, provided the Secretary of State can certify by July 31, 2011, that the State Department is able to effectively provide that assistance. The bill provided that, if the Secretary of State could not issue the certification,<sup>81</sup> the Secretary of Defense would have discretion to provide the funds for the Yemen project subject to the concurrence of the Secretary of State and other Section 1206 procedures. In its report on the bill, the House Armed Services Committee signaled the importance it attached to this funding by, recognizing Yemen as a “strategic partner” in combating Al Qaeda in the Arabian Peninsula. This provision would have expanded the scope of the Section 1206 program which, under existing law, can be spent only to support national military forces, as opposed to police agencies oriented toward domestic law enforcement.

The Senate committee-reported bill would not have increased the \$350 million cap on Section 1206 funding and would have cut the Administration’s request to that level. However, the committee bill also would have created a separate, stand-alone authority for the Secretary of Defense, with the concurrence of the Secretary of State, to provide up to \$75 million (from FY2011 operations and maintenance funds) in assistance, including equipment, supplies, and training, to the Yemen Ministry of the Interior counterterrorism unit “to conduct counterterrorism operations against al Qaeda in the Arabian Peninsula and its affiliates.”

The final version of the authorization bill does not increase the \$350 million ceiling on Section 1206 funding, as the Administration requested. However, it does authorize the additional \$75 million for Yemeni Interior Ministry units, that was approved by the Senate committee.

The enacted version of the authorization bill also includes a provision, similar to one requested by the Administration and included in the Senate committee bill, that authorizes the Secretary of Defense to use up to \$150 million of Army funds to enable the Task Force for Business and Stability Operations in Afghanistan "to assist the commander of the United States Central Command in developing a link between United States military operations in Afghanistan under Operation Enduring Freedom and the economic elements of United States national power in order to reduce violence, enhance stability, and restore economic normalcy in Afghanistan through strategic business and economic activities." The specific intent of the projects would be to "facilitate private investment, industrial development, banking and financial system development, agricultural diversification and revitalization, and energy development in and with respect to Afghanistan."

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<sup>81</sup> Because the State Department’s 10<sup>th</sup> annual Trafficking in Persons Report, released June 14, 2010, identifies Yemen as a country that recruits and uses children in governmental armed forces, Section 1206 funding to Yemen may be cut for FY2011 under provisions of the Child Soldiers Prevention Act of 2008 (P.L. 110-457, Title IV), absent a presidential national interest waiver, applicable exception, or a reinstatement of assistance. U.S. Department of State, *Trafficking in Persons Report: 10th Edition*, June 2010, p. 10, <http://www.state.gov/documents/organization/1429>.

## Cybersecurity (Authorization)<sup>82</sup>

As enacted, H.R. 6523 includes several provisions related to cybersecurity that are based on provisions of the Senate committee-approved bill, modified in some cases. Among other things, final version of the bill:

- directs the Secretary of Defense to submit a report to Congress on the cyber warfare policy of DoD, including legal, strategy and doctrinal issues;
- requires DOD to develop a tailored acquisition process for cyberspace;
- requires the Secretary of Defense to implement a policy of continuously monitoring DOD computer networks to improve security and Federal Information Security Management Act (FISMA) compliance and reporting; and
- requires annual reports to Congress on the nature of damages caused by cyber attacks, as well as net assessments of the cyberwar capabilities of the U.S. and potential adversaries in order to determine whether the U.S. is making progress in improving cybersecurity.

The final version of the authorization bill did not include a House provision<sup>83</sup> that would have created a National Office for Cyberspace with government-wide responsibility for coordinating agencies' information security programs and security-related requirements for federal information technology investments. The director of the new office, whose appointment would have required Senate confirmation, would have been a member of the National Security Council.

## FY2011 Congressional Budget Ceilings (“302b Allocations”)

The House and Senate did not agree on a FY2011 budget resolution that would have set a ceiling on overall discretionary spending that the two Appropriations Committees could divide among their subcommittees via so-called “302(b) allocations” to function as ceilings on each of the 12 annual appropriations bills. In the absence of a budget resolution, both committees operated under spending caps that were adopted through other procedures.

On July 1, 2010, the House adopted a one-year cap on discretionary spending (H.Res. 1493)<sup>84</sup> which the House Appropriations Committee used as the basis for setting 302(b) allocations for each of its subcommittees (H.Rept. 111-565). For the Defense Subcommittee, the allocation was \$523.9 billion, which is \$7 billion less than the Administration requested for DOD base budget programs within the jurisdiction of that subcommittee.<sup>85</sup>

The Senate Budget Committee approved a FY2011 budget resolution (S.Con.Res. 60). However, the resolution never was considered by the Senate, nor did the Senate adopt any overall ceiling on FY2011 discretionary spending, as the House had done. On July 15, 2010, the Senate Appropriations Committee adopted “discretionary guidance” for the amount that could be

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<sup>82</sup> For background, see “US CYBERCOM”, pp. 30-31.

<sup>83</sup> This provision was added to the House bill as a floor amendment, sponsored by Representatives Diane E. Watson and Jim Langevin, which was based on provisions of H.R. 4900 and H.R. 5247. The amendment was incorporated into one of several so-called *en bloc* amendments, each of which incorporated several non-controversial amendments and all of which were agreed to by voice vote.

<sup>84</sup> Such informal substitutes for a budget resolution are referred to as “deeming” resolutions.

<sup>85</sup> This excludes the President’s \$18.7 billion request for military construction, which is overseen by the Subcommittee on Military Construction, Veterans Affairs, and Related Agencies. That subcommittee’s 302(b) allocation is \$1 million more than the \$76.0 billion which, according to CBO, would be the cost of the President’s request for all the discretionary programs funded by that agency. The 302(b) allocation does not identify the DOD share of that total.

appropriated by each of its subcommittees. For the Defense Subcommittee, the ceiling was \$522.8 billion, which is \$8.1 billion less than the President’s request. (See **Table 12.**)

**Table 12. FY2011 Appropriations Subcommittee Discretionary Spending Ceilings (“302(b) Allocations”)**

amounts in millions of dollars

Appropriations Subcommittees	President’s Budget (CBO reestimate)	First House Subcommittee Allocation	Second House Subcommittee Allocation	Senate Subcommittee Allocations
Defense	530,870	523,870	517,714	522,791
<i>(change from budget)</i>	<i>n/a</i>	<i>-7,000</i>	<i>13,156</i>	<i>-8,079</i>
Homeland Security	43,656	43,656	42,517	43,536
<i>(change from budget)</i>	<i>n/a</i>	<i>0</i>	<i>1,139</i>	<i>0</i>
Military Construction/VA	75,997	75,998	74,682	75,996
<i>(change from budget)</i>	<i>n/a</i>	<i>+1</i>	<i>-1,315</i>	<i>-1</i>
State Department, Foreign Ops	56,656	53,983	46,953	54,056
<i>(change from budget)</i>	<i>n/a</i>	<i>-2,673</i>	<i>-9,703</i>	<i>-2,600</i>
<b>Total, ‘Security’ Programs</b>	<b>707,159</b>	<b>697,487</b>	<b>681,866</b>	<b>696,479</b>
<b><i>(change from budget)</i></b>	<b><i>n/a</i></b>	<b><i>-9,672</i></b>	<b><i>-25,293</i></b>	<b><i>-10,680</i></b>

**Source:** Data for the CBO re-estimate of the President’s budget is from House Appropriations Committee press release, “Appropriations Committee Approves 302(b) Allocations,” July 20, 2010. Data for the House subcommittee allocations are from House Appropriations Committee, “Report on the Suballocation of Budget Allocations for Fiscal Year 2011,” H.Rept. 111-565, July 26, 2010; Data for the Senate committee are Senate Appropriations Committee press release, “FY2011 Subcommittee Spending Guidance,” July 15, 2010.

## FY2011 Defense Appropriations Bill

On July 27, 2010, the House Defense Appropriations Subcommittee approved for consideration by the full Appropriations Committee a FY2011 DOD Appropriations bill (unnumbered) that would have provided a total of \$671.0 billion. For the base budget, the bill would appropriate \$513.3 billion, a reduction of \$7.0 billion from the President’s request, as required by the Defense Subcommittee’s 302(b) allocation. For war costs, the subcommittee bill would have provided \$157.7 billion, a reduction of \$253 million from the request.

The subcommittee did not make public the text of the bill, nor the lengthy explanatory report detailing its specific recommendations. Other than a summary table listing the amount the bill would provide for each appropriations account and a list of Member earmarks as required by House rules, the only information about the substance of the bill was provided in a statement by then subcommittee Chairman Representative Norm Dicks.<sup>86</sup>

On September 16, 2010, the Senate Appropriations Committee approved by a vote of 18-12 a FY2011 DOD Appropriations bill (S. 3800) that would have provided a total of \$669.9 billion. That total included \$512.2 billion for the base budget and \$157.7 billion for war costs. This

<sup>86</sup> Opening Statement of Chairman Norm Dicks on the FY2011 Defense Appropriations Subcommittee Markup, July 27, 2010, accessed September 16, 2010, at [http://appropriations.house.gov/images/stories/pdf/def/Norm\\_Dicks\\_Opening\\_Statement.7.27.10.pdf](http://appropriations.house.gov/images/stories/pdf/def/Norm_Dicks_Opening_Statement.7.27.10.pdf)

would have amounted to a reduction of \$8.10 billion to the President's base budget request, and a reduction of \$254 million to the request for war costs.

Since an FY2011 DOD appropriations bill had not been enacted by the start of the fiscal year on October 1, 2010, DOD (like most other federal agencies) was funded through mid-April 2011 by a series of short-term continuing resolutions.

On February 19, 2011, the House passed by a vote of 235-189 a bill (H.R. 1) that would have funded federal agencies through the balance of FY2011 and which incorporated a fully detailed defense appropriations bill that would have provided \$505.2 billion in discretionary budget authority for base budget programs covered by the annual defense bill.

The Senate debated H.R. 1 under an agreement that required 60 votes for the approval of any amendment or for passage of the bill. The bill was laid aside on March 9, 2011, after a motion to close debate was rejected by a vote of 44-56. During the debate preceding that vote, the Senate had rejected by a vote of 42-58 an alternative funding measure, offered as an amendment by Senate Appropriations Committee Chairman Daniel Inouye. For base budget programs funded by the annual defense appropriations bill, the Inouye amendment would have provided \$503.1 billion.

On April 15, 2011, the President signed an omnibus funding bill for the balance of FY2011 (H.R. 1473; P.L. 112-10), which incorporated a fully detailed FY2011 DOD appropriations bill. In its detailed provisions for funding major programs, the bill was very similar to the corresponding provisions of the Inouye amendment to H.R. 1

As enacted, H.R. 1473 provided a total of \$502.4 billion for the base budget and a total of \$677.7 billion for all DOD funding, including military construction and war costs.<sup>87</sup> This amounted to a reduction of \$20.1 billion from the total the President had requested for the FY2011 DOD appropriations bill and for DOD's military construction budget, which is funded in a separate appropriations bill that also pays for the Department of Veterans Affairs and certain other agencies.

The section of H.R. 1473 that corresponded to a regular, annual DOD appropriations bill incorporated \$4.4 billion worth of reductions to the President's request that were applied to broad categories of spending rather than to specific programs, including:

- \$2.0 billion rescinded from DOD funds appropriated for prior fiscal years;<sup>88</sup>
- A total of \$1.5 billion cut proportionately from every project and program funded by the bill's accounts for Operations and Maintenance, Procurement, and Research and Development;
- \$723 million from the total appropriated for civilian pay; and
- \$125 million from the total appropriated for federally funded research and development corporations (FFRDCs) such as RAND.

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<sup>87</sup> In addition to the amounts appropriated for DOD in this bill the total amount appropriated for DOD in FY2011 included \$10.9 billion for the accrual payments that fund the so-called "Tricare for Life" program which extends coverage under the military health care program to Medicare-eligible military retirees and their dependents. The annual Tricare for Life accrual payment, based on actuarial calculations, is made on the basis of a permanent appropriation, rather than as an element of the annual appropriations bill. For FY2011, the total appropriated for DOD—including the Tricare for Life accrual payment, was \$688.6 billion.

<sup>88</sup> Funds appropriated in prior years that are rescinded are used to partly offset the cost of newly appropriated programs; Thus, they reduce the amount of the new budget authority required by the bill.

The hundreds of cuts to the President’s DOD budget made by H.R. 1473 were partly offset by some 226 instances in which the bill added funds to the request. This is about one-eighth the number of additions Congress has made to DOD budget requests for the past few years. According to a database of congressional earmarks in appropriations bills, which is maintained by the Office of Management and Budget, there were 2,085 earmarks in the defense appropriations bill for FY2008, 2,084 in the bill for FY2009, and 1,758 in the FY2010 bill.<sup>89</sup>

Among the larger amounts the bill added to the budget request are:

- \$495.0 million for nine F/A-18E/F Navy strike fighters,
- \$1.38 billion for equipment for the National Guard and reserve components;
- \$661.7 million for various medical research programs; and
- \$293.2 million for Israeli missile defense systems.

The bill also added to the budget \$523.0 million to fund innovative research and procurement projects, an initiative which the House Defense Appropriations Subcommittee had included in its still-born draft bill.

The bill did not add funds to continue development of an alternate engine for the F-35 Joint Strike Fighter.

**Table 13. FY2011 Department of Defense Appropriations (unnumbered House Defense Appropriations Subcommittee draft bill; S. 3800; H.R. 1473)**

Amounts in millions of dollars

Bill Title	Administration request	House subcommittee recommendation (unnumbered)	Senate Committee reported (S. 3800)	H.R. 1473 as enacted (P.L. 112-10)
<b>Base Budget</b>				
Military Personnel	127,669	126,619	127,153	126,740
Operation and Maintenance	167,879	165,188	166,832	163,545
Procurement	111,190	106,331	104,765	101,558
Research and Development	76,131	76,681	76,194	74,576
Revolving and Management Funds	2,379	2,929	2,472	2,909
Other DOD Programs	34,033	34,645	34,500	34,313
Related Agencies	999	888	1,014	942
General Provisions	11	-10	-1,240	-2,199
<b>Subtotal: Base Budget</b>	<b>520,290</b>	<b>513,271</b>	<b>512,191</b>	<b>502,385</b>
<b>Overseas Contingency Operations (OCO)</b>				
Military Personnel	15,132	15,967	16,040	16,251
Operation and Maintenance	115,205	111,062	112,562	110,127
Procurement	21,362	24,190	23,061	25,194

<sup>89</sup> See OMB, “FY2010 Earmarks by Appropriations Subcommittee” accessed at <http://earmarks.omb.gov/earmarks-public/2010-appropriations-by-spendcom/summary.html>.

Bill Title	Administration request	House subcommittee recommendation (unnumbered)	Senate Committee reported (S. 3800)	H.R. 1473 as enacted (P.L. 112-10)
Research and Development	635	863	874	955
Revolving and Management Funds	485	485	485	485
Other DOD Programs	5,116	5,115	4,657	4,667
<b>Subtotal: OCO</b>	<b>157,935</b>	<b>157,682</b>	<b>157,681</b>	<b>157,680</b>
<b>Grand Total: FY2011 DOD Appropriations</b>	<b>678,225</b>	<b>670,953</b>	<b>669,872</b>	<b>660,065</b>

**Source:** House Defense Appropriations Subcommittee press release, “2011 Defense Appropriations, Subcommittee Bill: Summary Table, accessed September 8, 2010, at [http://appropriations.house.gov/images/stories/pdf/def/FY11\\_defense\\_summary.7.28.10.pdf](http://appropriations.house.gov/images/stories/pdf/def/FY11_defense_summary.7.28.10.pdf); Senate Appropriations Committee, S.Rept. 111-295, “Report to accompany S. 3800, Department of Defense Appropriations Bill, 2011, September 16, 2011; and “Department of Defense and Full-Year Continuing Appropriations Act, 2011,” *Congressional Record*, daily edition, vol. 157, number 55 (April 14, 2011), pp. H2697-H2788.

Following is an analysis of selected highlights of H.R. 1473. Because the bill was not accompanied by an explanatory statement, the only indication of intent of the many changes to the budget request is the brief descriptions—typically only a few words in length—included in the funding tables posted by the House Rules Committee.<sup>90</sup>

### Military Personnel and Medical Care Issues (Appropriations)<sup>91</sup>

The bill funded the 1.4% military pay raise included in the budget and authorized by the companion FY2011 national defense authorization act. It added to the requested amount \$162 million for Military Career Advancement Accounts (MyCAA), a tuition assistance program for the spouses of military personnel. Launched during 2009, the program was suspended for a time early in 2010 after many more spouses enrolled than had been anticipated.

The Senate committee bill would add \$447.0 million to the \$32.3 billion requested for the Defense Health Program (DHP). That net increase is the result of increases and reductions that included additions totaling 661.7 million research and development programs, the largest of which are aimed at breast cancer (\$150 million), psychological health and traumatic brain injury (\$100 million), and prostate cancer (\$80 million).

### Missile Defense and Strategic Strike (Appropriations)

The bill cut \$425.0 million from the \$858.9 million requested for the deployment of Theater High Altitude Air Defense (THAAD) missiles, which are land-based weapons also intended to intercept short-range and medium-range ballistic missiles. Planned THAAD production has been delayed pending additional tests.

The bill also would add to the budget \$205 million to accelerate production of the Israeli Iron Dome system, intended to intercept short-range rockets and artillery shells with small guided

<sup>90</sup> <http://www.rules.house.gov/Legislation/legislationDetails.aspx?NewsID=244>

<sup>91</sup> For background, see “Military Personnel”, pp. 16 ff. For authorization action, see “Military Personnel Issues (Authorization)”, pp. 34-35.

missiles. Though not included in the original DOD budget request for FY2011, President Obama had asked Congress in May 2010 to approve the funds for Iron Dome.<sup>92</sup>

For additional details on missile defense funding in H.R. 1473, see **Table A-3** in the **Appendix**.

### **Shipbuilding (Appropriations)<sup>93</sup>**

The bill provided \$15.4 billion of the \$15.7 billion requested for Navy shipbuilding, making minor reductions in several of the requested amounts. For additional details on funds for shipbuilding provided by H.R. 1473, see **Table A-9** in the **Appendix**.

### **Aircraft (Appropriations)<sup>94</sup>**

The most substantial change made by the bill to the budget request for a single program was its reduction of \$1.38 billion to the \$11.26 billion requested for continued development and production of F-35 Joint Strike Fighters. The bill would fund purchase of 35 of the 43 planes requested. The bill also cut \$325.0 million from the \$863.9 million requested to develop for production one of two competing types of mid-air refueling tanker, intended to replace the Air Force's aging fleet of KC-135 tankers. A delay in choosing between the two bidders until March 2011—nearly halfway through FY2011—made it unlikely that the winning firm could spend the budgeted amount during that year.

For additional details on funds for aircraft provided by H.R. 1473, see **Table A-5** (for helicopters) and **Table A-10** (for other aircraft) in the **Appendix**.

### **Ground Combat Vehicles (Appropriations)<sup>95</sup>**

The bill denied the \$431.8 million requested to continue development of the Non-Line of Sight Missile—a precision-guided weapon planned for use by Army units and the Navy's Littoral Combat Ships. The Army had announced on May 13, 2010, that it was cancelling the program.

The bill also cut \$473.3 million from the \$934.4 million requested by the Administration for the Ground Combat Vehicle program which is to develop a replacement for the Army's Bradley armored troop carrier. On August 25, 2010, the Army cancelled the ongoing competition to design the new vehicle and announced it was revising the performance specifications the GCV would have to meet. The Army restarted the GCV competition on November 30, 2010.

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<sup>92</sup> The White House, Office of the Press Secretary, "Advancing Our Interests: Actions In Support of the President's National Security Strategy, May 27, 2010, accessed at <http://www.whitehouse.gov/the-press-office/advancing-our-interests-actions-support-presidents-national-security-strategy>

<sup>93</sup> For background, see "Navy Force Structure and Shipbuilding Plans", pp. 23 ff. For authorization action, see "Shipbuilding (Authorization)", pp. 41-42.

<sup>94</sup> For background, see "Aircraft Programs", pp. 26 ff. For authorization action, see "Aircraft (Authorization)", pp. 42-44.

<sup>95</sup> For background, see "Army Combat Force Modernization Programs", p. 22-23. For authorization action, see "Ground Combat Vehicle and Brigade Combat Team Modernization (Authorization)", pp. 44-45.

# Appendix. Selected Program Summary Tables

**Table A-1. FY2011 National Defense Authorization Act (by account)**

amounts in thousands of dollars

	FY2011 Request	House bill H.R. 5136	amount change	percent change	Senate bill S. 3454	amount change	percent change	Enacted bill H.R. 6523	amount change	percent change
<b>Department of Defense Authorizations—Base Bill</b>										
<b>Division A: Department of Defense Authorization</b>										
<b>Title I—PROCUREMENT</b>										
Aircraft Procurement, Army	5,976,867	5,986,361	9,494	0.16%	5,961,167	-15,700	-0.26%	5,908,384	-68,483	-1.15%
Missile Procurement, Army	1,887,437	1,631,463	-255,974	-13.56%	1,670,463	-216,974	-11.50%	1,670,463	-216,974	-11.50%
Weapons & Tracked Combat Vehicles, Army	1,723,561	1,616,245	-107,316	-6.23%	1,624,284	-99,277	-5.76%	1,656,263	-67,298	-3.90%
Procurement of Ammunition, Army	1,979,414	1,946,948	-32,466	-1.64%	1,950,814	-28,600	-1.44%	1,953,194	-26,220	-1.32%
Other Procurement, Army	9,765,808	9,398,728	-367,080	-3.76%	9,929,990	164,182	1.68%	9,758,965	-6,843	-0.07%
Joint Improvised Explosive Device Defeat Fund	215,868	0	-215,868	-100.00%	0	-215,868	-100.00%	0	-215,868	-100.00%
Aircraft Procurement, Navy	18,508,613	19,132,613	624,000	3.37%	19,131,161	622,548	3.36%	18,877,139	368,526	1.99%
Weapons Procurement, Navy	3,359,794	3,350,894	-8,900	-0.26%	3,400,794	41,000	1.22%	3,358,264	-1,530	-0.05%
Shipbuilding & Conversion, Navy	15,724,520	15,724,520	0	0.00%	15,724,520	0	0%	15,724,520	0	0.00%
Procurement of Ammunition, Navy & Marine Corps	817,991	817,991	0	0.00%	817,991	0	0.0%	817,991	0	0.00%
Other Procurement, Navy	6,450,208	6,450,208	0	0.00%	6,471,808	21,600	0.33%	6,381,815	-68,393	-1.06%
Procurement, Marine Corps	1,344,044	1,379,044	35,000	2.60%	1,344,044	0	0.00%	1,296,838	-47,206	-3.51%
Aircraft Procurement, Air Force	15,366,508	15,355,908	-10,600	-0.07%	15,340,308	-26,200	-0.17%	14,668,408	-698,100	-4.54%
Procurement of Ammunition, Air Force	667,420	672,420	5,000	0.75%	5,470,964	4,803,544	719.72%	672,420	5,000	0.75%



	FY2011 Request	House bill H.R. 5136	amount change	percent change	Senate bill S. 3454	amount change	percent change	Enacted bill H.R. 6523	amount change	percent change
Missile Procurement, Air Force	5,463,272	5,470,772	7,500	0.14%	667,420	-4,795,852	-87.78%	5,444,464	-18,808	-0.34%
Other Procurement, Air Force	17,845,380	17,911,730	66,350	0.37%	17,876,380	31,000	0.17%	17,845,342	-38	0.00%
Procurement, Defense-Wide	4,280,368	4,399,768	119,400	2.79%	4,368,768	88,400	2.07%	4,398,168	117,800	2.75%
<b>Subtotal, PROCUREMENT</b>	<b>111,377,073</b>	<b>111,245,613</b>	<b>-131,460</b>	<b>-0.12%</b>	<b>111,750,876</b>	<b>373,803</b>	<b>0.34%</b>	<b>110,432,638</b>	<b>-944,435</b>	<b>-0.85%</b>
<b>Title II—RESEARCH, DEVELOPMENT, TEST &amp; EVALUATION</b>										
RDT&E, Army	10,333,392	10,316,754	-16,638	-0.16%	10,573,545	240,153	2.32%	10,093,704	-239,688	-2.32%
RDT&E, Navy	17,693,496	17,978,646	285,150	1.61%	17,829,785	136,289	0.77%	17,881,008	187,512	1.06%
RDT&E, Air Force	27,247,302	27,269,902	22,600	0.08%	27,329,802	82,500	0.30%	27,319,627	72,325	0.27%
RDT&E, Defense-Wide	20,661,600	20,713,096	51,496	0.25%	20,870,500	208,900	1.01%	21,097,666	436,066	2.11%
Operational Test & Evaluation, Defense	194,910	194,910	0	0.00%	194,910	0	0.00%	194,910	0	0.00%
<b>Subtotal, RESEARCH, DEVELOPMENT, TEST &amp; EVALUATION</b>	<b>76,130,700</b>	<b>76,473,308</b>	<b>342,608</b>	<b>0.45%</b>	<b>76,798,542</b>	<b>667,842</b>	<b>0.88%</b>	<b>76,586,915</b>	<b>456,215</b>	<b>0.60%</b>
<b>Title III—OPERATION AND MAINTENANCE</b>										
O&M, Army	33,971,965	34,232,221	260,256	0.77%	33,971,965	0	0.00%	33,921,165		
O&M, Navy	38,134,308	37,976,443	-157,865	-0.41%	38,243,308	109,000	0.29%	38,232,943		
O&M, Marine Corps	5,590,340	5,568,340	-22,000	-0.39%	5,590,340	0	0.00%	5,590,340		
O&M, Air Force	36,844,512	36,684,588	-159,924	-0.43%	36,977,824	133,312	0.36%	36,822,516	-21,996	-0.06%
O&M, Defense-wide	30,583,896	30,200,596	-383,300	-1.25%	30,482,896	-101,000	-0.33%	30,562,619	-21,277	-0.07%
O&M, Army Reserve	2,879,077	2,942,077	63,000	2.19%	2,879,077	0	0.00%	2,879,077	0	0.00%
O&M, Navy Reserve	1,367,764	1,374,764	7,000	0.51%	1,367,764	0	0.00%	1,367,764	0	0.00%
O&M, Marine Corps Reserve	285,234	287,234	2,000	0.70%	285,234	0	0.00%	285,234	0	0.00%
O&M, Air Force Reserve	3,301,035	3,311,827	10,792	0.33%	3,403,827	102,792	3.11%	3,403,827	102,792	3.11%
O&M, Army National Guard	6,572,704	6,628,525	55,821	0.85%	6,572,704	0	0.00%	6,621,704	49,000	0.75%
O&M, Air National Guard	5,941,143	5,980,139	38,996	0.66%	6,042,239	101,096	1.70%	6,042,239	101,096	1.70%
US Court Of Appeals For The Armed Forces	14,068	14,068	0	0.00%	14,068	0	0.00%	14,068	0	0.00%
Overseas Humanitarian, Disaster And Civic Aid	108,032	108,032	0	0.00%	108,032	0	0.00%	108,032	0	0.00%
Cooperative Threat Reduction	522,512	522,512	0	0.00%	522,512	0	0.00%	522,512	0	0.00%
Defense Acquisition Development Workforce Fund	217,561	229,561	12,000	5.52%	217,561	0	0.00%	217,561	0	0.00%
Envir. Rest., Army	444,581	444,581	0	0.00%	444,581	0	0.00%	444,581	0	0.00%
Envir. Rest., Navy	304,867	304,867	0	0.00%	304,867	0	0.00%	304,867	0	0.00%
Envir. Reset., Air Force	502,653	502,653	0	0.00%	502,653	0	0.00%	502,653	0	0.00%
Envir. Rest., Defense	10,744	10,744	0	0.00%	10,744	0	0.00%	10,744	0	0.00%
Envir. Rest., Formerly Used Sites	276,546	296,546	20,000	7.23%	276,546	0	0.00%	296,546	20,000	7.23%
Overseas Contingency Operations Transfer Fund	5,000	0	-5,000	-100.00%	5,000	0	0.00%	0	-5,000	-100.00%

	FY2011 Request	House bill H.R. 5136	amount change	percent change	Senate bill S. 3454	amount change	percent change	Enacted bill H.R. 6523	amount change	percent change
<b>Subtotal, OPERATION AND MAINTENANCE</b>	<b>167,878,542</b>	<b>167,620,318</b>	<b>-258,224</b>	<b>-0.15%</b>	<b>168,223,742</b>	<b>345,200</b>	<b>0.21%</b>	<b>168,150,992</b>	<b>272,450</b>	<b>0.16%</b>
<b>Title IV—MILITARY PERSONNEL</b>	<b>138,540,700</b>	<b>138,540,700</b>	<b>0</b>	<b>0.00%</b>	<b>138,540,700</b>	<b>0</b>	<b>0.00%</b>	<b>138,540,700</b>		<b>0.00%</b>
<b>Title XIV—OTHER AUTHORIZATIONS</b>										
Defense Working Capital Funds Working Capital Fund,	160,965	160,965	0	0.00%	160,965	0	0.00%	39,468	-121,497	-75.48%
Defense Commissary Agency	1,273,571	1,273,571	0	0.00%	1,273,571	0	0.00%	1,273,571		0.00%
National Defense Sealift Fund	934,866	934,866	0	0.00%	934,866	0	0.00%	934,866		0.00%
Defense Coalition Support Fund	10,000	0	-10,000	-100.00%	0	-10,000	-100.00%	0	-10,000	-100.00%
Defense Health Program	30,935,111	30,991,952	56,841	0.18%	30,957,111	22,000	0.07%	30,959,611	24,500	0.08%
Chemical Agents & Munitions Destruction, Defense	1,467,307	1,467,307	0	0.00%	1,467,307	0	0.00%	1,467,307		0.00%
Drug Interdiction & Counter-Drug Activities, Defense	1,131,351	1,131,351	0	0.00%	1,153,851	22,500	1.99%	1,160,851	29,500	2.61%
Office of the Inspector General	283,354	283,354	0	0.00%	317,154	33,800	11.93%	317,154	33,800	11.93%
<b>Subtotal, OTHER AUTHORIZATIONS</b>	<b>36,196,525</b>	<b>36,243,366</b>	<b>46,841</b>	<b>0.13%</b>	<b>36,264,825</b>	<b>68,300</b>	<b>0.19%</b>	<b>36,152,828</b>	<b>-43,697</b>	<b>-0.12%</b>
<b>SUBTOTAL, Division A: Department of Defense Authorizations</b>	<b>530,123,540</b>	<b>530,123,305</b>	<b>-235</b>	<b>0.00%</b>	<b>531,578,685</b>	<b>1,455,145</b>	<b>0.27%</b>	<b>529,864,073</b>	<b>-259,467</b>	<b>-0.05%</b>
<b>Division B: Military Construction Authorization</b>										
<b>MILITARY CONSTRUCTION</b>										
Mil. Con., Army	4,078,798	4,198,174	119,376	2.93%	3,796,798	-282,000	-6.91%	3,954,998	-123,800	-3.04%
Mil. Con., Navy and Marine Corps	3,879,104	3,941,639	62,535	1.61%	3,710,420	-168,684	-4.35%	3,516,173	-362,931	-9.36%
Mil. Con., Air Force	1,311,385	1,315,773	4,388	0.33%	1,383,125	71,740	5.47%	1,293,295	-18,090	-1.38%
Mil. Con., Defense-Wide	3,118,062	2,999,580	-118,482	-3.80%	3,202,644	84,582	2.71%	3,048,062	-70,000	-2.24%
Chem. Demil. Construction	124,971	124,971	0	0.00%	124,971	0	0.00%	124,971		0.00%
Security Investment Program	258,884	258,884	0	0.00%	258,884	0	0.00%	258,884		0.00%
Mil. Con., Army National Guard	873,664	1,019,902	146,238	16.74%	963,030	89,366	10.23%	873,664		0.00%
Mil. Con., Army Reserve	318,175	358,331	40,156	12.62%	351,675	33,500	10.53%	318,175		0.00%
Mil. Con., Navy Reserve	61,557	91,557	30,000	48.74%	61,557	0	0.00%	61,557		0.00%
Mil. Con., Air National Guard	176,986	292,371	115,385	65.19%	336,086	159,100	89.89%	194,986	18,000	10.17%
Mil. Con., Air Force Reserve	7,832	47,332	39,500	504.34%	7,832	0	0.00%	7,832		0.00%
<b>Subtotal, MILITARY CONSTRUCTION</b>	<b>14,209,418</b>	<b>14,648,514</b>	<b>439,096</b>	<b>3.09%</b>	<b>14,197,022</b>	<b>-12,396</b>	<b>-0.09%</b>	<b>13,652,597</b>	<b>-556,821</b>	<b>-3.92%</b>
<b>FAMILY HOUSING</b>										
Fam. Housing Constr., Army	92,369	92,369	0	0.00%	92,369	0	0.00%	92,369		0.00%
Family Housing O&M, Army	518,140	518,140	0	0.00%	518,140	0	0.00%	518,140		0.00%

	FY2011 Request	House bill H.R. 5136	amount change	percent change	Senate bill S. 3454	amount change	percent change	Enacted bill H.R. 6523	amount change	percent change
Fam. Housing Constr., Navy and Marine Corps	186,444	186,444	0	0.00%	186,444	0	0.00%	186,444		0.00%
Family Housing O&M, Navy and Marine Corps	366,346	366,346	0	0.00%	366,346	0	0.00%	366,346		0.00%
Fam. Housing Constr., Air Force	78,025	78,025	0	0.00%	78,025	0	0.00%	78,025		0.00%
Family Housing O&M, Air Force	513,792	513,792	0	0.00%	513,792	0	0.00%	513,792		0.00%
Family Housing O&M, Defense-Wide	50,464	50,464	0	0.00%	50,464	0	0.00%	50,464		0.00%
Homeowners Assistance Fund	16,515	16,515	0	0.00%	16,515	0	0.00%	16,515		0.00%
Fam. Housing Improvement Fund	1,096	1,096	0	0.00%	1,096	0	0.00%	1,096		0.00%
<b>Subtotal, FAMILY HOUSING</b>	<b>1,823,191</b>	<b>1,823,191</b>	<b>0</b>	<b>0.00%</b>	<b>1,823,191</b>	<b>0</b>	<b>0.00%</b>	<b>1,823,191</b>		<b>0.00%</b>
<b>BRAC</b>										
BRAC 1990	360,474	360,474	0	0.00%	360,474	0	0.00%	360,474		0.00%
BRAC 2005	2,354,285	2,354,285	0	0.00%	2,354,285	0	0.00%	2,354,285		0.00%
<b>Subtotal, BRAC</b>	<b>2,714,759</b>	<b>2,714,759</b>	<b>0</b>	<b>0.00%</b>	<b>2,714,759</b>	<b>0</b>	<b>0.00%</b>	<b>2,714,759</b>		<b>0.00%</b>
<b>Undistributed Adjustments</b>		-441,096	-441,096							
Prior Year Savings						0				
General Reduction FY10 (Title XX)						0				
					<b>317,154</b>	317,154				
<b>Subtotal, MILITARY CONSTRUCTION, FAMILY HOUSING &amp; BRAC</b>	<b>18,747,368</b>	<b>18,745,368</b>	<b>-2,000</b>	<b>-0.01%</b>	<b>18,734,972</b>	<b>-12,396</b>	<b>-0.07%</b>	<b>18,190,547</b>	<b>-556,821</b>	<b>-2.97%</b>
<b>SUBTOTAL, DEPARTMENT OF DEFENSE (051)</b>	<b>548,870,908</b>	<b>548,868,673</b>	<b>-2,235</b>	<b>0.00%</b>	<b>550,313,657</b>	<b>1,442,749</b>	<b>0.26%</b>	<b>548,054,620</b>	<b>-816,288</b>	<b>-0.15%</b>
<b>Department of Energy Authorization (Division C)</b>										
Energy Security and Assurance	6,188	6,188	0	0.00%	0	-6,188	-100.00%	6,188		0.00%
Weapons Activities	7,008,835	7,008,835	0	0.00%	7,015,023	6,188	0.09%	7,028,835	20,000	0.29%
Defense Nuclear Nonproliferation	2,687,167	2,687,167	0	0.00%	2,687,167	0	0.00%	2,667,167	-20,000	-0.74%
Naval Reactors	1,070,486	1,070,486	0	0.00%	1,070,486	0	0.00%	1,070,486		0.00%
Office of the Administrator	448,267	448,267	0	0.00%	448,267	0	0.00%	448,267		0.00%
Defense Environmental Cleanup	5,588,039	5,588,039	0	0.00%	5,588,039	0	0.00%	5,588,039		0.00%
Other Defense Activities	878,209	878,209	0	0.00%	878,209	0	0.00%	878,209		0.00%
<b>TOTAL, DEPARTMENT OF ENERGY</b>	<b>17,687,191</b>	<b>17,687,191</b>	<b>0</b>	<b>0.00%</b>	<b>17,687,191</b>	<b>0</b>	<b>0.00%</b>	<b>17,687,191</b>		<b>0.00%</b>
<b>Independent Federal Agency Authorization</b>										

	FY2011 Request	House bill H.R. 5136	amount change	percent change	Senate bill S. 3454	amount change	percent change	Enacted bill H.R. 6523	amount change	percent change
<b>Subtotal, DEFENSE NUCLEAR FACILITIES SAFETY BOARD</b>	<b>28,640</b>	<b>28,640</b>	<b>0</b>	<b>0.00%</b>	<b>33,640</b>	<b>5,000</b>	<b>17.46%</b>	<b>28,640</b>		<b>0.00%</b>
<b>SUBTOTAL, ATOMIC ENERGY DEFENSE PROGRAMS (053)</b>	<b>17,715,831</b>	<b>17,715,831</b>	<b>0</b>	<b>0.00%</b>	<b>17,720,831</b>	<b>5,000</b>	<b>0.03%</b>	<b>17,715,831</b>		<b>0.00%</b>
<b>TOTAL, NATIONAL DEFENSE (050) -- BASE BILL</b>	<b>566,586,739</b>	<b>566,584,504</b>	<b>-2,235</b>	<b>0.00%</b>	<b>568,034,488</b>	<b>1,447,749</b>	<b>0.26%</b>	<b>565,891,948</b>	<b>-694,791</b>	<b>-0.12%</b>
<b>Department of Defense Authorizations—Overseas Contingency Operations (Title XV)</b>										
<b>Division A: Department of Defense Authorization</b>										
<b>Title XV—OVERSEAS CONTINGENCY OPERATIONS (OCO)</b>										
<b>PROCUREMENT</b>										
Aircraft Procurement, Army	1,373,803	1,373,803	0	0.00%	1,373,803	0	0.00%	1,373,803		0.00%
Missile Procurement, Army	343,828	343,828	0	0.00%	343,828	0	0.00%	343,828		0.00%
Weapons & Tracked Combat Vehicles, Army	687,500	687,500	0	0.00%	687,500	0	0.00%	687,500		0.00%
Procurement of Ammunition, Army	702,591	652,491	-50,100	-7.13%	652,491	-50,100	-7.13%	384,441	-318,150	-45.28%
Other Procurement, Army	5,827,274	5,865,446	38,172	0.66%	5,786,274	-41,000	-0.70%	5,827,274		0.00%
Joint Improvised Explosive Device Defeat Fund	3,250,000	3,464,368	214,368	6.60%	3,465,868	215,868	6.64%	3,465,868	215,868	6.64%
Aircraft Procurement, Navy	420,358	843,358	423,000	100.63%	420,358	0	0.00%	420,358		0.00%
Weapons Procurement, Navy	93,425	93,425	0	0.00%	93,425	0	0.00%	93,425		0.00%
Procurement of Ammunition, Navy & Marine Corps	565,084	565,084	0	0.00%	565,084	0	0.00%	565,084		0.00%
Other Procurement, Navy	480,735	480,735	0	0.00%	480,735	0	0.00%	480,735		0.00%
Procurement, Marine Corps	1,778,243	1,854,243	76,000	4.27%	1,778,243	0	0.00%	1,705,069	-73,174	-4.11%
Aircraft Procurement, Air Force	1,362,420	1,096,520	-265,900	-19.52%	1,157,520	-204,900	-15.04%	1,096,520	-265,900	-19.52%
Procurement of Ammunition, Air Force	292,959	292,959	0	0.00%	292,959	0	0.00%	292,959		0.00%
Missile Procurement, Air Force	56,621	56,621	0	0.00%	56,621	0	0.00%	56,621		0.00%
Other Procurement, Air Force	3,087,481	3,087,481	0	0.00%	3,087,481	0	0.00%	2,992,681	-94,800	-3.07%
Procurement, Defense-Wide	874,546	1,376,046	501,500	57.34%	874,546	0	0.00%	844,546	-30,000	-3.43%
Mine Resistant Ambush Protection Veh Fund	3,415,000	3,415,000	0	0.00%	3,415,000	0	0.00%	3,415,000		0.00%
National Guard and Reserve Equipment		700,000	700,000					700,000	700,000	
<b>Subtotal, PROCUREMENT, OCO</b>	<b>24,611,868</b>	<b>26,248,908</b>	<b>1,637,040</b>	<b>6.65%</b>	<b>24,531,736</b>	<b>-80,132</b>	<b>-0.33%</b>	<b>24,745,712</b>	<b>133,844</b>	<b>0.54%</b>
<b>RESEARCH, DEVELOPMENT, TEST &amp; EVALUATION</b>										
RDT&E, Army	150,906	112,734	-38,172	-25.30%	150,906	0	0.00%	150,906		0.00%
RDT&E, Navy	60,401	60,401	0	0.00%	60,401	0	0.00%	60,401		0.00%

	FY2011 Request	House bill H.R. 5136	amount change	percent change	Senate bill S. 3454	amount change	percent change	Enacted bill H.R. 6523	amount change	percent change
RDT&E, Air Force	266,241	266,241	0	0.00%	266,241	0	0.00%	266,241		0.00%
RDT&E, Defense-Wide	157,240	657,240	500,000	317.99%	182,740	25,500	16.22%	661,240	504,000	320.53%
<b>Subtotal, RDT&amp;E, OCO</b>	<b>634,788</b>	<b>1,096,616</b>	<b>461,828</b>	<b>72.75%</b>	<b>660,288</b>	<b>25,500</b>	<b>4.02%</b>	<b>1,138,788</b>	<b>504,000</b>	<b>79.40%</b>
<b>OPERATION AND MAINTENANCE</b>										
Operation and Maintenance, Army	62,602,618	62,202,618	-400,000	-0.64%	62,202,618	-400,000	-0.64%	63,202,618	600,000	0.96%
Operation and Maintenance, Navy	8,946,634	8,946,634	0	0.00%	8,946,634	0	0.00%	8,692,173	-254,461	-2.84%
Operation and Maintenance, Marine Corps	4,136,522	4,136,522	0	0.00%	4,136,522	0	0.00%	4,136,522		0.00%
Operation and Maintenance, Air Force	13,487,283	13,487,283	0	0.00%	13,487,283	0	0.00%	13,487,283		0.00%
Operation and Maintenance, Defense-wide	9,426,358	9,426,358	0	0.00%	9,426,358	0	0.00%	9,436,358	10,000	0.11%
Operation and Maintenance, Army Reserve	286,950	286,950	0	0.00%	286,950	0	0.00%	286,950		0.00%
Operation and Maintenance, Navy Reserve	93,559	93,559	0	0.00%	93,559	0	0.00%	93,559		0.00%
Operation and Maintenance, Marine Corps Reserve	29,685	29,685	0	0.00%	29,685	0	0.00%	29,685		0.00%
Operation and Maintenance, Air Force Reserve	129,607	129,607	0	0.00%	129,607	0	0.00%	129,607		0.00%
Operation and Maintenance, Army National Guard	544,349	544,349	0	0.00%	544,349	0	0.00%	544,349		0.00%
Operation and Maintenance, Air National Guard	350,823	350,823	0	0.00%	350,823	0	0.00%	350,823		0.00%
Afghanistan Security Forces Fund	11,619,283	10,964,983	-654,300	-5.63%	11,619,283	0	0.00%	11,619,283		0.00%
Iraq Security Forces Fund	2,000,000	2,000,000	0	0.00%	1,000,000	-1,000,000	-50.00%	1,500,000	-500,000	-25.00%
Overseas Contingency Operations Transfer Fund	1,551,781	506,781	-1,045,000	-67.34%	1,306,781	-245,000	-15.79%	506,781	-1,045,000	-67.34%
<b>Subtotal, OPERATION AND MAINTENANCE, OCO</b>	<b>115,205,452</b>	<b>113,106,152</b>	<b>-2,099,300</b>	<b>-1.82%</b>	<b>113,560,452</b>	<b>-1,645,000</b>	<b>-1.43%</b>	<b>114,015,991</b>	<b>-1,189,461</b>	<b>-1.03%</b>
<b>MILITARY PERSONNEL, OCO</b>	<b>15,275,502</b>	<b>15,275,502</b>	<b>0</b>	<b>0.00%</b>	<b>15,275,502</b>	<b>0</b>	<b>0.00%</b>	<b>15,275,502</b>		<b>0.00%</b>
<b>OTHER AUTHORIZATIONS</b>										
Defense Working Capital Funds	485,384	485,384	0	0.00%	485,384	0	0.00%	485,384		0.00%
Defense Health Program	1,398,092	1,398,092	0	0.00%	10,529	-1,387,563	-99.25%	1,398,092		0.00%
Drug Interdiction & Counter-Drug Activities, Defense	457,110	457,110	0	0.00%	1,398,092	940,982	205.85%	457,110		0.00%
Office of the Inspector General	10,529	10,529	0	0.00%	457,110	446,581	4241.44%	10,529		0.00%
<b>Subtotal, OTHER AUTHORIZATIONS, OCO</b>	<b>2,351,115</b>	<b>2,351,115</b>	<b>0</b>	<b>0.00%</b>	<b>2,351,115</b>	<b>0</b>	<b>0.00%</b>	<b>2,351,115</b>		<b>0.00%</b>
<b>Division B: Military Construction Authorization</b>										
<b>MILITARY CONSTRUCTION</b>										
Mil. Con., Army	929,996	929,996	0	0.00%	1,028,176	98,180	10.56%	981,346	51,350	5.52%

	<b>FY2011 Request</b>	<b>House bill H.R. 5136</b>	<b>amount change</b>	<b>percent change</b>	<b>Senate bill S. 3454</b>	<b>amount change</b>	<b>percent change</b>	<b>Enacted bill H.R. 6523</b>	<b>amount change</b>	<b>percent change</b>
Mil. Con., Air Force	280,506	280,506	0	0.00%	193,766	-86,740	-30.92%	195,006	-85,500	-30.48%
Mil. Con., Defense-Wide	46,500	46,500	0	0.00%	46,500	0	0.00%	46,500		0.00%
<b>Subtotal, MILITARY CONSTRUCTION, OCO</b>	<b>1,257,002</b>	<b>1,257,002</b>	<b>0</b>	<b>0.00%</b>	<b>1,268,442</b>	<b>11,440</b>	<b>0.91%</b>	<b>1,222,852</b>	<b>-34,150</b>	<b>-2.72%</b>
<b>TOTAL, OVERSEAS CONTINGENCY OPERATIONS</b>	<b>161,686,842</b>	<b>159,335,295</b>	<b>-2,351,547</b>	<b>-1.45%</b>	<b>157,647,535</b>	<b>-4,039,307</b>	<b>-2.50%</b>	<b>158,749,960</b>	<b>-2,936,882</b>	<b>-1.82%</b>
<b>TOTAL, DEPARTMENT OF DEFENSE</b>	<b>710,557,750</b>	<b>708,203,968</b>	<b>-2,353,782</b>	<b>-0.33%</b>	<b>707,961,192</b>	<b>-2,596,558</b>	<b>-0.37%</b>	<b>706,804,580</b>	<b>-3,753,170</b>	<b>-0.53%</b>
<b>GRAND TOTAL, NATIONAL DEFENSE</b>	<b>728,273,581</b>	<b>725,919,799</b>	<b>-2,353,782</b>	<b>-0.32%</b>	<b>725,682,023</b>	<b>-2,591,558</b>	<b>-0.36%</b>	<b>724,641,908</b>	<b>-3,631,673</b>	<b>-0.50%</b>

**Source:** House Armed Services Committee, Committee Print HASC No. 5, "Ike Skelton National Defense Authorization Act for Fiscal Year 2011, Legislative Text and Joint Explanatory Statement to Accompany H.R. 6523, Public Law 111-383."

**Table A-2. Congressional Action on Selected FY2011 Missile Defense Funding: Authorization**

(amounts in millions of dollars)

PE Number (for R&D projects only)	Program Element Title	FY2011 Request	House- passed (H.R. 5136)	SASC Recommende d (S. 3454)	Comments
0603175C	BMD Technology	132.2	132.2	132.2	
0603881C	BMD Terminal Defense Segment	436.5	436.5	436.5	
0603882C	BMD Midcourse Defense Segment	1,346.2	1,346.2	1,346.2	Funds the system deployed in Alaska and California to defend U.S. territory.
0603884C	BMD Sensors	454.9	454.9	454.9	
0603888C	BMD Test & Targets	1,113.4	1,113.4	1,113.4	
0603890C	BMD Enabling Programs	402.8	402.8	402.8	
0603891C	Special Programs - MDA	270.2	245.2	270.2	
0603892C	AEGIS BMD	1,467.3	1,467.3	1,467.3	
0603893C	Space Tracking & Surveillance System	112.7	112.7	112.7	
0603895C	BMD System Space Programs	10.9	10.9	10.9	
0603896C	BMD Command and Control, Battle Management and Communications	342.6	342.6	342.6	
0603898C	BMD Joint Warfighter Support	68.7	68.7	68.7	
0603904C	Missile Defense Integration & Operations Center (MDIOC)	86.2	86.2	86.2	
0603901C	Directed Energy Research	98.7	148.7	98.7	
0603906C	Regarding Trench	7.5	7.5	7.5	
0603907C	Sea-Based X-Band Radar (SBX)	153.1	153.1	153.1	
0603913C	Israeli Cooperative Programs	121.7	209.7	351.7	
Israeli "Iron Dome" and other defenses against short-range rockets and artillery shells		0	[205.5]	(230.0)	The Senate committee bill increased the amount authorized within this program element by \$230 million including \$205 million to support Israel's Iron Dome system to defend against short-range rockets and artillery shells and \$25 million for another Israeli short-range defense system. The House bill did not increase the total authorization but gave the Secretary of Defense discretion to

PE Number (for R&D projects only)	Program Element Title	FY2011 Request	House- passed (H.R. 5136)	SASC Recommende d (S. 3454)	Comments
					give Israel up to \$205 million for Iron Dome (H.R. 5136, Section 1507)
0604880C	Land-based SM-3	281.4	281.4	281.4	
0604881C	Aegis SM-3 Block IIA Co-Development	318.8	318.8	318.8	
0604883C	Precision Tracking Space System	67.0	67.0	67.0	
0604884C	Airborne Infrared	111.7	111.7	111.7	
0901585C	Pentagon Reservation	20.5	20.5	20.5	
0901598C	Management HQ - MDA	29.8	29.8	29.8	
<b>Subtotal RDT&amp;E, Missile Defense Agency</b>		<b>7,454.8</b>	<b>7,567.8</b>	<b>7,684.8</b>	
<b>Base Realignment and Closure (BRAC), Missile Defense Agency</b>		<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	
	THAAD, Fielding	858.9	858.9	833.9	
	Aegis, Block 5 Fielding	94.1	144.1	94.1	
	AN/TPY-2 radar	0	65.0	0	
<b>Subtotal Procurement, Missile Defense Agency</b>		<b>953.0</b>	<b>1,068.0</b>	<b>928.0</b>	
<b>Total, Missile Defense Agency</b>		<b>8,416.8</b>	<b>8,644.8</b>	<b>8,621.8</b>	
0603305A	Army Missile Defense Systems Integration (non-space)	11.5	11.5	22.0	
0603308A	Army Missile Defense Systems Integration (space)	27.6	27.6	27.6	
0604869A	Patriot/MEADS Combined Aggregate Program (CAP)	467.1	467.1	467.1	
0605456A	PAC-3/MSE Missile	62.5	62.5	62.5	
0605457A	Army Integrated Air and Missile Defense	251.1	251.1	251.2	
0203801A	Missile/Air Defense Product Improvement Program	24.3	24.3	24.3	
0102419A	Aerostat Joint Program Office (JLENS)	372.5	372.5	372.5	



<b>PE Number (for R&amp;D projects only)</b>	<b>Program Element Title</b>	<b>FY2011 Request</b>	<b>House- passed (H.R. 5136)</b>	<b>SASC Recommende d (S. 3454)</b>	<b>Comments</b>
0605126j	Joint Theater Air and Missile Defense Organization	94.6	94.6	94.6	
<b>Subtotal RDT&amp;E, Army, Joint Staff</b>		<b>1,311.2</b>	<b>1,311.2</b>	<b>1,321.7</b>	
	Patriot/PAC-3	480.2	480.2	480.2	
	Patriot modifications	57.2	190.8	190.8	
<b>Subtotal, Procurement, Army</b>		<b>537.4</b>	<b>671.0</b>	<b>671.0</b>	
<b>Total Missile Defense R&amp;D, MilCon, Procurement, All Agencies</b>		<b>10,265.4</b>	<b>10,627.0</b>	<b>10,614.5</b>	

**Sources:** House Armed Services Committee, Report to Accompany H.R. 5136, the National Defense Authorization Act for Fiscal Year 2011, H.Rept. 111-491; Senate Armed Services Committee, Report to Accompany S. 3454, the National Defense Authorization Act for Fiscal Year 2011, S.Rept. 111-201.

**Notes:** The defense authorization act generally does not determine the final amount provided for a program or project. The authorization bill authorizes the appropriation of funds, but the amount available is determined by the appropriations. An appropriations bill may provide more than or less than the amount authorized, may provide funds for a program for which no funds are authorized, and may provide funds for a “new start” for which funding has never been authorized.

**Table A-3. Congressional Action on Selected FY2011 Missile Defense Funding: Appropriations**

(amounts in millions of dollars)

PE Number (for R&D projects only)	Program Element Title	FY2011 Request	Senate Appropriation s Committee (S. 3800)	House- passed H.R. 1	H.R. 1473 Enacted	Comments
0603175C	BMD Technology	132.2	98.2	92.2	92.2	Transfer development of SM-3 Block IIB missile to "AEGIS BMD" line (\$40 million)
0603881C	BMD Terminal Defense Segment	436.5	431.5	431.5	431.5	
0603882C	BMD Midcourse Defense Segment	1,346.2	1,326.2	1,311.2	1,311.2	Funds the system deployed in Alaska and California to defend U.S. territory.
0603884C	BMD Sensors	454.9	392.2	392.2	392.2	
0603888C	BMD Test & Targets	1,113.4	956.3	1,008.5	1,008.5	
0603890C	BMD Enabling Programs	402.8	406.3	406.3	406.3	
0603891C	Special Programs - MDA	270.2	250.2	245.2	245.2	
0603892C	AEGIS BMD	1,467.3	1,586.3	1,569.3	1,569.3	Transfer in from "BMD Technology" line \$40 million to develop SM-3 Block IIB missile.
0603893C	Space Tracking & Surveillance System	112.7	112.7	112.7	112.7	
0603895C	BMD System Space Programs	10.9	10.9	10.9	10.9	
0603896C	BMD Command and Control, Battle Management and Communications	342.6	456.7	456.7	456.7	
0603898C	BMD Joint Warfighter Support	68.7	58.7	58.7	58.7	
0603904C	Missile Defense Integration &	86.2	86.2	86.2	86.2	

PE Number (for R&D projects only)	Program Element Title	FY2011 Request	Senate Appropriation s Committee (S. 3800)	House- passed H.R. 1	H.R. 1473 Enacted	Comments
	Operations Center (MDIOC)					
0603901C	Directed Energy Research	98.7	83.7	123.7	123.7	
0603906C	Regarding Trench	7.5	7.5	7.5	7.5	
0603907C	Sea-Based X-Band Radar (SBX)	153.1	153.1	153.1	153.1	
0603913C	Israeli Cooperative Programs ( <i>not including "Iron Dome" added in procurement account</i> )	121.7	209.9	209.9	209.9	
0604880C	Land-based SM-3	281.4	281.4	281.4	281.4	
0604881C	Aegis SM-3 Block IIA Co-Development	318.8	322.8	318.8	318.8	
0604883C	Precision Tracking Space System	67.0	67.0	37.0	37.0	
0604884C	Airborne Infrared	111.7	86.7	76.7	76.7	
0901585C	Pentagon Reservation	20.5	20.5	20.5	20.5	
0901598C	Management HQ - MDA	29.8	29.8	29.8	29.8	
<b>Subtotal RDT&amp;E, Missile Defense Agency</b>		<b>7,454.8</b>	<b>7,434.8</b>	<b>7,440.0</b>	<b>7,440.0</b>	
	THAAD, Fielding	858.9	433.9	586.9	586.9	
	Aegis, Block 5 Fielding	94.1	215.0	94.1	94.1	
	"Iron Dome" (Israeli defense against short-range rockets and artillery shells)	0.0	205.0	205.0	205.0	

PE Number (for R&D projects only)	Program Element Title	FY2011 Request	Senate Appropriation s Committee (S. 3800)	House- passed H.R. 1	H.R. 1473 Enacted	Comments
<b>Subtotal Procurement, Missile Defense Agency</b>		<b>953.0</b>	<b>853.9</b>	<b>886.0</b>	<b>886.0</b>	
<b>Total, Missile Defense Agency</b>		<b>8,416.8</b>	<b>8,288.7</b>	<b>8,326.0</b>	<b>8,326.0</b>	
0603305A	Army Missile Defense Systems Integration (non- space)	11.5	53.8	11.5	11.5	
0603308A	Army Missile Defense Systems Integration (space)	27.6	47.2	27.6	27.6	
0604869A	Patriot/MEADS Combined Aggregate Program (CAP)	467.1	467.1	467.1	467.1	
0605456A	PAC-2/MSE Missile	62.5	62.5	62.5	62.5	
0605457A	Army Integrated Air and Missile Defense	251.1	251.1	251.1	251.1	
0203801A	Missile/Air Defense Product Improvement Program	24.3	28.3	24.3	24.3	
0102419A	Aerostat Joint Program Office (JLENS)	372.5	372.5	372.5	372.5	
0605126J	Joint Theater Air and Missile Defense Organization	94.6	94.6	94.6	94.6	
<b>Subtotal RDT&amp;E, Army, Joint Staff</b>		<b>1,311.2</b>	<b>1,377.1</b>	<b>1,330.8</b>	<b>1,330.8</b>	
Patriot/PAC-3		480.2	613.8	613.8	613.8	
Patriot modifications		57.2	57.2	57.2	57.2	
<b>Subtotal, Procurement, Army</b>		<b>537.4</b>	<b>671.0</b>	<b>671.0</b>	<b>671.0</b>	

<b>PE Number (for R&amp;D projects only)</b>	<b>Program Element Title</b>	<b>FY2011 Request</b>	<b>Senate Appropriation s Committee (S. 3800)</b>	<b>House- passed H.R. 1</b>	<b>H.R. 1473 Enacted</b>	<b>Comments</b>
<b>Total Missile Defense R&amp;D, MilCon, Procurement, All Agencies</b>		<b>10,265.4</b>	<b>10,336.8</b>	<b>10,327.8</b>	<b>10,327.8</b>	

**Source:** Data on S 3800 from Senate Appropriations Committee, Report to Accompany S. 3800, the Department of Defense Appropriations Bill, 2011, S.Rept. 111-295.; data on H.R. 1 from funding tables published in the *Congressional Record, Congressional Record*, daily edition, February 28, 2011, pp. E336-E378; data on H.R. 1473 from the "Department of Defense and Full-Year Continuing Appropriations Act, 2011," *Congressional Record*, daily edition, vol. 157, number 55 (April 14, 2011), pp. H2697-H2788.

**Table A-4. Congressional Action on Selected FY2011 Army and Marine Corps Programs: Authorization**

(amounts in millions of dollars; base budget funding in plain type, *OCO funding in italics.*)

	Request			House-passed			SASC recommended Services Committee			Comments
	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	\$	\$	#	\$	\$	#	\$	\$	
Light Utility Helicopter	50	305.3	0.0	50	305.3	0.0	50	305.3	0.0	
UH-60 Blackhawk Helicopter and Mods, Army	72	1,414.2	20.6	72	1,431.2	20.6	72	1,414.2	20.6	
<i>UH-60 Blackhawk Helicopter and Mods, Army (OCO)</i>	2	<i>55.0</i>	<i>0.0</i>	2	<i>55.0</i>	<i>0.0</i>	2	<i>55.0</i>	<i>0.0</i>	
CH-47 Chinook Helicopter and Mods, Army	40	1,225.3	21.0	40	1,225.5	21.0	40	1,225.3	21.0	
<i>CH-47 Chinook Helicopter and Mods, Army (OCO)</i>	2	<i>153.5</i>	<i>0.0</i>	2	<i>153.5</i>	<i>0.0</i>	2	<i>153.5</i>	<i>0.0</i>	
AH-64 Apache Helo Mods	16	887.6	93.3	16	889.6	93.3	16	887.6	93.3	
<i>AH-64 Apache Helo Mods (OCO)</i>	--	<i>199.2</i>	<i>0.0</i>	--	<i>199.2</i>	<i>0.0</i>	--	<i>199.2</i>	<i>0.0</i>	
M-2 Bradley Mods	—	215.1	97.0	—	215.1	97.0	--	215.1	97.0	
M-1 Abrams tank Mods	21	413.9	107.5	21	413.9	107.5	21	413.9	107.5	
Stryker Armored Vehicle and Mods	83	445.9	133.8	83	445.9	133.8	83	445.9	133.8	
<i>Stryker Armored Vehicle and Mods (OCO)</i>	--	<i>445.0</i>	<i>0.0</i>	--	<i>445.0</i>	<i>0.0</i>	--	<i>445.0</i>	<i>0.0</i>	
Paladin howitzer Mods	--	105.3	53.6	--	0.0	105.6	--	0.0	83.6	
Brigade Combat Team Modernization (not including GCV) See	—	682.7	1,568.1	—	56.0	1,415.4	--	302.4	1,568.1	Cuts reflect termination of the N-LOS missile system and delay of other components
Army Ground Combat Vehicle (GCV)	--	0.0	934.4	--	0.0	934.4	--	0.0	934.4	GCV program was significantly revised after House and SASC action
USMC Expeditionary Fighting Vehicle (EFV)	—	0.0	242.8	—	0.0	242.8	--	0.0	242.8	

	Request			House-passed			SASC recommended Services Committee			Comments
	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	\$	\$	#	\$	\$	#	\$	\$	
HMMWV, Army and USMC, new vehicles and upgrades	17	4.8	0.0	17	4.8	0.0	17	4.8	0.0	Of the total, \$989 million is to upgrade 9,270 HMMWVs as they are returned to U.S. from overseas.
<i>HMMWV, Army and USMC, new vehicles and upgrades (OCO)</i>	77	1,002.1	0.0	77	1,002.1	0.0	77	1,002.1	0.0	
Family of Medium Tactical Vehicles and USMC Medium Trucks	2,960	929.9	3.7	2,960	929.9	3.7	2,960	929.9	3.7	Number includes only Army vehicles
<i>Family of Medium Tactical Vehicles and USMC Medium Trucks (OCO)</i>	1,692	596.9	0.0	1,692	596.9	0.0	1,692	596.9	0.0	
Family of Heavy Tactical Vehicles and USMC Logistics Vehicle System (LVS) Replacement	1,517	994.7	3.7	n/a	944.7	3.7	1,517	994.7	3.7	“Number” column includes truck tractors; Funding also includes variously equipped trailer units.
<i>Family of Heavy Tactical Vehicles and USMC Logistics Vehicle System (LVS) Replacement (OCO)</i>	702	297.8	0.0	702	297.8	0.0	702	297.8	0.0	

**Source:** House Armed Services Committee, Report to Accompany H.R. 5136, the National Defense Authorization Act for Fiscal Year 2011, H.Rept. 111-491; Senate Armed Services Committee, Report to Accompany S. 3454, the National Defense Authorization Act for Fiscal Year 2011, S.Rept. 111-201.

**Note:** The defense authorization act generally does not determine the final amount provided for a program or project. The authorization bill authorizes the appropriation of funds, but the amount available is determined by the appropriations. An appropriations bill may provide more than or less than the amount authorized, may provide funds for a program for which no funds are authorized, and may provide funds for a “new start” for which funding has never been authorized.

**Table A-5. Congressional Action on Selected FY2011 Army and Marine Corps Programs: Appropriation**

(amounts in millions of dollars; base budget funding in plain type, *OCO funding in italics.*)

	Request			Senate Committee reported S. 3800			House-passed H.R. 1			H.R. 1473 Enacted			
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	\$	\$	#	\$	\$	#	\$	\$	#	\$	\$	
Light Utility Helicopter	50	305.3	0.0	50	310.3	0.0		305.3	0.0		305.3	0.0	
UH-60 Blackhawk Helicopter and Mods, Army	72	1,414.2	20.6	84	1,634.5	20.6		1,431.2	20.6		1,431.2	20.6	bills add OCO funds to replace three aircraft lost in combat
<i>UH-60 Blackhawk Helicopter and Mods, Army (OCO)</i>	2	<i>55.0</i>	<i>0.0</i>	5	<i>107.5</i>	<i>0.0</i>		<i>387.9</i>	<i>0.0</i>		<i>387.9</i>	<i>0.0</i>	
CH-47 Chinook Helicopter and Mods, Army	40	1,225.3	21.0	46	1,415.7	10.9		1,225.3	10.9		1,225.3	10.9	bills reduce OCO funding to reflect reduction in projected combat losses
<i>CH-47 Chinook Helicopter and Mods, Army (OCO)</i>	2	<i>153.5</i>	<i>0.0</i>	1	<i>118.2</i>	<i>0.0</i>		<i>325.3</i>	<i>0.0</i>		<i>325.3</i>	<i>0.0</i>	
AH-64 Apache Helo and Mods	16	887.6	93.3	12	825.0	93.3		887.6	93.3		887.6	93.3	
<i>AH-64 Apache Helo and Mods (OCO)</i>	--	<i>199.2</i>	<i>0.0</i>	--	<i>688.8</i>	<i>0.0</i>		<i>688.8</i>	<i>0.0</i>		<i>688.8</i>	<i>0.0</i>	
<b>Combat Vehicles</b>													
M-2 Bradley Mods	—	215.1	97.0	--	193.1	97.0		204.1	97.0		204.1	97.0	
M-1 Abrams tank Mods	21	413.9	107.5	21	413.9	107.5		413.9	107.5		413.9	107.5	
Stryker Armored Vehicle and Mods	83	445.9	133.8	83	436.0	205.2		436.0	205.2		436.0	205.2	Bills add funds to develop a modification that would make Strykers less vulnerable to IEDs
<i>Stryker Armored Vehicle and Mods (OCO)</i>	--	<i>445.0</i>	<i>0.0</i>	--	<i>763.0</i>	<i>0.0</i>		<i>545.0</i>	<i>0.0</i>		<i>545.0</i>	<i>0.0</i>	



	Request		Senate Committee reported S. 3800			House-passed H.R. 1		H.R. 1473 Enacted			
Paladin howitzer Mods	--	105.3	53.6	--	5.3	83.6	5.3	103.6	5.3	103.6	
Army Ground Combat Vehicle (GCV)	--	0.0	934.4	--	0.0	461.1	0.0	461.1	0.0	461.1	Reflects Army decision to revise the GCV program
USMC Expeditionary Fighting Vehicle (EFV)	—	0.0	242.8	--	0.0	222.3	0.0	222.8	0.0	222.8	Senate committee recommended cutting \$204 million from the request and adding \$183.5 million to pay termination costs

**Source:** Senate Appropriations Committee, Report to Accompany S. 3800, the Department of Defense Appropriations Bill, 2011, S.Rept. 111-295; data on H.R. 1 from funding tables published in the *Congressional Record*, *Congressional Record*, daily edition, February 28, 2011, pp. E336-E378; data on H.R. 1473 from "Department of Defense and Full-Year Continuing Appropriations Act, 2011," *Congressional Record*, daily edition, vol. 157, number 55 (April 14, 2011), pp. H2697-H2788.

**Table A-6. Congressional Action on Selected FY2010 Shipbuilding Programs: Authorization**

(amounts in millions of dollars)

	Request			House-passed			SASC recommended			Comments
	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	\$	\$	#	\$	\$	#	\$	\$	
CVN-21 Carrier	—	2,639.6	93.8	—	2,639.6	93.8	—	2,639.6	93.8	Includes \$1.73 billion for fourth (and final) year of incremental funding for CVN-78 (projected for commissioning in FY2015) plus \$908 million in long lead-time funding for CVN-79.
Carrier Refueling Overhaul	--	1,663.8	0.0	--	1,663.8	0.0	--	1,663.8	0.0	Includes \$1.26 billion for the third year of incremental funding for one ship plus \$408 million in long lead-time funding for another.
Virginia-class submarine	2	5,132.7	155.5	2	5,132.2	155.5	2	5,132.7	165.8	Includes \$3.4 billion for two ships plus \$1.7 billion for long lead-time funding for two ships to be funded in FY2012 and two additional ships to be funded in FY2013.
DDG-1000 Destroyer	--	186.3	549.2	--	186.3	549.2	--	186.3	549.2	
DDG-51 Destroyer	2	2,970.2	0.0	2	2,970.21	0.0	2	2,970.2	0.0	
LCS Littoral Combat Ship	2	1,509.3	226.3	2	1,509.3	305.5	2	1,509.3	226.3	Includes \$1.23 billion for two ships and \$278 million for components that would be used in construction of future ships.
LHA Helicopter Carrier	1	949.9	0.0	1	949.9	0.0	1	949.9	0.0	A second increment of \$2.1 billion to complete the cost of the ship is slated for inclusion in the FY2012 budget request.
Joint High-Speed Vessel	2	383.5	6.8	2	383.5	6.8	2	383.5	6.8	The Army and Navy each requested funds for one of these high-speed troop and cargo ships.
Mobile Landing Platform	1	380.0	28.0	1	380.0	28.0	1	380.0	28.0	Based on the design of a commercial tanker, this ship is intended to function as a floating pier on which large ships can transfer combat equipment to smaller landing craft.

**Sources:** House Armed Services Committee, Report to Accompany H.R. 5136, the National Defense Authorization Act for Fiscal Year 2011, H.Rept. 111-491; Senate Armed Services Committee, Report to Accompany S. 3454, the National Defense Authorization Act for Fiscal Year 2011, S.Rept. 111-201.

**Note:** The defense authorization act generally does not determine the final amount provided for a program or project. The authorization bill authorizes the appropriation of funds, but the amount available is determined by the appropriations. An appropriations bill may provide more than or less than the amount authorized, may provide funds for a program for which no funds are authorized, and may provide funds for a “new start” for which funding has never been authorized.

**Table A-7. Congressional Action on Selected FY2011 Shipbuilding Programs: Appropriations**

(amounts in millions of dollars; base budget funding in plain type, *OCO funding in italics.*)

	Request			Senate committee reported S. 3800			House-passed H.R. 1			H.R. 1473 Enacted			Comments
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	\$	\$	#	\$	\$	#	\$	\$	#	\$	\$	
CVN-21 Carrier	—	2,639.6	93.8	—	2,639.6	93.8	—	2,630.3	91.8	--	2,630.3	91.8	Includes \$1.73 billion for fourth (and final) year of incremental funding for CVN-78 (projected for commissioning in FY2015) plus \$908 million in long lead-time funding for CVN-79.
Carrier Refueling Overhaul	--	1,663.8	0.0	--	1,663.8	0.0	--	1,657.0	0.0	--	1,657.0	0.0	Includes \$1.26 billion for the third year of incremental funding for one ships plus \$408 million in long lead-time funding for another.
Virginia-class submarine	2	5,132.7	155.5	2	5,132.7	161.5	2	5,121.6	171.5	2	5,121.6	171.5	Includes \$3.4 billion for two ships plus \$1.7 billion for long lead-time funding for two ships to be funded in FY2012 and two additional ships to be funded in FY2013.
DDG-1000 Destroyer	--	186.3	549.2	--	186.3	536.2	--	77.5	534.2	--	77.5	534.2	
DDG-51 Destroyer	2	2,970.2	0.0	2	2,970.2	0.0	2	2,916.5	0.0		2,916.5	0.0	
LCS Littoral Combat Ship	2	1,509.4	226.3	1	893.7	199.4	2	1,359.4	189.6	2	1,359.4	189.6	Includes \$1.23 billion for two ships and \$278 million for components that would be used in construction of future ships.
LHA Helicopter Carrier	1	949.9	0.0	1	949.9	0.0	1	942.8	0.0		942.8	0.0	A second increment of \$2.1 billion to complete the cost of the ship is slated for inclusion in the FY2012 budget request.
Joint High-Speed Vessel	2	383.5	6.7	2	383.5	6.7	2	383.5	6.7	2	383.5	6.7	The Army and Navy each requested funds for one of these high-speed troop and cargo ships.

	Request			Senate committee reported S. 3800			House-passed H.R. 1			H.R. 1473 Enacted			Comments
	Procurement		R&D	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	\$	\$	#	\$	\$	#	\$	\$	#	\$	\$	
Mobile Landing Platform	1	380.0	0.0	1	480.0	0.0	2	880.0	0.0	2	880.0	0.0	Based on the design of a commercial tanker, this ship is intended to function as a floating pier on which large ships can transfer combat equipment to smaller landing craft.

**Sources:** Data on S 3800 from Senate Appropriations Committee, Report to Accompany S. 3800, the Department of Defense Appropriations Bill, 2011, S.Rept. 111-295.; data on H.R. 1 from funding tables published in the *Congressional Record, Congressional Record*, daily edition, February 28, 2011, pp. E336-E378; data on H.R. 1473 from "Department of Defense and Full-Year Continuing Appropriations Act, 2011," *Congressional Record*, daily edition, vol. 157, number 55 (April 14, 2011), pp. H2697-H2788.

**Table A-8. Congressional Action on Selected FY2010 Navy, Marine Corps and Air Force Aircraft Programs: Authorization**

(amounts in millions of dollars; base budget funding in plain type, *OCO funding in italics.*)

	Request			House passed (H.R. 5136)			SASC recommended (S. 3454)			Comments
	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	\$	\$	#	\$	\$	#	\$	\$	
F-35A Joint Strike Fighter, AF (conventional takeoff version) and Mods	22	4,110.1	1,101.3	22	4,023.5	1,343.8	22	4,110.1	1,101.3	Both versions of the bill deny funds for one plane (\$204.9 million) requested by Air Force to replace fighter lost in current operations. House bill includes \$485 million to continue development of an alternate engine.
<i>F-35A Joint Strike Fighter, AF (conventional takeoff version) and Mods (OCO)</i>	<i>1</i>	<i>204.9</i>	<i>0.0</i>	<i>0</i>	<i>0.0</i>	<i>0.0</i>	<i>0</i>	<i>0.0</i>	<i>0.0</i>	
F-35C Joint Strike Fighter, Marine Corps (STOVL version)	13	2,576.1	667.9	13	2,576.1	760.2	13	2,576.1	667.9	
F-35B Joint Strike Fighter, Navy (Carrier-based version)	7	1,887.0	707.8	7	1,887.0	800.0	7	1,887.0	707.8	
<b>[F-35 Joint Strike Fighter, total]</b>	<b>43</b>	<b>8,778.1</b>	<b>2,477.0</b>	<b>42</b>	<b>8,486.6</b>	<b>2,904.0</b>	<b>42</b>	<b>8,573.2</b>	<b>2,477.0</b>	
F-22 Fighter Mods	--	492.2	576.3	--	492.2	576.3	--	492.2	576.3	
F-15 Fighter Mods	--	302.2	222.7	--	302.2	222.7	--	302.2	222.7	
F-16 Fighter Mods	--	167.2	129.1	--	167.2	129.1	--	167.2	129.1	
EA-18G Aircraft, Navy	12	1,083.9	22.0	12	1,083.9	22.0	12	1,038.0	22.0	
F/A-18E/F Fighter, Navy	22	1,787.2	148.4	30	2,287.2	148.4	28	2,027.6	148.4	Adds \$500 million for eight additional aircraft.
A-10 Attack Plane Mods	--	165.4	5.7	--	165.4	5.7	--	165.4	5.7	
<i>A-10 Attack Plane Mods (OCO)</i>	--	16.5	0.0	--	16.5	0.0	--	16.5	0.0	
B-1B Bomber Mods	--	200.1	33.2	--	223.9	33.2	--	223.9	33.2	
<i>B-1B Bomber Mods (OCO)</i>	--	8.5	0.0	--	8.5	0.0	--	8.5	0.0	

	Request			House passed (H.R. 5136)			SASC recommended (S. 3454)			Comments
	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	\$	\$	#	\$	\$	#	\$	\$	
B-2A Bomber Mods	--	63.4	260.5	--	63.4	260.5	--	63.4	260.5	
B-52 Bomber Mods	--	69.1	146.1	--	69.1	146.1	--	69.1	146.1	
C-130 variants and Mods, AF	17	2,048.6	163.0	17	2,112.1	103.2	17	2,048.6	163.0	
<i>C-130 variants and Mods, AF (OCO)</i>	--	187.6	0.0	--	187.6	0.0	--	187.6	0.0	
<b>[C-130 Total]</b>	<b>17</b>	<b>2,236.2</b>	<b>163.0</b>	<b>17</b>	<b>2,299.7</b>	<b>103.2</b>	<b>17</b>	<b>2,236.2</b>	<b>163.0</b>	
C-5 Mods,	--	907.5	59.0	--	907.5	59.0	--	907.5	59.0	
<i>C-5 Mods, (OCO)</i>	--	73.4	0.0	--	73.4	0.0	--	73.4	0.0	
C-17 Mods	--	519.2	177.2	--	519.2	177.2	--	519.2	177.2	
<i>C-17 Mods (OCO)</i>	--	224.5	0.0	--	224.5	0.0	--	224.5	0.0	
C-27 Joint Cargo Aircraft	8	351.2	26.4	8	351.2	26.4	8	351.2	26.4	
KC-X Tanker Replacement,	--	0.0	863.9	--	0.0	863.9	--	0.0	863.9	
C-37A executive transport	2	52.0	0.0	2	52.0	0.0	2	52.0	0.0	Gulfstream V used for long-range transport of senior civilian and military officials
MV-22 Osprey, Marine Corps and Mods	30	2,224.9	46.1	30	2,224.9	46.1	30	2,224.9	46.1	
<i>MV-22 Osprey, Marine Corps and Mods (OCO)</i>	--	36.4	0.0	--	36.4	0.0	--	36.4	0.0	
CV-22 Osprey, AF and Mods	5	544.7	18.3	5	544.7	18.3	5	544.7	18.3	
<i>CV-22 Osprey, AF and Mods (OCO)</i>	--	0.8	0.0	--	0.8	0.0	--	0.8	0.0	
<b>[V-22 Osprey Total]</b>	<b>35</b>	<b>2,784.8</b>	<b>64.4</b>	<b>35</b>	<b>2,784.8</b>	<b>64.4</b>	<b>35</b>	<b>2,784.8</b>	<b>64.4</b>	
Special Operations helicopter Mods	--	367.1	14.5	--	367.1	14.5	--	367.1	14.5	

	Request			House passed (H.R. 5136)			SASC recommended (S. 3454)			Comments
	Procurement		R&D	Procurement		R&D	Procurement		R&D	
	#	\$	\$	#	\$	\$	#	\$	\$	
<i>Special Operations helicopter Mods (OCO)</i>	--	9.8		--	9.8		--	9.8		
CH-53K Helicopter	--	0.0	577.4	--	0.0	577.4	--	0.0	577.4	
VH-71A Executive Helicopter	--	0.0	159.8	--	0.0	159.8	--	0.0	159.8	Funds are for development of a new helicopter, following termination of VH-71 program.
HH-60M search and rescue helicopter	3	104.4	0.0	3	104.4	0.0	3	104.4	0.0	
<i>HH-60M search and rescue helicopter (OCO)</i>	3	114.0	0.0	3	114.0	0.0	3	114.0	0.0	
UH-1Y/AH-1Z	28	808.1	60.5	28	808.1	60.5	28	808.1	60.5	
<i>UH-1Y/AH-1Z (OCO)</i>	3	88.5	0.0	3	88.5	0.0	3	88.5	0.0	
MH-60R/MH-60S Helicopter, Navy	42	1,608.7	55.8	42	1,608.7	55.8	42	1,608.7	55.8	
P-8A Poseidon Multi-Mission Maritime Aircraft	7	1,990.6	929.2	7	1,990.6	929.2	7	1,990.6	929.2	
E-2D Hawkeye Aircraft,	4	937.8	171.1	4	937.8	171.1	4	937.8	171.1	
P-3/EP-3 Aircraft Mods	--	312.3	3.6	--	312.3	3.6	--	312.3	3.6	
<i>P-3/EP-3 Aircraft Mods (OCO)</i>	--	6.0	0.0	--	6.0	0.0	--	6.0	0.0	
E-8 JSTARS ground surveillance plane Mods	--	188.5	168.9	--	176.8	168.9		291.0	168.9	

**Table A-9. Unmanned Aerial Vehicles (UAVs)**

MQ-4/RQ-4 Global Hawk Navy, Air Force	4	859.2	780.6	4	859.2	780.6	4	859.2	780.6	All procurement for USAF version (RQ-4). R&D includes \$529.3 million for Navy version (MQ-4).
MQ-9 Reaper Air Force	48	1,355.3	125.4	60	1,840.6	125.4	48	1,355.3	125.4	
MQ-1 Warrior/Predator Army	26	459.3	152.2	26	459.3	152.2	26	459.3	152.2	
MQ-1 Warrior/Predator Mods	--	384.2	0.0	--	384.2	0.0	--	384.2	0.0	
RQ-7 Shadow Mods Army	--	620.9	23.6	--	620.9	23.6	--	620.9	23.6	
RQ-11 Raven multi- service	328	81.4	2.1	328	81.4	2.1	328	81.4	2.1	
BCT UAV Increment I Army	--	44.2	50.3	--	44.2	50.3	--	44.2	50.3	
MQ-8 Fire Finder Navy	3	47.5	10.7	3	47.5	10.7	3	47.5	10.7	
STUASLO (hand- launched UAVs) multi- service	--	39.3	44.3	--	39.3	44.3	--	39.3	44.3	
UCAS (carrier-based bomber) Navy	--	--	266.4	--	--	266.4	--	--	266.4	
Tactical Unmanned Aerial Vehicle Navy	--	---	36.2	--	--	36.2	--	---	36.2	
Long-Endurance Multi- Intelligence Vehicle (LEMV) Army	--	--	93.0	--	--	93.0	--	--	93.0	Blimp-like UAV intended to carry 2,500 lbs. or sensors at 20,000 ft. for three weeks per mission.

**Source:** House Armed Services Committee, Report to Accompany H.R. 5136, the National Defense Authorization Act for Fiscal Year 2011, H.Rept. 111-491; Senate Armed Services Committee, Report to Accompany S. 3454, the National Defense Authorization Act for Fiscal Year 2011, S.Rept. 111-201.

**Notes:** The defense authorization act generally does not determine the final amount provided for a program or project. The authorization bill authorizes the appropriation of funds, but the amount available is determined by the appropriations. An appropriations bill may provide more than or less than the amount authorized, may provide funds for a program for which no funds are authorized, and may provide funds for a “new start” for which funding has never been authorized.



**Table A-10. Congressional Action on Selected FY2011 Navy, Marine, and Air Force Aircraft Programs: Appropriation**

(dollar amounts in millions; base budget funding in plain type, OCO funding in italics.)

	Request		Senate committee reported S. 3800			House-passed H.R. 1			H.R. 1473 Enacted			
	procurement	R&D	procurement	R&D	procurement	R&D	procurement	R&D				
	#	\$	#	\$	#	\$	#	\$				
<b>Fighters and Bombers</b>												
F-35A Joint Strike Fighter, AF (conventional takeoff version) and Mods	22	4,110.1	1,101.3	16	3,290.8	1,051.2	25	4,326.1	1,051.2	25	4,326.1	1,051.2
<i>F-35A Joint Strike Fighter, AF (conventional takeoff version) and Mods (OCO)</i>	<i>1</i>	<i>204.9</i>	<i>0.0</i>	<i>0</i>	<i>0.0</i>	<i>0.0</i>	<i>0</i>	<i>0.0</i>	<i>0.0</i>	<i>0</i>	<i>0.0</i>	<i>0.0</i>
F-35C Joint Strike Fighter, Marine Corps (STOVL version)	13	2,576.1	667.9	10	2,015.8	588.9	842.0	613.9	842.0	613.9		
F-35B Joint Strike Fighter, Navy (Carrier-based version)	7	1,887.0	707.8	6	1,677.4	678.8	1,873.0	676.8	1,873.0	676.8		
<b>[F-35 Joint Strike Fighter, total]</b>	<b>43</b>	<b>8,778.1</b>	<b>2,477.0</b>	<b>32</b>	<b>6,933.8</b>	<b>2,318.9</b>	<b>7041.2</b>	<b>2341.9</b>	<b>7041.2</b>	<b>2341.9</b>		
F-22 Fighter Mods	--	492.2	576.3	--	492.2	426.3	437.7	511.3	437.7	511.3		
F-15 Fighter Mods	--	302.2	222.7	--	360.2	207.7	337.0	207.7	337.0	207.7		
F-16 Fighter Mods	--	167.2	129.1	--	167.2	129.1	167.2	129.1	167.2	129.1		
EA-18G Aircraft, Navy	12	1,083.9	22.0	12	1,038.0	22.0	12	1,026.3	21.8	1,026.3	21.8	
F/A-18E/F Fighter and Mods, Navy	22	2,323.3	148.4	28	2,229.3	151.6	2,668.5	148.4	2,668.5	148.4		
A-10 Attack Plane Mods	--	165.4	5.7	--	165.4	5.7	187.4	5.7	187.4	5.7		
<i>A-10 Attack Plane Mods (OCO)</i>	--	16.5	0.0	--	16.5	0.0	16.5	0.0	16.5	0.0		
B-1B Bomber Mods	--	200.1	33.2	--	200.1	35.2	200.1	33.2	200.1	33.2		

	Request		Senate committee reported S. 3800			House-passed H.R. 1			H.R. 1473 Enacted			
	procurement		R&D	procurement		R&D	procurement		R&D	procurement		R&D
	#	\$	\$	#	\$	\$	#	\$	\$	#	\$	\$
B-1B Bomber Mods (OCO)	--	8.5	0.0	--	8.5	0.0		8.5	0.0		8.5	0.0
B-2A Bomber Mods	--	63.4	260.5	--	63.4	260.5		63.4	276.5		63.4	276.5
B-52 Bomber Mods		69.1	146.1		56.1	141.1		21.1	140.9		21.1	140.9
<b>Cargo Planes and Tankers</b>												
C-5 Mods,	--	907.3	59.0	--	901.9	59.0		820.6	59.0		820.6	59.0
C-5 Mods, (OCO)	--	73.4	0.0	--	73.4	0.0		73.4	0.0		73.4	0.0
C-17 Mods	--	519.2	177.2	--	406.8	162.2		217.5	162.2		217.5	162.2
C-17 Mods (OCO)	--	224.5	0.0	--	176.5	0.0		176.5	0.0		176.5	0.0
C-27 Joint Cargo Aircraft	8	351.2	26.4	8	351.2	26.4		351.2	26.4		351.2	26.4
KC-X Tanker Replacement,	--	0.0	863.9	--	0.0	538.9		0.0	538.9		0.0	538.9
C-37A executive transport	2	52.0	0.0	2	52.0	0.0	2	52.0	0.0	2	52.0	0.0
C-40A executive transport	--	0.0	0.0	1	74.1	0.0	--	74.1	0.0	1	74.1	0.0
<b>Helicopters and Tilt-rotors</b>												
MV-22 Osprey, Marine Corps and Mods	30	2,224.9	46.1	30	2,224.9	46.1		2,224.9	44.4		2,224.9	44.4
MV-22 Osprey, Marine Corps and Mods (OCO)	--	36.4	0.0	--	36.4	0.0		36.4	0.0		36.4	0.0
CV-22 Osprey, AF and Mods	5	544.7	32.7	5	544.7	32.7		544.7	32.7		544.7	32.7
CV-22 Osprey, AF and Mods (OCO)	--	0.8	0.0	--	0.8	0.0		85.8	0.0		85.8	0.0
<b>[V-22 Osprey Total]</b>	<b>35</b>	<b>2,784.8</b>	<b>78.8</b>	<b>35</b>	<b>2,784.8</b>	<b>78.8</b>		<b>2,891.8</b>	<b>77.1</b>		<b>2,891.8</b>	<b>77.1</b>

	Request		Senate committee reported S. 3800			House-passed H.R. 1			H.R. 1473 Enacted			
	procurement		R&D	procurement		R&D	procurement		R&D	procurement		R&D
	#	\$	\$	#	\$	\$	#	\$	\$	#	\$	\$
Special Operations helicopter Mods	--	367.1	14.5	--	328.7	36.5		325.6	33.7		325.6	33.7
<i>Special Operations helicopter Mods (OCO)</i>	--	9.8	0.0	--	46.1	0.0		57.1	0.0		57.1	0.0
CH-53K Helicopter	--	0.0	577.4	--	0.0	577.4		0.0	577.4		0.0	577.4
VH-71A Executive Helicopter	--	0.0	159.8	--	0.0	159.8		0.0	159.8		0.0	159.8
HH-60M search and rescue helicopter	3	104.4	0.0	3	104.4	0.0		104.4	0.0		104.4	0.0
<i>HH-60M search and rescue helicopter and mods (OCO)</i>	3	114.0	0.0	13	417.4	0.0		417.4	0.0	13	417.4	0.0
UH-1Y/AH-1Z	28	808.1	60.5	28	797.3	60.5	28	797.3	60.5	28	797.3	60.5
<i>UH-1Y/AH-1Z (OCO)</i>	3	88.5	0.0	3	88.5	0.0	3	88.5	0.0	3	88.5	0.0
MH-60R/MH-60S Helicopter, Navy	42	1,608.7	55.8	42	1,608.7	55.8	42	1,571.7	55.8	42	1,571.8	55.8
<b>Manned Surveillance Aircraft</b>												
P-8A Poseidon Multi-Mission Maritime Aircraft	7	1,990.6	929.2	7	1,990.6	929.2	7	1,968.2	941.2	7	1,968.2	941.2
E-2D Hawkeye Aircraft,	4	937.8	171.1	4	937.8	171.1	5 <i>add plane in OCO</i>	1,112.8	171.1	5 <i>add plane in OCO</i>	1,112.8	171.1
P-3/EP-3 Aircraft Mods	--	312.3	3.6	--	277.3	3.6	--	277.3	3.6	--	277.3	3.6
<i>P-3/EP-3 Aircraft Mods (OCO)</i>	--	6.0	0.0	--	6.0	0.0	--	6.0	0.0	--	6.0	0.0
E-8 JSTARS ground surveillance plane Mods	--	188.5	168.9		131.8	168.9	--	6.4	168.9	--	6.4	168.9

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	procurement		R&D	procurement		R&D	procurement		R&D	procurement		R&D
	#	\$	\$	#	\$	\$	#	\$	\$	#	\$	\$
<b>Unmanned Aerial Vehicles (UAVs)</b>												
MQ-4/RQ-4 Global Hawk (Navy, Air Force)	4	859.2	780.6	4	804.2	749.6	4	691.7	749.6	4	691.7	749.6
MQ-9 Reaper (Air Force)	48	1,355.3	126.4	48	1,299.7	156.4		861.7	214.9		861.7	214.9
MQ-1 Warrior/Predator (Army)	29	843.3	153.1	26	656.3	148.1		587.3	148.1		587.3	148.1
RQ-7 Shadow Mods (Army, Navy)	--	628.9	15.6	--	571.1	15.6		575.0	15.7		575.0	15.7
RQ-11 Raven (multi-service)	328	81.6	2.1	328	71.1	2.1		65.5	2.1		65.5	2.1
BCT UAV Increment I (Army)	--	44.2	50.3	--	42.2	50.3		26.6	50.3		26.6	50.3
MQ-8 Fire Finder (Navy)	3	47.5	10.7	3	47.5	10.7		44.0	10.7		44.0	10.7
STUASLO (hand-launched UAVs) (multi-service)	--	39.3	44.3	--	15.4	38.9		15.4	38.9		15.4	38.9
UCAS (carrier-based bomber) (Navy)	--	--	266.4	--	--	266.4		--	266.4		--	266.4
Tactical Unmanned Aerial Vehicle (Navy)	--	--	35.2	--	--	8.9		--	18.9		--	18.9
Long-Endurance Multi-Intelligence Vehicle (LEMV) (Army)	--	--	93.0	--	--	93.0		--	93.0		--	93.0

**Source:** Data on S 3800 from Senate Appropriations Committee, Report to Accompany S. 3800, the Department of Defense Appropriations Bill, 2011, S.Rept. 111-295.; data on H.R. 1 from funding tables published in the Congressional Record, Congressional Record, daily edition, February 28, 2011, pp. E336-E378; data on H.R. 1473 from "Department of Defense and Full-Year Continuing Appropriations Act, 2011," *Congressional Record*, daily edition, vol. 157, number 55 (April 14, 2011), pp. H2697-H2788.

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