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Appropriations Policy Brief

H.R. 5631—Defense Appropriations Act for FY 2007 Conference Report

BY THE NUMBERS:

In Millions of Dollars

	FY06 Enacted	FY07 Request	FY07 House Bill	FY07 Senate Bill	FY07 Conf Report*
DoD Appropriations	358,349	381,358	377,357	371,879	377,357
<i>Emergency(GWOT)</i>	53,365	50	50,000	57,703	70,000
<i>Emergency (Fire)</i>	0	0	0	275*	200*
Total	411,714	431,358	427,357	429,857	447,557

*This funding is made available immediately upon enactment, and therefore is scored as FY 2006 funding. However, it is being carried on FY 2007 spending bills for purposes of the above chart.

Excluding Emergency Appropriations, the Conference Report is:

- \$19.0 billion (5.3%) more than last year
- \$4.0 billion (1.0%) less than the request
- The same level as the House-passed bill
- \$5.5 billion (1.5%) more than the Senate-passed bill

Budget Compliance: According to CBO, the conference report is within the 302(b) allocation of the Defense Appropriations Subcommittee and would comply with the Budget Act. H.R. 5631 also includes \$70 billion in supplemental spending to fund the global war against terror (GWOT). These funds were included in the budget resolution (H.Con.Res. 376) for ongoing operations in Iraq and Afghanistan. In addition, the conference report draws down the \$6.45 billion reserve fund for non-defense emergencies to fund wildfire suppression activities.

It should be noted that the conference report provides \$4 billion less than the Administration requested, in order to free-up additional resources for domestic programs. The Senate had provided \$9 billion less, but the Administration issued a veto threat for any further reduction to defense below the House-level. Such a maneuver has been used in the past to evade budget caps as tough spending choices are avoided with the silent recognition that the defense spending will later be restored (often with an “emergency” designation or through a separate reserve fund).

Items of Note:

Contingency Operations Reserve Fund: Includes \$70 billion in supplemental appropriations for the Global War on Terror (GWOT), the so-called “Bridge Fund,” as a downpayment on future supplementals. The Administration’s request and the House-passed bill included \$50 billion for the Fund. Most of the additional \$20 billion is to fund unanticipated defense “reset” costs—funding to replace and repair equipment and weapons to full combat ready condition after they are returned from field condition. The Administration supports this additional funding because it flows directly to the GWOT and would be inevitably requested in later supplementals. In addition, \$20 million is provided for peacekeeping activities in Sudan.

Wildfire Emergency Funding: Provides \$200 million for the wildfire suppression activities of the Departments of Interior and Agriculture and designates such funding as an emergency. This funding is provided for under the budget resolution’s new \$6.45 billion reserve fund for non-defense emergencies.

Continuing Resolution: Includes a resolution (CR) making continuing appropriations for all departments or agencies (for which funding has not been enacted before the start of the new fiscal year) through November 17, 2006, at the lower of three levels: current law (FY06), House-passed, or Senate-passed. The resolution is relatively clean although it does extend a number of anomalies set to expire, consistent with past CRs, such as the authority for the Department of Agriculture to dispense food stamps benefits through 2006, etc.

Wind Demonstration Program: Provides \$5 million “to coordinate a wind demonstration project on a U.S. Air Force installation using domestically manufactured turbines that are new to the U.S. market and to execute the renewable energy purchasing plan.”

V-22 Osprey Transfer Authority: Includes language allowing research and development funding for the V-22 osprey to be used to meet unique operational requirements of the Special Operations Forces.

National Drug Intelligence Center: Provides \$39 million for the Pentagon’s contribution to the National Drug Intelligence Center at the Department of Justice to support counter-drug intelligence activities.

Medical Care for Civilians in the Territories: Allows the Secretary of the Army to open Army medical facilities to civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, Micronesia, Palau, and Guam.

Competitive Sourcing: Prohibits funds from being made available to perform any cost study pursuant to the provisions of OMB Circular A-76 (competitive sourcing), if the study being performed exceeds a period of 24 months after initiation of such study with respect to a single function activity or 30 months after initiation of such study for a multi-function activity.

Buy-American Steel: Requires that all carbon, alloy, or armor steel plate procured by the Pentagon have been melted or rolled in the U.S. This is just one of many Buy-America provisions contained throughout the conference report.

U.S.S. Greenville: Authorizes the Secretary of the Navy to settle and pay all claims arising out of the collision involving the U.S.S. Greenville and the Ehime Maru.

NLOS-C: Directs the Pentagon to make future budgetary and programmatic plans to fully finance the Non-Line of Sight Future Force canon (NLOS-C) and a compatible large caliber ammunition resupply capability, in order to field the system by FY 2010.

Special Needs Educational Assistance: Provides \$5.5 million for assistance to public schools with high concentrations of special needs military dependents enrolled.

Air Force Repairs in Alaska: Provides up to \$50 million for the Air Force to complete repair jobs, upgrades, and additions on operational ranges in Alaska.

Dyslexia Report: Requires the Pentagon to submit a report within 90 days detailing its efforts to address dyslexia in students at DoD Education Activity Schools.

Earmarks:

Note: The following earmarks are located in the text of the bill. There are additional earmarks listed in the Committee Report. Under H.R. 1000, the conferees are required to either include a list of all the earmarks (and the requesting Member) “airdropped” or added in conference *or* include a statement that no earmarks were added that were neither passed by the House nor the Senate. The conferees provided the latter, asserting that any earmarks within the conference report had already passed the House or the Senate.

- \$2.5 million to the Fisher House Foundation. The Foundation is a private nonprofit that constructs housing for military family members with an ill or hospitalized servicemember.
 - \$4.5 million for the Intrepid Sea-Air Space Foundation
 - \$2.6 million for the Center for Applied Science and Technologies
 - \$1 million for the Women in Military Service for America Memorial Foundation
 - \$2 million for the Presidio Trust
 - \$1 million for the Red Cross Consolidated Blood Services Facility
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