

#### National Guard Bureau

Office of Legislative Liaison 1411 Jefferson Davis Hwy Arlington, VA 22202 (703) 607-2366

# **Defense Authorizations**

# Comparative Analysis of House and Senate Versions of the FY2005 National Defense Authorization Bill

1 July 2004

"Our priorities and our vision focuses on leveraging the talents, the abilities, the selfless commitment and the enthusiasm of these Soldiers and Airmen. As Chief of the National Guard Bureau, my mission is to ensure that they receive the latest training, complete and modern equipment, and an organizational and command structure worthy of heir mission and their service."

> Lieutenant General H Steven Blum Chief, National Guard Bureau 2005 National Guard Posture Statement



Executive Summary	4
Title 1-Procurement	4
Light utility helicopter	4
F-16 CAP	4
KC-767 Tanker Lease	4
Title IV - Military Personnel Authorizations	6
Maximum Number of Reserve Personnel Authorized To Be on Active Duty for Operational Support	
Accounting and Management of Reserve Component personnel performing active duty or fultime National Guard duty for operational Support	
Title V - Military Personnel Policy	7
National Program for Citizen Soldier Support	7
Succession for Position of Chief, National Guard Bureau	7
Title of Vice Chief of the National Guard Bureau Changed to Director of the Joint Staff of the National Guard Bureau	e
Operational Activities Conducted by the National Guard Under Authority of Title 32	8
Chemical, Biological, Radiological, Nuclear and High Yield Explosive Enhanced Response Force Package (CERFP)	8
Army Program for Assignment of Active Component Advisers to Units of the Selected Reserv	
Renaming of National Guard Challenge Program and increase in maximum Federal share of cost of State programs under the program	
Title VI - Compensation and Other Personnel Benefits	9
Increase in Basic Pay for Fiscal Year 2005	9
Income Replacement Payments for Reserves Experiencing Extended and Frequent Mobilization for Active Duty Service	9
Consolidation of Reenlistment and Enlistment Bonus Authorities for Regular and Reserve Components1	0
Eligibility of Reserve Component Members for Critical Skills Retention Bonus and Expansio of Authority to Provide Bonus1	n .0
Eligibility of New Reserve Component Officers for Accession or Affiliation Bonus for Officer	s .0
Eligibility of Reserve Component Members for Incentive Bonus for Conversion to Military	0
Title VII - Healthcare Matters	1
	1

Demonstration Project for TRICARE Coverage for Ready Reserve Members	11
Comptroller General Report on the Cost and Feasibility of Providing Private Health Insurance Stipends for Members of the Ready Reserve	12
Permanent earlier eligibility date for TRICARE benefits for members of Reserve comp	
Improvement of Medical Services for Activated Members of the Ready Reserve and Th	eir
Modification of Waiver of Certain Deductibles Under TRICARE Program	12
Authority for Payment by United States of Additional Amounts Billed by Health Care Providers to Activated Reserve Members	13
Extension of Transitional Health Care Benefits After Separation from Active Duty	13
Permanent elective coverage for ready Reserve members under TRICARE program	14
Title VIII - Acquisition Policy	14
Demonstration program on expanded use of Reserves to perform developmental testing equipment training, and related activities	
Applicability of competition exceptions to eligibility of National Guard for financial assifor performance of additional duties	istance 14
Title X - General Provisions	15
Modification of stated purpose of the Reserve components	15
Commission on the National Guard and Reserves	
Airlift Support for Homeland Defense Missions	15
Amendments	16
Louisiana Army Ammunition Plant, Doyline, Louisiana	16
Camp Ripley National Guard Training Center, Little Falls, Minnesota	16
Family Readiness Program	
Federal Voting Assistance ProgramActive Duty Reimbursement	
AULIYO DULY INGILIBULGUL	10

# **Executive Summary**

This product provides a comparison of the House version of the FY2005 NDAA (H.R 4200, HRpt 108-491) and the Senate Version (S. 4200, SRpt 108-260) of those items of interest to the National Guard. Full texts of the bills and reports are available on the National Guard Bureau's Legislative Liaison Internet page along with line by line breakouts of dollar amounts prescribed. (http://www.ngb.army.mil/ll/)

The Senate Armed Serves Committee completed its mark up and reported S Rpt 108-260 on 7 May 2004. The House Armed Services Committee followed with its version HRpt 108-491 on 13 May 2004. Both versions will be debated and voted on the floor of the House and Senate with a final version going to a conference committee made up of both House and Senate members to resolve differences in the bills.

## Title 1-Procurement

# Light utility helicopter

**House**—The House version did not include similar language.

**Senate**—Section 111 recommends a provision that would prohibit the expenditure of \$45.0 million from Aircraft Procurement, Army (APA), for light utility aircraft (LUH) until 30 days after the Secretary of the Army certifies that all required documentation for the acquisition of LUH has been completed and approved, and submits a report to the congressional defense committees which (1) updates the Army aviation modernization plan and (2) provides the rationale and analysis for the Army aviation modernization plan. On February 23, 2004, Army leadership announced their intent to cancel further research, development and planned purchases of the RAH–66 Comanche armed reconnaissance helicopter. p 38

#### F-16 CAP

**House**—The House notes that the 177th Fighter Wing (FW) in Atlantic City, New Jersey, is designated as one of several full-time Combat Air Patrol (CAP) alert sites by the United States Northern Command. The 177th FW currently possesses a primary assigned aircraft (PAA) strength of only 15 Block 25 F–16 aircraft, but ... believes that an increase to 24 PAA would enable the 177th FW to better meet its essential CAP mission protecting the citizens and property located on the East Coast of the United States. ... strongly encourages the Air Force to adopt 24 PAA at the 177th FW as part of its force structure plan as soon as aircraft become available from elsewhere in active or air reserve component units, aircraft reassignments resulting from domestic or overseas base realignment and closure, or from future acquisition of F–16 aircraft. p 93

**Senate** — The Senate version did not include similar language.

#### KC-767 Tanker Lease

**House**—The budget request contained no funds for a KC–767 aerial refueling tanker aircraft. The Secretary of the Air Force has designated

the KC-767 to be the replacement for the 43-year old KC-135 aerial refueling tanker aircraft. In its report on H.R. 1588 (H. Rpt. 108-106) for fiscal year 2004, the committee noted the advancing age of the KC-135 fleet, which comprises most of the Air Force's aerial refueling capability, and expressed concern that a substantial portion of the Air Force's air refueling tanker fleet will reach simultaneous maturity, and will require substantial investment to operate, maintain, and eventually replace this fleet. To address this concern, the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136) included a provision (section 135) that authorized the Secretary of the Air Force to lease not more that 20 tanker aircraft and to procure up to 80 additional tanker aircraft through a ten-year multiyear procurement program. On December 1, 2003, the Deputy Secretary of Defense requested the Department of Defense (DOD) Inspector General (IG) determine if there is any compelling reason why the Secretary of the Air Force should not proceed with its tanker lease program. The committee notes the DOD IG concluded that there was no compelling reason why the Air Force could not execute the proposal as planned, but that the DOD IG was critical of the Air Force's procurement strategy, acquisition procedures, and adherence to statutory requirements.

Additionally, the committee notes that the Secretary of Defense has directed other reviews of the tanker lease program including a Defense Science Board evaluation of the tanker recapitalization program, a DOD General Counsel review and update of ethics policy and training for senior DOD officials, and a National Defense University study to analyze the decision-making process to develop lessons learned that would improve the acquisition and procurement processes. Other on-going studies include an analysis of alternatives to meet the Air Force's aerial refueling requirements and a study of the long-term tanker aircraft maintenance and training requirements directed by sections 134 and 135 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136). As a result of these studies, analyses, and investigations, the committee further notes that the Secretary of Defense has directed the Secretary of the Air Force to suspend all further negotiations on the tanker lease program. While the committee supports the DOD and Congressionally-directed studies and analysis regarding the Air Force's tanker aircraft, it remains concerned that as the KC-135 aircraft fleet ages, the Air Force confronts a risk that the entire KC-135 fleet may be grounded pending the resolution of stress, material, or corrosion problems. The prospect of grounding the KC-135 fleet puts the Nation's long range strike and re-supply capabilities at risk when U.S. forces are globally deployed in support of the global war on terrorism. Accordingly, the committee believes that the Secretary of the Air Force should begin the KC-767 program in fiscal year 2005 in accordance with section 135 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136) and section 116 and 117 of this act. The committee further understands that projected annual procurement of KC-767 tanker aircraft would result in a procurement program likely to span over twenty-five years to replace the entire 544aircraft KC-135 fleet, and further understands that the last of the retiring KC-135 aircraft may be approximately 70 years old when they are removed from the Air Force's tanker aircraft inventory. Consequently, the committee recommends an increase of \$15.0 million in procurement for the advance procurement of KC-767 aerial refueling tankers, and an increase of \$80.0 million in PE 64XXXF for KC-767 development. Elsewhere in this report, the committee recommends an increase of \$3.5 million in operations and maintenance to sustain the KC-767 system program office and for KC-767 training, p. 94

**Senate** — Section 131 prohibits the Secretary of the Air Force from retiring any KC-135 E in FY 2005. p 105

**SA 3441 (Sen. McCain R-AZ) Amendment Passed** – modified issue by mandating that Air Force cannot continue with procurement of KC-767's until compliance with Mobility Capabilities Study and approval of the Defense Acquisition Board is completed. Finally, once these studies are completed they must be submitted to Congressional defense committees for final review.

# Title IV - Military Personnel Authorizations

The following chart highlights the House and Senate personnel accounts and end strengths marks from the FY2005 NDAA.

Executive Summary of FY2005 NDAA Marks									
(Numbers are in thousands)									
Title	FY04	FY05 PB	House Mark	Delta	Senate Mark	Delta			
Operations and Maintenance									
ARN	G \$4,279,611	\$4,440,686	\$ 4,425,686	\$ (15,000)	\$ 4,227,236	\$ (213,450)			
AN	G \$4,406,146	\$4,422,838	\$ 4,448,938	\$ 26,100	\$ 4,366,738	\$ (56,100)			
End Strength Authorizations									
ARN	G 350,000	350,000	350,000	-	350,000	-			
AN	G 107,030	106,800	106,800	-	106,800	-			
Active Guard and Reserve									
ARN	G 25,599	26,476	26,476	-	26,602	126			
AN	G 12,191	12,225	12,225	-	12,253	28			
Technicians Duel Status				-					
ARN	G 24,589	25,076	25,076	-	25,076	-			
AN	G 22,806	22,956	22,956	-	22,956	-			
Technicians Non-Duel Status									
ARN	G 1,600	1,600	1,600	-	1,600	-			
AN	G 350	350	350	-	350	-			
Military Construction									
ARN	G \$ 108,481	\$ 265,648	\$ 393,225	\$ 127,577	\$ 371,430	\$ 105,782			
AN	G \$ 148,100	\$ 123,368	\$ 184,620	\$ 61,252	\$ 214,418	\$ 91,050			

<sup>•</sup> Table 1-Personnel Summary

# Maximum Number of Reserve Personnel Authorized To Be on Active Duty for Operational Support

**House** --Section 403 would authorize, as required by section 115(b) of title 10, United States Code, the maximum number of reserve component personnel who may be on active duty or full-time National Guard duty during fiscal year 2005 to provide operational support. The personnel authorized here do not count against the end strengths authorized by sections 401 or 412. p 306

**Senate**—The Senate version did not include similar language.

Accounting and Management of Reserve Component personnel performing active duty or full-time National Guard duty for operational Support

**House**—Section 404 would establish a requirement for an annual congressional authorization of the maximum number of reserve component personnel to be on active duty or full-time National Guard duty providing operational support. This section would eliminate the current 180-day strength accounting metric that requires all reservists on active duty beyond that limit to count against active component end strengths. In its place,

the section would authorize reserve component members who are voluntarily on active duty to serve for up to three years, or a cumulative three years over a four-year period, before counting against active end strengths. This section would also exempt reserve component personnel authorized by this section from certain officer and enlisted grade limits.

**Senate**—The Senate version did not include similar language.

# Title V - Military Personnel Policy

#### National Program for Citizen Soldier Support

House --...increasing reliance on the National Guard and reserves that has occurred during the global war on terrorism requires the Secretary of Defense to take extraordinary measures to ensure that there is an effective support structure for reserve component personnel, their families and employers. The committee commends the Secretary for the broad efforts already underway to provide such support. The committee believes that the effectiveness of these support efforts could be enhanced and refined by incorporating the capabilities of university and community based organizations. .... the North Carolina based National Program for Citizen-Soldier Support is developing a comprehensive program that could prove useful to the Department of Defense in extending the reach and effectiveness of existing military -sponsored support agencies. The committee directs the Secretary to closely examine the National Program for Citizen-Soldier Support and others like it to determine how they might be integrated into the Department's ongoing efforts. p 312

**Senate**—The Senate version did not include similar language.

# Succession for Position of Chief, National Guard Bureau

**House** --Section 507 would establish a chain of succession when there is a vacancy in the office of the Chief of the National Guard Bureau, or in the event that the chief is unable to perform the duties of the office. In such cases, the most senior ranking officer of the Army National Guard or of the Air National Guard on duty with the National Guard Bureau would serve as acting chief. p 314

Senate—Section 903 recommends a provision that would modify section 10502 of title 10, United States Code, to establish a new chain of succession for the position of Chief of the National Guard Bureau. Under current law, the Vice Chief of the National Guard Bureau, a major general, is junior in rank to both the Directors of the Army National Guard and the Air National Guard. This provision would specify that the more senior officer of either the Army National Guard or Air National Guard on duty with the National Guard Bureau would assume responsibility as the acting Chief of the National Guard Bureau, if the Chief vacates the office or is otherwise unable to perform the duties of that office.....p 368

Title of Vice Chief of the National Guard Bureau Changed to Director of the Joint Staff of the National Guard Bureau

**House** --Section 509 would change the title of the Vice Chief of the National Guard Bureau to better reflect the duties of the position now that the staff of the National Guard Bureau has been reorganized as a joint organization. p 314

**Senate**—Section 904 redisignates of Vice Chief of the National Guard Bureau as Director of the Joint Staff of the National Guard Bureau (sec 904) The committee recommends a

provision that would change the title of the Vice Chief of the National Guard Bureau to Director of the Joint Staff of the National Guard Bureau. This title more accurately reflects the duties of the incumbent of that office. p 368

Operational Activities Conducted by the National Guard Under Authority of Title 32

**House** --Section 529 would authorize the Secretary of Defense to provide funds to the governor of a state to employ national guard units and personnel to conduct operational activities that the Secretary determines to be in the national interest. This section would also establish a process by which the governor of a state may request funding from the Secretary for the operational activities of that state's national guard. The committee makes these recommendations in order to provide the Secretary with clear authority to more effectively incorporate national guard units and personnel into the planning and implementation of homeland security and other operational missions. p 317

Senate -- The Senate version did not include similar language.

SA 3285 (Sen. Leahy D-VT) Amendment Passed – Amendment creates section 906 "Homeland Security Activities of the National Guard" and amends Title 32. Section authorizes guard for homeland security activities requiring the head of a Federal Agency with Governor's order and Secretary of Defense concurrence in order to conduct operations under Title 32. Section places a limit on duty duration to 179-days with a one-time extension of 90-days. Finally, section requires up to 5 Memorandums of Agreement as well as an annual report to Congress on use of Title 32. Funds will come from Department of Defense with repayment from appropriate federal agency.

Chemical, Biological, Radiological, Nuclear and High Yield Explosive Enhanced Response Force Package (CERFP)

House - The House version did not include similar language

**Senate** – Authorizes increase of \$1.9 million to provide sustainment funding for the National Guard CERFP and directs that the funds be allocated as follows: \$1.5 million to ARNG O&M and \$0.4 million to ANG O&M. The committee cites the "Defense Science Board 2003 Summer Study" encouraging the Chief of NGB to expand the WMD-CST.

Army Program for Assignment of Active Component Advisers to Units of the Selected Reserve

**House** --Section 530 would reduce from 5,000 to 3,500 the minimum number of Army active component advisers that are required to be assigned to support the training and readiness of selected reserve units of the Army. ....the Chief of Staff of the Army requested this reduction in order to provide active component officers and non-commissioned officers as cadre for the new brigade units of action that the Army is creating. ....The committee is also concerned that the Army has neither fully assessed those effects, nor developed a plan to address them. For that reason, this section would prohibit the Secretary of the Army from making any reductions in the numbers of active component advisors until the Secretary reports to the Senate Committee on Armed Services and the House Committee on Armed Services, by March 31, 2005, on the impact of the reduction and his plan to remediate any negative impact on training and readiness. p 317

**Senate**—The Senate version did not include similar language.

Renaming of National Guard Challenge Program and increase in maximum Federal share of cost of State programs under the program

**House**—The House version did not include similar language.

**Senate**—Section 573 recommends a provision that would amend section 509 of title 32, United States Code, to change the name of the National Guard Challenge Program to the National Guard Youth Challenge Program. Additionally, pursuant to a Department of Defense recommendation in the report of the study on the National Guard Challenge program required by section 587 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136), the committee recommends a provision that would phase in over three years an increase in the matching funds ratio to increase the amount of federal funds that may be provided to a State program not to exceed 65 percent of a State program's operating costs in fiscal year 2005, 70 percent in 2006, and 75 percent by fiscal vear 2007 and in each subsequent fiscal year. The provision would also authorize an additional \$11.0 million of Operations and Maintenance, Defense-wide activities for the National Guard Youth Challenge program. The committee is aware that budget constraints have resulted in a waiting list of 15 States that wish to establish new Challenge academies, and eight States seek to establish additional academies. The committee is also concerned that existing Challenge academies have been forced to cut back on teachers, student uniforms, and educational activities because of steady per-student funding since the program's inception. The committee urges the Department of Defense to use additional funding authorized in this bill to address reductions at existing academies while expanding the program to new sites. p 335

# Title VI - Compensation and Other Personnel Benefits

Increase in Basic Pay for Fiscal Year 2005

**House** --Section 601 would increase basic pay for members of the armed forces by 3.5 percent. This raise would continue to fulfill Congress' commitment to enhanced pay raises for the armed forces and would reduce the pay gap between military and private sector pay increases from 5.5 percent to 5.1 percent. p 331

**Senate**—Section 421 would increase the basic pay for all eligible members by 3.5 percent. P. 323

Income Replacement Payments for Reserves Experiencing Extended and Frequent Mobilization for Active Duty Service

House—Section 605 would require the Secretary of Defense to pay involuntarily mobilized reserve members on a monthly basis the amount necessary to replace the income differential between their regular military compensation (RMC) plus any special or incentive pays and allowances paid to the member on a monthly basis and the average monthly income received by the member during the twelve months preceding the month during which the member was mobilized. This section would define the income differential as the amount by which the member's average monthly income prior to mobilization exceeds the member's RMC plus any special or incentive pays and allowances paid to the member on a monthly basis. Reserve members with private sector income that exceeds

their active duty income would be eligible for the income replacement payment for any full month following the date that the member completes 12 continuous months of service on active duty or 18 months on active duty during the previous 60 months, or for any month p 331

**Senate** -- The Senate version did not include similar language.

Consolidation of Reenlistment and Enlistment Bonus Authorities for Regular and Reserve Components

**House** -- Section 615 would allow reserve component members to be paid enlistment and reenlistment bonuses using the same authority used to pay active duty members. The provision would also extend eligibility for the reenlistment bonus through 17 years of service and grant the flexibility to use the reenlistment bonus during war and national emergency to address unit specific retention problems without regard to critical skill eligibility requirements. The committee intends that this authority be used to pay a bonus to former members of the armed forces to reenlist for service in a reserve component. p 333

Senate -- The Senate version did not include similar language.

Eligibility of Reserve Component Members for Critical Skills Retention Bonus and Expansion of Authority to Provide Bonus

**House**—Section 617 would allow reserve component members to be paid retention bonuses using the same authority used to pay active duty members. The provision would also clarify that enlisted personnel on indefinite enlistments are eligible to receive bonuses and that bonuses may be paid based on criteria other than service in a critical skill as determined by the Secretary of Defense. The committee intends that this authority be used to pay bonuses, if required, to service members who agree to serve in an active status in any category of the ready reserve, affiliate with reserve component units, accept assignments to high priority reserve units, and continue to serve in critically short wartime health specialties. p 333

**Senate** -- The Senate version did not include similar language.

Eligibility of New Reserve Component Officers for Accession or Affiliation Bonus for Officers in Critical Skills

**House** --Section 618 would allow reserve component officers to be paid an accession or affiliation bonus using the same authority used to pay active duty officers. p 333

**Senate** -- Sec 620 recommends a provision that would authorize an affiliation or accession bonus of up to \$6,000 for certain commissioned officers in the selected reserve. p 342

Eligibility of Reserve Component Members for Incentive Bonus for Conversion to Military Occupational Specialty to Ease Personnel Shortage

**House** --Section 619 would allow reserve component members to be paid bonuses for converting to critical occupational specialties using the same authority used to pay active duty members. p 333

Senate -- The Senate version did not include similar language.

# Title VII - Healthcare Matters

# Reserve Component Requirement for Medical and Dental Readiness Accountability

House —The committee continues to be concerned about the medical and dental readiness of the reserve component. The number of reserve component soldiers activated for deployment with disqualifying medical and dental conditions highlights the greater need for medical personnel and operational commanders to strictly monitor the individual medical readiness of these personnel. The committee directs the Secretary of Defense to ensure the military departments have systematic processes for providing appropriate health examinations and assessments and a means for capturing health information. The Department of Defense and the military services should consider the recommendations of the Armed Forces Epidemiological Board in its report of September 17, 2003, and consider modeling their programs after the Air Force Preventive Health Assessment and Individual Medical Readiness Program. Equally important, the Department should incentivize commanders and hold them accountable for enforcing and monitoring medical and dental requirements to ensure medical readiness. p 340

Senate -- The Senate version did not include similar language.

#### Demonstration Project for TRICARE Coverage for Ready Reserve Members

**House**—Section 701 would require the Secretary of Defense to conduct a three-year demonstration project to provide TRICARE coverage for Ready Reserve members not on active duty who are ineligible for employer-sponsored health benefits. The purpose of the demonstration would be to determine whether such coverage enhances medical readiness, recruiting, and retention of reserve component members. The Secretary would be required to report by April 1, 2007 on the results of the demonstration project to the Senate Committee on Armed Services and the House Committee on Armed Services. The section would require the Comptroller General to provide both periodic and final independent evaluations and reports of the demonstration project to the same committees. p 341

Senate — The Senate recommends the Secretary of Defense to carry out a pilot program under section 1092, title 10, United States Code, as amended, to determine the need for, and feasibility of, providing benefits under TRICARE to members of the Ready Reserve who are: (1) eligible for unemployment compensation, (2) continuously unemployed after the expiration of such compensation, or (3) ineligible for employer-provided health care coverage. ...... the Secretary to establish premiums for such benefits in which the reserve member would pay 28 percent of the cost of coverage. The committee intends that the Secretary should not limit the geographic scope of the pilot program, but may prescribe the criteria that the Secretary considers appropriate for providing an informed basis as to implementing the program. ...... that the cost of the pilot program not exceed \$200.0 million in any fiscal year. The pilot program should commence not later than March 1, 2005, for a period of two years, and should incorporate steps taken to implement section 702 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–360). ... the conclusion of the pilot program, and not later than March 1, 2007, the Secretary submit a report to the Committees on Armed Services of the Senate and the House of

Representatives on the results of the pilot program, to include any draft legislation that the Secretary recommends. p 345

Comptroller General Report on the Cost and Feasibility of Providing Private Health Insurance Stipends for Members of the Ready Reserve

**House**—Section 702 would require the Comptroller General to conduct a study of the cost and feasibility of providing a stipend to offset the cost of private health insurance to members of the reserves and their dependents, and to maintain continuity of health care for dependents when members are mobilized. The purpose of the study would be to examine recommendations for benefit amount; cost to the Department; potential effects on medical readiness, recruitment, and retention; participation rates; continuity of care; administrative and management considerations; and implications for employers. p 341

**Senate** — The Senate version did not include similar language.

Permanent earlier eligibility date for TRICARE benefits for members of Reserve components

**House**—The House version did not include similar language.

Senate — Section 702 recommends a provision that would make permanent the authority provided in section 703 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136) for earlier eligibility for TRICARE benefits for members of the Reserve components. The provision would authorize eligibility for care on the date of the issuance of a delayed-effective date active duty order or 90 days before the date on which the period of active duty commences, which ever is later, for Reserve component members called to active duty for a period of more than 30 days in support of a contingency. The committee is concerned that Reserve components are experiencing difficulty in timely notification to members of orders to active duty, and directs the Secretary of Defense to evaluate such difficulties and report by March 1, 2005, on steps needed to ensure timely notification to Reserve component members being called to active duty for a period of more than 30 days in support of a contingency operation. p 346

Improvement of Medical Services for Activated Members of the Ready Reserve and Their Families

**House**—Section 703 would make permanent the now temporary eligibility of dependents of reserve component members to obtain TRICARE health care benefits up to 90 days before the date on which the member's period of active duty is to begin. The section would allow the Secretary of Defense to provide health care benefits to service members up to 90 days before the date on which the period of active duty is to begin. The current temporary authority for this health care benefit expires on December 31, 2004.

Senate — The Senate version did not include similar language.

Modification of Waiver of Certain Deductibles Under TRICARE Program

**House**—Section 704 would authorize the Secretary of Defense to waive deductible payments required by certain TRICARE programs for dependents of certain reserve component members who are called or ordered to active duty for a period of more than 30

days. This section would mitigate the financial hardship on activated reservists by allowing the TRICARE deductibles to be waived in cases where mobilized reservists had already paid deductibles for their civilian health care coverage. p 342

**Senate** — Section 703 would waive certain deductibles for members on active duty for a period of more than 30 days. The committee recommends a provision that would allow the Secretary of Defense to waive TRICARE deductibles for members of Reserve components called to Active-Duty for more than 30 days. The provision would ensure that mobilized Reserve component members would not incur more than one deductible payment as they transition from private health insurance to TRICARE after receipt of an Active-Duty order. p 346

Authority for Payment by United States of Additional Amounts Billed by Health Care Providers to Activated Reserve Members

**House** — Section 705 would protect a dependent of a member of a reserve component who is ordered to active duty for a period of more than 30 days in support of a contingency operation from paying a health care provider any amount above the TRICARE maximum allowable cost, known as balance billing. In such cases, the Secretary of Defense would have authority to pay the balance billing amount. p 342

Senate — Section 704 provides for protection of dependents from balance billing. The committee recommends a provision that would authorize the Secretary of Defense to pay 15 percent above the maximum payment allowable under TRICARE for health care services for family members of a reserve member ordered to Active-Duty to ensure continuity of health care services when making the transition from employer-provided insurance to TRICARE. This provision would protect reservists from additional billing by civilian health care providers in excess of the authorized TRICARE payment in the event that a civilian provider with whom the family member has an existing relationship does not accept TRICARE's payment as payment in full, and would reduce financial hardship for reservists called to Active-Duty. p 346

Extension of Transitional Health Care Benefits After Separation from Active Duty

**House**—Section 706 would make permanent the authority to provide Transition Assistance Medical Program (TAMP) benefits to service members and their dependents for up to 180 days following separation from active duty. Under current law, the authority to provide the 180-day TAMP benefits expires on December 31, 2004. The section also would require that the TAMP eligibility would cease prior to the 180-day limit if the beneficiaries acquire employer-provided health insurance. The section would limit the outlays associated with the TAMP benefits provided after January 1, 2005 to not more than \$170.0 million. p 342

**Senate** — Section 705 would provide permanent extension of transitional health care benefits and addition of requirement for pre-separation physical examination. The committee recommends a provision that would make permanent the authority provided in section 704 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law I08–136) authorizing 180 days of transitional health care coverage for certain active and reserve members eligible for transitional health care benefits under section 1145, title 10, United States Code. The provision would require that as part of such transitional health care coverage, each member shall undergo a comprehensive physical examination before separating from Active-Duty service. The committee expects the Secretary of Defense to

evaluate and retain in official records the results of each physical examination of a member separating from Active-Duty service. p 346

Permanent elective coverage for ready Reserve members under TRICARE program

**House**—The House version did not include similar language.

Senate — SA 3258 (Sen. Graham(SC)/Sen. Daschle) Amendment Passed – Guts section 706 and allows all Guard and Reserve members to receive TRICARE, regardless of status. Amendment allows TRICARE as a selective option to reserve components with a 72% of the premium being paid for the Department of Defense and 28% by the reserve component. Amendment extends TRICARE benefits to all family members at anytime. It also allows flexibility for families to choose TRICARE or maintain their current health plan with the government making up the difference in pay between TRICARE and the private health plan.

# Title VIII - Acquisition Policy

Demonstration program on expanded use of Reserves to perform developmental testing, new equipment training, and related activities

**House**—The House version did not include similar language.

Senate — Section 862 includes a provision that would authorize the Secretary of the Army to carry out a demonstration program through September 2009 on the assignment of members of Reserve components to perform test, evaluation, and related activities for acquisition programs. Under this authority, funds available to the Army for an acquisition program may be transferred to a Reserve component military personnel account in the amount necessary to reimburse that account for costs for military pay and allowances of reservists participating in this program. Relying on soldiers to perform developmental testing could prove beneficial in providing soldier feedback earlier in the development cycle, enabling program managers to identify potential problems and required engineering changes sooner, reducing cost increases and fielding delays, and giving soldier's hands on experience in new and emerging systems. Use of multiyear research, development, testing, and evaluation funds and procurement funds to reimburse the pay, al allowances, and expenses of Reserve component members could prove to be a practical and efficient means to achieve the benefits of soldier involvement in testing and evaluation functions. Not more than \$10.0 million may be transferred under this provision during any fiscal year of the demonstration program. p 360

Applicability of competition exceptions to eligibility of National Guard for financial assistance for performance of additional duties

**House**—The House version did not include similar language.

**Senate**—Section 863 recommends a provision that would clarify that exceptions to competition requirements provided in the Competition in Contracting Act, section 2304 of title 10, United States Code, apply to support activities provided by the Army National Guard under the authority of section 113(b) of title 32, United States Code. p 360

# Title X - General Provisions

# Modification of stated purpose of the Reserve components

**House**—The House version did not include similar language.

**Senate**—Section 901 recommends a provision that would amend section 10102 of title 10, United States Code, to clarify the purpose of the Reserve components. By eliminating statutory reference to planned mobilizations, the provision would more accurately reflect the operational mission responsibilities and contributions of National Guard and Reserve members and the manner in which Reserve forces will be employed in the future. p 367

#### Commission on the National Guard and Reserves

**House**—The House version did not include similar language.

**Senate**—Section 902 recommends establishment of an independent review board in 2006 following the termination of the Commission. The duties of the review board would be to annually review the roles and missions of the reserve components and the compensation and other benefits, including health care benefits that are provided for members of the reserve components. p 367

# Airlift Support for Homeland Defense Missions

House—The committee is concerned that the Department of Defense (DOD) has not adequately considered the need for airlift support to speed uniquely capable DOD assets to wherever needed to perform urgent homeland defense missions. The Department has developed considerable expertise across a range of disparate skills that may be needed in a homeland defense mission, but this expertise is scattered in various locations across the country. The committee is aware of a proposal to provide such support through the use of C—130 equipped Air National Guard units and believes that the proposal has merit. The committee directs the Secretary of Defense to report by March 31, 2005, to the Senate Committee on Armed Services and the House Committee on Armed Services, his views on whether the Commander, Northern Command should have dedicated Air National Guard C–130 units at his disposal for the purpose of responding to attacks or incidents involving weapons of mass destruction. p 354

Senate—Section 1042 would provide full-time dedication of airlift support for homeland defense operations. The committee recommends a provision that would require the Secretary of Defense to provide a report to the Committees on Armed Services of the Senate and the House of Representatives no later than April 1, 2005 on the feasibility and advisability of establishing full-time, dedicated airlift support for homeland defense operations, including operations to transport Weapons of Mass Destruction-Civil Support Teams (WMD–CST), the Air Force Expeditionary Medical (EMEDS) teams dedicated to homeland defense, and the Department of Energy Emergency Response Teams (DOE–ERT), in response to natural and man-made disasters. The committee expects that report would be produced in consultation with all relevant stakeholders, including U.S. Northern Command (NORTHCOM) and U.S. Transportation Command (TRANSCOM). The report shall include information on the adequacy of existing plans and capabilities for meeting the transportation requirements of the WMD–CST's, the homeland defense EMEDS, and the DOE ERT's, and a plan for addressing any shortfalls identified by this report. If the report

recommends that dedicated airlift capability for homeland defense operations be established, he committee encourages the Secretary of the Air Force to exercise his existing authority to do so. Time is of the utmost importance in responding to any disaster.

# **Amendments**

#### House—

**DC National Guard Tuition Assistance** – House Amendment No. 32 (Offered by Rep. Hobson R-OH) – Amendment authorizes section 560B to provide for DC National Guard members with college financial assistance. Section will cover tuition, fees, cost of books and laboratory expenses. The amount of assistance per academic year will be no more than \$2,500.

#### Senate—

Louisiana Army Ammunition Plant, Doyline, Louisiana — Amendment # 3161 PASSED (Sen. Landrieu D-LA) — Requires the Secretary of the Army may convey to the State of Louisiana (in this section referred to as the ``State") all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 14,949 acres located at the Louisiana Army Ammunition Plant, Doyline, Louisiana, for the purpose of using such property for military training.

Camp Ripley National Guard Training Center, Little Falls, Minnesota—Amendment # 3165, agreed to by voice vote, would require, not later than 120 days after the date of the enactment of this Act, the Secretary of Defense to carry out and complete a study on the feasibility of the use of Camp Ripley National Guard Training Center, Little Falls, Minnesota, as a mobilization station for reserve components ordered to active duty under provisions of law referred to in section 101(a)(13)(B) of title 10, United States Code. The study shall include consideration of the actions necessary to establish such center as a mobilization station.

Family Readiness Program – SA 3234 (Sen. Bill Nelson D-FL) Amendment Passed – Increases authorization of National Guard Family Readiness Program by \$10 million with offsets from Air Force personnel.

Federal Voting Assistance Program – SA 3245 (Sen. Bond R-MO) Amendment Passed – Requires two reports on operations of the Federal Voting Assistance Program and the Military Postal System.

Active Duty Reimbursement – SA 3312 (Sen. Dodd D-CT) Amendment Passed – Amendment authorizes reimbursement of any person in armed services called to duty for purchasing out of pocket certain protective, safety or health equipment for deployment in operations in Iraq and Central Asia. Additionally, it authorizes reimbursement for HUMVEE protection from September 11, 2001 to September 31, 2004.