

House panel releases details on defense spending bill

By Amy Klamper, CongressDaily

The House Appropriations Committee, which is slated to mark up the fiscal 2005 Defense appropriations bill next week, released details Thursday on the version of the bill approved by the Defense Appropriations Subcommittee last week.

The subcommittee bill contains \$416.1 billion in spending, including \$25 billion for costs associated with operations in Iraq and Afghanistan. The subcommittee bill fully funds a 3.5 percent military pay raise proposed in the president's budget, and increases levels for the military basic housing allowance program.

The subcommittee included \$18 billion for the Defense Health Program. And funding for military-related medical research and related initiatives is increased by more than \$900 million above requested levels.

The bill trimmed the president's missile defense request by \$458 million. The funding includes \$4.4 billion for ground-based midcourse missile defense, in support of the president's plan to field an initial national missile defense program later this year. The subcommittee cut funding for the Army's Future Combat system by \$324 million to a total of \$2.9 billion.

The bill also provides a total of \$10.2 billion for shipbuilding procurement, an increase of \$227 million over the Bush administration request. The bill fully funds amounts requested for production of ships, including one Virginia-class submarine, one Trident SSGN conversion and three DDG-51 destroyers. Another \$225 million would be allocated for a DDG-51 modernization program and for procurement of an additional DDG-51 in the future.

The panel also fully funded \$953 million for the next-generation CVN-21 aircraft carrier, added \$107 million to the Navy's Littoral Combat Ship request, and cut \$248 million from its DD(X) destroyer program owing to the Navy's decision to defer construction of it.

The subcommittee approved termination of the Comanche helicopter program and redistributes funding to other Army aviation programs, as proposed by the Army. The subcommittee added \$463 million over the Army's request for additional Blackhawk and Chinook helicopters.

The bill also includes funds for 42 Navy F/A-18 fighters, eight Marine Corps V-22s and 2 E-2C surveillance aircraft as requested in the budget. The bill would also provide \$3.6 billion for 24 Air Force F/A-22 fighters and \$2.7 billion for 15 C-17 aircraft, an addition of \$158 million and one aircraft over the president's request.

A total of \$100 million was added for continued development of the B-2 and a next-generation bomber program. The bill also includes \$100 million for a "Tanker Replacement Transfer Fund" to be used for the eventual acquisition of KC-767 tankers.

Because of recent schedule delays, the subcommittee trimmed \$204 million from the Joint Strike Fighter, providing \$4.4 billion for the development program. Funds were added for design work on the short take-off-and-landing variant of the aircraft.

The panel is also concerned about the potential government liability associated with Air Force multiyear contracts for the C-17 and C-130 aircraft programs. The bill would require any future multi-year procurement projects to be budgeted and executed as fully funded production programs and must limit the government's risk in terms of expected production levels, follow-on contracts and termination liability in the event that a contract is aborted.