



H.R. 3222 – FY2008 Defense Appropriations

Executive Summary

The House will consider H.R. 3222, the Department of Defense spending bill for FY2008, on August 2-3, 2007, under an open rule. H.R. 3222 provides \$459.594 billion in discretionary funding for the Department of Defense programs in fiscal year 2008, which is \$3.5 billion less than the President requested. It also represents a 9.5 % increase (almost \$40 billion) over non-emergency appropriations for FY2007.

H.R. 3222 contains a total of \$8.5 billion for Missile Defense programs, \$298 million less than the President's request and \$883 million less than the FY2007 level. In addition, the bill provides \$15.3 billion for Navy Shipbuilding, \$1.6 billion above the President's request, and \$22.96 billion in funding for the Defense Health Program, which is \$416 million more than the Administration's request. It does not include funding for operations in Iraq and Afghanistan for fiscal year 2008.

The Appropriations Committee approved the draft of the bill by voice vote on July 30, 2007. The Appropriations Committee Ranking Republican, Rep. Jerry Lewis (R-CA), and Appropriations Defense Subcommittee Ranking Republican, Rep. Bill Young (R-FL), support the bill as reported.

Please note that a running list of amendments offered during floor debate will be available on our [website](#).

Floor Situation

H.R. 3222 is being considered on the floor pursuant to an open rule. The rule:

- Provides one hour of general debate equally divided and controlled by the Chairman and Ranking Member of the Committee on Appropriations.
- Waives all points of order against its consideration of the bill except for clauses 9 (earmarks) and 10 (PAYGO) of Rule XXI.
- During amendment consideration, the Chairman may give priority in recognition to Members who pre-printed his or her amendment(s).
- Waives points of order against provisions that fail to comply with clause 2 of rule XXI.

Note: This provision waives the House Rule that prohibits authorizing language in an appropriations bill.

- Provides one motion to recommit with or without instructions.
- Provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

The bill was introduced by Representative John Murtha (D-PA) on July 30, 2007. The House Committee on Appropriations reported H.R. 3222 on July 30, 2007. The bill is expected to be considered on the floor on August 3, 2007.

Funding Summary

Table: Defense Appropriations

(funding in millions)

	FY08 House Proposal	FY08 Administration Request	FY07 Enacted
Total Discretionary	\$459,594	\$463,413	\$419,871
Military Personnel	\$105,018	\$105,404	\$99,863
Operation & Maintenance	\$137,135	\$142,854	\$127,289
Research & Development	\$76,229	\$75,117	\$75,722
Missile Defense	\$8,498	\$8,796	\$9,381
Future Combat System	\$3,157	\$3,563	
Navy Shipbuilding	\$15,304	\$13,656	\$10,579
Defense Health Program	\$22,957	\$22,541	\$21,217
Guard and Reserve Equipment Shortfalls	\$925		\$635

Key Provisions

- **Military Pay:** The bill provides approximately \$2.2 billion to fund a 3.5 percent pay raise for all members of the armed forces. The President requested funding for a 3 percent military pay increase.
- **Increasing the Size of the Army and Marine Corps:** As requested by the President, the bill provides \$4 billion for equipping an additional 7,000 new Army troops and \$2 billion for equipping an additional 5,000 Marines.
- **Guard and Reserve Equipment Shortfalls:** In addition to other funding included for the National Guard and Reserve, the bill provides \$925 million to address equipment shortfalls for the Guard and Reserves. This is \$635 million above FY2007 levels.

- **Military Family Support Programs:** The bill provides \$2.9 billion for various programs aimed at providing federal assistance for military families, which is \$558.4 million more than that the President requested. The programs include childcare centers, education programs and the Family Advocacy Program (FAP) which is designed to address family violence in military families. The FAP consists of coordinated efforts designed to prevent, identify, report and treat all aspects of child abuse and neglect and domestic abuse.
- **Defense Health Program:** The bill provides \$22.957 billion for the Defense Health Program, which is \$416 million more than the President requested and \$1.7 billion more than FY2007. It includes \$66 million for wounded warrior assistance to care for and support wounded servicemembers and their families. Furthermore, the bill directs DOD to improve electronic record interoperability with the Department of Veterans Affairs.
- **TRICARE Co-Payments:** The bill provides \$1.9 billion, which the President had not requested, to restore funding for the Defense Health Program. The President's budget had instead proposed increasing TRICARE co-pays to offset the rising cost of military healthcare.
- **Future Combat Systems (FCS):** The bill provides \$3.2 billion for the Army's Future Combat Systems program, which is \$406 million less than the President's request.

As the central component of Army modernization, FCS is the first comprehensive modernization effort since World War II, connecting 18 manned and unmanned systems into an extensive communications and information network. It fills capability gaps that cannot be fulfilled by solely upgrading current systems. Modernization ensures the readiness of our future force and is a strategic necessity.

Note: While GAO has raised concerns regarding the schedule and cost of FCS, the Army has stated that the program is on track and under budget.

- **Joint Strike Fighter (F-35):** The bill provides \$4.146 billion in Research, Development, Test and Evaluation (RDT&E) funding for the Joint Strike Fighter (JSF), \$705 million more than requested by the President. This increase includes additional funding for the development of an alternative engine (\$480 million) and for development activities related to the JSF (\$200 million).

The bill also fully funds the President's request for 12 F-35s (\$2.4 billion) – 6 Air Force and 6 Marine Corps.

Note: The JSF is the next generation multi-role strike fighter for the Air Force, Navy, and Marine Corps. Although each service will use the aircraft for different missions, it is designed to save money by sharing a common airframe and components, making maintenance, field support, and interoperability more efficient and cost-effective. According to the Congressional Research Service, DOD currently plans production of 2,458 JSFs.

- **F-22 Raptor:** The bill fully funds the President's request for 20 F-22s (\$3.153 billion).

Note: Due to cost and schedule overruns, Congress had mandated an annual GAO assessment of the F-22 program.

- **C-17 Aircraft:** H.R. 3222 does not provide funding for the procurement of C-17s. The Committee Report states that the Committee is aware that \$2.4 billion was authorized in the National Defense Authorization Act of FY2008 for the procurement of additional C-17s, but that the Committee regards that as a supplemental funding requirement and will consider this funding "in a separate measure at a later time." The U.S. Air Force website states that "The C-17 Globemaster III is the newest, most flexible cargo aircraft to enter the airlift force. The C-17 is capable of rapid strategic delivery of troops and all types of cargo to main operating bases or directly to forward bases in the deployment area." CRS confirms that through FY2007, \$59.4 billion has been provided for the C-17 program, and DOD planned to end C-17 production in FY2007, but both authorizers and appropriators voiced concern over that plan. The Defense Appropriations bill for FY2007 appropriated \$2 billion in un-requested funding to purchase 10 additional C-17 aircraft and directed DOD to fund the program in FY2008 (CRS: [RL30685](#)).
- **Blackhawk Helicopters (U-60):** H.R. 3222 provides \$770,751,000 for the procurement of 52 Blackhawk Helicopters, which is the same as the President's request.
- **Stryker Vehicles:** The bill provides \$1.9 billion for the procurement of Stryker vehicles, including \$1.1 billion to procure an 8th Army Stryker brigade. The Stryker is a 19-ton, eight wheeled armored vehicle that provides the Army with a family of ten different vehicles.

Note: The Army included a request for additional Stryker Vehicles on its list of unfunded requirements for fiscal year 2008.

- **Navy Shipbuilding:** The bill provides \$15.304 billion for Navy shipbuilding and conversion activities, which is \$1.647 billion more than the President requested and \$4.725 billion more than FY2007. This funding covers the construction of 5 additional ships: 2 LPD-17 Amphibious Transport Docs, 1 SSN-774 Attack Submarine, 1 CBN – 78 Aircraft Carrier, and 1 Littoral Combat Ship.

While the President requested only one LPD-17, the bill provides for two, which represents the major difference in overall funding in this section. The bill only provides funding for 1 new Littoral Combat Ship. The President had requested funding for 3.

Note: The bill directs that future ship construction not begin until after the ship design is complete.

- **Missile Defense:** The bill provides \$8.5 billion for missile defense programs, which cuts \$298 million in funding from the President's request and \$883.4 million from the FY2007 level. The bill decreases funding for the "third site" missile defense system in Europe by \$139 million. The President had requested \$310 million. This funding is

critical for enabling our military to develop and field a robust, layered ballistic missile defense system.

- **Mine Resistant Ambush Protected Vehicle (MRAP):** The bill includes language expressing support for MRAP vehicles; it states, however, that funding for the additional MRAP vehicles will be provided by the FY2008 Supplemental.
- **“Boots-on-the-Ground” and Cost of War Reporting:** The bill requires the Secretary of Defense to submit a monthly report detailing the total number of troops, including service and component, deployed in support of Operation Iraqi Freedom and Operation Enduring Freedom as well as a monthly estimate for the next 3-month period detailing future troop deployment numbers.
- **Small Business Provisions:** The bill includes an additional \$100 million for the Small Business Innovative Research (SBIR) program to promote small business participation in the defense industry.
- **Permanent Basing:** The bill prohibits DOD from permanently establishing U.S. military bases in Iraq.

Note: This prohibition was included the DOD Appropriations bill for FY2007 (P.L. 109-289); the John Warner National Defense Authorization Act for Fiscal Year 2007 (P.L. 109-364); the Emergency War Funding Supplemental (P.L. 110-28); and the FY2008 Defense Authorization Act (H.R. 1585).

- **Prohibits Torture:** Prohibits funding for activities contradicting the UN Convention Against Torture.

Additional Views

According to the [Statement of Administration Policy on H.R. 3222](#), the Administration “strongly opposes the Committee’s decision to under-fund critical Operations and Maintenance and Military Personnel programs, which are a permanent base funding requirement.”

The Administration also raised concerns regarding funding cuts to several programs, including Missile Defense, the Army Future Combat System, and Global Positioning System (GPS) III. It also opposes including unrequested funding for a few programs, including the Stryker Brigade, Navy Shipbuilding, and Research and Development Funding.

Amendments Offered on Wednesday, August 1, 2007

Rep. Sessions (R-TX): The amendment reapplies OMB Circular A-76 to competition between DOD depot maintenance activities and private firms for modification, depot maintenance, and repair of aircraft, vehicles, and vessels as well as the production of components.

Rep. Sessions (R-TX): Amendment strikes the prohibition on funding for cost studies pursuant to provisions of OMB Circular A-76.

Rep. Moore (D-WI): In title VI, in the item relating to “Office of the Inspector General”, after the first dollar amount, insert “(increased by \$500,000) (reduced by \$500,000)”.

Rep. Moore (D-WI): In Title II, in the item relating to “Operations and Maintenance, Defense-Wide”, after the first dollar amount, insert “(increased by \$2,000,000) (reduced by \$2,000,000)”.

Rep. Moore (D-WI): The Amendment adds \$2 million to Defense-Wide Operations and Maintenance. This increase would be offset by a \$2 million cut in Defense-Wide Research, Development, Test and Evaluation.

Rep. Moore (D-WI): The Amendment adds \$2 million to Defense-Wide Operations and Maintenance. This increase would be offset by a \$2 million cut in Army Research, Development, Test and Evaluation.

Rep. Castle (R-DE): This amendment prohibits the Department of Defense from awarding a contract of more than \$5 million to any entity that does not have in place an internal ethics compliance program. The purpose of this amendment is to ensure that large defense contracts are not awarded to companies that do not have their own company ethics policies to help prevent waste, fraud, and abuse. In addition to the federal government providing oversight of defense spending, this amendment aims to ensure that entities receiving federal contracts are also vigilant when it comes to preventing waste, fraud, and abuse.

Rep. Castle (R-DE): This amendment would credit soldiers one additional day of leave time for every month that they are deployed in a combat zone. U.S. Army Medical Command has stated that spending time with family and loved ones after returning from deployment is essential to soldiers' mental health. The decision of when soldiers may take leave time would continue to be made by their chain of command. Under the current Pentagon policies, all members of the Armed Forces, including those serving in the Guard and Reserve, receive 2.5 days of leave time per month - regardless of whether they are deployed in a combat zone or back in the U.S. at their home base.

Rep. Campbell (R-CA): Amendment prohibits funding for the Swimmer Detection Sonar Network.

Rep. Campbell (R-CA): Amendment prohibits funds for the Paint Shield for Protecting People from Microbial Threats.

Amendments Offered on Tuesday, July 31, 2007

Rep. Carnahan (D-MO): The Amendment adds \$10 million to the Defense Health Program under the Research, Development, Test and Evaluation account. This increase would be offset by a \$10 million cut in Defense-Wide Operations and Maintenance.

Rep. Stearns (R-FL): The amendment adds \$200 million to Air Force Research, Development, Test and Evaluation with the offset coming from funding for the expenses to maintain and preserve a U.S.-flag merchant fleet.

Rep. Rogers (R-MI): Amendment prohibits funding for the National Drug Intelligence Center.

Rep. Issa (R-CA): Amendment prohibits funding to be used to publicly disclose the top-line of the intelligence budget.

Rep. Tom Davis (R-VA): Amendment would require that the proper infrastructure be in place prior to the relocation of an organization, unit, activity or function of the Department of Defense within the National Capital Region.

Rep. Walberg (R-MI): None of the funds made available in this Act may be used to award a grant or contract based on the race, ethnicity, or sex of the grant applicant or prospective contractor.

Rep. Bordallo (D-GU): Amendment information will be updated shortly.

Rep. Rogers (R-MI): This amendment would transfer \$45 million from the “Chemical Agents and Munitions Destruction, Army” account to the “Former Soviet Union Threat Reduction Account.

Staff Contact

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