



Conference Report on Defense Authorization Bill: Strengthening Our Military & Supporting Our Troops

Key Points:

- America has the finest military in the world. Unfortunately, the Bush Administration's policies in Iraq have depleted our great military and put a tremendous strain on our troops.
- Army readiness has dropped to unprecedented levels, and Army National Guard units have, on average, only 40 percent of their required equipment. And many stateside units are not fully equipped and would not be considered ready if called upon to respond during an emergency.
- The measure helps restore our nation's military readiness by creating a \$1 billion Strategic Readiness Fund to address equipment shortfalls, fully funding the Army's and Marine Corps' equipment reset requirements, and authorizing \$980 million to provide the National Guard and Reserve critically needed equipment.
- It protects our troops in harm's way by authorizing \$17.6 billion, an increase of \$865 million, for additional MRAPs, \$4.8 billion for anti-IED efforts, \$3.3 billion for up-armored Humvees, \$1.5 billion for add-on armor for other vehicles, and \$1.2 billion for body armor.
- The measure supports our troops and their families, by giving the military a pay raise larger than requested by the President, prohibiting fee increases in TRICARE and the TRICARE pharmacy program, and strengthening benefits for the troops and their families, as promised in the GI Bill of Rights for the 21st Century.
- It includes the Wounded Warrior Act, which responds to the Walter Reed Army Medical Center scandal by improving the care of injured soldiers returning from Iraq and Afghanistan -- addressing many of the issues raised by the Dole-Shalala Commission and implementing several of its recommendations.
- It improves accountability and cracks down on waste, fraud and abuse in contracting, including requiring new steps to manage and oversee contracts in Iraq and Afghanistan and requiring detailed new regulations for private security contractors, such as Blackwater employees, mandating the appropriate use of force.
- It also includes new bipartisan reporting requirements under which DOD will regularly brief Congress on the planning taking place to responsibly redeploy U.S. forces from Iraq.
- The 110th Congress is taking our country in a New Direction to ensure that our military is fully prepared for threats and challenges world wide and that our troops get the benefits they deserve and have earned.

On Wednesday, the House will consider the conference report on H.R. 1585, FY 2008 Defense Authorization Bill. This measure will provide the necessary resources and authorities to quickly and efficiently reverse declining trends in military readiness, and will also provide our service members in harm's way with the best gear and force protection possible. Under the conference report, our troops will get better health care, better pay, and the benefits they have earned. Below are highlights of the measure.

Restoring Our Nation's Military Readiness

Establish Strategic Readiness Fund

- Creates a \$1 billion Strategic Readiness Fund to give the Department of Defense the ability to rapidly address equipment shortfalls.
- Establishes a Defense Material Production Board to identify critical material readiness shortfalls and to recommend ways to rapidly resolve these shortfalls.

Provide Needed Military Equipment for Our Troops

- Authorizes \$18.4 billion to fully address the Army's stated equipment reset requirements in FY 2008, and \$8.6 billion to address the reset needs of the Marine Corps. This will enable the two services to address their critical shortfalls of equipment due to extended use overseas.
- Requires DOD to submit an annual report on the status of pre-positioned equipment stocks, including its plan, timeline and funding requirements for reconstituting all pre-positioned stockpiles.

Build up the Strained National Guard

- Authorizes an additional \$980 million for the procurement of critical, high-priority equipment for the National Guard and Reserve, to address current, serious unfunded equipment shortfalls.
- Incorporates the National Guard Empowerment Act, which gives the National Guard enhanced authorities to fulfill its expanded role in the nation's defense, including authorizing a fourth star for the Chief of the National Guard Bureau, requiring at least one deputy of the Northern Command to be a National Guard Officer, and making the National Guard Bureau a joint activity of the DOD.
- Requires the Pentagon to include in its quarterly readiness reports the state-by-state capability of the National Guard to achieve its homeland and civil support missions, such as disaster response.

Expand the Number of Troops to Meet Our Commitments and Reduce Strain

- Authorizes 13,000 additional soldiers for the Army and 9,000 additional Marines in FY 2008.

Protecting Our Troops in Harm's Way

Ensure Our Troops in Harm's Way Have the Protective Equipment They Need

- Authorizes \$17.6 billion, an increase of \$865 million, for additional Mine Resistant Ambush Protected (MRAP) vehicles. This more than fully funds the current MRAP vehicle requirement for 15,374 vehicles.
- Authorizes \$4.77 billion to fully fund the anti-IED efforts of the Joint Improvised Explosive Device Defeat Organization (JIEDDO).
- Authorizes \$3.3 billion for up-armored Humvees.
- Authorizes \$1.5 billion for vehicle add-on armor for vehicles currently in the theater.
- Authorizes more than \$1.2 billion for the continued purchase of personal body armor and associated individual protective components for our service members serving overseas.
- Authorizes \$592.3 million for Armored Security Vehicles.

Supporting Our Troops and Their Families

Give the Military a Pay Raise

- Provides all service members a pay raise of 3.5 percent -- 0.5 percent more than the President's budget request -- increases monthly hardship duty pay to a maximum of \$1,500 (up from \$150 per month), and provides special pays and bonuses.

Upgrade Military Health Care for Our Troops, Veterans & Military Retirees

- Preserves health benefits by prohibiting fee increases in TRICARE and the TRICARE pharmacy program for service members and retirees.
- Prohibits cuts in military medical personnel and fully funds the Defense Health program facility maintenance, particularly at Walter Reed.
- Extends VA health insurance for service members who served in combat in the Persian Gulf War or future hostilities—5 years after discharge instead of 2 years. PTSD may have delayed onset.

Better Benefits for Reservists

- Allows Reservists, who serve on active duty, to use their enhanced educational benefits for up to 10 years after leaving the reserves (currently they must be used immediately) and to be paid on an accelerated basis. It also allows Reservists with three cumulative years of active duty service to qualify for education benefits at 80 percent of the active duty rate. (Currently, they are required to serve two years continuous active duty to get this benefit.)
- Reduces the age at which a Reservist can draw retirement below the age of 60 by 3 months for every aggregate 90 days of active duty service in most military operations.
- Reimburse up to \$300 for travel expenses for reserve training.
- Establishes a national combat veteran reintegration program to help reservists reintegrate into their families and communities through family services and post-deployment screening.

Strengthen Other Benefits for the Troops and Their Families

- **Family medical leave for families of soldiers wounded in combat.** Provides 6 months of unpaid, job-protected leave to the spouse, parent, child, or next of kin of service members (including members of the reserve) who suffer from a service-connected injury or illness. The President's Commission on Care for America's Returning Wounded Warriors, chaired by former Senator Bob Dole and former Health and Human Services Secretary Donna Shalala, made this proposal as 21 percent of active duty service members have family members or friends who gave up their job to act as a caregiver or to be with them while they recovered from injuries.
- **Takes several steps toward ending the Disabled Veterans Tax** – which forces disabled military retirees to give up one dollar of their pension for every dollar of disability pay they receive. It expands the special compensation for combat-related disabled retirees to cover all who are medically retired for combat disabilities. (Under current law, they must have served 20 years.) It also speeds up the end of the disabled veterans tax for veterans who are 100 percent disabled, making that effective January 1, 2005 instead of October 1, 2009. This legislation is essential for the more than 28,000 injured personnel who are returning from Afghanistan and Iraq, many of whom are amputees or have combat-related injuries and must be medically retired.
- **Makes progress in ending the Military Families Tax**, which unfairly penalizes the more than 60,000 survivors, most of them widows, of those who have died as a result of their service-connected injuries. Currently, these widows lose their survivor benefits if they also receive Dependency and Indemnity Compensation benefits (because their spouse died of a service-connected injury), but this measure establishes a special survivor indemnity allowance of \$50 per month to begin to address this tax – increasing to \$100 by 2014.

Wounded Warrior Act

Takes essential steps to respond to the Walter Reed Army Medical Center scandal by improving the care of injured soldiers returning from Iraq and Afghanistan – addressing many of the issues raised by the Dole-Shalala Commission and implementing several of its recommendations. The measure:

- improves outpatient medical care for wounded service members at military health care facilities;
- begins restoring integrity and efficiency to disability evaluations and cutting bureaucratic red-tape; and
- improves the transition of wounded service members from the Armed Forces to the VA system.

Specifically, the measure:

- Creates the Wounded Warrior Resource Center to serve as the single point of contact for service members, their families, and caregivers to report issues with facilities, obtain health care, and receive benefits information;
- Requires semi-annual inspections of housing facilities for recovering service members;
- Requires the Secretary of Defense and the Secretary of Veterans Affairs to jointly develop a comprehensive policy on the care and management of members of the armed forces, including the development of fully interoperable electronic health records;
- Mandates the establishment of new standards for: processing disability evaluations to reduce discrepancies between the Department of Defense and the Department of Veterans Affairs, training for disability evaluation personnel, rating disabilities that take into account all medical conditions, as well as requiring a pilot program for improving the disability evaluation system;
- Mandates the establishment of new standards for processing medical evaluations, training and qualifying those performing the evaluations, and assigning independent medical advisors to assist recovering service members and families;
- Requires a comprehensive policy to address traumatic brain injury (TBI), post-traumatic stress disorder (PTSD), other mental health conditions, establishing DOD Centers of Excellence on PTSD and TBI to improve treatment, research, training and rehabilitation, requiring enrollment and registry of TBI patients to ensure continuity of care, guaranteeing veterans a VA mental health assessment within 30 days of request, expanding hiring to address shortage in mental health professionals, and strengthening DOD training for better detection of PTSD.; and
- Requires a DOD study of the support services provided to families of recovering service members, and a National Academy of Sciences study on the physical and mental health needs of those deployed in Iraq or Afghanistan.

Improving Accountability and Cracking Down on Waste, Fraud and Abuse in Contracting

Combating Contractor Fraud and Overseeing Private Security Contractors in Iraq and Afghanistan

- Requires that the Department of Defense, Department of State, and Agency for International Development clarify their roles and responsibilities in managing and overseeing contracts in Iraq and Afghanistan, including tracking and overseeing contractor personnel.
- Encourages the timely reporting of waste, fraud and abuse by contractors, including improving the protection of whistleblowers.
- Requires the Department of Defense, working with the Department of State, to issue detailed regulations for private security contractors mandating the appropriate use of force and accountability.
- Creates a new commission on wartime contracting to develop lessons learned from the contracting problems in Iraq and Afghanistan.

Acquisition Improvement and Accountability Act/Ensuring Taxpayer Dollars Are Well-Spent

- Incorporates the provisions of the Acquisition Improvement and Accountability Act, which includes provisions to improve the acquisition system and increase the accountability of government contractors – both government-wide and at DOD.
- Enhances openness by requiring federal agencies to publicly justify any use of procedures that prevent full and open competition for a federal contract.
- At DOD, creates a special fund to reinvigorate the acquisitions workforce at DOD, who are responsible for an open and transparent contracting process.
- Limits DOD's ability to use multiyear contracts on programs with a history of major cost growth.

Other Provisions, Including Iraq, Afghanistan and Nuclear Threat Reduction

The conference report includes numerous other provisions. Only a few of these other provisions are highlighted below.

Greater Accountability in the Conduct of the War in Iraq

- Mandates that future reports on U.S. policy and operations in Iraq include the following: an assessment of Iraqi progress in meeting certain benchmarks, an explanation of the Joint Campaign Plan for Iraq, an assessment of success in carrying out the Joint Campaign Plan, information on projected force levels in Iraq, and information on the planning for projected changes in force levels.
- Broadens the authority of the Special Inspector General for Iraq Reconstruction (SIGIR) to include all reconstruction funding regardless of source or fiscal year.
- Increases the number of special immigrant visas for Iraqis who worked for the U.S. in Iraq from 500 to 5,000.

Strengthen the Conduct of the War in Afghanistan

- Requires a comprehensive Defense Department report that outlines the strategic direction of U.S. activities in Afghanistan and includes concrete performance indicators and measures of progress.
- Establishes a new Special Inspector General for Afghanistan Reconstruction (SIGAR).

Keep Nuclear Weapons Out of the Hands of Terrorists

- Authorizes nearly \$2 billion, an increase of \$235 million, to strengthen and expand the nuclear nonproliferation programs of the Energy Department's NNSA (National Nuclear Security Administration), including such programs as the Global Initiatives for Proliferation Prevention and the Elimination of Weapons-Grade Plutonium program.
- Authorizes \$428 million, an increase of \$80 million, to strengthen and expand the Department of Defense's Counter-Threat Reduction (CTR) nonproliferation program, which is targeted at securing nuclear materials in the former Soviet Union.

Review of Roles and Missions at DOD

- The roles and missions of our military services are largely unchanged since the Truman Administration and the Key West Agreement of 1948. After almost six decades, it's time to once again analyze the Defense Department's roles and missions, identify the services' core competencies, and examine possible duplication of effort among the branches.
 - Requires a review of the roles and missions of the Department of Defense every four years, with the first review in 2008 and subsequent reviews occurring in 2011 and every four years thereafter.
 - Mandates a tighter link between mission priorities and funding allocations.
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