

Appropriations for FY1998: Military Construction

Updated February 26, 1998

(name redacted)
Analyst in National Defense
Foreign Affairs and National Defense Division

Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bounded by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations. In addition, the line item veto takes effect for the first time in 1997.

This report is a guide to one of the 13 regular appropriations bills that Congress passes each year. It is designed to supplement the information provided by the House and Senate Subcommittees on Military Construction Appropriations. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

Since this report was last updated, data related to the FY1998 appropriations may have changed through supplemental appropriations or rescissions, entitlement revisions, or scorekeeping adjustments. These changes will be reflected in a subsequent report.

NOTE: A Web version of this document with active links is available to congressional staff at <http://www.loc.gov/crs/products/apppage.html>

Appropriations for FY1998: Military Construction

Summary

The military construction (MilCon) appropriations bill finances (1) military construction projects in the United States and overseas; (2) military family housing operations and construction; (3) U.S. contributions to the NATO Security Investment Program; and (4) most base realignment and closure costs.

This paper reviews the appropriations and authorization process for military construction. The appropriators have finished their work on H.R. 2016. Both chambers approved the conference report for the military construction appropriations bill (H.Rept. 105-247) and the President signed the bill on September 30, 1997, creating P.L. 105-45. The defense authorizing conference report (H.Rept. 105-340) passed the House on October 23 and the Senate on November 7. The President signed the authorization bill on November 18, 1997, creating P.L. 105-85.

The debate perennially centers on the adequacy of the President's budget for military construction needs and the necessity for congressional add-ons, especially for Guard and Reserve projects. FY1998 congressional additions to the military construction request have prioritized projects to improve the quality of life for servicemembers and Guard and Reserve construction.

For FY1998, the Administration has requested budget authority of \$8.4 billion. This is down from the FY1996 level of \$11.1 billion and the FY1997 level of \$9.8 billion. The House and Senate appropriations conference committee added \$800 million and 129 additional projects to the request.

On October 6, 1997, the President exercised his line item veto authority on the FY1998 military construction appropriations law. Thirty-eight projects were eliminated by the President because they were not requested, could not be completed in FY1998 and did not contribute to the quality of life for servicemembers. The savings of \$287 million from the eliminated projects go directly to the U.S. Treasury for deficit reduction -- not to the Department of Defense.

The Congress considered two disapproval bills. The Senate passed S. 1292, which would have reversed the cancellation of 36 of the 38 projects, on October 30. The House passed a bill to reinstate all 38 projects -- H.R. 2631 -- on November 8. Then the House-passed version was approved by the Senate on November 9, obviating the need for a conference committee. The President vetoed the bill on November 13th. On February 5, 1998, the House overrode the President's veto of H.R. 2631 by voting 347-69. On February 26, 1998, the Senate overrode the veto by a vote of 78-20. With the veto overturned, funding is restored for the 38 targeted projects.

Key Policy Staff

Area of Expertise	Name	CRS Division	Telephone
Base Closure	David Lockwood	FAND	7-....
Defense Budget, Mil. Const.	Mary Tyszkiewicz	FAND	7-....
Defense Budget	(name redacted)	FAND	7-....
DOD Outsourcing, Privatization	Valerie Grasso	FAND	7-....
Guard and Reserve Issues	Robert Goldich	FAND	7-....

Contents

Most Recent Developments	7
Background: Content of Military Construction	
Appropriations and Defense Authorization Bills	7
Status	8
Appropriations Process	9
Line-item Veto Process	9
Disapproval Bills	9
Senate Action	10
House Action	10
Conference Agreement	11
House Action	11
Senate Action	12
Budget Resolution	12
Authorization Process	13
Conference Agreement	13
House Action	13
Senate Action	13
Key Policy Issues	14
Past Debates	14
Congressional Additions to the Administration Request	14
The Debate Over Added Projects: The McCain Criteria	15
Current Issues	16
Overseas Expenditures	16
Prior Year Savings for Current Year Programs	17
Base Realignment and Closure (BRAC) concerns	17
Government Performance and Results Act	17
"Honest" Budgets and the Future Years Defense Plan for Military Construction	17
Guard and Reserve Project Additions	18
Housing as Important to the Quality of Life for Servicemembers	19
Military Unaccompanied Housing Improvement Fund	19
Housing Revitalization Support Program	19
Improving the Utility Infrastructure of Military Facilities	20
Vision 21: Consolidating Testing & Evaluation Centers and Laboratories	20
Real Property Maintenance Reporting Requirements	20
Major Funding Trends	21
Legislation	21
For Additional Reading	28
CRS Issue Briefs	28
CRS Reports	28
Selected World Wide Web Site	28

List of Tables

Table 1. Status of Military Construction Appropriations, FY1998	9
Table 2. Mil. Con. Appropriations, FY1994-98	22
Table 3. Mil. Con. Appropriations by Account: FY1996-98	23
Table 4. Mil. Con. Appropriations by Account - Congressional Action	24
Table 5. Congressional Additions to Annual Department of Defense Budget Requests for National Guard and Reserve Military Construction, FY1985-97	25
Table 6. Military Construction Projects Targeted by Line-Item Veto, October 1997	26

Appropriations for FY1998: Military Construction

Most Recent Developments

In their appropriations conference report (H.Rept. 105-247) both chambers added \$800 million and 129 projects to the President's request for the military construction bill H.R. 2016. The President signed the bill on September 30, 1997, creating P.L. 105-45. On October 6, the President exercised his line item veto authority, by targeting 38 projects in 24 states added by Congress, totalling \$287 million.

Both the Senate Appropriations Committee and the House National Security Committee held hearings in October on the decision process for the President's line item veto of the military construction bill.

The Congress considered two disapproval bills. The Senate passed S. 1292, which would have reversed the cancellation of 36 of the 38 projects, on October 30. The House passed a bill to reinstate all 38 projects -- H.R. 2631 -- on November 8. Then the House-passed version was approved by the Senate on November 9, obviating the need for a conference committee. The President vetoed the bill on November 13.

The projects were restored by a veto override of H.R. 2631 in the second session of the 105th Congress. On February 5, 1998, the House took the first step by voting 347-69 to overturn the President's veto. On February 26, 1998, the Senate overrode the veto by a vote of 78-20.

Background: Content of Military Construction Appropriations and Defense Authorization Bills

The military construction appropriations bill funds construction projects and real property maintenance of the active Army, Navy & Marine Corps, Air Force, and their reserve components; defense-wide construction; U.S. contributions to the NATO Security Investment Program (formerly called the NATO Infrastructure Program); and military family housing operations and construction. The bill also provides funding for the Base Realignment and Closure account which finances most base realignment and closure costs, including construction of new facilities for transferred personnel and functions, and environmental cleanup at closing sites.

The military construction appropriations bill is only one of several annual pieces of legislation that concern funding for national defense. Other major legislation includes (1) the defense appropriations bill, that provides funds for all military activities of the Department of Defense, except for military construction; (2) the national defense authorization bill, that

authorizes appropriations for national defense¹, and (3) the energy and water development appropriations bill, that provides funding for atomic energy defense activities of the Department of Energy. Two other appropriations bills, VA-HUD-Independent Agencies and Commerce-Justice-State, also include small amounts for national defense. In addition, the energy and water development appropriations bill provides funds for civil projects carried out by the U.S. Army Corps of Engineers.

The annual defense authorization bill authorizes all the activities in the defense appropriation measures described above. Therefore, major debates over defense policy and funding issues, including military construction can be also found in the authorization bill. Since issues in the defense authorization and appropriations bills intertwine, this report highlights salient parts of the authorization bill, along with the military construction appropriation process.

Most funds appropriated each year must be expended in that fiscal year. Military construction appropriations are an exception, since these funds are made available for obligation for five fiscal years.

The separate military construction appropriations bill dates to the late 1950s when a large defense build-up occurred in response to intercontinental ballistic missile threats and the Soviet launch of Sputnik. Defense construction spending soared, as facilities were hardened, missile silos were constructed, and other infrastructure was built. The appropriations committees established military construction subcommittees to deal with this new level of activity. Consequently, the separate military construction bill was created. The first stand-alone military construction bill was in FY1959, P.L. 85-852. Previously, military construction funding was provided through annual defense appropriations or supplemental appropriations bills.

Military construction appropriations are the major, but not the sole, source of funds for facility investments by the military services and defense agencies. The defense appropriations bill provides some funds for real property maintenance in operation and maintenance accounts. In addition, funds for construction and maintenance of Morale, Welfare, and Recreation-related facilities are partially provided, through proceeds of commissaries, recreation user fees, and other income.

Consideration of military construction budget starts when the President's budget is delivered to the Congress in late February or March. For FY1998, the President's budget requested \$8.4 billion, 14% less than the \$9.8 billion appropriated for FY1997.

Status

Table 1 shows the key legislative steps necessary for the enactment of the FY1998 military construction appropriation.

¹ See *Appropriations for FY1998: Defense*, by (name redacted), CRS Report 97-205, for details on the defense authorization and appropriation process.

Table 1. Status of Military Construction Appropriations, FY1998

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
6/18/97	7/17/97	H.Rept. 105-150	7/8/97	S. Rept. 105-52	7/22/97	H.Rept. 105-247	9/16/97	9/17/97	P.L. 105-45 9/30/97

Appropriations Process

Line-item Veto Process. On October 6, 1997, the President exercised his line-item veto authority² on the military construction appropriations law (P.L. 105-45), eliminating 38 projects in 24 states, totalling \$287 million. (See Table 6.)

The \$287 million savings will go directly to deficit reduction and not to the Department of Defense. The Chair of the President's National Economic Council -- Gene Sperling -- explained to the press on October 6 that "the main savings from the line item veto comes not from what you line-item, but from the savings that you get by encouraging fiscal discipline in future bills". He continued that "...for the line item veto to have its power as a deterrent effect on unnecessary spending...the President has to be willing and is willing to use it when necessary."

The President used three criteria to line item veto projects added by Congress.

1. The projects were not in the Department of Defense's future years defense plan (FYDP).
2. Design work for the projects was not completed and therefore the project could not be executed in the coming fiscal year.
3. The projects would provide no "substantial" contribution to improving the quality of life of U.S. troops.

The Congress can send the vetoed items back to the President with a majority vote. This is called a disapproval bill. If the President vetoes them again, a two-thirds majority is needed to override.

Disapproval Bills. The Congress considered two disapproval bills:

- S. 1292, which would have reversed the cancellation of 36 of the 38 projects (see Senate Action below for details), and
- H.R. 2631, which reinstates all 38 projects.

The House passed H.R. 2631 on November 8, 1997 by a 362-64 vote. Then the House-passed version was approved by the Senate on November 9, 1997 by voice vote, obviating the need for a conference committee.

The President vetoed H.R. 2631 on November 13, 1997, despite the White House's admission that they used erroneous data for some of the canceled projects. The Office of

² See *The Line Item Veto Act: Procedural Issues*, by (name redacted) and (name redacted) , CRS Report 97-973, for details on the line item veto process.

Management and Budget (OMB) has refused to confirm which projects or how many were vetoed by mistake.

The projects were restored by a veto override of H.R. 2631 during the second session of the 105th Congress. On February 5, 1998, the House took the first step by voting 347-69 to overturn the President's veto. On February 26, 1998, the Senate overrode the veto by a vote of 78-20. With the veto overturned, funding is restored for the 38 targeted projects.

Senate Action. On October 9, the Senate Appropriations Committee held a hearing on the use of the line item veto on the military construction appropriations bill. The witnesses were military budget officials from the Army, Air Force and Navy. Chairman Stevens stated that the purpose of the hearings was to gather factual information on the criteria used for the 38 projects that were vetoed. The Senators also stated their opinions on the President's use of the line item veto on the bill.

According to the Clinton Administration, the vetoed projects needed to meet all three criteria (see above) to be put on the veto list. The criteria did not hold up to the data the military officers provided on particular projects. First, the data showed that 33 of the 38 projects were in the Pentagon's FYDP. Second, some of the projects did have design work in progress and that the original information that President received on design work for some projects was incomplete. Also, these were "executable" projects, defined in the testimony as contracts that could be started in FY1998. Third, the committee questioned the White House's judgement of the quality of life merit of the 38 projects.

Most of the 38 projects did not meet two out of three criteria for inclusion on the veto list. Chairman Stevens stated that based on these facts that he would introduce a disapproval bill to overturn the veto.

On October 24, the Senate Appropriations Committee approved S. 1292 to overturn 34 of the 38 line item vetoes in the military construction appropriations (H.R. 2016, P.L. 105-45). Four items from Indiana, Wisconsin and South Dakota were left out of the disapproval measure, since Senators from these states did not want to vote for a veto override or go on record opposing the line item veto. On October 30, the Senate passed S. 1292 as amended with two more Indiana projects, by a 69-30 vote. (See the Disapproval Bills section above for information on passage and the veto override process.)

House Action. On October 22, the House National Security Committee (HNSC) held a hearing on the line item veto and canceled projects in the military construction and defense appropriations bills. Although jurisdiction for remedying line item vetoes resides in the Committee on Appropriations, the HNSC stated that it was important to investigate the data and process that the President used to choose projects to veto. As in the Senate Appropriations Committee hearing on the line item veto, the witnesses for the HNSC hearing were military budget officials from the Army, Air Force and Navy. (Hearing testimony is located at <http://www.house.gov/nsc/>)

The purpose of the hearing was to establish the record on the specific items that were vetoed, the rationale for the cancellation and the effect the delay of the projects may have on the armed forces. The HNSC was concerned about the use of the line item veto and some members called for repeal of the law. Others focused on the chronic underfunding of the defense budget and that the savings from the canceled projects went to U.S. Treasury and out of the defense budget.

Members were irked that the vetoed projects were considered pork by the President and media. Those members pointed out that the added projects went through a rigorous screening process by the HNSC, were requested by facilities as priority projects and that many of the projects were in the President's Future Years Defense Plan (FYDP). The military budget officers admitted that erroneous data on the design status was passed from the Pentagon to OMB. The members were distressed that their congressional offices had more up-to-date data on the design of projects than the Pentagon and President. Inadequate and out-of-date data highlighted the flaws of the decision process to cancel projects.

The HNSC invited the Deputy Secretary of Defense, John Hamre, and the Director of OMB, Franklin Raines to the October 22 hearing. However, both declined to testify. Some members of the HNSC were incensed these top officials did not attend the hearing, especially after it became clear that the process questions the members were interested in could only be answered by Hamre and Raines. The House National Security Committee would like to have another hearing on the line item veto with John Hamre and Franklin Raines in attendance.

Representative Skeen from New Mexico introduced H.R. 2631 in early October, which would reverse the cancellation of the 38 vetoed projects. The House called up the bill under suspension of the rules on November 8. The measure passed by a 352-62 vote. (See the Disapproval Bills section above for details on passage and the veto override process.)

Conference Agreement. The conference committee (H.Rept. 105-247) added \$800 million to the President's request. The House approved the conference report by a vote of 413-12 on September 16. The Senate passed the report by a vote of 97-3 on September 17. The bill was signed into law (P.L. 105-45) by the President on September 30.

The conference agreement used savings of \$108.8 million from reestimations of inflation and adjustments of foreign currency fluctuations. These savings were taken as a lump-sum from the military construction appropriations bill total. (See Table 4.)

The conference committee rejected the practice of using prior year savings for current FY1998 program, and instructed the Pentagon to use the traditional method of requesting rescissions of funds by account and fiscal year. (See Prior Year Savings for Current Year Programs section below for more information.)

The conference committee's report also highlighted Base Realignment and Closure (BRAC) construction projects, historic preservation and unified design guidance. The conference report emphasized that defense committees must be notified of the transfer of BRAC construction money, and that construction money cannot be reprogrammed. The conference was concerned that historic family quarters are costly and tasked the Pentagon to work with appropriate Federal agencies to reduce the cost. The conference report also directed the DOD and armed services to report on possible unification of military construction design guidance and procedures.

House Action. On July 8, the House approved -- without amendment -- the \$9.183 billion recommended by the House Military Construction Appropriations Subcommittee (H.R. 2016, H.Rept. 105-150) by a vote of 395-14. The House added \$799.8 million to the President's request. Of the money appropriated, 42% is for family housing; 35% is for general military construction projects, such as the construction and revitalization of barracks, medical facilities, day care centers, environmental compliance and energy conservation and 23% is to meet the obligations of Base Realignment and Closure (BRAC) accounts. (To view a fact sheet on the subcommittee markup and full committee markup, go to the press release section of Representative Packard's home page: <http://www.house.gov/packard/>).

House floor consideration had two themes. First, Rep. Packard emphasized servicemembers' quality of life as connected to the quality of military facilities. Second, Rep. Bereuter noted that the Army National Guard budget did not receive any additional money from the House, since the Guard did not clearly communicate its plans to the Military Construction Appropriations Subcommittee.

Senate Action. The Senate Appropriations Committee (SAC) marked up their version of the Military Construction Appropriations Act on July 17. The subcommittee did not go through the markup process -- the bill went directly to the full committee. The SAC bill provides a total of \$9.182 billion for military construction, which exceeds the President's request by \$799.7 million and is \$100,000 under the House appropriation. Of the money appropriated, 41% is for family housing; 36% is for military construction and 23% is for the obligations of the base realignment and closure accounts. (See Table 4 or S.Rept. 105-52 for a chart comparing the President's request, the House bill and the Senate bill.)

In Section 125 of their bill, the Senate Appropriations Committee used June 1997 inflation numbers from Office of Management and Budget to reduce military construction, NATO infrastructure and base realignment and closure accounts by \$31 million. The SAC directed that the inflation savings be applied to family housing accounts on a pro rata basis. Therefore, the \$31 million inflation savings is taken as a lump sum over the entire military construction and family housing budget. (See Table 4.)

The Senate Appropriations Committee highlighted barracks construction programs, medical facilities and environmental compliance projects in their bill. The SAC approved \$659.9 million for the barracks construction program to provide single service members better barracks and dormitories. This recommended level is \$17.2 million over the budget request and \$91.9 under the FY1997 level. An additional \$208.5 million for medical facilities and \$103.6 million for environmental clean-up projects were added by the Senate.

Although the bill totals are almost the same, active and reserve forces fared differently in the House and Senate bills. In the House, active forces fared better than reserve forces. The reverse is true in the Senate bill, which added \$392 million for Guard and Reserve facilities, compared to the House's increase of \$155 million.

On July 22, the Senate approved the SAC recommendations for the FY1998 Military Appropriations Act. The vote was unanimous, except for the no votes cast by the Senators from Arizona -- McCain and Kyl. In the Senate floor debate, Sen. McCain protested against what he called the additional, low-priority and unrequested military construction projects, which totalled \$682 million. He asked that the additional projects -- 42 active duty and 50 Reserve & Guard -- be printed in the record. Sen. McCain also worried about the trend for Senators to earmark design and planning funds, which previously were left for the discretion of the armed services departments.

Budget Resolution. The budget resolution sets the stage for the appropriations process. This year's agreement (H.Con.Res. 84) passed on May 18, 1997, and set ceilings on budget authority and outlays for functional categories of the budget. The national defense budget function, called 050 was set at \$268.2 billion in budget authority and \$266.0 billion in outlays for FY1998. The Department of Defense's budget accounts for 95% of the 050 budget function³.

³ See CRS Report 97-294, *Defense Budget for FY1998: Data Summary*, by (name redacted) and (continued...)

In the framework of the budget agreement, the chairs of the House and Senate appropriations committees allocate the budget function according to appropriations subcommittees. The amounts given to each subcommittee are called the 602(b) allocations. The House Appropriations Committee approved its 602(b) allocations on June 18, with the Senate Appropriations Committee approving theirs on June 19. The military construction subcommittees received similar allocations - \$9.183 billion in the House and \$9.2 billion in the Senate. These levels are down from the currently funded FY1997 level of \$9.8 billion for military construction.

Authorization Process

Conference Agreement. On October 23, the conference committee for the defense authorization bill filed its report (H. Rept. 105-340). The conference committee agreed on \$9.2 billion (\$800 million) more than the President's request) for military construction. Over 55 percent (\$441 million) of the increase is for quality of life projects.⁴ The defense authorizing conference report passed the House on October 23 and the Senate on November 7, 1997. The President signed the authorization bill on November 18, 1997 creating P.L. 105-85.

House Action. The House of Representatives approved the \$9.1 billion for military construction as recommended by the House National Security Committee (HNSC) in the FY1998 Defense Authorization bill, which is \$750 million more than the President's request. The HNSC reported that over 60% (\$472 million) of the increase is dedicated to quality of life enhancements. The committee highlighted additions to family housing, troop housing, child development centers, education and training, and the public and installation safety initiative.

Senate Action. On July 11th, the Senate approved approximately \$707 million more than the Administration's FY1998 budget, closely following the Senate Armed Services Committee's (SASC) recommendation of a \$700 million addition. The SASC designated \$218 million of the additional money for unaccompanied personnel quarters, child development centers, dining facilities, education centers and military family housing. The remaining \$189 million is for high priority projects submitted by the military services that were not funded in the President's request, many of them Guard and Reserve projects. Amendments to the defense authorization bill added \$7 million to the SASC recommendations for military construction accounts. The chairman and ranking member of the SASC, Senators Thurmond and Levin offered an amendment to reduce Army family housing and Navy military construction by \$15 million to partially offset additional projects in Missouri, Hawaii, New Mexico and Vermont, which totaled \$22 million.

In face of antiquated facilities which are important to quality of life for servicemembers, both the HNSC (H.Rept. 105-132) and the SASC (S.Rept. 105-29) reports remarked on the low budget request compared to prior years (25% less than the FY1996 request). The

³(...continued)

(n and redacted) for more information on the 050 budget function and definition of budget authority and outlays.

⁴. For more detailed information the FY1998 conference report and House authorization bill, see the press releases and committee reports & bills sections on the House National Security Home Page at <http://www.house.gov/nsc/>

authorizing committees noted the continuing low priority military facilities received, despite maintenance and modernization backlogs.

The House and Senate have rejected the Administration's proposal for two more base closure rounds and other reductions as proposed in the Quadrennial Defense Review (QDR)⁵ - the DOD's May 19 report to Congress on long-term defense strategies. The House did not consider more base closure rounds in committee or on the floor. In the Senate, a base closure amendment was defeated in committee on a tie 9-9 vote. On July 9, the Senate passed an amendment to the FY1998 authorization bill to direct the DOD to conduct a major review and cost analysis before more bases could be closed. This amendment, sponsored by Senators Dorgan and Lott, defeated a competing amendment by Senators McCain and Levin to require two more base closing rounds in 1999 and 2001.

Key Policy Issues

Past debates over military construction priorities have centered around:

- Congressional additions to the Administration request; and
- The debate over added projects: The McCain Criteria.

Current issues in Defense committee reports and appropriation & authorization hearings and legislation on the FY1998 military construction budget have highlighted:

- Overseas expenditures;
- Prior year savings for current year programs;
- Base Realignment and Closure (BRAC) concerns;
- Government Performance and Results Act;
- "Honest" budgets and the Future Years Defense Plan for military construction;
- Housing as important to the quality of life for Servicemembers;
- Improving the utility infrastructure of military facilities;
- Vision 21: Consolidating testing & evaluation centers and laboratories; and
- Real property maintenance reporting requirements.

Past Debates

Congressional Additions to the Administration Request. In recent years, the Congress has added significant amounts to annual Administration military construction budget requests. This year is no exception. For example, the Congress added \$479 million in FY1996 and \$850 million in FY1997 to the military construction accounts. In appropriations action on the FY1998 request, the House and Senate added approximately \$800 million more than the Clinton administration's request. In authorization action, the House added \$750 million and the Senate added \$707 million.

Congressional additions to the military construction budget have been common and controversial throughout the 1990s. Three themes explain the pattern of reoccurring congressional additions. First, some members of the Military Construction Subcommittees have believed that military construction has been chronically underfunded and therefore

⁵ See *Appropriations for FY1998: Defense*, by (name redacted), CRS Report 97-205, for details on the Quadrennial Defense Review (QDR).

additional funds are needed. This theme was echoed in the FY1998 reports from the House Appropriation Committee and the defense authorizing committees. Second, often Congress has different priorities than the Administration, as reflected in frequent congressional cuts to overseas construction requests and contributions to the NATO Security Investment Program. Third, other Members of Congress, as Senator Bond commented during the floor debate on FY1996 military construction appropriations, believe that DOD counts on Congress to add money to Guard and Reserve programs. In recent years, Congress has added large amounts for National Guard and Reserve construction projects, as much as \$401.8 million in FY1995. (See Table 5.)

Debate over congressional additions to the military construction budget involves several overlapping issues. Military construction proponents, including facility advocates in the military services, argue that military facilities have been systematically underfunded for many years -- even, some say, in the midst of the buildup of the early- to mid-1980s. This line of argument was prominent during House Appropriations Committee mark-up of the FY1996 military construction bill. Some complained that the funding level was up 28% from the prior year, while others defended the increase as simply making good previous shortfalls in funding for new construction and maintenance. The House report on the FY1997 bill (H.Rept. 104-591) cited a current DOD backlog of deferred maintenance and repair for family housing alone that totaled over \$4.5 billion dollars.

DOD facility managers have fallen below their goal to allocate 3% of the plant replacement value of DOD facilities for annual construction and maintenance. Although this 3% goal is below the average for public facilities nationwide, actual DOD funding has typically run at 1 to 2% of plant replacement value. Therefore, the replacement cycle for defense facilities is 50 to 100 years and facility proponents welcome any congressional additions.⁶

Finally, congressional military construction subcommittees -- authorization as well as appropriations subcommittees -- have frequently taken issue with Administration military construction priorities. In the early 1990s, for example, the committees frequently reduced amounts requested for construction overseas -- on the grounds that troop levels abroad should be reduced and that allied burden-sharing contributions should increase -- and reallocated the funds to domestic projects. In addition, congressional committees have added unrequested funds for quality of life improvements, such as day care centers and barracks renovation. The Congress has argued that the military services have tended to neglect these areas in favor of warfighting investments.

The Debate Over Added Projects: The McCain Criteria. In 1994, the Senate debate on the military construction appropriations bill focused the amount of congressional additions to the request despite constraints on overall defense spending. Senator McCain, in particular, objected to the provision of substantial amounts for projects that the Administration had not requested. He argued that such projects largely represent "pork barrel" spending, and come at the expense of higher priority defense programs. In Senate floor consideration of the military construction bill that year, the managers accepted a McCain amendment that called for criteria to be applied to additional projects. His amendment included a provision that any added project should be on the military lists of critical yet unbudgeted projects. The McCain amendment was not incorporated into the final conference

⁶ For a discussion of this and related issues, see CRS Report 91-669, *Military Construction: Current Controversies and Long-Term Issues*, by Martin Cohen and (name redacted).

version of the bill, however, and the conference agreement provided over \$900 million for unrequested construction projects.

The National Defense Authorization Act for FY1995 (P.L. 103-337), however, incorporated Senator McCain's criteria as a sense of the Senate provision, providing that the unrequested projects should be:

1. essential to the DOD's national security mission,
2. not inconsistent with the Base Realignment and Closure Act,
3. in the services' Future Years Defense Plan (see below),
4. executable in the year they are authorized and appropriated, and
5. offset by reductions in other defense accounts, through advice from the Secretary of Defense.

The purpose of the criteria is to help the Congress rate the relative importance of different projects. Though a sense of the Senate provision does not have the force of law, the McCain criteria have been used in Senate authorization and appropriations debates for FY1996 and FY1997. The criteria were also cited in the House FY1997 debates by members of the "porkbusters" coalition. In practice, debates have focused on justifying projects according to the first four criteria, while ignoring the offset criteria.

In debate on the FY1997 military construction appropriations, Senator McCain noted that, since FY1990, Congress has added nearly a billion dollars a year in unrequested military construction projects. H.R. 3517, the FY1997 military construction bill, exceeded the Administration request by \$900 million in the House version and by \$700 million in the Senate bill. During House floor debate on the FY1997 bill, Representative Minge, co-chair with Senator McCain of a "porkbusters" coalition, conceded the House bill "largely adheres" to the McCain criteria. He voted against the measure, however, because it exceeded the President's request by \$900 million, including \$300 million for 42 projects not in the DOD's long-range plan.

In debate on the FY1998 military construction appropriations conference report, Senator McCain continued to point out congressional adds. He noted that the Congress added 129 projects, totalling \$941 million. The National Guard and Reserve received \$268 million of the additional congressional money. Senator McCain presented the list of extra projects in the Congressional Record, in a letter to the President and on his web page (<http://www.senate.gov/~mccain/milconf.txt>).

Current Issues

Overseas Expenditures. The House National Security Committee noted in its Title 28 of its report (H.Rept. 105-132) that it believes that the current level of burdensharing with the Korean government is insufficient given the conditions of the facilities and their importance to security of the region. With the expiration in 1998 of the Special Measures Agreement (SMA), the HNSC urges the Secretary of Defense to work with the Secretary of State to improve the level of burdensharing in the follow-on agreement.

The Senate Appropriations Committee is also concerned about overseas construction. With the likelihood of reductions in the size of the U.S. military, overseas military presence may decrease. The SAC noted that the request of \$600 million for overseas construction is 24% of the construction budget. Therefore, the committee cautioned the Pentagon to be conservative in committing funds and consider leasing facilities or sharing with the host nations.

The SAC also instructed the Pentagon to report by October 15 on the new funding demands that would be made on the NATO infrastructure account because of NATO expansion.

In the Senate debate over the Military Construction Act, Senator Murray, the ranking member of subcommittee, mentioned instruction to the administration to execute a burdensharing agreement with Qatar for prepositioning of equipment in southwest Asia.

Prior Year Savings for Current Year Programs. The defense authorizing committees disallowed the practice of funding current programs with prior year savings. The authorizers reduced military construction title by approximately \$55 million -- the amount of prior year savings budgeted for FY1998. In their report (S.Rept. 105-29), the Senate Armed Services Committee noted that this trend started in the FY1997 budget request with \$12 million of prior year savings, which escalated to \$55 million of prior year savings budgeted for FY1998 programs. DOD's use of prior year savings reinforces the committees' concern that the Pentagon is trying to overprogram the limited amount of money budgeted for military construction. Budgeting prior year savings in the SASC view limits the flexibility to fund cost variations and complete projects with justifiable cost increases. The Senate and House authorizing committees expects the DOD to fully fund future military construction requests, without using savings.

The House Appropriations Committee objected strongly to this method of financing, but allowed it in the this year's budget request. The Senate Appropriations Committee also rejected the practice of prior savings for current programs in its report.

Base Realignment and Closure (BRAC) concerns. The Senate Appropriations Committee asked the General Accounting Office to continue its annual review of the base realignment and closure accounts to help the committee validate requests for individual projects. The report would be due May 15, 1998.

The Senate Appropriations Committee noted that many of the housing privatization initiatives contain various mechanisms that shift financial risk and liability to the Government. Some of these guarantees insulate private interests against future BRAC actions, force reductions or extended deployments. The committee commented that housing projects with these guarantees could be an advantage to a base in future BRAC rounds. Therefore, the committee has added a provision for the Pentagon to notify the congressional defense committees of all privatization agreements which contain any clause providing consideration for BRAC, force reductions and extended deployments.

Government Performance and Results Act. The House and Senate Appropriations Committees inserted language into the Military Construction Appropriations Act report (H.Rept. 105-150 and S.Rept. 105-52) stating that implementation of the Government Performance and Results Act (GPRA) (P.L. 103-62) is to be a priority for all agencies of government. Starting with FY1999, GPRA requires agencies establish performance goals and measures. The HAC report states that they will consider these measures in the FY1999 appropriations cycle. It is likely that this report language will appear in each of the thirteen FY1998 appropriation bills. The SAC noted that the DOD has begun to incorporate GPRA into the Department's planning, programming and budgeting system (PPBS). (See section on "Honest budgeting" below for more information on PPBS.)

"Honest" Budgets and the Future Years Defense Plan for Military Construction. The Department of Defense uses a formal process called the Planning,

Programming and Budgeting System (PPBS) to create its budget for Congress.⁷ The PPBS process is also used to prepare DOD's internal, long-term financial plan. The long-term plan extends over a six-year period and is known as the Future Years Defense Plan (FYDP).

In the FY1998 hearings, the Chairman of the House Subcommittee on Military Construction, Representative Ron Packard chastised the Department of Defense for repeatedly failing to submit "honest" budgets reflecting real service priorities. He complained that the military construction request traditionally leaves out necessary projects, especially for the National Guard and Reserve, and yet the services expect Congress to add them. Mr. Packard wanted the subcommittee to get out of the business of adding money for projects that the administration had not requested, but yet supposedly needs. He also wanted DOD and Services to use the Future Years Defense Plan (FYDP) rigorously to set priorities for their construction projects and integrate Guard and Reserve needs.

In testimony on the FY1998 request to the Military Construction Subcommittee of the House Appropriations Committee, the DOD Comptroller, John Hamre admitted that DOD needs to undertake good detailed planning for the military construction budget and has not done this in the past. Hamre also conceded that the DOD has not evaluated the accuracy of the military construction FYDPs, and that he sees a need for that assessment.

In the FY1998 House Committee on Appropriations Report (H.Rept. 105-150), the Committee supported a coherent Future Years Defense Plan (FYDP) for military construction at the project level of detail and encouraged efforts to reconcile annual adjustments in this plan. This report language echoed themes heard in the FY1998 hearings, which asked for coherent planning for Guard and Reserve facility needs.

Guard and Reserve Project Additions. The Ranking Minority Member of the House Subcommittee on Military Construction, Representative Bill Hefner stressed in the FY1998 hearings the importance of the Guard and Reserve forces in the Bosnian operation. He then questioned whether the Guard and Reserve should have a better and more professional budget system to reflect that role. Hamre admitted that there is history of the Guard not being able to get projects they think are crucial for their mission into the Army's FYDP and that he is working with the Services to get a more forthright budget including the Guard and Reserves. DOD Comptroller Hamre agreed that if the DOD is going to honor the total force concept, that the Pentagon needs to go a better job of building a budget that includes the Guard and Reserves.

The House Committee on Appropriations in their report (H.Rept. 105-150) directed the Army National Guard to report backlog facility requirements, develop a nation-wide armory infrastructure plan and submit a Future Years Defense Plan (FYDP) with the Army National Guard and Air National Guard military construction budget request. In contrast to the negative opinion of the House, the Senate Appropriations Committee commended the Army National Guard installation philosophy, but also required a FYDP plan from the Guard by March 30, 1998.

The House National Security Committee added \$154 million to the President's request of \$173 million for Guard and Reserve Forces facilities. However, the Army National Guard received no additions from the HNSC. In their Title 26 of their report (H.Rept. 105-132), the committee notes its concern about the instability of the Army National Guard budget and

⁷ For a discussion of the formulation of the defense budget proposal by the DOD, see CRS Report 93-317, *A Defense Budget Primer*, by Keith Berner and (name redacted).

planning process, since 60% of the projects in FY1997 plan are no longer in the immediate FY1998 budget plan. The committee directed the Army to insure that the Army National Guard adheres to an integrated department-wide budget and planning process.

Housing as Important to the Quality of Life for Servicemembers. Housing has emerged as a key quality of life issue in the Pentagon and in congressional debates over military construction. The Department of Defense has found that about two-thirds of military housing -- both family quarters and barracks -- are substandard because of size, safety or condition.⁸ The FY1998 Pentagon construction plan includes money for 5,900 new housing units and 11,000 barracks living spaces.

In 1995, then-Defense Secretary Perry established an external advisory committee and an in-house executive committee to look at quality of life issues. Two major housing initiatives emanated from those committees. Private sector financing and methods for family housing were proposed and implemented in the FY1996 Defense Authorization Act. Also, a new standard was set for barracks, called "1 + 1". This standard provides each servicemember at sergeant or below an individual room plus a shared bathroom with an adjoining room.⁹ In their FY1998 report (H.Rept. 105-150), the House Appropriations Committee states that it will take \$14.3 billion and 20 years to reach the 1 + 1 standard.

Because of the need for better military housing, some members of Congress were critical that the budget request reduces the family housing budget for FY1998 by 10% to \$3.7 billion compared to the FY1997 enacted amount of \$4.1 billion. Representative Hefley, Chairman of the House National Security Military Installations and Facilities Subcommittee, said he felt "betrayed" by the reduction, since he had the understanding that the privatization concept was to augment, not replace government funding.¹⁰ Defense officials defended their proposal, since the Pentagon was leveraging defense dollars to build three times the amount of DOD-financed housing units.

Military Unaccompanied Housing Improvement Fund. In their FY1998 report (H.Rept. 105-150), the House Appropriations Committee recommended no appropriation for the DOD Military Unaccompanied Housing Improvement Fund. This is equal to the budget request, but \$5 million less than last year. The purpose of the fund is to encourage the use of private capital to develop barracks housing more quickly, yet the no requirements were identified for the FY1997 money by the DOD. The HAC would like the DOD to aggressively apply these privatization authorities to modernize servicemember housing.

Housing Revitalization Support Program. Working with the Administration, the Congress in the FY1996 Defense Authorization Act (P.L. 104-106) approved the Housing Revitalization Support Program, which gives incentives for the private sector to provide military housing. The incentives include guarantees of mortgage or rental payments by military families, commercial-style lease arrangements, and joint ventures with developers of new housing on bases.

⁸ Maze, Rick, "The new Congress: What's in store for you," *Navy Times*, January 20, 1997, p. 6.

⁹ Adelsberger, Bernard, "How to fix the housing crunch: Another study," *Navy Times*, March 4, 1996, p. 6.

¹⁰ Maze, Rick, "Officials defend cuts in housing construction funds," *Army Times*, March 3, 1997.

The program has had a slow start, with construction underway on only one 400-unit project in Corpus Christi and Ingleside, Texas.¹¹ Other bases with planned projects include Lackland Air Force Base, Texas; Everette Naval Station, Washington; Fort Carson, Colorado; Camp Pendleton, California; and Albany Marine Corps Logistics Base, Georgia. There have been complex issues to work out with these new partnerships. In the Lackland Air Force Base case, for example, the DOD and local community needed to sort out whether the private developer would pay local taxes.

The House Appropriations Committee noted in its FY1998 report (H.Rept. 105-150) that the Housing Revitalization Support Office (HRSO) has just completed its first year of operations for managing the DOD's military housing privatization efforts. The HAC is concerned with heavy use of consultants by the office, since it believes that the HRSO should develop in-house expertise in private sector operations to effectively manage this program.

Improving the Utility Infrastructure of Military Facilities. Hearings on the FY1998 military construction request also reflected the interest of the committees in the potential savings from improving utility infrastructure of military facilities. The FY1998 budget has requested funds for the Energy Conservation Improvement Program, which will fund capital projects intended to lower the energy use in military facilities. Members expressed interest in investigating whether privatizing or outsourcing utilities and other "underground" infrastructure (such as pipes) on bases could save money.

The House Appropriations Committee noted that in their FY1998 report (H.Rept. 105-150) that infrastructure -- such as water and sewer systems, electrical systems, communication systems and transportation systems -- do not receive sufficient priority in military construction plans. The HAC encouraged the DOD to look at installation-wide infrastructure projects and to program and budget for the work and to study the feasibility of privatizing utility systems.

The Senate Armed Services Committee added Section 2802 in S. 936 to their defense authorization act on the sale of utility systems of the military departments. The provision authorizes the service secretaries to convey all or part of government utility systems located on military installation to commercial or public utilities. The types of utilities that may be conveyed include -- but are not limited to -- electrical generation and supply; water treatment; water supply; wastewater collection and treatment; steam, hot, chilled water generation and supply; and natural gas supply.

Vision 21: Consolidating Testing & Evaluation Centers and Laboratories. The House Appropriations Committee expects the Vision 21 report by November 1998. This report is the DOD's 5-year plan to consolidate and restructure all defense testing, evaluation and labs to achieve effective intra-Service and cross-Service organizational arrangements. The HAC directs the Secretary of Defense to certify any new activities before funds are obligated, because of the consolidation process.

Real Property Maintenance Reporting Requirements. The House National Security Committee limited facility repair with operations and maintenance funds through a legislative provision (Section 2801) in H.R. 1119. The House Appropriations Committee supported the HNSC's action and directed that the defense committees be notified before carrying out any repair project with an estimated cost of over \$10 million.

¹¹ Jowers, Karen, "Housing tops quality-of-life list for '97," *Navy Times*, January 13, 1997, p. 6.

Major Funding Trends

The Administration proposed significant reductions in military construction spending for FY1998, compared to the enacted FY1997 amount. The President's FY1998 proposal of \$8.4 billion is a 16% reduction from the FY1997 \$9.8 billion level approved by Congress. In action on the FY1998 request, the House and Senate added approximately \$800 million to the request. On the authorization side, the House added \$750 million. Amendments to the defense authorization bill in the Senate added \$7 million to the Senate Armed Service Committee recommendation of a \$700 million addition.

Table 2 shows overall military construction funding since FY1994, including family housing. **Table 3** breaks down the FY1998 request by appropriations account and compared to FY1996 and FY1997. **Table 4** shows congressional action on the FY1998 request. **Table 5** shows congressional military construction add-ons for Guard and Reserve projects since FY1985. **Table 6** shows military construction projects targeted by the President's line item vetoes in October 1997.

As seen in Table 2, funding for military family housing has been fairly stable in recent years. Family housing budgets are driven by annual operating costs which do not vary greatly. The potential of the Housing Revitalization Support Program to increase family construction through private incentives, however, has encouraged the Defense Department to submit a request that is 10% less than what was enacted last fiscal year. In contrast, funding for military construction has varied more from year to year.

Legislation

H.R. 2631 (Skeen)

Referred to House Committee on Appropriations on October 7, 1997. Called up by House under suspension of the rules and passed the House by Yea-Nay Vote: 352-64 on November 8, 1997. Received in the Senate, read twice on November 8, 1997. Passed the Senate without amendment by unanimous consent on November 9, 1997. Presented to the President on November 10, 1997. Vetoed by the President November 13, 1997. Passed by Yeas and Nays in the House (2/3 required): 347-69. Passed by Yeas and Nays in the Senate (2/3 required): 78-20.

S. 1292 (Stevens)

Read twice and referred to the Committee on Appropriations pursuant to the order of section 1025 of P.L. 93-344 for seven days of session. Full committee markup held October 23, 1997. Reported with an amendment to the Senate on October 23, 1997. Passed Senate without amendment by Yea-Nay 69-30, on October 30, 1997. Senate vitiated previous passage and indefinitely postponed by Senate by unanimous consent on November 13, 1997.

H.R. 2016 (Packard)

Full committee markup held and reported an original measure, June 24, 1997, with H.Rept. 105-150. Measure passed the House by Yea-Nay Vote: 395-14, July 8, 1997. Senate full committee markup held and reported the measure (as amended) on July 17, 1997, with S.Rept. 105-52. Measure passed the Senate with amendments by Yea-Nay Vote: 98-2, on July 22, 1997. Conferees agreed to file conference report (H.Rept. 105-247) on September 9, 1997. House agreed to conference report by Yeas and Nays: 413-12 on September 16, 1997. Senate agreed to conference report by Yea-Nay Vote: 97-3, on September 17, 1997. Signed by the President and became P.L. 105-45 on September 30, 1997.

H.R. 1119 (Spence)

Referred to the Committee on National Security, March 19, 1997; full committee markup held and ordered to be reported, June 11, 1997. Reported to the House by Committee on National Security (as amended), June 16, 1997, with H.Rept. 105-132. Measure considered in the House, June 19 - June 24, 1997. Measure passed the House, by Yea-Nay Vote: 304-120, June 24, 1997. The Senate deleted all after the enacting clause, inserted the provisions of S. 936 and approved H.R. 1119, July 11, 1997. Conference agreement reached and ordered to be reported October 23, 1997; conference report filed (H. Rept. 105-340). House agreed to conference report, by Yea-Nay Vote: 286-123, October 28, 1997. Senate agreed to conference report by Yea-Nay Vote: 90-10, November 6, 1997. Signed by President and became P.L. 105-85 on November 18, 1997.

S. 936 /S. 924 (Thurmond)

Committee on Armed Services ordered to be reported an original measure, June 12, 1997 (S. 924). Original measure reported to Senate by Senator Thurmond, on June 17, 1997 with S.Rept. 105-29 (S.924). Reported to Senate from the Committee on Armed Services (without written report) June 18, 1997 (S. 936). Report on S. 924 (S.Rept. 105-29) deemed to be filed on S. 936. Measure considered in the Senate June 20 - July 11, 1997. Measure passed Senate, amended, by roll call vote 94-4 on July 11, 1994. The Senate deleted all after the enacting clause, inserted the provisions of S. 936 and approved H.R. 1119, July 11, 1997.

Table 2. Mil. Con. Appropriations, FY1994-98
(budget authority in millions of dollars)

	Actual FY1994	Actual FY1995	Actual FY1996	Enacted FY1997	Request FY1998	Enacted FY1998
Family Housing	3,501	3,392	4,260	4,122	3,668	3,872
Military Construction	6,009	5,426	6,893	5,671	4,715	5,420
Revised Economic Assumptions	NA	NA	NA	NA	NA	-109
Total	9,510	8,818	11,153	9,793	8,383	9,183

Source: Actual FY1994-96 data and Request FY1998 data from Department of Defense, Financial Summary Tables, February 1997 and previous years' reports. Enacted FY1997-98 data from Congressional Record, September 16, 1997, H7317-7318.

Notes: NA = not applicable

Table 3. Mil. Con. Appropriations by Account: FY1996-98
(in thousands of dollars)

Account	FY1996 Actual	FY1997 Est.	FY1998 Request
MilCon, Army	622,429	563,660	595,277
MilCon, Navy	546,251	695,794	540,106
MilCon, Air Force	572,084	751,964	495,782
MilCon, Defense-wide	596,139	755,550	673,633
MilCon, Army National Guard	137,110	78,086	45,098
MilCon, Air National Guard	164,572	189,855	60,225
MilCon, Army Reserve	72,728	55,543	39,112
MilCon, Navy Reserve	19,055	37,579	13,921
MilCon, Air Force Reserve	36,482	52,805	14,530
BRAC Acct., Army	694,682	425,644	400,493
BRAC Acct., Navy	2,495,948	1,201,064	990,542
BRAC Acct., Air Force	512,208	584,579	612,606
BRAC Acct., Defense-wide	189,100	296,187	57,213
NATO Security Investment Program	198,500	172,000	176,300
Foreign Curr. Fluct., Constr., Def.	35,309	--	--
Total: Military Construction	6,892,597	5,860,310	4,714,838
Family Housing Const., Army	118,256	158,503	143,000
Family Housing Operation & Debt, Army	1,311,759	1,212,466	1,148,937
Family Housing Const., Navy & Marine Corps	525,058	499,886	278,933
Family Housing Operation & Debt, Navy and Marine Corps	1,048,329	1,015,083	976,504
Family Housing Const. AF	294,490	318,037	253,128
Family Housing Operation & Debt, AF	829,213	816,509	830,234
Family Housing Const., Def-wide	3,772	4,371	4,950
Family Housing Operation & Debt, Def-wide	30,467	30,963	32,724
Homeowners Assist. Fund, Def.	76,168	36,181	--
DOD Family Housing Improvement Fund	22,000	25,000	--
DOD Unaccompd. Housing Improvement Fund	--	5,000	--
Total: Family Housing	4,259,512	4,121,999	3,668,410
GRAND TOTAL	11,152,109	9,982,309	8,383,248

Sources: Department of Defense, "Financial Summary Tables," February 1997.

Table 4. Mil. Con. Appropriations by Account - Congressional Action
(in thousands of dollars)

Account	FY1998 Request	House Bill	Senate Bill	Conf. Report
Milcon, Army	595,277	721,027	652,046	714,377
MilCon, Navy	540,106	685,306	605,756	683,666
MilCon, Air Force	495,782	662,305	662,305	701,855
MilCon, Defense-wide	673,633	613,333	690,889	646,342
MilCon, Army National Guard	45,098	45,098	234,614	118,350
MilCon, Air National Guard	60,225	137,275	185,115	190,444
MilCon, Army Reserve	39,112	77,731	96,079	74,167
MilCon, Navy Reserve	13,921	40,561	21,111	47,329
MilCon, Air Force Reserve	14,530	27,143	31,830	30,243
BRAC Acct., Part II	116,754	116,754	116,754	116,754
BRAC Acct., Part III	768,702	768,702	768,702	768,702
BRAC Acct., Part IV	1,175,398	1,175,398	1,175,398	1,175,398
NATO Security Investment Program	176,300	166,300	152,600	152,600
Total: Military Construction	4,714,838	5,236,933	5,393,199	5,420,227
Family Housing Const., Army	143,000	202,131	167,100	197,300
Family Housing Operation & Maint., Army	1,148,937	1,148,937	1,149,937	1,140,568
Family Housing Const., N & MC	278,933	409,178	362,619	393,832
Family Housing Operation & Maint., N & MC	976,504	976,504	976,504	976,504
Family Housing Const. AF	253,128	341,409	296,633	295,709
Family Housing Operation & Maint., AF	830,234	830,234	830,234	830,234
Family Housing Const., Def-wide	4,950	4,950	4,950	4,950
Family Housing Operation & Debt, Def-wide	32,724	32,724	32,724	32,724
Total: Family Housing	3,668,410	3,946,067	3,820,701	3,871,821
GRAND TOTAL	8,383,248	9,183,000	9,213,900	9,292,048
Revised Economic Assumptions	NA	NA	-31,000	-108,800
Adjusted total	NA	NA	9,182,900	9,183,248

Sources: Congressional record, July 8, 1997, pp. H4879-4891.; S.Rept. 105-52; H.Rept. 105-247.

Note: NA = not applicable

Table 5. Congressional Additions to Annual Department of Defense Budget Requests for National Guard and Reserve Military Construction, FY1985-97
(current year dollars in thousands)

Fiscal Year	Army National Guard	Air National Guard	Army Reserve	Naval Reserve	Air Force Reserve	Total	Total Change from Request
1985 Req.	88,900	102,900	70,400	60,800	67,800	390,800	
1985 Enact.	98,603	111,200	69,306	60,800	67,800	407,709	+16,909
1986 Req.	102,100	137,200	70,700	51,800	66,800	428,600	
1986 Enact.	102,205	121,250	61,346	41,800	63,030	389,631	-38,969
1987 Req.	121,100	140,000	86,700	44,500	58,900	451,200	
1987 Enact.	140,879	148,925	86,700	44,500	58,900	479,904	+28,704
1988 Req.	170,400	160,800	95,100	73,737	79,300	579,337	
1988 Enact.	184,405	151,291	95,100	73,737	79,300	583,833	+4,496
1989 Req.	138,300	147,500	79,900	48,400	58,800	472,900	
1989 Enact.	229,158	158,508	85,958	60,900	70,600	605,124	+132,224
1990 Req.	125,000	164,600	76,900	50,900	46,200	463,600	
1990 Enact.	223,490	235,867	96,124	56,600	46,200	658,281	+194,681
1991 Req.	66,678	66,500	59,300	50,200	37,700	280,378	
1991 Enact.	313,224	180,560	77,426	80,307	38,600	690,117	+409,739
1992 Req.	50,400	131,800	57,500	20,900	20,800	281,400	
1992 Enact.	231,117	217,556	110,389	59,900	9,700	628,672	+347,272
1993 Req.	46,700	173,270	31,500	37,772	52,880	342,122	
1993 Enact.	214,989	305,759	42,150	15,400	29,900	608,198	+266,076
1994 Req.	50,865	142,353	82,233	20,591	55,727	351,769	
1994 Enact.	302,719	247,491	102,040	25,029	74,486	751,765	+399,996
1995 Req.	9,929	122,770	7,910	2,355	28,190	171,154	
1995 Enact.	187,500	248,591	57,193	22,748	56,958	572,990	+401,836
1996 Req.	18,480	85,647	42,963	7,920	27,002	182,012	
1996 Enact.	137,110	171,272	72,728	19,055	36,482	436,647	+254,635
1997 Req.	7,600	75,394	48,459	10,983	51,655	194,091	
1997 Enact.	78,086	189,855	55,543	37,579	52,805	413,868	+219,777

Source: Department of Defense, *Financial Summary Tables*, successive years.

**Table 6. Military Construction Projects
Targeted by Line-Item Veto, October 1997**

Project	Location	Million
1. A command and control facility	Fort Irwin, Calif.	\$2.7
2. A central, 24-bay wash facility for wheeled and tracked vehicles	Fort Irwin, Calif.	\$8.5
3. Two buildings and a harbor area to provide protection for the Marine Mammal Program	Coronado Naval Amphibious Base, Calif.	\$10.1
4. A new Marine Corps Reserve Center	Pasadena, Calif.	\$6.7
5. Removal of rail, turnouts and crossing and a new remote loading facility	Fort Carson, Col.	\$16
6. An increase in the number of larger berths for ships	Mayport Naval Station, Fla.	\$17.9
7. Extension of one runway and the acquisition of clear zone for another runway for training aircraft	Whiting Field, Fla.	\$1.3
8. A facility to support combat search and rescue training operations	Moody Air Force Base, Ga.	\$6.8
9. A new space for the Asian-Pacific Center for Security Studies	Fort Derussey, Hawaii.	\$9.5
10. A new facility to be used for low-altitude navigation	Mountain Home Air Force Base, Idaho.	\$9.2
11. A facility for planning, briefing and critiquing combat crews and to direct flight operations	Mountain Home Air Force Base, Idaho.	\$3.8
12. A new maintenance, overhaul and engineering support facility for shipboard chemical and biological warfare detection devices	Crane Naval Surface Warfare Center, Indiana.	\$4.1
13. A new civil engineering complex to include maintenance shops, storage and roads	Grissom Air Reserve Base, Indiana.	\$8.9
14. A new transportation complex with a vehicle operations facility	McConnell Air Force Base, Kansas.	\$2.9
15. A vehicle maintenance shop and storage for a forward support battalion and combat support hospital	Fort Campbell, Ky.	\$9.9
16. Three control towers for a modernization of a rifle range	Fort Knox, Ky.	\$7.2
17. Additional hangar space, Naval Electronic Systems Engineering Activity	St. Inigoes, Maryland.	\$2.6
18. Additions to dry and cold storage equipment and food preparation areas	Malmstrom Air Force Base, Montana.	\$4.5
19. A larger replacement facility to support the inspection and testing of explosive munitions	Nellis Air Force Base, Nevada.	\$2
20. Repair launch facilities for missile systems	White Sands Missile Range, New Mexico.	\$6.9
21. A new theater air simulation facility	Kirtland Air Force Base, New Mexico.	\$14
22. A target range for joint rotary and fixed wing operations	Fort Drum, N.Y.	\$9

23. A building to house the readiness office and combat arms training space	Niagara Falls, N.Y.	\$2.1
24. A new Military Operations on Urbanized Terrain training complex	Fort Bragg, N.C.	\$7.9
25. A new Army Reserve training facility	Oakdale, Pa.	\$6
26. A new Marine Corps Reserve Training Center and aircraft maintenance hangar to upgrade current facilities	Johnstown, Pa.	\$14
27. A 48,000-square-foot battle simulation center to replace a smaller facility for the Army National Guard at Leesburg training site	Eastover, S.C.	\$3.8
28. A new hangar, maintenance, classroom and other support for the Army National Guard	Rapid City, S.D.	\$5.2
29. An air dryer facility to replace the old one	Arnold Air Force Base, Tenn.	\$9.9
30. Expansion of the ammunition supply facility	Fort Bliss, Texas.	\$7.7
31. Consolidation of a B-1B squadron operations facility	Dyess Air Force Base, Texas.	\$10
32. New painting facility	Laughlin Air Force Base, Texas.	\$4.8
33. A new Army Reserve Center	Camp Williams, Utah.	\$12.7
34. A new air operations facility, including an air traffic control facility, radar tower and supporting infrastructure	Norfolk Naval Air Station, Va.	\$4
35. A new wharf for ship repair and demolishing two abandoned shipbuilding facilities and two buildings	Norfolk Naval Shipyard, Va.	\$19.9
36. An earth-covered magazine for storage of Tomahawk missiles	Yorktown Naval Weapons Station, Va.	\$3.3
37. Expanded facility for several Army National Guard units at	Camp Dawson, W.Va.	\$6.8
38. An aerial port training facility to replace smaller facilities	Mitchell Air Reserve Station, Milwaukee, Wis.	\$4.2
GRAND TOTAL		\$287

Source: Associated Press, "Clinton Veto List", October 6, 1997.

For Additional Reading

CRS Issue Briefs

CRS Issue Brief 96022. *Defense Acquisition Reform: Status and Current Issues*, by (name redacted).

CRS Reports

CRS Report 93-317 F. *A Defense Budget Primer*, by Keith Berner and (name redacted).

CRS Report 97-205 F. *Appropriations for FY1998: Defense*, by (name redacted).

CRS Report 97-294 F. *Defense Budget for FY1998: Data Summary*, by (name redacted) and (name redacted).

CRS Report 94-515 F. *Defense Burdensharing: Is Japan's Host Nation Support a Model for Other Allies?*, by (name redacted).

CRS Report 91-669 F. *Military Construction: Current Controversies and Long-Term Issues*, by Martin Cohen and (name redacted).

Selected World Wide Web Site

U.S. Department of Defense, Installations Home Page
<http://www.acq.osd.mil/inst>

EveryCRSReport.com

The Congressional Research Service (CRS) is a federal legislative branch agency, housed inside the Library of Congress, charged with providing the United States Congress non-partisan advice on issues that may come before Congress.

EveryCRSReport.com republishes CRS reports that are available to all Congressional staff. The reports are not classified, and Members of Congress routinely make individual reports available to the public.

Prior to our republication, we redacted names, phone numbers and email addresses of analysts who produced the reports. We also added this page to the report. We have not intentionally made any other changes to any report published on EveryCRSReport.com.

CRS reports, as a work of the United States government, are not subject to copyright protection in the United States. Any CRS report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS report may include copyrighted images or material from a third party, you may need to obtain permission of the copyright holder if you wish to copy or otherwise use copyrighted material.

Information in a CRS report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to members of Congress in connection with CRS' institutional role.

EveryCRSReport.com is not a government website and is not affiliated with CRS. We do not claim copyright on any CRS report we have republished.