

## TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

### Subtitle A—Active Forces

#### End strengths for Active Forces (sec. 401)

The committee recommends a provision that would authorize active duty end strengths for fiscal year 2007, as shown below:

	Fiscal Year		
	2006 author- ization	2007 request	2007 rec- ommendation
Army .....	512,400	482,400	512,400
Navy .....	352,700	340,700	340,700
Marine Corps .....	179,000	175,000	180,000
Air Force .....	357,400	334,200	334,200

The National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163) authorized active duty end strength for the Army at 512,400 and 179,000 for the Marine Corps. Additional authority was also provided in section 403 of that Act to increase active duty end strength for the Army by up to 20,000 and increase Marine Corps active duty end strength by up to 5,000 above the fiscal year 2006 authorized levels of 512,400 and 179,000, respectively, during fiscal years 2007 through 2009.

The Army and the Marine Corps continue substantial deployment of forces in support of operations in Iraq and Afghanistan, although the growing number of trained Iraqi and Afghan military and security forces may allow reduction of U.S. commitments in the future. The Army continues major organizational change by creating modular units of deployment at the combat brigade level, shifting soldiers between the institutional Army and the operational Army, and rebalancing critical skills and units between the active and Reserve component forces.

The Marine Corps continues to shift manpower to meet the requirement for high demand skills in deploying units and is establishing a Marine Corps component command within U.S. Special Operations Command. The Commandant of the Marine Corps has testified before the Committee on Armed Services that he believes that the Marine Corps will continue to require an active duty end strength of about 180,000.

The committee believes that given the challenges the Army faces in continuing to meet the requirement for deploying forces in support of operations in Iraq and Afghanistan, and its ongoing internal restructuring efforts, the authorized active duty end strength for the Army should remain at 512,400, while retaining the discretionary authority to increase that level by up to 20,000 through 2009. The committee also believes that the active duty Marine

Corps end strength should be increased to 180,000, while retaining the discretionary authority to increase that level up to 184,000 through 2009.

The Navy and the Air Force continue large manpower reductions achieved through major changes in organizational structure, including deleting redundancies, retiring manpower-intensive platforms, incorporating new technology, and shifting non-core military functions from military personnel to civilians. These efforts are extremely challenging and will be monitored closely.

The committee recommends an active duty end strength for the Army of 512,400 and 180,000 for the Marine Corps for fiscal year 2007. The Army level is 30,000 above the requested level for fiscal year 2007 and equal to the level authorized in fiscal year 2006. The recommended level for the Marine Corps is an increase of 5,000 from the requested level and an increase of 1,000 from the authorized level in fiscal year 2006. The committee has recommended funding for these higher end strength levels within the regular budget, rather than through supplemental appropriations. The recommended active duty end strength for the Navy is decreased by 12,000 and the recommended active duty end strength for the Air Force is decreased by 23,200, as requested.

#### **Repeal of requirement for permanent end strength levels to support two major regional contingencies (sec. 402)**

The committee recommends a provision that would repeal section 691 of title 10, United States Code, that establishes permanent end strength levels necessary to support a national defense strategy calling for the United States to be able to successfully conduct two nearly simultaneous major regional contingencies.

The committee notes that the national defense strategy has evolved over time since 1996 when section 691 was enacted and is no longer based on a response to two nearly simultaneous major regional contingencies. The committee also believes that section 691 has not been effective as a management tool for sustaining the size of the armed forces. During time of war or national emergency, the President is authorized under section 123a of title 10, United States Code, to waive any statutory end strength with respect to that fiscal year. Section 115 of title 10, United States Code, provides further management flexibility by authorizing the Secretary of Defense to vary end strength of the active duty forces by 3 percent, and Selected Reserve forces by 2 percent. Section 115 also authorizes service secretaries to vary the end strength of active duty forces by 2 percent.

Section 691 has not precluded, and should not preclude, the President from proposing in the annual budget end strength levels that vary from those set in section 691 as the armed forces modernize, reorganize, shift manpower from military personnel to civilian employees, and rebalance skills between the active duty and Reserve component forces. The committee believes that the requested personnel force levels made as part of the annual budget submission provide a more accurate and timely measure upon which to judge the proper size of the armed forces and the sufficiency of funding to sustain them. Should the annually requested personnel levels fall short of what Congress believes provides for

the proper size of the armed forces, Congress has the constitutional authority to act to increase the force levels and provide funding for them. Section 691 does not add to this constitutional authority and does not provide a more meaningful or effective means of managing personnel force levels.

### Subtitle B—Reserve Forces

#### End strengths for Selected Reserve (sec. 411)

The committee recommends a provision that would authorize Selected Reserve end strengths for fiscal year 2007, as shown below:

	Fiscal Year		
	2006 author- ization	2007 request	2007 rec- ommendation
The Army National Guard of the United States .....	350,000	350,000	350,000
The Army Reserve .....	205,000	200,000	200,000
The Navy Reserve .....	73,100	71,300	71,300
The Marine Corps Reserve .....	39,600	39,600	39,600
The Air National Guard of the United States .....	106,800	107,000	107,000
The Air Force Reserve .....	74,000	74,900	74,900
The Coast Guard Reserve .....	10,000	10,000	10,000

The budget request included \$5.3 billion in National Guard Personnel, Army, to support an end strength of 332,900 for fiscal year 2007. The committee recommends an increase of \$164.0 million in the National Guard Personnel, Army, appropriation to support the requested end strength of 350,000 for the Army National Guard. The committee directs that the increase in authorized appropriations for Army National Guard end strength be executed only for Army National Guard personnel. Should Army National Guard end strength fall below the authorized number, the unused additional funds may only be used to procure Army National Guard equipment, and only after the Department of Defense complies with the normal budget process that includes submitting prior notification and a detailed justification to Congress.

#### End strengths for Reserves on active duty in support of the Reserves (sec. 412)

The committee recommends a provision that would authorize full-time support end strengths for fiscal year 2007, as shown below:

	Fiscal Year		
	2006 author- ization	2007 request	2007 rec- ommendation
The Army National Guard of the United States .....	27,396	27,441	27,441
The Army Reserve .....	15,270	15,416	15,416
The Navy Reserve .....	13,392	12,564	12,564
The Marine Corps Reserve .....	2,261	2,261	2,261
The Air National Guard of the United States .....	13,123	13,206	13,206
The Air Force Reserve .....	2,290	2,707	2,707

The committee recommends increases of 45 in the Army National Guard, 146 in the Army Reserve, 83 in the Air National Guard, and 417 in the Air Force Reserve. The committee supports in-

creases in full-time support manning consistent with requested levels to increase readiness in the Reserve components.

The committee also recommends a decrease of 828 in the Navy Reserve consistent with reductions in both active Navy and Navy Reserve end strength. The committee recommends an end strength for the Marine Corps Reserve equal to the fiscal year 2006 level, consistent with the budget request.

**End strengths for military technicians (dual status) (sec. 413)**

The committee recommends a provision that would authorize end strengths for military technicians (dual status) for fiscal year 2007, as shown below:

	Fiscal Year		
	2006 authorization	2007 request	2007 recommendation
The Army National Guard of the United States .....	25,563	26,050	26,050
The Army Reserve .....	7,649	7,912	7,912
The Air National Guard of the United States .....	22,971	23,255	23,255
The Air Force Reserve .....	9,852	10,124	10,124

**Fiscal year 2007 limitation on number of non-dual status technicians (sec. 414)**

The committee recommends a provision that would establish numerical limits on the number of non-dual status technicians who may be employed in the Department of Defense as of September 30, 2007, as shown below:

	Fiscal Year		
	2006 authorization	2007 request	2007 recommendation
The Army National Guard of the United States .....	1,600	1,600	1,600
The Army Reserve .....	695	595	595
The Air National Guard of the United States .....	350	350	350
The Air Force Reserve .....	90	90	90

**Maximum number of Reserve personnel authorized to be on active duty for operational support (sec. 415)**

The committee recommends a provision that would establish limits on the number of Reserve personnel authorized to be on active duty for operational support under section 115(b) of title 10, United States Code, as of September 30, 2007, as shown below:

	Fiscal Year		
	2006 authorization	2007 request	2007 recommendation
The Army National Guard of the United States .....	17,000	17,000	17,000
The Army Reserve .....	13,000	13,000	13,000
The Navy Reserve .....	6,200	6,200	6,200
The Marine Corps Reserve .....	3,000	3,000	3,000
The Air National Guard of the United States .....	16,000	16,000	16,000
The Air Force Reserve .....	14,000	14,000	14,000

### Subtitle C—Authorizations of Appropriations

#### Military personnel (sec. 421)

The committee recommends a provision that would authorize a total of \$112.0 billion for military personnel for fiscal year 2007, an increase of \$1.3 billion above the budget request. This includes: (1) \$1.7 billion for active-duty Army end strength; (2) \$265.0 million for active-duty Marine Corps end strength; and (3) \$164.0 million for Army National Guard end strength.

#### Armed Forces Retirement Home (sec. 422)

The committee recommends a provision that would authorize \$54.8 million to be appropriated for fiscal year 2007 from the Armed Forces Retirement Home Trust Fund for the operation and maintenance of the Armed Forces Retirement Home.

### Budget Items

#### Unobligated balances

The Department of Defense has consistently under executed its military personnel funding authorization and appropriation since fiscal year 1995 for the active and Reserve components. According to the Government Accountability Office (GAO), from fiscal years 2000 through 2004, the lowest annual unobligated balance was \$248.1 million and the highest was \$2,049.2 million.

The Department reduced the fiscal year 2007 military personnel funding request by \$318.6 million based, in part, on the GAO analysis of unobligated balances. The Department stated, “While it is recognized that some low level of unexpended balances are likely to occur to avoid Anti-Deficiency Act (ADA) violations, the continued loss of limited Departmental resources each year due to excessive balances is unacceptable.” However, the Department did not reduce the fiscal year 2007 amounts fully in accord with GAO’s analysis, or as significantly as they should have. The committee recommends a decrease of \$752.2 million in the services’ accounts, as follows:

- Military Personnel, Army—\$31.4 million;
  - Military Personnel, Navy—\$85.0 million;
  - Military Personnel, Marine Corps—\$88.1 million;
  - Military Personnel, Air Force—\$248.3 million;
  - Military Personnel, Army Reserve—\$66.5 million;
  - Military Personnel, Navy Reserve—\$17.3 million;
  - Military Personnel, Marine Corps Reserve—\$15.4 million;
  - Military Personnel, Air Force Reserve—\$25.8 million;
  - Military Personnel, Army National Guard—\$84.5 million;
- and
- Military Personnel, Air National Guard—\$89.9 million.

#### Reserves cost avoidance

Based on analysis of the services’ current and planned mobilization of the Reserve components during fiscal year 2006 and fiscal year 2007, the General Accounting Office (GAO) projects that the services will sustain military personnel strength levels lower than that planned in the Department of Defense’s budget request due to

their activation for the ongoing global war on terrorism. The GAO estimates cost avoidance of \$71.1 million for fiscal year 2007. The committee recommends a decrease of \$71.1 million in the Reserve component military personnel accounts according to GAO's estimates by component, as follows:

- Army Reserve—\$34.9 million;
- Air Force Reserve—\$3.3 million; and
- Air National Guard—\$31.9 million.