

DISCRETIONARY APPROPRIATIONS FOR FISCAL YEAR 2006—COMPARISON OF CURRENT LEVEL WITH APPROPRIATIONS COMMITTEE 302(a) ALLOCATION AND APPROPRIATIONS SUBCOMMITTEE 302(b) SUBALLOCATIONS

[In millions of dollars]

Appropriations subcommittee	302(b) Suballocations as of May 18, 2005 (H. Rpt. 109-85)		Current level reflecting action completed as of May 23, 2005		Current level minus suballocations	
	BA	OT	BA	OT	BA	OT
	Agriculture, Rural Development, FDA	16,832	18,691	7	5,399	-16,825
Defense	363,440	372,696	27	126,306	-363,413	-246,390
Energy & Water Development	29,746	30,273	36	11,092	-29,710	-19,181
Foreign Operations	20,270	25,380	0	17,091	-20,270	-8,289
Homeland Security	30,846	33,233	0	14,762	-30,846	-18,471
Interior-Environment	26,107	27,500	0	11,504	-26,107	-15,996
Labor, HHS & Education	142,514	143,802	19,166	98,279	-123,348	-45,523
Legislative Branch	3,719	3,804	0	624	-3,719	-3,180
Military Quality of Life-Veterans Affairs	85,158	81,634	-2,170	16,515	-87,328	-65,119
Science-State-Justice-Commerce	57,453	58,856	0	23,080	-57,453	-35,776
Transportation-Treasury-HUD-Judiciary-DC	66,935	120,908	4,223	70,800	-62,712	-50,108
Unassigned	0	59	0	0	0	-59
Total (Section 302(a) Allocation)	843,020	916,836	21,289	395,452	-821,731	-521,384

STATEMENT OF FY2007 ADVANCE APPROPRIATIONS UNDER SECTION 401 OF H. CON. RES. 95, REFLECTING ACTION COMPLETED AS OF MAY 23, 2005

[In millions of dollars]

	Budget authority
Appropriate Level	23,158
Current Level:	
Elk Hills	0
Employment and Training Administration	0
Education for the Disadvantaged	0
School Improvement	0
Children and Family Services (Head Start)	0
Special Education	0
Vocational and Adult Education	0
Payment to Postal Service	0
Section 8 Renewals	0
Shipbuilding and Conversion, Navy	0
Total	0

STATEMENT OF FY2007 ADVANCE APPROPRIATIONS UNDER SECTION 401 OF H. CON. RES. 95, REFLECTING ACTION COMPLETED AS OF MAY 23, 2005—Continued

[In millions of dollars]

	Budget authority
Current Level over (+) / under (-) Appropriate Level	-23,158
U.S. CONGRESS, CONGRESSIONAL BUDGET OFFICE, Washington, DC, May 26, 2005. Hon. JIM NUSSLE, Chairman, Committee on the Budget, House of Representatives, Washington, DC. DEAR MR. CHAIRMAN: the enclosed report shows the effects of Congressional action on the fiscal year 2006 budget and is current through May 23, 2005. This report is sub-	

mitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended.

The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of H. Con. Res. 95, the Concurrent Resolution on the Budget for Fiscal Year 2006. Pursuant to section 402 of that resolution, provisions designated as emergency requirements are exempt from enforcement of the budget resolution. As a result, the enclosed current level report excludes these amounts (see footnote 2 of the report). This is my first report for fiscal year 2006.

Sincerely,

ELIZABETH M. ROBINSON

(For DOUGLAS HOLTZ-EAKIN, Director).

Enclosure.

FISCAL YEAR 2006 HOUSE CURRENT LEVEL REPORT AS OF MAY 23, 2005

[In millions of dollars]

	Budget authority	Outlays	Revenues
Enacted in previous sessions: ¹			
Revenues	n.a.	n.a.	1,607,650
Permanents and other spending legislation	1,351,021	1,318,426	n.a.
Appropriation legislation	0	382,272	n.a.
Offsetting receipts	-479,872	-479,872	n.a.
Total, enacted in previous sessions:	871,149	1,220,826	1,607,650
Enacted this session:			
Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Pub. L. 109-13) ²	-39	-21	-11
Entitlements and mandatories:			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	449,701	424,094	n.a.
Total Current Level^{2,3}	1,320,811	1,644,899	1,607,661
Total Budget Resolution	2,144,384	2,161,420	1,589,892
Current Level Over Budget Resolution	n.a.	n.a.	17,769
Current Level Under Budget Resolution	823,573	516,521	n.a.
Memorandum:			
Revenues, 2006-2010:			
House Current Level	n.a.	n.a.	9,185,688
House Budget Resolution	n.a.	n.a.	9,080,006
Current Level Over Budget Resolution	n.a.	n.a.	105,682
Current Level Under Budget Resolution	n.a.	n.a.	n.a.

Notes: n.a. = not applicable, P.L. = Public Law.

¹ The effects of an act to provide for the proper tax treatment of certain disaster mitigation payments (P.L. 109-7) and the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (P.L. 109-8) are included in this section of the table, consistent with the budget resolution assumptions.

² Pursuant to section 402 of H. Con. Res. 95, the Concurrent Resolution on the Budget for Fiscal Year 2006, provision designated as emergency requirements are exempt from enforcement of the budget resolution. As a result, the current level excludes \$30,790 million in outlays from funds provided in the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (P.L. 109-13).

³ Excludes administrative expenses of the Social Security Administration, which are off-budget.

Source: Congressional Budget Office.

COLORADO TORPEDO PROGRAM REALIZES COST SAVINGS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Colorado (Mr. BEAUPREZ) is recognized for 60 minutes.

Mr. BEAUPREZ. Mr. Speaker, I come to the floor tonight to speak to my colleagues and those watching these proceedings about something that is occurring in Colorado's 7th Congressional District which is directly benefiting the Department of the Navy and the U.S. taxpayer.

I am so honored to have met the great folks in Arvada, Colorado, my home State, who work for Barber-Nichols, Incorporated, and to hear their story about what they have been able to do so far for the Navy's Surface Ship Torpedo Defense, SSTD, program.

□ 1800

This program uses a torpedo, or more particularly an anti-torpedo torpedo to protect our ships.

I know it sounds a bit off center, a landlocked State such as Colorado with such expertise in torpedo programs. In fact, Barber-Nichols possesses both ad-

vanced engineering and manufacturing prowess that are ideal for reducing the high cost of technology equipment such as the ATT, a very complicated weapon which has approximately 700 separate parts.

Barber-Nichols has used their expertise to help the Navy and the American taxpayer reduce the cost of the torpedo and provide tremendous cost savings in the program. To date, for every \$1 we have spent on the ATT affordability program, the Navy has realized future production cost savings of \$15. Barber-Nichols approached the Navy and their design agent, the Applied Research

Laboratory, or ARL, at Penn State to discuss how to consider manufacturability and assemble ability concepts in the design today so that we can save money in the production tomorrow.

As we have all witnessed, Mr. Speaker, developing and maintaining the best military in the world comes with a hefty price tag. In an extremely tight budget environment, it goes without saying that any program that can save money helps that service perform better.

With that said, let me tell you more about the ATT program and the affordability efforts that are ongoing in this program. The surface ship torpedo defense program and the anti-torpedo torpedo program were started by the United States Navy because our ships were, and remain, vulnerable to torpedo attack. Currently, there are several torpedoes available on the world market that we have little or no defense against. That is right, little to no defense against a torpedo attack.

The threat increases when we move our ships from the open ocean, where we can see for hundreds of miles, to coastal areas where threats can get closer to our ships and our reaction time is lessened. As we project our forces into the Third World areas, we operate in locations like the Persian Gulf where we are much more vulnerable.

Torpedoes can be bought on the black market by people and organizations who wish to do us harm. These torpedoes can be launched from the shoreline or small boats, threats that we were not too worried about until the USS *Cole* incident where 17 U.S. sailors made the ultimate sacrifice.

Because of this threat to our ships and sailors, Congress has weighed in heavily in support of torpedo defense, as was stated in a letter to the Secretary of the Navy back in 1997, signed by Chairman DUNCAN HUNTER and other Members of this House, including ROSCOE BARTLETT, who is with us tonight, Bob Dornan, DUKE CUNNINGHAM and GENE TAYLOR. I quote from their letter:

"We are especially concerned that our high-value ships that carry hundreds or even thousands of our young sailors and marines are very vulnerable to particular classes of torpedoes."

Congress has also asked the Navy to study the vulnerability of our ships as evidenced in this quote:

"We therefore ask you to conduct an independent review of the SSTD program and provide us with your findings." That in a letter to the Under Secretary of the Navy, again from Congressman HUNTER, BARTLETT, Dornan and CUNNINGHAM.

And Congress has agreed with the independent studies that say we should move forward with torpedo defense as seen in this quote:

"I understand that the IDA study is completed and that the results strongly confirm that all ships need to be

protected from torpedoes. I look forward to working with you to improve the capability of our ships to defend themselves against torpedo attack." That, in a letter to the Secretary of Defense from Chairman DUNCAN HUNTER.

Congress since has provided multiple years of funding to allow the Navy to address the issue. The Navy agrees our sailors and high-value ships are worth protecting and that torpedo defense is an important capability to have.

Thus, the Navy has, first, teamed with our ally, Great Britain, to jointly develop elements of a surface ship torpedo defense system; secondly, made torpedo defense a requirement for new ship design efforts; third, identified the anti-torpedo torpedo as the solution for torpedo defense; and fourth, developed an anti-torpedo torpedo technology demonstrator that has included successful in-water testing.

In the FY 2006 budget, the Navy requested over \$47 million for torpedo defense, so Congress is well aware of their interest in continuing this program into the future.

Mr. Speaker, I have talked a lot about the need and the desire to protect our ships and our sailors. I bet you would like to hear about how the Navy envisions the system will work. This chart to my left depicts the AN/WSQ-11, this surface ship torpedo defense system. In very simple terms, surface ship torpedo defense is accomplished by detecting a threat torpedo with a sensor towed behind the ship, launching the anti-torpedo torpedo against that threat, intercepting the threat torpedo with the ATT, and destroying it, obviously, before the threat can reach our ship.

Conceptually, it looks fairly simple. Practically, intercepting a torpedo under water is quite difficult. We have all seen the challenges played out in the newspapers regarding missile defense. This is essentially the same thing under water, albeit at far slower speeds. The good news is that the tests, to date, show that the technology works.

Mr. Speaker, we started this discussion tonight with an acknowledgment regarding the hefty price tag associated with developing and maintaining the best military in the world. However, as stewards of the public's money in this Chamber, we should be looking for ways to spend it wisely. The ATT affordability program is a prime example of fiscal responsibility in military spending.

The anti-torpedo torpedo affordability program was started to ensure we could afford the surface ship torpedo defense system when it goes to production. The ATT affordability program is very similar to the efforts commercial companies across our Nation practice on a daily basis.

Commercial product companies develop a new product with a final cost in mind. They eliminate features that are not cost effective, and they continually

look for ways to reduce cost during that product design. Once the product is designed and developed, they work hard to manufacture the product in a cost-effective manner.

The important fact to realize is that 80 percent of the product cost is predetermined in the design process, not in the manufacturing process. Thus, addressing affordability must be done in that first design process.

In the ATT affordability program, my constituent Barber-Nichols, a commercial company again in Arvada, Colorado, is working with the Navy's design agent, ARL-Penn State, to simplify the product, reduce costs of manufacture and assembly and ensure affordability and cost reduction are considered in the design process.

Affordability is usually not addressed in government technology development programs until after a production program is awarded. Contractors can reduce cost with innovative manufacturing approaches, but the bulk of the potential cost savings will not ever be realized because they were not addressed in the product design. Incorporating commercial best practices like we have just discussed into government procurement practices could save us potentially a great deal of taxpayer money.

One aspect of affordability is design for manufacturability. In a simplistic way, this chart to my left depicts the major steps in the process. The way this is accomplished is that you first start with a baseline design, understand what each part of it costs to make, then look at the high-priced pieces to see if costs can be reduced. You then develop lower-cost alternative designs that are constructed and tested. If these alternative designs are successful, both technically and costwise, you can incorporate the alternative design into the baseline design.

This design for manufacturability method has been used on the anti-torpedo torpedo. First, a baseline design cost study was performed. From this study, the most expensive parts of the torpedo were found and it was determined that the engine was the most expensive subsystem of the product, as depicted in this new graph. This cost analysis helped in understanding what to focus on first. Where is the biggest bang for the buck? From this analysis, the development moved into affordability projects.

One example of a high-priced component that was made into an ATT affordability project is the torpedo propulsor shown on this next chart. That is this machined part from the ATT depicted here. In the production quantities planned, the part was estimated to cost about \$14,000 each. I have seen this part. It fits easily into the palm of my hand. Again, it was estimated initially to cost about \$14,000 each.

The DFM process yielded a lower-cost design that was much easier to

make. This low-cost design was manufactured and tested. The tests showed it performed as well as the expensive design. Thus, this low-cost design will now be incorporated into the government's baseline design. When this part goes into production, it will now cost a little over \$2,000 each instead of the \$14,000, resulting in production program savings of about 80 percent of the original cost estimate.

Another example of an affordability project under way is the electronic card carrier set, one of which is shown here. The current design is a set of fully machined metal pieces that would cost approximately \$4,000 a set if manufactured in production today as originally designed.

The low-cost alternative design uses die cast pieces with very little machining. If these are successfully fabricated and tested later this year, the Navy will achieve a very substantial cost savings with this part as well. The low-cost design is expected to cost approximately \$200 per set and result is a cost savings of almost that full \$4,000 of the original estimated cost, or about 95 percent.

In conclusion, Mr. Speaker, the ATT affordability program has been extremely successful and must stay the programmatic course in order to protect our sailors and ships when they are in harm's way. The projects completed in 2003 and 2004 are expected to save \$31.2 million of taxpayer money when the ATT goes into production. More projects are planned in 2005 through 2007. We estimate the government will save \$15 in production costs for every \$1 spent in this affordability effort.

Developing and maintaining the best military in the world comes with a price. In an extremely tight budget environment, any program that can save money should be applauded and supported.

I congratulate Barber-Nichols, Inc., of Arvada, Colorado; ARL-Penn State, and certainly the Navy for their efforts with the ATT program and hope other such collaborative design projects will provide for our security, protect our troops and use taxpayer dollars as prudently as possible.

APPOINTMENT OF HON. MAC THORNBERRY OR HON. WAYNE T. GILCHREST TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH JUNE 7, 2005

The SPEAKER pro tempore (Mr. KUHLE of New York) laid before the House the following communication from the Speaker:

HOUSE OF REPRESENTATIVES,
THE SPEAKER'S ROOMS,
Washington, DC, May 26, 2005.

I hereby appoint the Honorable MAC THORNBERRY or, if he is not available to perform this duty, the Honorable WAYNE T. GILCHREST to act as Speaker pro tempore to

sign enrolled bills and joint resolutions through June 7, 2005.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the appointment is approved.

There was no objection.

□ 1815

APPOINTMENT OF CONFEREES ON H.R. 3, TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS

The SPEAKER pro tempore (Mr. KUHLE of New York). Without objection, the Chair appoints the following conferees:

From the Committee on Transportation and Infrastructure, for consideration of the House bill (except title X) and the Senate amendment (except title V), and modifications committed to conference:

Messrs. YOUNG of Alaska, PETRI, BOEHLERT, COBLE, DUNCAN, MICA, HOEKSTRA, LATOURETTE, BACHUS, BAKER, GARY G. MILLER of California, HAYES, SIMMONS, BROWN of South Carolina, GRAVES, SHUSTER, BOOZMAN, OBERSTAR, RAHALL, DEFAZIO, COSTELLO, Ms. NORTON, Messrs. NADLER, MENENDEZ, Ms. CORRINE BROWN of Florida, Mr. FILNER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. TAYLOR of Mississippi, Ms. MILLENDER-MCDONALD, Mr. CUMMINGS, Mr. BLUMENAUER, and Mrs. TAUSCHER.

From the Committee on the Budget, for consideration of sections 8001-8003 of the House bill, and title III of the Senate amendment, and modifications committed to conference: Messrs. NUSSLE, MARIO DIAZ-BALART of Florida, and Spratt.

From the Committee on Education and the Workforce, for consideration of sections 1118, 1605, 1809, 3018, and 3030 of the House bill, and sections 1304, 1819, 6013, 6031, 6038, and 7603 of the Senate amendment, and modifications committed to conference: Messrs. KLINE, KELLER, and BARROW.

From the Committee on Energy and Commerce, for consideration of provisions in the House bill and Senate amendment relating to Clean Air Act provisions of transportation planning contained in sections 6001 and 6006 of the House bill; and sections 6005 and 6006 of the Senate amendment; and sections 1210, 1824, 1833, 5203, and 6008 of the House bill; and sections 1501, 1511, 1522, 1610-1619, 1622, 4001, 4002, 6016, 6023, 7218, 7223, 7251, 7252, 7256-7262, 7324, 7381, 7382, and 7384 of the Senate amendment, and modifications committed to conference: Messrs. BARTON of Texas, PICKERING, and DINGELL.

From the Committee on Government Reform, for consideration of section 4205 of the House bill, and section 2101 of the Senate amendment, and modifications committed to conference: Messrs. TOM DAVIS of Virginia, PLATTS, and WAXMAN.

From the Committee on Homeland Security, for consideration of sections 1834, 6027, 7324, and 7325 of the Senate

amendment, and modifications committed to conference: Messrs. COX, DANIEL E. LUNGREN of California, and THOMPSON of Mississippi.

From the Committee on the Judiciary, for consideration of sections 1211, 1605, 1812, 1832, 2013, 2017, 4105, 4201, 4202, 4214, 7018-7020, and 7023 of the House bill, and sections 1410, 1512, 1513, 6006, 6029, 7108, 7113, 7115, 7338, 7340, 7343, 7345, 7362, 7363, 7406, 7407, and 7413 of the Senate amendment, and modifications committed to conference: Messrs. SENBRENNER, SMITH of Texas, and CONYERS.

From the Committee on Resources, for consideration of sections 1119, 3021, 6002, and 6003 of the House bill, and sections 1501, 1502, 1505, 1511, 1514, 1601, 1603, 6040, and 7501-7518 of the Senate amendment, and modifications committed to conference: Messrs. POMBO, WALDEN of Oregon, and KIND.

From the Committee on Rules, for consideration of sections 8004 and 8005 of the House bill, and modifications committed to conference: Mr. DREIER, Mrs. CAPITO, and Mr. MCGOVERN.

From the Committee on Science, for consideration of sections 2010, 3013, 3015, 3034, 3039, 3041, 4112, and title V of the House bill, and title II and sections 6014, 6015, 6036, 7118, 7212, 7214, 7361, and 7370 of the Senate amendment, and modifications committed to conference: Messrs. EHLERS, REICHERT, and GORDON.

From the Committee on Ways and Means, for consideration of title X of the House bill, and title V of the Senate amendment, and modifications committed to conference: Messrs. THOMAS, MCCRERY, and RANGEL.

For consideration of the House bill and Senate amendment, and modifications committed to conference: Mr. DELAY.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DOYLE (at the request of Ms. PELOSI) for today on account of a family emergency.

Mr. GENE GREEN of Texas (at the request of Ms. PELOSI) for today after 3:00 p.m. on account of business in the district.

Mr. MENENDEZ (at the request of Ms. PELOSI) for today on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. SCHIFF, for 5 minutes, today.
Ms. WOOLSEY, for 5 minutes, today.
Mr. EMANUEL, for 5 minutes, today.
Mr. PALLONE, for 5 minutes, today.