

Subject: Large, Medium Speed Roll-On/Roll-Off Ships; MPS Lease Appropriation Title: Operation and Maintenance, Navy 08/08; National Defense Sealift Fund 08/X; Procurement, Marine Corps, 08/10; National Defense Sealift Fund 06/X; and Procurement, Marine Corps, 06/08	DoD Serial Number: FY 08-12 PA
	Includes Transfer? Yes

Component Serial Number: Line Item	(Amounts in Thousands of Dollars)							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

This reprogramming action is submitted for prior approval because it uses general transfer authority. It reprograms funds in support of higher priority items, based on unforeseen military requirements, than those for which funds were originally appropriated; and is determined to be necessary in the national interest. It meets all administrative and legal requirements, and none of the items has been denied previously by the Congress.

Part I transfers \$38.874 million from the Procurement, Marine Corps, 08/10, appropriation to the Operation and Maintenance, Navy, 08/08, appropriation (\$10.585 million) and the National Defense Sealift Fund, 08/X, appropriation (\$28.289 million). This action uses \$38.874 million of general transfer authority pursuant to section 8005 of Public Law 110-116, the Department of Defense (DoD) Appropriations Act, 2008; and section 1001 of Public Law 110-181, the National Defense Authorization Act for Fiscal Year (FY) 2008.

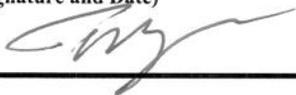
Part II transfers \$10.975 million from the Procurement, Marine Corps, 06/08, appropriation to the National Defense Sealift Fund, 06/X, appropriation. This action uses \$10.975 million of general transfer authority pursuant to section 8005 of Public Law 109-148, the DoD Appropriations, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006; and section 1001 of Public Law 109-163, the National Defense Authorization Act for FY 2006.

PART I

<u>FY 2008 REPROGRAMMING INCREASES:</u>	<u>+38,874</u>		
<u>Operation and Maintenance, Navy, 08/08</u>	<u>+10,585</u>		
<u>Budget Activity 2: Mobilization</u>			
794,723		794,723	+10,585
			805,308

Explanation: The Operation and Maintenance, (O&M) funding, \$5.0 million supports full operating status for ½ year and \$5.6 million covers the early termination of two Maersk Class vessel leases.

Approved (Signature and Date)



APR 15 2008

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National Defense Sealift Fund, 08/X						+28,289		
Budget Activity 2: DoD Mobilization Assets								
		245,500		245,500		+28,289		273,789

Explanation: The foreign-built Maersk class ships no longer provide the best lift capacity for the Marine Corps Maritime Prepositioning program. All five existing Maersk leases expire within the next two years. The Department of the Navy, in concert with the Military Sealift Command and the United States Transportation Command has developed a strategy to provide additional lift capability. This strategy capitalizes on the Large Medium-Speed Roll-On/Roll-Off (LMSR) class ships formerly used by the Army for prepositioning. The Operation and Maintenance, Navy funding will fulfill the operating costs for LMSR. The National Defense Sealift Fund funding provides for the termination of two Maersk class ships (BAUGH and PHILLIPS). Funding for 3 other Maersk ships is included in the FY 2009 President’s Budget.

FY 2008 REPROGRAMMING DECREASE: **-38,874**

Procurement, Marine Corps, 08/10 **-38,874**

<u>Budget Activity 4: Communications and Electronics Equipment</u>								
Common Computer Resources								
		98,706		98,706		-10,704		88,002
Radio Systems		158,682		158,682		-16,186		142,496
Communication Switching and Control Systems		102,744		102,744		-11,984		90,760

Explanation: Based on current execution status, these funds can be made available for other high priority requirements.

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PART II

FY 2006 REPROGRAMMING INCREASE: **+10,975**

National Defense Sealift Fund, 06/X **+10,975**

<u>Budget Activity 2: DoD Mobilization Assets</u>			
417,427	406,866	+10,975	417,841

Explanation: The Department of the Navy, in concert with the Military Sealift Command and the United States Transportation Command has developed a strategy to provide additional Marine Corps lift capability. This strategy capitalizes on the Large Medium-Speed Roll-On/Roll-Off (LMSR) class ships formerly used by the Army for prepositioning. The National Defense Sealift Fund funding provides for various modifications to one LMSR class ship.

FY 2006 REPROGRAMMING DECREASE: **-10,975**

Procurement, Marine Corps, 06/08 **-10,975**

<u>Budget Activity 4: Communications and Electronics Equipment</u>			
<u>Communication Switching and Control Systems</u>			
262,873	262,873	-5,975	256,898

<u>Budget Activity 7: Spares and Repair Parts</u>			
<u>Spares and Repair Parts</u>			
25,400	25,400	-5,000	20,400

Explanation: These funds can be made available for other higher priority Departmental needs due to a change in requirements within these programs.