

Subject: Littoral Combat Ship (LCS)	DoD Serial Number: FY 07-19 PA
	Includes Transfer? Yes

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

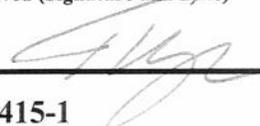
This reprogramming action is submitted for prior approval because it uses general transfer authority pursuant to section 8005 of Public Law 109-289, the Department of Defense Appropriations Act, 2007; and section 1001 of Public Law 109-364, the John Warner National Defense Authorization Act for FY 2007. This action transfers \$278.8 million from Shipbuilding and Conversion, Navy, 07/11, appropriation to the Research, Development, Test, and Evaluation, Navy, 07/08, appropriation to finance the construction of Littoral Combat Ship (LCS) 1 and LCS 2 through calendar year 2007. ~~This is also a new start effort, the common combat system development, which is on a critical path for an FY 2010 Flight 1 solicitation.~~ This action reprograms funding in support of higher priority items, based on unforeseen military requirements, than those for which 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 previously denied by the Congress.

<u>FY 2007 REPROGRAMMING INCREASE:</u>	<u>+278,800</u>
<u>Research, Development, Test, and Evaluation, Navy, 07/08</u>	<u>+278,800</u>
Budget Activity 4: Advanced Component Development and Prototypes	
PE 0603581N Littoral Combat Ship (LCS)	
329,471	329,471
<u>HAC and SASC deny LCS common combat system.</u>	<u>+278,800</u>
	608,271

<u>FY 2007 REPROGRAMMING DECREASE:</u>	<u>-278,800</u>
<u>Shipbuilding and Conversion, Navy, 07/11</u>	<u>-278,800</u>
Budget Activity 2: Other Warships	
Littoral Combat Ship (LCS)	
2 518,472	2 518,472
	<u>-278,800</u>
	- 239,672

Explanation: The Research, Development, Test, and Evaluation, Navy, 07/08 funding in the amount of \$278.8 million is required for a restructured program. The funding source identified is available due to cancelling the procurement of the two LCS in FY 2007.

Approved (Signature and Date)



MAY 25 2007