

Subject: Shipbuilding		DoD Serial Number: FY 12-22 PA
Appropriation Title: Various Appropriations		
		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 this action uses general transfer authority, exceeds established reprogramming thresholds, and initiates a new start. This reprogramming action provides funding in support of higher priority items, based on unforeseen military requirements, than those for which originally appropriated; and are determined to be necessary in the national interest. They meet all administrative and legal requirements, and none of the items has previously been denied by the Congress.

This reprogramming action transfers \$219.1 million among Fiscal Year (FY) 2012 Defense appropriations. This reprogramming action uses \$219.1 million of general transfer authority pursuant to section 8005 of Division A of Public Law 112-74, the Department of Defense (DoD) Appropriations Act, 2012 and section 1001 of Public Law 112-81, the National Defense Authorization Act for FY 2012.

<b><u>FY 2012 REPROGRAMMING INCREASES:</u></b>	<b><u>+219,100</u></b>
<b><u>Shipbuilding and Conversion, Navy, 12/16</u></b>	<b><u>+219,100</u></b>
Budget Activity 2: Other Warships	
CVN Refueling Overhauls	68,000

Explanation: Funds are required to continue work during the FY 2013 Continuing Resolution for the USS Theodore Roosevelt (CVN 71) Refueling Complex Overhaul (RCOH) in order to achieve the planned completion date of June 2013. If approved, this would extend incremental funding into a fourth year in FY 2012 and reduce the FY 2013 request for Completion of Prior Year Shipbuilding Program. This is base budget requirement. This requires new authorization in the FY 2013 National Defense Authorization Act, which would allow incremental funding of the CVN-71 RCOH into a fourth year.

CVN Refueling Overhauls	+1	+96,100	+1	96,100
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Explanation: Funds are required to start the USS Abraham Lincoln (CVN 72) RCOH. The CVN 72 RCOH is considered a new start because no funding was appropriated in FY 2012 to begin the RCOH. This RCOH was originally scheduled and funded to begin in FY 2013. Due to FY 2013 Continuing Resolution restrictions on new starts, the Department cannot use FY 2013 funding to begin the RCOH on CVN 72. Failure to provide funding and authorize a new start in FY 2012 will have the following impacts:

- A late start to the CVN 72 RCOH will result in a late delivery of the carrier. The Department will be unable to maintain a fleet response plan of 3 carriers deployed/available, 2 carriers available within 30 days, and 1 carrier available within 90 days.
- Potential inability to meet additional Combatant Commander emergent tasking.

Approved (Signature and Date)

*Robert F. Hale* 9/18/2012

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- A late start will impact USS Enterprise (CVN 65) inactivation dry docking period (December 2014-April 2016).

If approved this would reduce FY 2013 request for CVN-72 RCOH. This is a **new start**. This is base budget requirement.

DDG-1000	453,727	453,727	+55,000	508,727
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Explanation: Funds are required to complete the construction of the DDG-1000 ships because of increased labor and overhead costs on the contracts. This requirement was approved in the Omnibus 2012 Prior Approval (PA) Reprogramming Action (FY 12-18 PA); but due to insufficient approved sources, the \$55.0 million requirement was not funded. This is base budget requirement.

**FY 2012 REPROGRAMMING DECREASES:** **-219,100**

**Military Personnel, Navy, 12/12** **-138,100**

<u>Budget Activity 2: Pay and Allowances of Enlisted Personnel</u>				
	17,851,315	17,563,150	<b>-64,100</b>	17,499,050

Explanation: Funding is available from Enlisted Basic Allowance for Housing due to a decrease in the inflation rate from a budgeted rate of 3.6 percent to an actual rate of 1.6 percent and fewer enlisted workyears than budgeted. This is base budget funding.

<u>Budget Activity 5: Permanent Change of Station</u>				
	1,083,505	1,035,455	<b>-74,000</b>	959,455

Explanation: Funding is available due to fewer rotational moves than planned. This is base budget funding.

**Military Personnel, Marine Corps, 12/12** **-70,000**

<u>Budget Activity 2: Pay and Allowances of Enlisted Personnel</u>				
	9,817,659	9,764,559	<b>-20,000</b>	9,744,559

Explanation: Funds are available due to a decrease in the requirement for reenlistment bonuses due to fewer first-term Marine re-enlistments. This is base budget funding.

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<u>Budget Activity 4: Subsistence of Enlisted Personnel</u>									
		763,771		782,171		-20,000		762,171	
<u>Explanation:</u> Funds are available due to a decrease in regional food service contract costs as fewer meals were served based on decreased junior enlisted strength. This is base budget funding.									
<u>Budget Activity 5: Permanent Change of Station</u>									
		593,349		578,539		-25,000		553,539	
<u>Explanation:</u> Funds are available due to a decrease in the settlement costs of household goods claims associated with rotational and operational orders. This is base budget funding.									
<u>Budget Activity 6: Other Military Personnel Costs</u>									
		230,981		247,391		-5,000		242,391	
<u>Explanation:</u> Funds are available due to a decrease in non-Overseas Contingency Operations deaths and the corresponding requirement for death gratuity payments. This is base budget funding.									
<u>Reserve Personnel, Marine Corps, 12/12</u>							<u>-11,000</u>		
<u>Budget Activity1: Reserve Component Training and Support</u>									
		671,009		681,805		-11,000		670,805	
<u>Explanation:</u> Funds are available due to the fact that some of the assumptions made in the Omnibus 2012 Prior Approval Reprogramming Action (FY 12-18 PA) did not materialize as expected; therefore, funds are available. Specifically, the reduced requirement is driven by a combination of a downward revision in the anticipated Pay Group A participation rates for drilling reservists and annual training periods made during the Omnibus (81% now versus 83% in the Omnibus) (\$-3.0 million) and a reduction in the enlisted man-years that results in a reduced requirement for Schools Training (\$-2.4 million) and Special Training (\$-5.6 million). This is base budget funding.									