

## GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE 1600 DEFENSE PENTAGON WASHINGTON, D.C. 20301-1600

GENERAL COUNSEL JUN 2 7 2008

The Honorable Richard B. Cheney President of the Senate Washington, DC 20515

Dear Mr. President:

The Department of Defense requests that the Congress enact the enclosed legislative proposal as part of the National Defense Authorization Bill for Fiscal Year 2009.

The purpose of this proposal is stated in the accompanying section-by-section analysis.

The Office of Management and Budget advises that there is no objection, from the standpoint of the Administration's program, to the presenting of this legislative proposal for your consideration and the consideration of the Congress.

Sincerely,

Daniel J. Dell'Orto

Acting

Enclosure: As stated





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The Honorable Nancy Pelosi Speaker of the House of Representatives Washington, DC 20515

Dear Madam Speaker:

The Department of Defense requests that the Congress enact the enclosed legislative proposal as part of the National Defense Authorization Bill for Fiscal Year 2009.

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## SEC. \_\_\_\_. INCREASE AUTHORIZED STRENGTH FOR ARMY GENERAL OFFICERS.

- Section 526(a)(1) of title 10, United States Code, is amended by striking "302" and
- 2 inserting "307".

## **Section-by-Section Analysis**

This legislative proposal advances the recommendations, dated October 31, 2007, of the Commission on Army Acquisition and Program Management in Expeditionary Operations (also known as the "Gansler Commission") by increasing the number of authorized Army general officers (GO) from 302 to 307. Currently, for strength reporting purposes, the Army has 16 Acquisition Corps GOs counted among our 302 GO authorizations. With this increase in GO strength, the Army will have greater flexibility to solve the problems with contracting during contingency operations identified in the Gansler Commission Report without creating new challenges by offsetting existing GO positions for contingency contracting. The proposal does not mandate permanent placement of these additional General Officer positions in any particular specialty so that the Army maintains flexibility to meet future requirements without seeking legislative relief.

A major conclusion of the commission is that the Army is facing systemic institutional challenges in conducting contracting support during contingency operations and that reform is urgently needed. In order to implement these reforms, the commission recommended the Army reorganize its procurement leadership structure by increasing the contracting workforce by 1,400 military and civilian personnel -- to include establishing five new GO positions. These increases in acquisition personnel would fill the ranks of new contracting organizations designed to support contingency operations.

**Budgetary Implications:** The proposal's affiliated monetary expenses are based on the maximum base pay for O-7s (\$10,493.70/month) and O-8s (\$12,185.70/month). In order to estimate entitlements, \$3,000/month was added to the base pay amounts above. The projected total base pay for the three proposed O-7s ( $3 \times $13,493.70 = $40,481.10$ ) and two proposed O-8s ( $2 \times $15,185.70 = $30,371.40$ ) is \$70,852.50/month.