

ened by the personnel reassigned from administrative and overhead functions. To enable the Defense Department to implement these personnel changes in an orderly and deliberate procedure, the Committee recommends that the limitation on personnel not be effective for more than 2 years.

Paragraph (1) of subsection (b) would provide that the Secretary of Defense would allocate the reductions of personnel required by subsection (a) among the management headquarters activities and management headquarters support activities of the Military Departments and combatant commands. At his discretion, the Secretary may allocate more than a 10-percent reduction to certain activities and less than a 10-percent reduction, no reduction, or an increase in personnel to other activities. The Secretary would be required to meet only the overall 10-percent reduction. Paragraph (2) would also authorize the Secretary of Defense to consolidate and eliminate any unnecessary management headquarters activities and management headquarters support activities.

Subsection (c) would prohibit the accomplishment of this reduction by recategorizing or redefining duties, functions, offices, or organizations. It is the Committee's intent that these personnel reductions be achieved through the careful review of personnel needs and not by the transfer of personnel performing the same functions to new or existing organizations that would not be affected by this reduction. The Committee does not intend, however, to preclude any internal reorganizations that would result in the more efficient use of personnel.

Subsection (d) would authorize the commander of a unified or specified combatant command, after consultation with his directly subordinated commanders, to determine the manner in which reductions allocated to his combatant command by the Secretary of Defense shall be accomplished. Consistent with the authority that would be provided by subsection (c) of section 163 of title 10 (as added by subsection (a) of section 112 of this bill) for combatant commanders to organize their commands, the Committee believes that the combatant commanders should allocate the personnel reductions within their commands. The President and the Secretary of Defense would retain the authority to override any proposed allocation of reductions by a combatant commander.

Subsection (e) would prohibit future increases in the total number of personnel assigned to these management headquarters activities and management headquarters support activities in the Military Departments and combatant commands beyond the reduced level to be achieved by September 30, 1988. Once this personnel reduction is achieved, it is the Committee's recommendation that it would become a permanent personnel ceiling for these activities.

#### SEC. 502. ANNUAL REPORT ON NATIONAL SECURITY STRATEGY

Section 502 of this bill, a free-standing provision of law, would require an annual report on national security strategy. Subsection (a) would require the President to submit to the Senate Committees on Armed Services and Foreign Relations and the House Committees on Armed Services and Foreign Affairs each year a comprehensive