

MAKING APPROPRIATIONS FOR THE DEPARTMENT OF DE-  
FENSE FOR THE FISCAL YEAR ENDING SEPTEMBER 30,  
1998, AND FOR OTHER PURPOSES

SEPTEMBER 23, 1997.—Ordered to be printed

Mr. YOUNG of Florida, from the committee on conference,  
submitted the following

CONFERENCE REPORT

[To accompany H.R. 2266]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2266) “making appropriations for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes,” having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1998, for military functions administered by the Department of Defense, and for other purposes, namely:*

*TITLE I*

*MILITARY PERSONNEL*

*MILITARY PERSONNEL, ARMY*

*For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets;*

and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; \$20,452,057,000.

*MILITARY PERSONNEL, NAVY*

*For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; \$16,493,518,000.*

*MILITARY PERSONNEL, MARINE CORPS*

*For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; \$6,137,899,000.*

*MILITARY PERSONNEL, AIR FORCE*

*For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; \$17,102,120,000.*

*RESERVE PERSONNEL, ARMY*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title*

10, United States Code; and for payments to the Department of Defense Military Retirement Fund; \$2,032,046,000.

*RESERVE PERSONNEL, NAVY*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; \$1,376,601,000.*

*RESERVE PERSONNEL, MARINE CORPS*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; \$391,770,000.*

*RESERVE PERSONNEL, AIR FORCE*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 10211, 10305, and 8038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; \$815,915,000.*

*NATIONAL GUARD PERSONNEL, ARMY*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code;*

and for payments to the Department of Defense Military Retirement Fund; \$3,333,867,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 10211, 10305, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; \$1,334,712,000.

TITLE II

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed \$11,437,000, can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; \$16,754,306,000 and, in addition, \$50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund: Provided, That of the funds appropriated in this paragraph, not less than \$300,000,000 shall be made available only for conventional ammunition care and maintenance.

OPERATION AND MAINTENANCE, NAVY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed \$5,500,000, can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; \$21,617,766,000 and, in addition, \$50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund.

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; \$2,372,635,000.

*OPERATION AND MAINTENANCE, AIR FORCE*

*(INCLUDING TRANSFER OF FUNDS)*

*For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed \$8,362,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; \$18,492,883,000 and, in addition, \$50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund.*

*OPERATION AND MAINTENANCE, DEFENSE-WIDE*

*For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law; \$10,369,740,000, of which not to exceed \$25,000,000 may be available for the CINC initiative fund account; and of which not to exceed \$28,850,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes.*

*OPERATION AND MAINTENANCE, ARMY RESERVE*

*For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; \$1,207,891,000.*

*OPERATION AND MAINTENANCE, NAVY RESERVE*

*For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; \$921,711,000.*

*OPERATION AND MAINTENANCE, MARINE CORPS RESERVE*

*For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; \$116,366,000.*

*OPERATION AND MAINTENANCE, AIR FORCE RESERVE*

*For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation;*

care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; \$1,632,030,000.

*OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD*

*For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); \$2,419,632,000: Provided, That not later than March 15, 1998, the Director of the Army National Guard shall provide a report to the congressional defense committees identifying the allocation, by installation and activity, of all base operations funds appropriated under this heading.*

*OPERATION AND MAINTENANCE, AIR NATIONAL GUARD*

*For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things, hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; \$3,013,282,000.*

*OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND*

*(INCLUDING TRANSFER OF FUNDS)*

*For expenses directly relating to Overseas Contingency Operations by United States military forces; \$1,884,000,000: Provided, That the Secretary of Defense may transfer these funds only to operation and maintenance accounts within this title, and working capital funds: Provided further, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period, as the appropriation to which transferred: Provided further, That the transfer authority provided in this paragraph is in addition to any other transfer authority contained elsewhere in this Act.*

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

*For salaries and expenses necessary for the United States Court of Appeals for the Armed Forces; \$6,952,000, of which not to exceed \$2,500 can be used for official representation purposes.*

ENVIRONMENTAL RESTORATION, ARMY

(INCLUDING TRANSFER OF FUNDS)

*For the Department of the Army, \$375,337,000, to remain available until transferred: Provided, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Army, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That not more than twenty-five per centum of funds provided under this heading may be obligated for environmental remediation by the Corps of Engineers under total environmental remediation contracts.*

ENVIRONMENTAL RESTORATION, NAVY

(INCLUDING TRANSFER OF FUNDS)

*For the Department of the Navy, \$275,500,000, to remain available until transferred: Provided, That the Secretary of the Navy shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Navy, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Navy, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.*

ENVIRONMENTAL RESTORATION, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

*For the Department of the Air Force, \$376,900,000, to remain available until transferred: Provided, That the Secretary of the Air Force shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Air Force, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the De-*

*partment of the Air Force, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.*

*ENVIRONMENTAL RESTORATION, DEFENSE-WIDE*

*(INCLUDING TRANSFER OF FUNDS)*

*For the Department of Defense, \$26,900,000, to remain available until transferred: Provided, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of Defense, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.*

*ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES*

*(INCLUDING TRANSFER OF FUNDS)*

*For the Department of the Army, \$242,300,000, to remain available until transferred: Provided, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris at sites formerly used by the Department of Defense, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.*

*OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID*

*For expenses relating to the Overseas Humanitarian, Disaster, and Civic Aid programs of the Department of Defense (consisting of the programs provided under sections 401, 402, 404, 2547, and 2551 of title 10, United States Code); \$47,130,000, to remain available until September 30, 1999.*

*FORMER SOVIET UNION THREAT REDUCTION*

*For assistance to the republics of the former Soviet Union, including assistance provided by contract or by grants, for facilitating the elimination and the safe and secure transportation and storage of nuclear, chemical and other weapons; for establishing programs*



*to prevent the proliferation of weapons, weapons components, and weapon-related technology and expertise; for programs relating to the training and support of defense and military personnel for demilitarization and protection of weapons, weapons components and weapons technology and expertise; \$382,200,000, to remain available until September 30, 2000: Provided, That of the amounts provided under this heading, \$35,000,000 shall be available only to support the dismantling and disposal of nuclear submarines and submarine reactor components in the Russian Far East: Provided further, That of the amounts provided under this heading, \$5,000,000 shall be available only for the Arctic Military Environmental Cooperation Program.*

#### QUALITY OF LIFE ENHANCEMENTS, DEFENSE

*For expenses, not otherwise provided for, resulting from unfunded shortfalls in the repair and maintenance of real property of the Department of Defense (including military housing and barracks); \$360,000,000, for the maintenance of real property of the Department of Defense (including minor construction and major maintenance and repair), which shall remain available for obligation until September 30, 1999, as follows:*

*Army, \$100,000,000;  
Navy, \$70,000,000;  
Marine Corps, \$45,000,000; and  
Air Force, \$145,000,000.*

### TITLE III

## PROCUREMENT

### AIRCRAFT PROCUREMENT, ARMY

*For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; \$1,346,317,000, to remain available for obligation until September 30, 2000.*

### MISSILE PROCUREMENT, ARMY

*For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and ma-*

*chine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; \$762,409,000, to remain available for obligation until September 30, 2000.*

*PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES,  
ARMY*

*For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; \$1,298,707,000, to remain available for obligation until September 30, 2000.*

*PROCUREMENT OF AMMUNITION, ARMY*

*For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; \$1,037,202,000, to remain available for obligation until September 30, 2000.*

*OTHER PROCUREMENT, ARMY*

*For construction, procurement, production, and modification of vehicles, including tactical, support, and non-tracked combat vehicles; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; \$2,679,130,000, to remain available for obligation until September 30, 2000.*

*AIRCRAFT PROCUREMENT, NAVY*

*For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare*

*parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; \$6,535,444,000, to remain available for obligation until September 30, 2000.*

#### WEAPONS PROCUREMENT, NAVY

*For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; \$1,102,193,000, to remain available for obligation until September 30, 2000.*

#### PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

*For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; \$397,547,000, to remain available for obligation until September 30, 2000.*

#### SHIPBUILDING AND CONVERSION, NAVY

*For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:*

*For continuation of the SSN-21 attack submarine program, \$153,444,000;*

*NSSN, \$2,314,903,000;*

*NSSN (AP), \$284,859,000;*

*CVN-77 (AP), \$50,000,000;*

*CVN Refuelings, \$1,615,003,000;*

*CVN Refuelings (AP), \$46,855,000;*

*DDG-51 destroyer program, \$3,411,200,000;*  
*DDG-51 destroyer program (AP), \$157,806,000;*  
*LPD-17 amphibious transport dock ship (AP),*  
*\$100,000,000;*

*Oceanographic ship program (AP), \$16,000,000;*  
*LCAC landing craft air cushion program, \$20,000,000; and*  
*For craft, outfitting, post delivery, conversions, and first*  
*destination transportation, \$137,521,000;*

*In all: \$8,235,591,000, to remain available for obligation until Sep-*  
*tember 30, 2002: Provided, That additional obligations may be in-*  
*curred after September 30, 2002, for engineering services, tests, eval-*  
*uations, and other such budgeted work that must be performed in*  
*the final stage of ship construction: Provided further, That none of*  
*the funds provided under this heading for the construction or con-*  
*version of any naval vessel to be constructed in shipyards in the*  
*United States shall be expended in foreign facilities for the construc-*  
*tion of major components of such vessel: Provided further, That*  
*none of the funds provided under this heading shall be used for the*  
*construction of any naval vessel in foreign shipyards.*

#### *OTHER PROCUREMENT, NAVY*

*For procurement, production, and modernization of support*  
*equipment and materials not otherwise provided for, Navy ordnance*  
*(except ordnance for new aircraft, new ships, and ships authorized*  
*for conversion); the purchase of not to exceed 194 passenger motor*  
*vehicles for replacement only; and the purchase of one vehicle re-*  
*quired for physical security of personnel, notwithstanding price lim-*  
*itations applicable to passenger vehicles but not to exceed \$232,340*  
*per vehicle; expansion of public and private plants, including the*  
*land necessary therefor, and such lands and interests therein, may*  
*be acquired, and construction prosecuted thereon prior to approval*  
*of title; and procurement and installation of equipment, appliances,*  
*and machine tools in public and private plants; reserve plant and*  
*Government and contractor-owned equipment layaway;*  
*\$3,144,205,000, to remain available for obligation until September*  
*30, 2000.*

#### *PROCUREMENT, MARINE CORPS*

*For expenses necessary for the procurement, manufacture, and*  
*modification of missiles, armament, military equipment, spare*  
*parts, and accessories therefor; plant equipment, appliances, and*  
*machine tools, and installation thereof in public and private plants;*  
*reserve plant and Government and contractor-owned equipment lay-*  
*away; vehicles for the Marine Corps, including the purchase of not*  
*to exceed 40 passenger motor vehicles for replacement only; and ex-*  
*pansion of public and private plants, including land necessary*  
*therefor, and such lands and interests therein, may be acquired,*  
*and construction prosecuted thereon prior to approval of title;*  
*\$482,398,000, to remain available for obligation until September 30,*  
*2000.*

*AIRCRAFT PROCUREMENT, AIR FORCE*

*For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; \$6,480,983,000, to remain available for obligation until September 30, 2000: Provided, That of the funds made available under this heading, \$331,000,000 shall be available for long lead activities related to the procurement of additional B-2 bombers: Provided further, That if the President determines that no additional B-2 bombers should be procured during this fiscal year, and he certifies to the Congress his decision, the funding described in the previous proviso shall be made available to modify and repair the existing fleet of B-2 bombers.*

*MISSILE PROCUREMENT, AIR FORCE*

*For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; \$2,394,202,000, to remain available for obligation until September 30, 2000.*

*PROCUREMENT OF AMMUNITION, AIR FORCE*

*For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; \$398,534,000, to remain available for obligation until September 30, 2000.*

*OTHER PROCUREMENT, AIR FORCE*

*For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 196 passenger motor vehicles for replacement only; the purchase of one vehicle required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed \$232,340 per vehicle; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; \$6,592,909,000, to remain available for obligation until September 30, 2000.*

*PROCUREMENT, DEFENSE-WIDE*

*For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 381 passenger motor vehicles for replacement only; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; \$2,106,444,000, to remain available for obligation until September 30, 2000.*

*NATIONAL GUARD AND RESERVE EQUIPMENT*

*For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces; \$653,000,000, to remain available for obligation until September 30, 2000: Provided, That the Chiefs of the Reserve and National Guard components shall, not later than 30 days after the enactment of this Act, individually submit to the congressional defense committees the modernization priority assessment for their respective Reserve or National Guard component.*

*TITLE IV*

*RESEARCH, DEVELOPMENT, TEST AND EVALUATION*

*RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY*

*For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; \$5,156,507,000, to remain available for obligation until September 30, 1999.*

*RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY*

*For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; \$8,115,686,000, to remain available for obligation until September 30, 1999: Provided, That funds appropriated in this paragraph which are available for the V-22 may be used to meet unique requirements of the Special Operations Forces.*

*RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE*

*For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; \$14,507,804,000, to remain available for obligation until September 30, 1999: Provided, That of the funds made available in this paragraph, \$4,000,000 shall be only for development of coal-derived jet fuel technologies.*

*RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE*

*For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment; \$9,821,760,000, to remain available for obligation until September 30, 1999: Provided, That not less than \$409,898,000 of the funds appropriated in this paragraph shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program: Provided further, That funds appropriated for the Dual-Use Applications Program under section 5803 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law 104-208), shall remain available for obligation until September 30, 1998.*

*DEVELOPMENTAL TEST AND EVALUATION, DEFENSE*

*For expenses, not otherwise provided for, of independent activities of the Director, Test and Evaluation in the direction and supervision of developmental test and evaluation, including performance and joint developmental testing and evaluation; and administrative expenses in connection therewith; \$258,183,000, to remain available for obligation until September 30, 1999.*

*OPERATIONAL TEST AND EVALUATION, DEFENSE*

*For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith; \$31,384,000, to remain available for obligation until September 30, 1999.*

## TITLE V

## REVOLVING AND MANAGEMENT FUNDS

## DEFENSE WORKING CAPITAL FUNDS

*For the Defense Working Capital Funds; \$971,952,000.*

## NATIONAL DEFENSE SEALIFT FUND

*For National Defense Sealift Fund programs, projects, and activities, and for expenses of the National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744); \$1,074,948,000, to remain available until expended: Provided, That none of the funds provided in this paragraph shall be used to award a new contract that provides for the acquisition of any of the following major components unless such components are manufactured in the United States: auxiliary equipment, including pumps, for all shipboard services; propulsion system components (that is; engines, reduction gears, and propellers); shipboard cranes; and spreaders for shipboard cranes: Provided further, That the exercise of an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: Provided further, That the Secretary of the military department responsible for such procurement may waive these restrictions on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.*

## TITLE VI

## OTHER DEPARTMENT OF DEFENSE PROGRAMS

## DEFENSE HEALTH PROGRAM

*For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law; \$10,369,075,000, of which \$10,095,007,000 shall be for Operation and maintenance, of which not to exceed two per centum shall remain available until September 30, 1999, and of which \$274,068,000, to remain available for obligation until September 30, 2000, shall be for Procurement.*

## CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

*For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile, \$600,700,000, of which \$462,200,000 shall be for Operation and maintenance, \$72,200,000 shall be for Procurement to remain available until September 30, 2000, and \$66,300,000 shall be for Research, develop-*



*ment, test and evaluation to remain available until September 30, 1999: Provided, That of the funds available under this heading, \$1,000,000 shall be available until expended each year only for a Johnston Atoll off-island leave program: Provided further, That the Secretaries concerned shall, pursuant to uniform regulations, prescribe travel and transportation allowances for travel by participants in the off-island leave program.*

**DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE**

**(INCLUDING TRANSFER OF FUNDS)**

*For drug interdiction and counter-drug activities of the Department of Defense, for transfer to appropriations available to the Department of Defense for military personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and maintenance; for Procurement; and for Research, development, test and evaluation; \$712,882,000: Provided, That the funds appropriated under this head shall be available for obligation for the same time period and for the same purpose as the appropriation to which transferred: Provided further, That the transfer authority provided in this paragraph is in addition to any transfer authority contained elsewhere in this Act.*

**OFFICE OF THE INSPECTOR GENERAL**

*For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended; \$138,380,000, of which \$136,580,000 shall be for Operation and maintenance, of which not to exceed \$500,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on his certificate of necessity for confidential military purposes; and of which \$1,800,000, to remain available until September 30, 2000, shall be for Procurement.*

**TITLE VII**

**RELATED AGENCIES**

**CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND**

*For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System; \$196,900,000.*

**INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT**

**(INCLUDING TRANSFER OF FUNDS)**

*For necessary expenses of the Intelligence Community Management Account; \$121,080,000, of which \$39,011,000 for the Advanced Research and Development Committee and the Environmental Intelligence and Applications Program shall remain available until September 30, 1999: Provided, That of the funds appropriated under this heading, \$27,000,000 shall be transferred to the Department of*

*Justice for the National Drug Intelligence Center to support the Department of Defense's counter-drug intelligence responsibilities, and of the said amount, \$1,500,000 for Procurement shall remain available until September 30, 2000, and \$3,000,000 for Research, development, test and evaluation shall remain available until September 30, 1999.*

*PAYMENT TO KAHO'OLAWA ISLAND CONVEYANCE, REMEDIATION, AND ENVIRONMENTAL RESTORATION FUND*

*For payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund, as authorized by law; \$35,000,000, to remain available until expended.*

*NATIONAL SECURITY EDUCATION TRUST FUND*

*For the purposes of title VIII of Public Law 102-183, \$2,000,000, to be derived from the National Security Education Trust Fund, to remain available until expended.*

*TITLE VIII*

*GENERAL PROVISIONS*

*SEC. 8001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.*

*SEC. 8002. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense: Provided, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: Provided further, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: Provided further, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of Turkey.*

*SEC. 8003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.*

*SEC. 8004. No more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year: Provided, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.*

*(TRANSFER OF FUNDS)*

*SEC. 8005. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed \$2,000,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: Provided, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: Provided further, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act: Provided further, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress: Provided further, That of the authority provided under this section, not to exceed \$65,000,000 shall be available to meet requirements for termination of the Reserve Mobilization Insurance Program, notwithstanding chapter 1214 of title 10 of the United States Code.*

*(TRANSFER OF FUNDS)*

*SEC. 8006. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: Provided, That transfers may be made between such funds: Provided further, That transfers may be made between working capital funds and the "Foreign Currency Fluctuations, Defense" appropriation and the "Operation and Maintenance" appropriation accounts in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure or increase the value of war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.*

*SEC. 8007. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 calendar days in session in advance to the congressional defense committees.*

*SEC. 8008. (a) None of the funds provided in this Act shall be available to initiate (1) a multiyear contract that employs economic*

*order quantity procurement in excess of \$20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of \$20,000,000, or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of \$20,000,000 in any one year, unless the congressional defense committees have been notified at least thirty days in advance of the proposed contract award: Provided, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: Provided further, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed \$500,000,000 unless specifically provided in this Act: Provided further, That no multiyear procurement contract can be terminated without 10-day prior notification to the congressional defense committees: Provided further, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.*

*Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows:*

*Apache Longbow radar;  
AV-8B aircraft; and  
Family of Medium Tactical Vehicles.*

*(b) None of the funds provided in this Act and hereafter may be used to submit to Congress (or to any committee of Congress) a request for authority to enter into a contract covered by those provisions of subsection (a) that precede the first proviso of that subsection unless—*

*(1) such request is made as part of the submission of the President's Budget for the United States Government for any fiscal year and is set forth in the Appendix to that budget as part of proposed legislative language for appropriations bills for the next fiscal year; or*

*(2) such request is formally submitted by the President as a budget amendment; or*

*(3) the Secretary of Defense makes such request in writing to the congressional defense committees.*

*SEC. 8009. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported to Congress on September 30 of each year: Provided, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99-239: Provided further, That upon a determination by the Secretary of the Army that such action is*

*beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.*

*SEC. 8010. (a) During fiscal year 1998, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.*

*(b) The fiscal year 1999 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 1999 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 1999.*

*(c) Nothing in this section shall be construed to apply to military (civilian) technicians.*

*SEC. 8011. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department of Defense to exceed, outside the fifty United States, its territories, and the District of Columbia, 125,000 civilian workyears: Provided, That workyears shall be applied as defined in the Federal Personnel Manual: Provided further, That workyears expended in dependent student hiring programs for disadvantaged youths shall not be included in this workyear limitation.*

*SEC. 8012. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.*

*SEC. 8013. (a) None of the funds appropriated by this Act shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost for future benefits under section 3015(c) of title 38, United States Code, for any member of the armed services who, on or after the date of enactment of this Act—*

*(1) enlists in the armed services for a period of active duty of less than three years; or*

*(2) receives an enlistment bonus under section 308a or 308f of title 37, United States Code,*

*nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Secretary of Veterans Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Secretary of Veterans Affairs pay such benefits to any such member: Provided, That in the case of a member covered by clause (1), these limitations shall not apply to members in combat arms skills or to members who enlist in the armed services on or after July 1, 1989, under a program continued or established by the Secretary of Defense in fiscal year 1991 to test the cost-effective use of special recruiting incentives in-*

*volving not more than nineteen noncombat arms skills approved in advance by the Secretary of Defense: Provided further, That this subsection applies only to active components of the Army.*

*(b) None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: Provided, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: Provided further, That this subsection applies only to active components of the Army.*

*SEC. 8014. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of enactment of this Act, is performed by more than ten Department of Defense civilian employees until a most efficient and cost-effective organization analysis is completed on such activity or function and certification of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That this section shall not apply to a commercial or industrial type function of the Department of Defense that: (1) is included on the procurement list established pursuant to section 2 of the Act of June 25, 1938 (41 U.S.C. 47), popularly referred to as the Javits-Wagner-O'Day Act; (2) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or (3) is planned to be converted to performance by a qualified firm under 51 per centum Native American ownership.*

*(TRANSFER OF FUNDS)*

*SEC. 8015. Funds appropriated in title III of this Act for the Department of Defense Pilot Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance agreement pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2301 note), as amended, under the authority of this provision or any other transfer authority contained in this Act.*

*SEC. 8016. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are substantially manufactured in the United States: Provided, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): Provided further, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: Provided further, That when adequate domestic sup-*

*plies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.*

*SEC. 8017. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: Provided, That this limitation does not apply in the case of inpatient mental health services provided under the program for the handicapped under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.*

*SEC. 8018. Funds available in this Act may be used to provide transportation for the next-of-kin of individuals who have been prisoners of war or missing in action from the Vietnam era to an annual meeting in the United States, under such regulations as the Secretary of Defense may prescribe.*

*SEC. 8019. Notwithstanding any other provision of law, during the current fiscal year, the Secretary of Defense may, by Executive Agreement, establish with host nation governments in NATO member states a separate account into which such residual value amounts negotiated in the return of United States military installations in NATO member states may be deposited, in the currency of the host nation, in lieu of direct monetary transfers to the United States Treasury: Provided, That such credits may be utilized only for the construction of facilities to support United States military forces in that host nation, or such real property maintenance and base operating costs that are currently executed through monetary transfers to such host nations: Provided further, That the Department of Defense's budget submission for fiscal year 1999 shall identify such sums anticipated in residual value settlements, and identify such construction, real property maintenance or base operating costs that shall be funded by the host nation through such credits: Provided further, That all military construction projects to be executed from such accounts must be previously approved in a prior Act of Congress: Provided further, That each such Executive Agreement with a NATO member host nation shall be reported to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate thirty days prior to the conclusion and endorsement of any such agreement established under this provision.*

*SEC. 8020. None of the funds available to the Department of Defense may be used to demilitarize or dispose of M-1 Carbines, M-1 Garand rifles, M-14 rifles, .22 caliber rifles, .30 caliber rifles, or M-1911 pistols.*

*SEC. 8021. Notwithstanding any other provision of law, none of the funds appropriated by this Act shall be available to pay more than 50 per centum of an amount paid to any person under section 308 of title 37, United States Code, in a lump sum.*

*SEC. 8022. No more than \$500,000 of the funds appropriated or made available in this Act shall be used during a single fiscal year for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the congressional defense committees that such a relocation is required in the best interest of the Government.*

*SEC. 8023. A member of a reserve component whose unit or whose residence is located in a state which is not contiguous with another state is authorized to travel in a space required status on aircraft of the Armed Forces between home and place of inactive duty training, or place of duty in lieu of unit training assembly, when there is no road or railroad transportation (or combination of road and railroad transportation between those locations: Provided, That a member traveling in that status on a military aircraft pursuant to the authority provided in this section is not authorized to receive travel, transportation, or per diem allowances in connection with that travel.*

*SEC. 8024. In addition to funds provided elsewhere in this Act, \$8,000,000 is appropriated only for incentive payments authorized by section 504 of the Indian Financing Act of 1974, 25 U.S.C. 1544: Provided, That these payments shall be available only to contractors which have submitted subcontracting plans pursuant to 15 U.S.C. 637(d), and according to regulations which shall be promulgated by the Secretary of Defense within 90 days of the passage of this Act: Provided further, That contractors participating in the test program established by Section 854 of Public Law 101-189 (15 U.S.C. 637 note) shall be eligible for the program established by Section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544).*

*SEC. 8025. During the current fiscal year, none of the funds available to the Department of Defense may be used to procure or acquire (1) defensive handguns unless such handguns are the M-9 or M-11 9 mm Department of Defense standard handguns, or (2) offensive handguns except for the Special Operations Forces: Provided, That the foregoing shall not apply to handguns and ammunition for marksmanship competitions.*

*SEC. 8026. During the current fiscal year, funds appropriated or otherwise available for any Federal agency, the Congress, the judicial branch, or the District of Columbia may be used for the pay, allowances, and benefits of an employee as defined by section 2105 of title 5 or an individual employed by the government of the District of Columbia, permanent or temporary indefinite, who—*

*(1) is a member of a Reserve component of the Armed Forces, as described in section 10101 of title 10, or the National Guard, as described in section 101 of title 32;*



(2) performs, for the purpose of providing military aid to enforce the law or providing assistance to civil authorities in the protection or saving of life or property or prevention of injury—

(A) Federal service under sections 331, 332, 333, or 12406 of title 10, or other provision of law, as applicable; or

(B) full-time military service for his or her State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory of the United States; and

(3) requests and is granted—

(A) leave under the authority of this section; or

(B) annual leave, which may be granted without regard to the provisions of sections 5519 and 6323(b) of title 5, if such employee is otherwise entitled to such annual leave:

*Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to such leave, subject to the provisions of this section and of the last sentence of section 6323(b) of title 5, and such leave shall be considered leave under section 6323(b) of title 5.*

*SEC. 8027. None of the funds appropriated by this Act shall be available to perform any cost study pursuant to the provisions of OMB Circular A-76 if the study being performed exceeds a period of twenty-four months after initiation of such study with respect to a single function activity or forty-eight months after initiation of such study for a multi-function activity.*

*SEC. 8028. Funds appropriated by this Act for the American Forces Information Service shall not be used for any national or international political or psychological activities.*

*SEC. 8029. Notwithstanding any other provision of law or regulation, the Secretary of Defense may adjust wage rates for civilian employees hired for certain health care occupations as authorized for the Secretary of Veterans Affairs by section 7455 of title 38, United States Code.*

*SEC. 8030. None of the funds appropriated or made available in this Act shall be used to reduce or disestablish the operation of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve, if such action would reduce the WC-130 Weather Reconnaissance mission below the levels funded in this Act.*

*SEC. 8031. (a) Of the funds for the procurement of supplies or services appropriated by this Act, qualified nonprofit agencies for the blind or other severely handicapped shall be afforded the maximum practicable opportunity to participate as subcontractors and supplies in the performance of contracts let by the Department of Defense.*

*(b) During the current fiscal year, a business concern which has negotiated with a military service or defense agency a subcontracting plan for the participation by small business concerns pursuant to section 8(d) of the Small Business Act (15 U.S.C. 637(d)) shall be given credit toward meeting that subcontracting goal for any purchases made from qualified nonprofit agencies for the blind or other severely handicapped.*

(c) For the purpose of this section, the phrase “qualified non-profit agency for the blind or other severely handicapped” means a nonprofit agency for the blind or other severely handicapped that has been approved by the Committee for the Purchase from the Blind and Other Severely Handicapped under the Javits-Wagner-O’Day Act (41 U.S.C. 46–48).

SEC. 8032. During the current fiscal year, net receipts pursuant to collections from third party payers pursuant to section 1095 of title 10, United States Code, shall be made available to the local facility of the uniformed services responsible for the collections and shall be over and above the facility’s direct budget amount.

SEC. 8033. During the current fiscal year, the Department of Defense is authorized to incur obligations of not to exceed \$350,000,000 for purposes specified in section 2350j(c) of title 10, United States Code, in anticipation of receipt of contributions, only from the Government of Kuwait, under that section: Provided, That, upon receipt, such contributions from the Government of Kuwait shall be credited to the appropriations or fund which incurred such obligations.

SEC. 8034. Of the funds made available in this Act, not less than \$26,247,000 shall be available for the Civil Air Patrol, of which \$22,702,000 shall be available for Operation and maintenance.

SEC. 8035. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a separate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.

(b) LIMITATION ON COMPENSATION—FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTER (FFRDC).—No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, may be compensated for his or her services as a member of such entity, or as a paid consultant, except under the same conditions, and to the same extent, as members of the Defense Science Board: Provided, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.

(c) Notwithstanding any other provision of law, none of the funds available to the department from any source during fiscal year 1998 may be used by a defense FFRDC, through a fee or other payment mechanism, for charitable contributions, for construction of new buildings, for payment of cost sharing for projects funded by government grants, or for absorption of contract overruns.

(d) Notwithstanding any other provision of law, of the funds available to the department during fiscal year 1998, not more than 6,206 staff years of technical effort (staff years) may be funded for defense FFRDCs: Provided, That of the specific amount referred to previously in this subsection, not more than 1,105 staff years may be funded for the defense studies and analysis FFRDCs.

(e) Notwithstanding any other provision of law, the Secretary of Defense shall control the total number of staff years to be performed by defense FFRDCs during fiscal year 1998 so as to reduce the total amounts appropriated in titles II, III, and IV of this Act by \$71,800,000: Provided, That the total amounts appropriated in titles II, III, and IV of this Act are hereby reduced by \$71,800,000 to reflect savings from the use of defense FFRDCs by the department.

(f) Within 60 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report presenting the specific amounts of staff years of technical effort to be allocated by the department for each defense FFRDC during fiscal year 1998: Provided, That, after the submission of the report required by this subsection, the department may not reallocate more than five per centum of an FFRDC's staff years among other defense FFRDCs until 30 days after a detailed justification for any such reallocation is submitted to the congressional defense committees.

(g) The Secretary of Defense shall, with the submission of the department's fiscal year 1999 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.

(h) No part of the reductions contained in subsection (e) of this section may be applied against any budget activity, activity group, subactivity group, line item, program element, program, project, subproject or activity which does not fund defense FFRDC activities within each appropriation account, and the reductions in subsection (e) shall be allocated on a proportional basis.

(i) Not later than 90 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report listing the specific funding reductions allocated to each category listed in subsection (h) above pursuant to this section.

SEC. 8036. None of the funds in this or any other Act shall be available for the preparation of studies on—

(a) the cost effectiveness or feasibility of removal and transportation of unitary chemical weapons or agents from the eight chemical storage sites within the continental United States to Johnston Atoll: Provided, That this prohibition shall not apply to General Accounting Office studies requested by a Member of Congress or a Congressional Committee; and

(b) the potential future uses of the nine chemical disposal facilities other than for the destruction of stockpile chemical munitions and as limited by section 1412(c)(2), Public Law 99-145: Provided, That this prohibition does not apply to future use studies for the CAMDS facility at Tooele, Utah.

SEC. 8037. None of the funds appropriated or made available in this Act shall be used to procure carbon, alloy or armor steel plate for use in any Government-owned facility or property under the control of the Department of Defense which were not melted and rolled in the United States or Canada: Provided, That these procurement restrictions shall apply to any and all Federal Supply Class 9515, American Society of Testing and Materials (ASTM) or American Iron and Steel Institute (AISI) specifications of carbon, alloy or armor steel plate: Provided further, That the Secretary of the military department responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the

*Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: Provided further, That these restrictions shall not apply to contracts which are in being as of the date of enactment of this Act.*

*SEC. 8038. For the purposes of this Act, the term "congressional defense committees" means the National Security Committee of the House of Representatives, the Armed Services Committee of the Senate, the Subcommittee on Defense of the Committee on Appropriations of the Senate, and the Subcommittee on National Security of the Committee on Appropriations of the House of Representatives.*

*SEC. 8039. During the current fiscal year, the Department of Defense may acquire the modification, depot maintenance and repair of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense depot maintenance activities and private firms: Provided, That the Senior Acquisition Executive of the military department or defense agency concerned, with power of delegation, shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids: Provided further, That Office of Management and Budget Circular A-76 shall not apply to competitions conducted under this section.*

*SEC. 8040. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.*

*(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.*

*(b) The Secretary of Defense shall submit to Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 1998. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.*

*(c) For purposes of this section, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).*

*SEC. 8041. The total amounts appropriated in titles II, III, and IV of this Act are hereby reduced by \$300,000,000 to reflect savings from the use of advisory and assistance services by the Department*

of Defense: Provided, That the savings shall be applied to the following titles in the following amounts:

Title II, Operation and Maintenance, \$112,000,000;  
 Title III, Procurement, \$62,000,000; and  
 Title IV, Research, Development, Test and Evaluation,  
 \$126,000,000:

Provided further, That the savings specified shall be applied only to funds budgeted to purchase advisory and assistance services: Provided further, That the savings shall be applied on a pro-rata basis to each program, project and activity which included budget funds for advisory and assistance services.

SEC. 8042. Appropriations contained in this Act that remain available at the end of the current fiscal year as a result of energy cost savings realized by the Department of Defense shall remain available for obligation for the next fiscal year to the extent, and for the purposes, provided in section 2865 of title 10, United States Code.

SEC. 8043. Notwithstanding any other provision of this Act, the amounts provided in all appropriation accounts in titles III and IV of this Act are reduced by 1.5 percent: Provided, That these reductions shall be applied on a pro-rata basis to each line item, program element, program, project, subproject, and activity within each appropriation account: Provided further, That not later than 60 days after the enactment of this Act, the Undersecretary of Defense (Comptroller) shall submit a report to the congressional defense committees listing the specific funding reductions allocated to each category listed in the preceding proviso pursuant to this section.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8044. Amounts deposited during the current fiscal year to the special account established under 40 U.S.C. 485(h)(2) and to the special account established under 10 U.S.C. 2667(d)(1) are appropriated and shall be available until transferred by the Secretary of Defense to current applicable appropriations or funds of the Department of Defense under the terms and conditions specified by 40 U.S.C. 485(h)(2) (A) and (B) and 10 U.S.C. 2667(d)(1)(B), to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.

SEC. 8045. During the current fiscal year, appropriations available to the Department of Defense may be used to reimburse a member of a reserve component of the Armed Forces who is not otherwise entitled to travel and transportation allowances and who occupies transient government housing while performing active duty for training or inactive duty training: Provided, That such members may be provided lodging in kind if transient government quarters are unavailable as if the member was entitled to such allowances under subsection (a) of section 404 of title 37, United States Code: Provided further, That if lodging in kind is provided, any authorized service charge or cost of such lodging may be paid directly from funds appropriated for operation and maintenance of the reserve component of the member concerned.

SEC. 8046. The President shall include with each budget for a fiscal year submitted to the Congress under section 1105 of title 31, United States Code, materials that shall identify clearly and sepa-

rately the amounts requested in the budget for appropriation for that fiscal year for salaries and expenses related to administrative activities of the Department of Defense, the military departments, and the Defense Agencies.

SEC. 8047. Notwithstanding any other provision of law, funds available for "Drug Interdiction and Counter-Drug Activities, Defense" may be obligated for the Young Marines program.

SEC. 8048. Notwithstanding any other provision of this Act, the total amount appropriated in title IV of this Act is hereby reduced by \$474,000,000: Provided, That each program element, program, project, subproject, and activity funded in title IV of this Act shall be allocated a pro-rata share of any of the reductions made by this section: Provided further, That not later than 60 days after the enactment of this Act, the Undersecretary of Defense (Comptroller) shall submit a report to the congressional defense committees listing the specific funding reductions allocated to each category listed in the preceding proviso pursuant to this section.

SEC. 8049. During the current fiscal year, amounts contained in the Department of Defense Overseas Military Facility Investment Recovery Account established by section 2921(c)(1) of the National Defense Authorization Act of 1991 (Public Law 101-510; 10 U.S.C. 2687 note) shall be available until expended for the payments specified by section 2921(c)(2) of that Act.

SEC. 8050. Of the funds appropriated or otherwise made available by this Act, not more than \$119,200,000 shall be available for payment of the operating costs of NATO Headquarters: Provided, That the Secretary of Defense may waive this section for Department of Defense support provided to NATO forces in and around the former Yugoslavia.

SEC. 8051. During the current fiscal year, appropriations which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item unit cost of not more than \$100,000.

SEC. 8052. (a) During the current fiscal year, none of the appropriations or funds available to the Department of Defense Working Capital Funds shall be used for the purchase of an investment item for the purpose of acquiring a new inventory item for sale or anticipated sale during the current fiscal year or a subsequent fiscal year to customers of the Department of Defense Working Capital Funds if such an item would not have been chargeable to the Department of Defense Working Capital Funds during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to appropriations made to the Department of Defense for procurement.

(b) The fiscal year 1999 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 1999 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which was classified as an end item and funded in a procurement appropriation contained in this Act shall be budgeted for in a proposed fiscal year 1999 procurement appropriation and not in the supply management business area or any other area or category of the Department of Defense Working Capital Funds.

*SEC. 8053. None of the funds provided in this Act and hereafter shall be available for use by a Military Department to modify an aircraft, weapon, ship or other item of equipment, that the Military Department concerned plans to retire or otherwise dispose of within five years after completion of the modification: Provided, That this prohibition shall not apply to safety modifications: Provided further, That this prohibition may be waived by the Secretary of a Military Department if the Secretary determines it is in the best national security interest of the United States to provide such waiver and so notifies the congressional defense committees in writing.*

*SEC. 8054. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 1999.*

*SEC. 8055. Notwithstanding any other provision of law, funds made available in this Act for the Defense Intelligence Agency may be used for the design, development, and deployment of General Defense Intelligence Program intelligence communications and intelligence information systems for the Services, the Unified and Specified Commands, and the component commands.*

*SEC. 8056. Of the funds appropriated by the Department of Defense under the heading "Operation and Maintenance, Defense-Wide", not less than \$8,000,000 shall be made available only for the mitigation of environmental impacts, including training and technical assistance to tribes, related administrative support, the gathering of information, documenting of environmental damage, and developing a system for prioritization of mitigation and cost to complete estimates for mitigation, on Indian lands resulting from Department of Defense activities.*

*SEC. 8057. Amounts collected for the use of the facilities of the National Science Center for Communications and Electronics during the current fiscal year pursuant to section 1459(g) of the Department of Defense Authorization Act, 1986, and deposited to the special account established under subsection 1459(g)(2) of that Act are appropriated and shall be available until expended for the operation and maintenance of the Center as provided for in subsection 1459(g)(2).*

*SEC. 8058. None of the funds appropriated in this Act may be used to fill the commander's position at any military medical facility with a health care professional unless the prospective candidate can demonstrate professional administrative skills.*

*SEC. 8059. (a) None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with the Buy American Act. For purposes of this subsection, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).*

*(b) If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a "Made in America" inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall determine,*

in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

(c) In the case of any equipment or products purchased with appropriations provided under this Act, it is the sense of the Congress that any entity of the Department of Defense, in expending the appropriation, purchase only American-made equipment and products, provided that American-made equipment and products are cost-competitive, quality-competitive, and available in a timely fashion.

SEC. 8060. None of the funds appropriated by this Act shall be available for a contract for studies, analysis, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines—

(1) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work, or

(2) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source, or

(3) the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support:

Provided, That this limitation shall not apply to contracts in an amount of less than \$25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

SEC. 8061. (a) Except as provided in subsections (b) and (c), none of the funds made available by this Act may be used—

(1) to establish a field operating agency; or

(2) to pay the basic pay of a member of the Armed Forces or civilian employee of the Department who is transferred or reassigned from a headquarters activity if the member or employee's place of duty remains at the location of that headquarters.

(b) The Secretary of Defense or Secretary of a military department may waive the limitations in subsection (a), on a case-by-case basis, if the Secretary determines, and certifies to the Committees on Appropriations of the House of Representatives and Senate that the granting of the waiver will reduce the personnel requirements or the financial requirements of the department.

(c) This section does not apply to field operating agencies funded within the National Foreign Intelligence Program.

SEC. 8062. Funds appropriated by this Act for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 1998 until the enactment of the Intelligence Authorization Act for Fiscal Year 1998.

SEC. 8063. Notwithstanding section 303 of Public Law 96-487 or any other provision of law, the Secretary of the Navy is authorized to lease real and personal property at Naval Air Facility, Adak,



Alaska, pursuant to 10 U.S.C. 2667(f), for commercial, industrial or other purposes.

(RESCISSIONS)

SEC. 8064. *Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts in the specified amounts:*

“Shipbuilding and Conversion, Navy, 1996/2000”, \$35,600,000;

“Other Procurement, Navy, 1996/1998”, \$3,300,000;

“Aircraft Procurement, Army, 1997/1999”, \$5,000,000;

“Procurement of Ammunition, Army, 1997/1999”, \$5,000,000;

“Other Procurement, Army, 1997/1999”, \$6,000,000;

“Other Procurement, Navy, 1997/1999”, \$2,200,000;

“Aircraft Procurement, Navy, 1997/1999”, \$24,000,000;

“Research, Development, Test and Evaluation, Army, 1997/1998”, \$6,000,000;

“Research, Development, Test and Evaluation, Navy, 1997/1998”, \$40,000,000;

“Research, Development, Test and Evaluation, Air Force, 1997/1998”, \$25,000,000;

“Research, Development, Test and Evaluation, Defense-Wide, 1997/1998”, \$24,000,000.

SEC. 8065. *None of the funds available in this Act may be used to reduce the authorized positions for military (civilian) technicians of the Army National Guard, the Air National Guard, Army Reserve and Air Force Reserve for the purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reductions are a direct result of a reduction in military force structure.*

SEC. 8066. *None of the funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People’s Republic of North Korea unless specifically appropriated for that purpose.*

SEC. 8067. *During the current fiscal year, funds appropriated in this Act are available to compensate members of the National Guard for duty performed pursuant to a plan submitted by a Governor of a State and approved by the Secretary of Defense under section 112 of title 32, United States Code: Provided, That during the performance of such duty, the members of the National Guard shall be under State command and control: Provided further, That such duty shall be treated as full-time National Guard duty for purposes of sections 12602 (a)(2) and (b)(2) of title 10, United States Code.*

SEC. 8068. *Funds appropriated in this Act for operation and maintenance of the Military Departments, Unified and Specified Commands and Defense Agencies shall be available for reimbursement of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the National Guard and Reserve provide intelligence support to Unified Commands, Defense Agencies and Joint Intelligence Activities, including the activities and programs included within the General Defense Intelligence Program and the Consolidated Cryptologic Program: Provided, That nothing in this*

section authorizes deviation from established Reserve and National Guard personnel and training procedures.

*SEC. 8069. During the current fiscal year, none of the funds appropriated in this Act may be used to reduce the civilian medical and medical support personnel assigned to military treatment facilities below the September 30, 1997 level: Provided, That the Service Surgeons General may waive this section by certifying to the congressional defense committees that the beneficiary population is declining in some catchment areas and civilian strength reductions may be consistent with responsible resource stewardship and capita-tion-based budgeting.*

(INCLUDING TRANSFER OF FUNDS)

*SEC. 8070. None of the funds appropriated in this Act may be transferred to or obligated from the Pentagon Reservation Maintenance Revolving Fund, unless the Secretary of Defense certifies that the total cost for the planning, design, construction and installation of equipment for the renovation of the Pentagon Reservation will not exceed \$1,118,000,000.*

*SEC. 8071. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.*

*(b) None of the funds available to the Central Intelligence Agency for any fiscal year for drug interdiction and counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.*

(TRANSFER OF FUNDS)

*SEC. 8072. Appropriations available in this Act under the heading "Operation and Maintenance, Defense-Wide" for increasing energy and water efficiency in Federal buildings may, during their period of availability, be transferred to other appropriations or funds of the Department of Defense for projects related to increasing energy and water efficiency, to be merged with and to be available for the same general purposes, and for the same time period, as the appropriation or fund to which transferred.*

*SEC. 8073. None of the funds appropriated by this Act may be used for the procurement of ball and roller bearings other than those produced by a domestic source and of domestic origin: Provided, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.*

*SEC. 8074. Notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to American Samoa: Provided, That notwithstanding any other provision of law, funds available to the De-*

partment of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to the Indian Health Service when it is in conjunction with a civil-military project.

SEC. 8075. None of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the congressional defense committees that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 8076. Notwithstanding any other provision of law, the Naval shipyards of the United States shall be eligible to participate in any manufacturing extension program financed by funds appropriated in this or any other Act.

SEC. 8077. Notwithstanding any other provision of law, each contract awarded by the Department of Defense during the current fiscal year for construction or service performed in whole or in part in a State which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor, shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: Provided, That the Secretary of Defense may waive the requirements of this section, on a case-by-case basis, in the interest of national security.

SEC. 8078. During the current fiscal year, the Army shall use the former George Air Force Base as the airhead for the National Training Center at Fort Irwin: Provided, That none of the funds in this Act shall be obligated or expended to transport Army personnel into Edwards Air Force Base for training rotations at the National Training Center.

SEC. 8079. (a) The Secretary of Defense shall submit, on a quarterly basis, a report to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate setting forth all costs (including incremental costs) incurred by the Department of Defense during the preceding quarter in implementing or supporting resolutions of the United Nations Security Council, including any such resolution calling for international sanctions, international peacekeeping operations, and humanitarian missions undertaken by the Department of Defense. The quarterly report shall include an aggregate of all such Department of Defense costs by operation or mission.

(b) The Secretary of Defense shall detail in the quarterly reports all efforts made to seek credit against past United Nations expenditures and all efforts made to seek compensation from the United Nations for costs incurred by the Department of Defense in implementing and supporting United Nations activities.

SEC. 8080. (a) LIMITATION ON TRANSFER OF DEFENSE ARTICLES AND SERVICES.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the current fiscal year may be obligated or expended to transfer to another na-

tion or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

(b) COVERED ACTIVITIES.—This section applies to—

(1) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council resolution; and

(2) any other international peacekeeping, peace-enforcement, or humanitarian assistance operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:

(1) A description of the equipment, supplies, or services to be transferred.

(2) A statement of the value of the equipment, supplies, or services to be transferred.

(3) In the case of a proposed transfer of equipment or supplies—

(A) a statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met; and

(B) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide funds for such replacement.

SEC. 8081. To the extent authorized by subchapter VI of chapter 148 of title 10, United States Code, the Secretary of Defense shall issue loan guarantees in support of U.S. defense exports not otherwise provided for: Provided, That the total contingent liability of the United States for guarantees issued under the authority of this section may not exceed \$15,000,000,000: Provided further, That the exposure fees charged and collected by the Secretary for each guarantee, shall be paid by the country involved and shall not be financed as part of a loan guaranteed by the United States: Provided further, That the Secretary shall provide quarterly reports to the Committees on Appropriations, Armed Services and Foreign Relations of the Senate and the Committees on Appropriations, National Security and International Relations in the House of Representatives on the implementation of this program: Provided further, That amounts charged for administrative fees and deposited to the special account provided for under section 2540c(d) of title 10, shall be available for paying the costs of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under subchapter VI of chapter 148 of title 10.

SEC. 8082. None of the funds available to the Department of Defense shall be obligated or expended to make a financial contribution to the United Nations for the cost of a United Nations peacekeeping activity (whether pursuant to assessment or a voluntary contribution) or for payment of any United States arrearage to the United Nations.

*SEC. 8083. None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense for costs of any amount paid by the contractor to an employee when—*

*(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee; and*

*(2) such bonus is part of restructuring costs associated with a business combination.*

*SEC. 8084. (a) None of the funds appropriated or otherwise made available in this Act may be used to transport or provide for the transportation of chemical munitions or agents to the Johnston Atoll for the purpose of storing or demilitarizing such munitions or agents.*

*(b) The prohibition in subsection (a) shall not apply to any obsolete World War II chemical munition or agent of the United States found in the World War II Pacific Theater of Operations.*

*(c) The President may suspend the application of subsection (a) during a period of war in which the United States is a party.*

*SEC. 8085. None of the funds provided in title II of this Act for “Former Soviet Union Threat Reduction” may be obligated or expended to finance housing for any individual who was a member of the military forces of the Soviet Union or for any individual who is or was a member of the military forces of the Russian Federation.*

*SEC. 8086. During the current fiscal year, no more than \$10,000,000 of appropriations made in this Act under the heading “Operation and Maintenance, Defense-Wide” may be transferred to appropriations available for the pay of military personnel, to be merged with, and to be available for the same time period as the appropriations to which transferred, to be used in support of such personnel in connection with support and services for eligible organizations and activities outside the Department of Defense pursuant to section 2012 of title 10, United States Code.*

*SEC. 8087. For purposes of section 1553(b) of title 31, United States Code, any subdivision of appropriations made in this Act under the heading “Shipbuilding and Conversion, Navy” shall be considered to be for the same purpose as any subdivision under the heading “Shipbuilding and Conversion, Navy” appropriations in any prior year, and the one percent limitation shall apply to the total amount of the appropriation.*

*SEC. 8088. Notwithstanding 31 U.S.C. 1552(a), not more than \$14,000,000 appropriated under the heading “Aircraft Procurement, Air Force” in Public Law 102–396 which was available and obligated for the B–2 Aircraft Program shall remain available for expenditure and for adjusting obligations for such program until September 30, 2003.*

*SEC. 8089. During the current fiscal year, in the case of an appropriation account of the Department of Defense for which the period of availability for obligation has expired or which has closed under the provisions of section 1552 of title 31, United States Code, and which has a negative unliquidated or unexpended balance, an obligation or an adjustment of an obligation may be charged to any current appropriation account for the same purpose as the expired or closed account if—*

(1) the obligation would have been properly chargeable (except as to amount) to the expired or closed account before the end of the period of availability or closing of that account;

(2) the obligation is not otherwise properly chargeable to any current appropriation account of the Department of Defense; and

(3) in the case of an expired account, the obligation is not chargeable to a current appropriation of the Department of Defense under the provisions of section 1405(b)(8) of the National Defense Authorization Act for Fiscal Year 1991, Public Law 101-510, as amended (31 U.S.C. 1551 note): Provided, That in the case of an expired account, if subsequent review or investigation discloses that there was not in fact a negative unliquidated or unexpended balance in the account, any charge to a current account under the authority of this section shall be reversed and recorded against the expired account: Provided further, That the total amount charged to a current appropriation under this section may not exceed an amount equal to one percent of the total appropriation for that account.

(TRANSFER OF FUNDS)

SEC. 8090. Upon enactment of this Act, the Secretary of Defense shall make the following transfers of funds: Provided, That the amounts transferred shall be available for the same purposes as the appropriations to which transferred, and for the same time period as the appropriation from which transferred: Provided further, That the amounts shall be transferred between the following appropriations in the amount specified:

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1989/2000":

SSN-688 attack submarine program, \$3,000,000;

DDG-51 destroyer program, \$1,500,000;

LHD-1 amphibious assault ship program, \$8,000,000;

T-AO fleet oiler program, \$3,453,000;

AOE combat support ship program, \$3,600,000;

and

For craft, outfitting, and post delivery, \$2,019,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1989/2000":

SSN-21 attack submarine program, \$21,572,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1991/2001":

DDG-51 destroyer program, \$1,060,000;

LHD-1 amphibious assault ship program, \$1,600,000;

LSD-41 cargo variant ship program, \$2,666,000;

AOE combat support ship program, \$7,307,000;

and

For craft, outfitting, and post delivery, \$12,000,000;

To: Under the heading, "Shipbuilding and Conversion, Navy, 1991/2001":  
SSN-21 attack submarine program, \$24,633,000;

From: Under the heading, "Shipbuilding and Conversion, Navy, 1996/2000":  
LHD-1 amphibious assault ship program, \$5,592,000;

To: Under the heading, "Shipbuilding and Conversion, Navy, 1996/2000":  
SSN-21 attack submarine program, \$5,592,000;

From: Under the heading, "Shipbuilding and Conversion, Navy, 1994/1998":  
LHD-1 amphibious assault ship program, \$400,000; and  
DDG-51 destroyer program, \$1,054,000;

From: Under the heading, "Shipbuilding and Conversion, Navy, 1995/1999":  
For craft, outfitting, and post delivery, conversions, and first destination transportation, \$715,000;

From: Under the heading, "Shipbuilding and Conversion, Navy, 1996/2000":  
LHD-1 amphibious assault ship program, \$17,513,000; and  
For craft, outfitting, and post delivery, conversions, and first destination transportation, \$878,000;

From: Under the heading, "Shipbuilding and Conversion, Navy, 1997/2001":  
For craft, outfitting, and post delivery, conversions, and first destination transportation, \$3,600,000;

To: Under the heading, "Shipbuilding and Conversion, Navy, 1997/2001":  
DDG-51 destroyer program, \$24,160,000;

From: Under the heading, "Shipbuilding and Conversion, Navy, 1996/2000":  
Fast Patrol Boat, \$9,500,000;

To: "Research, Development, Test and Evaluation, Navy, 1998/1999", \$9,500,000;

From: Under the heading, "Shipbuilding and Conversion, Navy, 1997/2001":  
Oceanographic ship SWATH, \$45,000,000;

To: "Research, Development, Test and Evaluation, Navy, 1998/1999", \$45,000,000;

From:

“Aircraft Procurement, Air Force, 1997/1999”,  
\$73,531,000;

To:

“Research, Development, Test and Evaluation, Air  
Force, 1997/1998”, \$73,531,000:

*Provided further, That notwithstanding any other provision of law, to facilitate a full and final settlement of all claims under contracts N00024-79-C-2614 and N00024-77-C-2031, the Secretary of the Navy may offset the amount of \$1,660,680.84, owed by the Navy under contract N00024-79-C-2614 for the T-ARC-7 against an equal amount, \$1,660,680.84, owed to the Navy under contract N00024-77-C-2031 for the AD 43.*

*SEC. 8091. The Under Secretary of Defense (Comptroller) shall submit to the congressional defense committees by February 1, 1998 a detailed report identifying, by amount and by separate budget activity, activity group, subactivity group, line item, program element, program, project, subproject, and activity, any activity for which the fiscal year 1999 budget request was reduced because Congress appropriated funds above the President’s budget request for that specific activity for fiscal year 1998.*

*SEC. 8092. (a) None of the funds available to the Department of Defense under this Act may be obligated or expended to reimburse a defense contractor for restructuring costs associated with a business combination of the defense contractor that occurs after the date of enactment of this Act unless—*

*(1) the auditable savings for the Department of Defense resulting from the restructuring will exceed the costs allowed by a factor of at least two to one; or*

*(2) the savings for the Department of Defense resulting from the restructuring will exceed the costs allowed and the Secretary of Defense determines that the business combination will result in the preservation of a critical capability that might otherwise be lost to the Department; and*

*(3) the report required by Section 818(e) of Public Law 103-337 to be submitted to Congress in 1997 is submitted.*

*(b) Not later than April 1, 1998, the Comptroller General shall, in consultation with the Inspector General of the Department of Defense, the Secretary of Defense, and the Secretary of Labor, submit to Congress a report which shall include the following:*

*(1) an analysis and breakdown of the restructuring costs paid by or submitted to the Department of Defense to companies involved in business combinations since 1993;*

*(2) an analysis of the specific costs associated with workforce reductions;*

*(3) an analysis of the services provided to the workers affected by business combinations;*

*(4) an analysis of the effectiveness of the restructuring costs used to assist laid off workers in gaining employment; and*

*(5) in accordance with section 818 of Public Law 103-337, an analysis of the savings reached from the business combination relative to the restructuring costs paid by the Department of Defense.*



(c) *The report should set forth recommendations to make this program more effective for workers affected by business combinations and more efficient in terms of the use of Federal dollars.*

*SEC. 8093. Funds appropriated in title II of this Act for supervision and administration costs for facilities maintenance and repair, minor construction, or design projects may be obligated at the time the reimbursable order is accepted by the performing activity: Provided, That for the purpose of this section, supervision and administration costs includes all in-house Government cost.*

*SEC. 8094. The Secretary of Defense may waive reimbursement of the cost of conferences, seminars, courses of instruction, or similar educational activities of the Asia-Pacific Center for Security Studies for military officers and civilian officials of foreign nations if the Secretary determines that attendance by such personnel, without reimbursement, is in the national security interest of the United States: Provided, That costs for which reimbursement is waived pursuant to this subsection shall be paid from appropriations available for the Asia-Pacific Center.*

*SEC. 8095. (a) Notwithstanding any other provision of law, the Chief of the National Guard Bureau may permit the use of equipment of the National Guard Distance Learning Project by any person or entity on a space-available, reimbursable basis. The Chief of the National Guard Bureau shall establish the amount of reimbursement for such use on a case-by-case basis.*

*(b) Amounts collected under subsection (a) shall be credited to funds available for the National Guard Distance Learning Project and be available to defray the costs associated with the use of equipment of the project under that subsection. Such funds shall be available for such purposes without fiscal year limitation.*

*SEC. 8096. Using funds available by this Act or any other Act, the Secretary of the Air Force, pursuant to a determination under section 2690 of title 10, United States Code, may implement cost-effective agreements for required heating facility modernization in the Kaiserslautern Military Community in the Federal Republic of Germany: Provided, That in the City of Kaiserslautern such agreements will include the use of United States anthracite as the base load energy for municipal district heat to the United States Defense installations: Provided further, That at Landstuhl Army Regional Medical Center and Ramstein Air Base, furnished heat may be obtained from private, regional or municipal services, if provisions are included for the consideration of United States coal as an energy source.*

*SEC. 8097. Notwithstanding any other provision of law, and notwithstanding the provisions in section 7306 of title 10, United States Code, in addition to amounts otherwise appropriated or made available by this Act, \$13,000,000 is appropriated to the Department of the Navy and shall be available only for a grant to the Intrepid Sea-Air-Space Foundation only for the refurbishment of the former U.S.S. Intrepid (CV 11).*

*SEC. 8098. In accordance with section 1557 of title 31, United States Code, the following obligated balance shall be exempt from subchapter IV of chapter 15 of such title and shall remain available for expenditure without fiscal year limitation: Funds obligated by the Economic Development Administration for EDA Project No. 04-*

49-04095 from funds made available in the Department of Defense Appropriations Act, 1994 (Public Law 103-189).

SEC. 8099. None of the funds provided by this Act may be used to pay costs of instruction for an Air Force officer for enrollment commencing during the 1998-1999 academic year in a postgraduate degree program at a civilian educational institution if—

(1) the degree program to be pursued by that officer is offered by the Air Force Institute of Technology (or was offered by that institute during the 1996-1997 academic year);

(2) the officer is qualified for enrollment at the Air Force Institute of Technology in that degree program; and

(3) the number of students commencing that degree program at the Air Force Institute of Technology during the first semester of the 1998-1999 academic year is less than the number of students commencing that degree program for the first semester of the 1996-1997 academic year.

SEC. 8100. During the current fiscal year, the amounts which are necessary for the operation and maintenance of the Fisher Houses administered by the Departments of the Army, the Navy, and the Air Force are hereby appropriated, to be derived from amounts which are available in the applicable Fisher House trust fund established under 10 U.S.C. 2221 for the Fisher Houses of each such department.

SEC. 8101. During the current fiscal year, refunds attributable to the use of the Government travel card by military personnel and civilian employees of the Department of Defense may be credited to operation and maintenance accounts of the Department of Defense which are current when the refunds are received.

SEC. 8102. During the current fiscal year, not more than a total of \$60,000,000 in withdrawal credits may be made by the Marine Corps Supply Management activity group of the Navy Working Capital Fund, Department of Defense Working Capital Funds, to the credit of current applicable appropriations of a Department of Defense activity in connection with the acquisition of critical low density repairables that are capitalized into the Navy Working Capital Fund.

SEC. 8103. Notwithstanding 31 U.S.C. 3902, during the current fiscal year interest penalties may be paid by the Department of Defense from funds financing the operation of the military department or defense agency with which the invoice or contract payment is associated.

SEC. 8104. At the time the President submits his budget for fiscal year 1999, the Department of Defense shall transmit to the congressional defense committees a budget justification document for the active and reserve Military Personnel accounts, to be known as the "M-1", which shall identify, at the budget activity, activity group, and subactivity group level, the amounts requested by the President to be appropriated to the Department of Defense for military personnel in any budget request, or amended budget request, for fiscal year 1999.

SEC. 8105. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by \$100,000,000 to reflect savings due to excess inventory, to be distributed as follows: "Operation and Maintenance, Army", \$40,000,000;

“Operation and Maintenance, Navy”, \$40,000,000; and “Operation and Maintenance, Air Force”, \$20,000,000.

*SEC. 8106. Notwithstanding any other provision in this Act, the total amount appropriated in title III of this Act is hereby reduced by \$75,000,000 to reflect savings from repeal of section 2403 of title 10, United States Code.*

*SEC. 8107. The Secretary of the Army may exchange or sell one Army C-20 aircraft and may apply the exchange allowance or sale proceeds in whole or in part payment for the acquisition of one C-37 aircraft: Provided, That in addition to such exchange allowance or sale proceeds, of the amount appropriated for fiscal year 1998 for Aircraft Procurement, Air Force, not more than \$6,000,000 shall be made available for acquisition of the C-37 for the United States Army: Provided further, That in addition to such exchange allowance or sale proceeds, of the amount appropriated for fiscal year 1997 for Aircraft Procurement, Air Force, not more than \$27,100,000 shall be made available for acquisition of the C-37 for the United States Army.*

*SEC. 8108. During the current fiscal year, the Secretary of Defense may award contracts for capital assets having a development or acquisition cost of not less than \$100,000 of a Working Capital Fund in advance of the availability of funds in the Working Capital Fund for minor construction, automatic data processing equipment, software, equipment, and other capital improvements.*

*SEC. 8109. From funds made available by this Act for the Maritime Technology Program up to \$250,000 shall be made available to assist with a pilot project that will facilitate the transfer of commercial cruise ship shipbuilding technology and expertise to U.S. yards, utilize the experience and expertise of existing U.S.-flag cruise ship operators, and enable the operation of a U.S.-flag foreign-built cruise ship, and two newly-constructed U.S.-flag cruise ships: Provided, That a person (including a related person with respect to that person) who, within 18 months after the date of enactment, enters into a binding contract for construction in the United States of two cruise ships, which contract shall provide for the construction of two cruise ships of equal or greater size than the cruise ship being operated by such person on the date of enactment and shall require the delivery of the first cruise ship no later than January 1, 2005, and the second cruise ship no later than January 1, 2008, may document with a coastwise endorsement a cruise ship constructed pursuant to this section and a foreign-built cruise ship otherwise in compliance with 46 U.S.C. sections 289, 883 and 12106 until such date which is twenty-four (24) months after the delivery of the second cruise ship or any subsequently delivered cruise ship: Provided further, That a person (including a related person with respect to that person) within the meaning of 46 U.S.C. section 801 may not operate a U.S.-flag foreign-built cruise ship, or any other cruise ship, in coastwise trade between or among the islands of Hawaii, upon execution of the contract referred to in this section and continuing throughout the life expectancy (as that term is used in 46 U.S.C. App 1125) of a newly constructed U.S. flag cruise ship referred to in this section, unless the cruise ship is operated by a person (including a related person with respect to that person) that is operating a cruise ship in coastwise trade between or among the*

islands of Hawaii on the date of enactment, except if any cruise ship constructed pursuant to this section operates in regular service other than between or among the islands of Hawaii: Provided further, That for purposes of this section the term "cruise ship" means a vessel that is at least 10,000 gross tons (as measured under chapter 143 of title 46, United States Code) and has berth or stateroom accommodations for at least 275 passengers: Provided further, That for purposes of this section, unless otherwise defined in this section, the term "person" means a corporation, partnership or association the controlling interest of which is owned by citizens of the United States within the meaning of 46 U.S.C. section 802(b): Provided further, That for purposes of this section the term "related person" means with respect to a person (i) a holding company, subsidiary, affiliate or association of the person and (ii) an officer, director, or agent of the person or of an entity referred to in (i): Provided further, That none of the funds provided in this or any other Act may be obligated for the tooling to construct or the construction of vessels addressed by this section.

SEC. 8110. The Secretary of Defense shall submit to the congressional defense committees not later than November 15, 1997 an aviation safety plan outlining an appropriate level of navigational safety upgrades for all Department of Defense aircraft and the associated funding profile to install these upgrades in an expeditious manner.

SEC. 8111. Notwithstanding any other provision of law, the Secretary of Defense shall obligate the funds provided for University Research Initiatives in the Department of Defense Appropriations Act, 1997 (titles I through VIII under section 101(b) of Public Law 104-208) for the projects and in the amounts provided for in House Report 104-863 of the House of Representatives, 104th Congress, second session.

SEC. 8112. The Secretary of Defense shall submit to the Committees on Appropriations of the House of Representatives and Senate, not later than April 15, 1998, a report on alternatives for current theater combat simulations: Provided, That this report shall be based on a review and evaluation by the Defense Science Board of the adequacy of the current models used by the Department of Defense for theater combat simulations, with particular emphasis on the tactical warfare (TACWAR) model and the ability of that model to adequately measure airpower, stealth, and other asymmetrical United States warfighting advantages, and shall include the recommendations of the Defense Science Board for improvements to current models and modeling techniques.

SEC. 8113. Effective on June 30, 1998, section 8106(a) of the Department of Defense Appropriations Act, 1997 (titles I through VIII of the matter under section 101(b) of Public Law 104-208; 110 Stat. 3009-111; 10 U.S.C. 113 note), is amended by striking out "\$3,000,000" and inserting in lieu thereof "\$1,000,000".

SEC. 8114. None of the funds appropriated in title IV of this Act may be used to procure end-items for delivery to military forces for operational training, operational use or inventory requirements: Provided, That this restriction does not apply to end-items used in development, prototyping, and test activities preceding and leading to acceptance for operational use: Provided further, That this re-

*striction does not apply to programs funded within the National Foreign Intelligence Program: Provided further, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.*

*SEC. 8115. It is the sense of the Congress that all member nations of the North Atlantic Treaty Organization (NATO) should contribute their proportionate share to pay for the costs of the Partnership for Peace program and for any future costs attributable to the expansion of NATO.*

*SEC. 8116. The budget of the President for fiscal year 1999 submitted to Congress pursuant to section 1105 of title 31, United States Code, and each annual budget request thereafter, shall include budget activity groups (known as "subactivities") in the operation and maintenance accounts of the military departments and other appropriation accounts, as may be necessary, to separately identify all costs incurred by the Department of Defense to support the expansion of the North Atlantic Treaty Organization. The budget justification materials submitted to Congress in support of the budget of the Department of Defense for fiscal year 1999, and subsequent fiscal years, shall provide complete, detailed estimates for the incremental costs of such expansion.*

*SEC. 8117. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with a contractor that is subject to the reporting requirement set forth in subsection (d) of section 4212 of title 38, United States Code, but has not submitted the most recent report required by such subsection for 1997 or a subsequent year.*

*SEC. 8118. None of the funds made available in this Act may be used to approve or license the sale of the F-22 advanced tactical fighter to any foreign government.*

*SEC. 8119. None of the funds appropriated or otherwise made available by this Act may be made available for the United States Man and the Biosphere Program, or related projects.*

*SEC. 8120. Up to \$4,500,000 of funds available to the Department of Defense may be available for the payment of claims for loss and damage to personal property suffered as a direct result of the flooding in the Red River Basin during April and May, 1997 by members of the Armed Forces residing in the vicinity of Grand Forks Air Force Base, North Dakota, without regard to the provisions of section 3721(e) of title 31, United States Code.*

*SEC. 8121. Of the total amount appropriated under title II for the Navy, the Secretary of the Navy shall make \$25,000,000 available for a program to demonstrate expanded use of multitechnology automated reader cards throughout the Navy and the Marine Corps, including demonstration of the use of the so-called "smartship" technology of the ship-to-shore work load/off load program.*

*SEC. 8122. (a) FINDINGS.—(1) The North Atlantic Treaty Organization, at the Madrid summit, decided to admit three new members, the Czech Republic, Poland and Hungary.*

(2) *The President, on behalf of the United States endorsed and advocated the expansion of the North Atlantic Treaty Organization to include three additional members.*

(3) *The Senate will consider the ratification of instruments to approve the admissions of new members to the North Atlantic Treaty Organization.*

(4) *The United States has contributed more than \$20,000,000,000 since 1952 for infrastructure and support of the Alliance.*

(5) *In appropriations Acts considered by the Congress for fiscal year 1998, \$449,000,000 has been requested by the President for expenditures in direct support of United States participation in the Alliance.*

(6) *In appropriations Acts considered by the Congress for fiscal year 1998, \$9,983,300,000 has been requested by the President in support of United States military expenditures in North Atlantic Treaty Organization countries.*

(b) *REPORT TO CONGRESS.—The Secretary of Defense shall identify and report to the congressional defense committees not later than October 1, 1997—*

(1) *the amounts necessary, by appropriation account, for all anticipated costs to the United States for the admission of the Czech Republic, Poland and Hungary to the North Atlantic Treaty Organization for the fiscal years 1998, 1999, 2000, 2001 and 2002; and*

(2) *any new commitments or obligations entered into or assumed by the United States in association with the admission of new members to the Alliance, to include the deployment of United States military personnel, the provision of defense articles or equipment, training activities and the modification and construction of military facilities.*

*SEC. 8123. (a) The Secretary of Defense may, on a case-by-case basis, waive with respect to a foreign country each limitation on the procurement of defense items from foreign sources provided in law if the Secretary determines that the application of the limitation with respect to that country would invalidate cooperative programs entered into between the Department of Defense and the foreign country, or would invalidate reciprocal trade agreements for the procurement of defense items entered into under section 2531 of title 10, United States Code, and the country does not discriminate against the same or similar defense items produced in the United States for that country.*

(b) *Subsection (a) applies with respect to—*

(1) *contracts and subcontracts entered into on or after the date of the enactment of this Act; and*

(2) *options for the procurement of items that are exercised after such date under contracts that are entered into before such date if the option prices are adjusted for any reason other than the application of a waiver granted under subsection (a).*

(c) *Subsection (a) does not apply to a limitation regarding construction of warships, ball and roller bearings, and clothing or textile materials as defined by section 11 (chapters 50–65) of the Harmonized Tariff Schedule and products classified under headings 4010, 4202, 4203, 6401 through 6406, 6505, 7019, and 9404.*

*SEC. 8124. It is the sense of Congress that should the Senate ratify NATO enlargement, that the proportional cost of the United States share of the NATO common budget should not increase, and that if any NATO member does not pay its share, the United States shall not pay either.*

*SEC. 8125. Congress finds that the Defense Base Closure and Realignment Commission directed the transfer of only 10 electromagnetic test environment systems from Eglin Air Force Base, Florida, to Nellis Air Force Base, Nevada.*

*SEC. 8126. (a) FINDINGS.—(1) The Department of Defense budget is insufficient to fulfill all the requirements on the unfunded priorities lists of the military services and defense agencies;*

*(2) the documented printing expenses of the Department of Defense amount to several hundred million dollars per year, and a similar amount of undocumented printing expenses may be included in external defense contracts;*

*(3) printing in two or more colors generally increases costs;*

*(4) the Joint Committee on Printing of the Congress of the United States has established regulations intended to protect taxpayers from extravagant Government printing expenses;*

*(5) the Government Printing and Binding Regulations published by the Joint Committee on Printing direct that “. . . it is the responsibility of the head of any department, independent office or establishment of the Government to assure that all multicolor printing shall contribute demonstrable value toward achieving a greater fulfillment of the ultimate end-purpose of whatever printed item in which it is included.”;*

*(6) the Department of Defense publishes a large number of brochures, calendars, and other products in which the use of multicolor printing does not appear to meet the demonstrably valuable contribution requirement of the Joint Committee on Printing, but instead appears to be used primarily for decorative effect; and*

*(7) the Department of Defense could save resources for higher priority needs by reducing printing expenses.*

*(b) SENSE OF THE SENATE.—Therefore, it is the sense of the Senate that—*

*(1) the Secretary of Defense should ensure that the printing costs of the Department of Defense and military services are held to the lowest amount possible;*

*(2) the Department of Defense should strictly comply with the Printing and Binding Regulations published by the Joint Committee on Printing of the Congress of the United States;*

*(3) the Department of Defense budget submission for fiscal year 1999 should reflect the savings that will result from the stricter printing guidelines in paragraphs (1) and (2).*

(RESCISSIONS)

*SEC. 8127. Of the funds provided in title III of the Department of Defense Appropriations Act, 1996 (Public Law 104-61), \$62,000,000 are rescinded, and of the funds provided in title IV of the Department of Defense Appropriations Act, 1997 (as contained in section 101(b) of Public Law 104-208), \$38,000,000 are rescinded: Provided, That such rescissions shall not be made before July 1, 1998: Provided further, That not later than June 1, 1998,*

*the Undersecretary of Defense (Comptroller) shall submit a report to the congressional defense committees listing the specific programs, projects and activities proposed for rescission subject to the provisions of this section.*

*SEC. 8128. Section 303(e) of the 1997 Emergency Supplemental Appropriations Act for Recovery from Natural Disasters, and for Overseas Peacekeeping Efforts, Including Those in Bosnia (Public Law 105-18; 111 Stat. 168) is struck and the following is inserted in lieu thereof:*

*“(e) AVAILABILITY OF FUNDS.—The Secretary may use funds available in the Defense Working Capital Fund for the payment of the costs of utilities, maintenance and repair, and improvements entered into under the lease under this section.”.*

*SEC. 8129. Subject to amounts appropriated under the heading “Shipbuilding and Conversion, Navy” in this Act for the New Attack Submarine Program, and notwithstanding any provisions of the National Defense Authorization Act for Fiscal Year 1996 and of the National Defense Authorization Act for Fiscal Year 1997 to the contrary, and notwithstanding section 2304(k) of title 10, United States Code, and the policy set forth in paragraph (1) of that section, the Secretary of the Navy may enter into a contract during fiscal year 1998 for the necessary procurement of four submarines under the New Attack Submarine Program with one of the two shipbuilders which are party to the Team Agreement between Electric Boat Corporation and Newport News Shipbuilding and Dry Dock Company dated February 25, 1997, that was submitted to the Congress by the Secretary of the Navy on March 31, 1997, as the prime contractor on the condition such prime contractor enter into one or more sub-contracts (under such prime contract) with the other shipbuilder which is a party to such Team Agreement as contemplated in such Team Agreement, with such contract providing for construction of the first submarine in fiscal year 1998 and for the advance construction and advance procurement of material for the second, third, and fourth submarines in fiscal year 1998: Provided, That such prime contract shall provide that if such contract is terminated, the United States shall not be liable for termination costs in excess of the total amount appropriated for the New Attack Submarine Program.*

*SEC. 8130. In addition to the amounts provided elsewhere in this Act, \$3,000,000 is hereby appropriated for “Operations and Maintenance, Defense-Wide”, and shall be made available only for the establishment of the “21st Century National Security Study Group” (hereinafter in this section referred to as the “Study Group”): Provided, That these funds may be obligated only upon the completion of a memorandum of agreement between the Secretary of Defense (after consultation with the President), the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Majority Leader of the Senate, and the Minority Leader of the Senate: Provided further, That this memorandum of agreement will set forth the scope of the Group’s work, as well as its charter, composition, authorities, lifespan, and products to be generated: Provided further, That this memorandum of agreement shall be completed not later than December 15, 1997.*



*SEC. 8131. (a) PANEL TO REVIEW LONG RANGE AIR POWER.—*

*(1) There is hereby established an independent panel to evaluate the adequacy of current planning for United States long-range air power and the requirement for continued low-rate production of B-2 stealth bombers.*

*(2) The panel shall be composed of nine members appointed as follows:*

- (A) Two members shall be named by the President;*
- (B) Two members shall be named by the Speaker of the House of Representatives;*
- (C) One member shall be named by the minority leader of the House of Representatives;*
- (D) Two members shall be named by the majority leader of the Senate;*
- (E) One member shall be named by the minority leader of the Senate; and*
- (F) One member, will serve as chairman of the panel, shall be named by the President.*

*(b) FUNCTIONS OF PANEL.—(1) Not later than March 1, 1998, the panel shall submit to the President and Congress a report containing its conclusions and recommendations concerning the appropriate B-2 bomber force and specifically stating its recommendation on whether additional funds for the B-2 should be used for continued low-rate production of the B-2 or for upgrades to improve deployability, survivability and maintainability.*

*(2) As part of its evaluation and review, the panel shall consider, but not be limited to, the following:*

- (A) Scenarios involving no warning time and little warning time from potential adversaries;*
- (B) The make-up of the current bomber fleet and expected attrition to that fleet over the next fifteen years;*
- (C) The potential effect of additional B-2 bombers on deterrence;*
- (D) The potential effect of additional B-2 bombers in the “halt phase” of a conflict;*
- (E) The potential of a biological or chemical “lock-out” of tactical U.S. assets by future adversaries and the effect of additional B-2 bombers toward mitigating such a tactic;*
- (F) Trade-offs between additional B-2 bombers and other programmed DOD assets in meeting the scenarios described in subsections (b)(2)(A) through (b)(2)(E) above;*
- (G) The desirability of an increased rate of purchase of precision-guided munitions for aircraft in the existing B-2 fleet;*
- (H) The desirability of improving the low observable characteristics of the existing B-2 fleet; and*
- (I) The affordability of additional B-2 bombers in the context of projected levels of future defense funding.*

*(c) PANEL ADMINISTRATION.—(1) The members of the panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel.*

(2) Upon the request of the chairman of the panel, the Secretary of Defense may detail to the panel, on a nonreimbursable basis, personnel of the Department of Defense to assist the panel in carrying out its duties. The Secretary of Defense shall furnish to the panel such administrative and support services as may be requested by the chairman of the panel and shall ensure that all appropriate actions are taken to preserve the options of the President until the panel submits its report under subsection (b)(1).

(d) FUNDING.—The Secretary of Defense shall, upon the request of the panel, make available to the panel such amounts as the panel may require to carry out its duties under this section.

(e) TERMINATION OF THE PANEL.—The panel shall terminate 30 days after the date on which it submits its report under subsection (b)(1).

SEC. 8132. None of the funds in this Act may be made available for the deployment of United States armed forces in the Republic of Bosnia and Herzegovina after June 30, 1998, unless the President, after consultation with the bipartisan leadership of the Senate and the House of Representatives, transmits to the Congress not later than May 15, 1998 a certification that the continued presence of United States armed forces is required in order to meet the national security interests of the United States: Provided, That such certification shall specify the following aspects of any deployment beyond June 30, 1998—

(1) The reasons why such deployment is in the national interest;

(2) The number of United States military personnel to be deployed in and around the Republic of Bosnia and Herzegovina and the former Yugoslavia;

(3) The expected duration of any such deployment;

(4) The mission and objectives of United States military forces deployed in and around the Republic of Bosnia and Herzegovina and the former Yugoslavia;

(5) The exit strategy for United States forces engaged in such deployment;

(6) The costs associated with any deployment beyond June 30, 1998; and

(7) The impact of such deployment on the morale, retention, and effectiveness of U.S. forces:

Provided further, That, concurrent with said certification, the President shall submit a supplemental appropriations request for such amounts as are necessary for any continued deployment beyond June 30, 1998: Provided further, That nothing in this section shall be deemed to restrict the authority of the President under the Constitution to protect the lives of United States citizens.

This Act may be cited as the “Department of Defense Appropriations Act, 1998”.

And the Senate agree to the same.

BILL YOUNG,  
JOSEPH M. MCDADE,  
JERRY LEWIS,  
JOE SKEEN,  
DAVID L. HOBSON,  
HENRY BONILLA,

GEORGE R. NETHERCUTT, Jr.,  
ERNEST ISTOOK,  
RANDY "DUKE" CUNNINGHAM,  
BOB LIVINGSTON,  
JOHN P. MURTHA,  
NORM DICKS  
(except on amendment deal-  
ing with the B-2 bomber.),

W.G. BILL HEFNER,  
MARTIN OLAV SABO,  
JULIAN C. DIXON,  
PETER J. VISCLOSKY,  
*Managers on the Part of the House.*

TED STEVENS,  
THAD COCHRAN,  
ARLEN SPECTER,  
PETE DOMENICI,  
CHRISTOPHER S. BOND,  
MITCH McCONNELL,  
RICHARD SHELBY,  
JUDD GREGG,  
KAY BAILEY HUTCHISON,  
DANIEL K. INOUE,  
ROBERT BYRD,  
PATRICK J. LEAHY,  
DALE BUMPERS,  
FRANK R. LAUTENBERG,  
BYRON L. DORGAN,  
*Managers on the Part of the Senate.*



## JOINT EXPLANATORY STATEMENT

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2266), making appropriations for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement on the Department of Defense Appropriations Act, 1998, incorporates some of the provisions of both the House and Senate versions of the bill. The language and allocations set forth in House Report 105-206 and Senate Report 105-45 should be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary.

Senate Amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill.

### DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

The conferees agree that for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119) and by the Budget Enforcement Act of 1990 (Public Law 101-508), the term program, project, and activity for appropriations contained in this Act shall be defined as the most specific level of budget items identified in the Department of Defense Appropriations Act, 1998, the accompanying House and Senate Committee reports, the conference report and accompanying joint explanatory statement of the managers of the Committee of Conference, the related classified annexes and reports, and the P-1 and R-1 budget justification documents as subsequently modified by Congressional action. The following exception to the above definition shall apply:

For the Military Personnel and the Operation and Maintenance accounts, the term "program, project, and activity" is defined as the appropriations accounts contained in the Department of Defense Appropriations Act. At the time the President submits his budget for fiscal year 1999, the conferees direct the Department of Defense to transmit to the congressional defense committees budget justification documents to be known as the "M-1" and "O-1" which shall identify, at the budget activity, activity group, and subactivity group level, the amounts requested by the President to be appropriated to the Department of Defense for operation and maintenance in any budget request, or amended budget request, for fiscal year 1999.

## TITLE I—MILITARY PERSONNEL

The conferees agree to the following amounts and end strength totals for the Military Personnel accounts as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Active personnel:				
Army .....	\$20,492,257	\$20,445,381	\$20,426,457	\$20,452,057
Navy .....	16,501,118	16,504,911	16,508,218	16,493,518
Marine Corps .....	6,147,599	6,141,635	6,148,899	6,137,899
Air Force .....	17,145,556	17,044,874	17,206,056	17,102,120
Reserve personnel:				
Army .....	2,024,446	2,045,615	2,037,046	2,032,046
Navy .....	1,375,401	1,377,249	1,374,901	1,376,601
Marine Corps .....	381,070	391,953	384,770	391,770
Air Force .....	814,936	814,772	815,745	815,915
National Guard Personnel:				
Army .....	3,200,667	3,245,387	3,446,867	3,333,867
Air Force .....	1,319,712	1,331,417	1,334,712	1,334,712
Total, Military Personnel .....	69,411,762	69,343,194	69,683,671	69,470,505

## PERSONNEL UNDERSTRENGTH

The conferees recommend a total reduction of \$303,200,000 to the services military personnel accounts due to lower than estimated end strengths during fiscal year 1997. The conferees understand that the Services will begin fiscal year 1998 with fewer personnel on-board than originally budgeted, therefore, the requirements for pays and allowances of personnel are overstated. A summary of the understrength reductions is shown in the table below:

[In thousands of dollars]

Army .....	-\$240,000
Navy .....	- 10,000
Marine Corps .....	- 3,600
Air Force .....	- 44,600
Army Reserve .....	- 5,000
Total .....	- 303,200

## FORCE STRUCTURE CHANGES

The fiscal year 1998 budget request included reductions in the size of Primary Aircraft Authorized (PAA) levels for Air Force B-52's, and Air Force Reserve and Air National Guard C-130's units. The conferees recommend restoring these aircraft levels during fiscal year 1998. In addition, the conferees recommend adding funds to support the Air Force Reserve's WC-130 Weather Reconnaissance mission, and Navy Reserve LAMPS squadrons. In total, the conferees recommend an additional \$11,779,000 in the military personnel accounts and \$64,373,000 in the services Operations and Maintenance accounts for personnel and support costs of these units. A summary of the funds provided follows:

	Military personnel	O&M	Procurement	Total
Air Force, B-52's .....	4,500	42,400	10,400	57,300
Air Force Reserve, C-130's .....	1,409	6,780	.....	8,189
Air National Guard C-130's .....	4,000	13,063	.....	17,063
Air Force Reserve, WC-130 Weather Reconnaissance ...	170	830	.....	1,000

	Military personnel	O&M	Procurement	Total
Navy/Navy Reserve, Magic Lantern .....	1,700	1,300	.....	3,000
Total .....	11,779	64,373	10,400	86,552

## FOREIGN CURRENCY SAVINGS

The budget request reduces the active duty military personnel accounts by \$62,000,000 for foreign currency savings due to favorable fluctuations in overseas exchange rates. The conferees understand that there are additional savings and recommend a further reduction of \$16,000,000 to the personnel accounts, for a total foreign currency reduction of \$78,000,000.

## CONTINGENCY OPERATIONS FUNDING

The fiscal year 1998 budget request recommended \$213,600,000 for pay and allowances of military personnel in the "Overseas Contingency Operations Transfer Fund", for cost of operations in Bosnia during fiscal year 1998. The conferees agree to the realignment of these funds into the Services military personnel accounts.

## TEMPORARY EARLY RETIREMENT AUTHORITY

The conferees recommend a total of \$126,902,000 for Army and Air Force Temporary Early Retirement Authority. Of this amount, the conferees agree to restore \$36,902,000, the budget request, for Army separation payments. However, due to enlisted understrength projections, the conferees recommend \$90,000,000, a reduction of \$57,836,000 from the budget request, for Air Force separation payments.

## ACTIVE END STRENGTH

[Fiscal year 1998]

	Budget	Conference	Conference vs. budget
Army .....	495,000	495,000	.....
Navy .....	390,802	390,802	.....
Marine Corps .....	174,000	174,000	.....
Air Force .....	371,577	371,699	+122
Total, Active Personnel .....	1,431,379	1,431,501	+122

## MILITARY PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters .....	10,326	.....	.....
Foreign Currency Savings .....	- 4,000	.....	- 9,000
Temporary Early Retirement Program .....	- 36,902	.....	.....
Service Academies Foreign Students .....	- 1,000	.....	- 1,000
Personnel Understrength Savings .....	- 183,100	.....	- 240,000
Family Separation Allowance .....	9,600	.....	9,600

[In thousands of dollars]

	House	Senate	Conference
Contingency Operations Transfer—Bosnia .....	158,200	158,200	158,200
End Strength Reduction .....		-266,000	
Additional Recruiting Support .....		42,000	42,000
<b>Total, Military Personnel, Army .....</b>	<b>-46,876</b>	<b>-65,800</b>	<b>-40,200</b>

**MILITARY PERSONNEL, NAVY**

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters .....	9,393		
Foreign Currency Savings .....	-1,000		-3,000
Service Academies Foreign Students .....	-1,000		-1,000
Personnel Understrength Savings .....	-10,000		-10,000
Unemployment Compensation Savings .....	-10,000		-10,000
Family Separation Allowance .....	9,300		9,300
Contingency Operations Transfer-Bosnia .....	7,100	7,100	7,100
<b>Total, Military Personnel, Navy .....</b>	<b>3,793</b>	<b>7,100</b>	<b>-7,600</b>

**MILITARY PERSONNEL, MARINE CORPS**

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters .....	2,736		
Foreign Currency Savings .....			-1,000
Personnel Understrength Savings .....	-3,600		-3,600
Family Separation Allowance .....	-3,600		-3,600
Unemployment Compensation Savings .....	-10,000		-10,000
Contingency Operations Transfer-Bosnia .....	1,300	1,300	1,300
<b>Total, Military Personnel, Marine Corps .....</b>	<b>-5,964</b>	<b>1,300</b>	<b>-9,700</b>

**MILITARY PERSONNEL, AIR FORCE**

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters .....	8,654		
Temporary Early Retirement Program .....	-147,836		-57,836
Foreign Currency Savings .....	-1,000		-3,000
Service Academies Foreign Students .....	-1,000		-1,000
Personnel Understrength Savings .....	-18,000		-44,600
Family Separation Allowance .....	2,500		2,500
Contingency Operations Transfer-Bosnia .....	47,000	47,000	47,000
B-52 Force Structure .....		4,500	4,500
<b>Total, Military Personnel, Air Force .....</b>	<b>-109,682</b>	<b>51,500</b>	<b>-52,436</b>



## NATIONAL GUARD AND RESERVE FORCES

The conferees agree to provide \$9,284,911,000 in Reserve personnel appropriations, \$9,310,912,000 in Operation and maintenance appropriations, and \$653,000,000 in the National Guard and Reserve Equipment appropriation. These funds support a Selected Reserve strength of 892,597 as shown below.

## RESERVE STRENGTHS

	Fiscal year 1998		
	Budget	Conference	Conference vs. Budget
Selected Reserve:			
Army Reserve .....	208,000	208,000	.....
Navy Reserve .....	94,294	94,326	+32
Marine Corps Reserve .....	42,000	42,000	.....
Air Force Reserve .....	73,431	73,598	+167
Army National Guard .....	366,516	366,516	.....
Air National Guard .....	107,377	108,157	+780
<b>Total .....</b>	<b>891,618</b>	<b>892,597</b>	<b>+979</b>
AGR/TARS:			
Army Reserve .....	11,500	11,500	.....
Navy Reserve .....	16,136	16,168	+32
Marine Corps Reserve .....	2,559	2,559	.....
Air Force Reserve .....	963	963	.....
Army National Guard .....	22,310	22,310	.....
Air National Guard .....	10,616	10,671	+55
<b>Total .....</b>	<b>64,084</b>	<b>64,171</b>	<b>+87</b>
Technicians:			
Army Reserve .....	6,501	6,501	.....
Air Force Reserve .....	9,622	9,659	+37
Army National Guard .....	25,250	25,250	.....
Air National Guard .....	22,968	23,068	+100
<b>Total .....</b>	<b>64,341</b>	<b>64,478</b>	<b>+137</b>

## RETENTION OF MILITARY LEAVE FOR FEDERAL EMPLOYEES

The conferees reject the budget request proposal to eliminate military leave for those members of the Reserve components who are Federal employees.

## RESERVE MOBILIZATION INCOME INSURANCE PROGRAM

The conferees include language in section 8005 of the general provisions which provides the Department of Defense reprogramming authority to meet its financial obligations with respect to the termination of this program in the absence of a supplemental appropriation.

## RESERVE PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Unit Readiness/Training .....	8,000	.....	.....
Basic Allowance for Quarters .....	569	.....	.....
Reserve Duty Drill Pay .....	20,400	20,400	20,400
Health Scholarship Stipend .....	-7,800	-7,800	-7,800
Personnel Understrength Savings .....	.....	.....	-5,000
<b>Total, Reserve Personnel, Army .....</b>	<b>21,169</b>	<b>12,600</b>	<b>7,600</b>

## RESERVE PERSONNEL, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters .....	648	.....	.....
Reserve Duty Drill Pay .....	8,500	8,500	8,500
Health Scholarship Stipend .....	-9,000	-9,000	-9,000
Magic Lantern Aircraft .....	1,700	.....	1,700
<b>Total, Reserve Personnel, Navy .....</b>	<b>1,848</b>	<b>-500</b>	<b>1,200</b>

## NAVY RESERVE FORCES

The conferees concur in the House direction regarding Navy Reserve Forces.

## RESERVE PERSONNEL, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Con- ference
Annual Training/School Tours .....	7,000	.....	7,000
Basic Allowance for Quarters .....	183	.....	.....
Reserve Duty Drill Pay .....	3,700	3,700	3,700
<b>Total, Reserve Personnel, Marine Corps .....</b>	<b>10,883</b>	<b>3,700</b>	<b>10,700</b>

## RESERVE PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Con- ference
Basic Allowance for Quarters .....	266	.....	.....
Reserve Duty Drill Pay .....	8,200	8,200	8,200
Health Scholarship Stipend .....	-8,800	-8,800	-8,800
WC-130 Weather Reconnaissance .....	170	.....	170
C-130 Force Structure .....	.....	1,409	1,409
<b>Total, Reserve Personnel, Air Force .....</b>	<b>-164</b>	<b>809</b>	<b>979</b>

## NATIONAL GUARD PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Con- ference
School/Special Training .....	10,000	115,000	40,000
Basic Allowance for Quarters .....	1,520	.....	.....
Reserve Duty Drill Pay .....	33,200	33,200	33,200
Annual Training .....	.....	33,000	15,000
Inactive Duty Training .....	.....	20,000	10,000
Initial Entry Training .....	.....	35,000	30,000
Bonus/Transition Benefits .....	.....	10,000	5,000
<b>Total, National Guard Personnel, Army .....</b>	<b>44,720</b>	<b>246,200</b>	<b>133,200</b>

## NATIONAL GUARD PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Con- ference
Basic Allowance for Quarters .....	705	.....	.....
Reserve Duty Drill Pay .....	11,000	11,000	11,000
C-130 Force Structure .....	.....	4,000	4,000
<b>Total, National Guard Personnel, Air Force .....</b>	<b>11,705</b>	<b>15,000</b>	<b>15,000</b>

## TITLE II—OPERATION AND MAINTENANCE

A summary of the conference agreement on the items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
50050 O&M. ARMY .....	17,049,484	17,078,218	16,913,473	16,754,306
50100 TRANSFER—STOCKPILE .....	(50,000)	(50,000)	(50,000)	(50,000)
50150 O&M. NAVY .....	21,508,130	21,779,365	21,576,419	21,617,766
50200 TRANSFER—STOCKPILE .....	(50,000)	(50,000)	(50,000)	(50,000)
50250 O&M. MARINE CORPS .....	2,301,345	2,598,032	2,328,535	2,372,635
50300 O&M. AIR FORCE .....	18,817,785	18,740,167	18,592,385	18,492,883
50350 TRANSFER—STOCKPILE .....	(50,000)	(50,000)	(50,000)	(50,000)
50400 O&M. DEFENSEWIDE .....	10,390,938	10,053,956	10,399,638	10,639,740
50500 O&M. ARMY RESERVE .....	1,192,891	1,207,891	1,212,891	1,207,891
50550 O&M. NAVY RESERVE .....	834,711	924,711	834,211	921,711
50600 O&M. MARINE CORPS RESERVE .....	110,366	119,266	110,366	116,366
50650 O&M. AIR FORCE RESERVE .....	1,624,420	1,635,250	1,631,200	1,632,030
50700 O&M. ARMY NATIONAL GUARD .....	2,258,932	2,313,632	2,449,932	2,419,632
50750 O&M. AIR NATIONAL GUARD .....	2,991,219	2,995,719	3,010,282	3,013,282

[In thousands of dollars]

	Budget	House	Senate	Conference
50790 OVERSEAS CONTINGENCY OPERATIONS TRANS- FER FUND .....	1,467,500	1,855,400	1,889,000	1,884,000
50800 UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES .....	6,952	6,952	6,952	6,952
50850 ENVIRONMENTAL RESTORATION, ARMY .....	377,337	377,337	375,337	375,337

[In thousands of dollars]

	Budget	House	Senate	Conference
50900 ENVIRONMENTAL RESTORATION, NAVY .....	277,500	277,500	275,500	275,500
50950 ENVIRONMENTAL RESTORATION, AIR FORCE ....	378,900	378,900	376,900	376,900
51000 ENVIRONMENTAL RESTORATION, DEFENSE- WIDE .....	27,900	27,900	26,900	26,900
51050 ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES .....	202,300	202,300	242,300	242,300
51200 OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID .....	80,130	55,557	40,130	47,130
51300 FORMER SOVIET UNION THREAT REDUCTION ...	382,200	284,700	382,200	382,200
51450 QUALITY OF LIFE ENHANCEMENTS, DEFENSE ...			100,000	360,000
51600 GRAND TOTAL, O&M .....	82,280,940	82,912,753	82,774,551	82,895,461

## REAL PROPERTY MAINTENANCE

The conferees are concerned about the extensive backlog of real property maintenance in the Department of Defense and the effect this has on the morale of U.S. service personnel. Accordingly, the conferees agree to provide a total of \$724,620,000, of which \$360,000,000 is provided in the Quality of Life Enhancements, Defense account. The conferees also agree that, of the funds for real property maintenance provided within Operation and Maintenance, Army that \$15,000,000 shall be used for demolition requirements previously identified by the Department of the Army. In the case of real property maintenance funding provided directly to the services' Operation and maintenance accounts, the conferees agree the Department of Defense should provide written notification to the congressional defense committees for transfers of greater than \$15,000,000 to or from the total real property maintenance amount provided to each service.

## OPERATION AND MAINTENANCE BUDGET EXECUTION DATA

The conferees support the position expressed in the House report accompanying the Defense Appropriations bill for fiscal year 1998 requiring the Department of Defense to provide the congressional defense committees with quarterly budget execution data. Such data should be provided not later than forty-five days past the close of each quarter of the fiscal year, and should provide data for each O-1 budget activity, activity group, and subactivity for each of the active, defense-wide, reserve and national guard components. These reports should also include: the budget request and actual obligations for each O-1 budget activity, activity group, and subactivity; the DoD distribution of any unallocated congressional adjustments to the budget request to each budget activity, activity group, and subactivity group; and, adjustments to each budget activity, activity group and subactivity group resulting from DoD reprogramming actions.

## OPERATION AND MAINTENANCE REPROGRAMMING

The conferees agree that proposed transfers of funds between O-1 budget activities in excess of \$15,000,000 are subject to normal, prior approval reprogramming procedures.

The Department should also follow prior approval reprogramming procedures for the cumulative value of transfers in excess of \$15,000,000 into or out of the following O-1 subactivity groups.

*Operation and maintenance, Army*

Depot maintenance.

*Operation and maintenance, Navy*

Aircraft depot maintenance, ship depot maintenance, and Intermediate maintenance.

*Operation and maintenance, Marine Corps*

Depot maintenance.

The conferees further direct the Secretary of the Air Force to identify in separate budget subactivities depot maintenance for budget activity one and budget activity two in the fiscal year 1999 budget request and subsequent budget requests. In addition, due to continuing concerns about force readiness and the apparent diversion of Operation and maintenance funds, the conferees agree that the Department should provide written notification to the congressional defense committees for the cumulative value of any and all transfers in excess of \$15,000,000 from or into the following budget activities and subactivity group categories:

*Operation and maintenance, Army*

Land Forces: Divisions, Corps combat forces, Corps support forces, Echelon above corps forces, Land forces operations support; Land Forces Readiness: Land forces depot maintenance.

*Operation and maintenance, Navy*

Air Operations: Mission and other flight operations; Fleet air training, Aircraft depot maintenance; Ship Operations: Mission and other ship operations, Ship operational support and training, Intermediate maintenance, Ship depot maintenance.

*Operation and maintenance, Marine Corps*

Expeditionary Forces: Operational forces, depot maintenance.

*Operation and maintenance, Air Force*

Air Operations: Primary combat forces, Primary combat weapons, Air operations training; Mobility Operations: Airlift operations, Payments to the transportation business area.

DEFENSE COMPUTER INVESTIGATIONS TRAINING PROGRAM

COMPUTER FORENSICS LAB

The conferees support the Department of Defense efforts to improve information security and investigative capabilities related to computer crimes. The conferees urge the Department of Defense to allocate \$8,500,000 of the funds available in Operation and Maintenance, Navy and \$2,700,000 available in Operation and Maintenance, Air Force to improve capabilities in this area. Further, the conferees direct that the Department of Defense fully fund these activities in the fiscal year 1999 budget request.

## CHEMICAL-BIOLOGICAL DEFENSE FUNDING

The conferees recommend that the Department of Defense use existing facilities with explosives ranges capable of handling large blasts and existing instructional and research programs in response to blast, radiological, biological and chemical threats.

## DISTANCE EDUCATION

The conferees recognize that in recent nationwide surveys, one out of three homeless men identifies himself as a military veteran. The conferees further recognize that a significant percentage of the thousands of men and women leaving the armed forces each year are doing so without having earned either an associates or bachelors degree. This lack of formal education credentials may be making it more difficult for veterans to secure good jobs following their military service. Therefore, the conferees encourage the Department to explore distance education initiatives that could assist active duty personnel and their family members, DoD civilian employees and veterans in pursuing college-level degrees. These distance education degree-granting initiatives must be portable so that they can be pursued regardless of changes of duty station.

## ENVIRONMENTALLY SAFE FUEL STORAGE TANKS

The conferees support Department of Defense efforts to develop and install environmentally safe fuel storage tanks. Accordingly, the conferees direct that \$2,000,000 of the funds in Operation and Maintenance, Marine Corps, and \$2,000,000 of the funds made available in Operation and Maintenance, Air Force be used to support such efforts.

## NORTHERN MARIANA ISLANDS

The conferees are aware of communications between the Government of the Northern Mariana Islands and the Department of Defense concerning future development of certain lands on the island of Tinian in the Commonwealth of the Northern Mariana Islands under lease to the United States. Accordingly, the conferees believe the Secretary of Defense should consider a development plan approved by the Government of the Commonwealth of the Northern Mariana Islands to be a "Permitted Use" within the meaning of Article 1, Subsection D of the Leaseback and Disposal Agreement between the Commonwealth of the Northern Mariana Islands and the United States of America dated August 4, 1994, provided that (1) such a plan has been approved by the Government of the Commonwealth of the Northern Mariana Islands, and (2) the plan does not preclude use of the land for urgent military purposes.

## OPERATION AND MAINTENANCE, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
100 OPERATION AND MAINTENANCE, ARMY				
150 BUDGET ACTIVITY 1: OPERATING FORCES				
200 LAND FORCES				
250 DIVISIONS	1,221,794	1,267,007	1,161,494	1,173,494
300 CORPS COMBAT FORCES	350,942	350,942	327,242	332,942
350 CORPS SUPPORT FORCES	323,190	323,190	323,190	323,190
400 ECHOLON ABOVE CORPS FORCES	440,542	440,542	440,542	440,542
450 LAND FORCES OPERATIONS SUPPORT	658,067	658,067	658,067	658,067
500 LAND FORCES READINESS				
550 FORCE READINESS OPERATIONS SUPPORT	898,356	898,356	898,356	898,356
600 LAND FORCES SYSTEMS READINESS	346,651	346,651	346,651	346,651
650 LAND FORCES DEPOT MAINTENANCE	637,044	806,744	701,044	780,244
700 LAND FORCES READINESS SUPPORT				
750 BASE SUPPORT	2,417,712	2,441,712	2,417,712	2,440,712
800 MAINTENANCE OF REAL PROPERTY	693,328	693,328	743,328	693,328
850 MANAGEMENT AND OPERATIONAL HEADQUARTERS	130,012	130,012	131,212	131,212
900 UNIFIED COMMANDS	70,620	70,620	63,620	52,620
950 MISCELLANEOUS ACTIVITIES	179,864	185,264	179,864	179,864
955 CLASSIFIED PROGRAMS, UNDISTRIBUTED			1,800	
1045 TOTAL, BUDGET ACTIVITY 1	8,368,122	8,612,435	8,394,122	8,451,222
1050 BUDGET ACTIVITY 2: MOBILIZATION				
1100 MOBILITY OPERATIONS				
1200 STRATEGIC MOBILIZATION	317,241	317,241	317,241	317,241
1250 WAR RESERVE ACTIVITIES	171,100	171,100	171,100	171,100
1300 INDUSTRIAL PREPAREDNESS	78,103	59,099	78,103	59,099
1350 TOTAL, BUDGET ACTIVITY 2	566,444	547,440	566,444	547,440
1400 BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
1450 ACCESSION TRAINING				
1500 OFFICER ACQUISITION	63,992	62,592	63,992	62,592
1550 RECRUIT TRAINING	12,620	12,620	12,620	12,620
1600 ONE STATION UNIT TRAINING	14,723	14,723	14,723	14,723
1650 RESERVE OFFICER TRAINING CORPS (ROTC)	113,128	113,128	113,578	113,578

[In thousands of dollars]

	Budget	House	Senate	Conference
1700 BASE SUPPORT (ACADEMY ONLY) .....	72,470	72,470	72,470	72,470
1750 MAINTENANCE OF REAL PROPERTY (ACADEMY ONLY) .....	28,123	28,123	28,123	28,123
1800 BASIC SKILL/ADVANCE TRAINING .....				
1850 SPECIALIZED SKILL TRAINING .....				
1900 FLIGHT TRAINING .....	217,202	217,202	217,202	217,202
1950 PROFESSIONAL DEVELOPMENT EDUCATION .....	213,906	213,906	227,906	224,906
2000 TRAINING SUPPORT .....	69,594	69,594	69,594	69,594
2050 BASE SUPPORT (OTHER TRAINING) .....	484,484	484,484	482,484	479,484
2100 MAINTENANCE OF REAL PROPERTY (OTHER TRAINING) .....	897,433	897,433	897,433	897,433
2150 RECRUITING/OTHER TRAINING .....	321,089	321,089	350,089	321,089
2200 RECRUITING AND ADVERTISING .....				
2250 EXAMINING .....	222,718	229,718	241,718	235,718
2300 OFF-DUTY AND VOLUNTARY EDUCATION .....	75,922	75,922	75,922	75,922
2350 CIVILIAN EDUCATION AND TRAINING .....	94,364	94,364	94,364	94,364
2400 JUNIOR ROTC .....	81,481	78,629	81,481	81,481
2450 BASE SUPPORT (RECRUITING LEASES) .....	73,439	74,189	73,439	74,189
	163,010	163,010	163,010	163,010
2500 TOTAL BUDGET ACTIVITY 3 .....	3,219,698	3,223,196	3,280,148	3,238,498
2550 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES .....				
2600 SECURITY PROGRAMS .....				
2650 LOGISTICS OPERATIONS .....	366,085	366,085	366,085	366,085
2700 SERVICEWIDE TRANSPORTATION .....				
2800 CENTRAL SUPPLY ACTIVITIES .....	531,326	531,326	531,326	531,326
2850 LOGISTIC SUPPORT ACTIVITIES .....	405,371	405,371	405,371	405,371
2900 AMMUNITION MANAGEMENT .....	253,138	286,338	275,038	289,138
2950 SERVICEWIDE SUPPORT .....	369,407	369,407	369,407	369,407
3000 ADMINISTRATION .....				
3050 SERVICEWIDE COMMUNICATIONS .....	294,972	246,971	294,972	246,372
3100 MANPOWER MANAGEMENT .....	620,825	620,825	632,925	626,825
3150 OTHER PERSONNEL SUPPORT .....	152,437	152,437	152,437	152,437
3200 OTHER SERVICE SUPPORT .....	155,307	155,307	155,307	155,307
3250 ARMY CLAIMS ACTIVITIES .....	593,446	595,446	529,485	531,485
3300 REAL ESTATE MANAGEMENT .....	151,092	151,092	151,092	151,092
3350 BASE SUPPORT .....	667,779	624,279	667,779	632,526
3400 MAINTENANCE OF REAL PROPERTY .....	131,528	131,528	145,028	135,028



3550	SUPPORT OF OTHER NATIONS								
3600	INTERNATIONAL MILITARY HEADQUARTERS	270,413	270,413	270,413	255,413	255,413			255,413
3650	MISC SUPPORT OF OTHER NATIONS	34,568	34,568	34,568	34,568	34,568			34,568
3700	TOTAL BUDGET ACTIVITY 4	5,061,220	5,004,919	5,029,759	5,029,759	4,937,159			4,937,159
3710	CLASSIFIED PROGRAMS UNDISTRIBUTED								
3715	CIVILIAN PERSONNEL UNDERSTRENGTH		-6,895						-6,895
3720	GENERAL REDUCTION, NATIONAL DEFENSE STOCKPILE FUND		-33,300						-96,400
3730	FOREIGN CURRENCY FLUCTUATION/BUDGET AMEND		-50,000						-50,000
3770	INFORMATION RESOURCE MANAGEMENT		-116,000						-167,000
3785	REAL PROPERTY MAINTENANCE								-25,000
3787	ECONOMIC ASSUMPTIONS		232,000						98,812
3790	TDY EXPENSES								-41,000
3795	QDR CIVILIAN PERSONNEL REDUCTIONS		-19,930						-22,930
3800	CONTINGENCY OPERATIONS TRANSFER—SWA		-140,347						-70,000
3815	NON-BRAC CARETAKER STATUS		-80,300						
3835	MEMORIAL EVENTS		-51,000						-40,000
4100	TOTAL OPERATION AND MAINTENANCE, ARMY	17,049,484	17,078,218	16,913,473	16,913,473	16,754,306			16,754,306
4150	TRANSFER	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)			(50,000)
4200	TOTAL FUNDING AVAILABLE	(17,099,484)	(17,128,218)	(16,963,473)	(16,963,473)	(16,804,306)			(16,804,306)

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:		
250	Readiness Training—NTC Rotation Shortfall .....	30,000
250	Parachute Maintenance and Repair .....	2,000
250	Contingency Operations Transfer .....	- 80,300
300	Hunter UAV .....	12,000
300	Flying Hour Program .....	- 30,000
650	Depot Maintenance—Other .....	143,200
750	Organizational Clothing and Equipment (Increment I) .....	20,000
750	Range Safe System .....	1,700
750	Ft. Irwin, George AFB Airhead .....	1,300
850	USARPAC Reserve Component Integration .....	1,200
900	JCS Exercises and Headquarters Reduction .....	- 18,000
Budget Activity 2: Mobilization:		
1300	Industrial Preparedness-Nominal Growth .....	- 19,004
Budget Activity 3: Training and Recruiting:		
1500	Service Academies-Foreign Students .....	- 1,400
1650	Army Air Battle Captain Program .....	450
1900	Army Pilot Modernization Program .....	11,000
2000	Training Infrastructure Reduction .....	- 5,000
2200	Recruiting-Enlisted Advertising .....	7,000
2200	Recruiter Support .....	3,500
2200	Recruiting-College Loan Repayment Program .....	2,500
Budget Activity 4: Administration and Servicewide Activities:		
2400	Indiana University Northwest JROTC Mentoring Program .....	750
2850	Army Logistics Automation .....	20,000
2850	Central Logistics—SSTS, Depot Maintenance, SDT .....	16,000
3000	Headquarters and Administrative Activity Reduction .....	- 48,600
3050	SBIS .....	6,000
3200	Army Conservation and Ecosystem Management .....	3,000
3200	Eisenhower Center .....	2,000
3200	Pentagon Reservation Transfer .....	- 66,961
3350	Laser-Leveling .....	1,000
3350	FEMP .....	- 45,000
3400	Rock Island Arsenal Bridge .....	3,500
3600	International Military Headquarters .....	- 15,000
Undistributed:		
3710	Classified Undistributed .....	- 6,895
3715	Civilian Personnel Understrength .....	- 96,400
3730	Foreign Currency Fluctuation .....	- 51,000
3770	High Risk Automation Systems .....	- 25,000
3785	Real Property Maintenance .....	98,812
3787	Revised Economic Assumptions .....	- 41,000
3790	TDY Expenses .....	- 22,930
3795	QDR—Civilian Personnel Reductions .....	- 70,000
3815	Non-BRAC Caretaker Status .....	- 40,000
3835	Capitol Memorial Events .....	400

## DEPOT MAINTENANCE

The conferees recommend increasing the Army depot maintenance funding by \$143,200,000 above the budget request. In addition, \$16,000,000 is provided in budget activity 4, Administration and Service-wide support to provide for transportation and warehousing costs associated with the increase in the funded depot maintenance program. The conferees remain concerned about backlogs in the repair and maintenance of communications and electronic equipment. Accordingly, \$43,500,000 of the total depot maintenance increase is allocated to the U.S. Army Communications-Electronics Command Battlefield Communications Review program, for performance at Army depots, of the following workloads:

\$21,000,000 for repair/maintenance of Mobile Subscriber Equipment shelters, prime movers, and accessories or support equipment; \$15,800,000 for the repair/maintenance of Non-Integrated Communications Secure and Integrated Communications Secure SINCGARS radios and accessories or support equipment; and \$6,700,000 for the repair, maintenance or modification of the AN/TS-85 and AN/TSC-93 Tactical Satellite Communications Terminals, associated antenna systems, accessories or support equipment.

In addition, the conferees are concerned about the increasing backlog of depot maintenance workload associated with inventory drawdowns in support of contingency operations. Accordingly, the conferees recommend that the Army apply \$30,000,000 of the total increase to this workload.

#### ARMY LOGISTICS AUTOMATION

The House and Senate bills each addressed separate shortfalls totaling \$46,900,000 in Army Logistics Automation. The conferees agree to provide \$20,000,000 in Operations and Maintenance, Army and \$10,000,000 in Other Procurement, Army (LOGTECH) to support both these critical efforts.

#### AIR BATTLE CAPTAIN PROGRAM

The conferees concur with the funding provided for the continuation of the Air Battle Captain program, and direct that program continue to accept new students.

#### EISENHOWER CENTER

The conferees have provided \$2,000,000 only for the Eisenhower Center for military history and education efforts focusing on combat leadership, motivation, endurance and including historical exhibits, equipment, and the collection, transcribing, and cataloging of oral histories and written memoirs of combat veterans

#### NORTH STAR BOROUGH LANDFILL

Of the funds provided in this account, the conferees direct the Department of the Army to provide \$5,000,000 for developmental costs associated with the expansion of the North Star Borough landfill.

#### OPERATION AND MAINTENANCE, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference	
4250	OPERATION AND MAINTENANCE, NAVY				
4300	BUDGET ACTIVITY 1: OPERATING FORCES				
4350	AIR OPERATIONS				
4400	MISSION AND OTHER FLIGHT OPERATIONS .....	2,101,423	2,423,423	2,035,663	2,357,663
4450	FLEET AIR TRAINING .....	667,112	667,112	682,112	682,112
4500	INTERMEDIATE MAINTENANCE .....	58,087	58,087	58,087	58,087
4550	AIR OPERATIONS AND SAFETY SUPPORT .....	73,248	73,248	73,248	73,248

[In thousands of dollars]

	Budget	House	Senate	Conference
4600 AIRCRAFT DEPOT MAINTENANCE .....	716,300	865,300	1,012,094	782,094
4650 AIRCRAFT DEPOT OPERATIONS SUPPORT .....	21,575	21,575	21,575	21,575
4700 BASE SUPPORT .....	789,892	789,892	789,892	789,892
4750 MAINTENANCE OF REAL PROPERTY .....	262,452	262,452	282,452	262,452
4760 JCS EXERCISES & HEADQUARTERS REDUC- TION .....			-7,500	-9,000
4800 SHIP OPERATIONS				
4850 MISSION AND OTHER SHIP OPERATIONS .....	2,130,636	2,130,636	2,117,112	2,117,112
4900 SHIP OPERATIONAL SUPPORT AND TRAINING	735,660	735,660	735,660	735,660
4950 INTERMEDIATE MAINTENANCE .....	511,125	511,125	511,125	511,125
5000 SHIP DEPOT MAINTENANCE .....	2,040,690	2,115,690	2,040,690	2,100,690
5050 SHIP DEPOT OPERATIONS SUPPORT .....	786,021	786,021	785,817	785,817
5100 BASE SUPPORT .....	840,646	840,646	840,646	840,646
5150 MAINTENANCE OF REAL PROPERTY .....	245,904	245,904	245,904	245,904
5160 JCS EXERCISES & HEADQUARTERS REDUC- TION .....			-7,500	-9,000
5200 COMBAT OPERATION/SUPPORT				
5250 COMBAT COMMUNICATIONS .....	210,776	210,776	210,776	210,776
5300 ELECTRONIC WARFARE .....	7,763	7,763	7,763	7,763
5350 SPACE SYSTEMS AND SURVEILLANCE .....	136,869	136,869	136,869	136,869
5400 WARFARE TACTICS .....	125,892	125,892	125,892	125,892
5450 OPERATIONAL METEOROLOGY AND OCEANOGR- APHY .....	209,188	208,188	228,688	228,688
5500 COMBAT SUPPORT FORCES .....	383,830	383,830	383,815	383,815
5550 EQUIPMENT MAINTENANCE .....	177,708	178,208	176,906	177,406
5600 DEPOT OPERATIONS SUPPORT .....	908	908	908	908
5650 BASE SUPPORT .....	317,266	317,266	317,266	317,266
5700 MAINTENANCE OF REAL PROPERTY .....	42,864	42,864	46,864	46,864
5710 CLASSIFIED PROGRAMS UNDISTRIBUTED .....			5,500	
5750 WEAPONS SUPPORT				
5800 CRUISE MISSILE .....	92,462	92,482	92,482	92,482
5850 FLEET BALLISTIC MISSILE .....	811,451	811,451	811,451	811,451
5900 IN-SERVICE WEAPONS SYSTEMS SUPPORT ...	54,927	54,927	54,927	54,927
5950 WEAPONS MAINTENANCE .....	400,817	422,717	400,817	414,817
6000 BASE SUPPORT .....	71,540	71,540	71,540	71,540
6050 MAINTENANCE OF REAL ESTATE PROPERTY ...	27,516	27,516	30,016	27,516
6200 TOTAL, BUDGET ACTIVITY 1 .....	15,052,568	15,620,968	15,345,257	15,451,057
6250 BUDGET ACTIVITY 2: MOBILIZATION				
6300 READY RESERVE AND PREPOSITIONING FORCES				
6350 SHIP PREPOSITIONING AND SURGE .....	455,030	455,030	454,948	454,948
6400 ACTIVATIONS/INACTIVATIONS				
6450 AIRCRAFT ACTIVATIONS/INACTIVATIONS .....	3,081	3,081	3,081	3,081
6500 SHIP ACTIVATIONS/INACTIVATIONS .....	701,583	701,583	701,583	701,583
6550 MOBILIZATION PREPAREDNESS				
6600 FLEET HOSPITAL PROGRAM .....	19,814	19,814	19,814	19,814
6650 INDUSTRIAL READINESS .....	29,196	703	29,196	15,196
6700 COAST GUARD SUPPORT .....	18,363	18,363	18,363	18,363
6750 TOTAL, BUDGET ACTIVITY 2: .....	1,227,067	1,198,574	1,226,985	1,212,985
6800 BUDGET ACTIVITY 3: TRAINING AND RECRUIT- ING				
6850 ACCESSION TRAINING				
6900 OFFICER ACQUISITIONS .....	69,274	67,874	69,274	67,874
6950 RECRUIT TRAINING .....	4,646	4,646	4,646	4,646
7000 RESERVE OFFICERS TRAINING CORPS (ROTC)	67,795	67,795	67,695	67,795
7050 BASE SUPPORT .....	57,605	57,605	57,605	57,605
7100 MAINTENANCE OF REAL PROPERTY .....	74,215	42,715	74,215	74,215
7150 BASIC SKILLS AND ADVANCED TRAINING				
7200 SPECIALIZED SKILL TRAINING .....	236,487	236,487	218,487	216,987
7250 FLIGHT TRAINING .....	314,790	314,790	314,790	314,790

[In thousands of dollars]

	Budget	House	Senate	Conference	
7300	PROFESSIONAL DEVELOPMENT EDUCATION ....	69,044	65,071	64,044	66,044
7350	TRAINING SUPPORT .....	135,051	137,051	122,051	122,551
7400	BASE SUPPORT .....	339,627	339,627	339,627	339,627
7450	MAINTENANCE OF REAL PROPERTY .....	95,601	95,601	104,101	95,601
7500	RECRUITING AND OTHER TRAINING AND EDUCATION				
7550	RECRUITING AND ADVERTISING .....	122,454	129,454	122,454	125,454
7600	OFF-DUTY AND VOLUNTARY EDUCATION .....	69,495	69,495	69,495	69,495
7650	CIVILIAN EDUCATION AND TRAINING .....	29,198	28,176	29,198	29,198
7700	JUNIOR ROTC .....	23,642	23,642	23,642	23,642
7750	BASE SUPPORT .....	445	445	445	445
7800	MAINTENANCE OF REAL PROPERTY .....	62	62	62	62
7850	TOTAL, BUDGET ACTIVITY 3 .....	1,709,431	1,680,536	1,681,931	1,676,031
7900	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
7950	SERVICEWIDE SUPPORT				
8000	ADMINISTRATION .....	574,305	535,225	545,494	497,194
8050	EXTERNAL RELATIONS .....	24,141	24,141	24,141	24,141
8100	CIVILIAN MANPOWER AND PERSON MANAGEMENT				
8150	MILITARY MANPOWER AND PERSON MANAGEMENT				
8200	OTHER PERSONNEL SUPPORT .....	124,403	124,403	124,403	124,403
8250	SERVICEWIDE COMMUNICATIONS .....	199,446	199,446	199,446	199,446
8300	BASE SUPPORT .....	260,056	260,056	259,749	259,749
8400	MAINTENANCE OF REAL PROPERTY .....	197,537	172,537	197,537	172,537
8450	LOGISTICS OPERATIONS AND TECHNICAL SUPPORT				
8500	SERVICEWIDE TRANSPORTATION .....	39,623	39,623	42,923	39,623
8550	PLANNING, ENGINEERING AND DESIGN .....	149,675	149,975	149,675	149,675
8600	ACQUISITION AND PROGRAM MANAGEMENT ..	258,779	258,779	258,779	258,779
8650	AIR SYSTEMS SUPPORT .....	491,003	495,003	491,003	493,003
8700	HULL, MECHANICAL AND ELECTRICAL SUPPORT				
8750	COMBAT/WEAPONS SYSTEMS .....	271,149	271,149	271,149	271,149
8800	SPACE AND ELECTRONIC WARFARE SYSTEMS				
8850	BASE SUPPORT .....	46,904	46,904	46,904	46,904
8900	MAINTENANCE OF REAL PROPERTY .....	41,547	41,547	41,547	41,547
8950	SECURITY PROGRAMS				
9000	SECURITY PROGRAMS .....	70,344	70,344	70,344	70,344
9050	BASE SUPPORT .....	152,606	152,606	152,606	152,606
9100	MAINTENANCE OF REAL PROPERTY .....	20,470	20,470	20,470	20,470
9150	SUPPORT OF OTHER NATIONS				
9200	INTERNATIONAL HEADQUARTERS AND AGENCIES				
9350	TOTAL, BUDGET ACTIVITY 4 .....	6,435	6,435	6,435	6,435
9360	CLASSIFIED PROGRAMS UNDISTRIBUTED .....	3,592,064	3,531,984	3,568,246	3,491,646
9365	INFORMATION RESOURCE MANAGEMENT .....		1,902		4,902
9370	GENERAL REDUCTION, NATIONAL DEFENSE STOCKPILE FUND .....		-19,000		-19,000
9380	FOREIGN CURRENCY FLUCTUATION/BUDGET AMEND .....	-50,000	-50,000	-50,000	-50,000
9390	CIVILIAN PERSONNEL UNDERSTRENGTH .....	-23,000	-23,000	-21,000	-29,000
9415	ENVIRONMENTAL COMPLIANCE .....	-108,300	-108,300	-113,000	-16,000
9417	ECONOMIC ASSUMPTIONS .....	5,500			3,300
9420	OTHER CONTRACTS .....			-62,000	-62,000
9425	REAL PROPERTY MAINTENANCE .....		-29,719		-29,719
9430	TDY EXPENSES .....		98,540		14,924
9435	QDR CIVILIAN PERSONNEL REDUCTIONS .....		-12,060		-15,060
9440	ASBESTOS ERADICATION .....		-34,960		-17,000
9445	CONTINGENCY OPERATIONS TRANSFER—SWA .....		2,000		
			-84,900		

[In thousands of dollars]

	Budget	House	Senate	Conference
9450 MAGIC LANTERN .....		1,300		1,300
9750 TOTAL, OPERATION AND MAINTENANCE, NAVY .....	21,508,130	21,779,365	21,576,419	21,617,766
9800 TRANSFER .....	(50,000)	(50,000)	(50,000)	(50,000)
9850 TOTAL FUNDING AVAILABLE .....	(21,558,130)	(21,829,365)	(21,626,419)	(21,667,766)

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:		
4400	Flying Hour Program Shortfalls .....	322,000
4400	Contingency Operations Transfer .....	-65,760
4450	PMRF .....	15,000
4600	Depot Maintenance—Aviation Backlog .....	70,000
4600	Contingency Operations Transfer .....	-4,206
4760	JCS Exercises and Headquarters Reduction .....	-9,000
4850	Contingency Operations Transfer .....	-13,524
5000	Depot Maintenance—Unfunded Ship Availabilities .....	60,000
5050	Contingency Operations Transfer .....	-204
5160	JCS Exercises and Headquarters Reduction .....	-9,000
5450	Naval Meteorology and Oceanography Command .....	19,500
5500	Contingency Operations Transfer .....	-15
5550	Reverse Osmosis Desalinators—Refurbishment .....	500
5550	Contingency Operations Transfer .....	-802
5950	Gun Weapon Overhaul and Support, Louisville .....	12,000
5950	Ship Self Defense System (SSDS) Equipment—Wallops Island .....	2,000
Budget Activity 2: Mobilization:		
6350	Contingency Operations Transfer .....	-82
6650	Industrial Preparedness—Nominal Growth .....	-14,000
Budget Activity 3: Training and Recruiting:		
6900	Service Academies—Foreign Students .....	-1,400
7200	Training Infrastructure Reduction .....	-19,500
7300	Naval Postgraduate School—Laboratory Improvements .....	2,000
7300	Training Infrastructure Reduction .....	-5,000
7350	CNET—Distance Learning .....	2,000
7350	Training Infrastructure Reduction .....	-14,500
7550	Recruiting and Advertising .....	3,000
Budget Activity 4: Administration and Servicewide Activities:		
8000	Pentagon Reservation Transfer .....	-28,811
8000	Headquarters and Administrative Activity Reduction .....	-48,300
8250	Contingency Operations Transfer .....	-307
8300	FEMP .....	-25,000
8600	ATIS .....	2,000
Undistributed:		
9360	Classified Undistributed .....	4,902
9365	DoD Software Program Managers Network .....	6,000
9365	High Risk Automation Systems .....	-25,000
9380	Foreign Currency Fluctuation .....	-6,000
9390	Civilian Personnel Understrength .....	-16,600
9415	Electrotechnologies .....	3,300
9417	Revised Economic Assumptions .....	-62,000
9420	Other Contracts—Program Growth .....	-29,719
9425	Real Property Maintenance .....	14,924
9430	TDY Expenses .....	-15,060
9435	QDR—Civilian Personnel Reductions .....	-17,000
9450	Magic Lantern .....	1,300

## SHIP DEPOT MAINTENANCE

The conferees agree to provide \$2,100,690,000 for ship depot maintenance, and delete the language recommended by the Senate establishing a floor on ship depot maintenance funding. The conferees' recommendation will provide the fleet commanders flexibility in managing their operation and maintenance funds during the fiscal year, in recognition that emergencies can lead to funding shortfalls. However, the conferees strongly urge the Navy leadership to ensure that all funds provided for ship maintenance are used solely for that purpose except in the most unusual of circumstances.

The conferees understand that the Navy will initiate a pilot program beginning on October 1, 1997 to study whether combining fleet intermediate facilities with Navy shipyards might yield economies of scale and allow maintenance managers to better balance workloads in the Navy shipyards. The conferees believe it will take at least two years before the Navy can determine whether this new arrangement is in fact cost effective and should be made permanent or expanded to other locations. Therefore, the conferees direct that the pilot program shall not be expanded until six months after the Navy reports to the Committees on Appropriations on its findings, and that such report shall be made on or after April 1, 1999. Further, the conferees direct that the Navy shall not make any changes to the workforce in terms of total numbers of employees and shall not change the name of the Navy activity involved or make any permanent changes until this pilot study has been completed and evaluated by the Congress. The conferees are hopeful that the study will lead to significant improvements in Navy maintenance functions and look forward to approving permanent changes throughout the Navy beginning in fiscal year 2000.

## 1998 WORLD EXPOSITION

The conferees understand that the Navy has requested to participate as one of the United States Government sponsors of the U.S. exhibit focused on ocean research and technology at the 1998 World Exposition in Lisbon, Portugal. Should the Secretary of the Navy determine that Navy participation is beneficial to the interests of the service, the conferees agree that adequate funds should be made available from the Operation and maintenance account to assist in the creation and operation of the U.S. national pavilion. Funds shall be used to exhibit defense capabilities in global oceanography and environmental security to include interaction among NOAA and the appropriate entities of the Department of Defense.

## OPERATION AND MAINTENANCE, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
9900 OPERATION AND MAINTENANCE, MARINE CORPS.				
9950 BUDGET ACTIVITY 1: OPERATING FORCES.				

[In thousands of dollars]

	Budget	House	Senate	Conference
10000	EXPEDITIONARY FORCES.			
10050	345,077	404,577	364,077	378,077
10100	183,660	183,660	183,660	183,660
10150	121,339	146,339	121,339	133,339
10200	639,495	674,895	639,495	653,995
10250	263,593	263,593	286,193	263,593
10255	JCS EXERCISES & HEADQUARTERS REDUC- TION .....	.....	- 5,000	- 8,000
10300	USMC PREPOSITIONING.			
10350	77,380	77,380	77,380	77,380
10400	3,603	3,603	3,603	3,603
10450	TOTAL, BUDGET ACTIVITY 1 .....	1,634,147	1,754,047	1,670,747
			1,670,747	1,685,647

[In thousands of dollars]

	Budget	House	Senate	Conference
10500	BUDGET ACTIVITY 3: TRAINING AND RECRUITING.			
10550	ACCESSION TRAINING.			
10600	9,098	9,098	9,098	9,098
10650	282	282	282	282
10700	51,266	61,266	51,266	58,766
10750	18,115	18,115	19,715	18,115
10800	BASIC SKILLS AND ADVANCED TRAINING.			
10850	28,647	28,647	33,147	28,647
10900	156	156	156	156
10950	5,803	5,803	5,803	5,803
11000	78,749	78,749	77,649	75,649
11050	54,557	64,557	54,557	62,057
11100	25,051	25,051	27,251	25,051
11150	RECRUITING AND OTHER TRAINING EDUCATION.			
11200	74,442	78,842	74,442	78,742
11250	15,063	15,063	15,063	15,063
11300	9,006	9,006	9,006	9,006
11350	8,100	8,100	8,100	8,100
11400	2,447	2,447	2,747	2,447
11450	TOTAL, BUDGET ACTIVITY 3 .....	380,782	405,182	388,282
			388,282	396,982

[In thousands of dollars]

	Budget	House	Senate	Conference
11500	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES.			
11550	SERVICEWIDE SUPPORT.			
11650	219,312	219,312	207,102	207,102
11700	30,617	30,617	30,617	30,617
11750	26,105	26,105	26,105	26,105
11800	12,370	12,370	12,370	9,870
11850	2,012	2,102	2,312	2,012
11900	TOTAL, BUDGET ACTIVITY 4 .....	290,416	290,416	278,506
			278,506	275,706
11915	FOREIGN CURRENCY FLUCTUATION/BUDGET AMEND .....	- 4,000	- 4,000	- 4,000
11935	REAL PROPERTY MAINTENANCE .....	.....	.....	30,500
11937	ECONOMIC ASSUMPTIONS .....	.....	- 7,000	- 7,000
11940	QDR CIVILIAN PERSONNEL REDUCTIONS .....	.....	- 1,713	- 1,000
11960	CIVILIAN PERSONNEL UNDEREXECUTION .....	.....	.....	- 1,200
11965	TDY EXPENSES .....	.....	.....	- 3,000



[In thousands of dollars]

	Budget	House	Senate	Conference
12300 TOTAL, OPERATION AND MAINTENANCE, MARINE CORPS .....	2,301,345	2,598,032	2,328,535	2,372,635

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:			
10050	Readiness Training—Operating Forces Training Support .....		25,000
10050	Initial Issue (Clothing/Body Armor/Bivouac gear) .....		8,000
10150	Depot Maintenance Backlog Reduction .....		12,000
10200	Base Support .....		7,500
10200	Personnel Support Equipment .....		7,000
10255	JCS Exercises and Headquarters Reduction .....		-8,000
Budget Activity 3: Training and Recruiting:			
10700	Base Support .....		7,500
11000	Training Infrastructure Reduction .....		-3,100
11050	Base Support .....		7,500
11200	Recruiting and Advertising .....		4,300
Budget Activity 4: Administration and Servicewide Activities:			
11650	Pentagon Reservation Transfer .....		-12,210
11800	Base Support .....		7,500
11800	FEMP .....		-10,000
Undistributed:			
11935	Real Property Maintenance .....		30,500
11937	Revised Economic Assumptions .....		-7,000
11940	QDR—Civilian Personnel Reductions .....		-1,000
11960	Civilian Personnel Understrength .....		-1,200
11965	TDY Expenses .....		-3,000

## OPERATION AND MAINTENANCE, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
12450 OPERATION AND MAINTENANCE, AIR FORCE				
12500 BUDGET ACTIVITY 1: OPERATING FORCES				
12550 AIR OPERATIONS:				
12600 PRIMARY COMBAT FORCES .....	2,719,301	3,020,301	2,571,801	2,572,801
12650 PRIMARY COMBAT WEAPONS .....	457,939	457,939	457,939	457,939
12700 COMBAT ENHANCEMENT FORCES .....	253,099	253,099	256,199	256,199
12750 AIR OPERATIONS TRAINING .....	617,828	617,828	617,828	617,828
12800 COMBAT COMMUNICATIONS .....	981,936	981,936	981,936	981,936
12850 BASE SUPPORT .....	1,758,461	1,786,261	1,758,461	1,770,561
12900 MAINTENANCE OF REAL PROPERTY .....	576,409	576,409	626,009	576,409
12905 JCS EXERCISES & HEADQUARTERS REDUCTION .....			-15,000	-18,000
12907 CLASSIFIED PROGRAMS UNDISTRIBUTED .....			800	
12950 COMBAT RELATED OPERATIONS:				
13000 GLOBAL C3I AND EARLY WARNING .....	712,916	712,916	712,916	712,916
13050 NAVIGATION/WEATHER SUPPORT .....	131,608	131,608	131,608	131,608
13100 OTHER COMBAT OPS SUPPORT PRO-GRAMS .....	205,449	208,249	205,449	207,249
13150 JCS EXERCISES .....	45,306	45,306	45,306	45,306
13200 MANAGEMENT/OPERATIONAL HEAD-QUARTERS .....	113,400	113,400	113,400	113,400

[In thousands of dollars]

	Budget	House	Senate	Conference
13250 TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES .....	231,411	234,411	231,411	232,911
13300 SPACE OPERATIONS:				
13350 LAUNCH FACILITIES .....	226,956	226,956	226,956	226,956
13400 LAUNCH VEHICLES .....	103,576	103,576	103,576	103,576
13450 SPACE CONTROL SYSTEMS .....	283,597	283,597	284,997	284,997
13500 SATELLITE SYSTEMS .....	42,235	42,235	42,235	42,235
13550 OTHER SPACE OPERATIONS .....	82,972	82,972	82,972	82,972
13600 BASE SUPPORT .....	310,370	310,370	310,370	310,370
13650 MAINT OF REAL PROPERTY .....	119,869	119,869	130,269	119,869
13700 TOTAL, BUDGET ACTIVITY 1 .....	9,974,638	10,309,238	9,877,438	9,830,038
13750 BUDGET ACTIVITY 2: MOBILIZATION				
13800 MOBILITY OPERATIONS:				
13850 AIRLIFT OPERATIONS .....	1,793,506	1,848,106	1,853,506	1,908,106
13900 AIRLIFT OPERATIONS C31 .....	16,267	16,267	16,267	16,267
13950 MOBILIZATION PREPAREDNESS .....	145,868	140,763	145,868	140,763
14000 PAYMENTS TO TRANSPORTATION BUSI- NESS AREA .....	514,000	514,000	514,000	514,000
14050 BASE SUPPORT .....	427,865	427,865	427,865	427,865
14100 MAINTENANCE OF REAL PROPERTY .....	151,842	151,842	165,342	151,842
14150 TOTAL, BUDGET ACTIVITY 2 .....	3,049,348	3,098,843	3,122,848	3,158,843
14200 BUDGET ACTIVITY 3: TRAINING AND RE- CRUITING				
14250 ACCESSION TRAINING:				
14300 OFFICER ACQUISITION .....	51,605	50,205	51,605	50,205
14350 RECRUIT TRAINING .....	3,971	3,971	3,971	3,971
14400 RESERVE OFFICER TRAINING CORPS (ROTC) .....	47,611	47,611	47,611	47,611
14450 BASE SUPPORT (ACADEMIES ONLY) .....	57,262	57,262	57,262	57,262
14500 MAINTENANCE OF REAL PROPERTY (ACADEMIES ONLY) .....	50,662	50,662	50,662	50,662
14550 BASIC SKILLS AND ADVANCED TRAINING:				
14600 SPECIALIZED SKILL TRAINING .....	196,980	196,980	176,980	175,980
14650 FLIGHT TRAINING .....	394,075	394,075	394,075	394,075
14700 PROFESSIONAL DEVELOPMENT EDU- CATION .....	88,682	68,216	76,682	75,682
14750 TRAINING SUPPORT .....	63,296	63,296	51,296	50,296
14800 BASE SUPPORT (OTHER TRAINING) .....	370,436	370,436	370,436	370,436
14850 MAINTENANCE OF REAL PROPERTY (OTHER TRAINING) .....	87,072	87,072	96,372	87,072
14900 RECRUITING, AND OTHER TRAINING AND EDUCATION:				
14950 RECRUITING AND ADVERTISING .....	55,039	59,539	55,039	57,239
15000 EXAMINING .....	2,212	2,212	2,212	2,212
15050 OFF DUTY AND VOLUNTARY EDUCATION	85,609	85,609	85,609	85,609
15100 CIVILIAN EDUCATION AND TRAINING .....	67,183	64,832	67,183	67,183
15150 JUNIOR ROTC .....	26,052	26,052	26,052	26,052
15200 TOTAL, BUDGET ACTIVITY 3 .....	1,647,747	1,628,030	1,613,047	1,601,547
15250 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
15300 LOGISTICS OPERATIONS:				
15350 LOGISTICS OPERATIONS .....	788,680	793,680	788,680	788,680
15400 TECHNICAL SUPPORT ACTIVITIES .....	390,267	390,267	390,267	390,267
15450 SERVICEWIDE TRANSPORTATION .....	236,372	236,372	236,372	236,372
15500 BASE SUPPORT .....	753,449	720,449	753,449	720,449
15550 MAINTENANCE OF REAL PROPERTY .....	194,617	194,617	213,217	194,617
15600 SERVICEWIDE ACTIVITIES:				

[In thousands of dollars]

	Budget	House	Senate	Conference
15650 ADMINISTRATION .....	126,642	75,480	126,642	73,942
15700 SERVICEWIDE COMMUNICATIONS .....	297,316	297,316	300,016	297,316
15750 PERSONNEL PROGRAMS .....	100,343	100,343	100,343	100,343
15800 RESCUE AND RECOVERY SERVICES .....	55,881	55,881	55,881	55,881
15900 ARMS CONTROL .....	29,565	29,565	29,565	29,565
15950 OTHER SERVICEWIDE ACTIVITIES .....	524,545	525,045	494,945	495,445
16000 OTHER PERSONNEL SUPPORT .....	33,623	33,623	33,623	33,623
16050 CIVIL AIR PATROL CORPORATION .....	17,927	18,727	22,327	21,527
16100 BASE SUPPORT .....	155,791	155,791	155,791	155,791
16150 MAINTENANCE OF REAL PROPERTY .....	10,728	10,728	12,828	10,728
16200 SECURITY PROGRAMS:				
16250 SECURITY PROGRAMS .....	510,046	510,046	482,846	510,046
16300 SUPPORT TO OTHER NATIONS:				
16350 INTERNATIONAL SUPPORT .....	13,260	13,260	13,260	13,260
16400 TOTAL, BUDGET ACTIVITY 4 .....	4,239,052	4,161,190	4,210,052	4,127,852
16410 CLASSIFIED PROGRAMS UNDISTRIBUTED .....		13,900		4,000
16415 CIVILIAN PERSONNEL UNDERSTRENGTH .....		-70,000	-82,000	-7,700
16420 GENERAL REDUCTION, NATIONAL DE- FENSE STOCKPILE FUND .....	-50,000	-50,000	-50,000	-50,000
16430 FOREIGN CURRENCY FLUCTUATION/ BUDGET AMEND .....	-43,000	-53,000	-53,000	-67,000
16475 INFORMATION RESOURCE MANAGEMENT .....		-16,000		-16,100
16487 ECONOMIC ASSUMPTIONS .....			-46,000	-46,000
16490 OTHER CONTRACTS .....		-93,981		-93,981
16495 CHEMICAL/BIOLOGICAL DEFENSE— PACOM .....		10,000		10,000
16500 CONTINGENCY OPERATION TRANSFER— SWA .....		-459,900		
16505 REAL PROPERTY MAINTENANCE .....		358,200		100,384
16510 TDY EXPENSES .....		-20,000		-23,000
16515 QDR—CIVILIAN PERSONNEL REDUC- TIONS .....		-76,253		-36,000
16800 TOTAL, O&M, AIR FORCE ..	18,817,785	18,740,167	18,592,385	18,492,883
16850 TRANSFER .....	(50,000)	(50,000)	(50,000)	(50,000)
16900 TOTAL FUNDING AVAIL- ABLE .....	(18,867,785)	(18,790,167)	(18,642,385)	(18,542,883)

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:		
12600 Flying Hour Program Shortfalls (AVDLR Shortfall) .....		240,000
12600 B-52 Attrition Reserve .....		42,400
12600 SR-71 .....		30,000
12600 Battle Labs .....		1,000
12600 Contingency Operations Transfer .....		-459,900
12700 NBC Defense Program .....		3,100
12850 Force Protection-Base Physical Security .....		12,100
12905 JCS Exercises and Headquarters Reduction .....		-18,000
13100 SIMVAL .....		1,800
13250 JFACC Situational Awareness System (JSAS) .....		1,500
13450 Spacetrack .....		1,400
Budget Activity 2: Mobilization:		
13850 Flying Hour Program Shortfalls (AVDLR Shortfall) .....		60,000
13850 Depot Maintenance-KC-135 DPEM .....		54,600
13950 Industrial Preparedness-Nominal Growth .....		-5,105
Budget Activity 3: Training and Recruiting:		
14300 Service Academies-Foreign Students .....		-1,400

14600	Training Infrastructure Reduction .....	- 21,000
14700	Training Infrastructure Reduction .....	- 13,000
14750	Training Infrastructure Reduction .....	- 13,000
14950	Recruiting and Advertising .....	2,200
Budget Activity 4: Administration and Servicewide Activities:		
15500	FEMP .....	- 33,000
15650	Headquarters and Administrative Activity Reduction .....	- 52,700
15950	CAMP .....	500
15950	Pentagon Reservation Transfer .....	- 29,600
16050	Civil Air Patrol—Counterdrug Activities .....	2,800
16050	Civil Air Patrol Corporation .....	800
Undistributed:		
16410	Classified Undistributed .....	4,000
16415	Civilian Personnel Under Strength .....	- 7,700
16430	Foreign Currency Fluctuation .....	- 24,000
16475	REMIS .....	- 8,900
16475	High Risk Automation Systems .....	- 25,000
16487	Revised Economic Assumptions .....	- 46,000
16490	Other Contracts—Program Growth .....	- 93,981
16495	Chemical/Biological Defense—PACOM .....	10,000
16505	Real Property Maintenance .....	100,384
16510	TDY Expenses .....	- 23,000
16515	QDR—Civilian Personnel Reductions .....	- 36,000

## B-52S

The conferees provide a total of \$57,300,000 to fund attrition reserve B-52 aircraft:

Operation and maintenance .....	\$42,400,000
Aircraft procurement; mods .....	10,400,000
Military personnel .....	4,500,000

The conferees direct that this funding be used to operate and maintain the current force structure of 94 B-52s and to continue standard maintenance and upgrades on the attrition reserve aircraft. For the purposes of this procurement funding, the conferees direct the Air Force to treat all 94 B-52s now in the force structure as planes to be retained for the six-year period beginning October 1, 1997.

## WILLIAM LEHMAN AVIATION CENTER

The William Lehman Aviation Center at Florida Memorial College—a Historically Black College located in Miami, Florida—is well positioned to assist in the recruitment and training of minorities in military aviation. The conferees urge the Department of the Air Force to work closely with the College in fully utilizing and developing FMC's faculty, equipment, facilities and expertise.

## ENVIRONMENTAL QUALITY RESPONSIBILITIES

The conferees are concerned of potentially duplicative activities undertaken by the Air Force Center for Environmental Excellence (AFCEE) and other Departmental environmental centers. The conferees direct that the Air Force review this situation and take prompt action to ensure that the mission and responsibilities of the AFCEE fully conform to the commitments made by the Air Force when this center was first established and that its activities are focused on the mission for which it was established.

## OPERATION AND MAINTENANCE, DEFENSE-WIDE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference	
16950	OPERATION AND MAINTENANCE, DEFENSE-WIDE				
17000	BUDGET ACTIVITY 1: OPERATING FORCES				
17050					
17100	541,169	491,169	454,007	452,007	
	1,085,927	1,129,027		1,119,327	
17150	TOTAL, BUDGET ACTIVITY 1	1,627,096	1,620,196	454,007	1,571,334
17200	BUDGET ACTIVITY 2: MOBILIZATION				
17250	27,260	27,260	27,260	27,260	
17350	BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
17400	99,964	96,064	94,964	94,964	
17450	11,586	11,586	11,586	11,586	
17500	14,200	14,200	14,200	14,200	
17550	475	475	475	475	
17600	37,930	37,930	37,930	37,930	
17650	TOTAL, BUDGET ACTIVITY 3	164,155	160,255	159,155	159,155
17700	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
17750	94,956	94,956	94,956	94,956	
17800	3,490,397	3,392,136	3,461,797	3,450,966	
17900	329,264	326,764	329,264	326,764	
17950	91,654		91,654	70,654	
18000	124,735	122,735	124,735	122,735	
18050	725,858	717,658	690,258	689,058	
18100	186,661	186,661	186,661	186,661	
18150	8,839	8,839	8,087	8,087	
18200	1,086,443	1,138,043	1,099,443	1,126,043	
18300	14,195	14,195	14,195	14,195	
18350	87,837	87,837	87,837	87,837	
18400	69,270	69,270	69,270	69,270	
18450	10,545	10,545	10,545	10,545	
18500	1,321,196	1,325,196	1,321,496	1,332,496	
18550		15,000		15,000	
18600	128,561	126,561	113,661	117,561	
18650	40,217	49,217	40,217	114,217	
18700	406,894	343,127	399,056	316,489	
18755			72,000	72,000	
18800	109,226	98,026	95,626	95,626	
18850	45,532	45,532	45,532	45,532	
18900	213,147	198,847	213,147	210,147	
18905			-10,400		
18920			10,000	10,000	
18950	TOTAL, BUDGET ACTIVITY 4	8,585,427	8,371,145	8,569,037	8,586,839
18951	BUDGET ACTIVITY 5: SPECIAL OPERATIONS				
18952			1,123,527		
18960			10,000	10,000	
18965			137,652	137,652	
18970		-33,900	-42,000	-8,000	
18975	FOREIGN CURRENCY FLUCTUATION/BUDGET AMEND	-13,000	-13,000	-10,000	-16,000

[In thousands of dollars]

	Budget	House	Senate	Conference
18980	IMPACT AID .....	35,000		
18982	ECONOMIC ASSUMPTIONS .....		- 29,000	- 29,000
19010	INFORMATION RESOURCE MANAGEMENT .....	- 15,000		- 15,000
19030	PENTAGON RENOVATION SWING SPACE .....	- 9,500		- 9,500
19045	DEFENSE AUTOMATED PRINTING SERVICE .....	- 15,000		- 8,000
19065	CENTER FOR THE STUDY OF THE CHINESE MILITARY .....	5,000		
19085	CONTINGENCY OPERATIONS TRANSFER—SWA .....	- 9,500		
19090	QDR—6% REDUCTION .....	- 72,000		- 37,000
19095	QDR—RESTRUCTURING RESERVE .....	18,000		
19100	GENERAL REDUCTION .....	- 15,000		
19350	TOTAL, OPERATION AND MAINTENANCE, DEFENSE-WIDE .....	10,390,938	10,053,956	10,399,638

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:		
17050	JCS Exercises .....	- 50,000
17050	Partnership for Peace .....	- 44,162
17050	Exercise Northern Edge .....	5,000
17100	SOCOM—Readiness OPTEMPO .....	28,530
17100	SOCOM—CP/WMD .....	11,270
17100	SOCOM—GORTEX/NOMEX Flight Suits .....	3,300
17100	Contingency Operations Transfer—SOCOM/SWA .....	- 3,200
17100	SOCOM—JCS Exercises .....	- 6,500
Budget Activity 3: Training and Recruiting:		
17400	DAU—Continuing Acquisition Education .....	- 5,000
Budget Activity 4: Administration and Servicewide Activities:		
17800	Contingency Operations Transfer .....	- 2,700
17800	Classified and Intelligence .....	- 36,731
17900	DCAA—Within Grade Increases .....	- 2,500
17950	DFAS—Executive and Professional Training .....	- 4,500
17950	DFAS—Property Accountability System .....	- 16,500
18000	DHRFA—Operations .....	- 2,000
18050	DISA—White House Communications Agency .....	- 8,200
18050	DISA—Contingency Operations Transfer .....	- 28,600
18150	Defense Legal Services Agency .....	- 752
18200	DLA—Security Locks .....	25,000
18200	DLA—Automated Document Conversion .....	20,000
18200	DLA—Procurement Technical Assist. Program .....	17,000
18200	DLA—DPSC Demolition .....	10,000
18200	DLA—Cargo Methods and Technologies .....	3,000
18200	DLA—Blankets .....	- 2,400
18200	DLA—Housing Improvement Fund Management .....	- 7,000
18200	DLA—DWCF Transfer .....	- 26,000
18500	DoDDS—Guam Schools .....	18,000
18500	DoDDS—Family Counseling and Crisis Services .....	3,000
18500	DoDDS—Math Teacher Leadership Development Project .....	300
18500	DoDDS—Unobligated Balances .....	- 10,000
18550	Federal Energy Management Program .....	15,000
18600	JCS—Travel and Administrative Costs .....	- 11,000
18650	Monterey Institute Counter-Proliferation Analysis .....	9,000
18650	Industrial Modernization .....	50,000
18650	Ford Ord Defense Conversion Center .....	7,500
18650	San Diego Conversion Center .....	7,500
18700	OSD—Partnership for Peace Transfer .....	44,162
18700	OSD—Military Personnel Information System .....	5,000
18700	OSD—First Responder Training .....	1,300
18700	OSD—C3I Mission and Analysis Fund .....	- 5,000
18700	OSD—Funding Transfer .....	- 17,000

18700	OSD—Administrative Savings .....	- 20,000
18700	OSD—Civil Military Programs Transfer .....	- 40,000
18700	OSD—Civil Military Programs .....	- 58,867
18755	Civil Military Programs .....	72,000
18800	OSIA—Treaty Requirements .....	- 10,000
18800	OSIA—Transfer to Contingency Operations .....	- 3,600
18900	WHS—TDY and Administrative Expenses .....	- 3,000
18920	Repairs to Federally Funded Schools .....	10,000
Undistributed:		
18960	Legacy .....	10,000
18965	Pentagon Reservation Transfer .....	137,652
18970	Civilian Personnel Understrength .....	- 8,000
18975	Foreign Currency Fluctuation .....	- 3,000
18982	Revised Economic Assumptions .....	- 29,000
19010	High Risk Automation Systems .....	- 15,000
19030	Pentagon Renovation Fund—Swing Space Costs .....	- 9,500
19045	Defense Automated Printing Service .....	- 8,000
19090	QDR Defense Agency Reductions .....	- 37,000

#### DEFENSE FINANCE AND ACCOUNTING SERVICE

The Department requested \$91,654,000 for activities that the conferees believe are more properly funded through the Defense Working Capital Fund. The conferees therefore agree to a reduction of \$21,000,000 and direct DFAS to budget for these activities within the Defense Working Capital Fund in future budget submissions.

#### DEFENSE HUMAN RESOURCES FIELD ACTIVITY

The conferees agree to provide \$138,935,000 for the Defense Human Resources Field Activity, a reduction of \$2,000,000 from the President's Budget. The conferees direct that none of this reduction be taken against the Department's very successful efforts with Operation Mongoose.

#### DEFENSE LOGISTICS AGENCY

The Defense Logistics Agency (DLA) budget included \$42,900,000 for expenses that were in the Defense Working Capital Fund (DWCF). Of these the conferees believe that \$36,000,000, as identified in House Report 105-206, should have stayed within the DWCF and directs DLA to budget for these expenses within the DWCF in the future.

#### NATIONAL IMAGERY AND MAPPING AGENCY

The conferees agree to delete House language, but expect the National Imagery and Mapping Agency (NIMA) to abide by its commitment and recent Policy Directive 8600R1 that a qualifications based selection (QBS) process for mapping, charting and geodesy service contracts will be used and that NIMA will seek a revision to the Federal Acquisition Regulations to this effect.

#### NEW PARENT SUPPORT PROGRAM

The conferees agree that the New Parent Support Program complements and works in concert with all programs associated with violence prevention, child development and family advocacy. In recent years, funds have been provided for expansion of this program within all the Services. The conferees encourage the Department to continue funding this program at current levels during fis-

cal year 1998, and to budget sufficient resources in future budget submissions.

INDUSTRIAL MODERNIZATION

The conference report includes \$50,000,000 only for projects or programs to assist in the commercial reutilization and modernization of government industrial complexes no longer in service. The conferees direct that such funds be used to support no more than 10 percent of the total project cost, and be committed only for projects that are determined by the Secretary (1) to be financially self-sustaining over the long-term, and (2) to enhance the national defense. The conferees intend that these funds be used for grants for operational transition, planning, and training costs.

RESERVE PEACETIME SUPPORT TO ACTIVE DUTY AND CIVILIAN ACTIVITIES

The conferees agree to provide \$10,000,000 for Reserve peacetime support to active duty and civilian activities. The conferees direct the Department of Defense to report to the Committees on Appropriations on how the fiscal year 1997 funding was allocated by theater, activities or exercises supported by this program, and the number of reservists by service who participated under this initiative. This report is to be provided not later than January 15, 1998.

CIVIL MILITARY PROGRAMS

The conferees recommend a total of \$72,000,000 for civil/military programs for fiscal year 1998 as follows:

[In thousands of dollars]	
Youth Challenge program .....	48,000
Innovative Readiness Training .....	20,000
Starbase youth program .....	4,000
Total .....	72,000

ON-SITE INSPECTION AGENCY

The conferees have agreed to reduce funding for the On-Site Inspection Agency. If additional funds prove necessary to meet emergent requirements stemming from valid treaty obligations, the conferees expect the Department of Defense to submit a reprogramming request subject to normal, prior approval reprogramming procedures.

TRAVEL REENGINEERING

The Department of Defense report on Travel Reengineering states that the Department spends approximately \$3,000,000,000 annually on temporary duty travel. Of this amount, 15 to 30 percent is for management overhead costs. The Department believes that, through reengineering, they can reduce these costs by more than half, a savings of over \$300,000,000 per year. The conferees are supportive of these goals, but remain concerned about how DoD will identify and capture these savings. The conferees therefore direct the Department to provide a detailed report, no later than January 1, 1998, of what savings it expects to result from implementing this program in Travel Region 6, where those savings will



come from and how DoD intends to capture those savings in its future budget requests. The conferees also direct the Department to provide a similar report with respect to full implementation prior to expanding this program beyond Travel Region 6.

#### LEGACY

Of the funds appropriated for the Legacy program, the Committee directs that \$100,000 be utilized to develop a management plan, in cooperation with the appropriate state and local entities, to preserve and protect the Revolutionary War gunboat that was recently discovered on the bottom of Lake Champlain.

#### JOB PLACEMENT PROGRAM

The Conferees direct the Department of Defense to provide at least \$6,000,000 from within available funds for the implementation of a combined job placement and community outreach services program. This program should market and coordinate involvement of existing qualified service providers through the Job Training Partnership Act, facilitate municipal offering of community outreach services and provide data for the evaluation of federal job placement programs. This program should be implemented in communities where military bases have undergone downsizing.

#### OPERATION AND MAINTENANCE, ARMY RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference	
19500	OPERATION AND MAINTENANCE, ARMY RESERVE				
19550	BUDGET ACTIVITY 1: OPERATING FORCES				
19600	MISSION OPERATIONS				
19650	BASE SUPPORT .....	309,446	309,446	309,446	309,446
19700	MAINTENANCE OF REAL PROPERTY .....	85,255	90,255	85,255	90,255
19750	DEPOT MAINTENANCE .....	41,366	41,366	41,366	41,366
19850	TRAINING OPERATIONS .....	620,827	630,827	640,827	630,827
19900	TOTAL, BUDGET ACTIVITY 1 .....	1,056,894	1,071,894	1,076,894	1,071,894
19950	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
20000	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
20050	INFORMATION MANAGEMENT .....	20,033	20,033	20,033	20,033
20100	PUBLIC AFFAIRS .....	489	489	489	489
20150	PERSONNEL ADMINISTRATION .....	50,196	50,196	50,196	50,196
20200	STAFF MANAGEMENT .....	27,405	27,405	27,405	27,405
20250	RECRUITING AND ADVERTISING .....	37,874	37,874	37,874	37,874
20300	TOTAL, BUDGET ACTIVITY 4 .....	135,997	135,997	135,997	135,997
20700	TOTAL, OPERATION AND MAINTENANCE, ARMY RESERVE .....	1,192,891	1,207,891	1,212,891	1,207,891

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

(In thousands of dollars)

Budget Activity 1: Operating Forces:	
19700 Maintenance of Real Property .....	5,000

19850 Training Operations/Ground OPTEMPO .....	10,000
Total adjustments .....	+15,000

### OPERATION AND MAINTENANCE, NAVY RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
20850 OPERATION AND MAINTENANCE, NAVY RESERVE				
20900 BUDGET ACTIVITY 1: OPERATING FORCES				
20950 RESERVE AIR OPERATIONS				
21000 MISSION AND OTHER FLIGHT OPERATIONS .....	302,531	302,531	302,531	319,531
21050 FLEET AIR TRAINING .....	200	200	200	200
21100 INTERMEDIATE MAINTENANCE .....	17,528	17,528	17,528	17,528
21150 AIR OPERATION AND SAFETY SUPPORT .....	3,074	3,074	3,074	3,074
21200 AIRCRAFT DEPOT MAINTENANCE .....	58,053	68,053	58,053	65,053
21250 AIRCRAFT DEPOT OPS SUPPORT .....	315	315	315	315
21300 BASE SUPPORT .....	99,563	99,563	99,563	99,563
21350 MAINTENANCE OF REAL PROPERTY .....	24,512	24,512	24,512	24,512
21400 RESERVE SHIP OPERATIONS				
21450 MISSION AND OTHER SHIP OPERATIONS .....	59,509	59,509	59,509	59,509
21500 SHIP OPERATIONAL SUPPORT AND TRAINING .....	638	638	638	638
21550 INTERMEDIATE MAINTENANCE .....	10,326	10,326	10,326	10,326
21600 SHIP DEPOT MAINTENANCE .....	68,324	68,324	68,324	68,324
21650 SHIP DEPOT OPERATIONS SUPPORT .....	1,487	1,487	1,487	1,487
21700 RESERVE COMBAT OPERATIONS SUPPORT				
21800 COMBAT SUPPORT FORCES .....	25,632	25,632	25,632	25,632
21850 BASE SUPPORT .....	38,503	38,503	38,503	38,503
21900 MAINTENANCE OF REAL PROPERTY .....	9,220	9,220	9,220	9,220
21950 RESERVE WEAPONS SUPPORT				
22000 WEAPONS MAINTENANCE .....	4,136	4,136	4,136	4,136
22050 TOTAL, BUDGET ACTIVITY 1 .....	723,551	733,551	723,051	747,551
22100 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
22150 ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
22200 ADMINISTRATION .....	6,209	6,209	6,209	6,209
22250 CIVILIAN MANPOWER AND PERSONNEL MANAGEMENT ...	2,012	2,012	2,012	2,012
22300 MILITARY MANPOWER AND PERSONNEL MANAGEMENT	32,102	32,102	32,102	32,102
22400 SERVICEWIDE COMMUNICATIONS .....	33,155	33,155	33,155	33,155
22450 BASE SUPPORT .....	26,692	26,692	26,692	26,692
22500 MAINTENANCE OF REAL PROPERTY .....	5,051	5,051	5,051	5,051
22550 COMBAT/WEAPONS SYSTEMS .....	2,723	2,723	2,723	2,723
22600 GENERAL DEFENSE INTELLIGENCE PROGRAM .....	511	511	511	511
22605 LOGISTICS OPERATIONS AND TECHNICAL SUPPORT				
22610 AIR SYSTEMS SUPPORT .....	2,705	2,705	2,705	2,705
22750 TOTAL, BUDGET ACTIVITY 4 .....	111,160	111,160	111,160	111,160
22760 NSIPS .....		43,500		43,500
22765 CONTINGENCY OPERATIONS TRANSFER—SWA .....		— 500		— 500
22770 MAINTENANCE OF REAL PROPERTY .....		37,000		20,000
23150 TOTAL, OPERATION AND MAINTENANCE, NAVY RESERVE .....	834,711	924,711	834,211	921,711

### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
21000 Mission and Other Flight Operations/Flying Hours .....	17,000

21200	Aircraft Depot Maintenance .....	7,000
Other Adjustments:		
22760	NSIPS .....	43,500
22765	Contingency Operations Transfer—SWA .....	-500
22770	Maintenance of Real Property .....	20,000
Total adjustments .....		+87,000

## MILITARY PERSONNEL INFORMATION SYSTEMS

The conferees have agreed to provide \$69,000,000 only for Military Personnel Information Systems and support the direction in House Report 105-206 on management control and use of these programs and funds by the Commander, Naval Reserve Forces. Of the funds identified in the House report, only \$11,500,000 is specifically for the Navy Standard Integrated Personnel System (NSIPS) and \$5,000,000 is for the Joint Requirements and Integration Office. These funds are in addition to those already budgeted for these programs. The remaining funds are for all the related activities described in the House report, such as continuing the Navy central design activity consolidation and providing initial outfitting equipment and infrastructure support for information system facilities. The conferees direct the Navy and DoD to ensure that no other military personnel information system initiatives duplicate NSIPS or the DoD objective personnel system, now known as the Defense Integrated Military Human Resources System (DIMHRS). The conferees also direct DoD and the services to identify and allocate acquisition certified personnel for the DIMHRS Joint Program Management Office no later than November 1, 1997 and to fully fund and budget for NSIPS and DIMHRS.

## OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference	
23300	OPERATION AND MAINTENANCE, MARINE CORPS RESERVE.				
23350	BUDGET ACTIVITY 1: OPERATING FORCES.				
23400	MISSION FORCES.				
23450	TRAINING .....	14,559	18,459	14,559	17,559
23500	OPERATING FORCES .....	30,174	35,174	30,174	33,174
23550	BASE SUPPORT .....	16,309	16,309	16,309	16,309
23600	MAINTENANCE OF REAL PROPERTY .....	6,898	6,898	6,898	6,898
23650	DEPOT MAINTENANCE .....	2,555	2,555	2,555	2,555
23700	TOTAL, BUDGET ACTIVITY 1 .....	70,495	79,395	70,495	76,495
23750	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES.				
23800	ADMINISTRATION AND SERVICEWIDE ACTIVITIES.				
23850	RECRUITING AND ADVERTISING .....	7,726	7,726	7,726	7,726
23900	SPECIAL SUPPORT .....	11,199	11,199	11,199	11,199
23950	SERVICEWIDE TRANSPORTATION .....	5,161	5,161	5,161	5,161
24000	ADMINISTRATION .....	7,039	7,039	7,039	7,039
24050	BASE SUPPORT .....	8,746	8,746	8,746	8,746
24200	TOTAL, BUDGET ACTIVITY 4 .....	39,871	39,871	39,871	39,871

[In thousands of dollars]

	Budget	House	Senate	Conference
24600				
TOTAL, O&M, MARINE CORPS RE-SERVE .....	110,366	119,266	110,366	116,366

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:			
23450	Training/M1A1 Tank Training .....		3,000
23500	Operating Forces/Initial Issue .....		3,000
	Total adjustments .....		+6,000

## OPERATION AND MAINTENANCE, AIR FORCE RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
24750				
OPERATION AND MAINTENANCE, AIR FORCE RE-SERVE				
24800				
BUDGET ACTIVITY 1: OPERATING FORCES				
24850				
AIR OPERATIONS				
24900	AIRCRAFT OPERATIONS .....	1,227,609	1,227,609	1,234,389
24950	MISSION SUPPORT OPERATIONS .....	39,482	39,482	39,482
25000	BASE SUPPORT .....	216,573	216,573	216,573
25050	MAINTENANCE OF REAL PROPERTY .....	60,314	70,314	60,314
25150	TOTAL, BUDGET ACTIVITY 1 .....	1,543,978	1,553,978	1,550,758
25200				
BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES.				
25250	ADMINISTRATION AND SERVICEWIDE ACTIVITIES.			
25300	ADMINISTRATION .....	46,363	46,363	46,363
25350	MILITARY MANPOWER AND PERSONNEL MANAGEMENT .....	19,262	19,262	19,262
25400	RECRUITING AND ADVERTISING .....	7,966	7,966	7,966
25450	OTHER PERSONNEL SUPPORT .....	6,310	6,310	6,310
25500	AUDIOVISUAL .....	541	541	541
25510	WC-130 WEATHER RECONN .....		830	830
25550	TOTAL, BUDGET ACTIVITY 4 .....	80,442	81,272	80,442
25950	TOTAL, O&M, AIR FORCE RESERVE .....	1,624,420	1,635,250	1,631,200

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:			
24900	Aircraft Operations/C-130 Force Structure .....		6,780
Budget Activity 4: Administration and Servicewide Activities:			
25510	WC-130 Weather Reconnaissance .....		830
	Total adjustments .....		+7,610

## OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference	
26100	OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD.				
26150	BUDGET ACTIVITY 1: OPERATING FORCES				
26200	MISSION OPERATIONS				
26250	TRAINING OPERATIONS .....	1,704,250	1,728,950	1,749,250	1,728,950
26350	MEDICAL SUPPORT .....	26,701	26,701	26,701	26,701
26400	DEPOT MAINTENANCE .....	53,824	58,824	63,824	61,324
26450	BASE SUPPORT .....	250,700	250,700	250,700	250,700
26500	MAINTENANCE OF REAL PROPERTY .....	50,618	60,618	150,618	135,618
26550	TOTAL, BUDGET ACTIVITY 1 .....	2,086,093	2,125,793	2,241,093	2,203,293
26600	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
26650	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
26700	INFORMATION MANAGEMENT .....	32,376	32,376	53,376	53,376
26800	PERSONNEL ADMINISTRATION .....	62,082	62,082	62,082	62,082
26850	STAFF MANAGEMENT .....	45,190	45,190	45,190	45,190
26900	RECRUITING AND ADVERTISING .....	33,191	33,191	33,191	33,191
26910	CHEM/BIO MISSION STUDIES .....		10,000		10,000
26912	STOCK FUND SECONDARY ITEMS .....			15,000	7,500
26915	SOFTWARE ACQUISITION AND SECURITY TRAINING .....		5,000		5,000
26950	TOTAL, BUDGET ACTIVITY 4 .....	172,839	187,839	208,839	216,339
27350	TOTAL, OPERATION AND MAINTENANCE, ARMY NAT. GUARD .....	2,258,932	2,313,632	2,449,932	2,419,632

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:		
26250	Training Operations/Ground Optempo .....	20,000
26250	Training Operations/Angel Gate Academy .....	4,200
26250	Training Operations/Laser Leveling .....	500
26400	Depot Maintenance .....	7,500
26500	Maintenance of Real Property .....	85,000
Budget Activity 4: Administration and Servicewide Activities:		
26700	Information Management .....	21,000
26910	Chem/Bio Mission Studies .....	10,000
26912	Stock Fund Secondary Items .....	7,500
26915	Software Acquisition and Security Training .....	5,000
Total adjustments		+160,700

## MAINTENANCE OF REAL PROPERTY

The conferees recommend \$85,000,000 above the budget request for maintenance of real property for Army National Guard facilities. The conferees direct that these funds be used to reduce the growing backlog within the 54 Army National Guard organizations, not for studies or other administrative functions.

## CHEMICAL/BIOLOGICAL DEFENSE AND COUNTER TERRORISM MISSION PLANNING

The conferees recommend \$10,000,000 only to support efforts to develop the National Guard's domestic chemical/biological counter terrorism mission. The conferees reiterate the directive in the House report and strongly endorse efforts to accelerate imple-

mentation of this important mission. The conferees expect the National Guard to develop a mission plan that is fully coordinated with all related plans and programs of the Office of the Secretary of Defense, the active forces, and all other Reserve Components so as to leverage existing capabilities to the maximum extent possible. A mechanism for review and input from all relevant organizations must be an integral part of this planning effort. The conferees also intend that a portion of these funds may be used to conduct joint, interagency training for federal, state, and local responders with respect to counter terrorism operations and the defense against weapons of mass destruction and for testing and evaluating equipment related to the support of the chemical/biological defense mission.

#### HOME STATION MOBILIZATION

The conferees support the expansion of Home Station Mobilization during fiscal year 1998, as a way to reduce mobilization costs and increase the availability of the Reserve Components. The conferees direct the Department of the Army to report to the congressional defense committees on how this program can be expanded in both the Army National Guard and the Army Reserve not later than January 15, 1998. The report should also provide a timetable to implement the results of this review during fiscal year 1998. It should address costs (both personnel and resources) associated with deploying from home station versus a mobilization station and recommendations regarding mission transfers to the Reserve Components.

#### OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
27500 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD				
27550 BUDGET ACTIVITY 1: OPERATING FORCES				
27600 AIR OPERATIONS				
27650 AIRCRAFT OPERATIONS .....	2,243,510	2,245,010	2,262,573	2,262,573
27770 MISSION SUPPORT OPERATIONS .....	334,314	334,314	334,314	334,314
27750 BASE SUPPORT .....	296,196	296,196	296,196	296,196
27800 MAINTENANCE OF REAL PROPERTY .....	77,879	77,879	77,879	77,879
27850 DEPOT MAINTENANCE .....	30,048	33,048	30,048	33,048
27900 TOTAL, BUDGET ACTIVITY 1 .....	2,981,947	2,986,447	3,001,010	3,004,010
27950 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
28000 SERVICEWIDE ACTIVITIES				
28050 ADMINISTRATION .....	3,073	3,073	3,073	3,073
28100 RECRUITING AND ADVERTISING .....	6,199	6,199	6,199	6,199
28150 TOTAL, BUDGET ACTIVITY 4 .....	9,272	9,272	9,272	9,272
28550 TOTAL, O&M, AIR NATIONAL GUARD .....	2,991,219	2,995,719	3,010,282	3,013,282

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:		
27650	Aircraft Operations/159th Fighter Group .....	1,500
27650	Aircraft Operations/C-130 Force Structure .....	13,063
27650	Aircraft Operations/C-130 Operations .....	4,500
27850	Depot Maintenance .....	3,000
	Total adjustments .....	+22,063

## OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND

The conferees agree to provide \$1,884,000,000 for the Overseas Contingency Operations Transfer Fund. The conferees agree to realign funding for operations in Southwest Asia from the services' Operation and maintenance accounts into the Overseas Contingency Operations Transfer Fund. Accordingly, the conferees agree to transfer \$416,500,000 into this account.

## UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

The conference agreement provides \$6,952,000 for the United States Court of Appeals of the Armed Forces as requested in the budget.

## ENVIRONMENTAL RESTORATION, ARMY

The conferees agree to provide \$375,337,000 for Environmental Restoration, Army.

## ENVIRONMENTAL RESTORATION, NAVY

The conferees agree to provide \$275,500,000 for Environmental Restoration, Navy.

## ENVIRONMENTAL RESTORATION, AIR FORCE

The conferees agree to provide \$376,900,000 for Environmental Restoration, Air Force.

## ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

The conferees agree to provide \$26,900,000 for Environmental Restoration, Defense-Wide.

## ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES

The conferees agree to provide \$242,300,000 for Environmental Restoration, Formerly Used Defense Sites.

## NEWMARK

The conferees understand that both the Environmental Protection Agency (EPA) and the City of San Bernardino believe that the Newmark and Muscoy plume contamination in San Bernardino, CA is a direct result of industrial waste from a World War II depot and maintenance facility (Camp Ono). The report accompanying the fiscal year 1997 DoD Appropriations Act highlighted the urgency of this problem and requested prompt action by the Department of Defense. Because the Department has not adequately responded to last year's report language concerning this important issue, the conferees direct the DoD, within 90 days of enactment of this Act,

to provide a report to the congressional defense committees which fully explains the Department's current and future plans relating to its role in the cleanup of the Newmark/Muscoy site.

#### OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

The conferees agree to provide \$47,130,000 for Overseas Humanitarian, Disaster and Civic Aid. The conferees direct that none of the reduction should be taken against the Department's demining efforts. In addition, the conferees expect the Department of Defense to coordinate its efforts on the rehabilitation of land mine victims with other U.S. Government agencies performing similar activities, including any center devoted to these efforts within the Department of Education.

#### FORMER SOVIET UNION THREAT REDUCTION

The conferees agree to provide \$382,200,000, for the Former Soviet Union Threat Reduction program.

#### QUALITY OF LIFE ENHANCEMENTS, DEFENSE

The conferees agree to provide a total of \$360,000,000 for Quality of Life Enhancements, Defense. Given the substantial backlog of real property maintenance in the areas of barracks, dormitories and related facilities, the conferees direct that these funds be applied to workload for such projects. The conferees further direct the Secretaries of each of the Military Services to provide the congressional defense committees with a report on each additional project to be funded from funds available in this account prior to solicitation for these projects. This report shall include the location, estimated cost and projected commencement and completion dates for each project.

### TITLE III—PROCUREMENT

The conference agreement is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
SUMMARY				
ARMY:				
AIRCRAFT .....	1,029,459	1,541,217	1,356,959	1,346,317
TRANSFER .....	(133,000)	.....	.....	.....
MISSILES .....	1,178,151	771,942	1,173,081	762,409
WEAPONS, TRACKED COMBAT VEHICLES .....	1,065,707	1,332,907	1,156,506	1,298,707
AMMUNITION .....	890,902	1,062,802	1,042,602	1,037,202
OTHER .....	2,455,030	2,502,886	2,783,735	2,679,130
TOTAL, ARMY .....	6,619,249	7,211,754	7,512,883	7,123,765
NAVY:				
AIRCRAFT .....	5,951,965	6,753,465	6,312,937	6,535,444
TRANSFER .....	(134,000)	.....	.....	.....
WEAPONS .....	1,136,293	1,175,393	1,138,393	1,102,193
AMMUNITION .....	336,797	423,797	344,797	397,547
SHIPS .....	7,438,158	7,628,158	8,510,458	8,235,591
OTHER .....	2,825,500	3,084,485	2,832,800	3,144,205
MARINE CORPS .....	374,306	491,198	440,106	482,398



[In thousands of dollars]

	Budget	House	Senate	Conference
TOTAL, NAVY .....	18,063,019	19,556,496	19,579,491	19,897,378
<b>AIR FORCE:</b>				
AIRCRAFT .....	5,684,847	6,386,479	6,390,847	6,480,983
TRANSFER .....	(133,000)			
MISSILES .....	2,557,741	2,320,741	2,411,741	2,394,202
AMMUNITION .....	403,984	414,884	400,984	398,534
OTHER .....	6,561,253	6,588,939	6,653,053	6,592,909
TOTAL, AIR FORCE .....	15,207,825	15,711,043	15,856,625	15,866,628
DEFENSE-WIDE .....	1,695,085	2,186,669	1,753,285	2,106,444
NATIONAL GUARD AND RESERVE EQUIPMENT .....		850,000	653,000	653,000
TOTAL PROCUREMENT .....	41,585,178	45,515,962	45,355,284	45,647,215
TRANSFER .....	(400,000)			

### AIRCRAFT PROCUREMENT, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
<b>AIRCRAFT PROCUREMENT, ARMY:</b>					
C-XX (MEDIUM RANGE) AIRCRAFT .....			23,000		23,000
GUARDRAIL COMMON SENSOR (TIARA) .....	3,388	13,046	3,388		13,046
SHORT RANGE UAV .....		20,000			
UH-60 BLACKHAWK (MYP) .....	183,231	309,231	310,531	28	272,231
UH-1 MODS .....	4,679	4,679	2,679		2,679
UH-60 MODS .....	14,353	14,353	23,853		26,853
KIOWA WARRIOR .....	38,822	213,822	53,822		53,822
EH-60 QUICKFIX MODS .....	38,140	44,640	38,140		44,640
ASE MODS .....	4,578	19,078	12,678		19,078
AIRCRAFT SURVIVABILITY EQUIPMENT .....	905	15,705	905		8,305
TRAINING DEVICES .....		9,300	18,600		13,300
ECONOMIC ASSUMPTIONS .....			-8,000		-8,000

### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
U-H60 Blackhawk (MYP) .....	183,231	309,231	310,531	272,231
Aircraft .....		+120,000	+127,300	+83,000
Q-kits for Active Army .....		+6,000		+6,000
(Note: Additional funds are to procure at least 10 additional aircraft. Procurement of the 28 new aircraft are to result in the fielding of 28 aircraft from the Army to the Army National Guard.)				
UH-60 MODS .....	14,353	14,353	23,853	26,853
Senate add .....			+9,500	+9,500
UH-60L Blackhawk Fire Hawk kits .....				+3,000
(Note: UH-60L Fire Hawk kits are to be transferred to the Army National Guard.)				
Kiowa Warrior .....	38,822	213,822	53,822	53,822
Aircraft .....		+157,177		0
Safety modifications .....		+23,300	+15,000	+15,000
ASE Mods .....	4,578	19,078	12,678	19,078
Laser detection sets .....		+7,000		+7,000
Advanced threat infrared countermeasures .....		+7,500	+8,100	+7,500

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Aircraft Survivability Equipment .....	905	15,705	905	8,305
ASET IV .....		+14,800		+7,400
Common Ground Equipment .....	+0	+18,600	+9,300	+13,300
Geographic databases .....		+18,600	+9,300	+13,300

## MISSILE PROCUREMENT, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
MISSILE PROCUREMENT, ARMY:					
PATRIOT SYSTEM SUMMARY (MYP) .....	349,109		349,109		
AVENGER SYSTEM SUMMARY .....			13,000		7,400
HELLFIRE SYS SUMMARY .....	279,687	228,287	268,987	1,200	248,987
MLRS ROCKET .....	2,863	14,863	19,863		19,863
MLRS LAUNCHER SYSTEMS .....	102,649	105,649	127,749	35	125,749
ARMY TACTICAL MSL SYS (ATACMS) (MYP) ..	97,814	97,814	87,044	153	97,814
BAT .....	85,208	45,208	45,208	40	
EFOG-M .....					13,300
PATRIOT MODS .....	20,825	30,825	20,825		8,000
ECONOMIC ASSUMPTIONS .....			-8,000		-8,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Patriot System Summary .....	349,109	0	349,109	0
Transfer to Procurement, Defense Wide .....		-349,109		-349,109
Avenger System Summary .....	0	0	13,000	7,400
Slew-to-cue .....			13,000	7,400
Hellfire System Summary .....	279,687	228,287	268,987	248,987
Unused prior year ECO funding .....		-5,400		0
Reduce Longbow Hellfire production ramp-up .....		-38,300		-20,000
Reduce Longbow ramp-up tooling .....		-7,700		0
Unobligated prior year funds .....			-10,700	-10,700
MLRS Rocket .....	2,863	14,863	19,863	19,863
MLRS-ER .....		12,000	17,000	17,000
MLRS Launcher System .....	102,649	105,649	127,749	125,749
Transfer to MLRS-ER rockets .....		-12,000		-12,000
Vehicular Intercommunication System (VIS) upgrades .....		15,000		10,000
Launcher upgrades .....			25,100	25,100
Army Tactical Missile System (ATACMS) .....	97,814	97,814	87,044	97,814
Contract savings .....			-10,770	0
EFOG-M .....				13,300
Transfer from research and development .....				13,300
Patriot Modifications .....	20,825	30,825	20,825	30,825
GEM +/- .....		10,000		8,000

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES,  
ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT OF W&TCV, ARMY					

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
BRADLEY BASE SUSTAINMENT .....	125,591	240,591	187,991	.....	220,591
FIELD ARTILLERY AMMUNITION SUPPORT VEH .....	.....	40,000	.....	36	40,000
CARRIER, MOD .....	20,244	28,644	40,244	.....	40,244
HOWITZER, MED SP FT 155MM M109A6 (MOD) .....	18,706	74,706	18,706	36	74,706
IMPROVED RECOVERY VEHICLE (M88 MOD) .....	28,601	56,401	14,000	12	32,601
ARMOR MACHINE GUN, 7.62MM M240 SERIES .....	.....	20,000	.....	.....	15,000
GRENADE LAUNCHER, AUTO, 40MM, MK19-3 .....	.....	.....	13,000	.....	8,000
MEDIUM MACHINE GUNS (MODS) .....	.....	.....	15,000	.....	.....
ECONOMIC ASSUMPTIONS .....	.....	.....	-5,000	.....	-5,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Bradley Base Sustainment .....	125,591	240,591	187,991	220,591
A0 to ODS variant for the National Guard .....	.....	+115,000	.....	+95,000
Bradley base upgrades .....	.....	.....	+62,400	+0
Carrier, mod .....	20,244	28,644	40,244	40,244
M113 night vision driver viewers .....	.....	+8,400	.....	+5,000
Carrier modifications .....	.....	.....	+20,000	+15,000
(Note: \$15,000,000 is only for the competitive procurement of reactive armor) .....	.....	.....	.....	.....
Improved Recovery Vehicle .....	28,601	56,401	14,000	32,601
IRV production .....	.....	+27,800	.....	0
Program slip .....	.....	.....	-14,601	0
Engineering change proposals .....	.....	.....	.....	+4,000
(Note: Senate provided additional funds for ECP's in RDT&E, A) .....	.....	.....	.....	.....

## PROCUREMENT OF AMMUNITION, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT OF AMMUNITION, ARMY:					
CTG, 5.56MM, ALL TYPES .....	63,588	65,988	63,588	.....	64,988
CTG, 7.62MM, ALL TYPES .....	1,136	7,136	1,136	.....	4,136
CTG, .50 CAL. ALL TYPES .....	19,977	20,177	19,977	.....	20,177
CTG, 40MM, ALL TYPES .....	26,203	26,203	33,203	.....	31,203
CTG MORTAR 120MM FULL RANGE PRACTICE M931 .....	24,432	34,432	24,432	59	32,432
CTG MORTAR 120MM HE M934 W/MO FUZE CTG MORTAR 120MM ILLUM XM930 W/MTSQ FZ .....	29,908	38,908	44,908	32	38,908
CTG 120MM HEAT-MP-T M830A1 .....	.....	3,000	.....	.....	3,000
CTG 120MM HEAT-MP-T M830A1 .....	.....	10,000	.....	.....	8,000
CTG TANK 120MM TPCSDS-T M865 .....	111,653	124,453	124,353	184	119,353
CTG ARTY 105MM DPICM XM915 .....	.....	20,000	10,000	.....	10,000
PROJ ARTY 155MM HE M795 .....	.....	55,000	.....	.....	36,000
FUZE MULTI OPTION .....	.....	20,000	20,000	.....	15,000
MINE AT/AP M87 (VOLCANO) .....	.....	.....	20,000	.....	17,000
BUNKER DEFEATING MUNITION (BDM) .....	.....	8,000	.....	.....	8,000
ROCKET, HYDRA 70, ALL TYPES .....	12,067	48,267	48,267	.....	37,267
SIMULATORS, ALL TYPES .....	4,573	5,073	4,573	.....	4,573
PROVISION OF INDUSTRIAL FACILITIES .....	45,857	24,857	45,857	.....	24,857
CONVENTIONAL AMMO DEMILITARIZATION .....	106,118	96,118	93,118	.....	93,118
ARMS INITIATIVE .....	5,000	5,000	45,000	.....	25,000
ECONOMIC ASSUMPTIONS .....	.....	.....	-6,000	.....	-6,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Fuze, multi option .....	0	20,000	20,000	15,000
Electronic timed M767 fuze .....		+20,000	+20,000	+15,000
Provision of Industrial Facilities .....	45,857	24,857	45,857	24,857
Excess funds .....		-21,000		-21,000
Large caliber deep drawn cartridge .....		(3,000)		(3,000)

## KINETIC ENERGY TANK AMMUNITION

The conferees are concerned that there may be a break in production between the current 120mm kinetic energy round, the M829A2, and the follow-on round, the M829E3. The conferees direct the Army to maintain M829A2 future annual production at minimum sustaining levels and accelerate the development of the M829E3. The conferees direct the Army submit to the congressional defense committees their plan for funding M829A2 production and maintaining the capability to produce kinetic energy rounds no later than December 15, 1997.

## OTHER PROCUREMENT, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
OTHER PROCUREMENT, ARMY					
TACTICAL TRAILERS/DOLLY SETS .....	8,053	8,053	18,053		13,053
SEMITRAILER FB BB/CONT TRANS 22½ T .....	9,361		9,361	350	2,000
SEMITRAILER, TANK, 5000G .....	7,581	3,000	7,581	74	3,000
SEMITRAILER, TANK, 7500G, BULKHAUL .....	10,408	2,000	10,408	231	3,000
HI MOB MULTI-PURP WHLD VEH (HMMWV) (MYP) .....	66,233	104,933	141,233	774	131,233
FAMILY OF MEDIUM TACTICAL VEH (MYP) .....	209,446	209,446	253,446	1,506	209,446
FAMILY OF HEAVY TACTICAL VEHICLES (MYP) ..	9,071	87,071	137,071		114,071
ARMORED SECURITY VEHICLES (COMBAT SPT) TACTIC .....	9,470	10,970	9,470	25	10,970
DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPAC) .....	87,643	83,143	87,643		85,643
SAT TERM, EMUT (SPACE) .....	7,264	6,064	7,264	207	6,064
NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE) .....	6,796	5,596	6,796	17	5,596
SCAMP (SPACE) .....	4,305	10,405	16,605		16,605
GLOBAL BRDCST SVC—GBS .....	4,967		4,967		4,967
ARMY DATA DISTRIBUTION SYSTEM (ADDS) .....	57,165	57,065	94,465		67,465
SINCGARS FAMILY .....	290,164	302,164	290,164		296,164
ACUS MOD PROGRAM (WIN-T/T) .....	82,391	82,391	115,391		105,391
COMBAT SURVIVOR EVADER LOCATOR (CSEL) ..	5,677		5,677		5,677
INFORMATION SYSTEM SECURITY PROGRAM— ISSP .....	10,208	10,208	10,208		13,708
INFORMATION SYSTEMS .....	20,498	20,498	51,498		51,498
GENERAL DEFENSE INTELL PROG (GDIP) .....	18,856	19,756	18,856		19,356
ITEMS LESS THAN \$2.0M (INTEL SPT)—TIARA .....		2,800			2,800
ALL SOURCE ANALYSIS SYS (ASAS) (TIARA) .....	7,772	26,959	7,772		23,459
JTT/CIBS—M (TIARA) .....	11,438	11,438	6,438	56	11,438
SHORTSTOP .....		6,000			6,000
SENTINEL .....	41,014	51,014	61,214	12	61,214
NIGHT VISION DEVICES .....	85,312	99,712	121,312		111,712
LOGTECH .....	3,358	3,358	3,358		13,358
STANDARD INTEGRATED CMD POST SYSTEM ....	26,551	36,551	26,551		33,551
AUTOMATED DATA PROCESSING EQUIP .....	125,099	151,899	125,099		132,099

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
RESERVE COMPONENT AUTOMATION SYS (RCAS) .....	114,323	114,323	84,323	.....	114,323
CALIBRATION SETS EQUIPMENT .....	.....	.....	25,000	.....	15,000
INTEGRATED FAMILY OF TEST EQUIP (IFTE) .....	.....	29,000	.....	.....	20,000
COMBAT SUPPORT MEDICAL .....	11,808	11,808	18,808	.....	18,808
ITEMS LESS THAN \$2.0 MILLION (MAINT EQ) ....	1,167	5,167	1,167	.....	4,167
CRANE, WHEEL MTD, 25T, ¾ CU YD, RT .....	6,055	6,055	6,055	22	14,055
RAILWAY CAR, FLAT, 100 TON .....	17,755	.....	17,755	.....	.....
TRAINING DEVICES, NONSYSTEM .....	49,668	53,668	59,668	.....	53,668
SIMNET/CLOSE COMBAT TACTICAL TRAINING ....	92,968	.....	71,468	.....	54,600
BASE LEVEL COM'L EQUIPMENT .....	4,283	4,283	17,283	.....	4,283
DEPOT MAINTENANCE OF OTHER END ITEMS ....	24,819	.....	24,819	.....	.....
GUN LAYING POSITIONING SYSTEM .....	.....	6,000	.....	.....	6,000
RADIO FREQUENCY TECHNOLOGY .....	.....	2,900	.....	.....	1,200
LIGHTWEIGHT LASER DESIGNATOR/RANGE FIND- ER .....	.....	2,800	.....	.....	.....
COMBAT SYNTHETIC TRAINING ASSESSMENT RANGE .....	.....	5,400	.....	.....	.....
ARMY AIRBORNE COMMAND & CONTROL SYS- TEM .....	.....	11,100	.....	.....	.....
AVENGER SLEW TO CLUE .....	.....	7,400	.....	.....	.....
PALLETIZED LOADING SYSTEM ENHANCED .....	.....	3,000	.....	.....	3,000
ECONOMIC ASSUMPTIONS .....	.....	.....	-18,000	.....	-18,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Army Data Distribution System .....	57,165	57,065	94,465	67,465
EPLRS .....	.....	+20,000	+37,400	+30,400
JTIDS—transfer to BMDO .....	.....	-20,100	.....	-20,100
Information Systems Security System .....	10,208	10,208	10,208	15,780
KY-100 device .....	.....	0	0	+3,500
(Note: Earmarked in Senate bill for \$5,500,000)	.....	.....	.....	.....
All Source Analysis System .....	7,772	26,959	7,772	23,459
ASAS RWS .....	.....	+13,500	.....	+10,000
CHATS .....	.....	+5,687	.....	+5,687
Night Vision Devices .....	85,312	99,712	131,312	111,712
AN/PAS-13 thermal weapon sights .....	.....	+11,400	+10,000	+6,900
Lightweight video system .....	.....	+3,000	.....	+2,000
Infrared Aiming Lights (AN/PEQ-2) .....	.....	.....	+8,000	+5,500
AN/PVS-70 systems .....	.....	.....	+17,000	+11,000
Bore lights .....	.....	.....	+1,000	+1,000
MELIOS .....	.....	.....	.....	(5,000)
(Note: Funds are only to procure MELIOS for the Army Na- tional Guard)	.....	.....	.....	.....
LOGTECH .....	3,358	3,358	3,358	13,358
Army Logistic Automation .....	.....	.....	.....	+10,000
(Note: Funds transferred from Automated Data Processing Equipment)	.....	.....	.....	.....
Automated Data Processing Equipment .....	125,099	151,899	125,099	132,099
SBIS .....	.....	+13,000	.....	+7,000
(Note: Funds transferred to O&M, Army)	.....	.....	.....	.....
Army Logistics Automation .....	.....	+13,800	.....	0
(Note: Funds transferred to LOGTECH)	.....	.....	.....	.....
Crane, Wheel Mtd, 25T, ¾ CU YD, RT .....	6,055	6,055	6,055	14,055
All terrain cranes .....	.....	.....	.....	+8,000
(Note: Funds are only to procure all all-terrain cranes for the Army Reserve)	.....	.....	.....	.....
Radio Frequency Technology .....	0	2,900	0	1,200
(Note: \$1,700,000 transferred to Research, Development, Test and Evaluation, Army)	.....	.....	.....	.....
Lightweight designator/range finder .....	0	2,800	0	0

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
(Note: Funds transferred to Research, Development, Test and Evaluation, Army)				
Combat synthetic training assessment range .....	0	5,400	0	0
(Note: Funds transferred to Research, Development, Test and Evaluation, Army)				
Army Airborne Command & Control System .....	0	11,100	0	0
(Note: Funds transferred to Research, Development, Test and Evaluation, Army)				
(Note: Funds transferred to Missile Procurement, Army)				
Avenger Slew to Cue .....	0	7,400	0	0

## FAMILY OF MEDIUM TACTICAL VEHICLES

The conferees strongly support the Army's Family of Medium Tactical Vehicle (FMTV) acquisition strategy. The conferees endorse the Army's plan to continue procuring FMTV's from the current producer while qualifying a second source in fiscal year 1998 and 1999. The conferees agree to provide the authority in Section 8008 to enter into a multiyear contract for the FMTV.

## COMMANDER'S TACTICAL TERMINAL/JOINT TACTICAL TERMINAL

The conferees agree that the amounts appropriated in fiscal year 1998 and prior year funds be used to re-award the Joint Tactical Terminal (JTT) contract and to procure only urgently needed Commander's Tactical Terminals (CTT) in fiscal year 1998 until the production under a new contract progresses sufficiently to minimize the fielding gap between these two terminals.

## DIRECT SUPPORT ELECTRICAL SYSTEMS TEST SETS (DSESTS)

The conferees encourage the Department of Defense to include DSESTS in the automatic test equipment family.

## AIRCRAFT PROCUREMENT, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
AIRCRAFT PROCUREMENT, NAVY:					
AV-8B (VSTOL) HARRIER .....	277,648	310,648	283,890	12	283,890
AV-8B (VSTOL) HARRIER (AP-CY) .....	18,914	18,914	17,900	.....	17,900
V-22 (MEDIUM LIFT) .....	472,007	661,307	627,007	7	627,007
V-22 (MEDIUM LIFT) (AP-CY) .....	69,659	69,659	62,124	.....	62,124
E-2C (EARLY WARNING) HAWKEYE .....	236,474	304,474	236,474	4	304,474
CH-60 HELICOPTER .....	.....	.....	.....	2	30,400
CH-60 HELICOPTER (AP-CY) .....	31,837	31,837	.....	.....	.....
T-45TS (TRAINER) GOSHAWK .....	243,960	243,960	291,899	15	289,383
KC-130J .....	.....	179,700	.....	2	120,000
EA-6 SERIES .....	86,783	169,783	126,783	.....	116,783
F-14 SERIES .....	290,500	290,500	275,200	.....	287,200
F-18 SERIES .....	156,213	156,213	140,713	.....	164,713
H-53 SERIES .....	35,704	35,704	45,704	.....	45,704
H-1 SERIES .....	18,489	16,389	18,489	.....	18,389
P-3 SERIES .....	164,907	293,907	226,307	.....	238,207
E-2 SERIES .....	49,073	50,673	85,210	.....	49,073
CARGO/TRANSPORT A/C SERIES .....	29,911	29,911	20,911	.....	25,911

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
SPECIAL PROJECT AIRCRAFT .....	16,527	16,527	23,527	.....	23,527
POWER PLANT CHANGES .....	13,972	13,972	15,572	.....	15,572
COMMON AVIONICS CHANGES .....	131,599	130,599	117,439	.....	130,399
COMMON GROUND EQUIPMENT .....	287,114	274,114	287,114	.....	274,114
ECONOMIC ASSUMPTIONS .....	.....	.....	-44,000	.....	-44,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
T-45 .....	243,960	243,960	291,899	289,383
Additional aircraft .....	.....	.....	+96,600	+53,000
Multiyear procurement savings .....	.....	.....	-51,084	0
Peculiar training equipment .....	.....	.....	+10,000	0
Engineering change orders .....	.....	.....	-3,728	-3,728
Engine contract award savings .....	.....	.....	-3,849	-3,849
EA-6B Series .....	86,783	169,783	126,783	116,783
Center wing sections .....	.....	+50,000	+25,000	+25,000
Late obligations .....	.....	.....	-10,000	-10,000
Engine turbine blade .....	.....	+18,000	0	0
USQ-113 receiver .....	.....	+15,000	0	+15,000
Support jamming upgrade .....	.....	0	+25,000	0
F-14 Series .....	290,500	290,500	275,200	287,200
Critical systems mod .....	.....	.....	-3,300	-3,300
LANTIRN .....	.....	.....	-12,000	0
F-18 Series .....	156,213	156,213	140,713	164,713
Late obligations .....	.....	.....	-15,500	-15,500
Mods for Naval Reserve .....	.....	.....	.....	+24,000
H-1 Series .....	18,489	16,389	18,489	18,389
Transfer to R&D .....	.....	-5,600	.....	-5,600
Internal rescue hoist .....	.....	+3,500	.....	+3,500
AN/AAQ-22 .....	.....	.....	.....	+2,000
P-3 Series .....	164,907	293,907	226,307	238,207
SRP .....	.....	+35,100	+25,100	+25,000
AIP .....	.....	+56,600	+17,300	+17,300
SEI .....	.....	+18,500	0	+13,000
LESPA .....	.....	+6,000	+11,000	+8,000
Replacement data storage system .....	.....	+12,800	+8,000	+10,000
Common Avionics Changes .....	131,599	130,599	117,439	130,399
AAW-13 .....	.....	+9,000	.....	+6,000
Authorization reduction .....	.....	-10,000	.....	0
Late obligations .....	.....	.....	-10,000	-10,000
Ground proximity warning system .....	.....	.....	.....	+4,000
Systems engineering growth .....	.....	.....	-1,200	-1,200

## CH-60 HELICOPTERS

The conferees agree to provide \$30,400,000 only to procure 2 CH-60 helicopters for the Naval Reserve.

## AV-8B HARRIER ENGINES

The conferees recognize the need to replace engines in AV-8B Harrier trainer aircraft, and would welcome a reprogramming request from the Department of Defense should it elect to address this requirement in fiscal year 1998.

P-3

The conferees are disturbed by the Navy's approach to budgeting for the P-3 Sustained Readiness Program (SRP). The conferees

direct the Navy to budget for the purchase of no less than 20 SRP kits and for the installation of 15 SRP kits in fiscal year 1999, in order to obtain best value for the Department of Defense in accordance with the Variation in Quantity contract signed by the Navy.

### WEAPONS PROCUREMENT, NAVY

The conference agreement is as follows:

(In thousands of dollars)

	Budget	House	Senate	Qty.	Conference
WEAPONS PROCURMENT, NAVY					
TRIDENT II .....	292,248	292,248	227,248	5	227,248
TRIDENT II (AP-CY) .....	47,021	32,021	47,021	—	47,021
TOMAHAWK .....	51,820	51,820	71,820	65	51,820
ESSM .....	15,529	5,529	15,529	—	10,529
JSOW .....	58,665	68,665	58,665	113	63,665
STANDARD MISSILE .....	196,492	181,092	196,492	127	181,092
PENGUIN .....	—	—	15,000	—	7,500
AERIAL TARGETS .....	72,923	65,923	66,723	—	65,923
HELLFIRE .....	—	37,500	—	—	20,000
STANDARD MISSILES MODS .....	35,601	68,601	50,901	—	50,901
WEAPONS INDUSTRIAL FACILITIES .....	34,932	25,932	34,932	—	30,432
CIWS MODS .....	9,990	29,990	24,990	—	24,990
5/54 GUN MOUNT MODS .....	241	241	13,241	—	10,241
PIONEER .....	3,962	3,962	6,962	—	6,962
SPARES AND REPAIR PARTS .....	26,943	21,943	26,943	—	21,943
ECONOMIC ASSUMPTIONS .....	—	—	-8,000	—	-8,000

### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

(In thousand of dollars)

	Budget	House	Senate	Conference
Trident II .....	292,248	292,248	227,248	227,248
Missile reduction .....	—	—	-65,000	-65,000
Trident II (AP-CY) .....	47,021	32,021	47,021	47,021
Excess long lead funding .....	—	-15,000	—	0
ESSM .....	15,529	5,529	15,529	10,529
Premature tooling .....	—	-10,000	—	-5,000
JSOW .....	58,665	68,665	58,665	63,665
Additional weapons .....	—	10,000	—	5,000
Standard Missile .....	196,492	181,092	196,492	181,092
Transfer Navy Lower Tier to Procurement, DW .....	—	-15,400	—	-15,400
Aerial Targets .....	72,923	65,923	66,723	65,923
Reduced requirements .....	—	-7,000	—	-7,000
Reduction .....	—	—	-6,200	0
Standard Missile Mods .....	35,601	68,601	50,901	50,901
SM-2 Block IIIB .....	—	33,000	15,300	15,300
CIWS Mods .....	9,990	29,990	24,990	24,990
Surface mode IB .....	—	20,000	—	15,000
Block I upgrade .....	—	—	15,000	0
5/54 Gun Mount Mods .....	241	241	13,241	10,241
Ordnance kits .....	—	—	13,000	10,000
Pioneer .....	3,962	3,962	6,962	6,962
CARS .....	—	—	3,000	3,000
[Funds provided for logistics are intended to support all Common Automatic Recovery Systems (CARS) throughout DoD.]	—	—	—	—
Spares and Repair Parts .....	26,943	21,943	26,943	21,943
Unobligated prior year funds .....	—	-5,000	—	-5,000



## TOMAHAWK

The budget request includes \$51,820,000 to procure 65 Block III Tomahawk missiles in fiscal year 1998. The Navy has recently informed the conferees that it is working on a proposal to develop and produce a new variant of this missile, to be known as the Tactical Tomahawk or the Block IV+. It would be the Navy intention to forgo the procurement of the 65 Block III Tomahawks in fiscal year 1998 and use these funds, in part, for the accelerated development of the new Block IV+. While the conferees support a program to upgrade the capabilities of the Tomahawk missile and reducing the missile's unit cost, there remains many acquisition and funding issues to be resolved before favorable consideration of the proposed funding realignment can be granted. The conferees encourage the Navy to submit a reprogramming action once these issues are resolved.

## 5/54 GUN MOUNT MODIFICATIONS

The conferees agree to provide \$13,241,000 for the procurement of gun safety, shock hardening, and fire support Ordalts kits for the 5 inch MK-45 and MK-75 gun mounts.

## WEAPONS INDUSTRIAL FACILITIES

The conferees agree to provide \$30,432,000 for capital rehabilitation projects at government-owned, contractor operated plants for Navy missile systems, a reduction of \$4,500,000 from the budget request. The conferees direct that none of the reduction may be applied to the amounts requested in the budget for facilities restoration at the Allegheny Ballistics Laboratory.

## PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

The conference agreement is as follows:

(In thousands of dollars)

	Budget	House	Senate	Qty.	Conference
PROCUREMENT OF AMMUNITION, NAVY & MARINE CORPS					
PRACTICE BOMBS .....	41,766	56,766	41,766	.....	51,766
5 INCH/54 GUN AMMUNITION ....	27,669	60,169	27,669	.....	50,169
20MM PGU-28 .....	.....	3,500	.....	.....	1,750
5.56 MM, ALL TYPES .....	33,000	36,000	33,000	.....	36,000
7.62 MM, ALL TYPES .....	2,900	8,900	2,900	.....	5,900
LINEAR CHARGES, ALL TYPES ...	2,290	17,290	2,290	.....	9,790
40 MM, ALL TYPES .....	5,701	10,701	5,701	.....	7,201
FUZE, ET, XM762 .....	.....	7,000	.....	.....	3,500
ROCKETS, ALL TYPES .....	15,047	15,047	25,047	.....	25,047
ECONOMIC ASSUMPTIONS .....	.....	.....	-2,000	.....	-2,000

## SHIPBUILDING AND CONVERSION, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty.	Conference
SHIPBUILDING & CONVERSION, NAVY					
ADVANCED PROCUREMENT/CON- STRUCTION CVN-77 .....			345,000 .....		50,000
CVN REFUELING OVERHAULS .....	1,615,003	1,628,403	1,615,003	1	1,615,003
CVN REFUELING OVERHAULS (AP-CY) .....	92,855	46,855	92,855 .....		46,855
DDG-51 .....	2,665,767	2,695,367	3,385,767	4	3,411,200
LPD-17 (AP-CY) .....		185,000			100,000
OCEANOGRAPHIC SHIPS (AP-CY) .....			73,000 .....		16,000
LCAC LANDING CRAFT .....		24,000	17,300 .....		20,000
OUTFITTING .....	28,140	21,140	24,140 .....		21,140
POST DELIVERY .....	90,177	81,177	83,177 .....		81,177
ECONOMIC ASSUMPTIONS .....			-72,000 .....		-72,000

## CVN REFUELING OVERHAULS

The conferees agree to provide \$1,615,003,000 for complex overhaul of the U.S.S. Nimitz (CVN-68). Within that amount, \$20,000,000 is only for installation of the ship self-defense system. The conferees do not agree to bill language proposed by the House concerning overhaul of CVN-69, which is no longer necessary since the Navy has committed to include ship self-defense and cooperative engagement capability as part of the overhaul of the ship.

## DDG-51

The conferees agree to provide \$3,411,200,000 for 4 ships. This includes: increases of \$720,000,000 for another ship, \$15,233,000 for acceleration of baseline 6 hardware and software for theater ballistic missile defense, and \$14,000,000 only for installation of cooperative engagement capability on 1 ship; and a decrease of \$3,800,000 resulting from saving due to foreign military sale of Aegis equipment. The conferees do not agree to bill language proposed by the House concerning theater ballistic missile defense, but direct the Navy to include cooperative engagement capability and theater ballistic missile defense capability on a significant number of the DDG-51 ships to be procured under a 14 ship multiyear contract.

## CRUISER CONVERSION

The conferees agree to the House report language endorsing the Navy plan to compete conversion of its 27 Aegis cruisers. This direction does not supersede current Navy policy concerning homeport overhauls.

## LCAC SERVICE LIFE EXTENSION

The conferees agree to provide \$20,000,000 and concur with the House report language. Since this program will extend the original capital investment in these craft in lieu of replacement, the conferees direct the Navy to use Shipbuilding and Conversion for all elements of the service life extension program.

## OTHER PROCUREMENT, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
<b>OTHER PROCUREMENT, NAVY</b>					
LM-2500 GAS TURBINE .....	7,548	5,548	7,548	.....	5,548
OTHER NAVIGATION EQUIPMENT .....	31,552	39,052	49,552	.....	42,052
FIREFIGHTING EQUIPMENT .....	14,081	27,081	14,081	.....	19,081
POLLUTION CONTROL EQUIPMENT .....	156,775	147,775	135,775	.....	135,775
SUBMARINE BATTERIES .....	9,043	8,443	9,043	.....	8,443
STRATEGIC PLATFORM SUPPORT EQUIP .....	6,435	21,435	6,435	.....	21,435
REACTOR COMPONENTS .....	193,880	180,880	193,880	.....	180,880
RADAR SUPPORT .....	1,708	23,708	10,708	.....	23,708
AN/SQQ-89 SURF ASW COMBAT SYSTEM .....	16,628	16,228	16,628	.....	16,228
SSN ACOUSTICS .....	77,953	46,453	85,953	.....	85,953
SURFACE SONAR WINDOWS AND DOME .....	.....	6,000	.....	.....	6,000
C-3 COUNTERMEASURES .....	6,891	6,591	6,891	.....	6,591
COMBAT DF .....	10,473	5,873	10,473	.....	5,873
BATTLE GROUP PASSIVE HORIZON EXTEN .....	50,221	47,421	50,221	.....	47,421
NAVY TACTICAL DATA SYSTEM .....	14,335	24,335	26,335	.....	25,335
COOPERATIVE ENGAGEMENT CAPABILITY .....	.....	114,800	.....	.....	75,000
JMCIS AFLOAT .....	22,403	22,403	34,403	.....	28,403
NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS) ..	49,710	49,710	92,910	.....	80,710
ATDLS .....	16,991	15,391	16,991	.....	15,391
SHALLOW WATER MCM .....	.....	.....	10,000	.....	10,000
AUTOMATIC CARRIER LANDING SYSTEM .....	13,200	12,200	13,200	.....	12,200
ID SYSTEMS .....	11,293	9,193	11,293	.....	9,193
JMCIS TACTICAL/MOBILE .....	2,888	47,888	2,888	.....	37,888
CALIBRATION STANDARDS .....	2,075	2,075	20,075	.....	12,075
SHIP COMMUNICATIONS AUTOMATION .....	25,799	25,799	49,799	.....	29,799
SUBMARINE COMMUNICATIONS EQUIPMENT .....	37,239	47,239	37,239	.....	45,239
SATCOM SHIP TERMINALS (SPACE) .....	107,608	107,608	122,808	.....	109,608
NSIPS .....	.....	20,500	.....	.....	20,500
JEDMICS .....	.....	5,000	.....	.....	5,000
NAVAL SHORE COMMUNICATIONS .....	72,465	72,465	96,465	.....	101,465
INFO SYSTEMS SECURITY PROGRAM (ISSP) .....	31,667	31,667	39,667	.....	34,667
AN/SSQ-36 (BT) .....	1,402	2,902	1,402	.....	1,752
AN/SSQ-53 (DIFAR) .....	28,382	49,382	47,382	.....	47,382
AN/SSQ-57 .....	.....	4,500	.....	.....	500
AN/SSQ-62 (DISCASS) .....	24,291	32,291	31,291	.....	31,291
WEAPONS RANGE SUPPORT EQUIPMENT .....	4,858	14,358	4,858	.....	10,858
AVIATION LIFE SUPPORT .....	15,345	12,645	15,345	.....	12,645
AIRBORNE MINE COUNTERMEASURES .....	20,192	27,692	20,192	.....	27,692
LAMPS MK III SHIPBOARD EQUIPMENT .....	5,805	4,560	5,805	.....	4,560
NATO SEASPARROW .....	6,866	10,866	14,866	.....	12,866
SHIP SELF DEFENSE SYSTEM .....	5,841	17,841	5,841	.....	17,841
AEGIS SUPPORT EQUIPMENT .....	26,813	21,113	26,813	.....	21,113
SURFACE TOMAHAWK SUPPORT EQUIPMENT .....	65,502	65,302	65,502	.....	65,302
STRATEGIC MISSILE SYSTEMS EQUIP .....	231,528	228,728	61,528	.....	228,728
ANTI-SHIP MISSILE DECOY SYSTEM .....	24,696	24,696	33,696	.....	33,696
SURFACE TRAINING DEVICE MODS .....	4,829	13,329	4,829	.....	8,829
CONSTRUCTION & MAINTENANCE EQUIP .....	3,700	5,200	3,700	.....	5,200
AMPHIBIOUS EQUIPMENT .....	6,233	11,233	6,233	.....	9,233
POLLUTION CONTROL EQUIPMENT .....	28,650	25,080	25,050	.....	25,050
COMMAND SUPPORT EQUIPMENT .....	15,915	17,915	15,915	.....	17,915
PORT SECURITY UNIT EQUIPMENT .....	.....	.....	13,500	.....	13,500
INTELLIGENCE SUPPORT EQUIPMENT .....	22,449	22,749	22,449	.....	22,449
ENVIRONMENTAL SUPPORT EQUIPMENT .....	15,678	15,678	21,678	.....	21,678
ECONOMIC ASSUMPTIONS .....	.....	.....	-19,000	.....	-19,000
UNDISTRIBUTED REDUCTION .....	.....	.....	-33,000	.....	.....

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Other Navigation Equipment .....	31,552	39,052	49,552	42,052

[In thousands of dollars]

	Budget	House	Senate	Conference
WSN-7 .....		+9,000	+18,000	+12,000
Contract savings .....		-1,500		-1,500
Navy Tactical Data System .....	14,335	24,335	26,335	25,335
Emulators .....			+12,000	+6,000
UYQ-70/cruisers .....		+10,000		+5,000

## PORT SECURITY UNIT EQUIPMENT

The conferees agree to provide \$13,500,000 only for port security unit equipment for the Coast Guard.

## JOINT U.S./U.K. SSTD PROGRAM

The conferees note that the Department of Defense has commissioned an independent study to review the Surface Ship Torpedo Defense (SSTD) program. The conferees note that a joint U.S./U.K. collaborative SSTD program has been under way since 1988 on a 50/50 cost share basis. Until the findings of the independent study are reported and acted upon, the conferees direct the Department of Defense to continue the joint U.S./U.K. collaborative program.

## CHOKER POINT SURVEILLANCE SYSTEM

The conferees understand that the Choke Point Surveillance System (CPSS), in conjunction with forces ashore and land attack missile capable ships, can provide a real-time integrated surveillance and targeting system. The conferees direct the Navy to investigate the possible funding and incorporation of CPSS into future weapon system plans and to provide a report to the Appropriations Committees of the House and Senate prior to submission of the fiscal year 1999 budget on its recommendations regarding the CPSS program.

## NAVY TACTICAL DATA SYSTEM

The conferees agree to provide \$25,000,000 for the Navy Tactical Data System. Within that amount \$5,000,000 is only to install AN/UYQ-70 full production workstations on Aegis cruisers for execution only by the Navy's Tactical Embedded Computer Resources office.

## IT-21

The Secretary of the Navy shall report to the Committees on Appropriations that funds allocated for IT-21 implementation will be spent in accordance with the letter and spirit of the Federal Acquisition Regulation and meet the requirements for security, scalability, network management, real time processing, and reliability as outlined in the Joint Technical Architecture.

## JEDMICS

The Joint Engineering Data Management Information and Control System (JEDMICS) requires the incorporation of a security solution in order to prevent unauthorized access, as required by National Security Policy and federal regulations. To meet near

term and future requirements the security system must be a Ratings and Maintenance Phase derivative of a product evaluated at the National Security Agency (NSA) B2 level for Information Security; meet NSA's Communications Security requirements for encryption of information from user desktop to JEDMICS servers; provide true multilevel security at the network level; and be a product of US origin. Therefore, the conferees provide \$5,000,000 in Other Procurement, Navy to be used only to procure and integrate into JEDMICS a security system meeting the above requirements. Due to the critical nature of JEDMICS, the conferees expect the Department to execute a contract as soon as practicable.

### PROCUREMENT, MARINE CORPS

The conference agreement is as follows:

(In thousands of dollars)

	Budget	House	Senate	Qty	Conference
PROCUREMENT, MARINE CORPS					
ITEMS UNDER \$2.0 MILLION (TRKD VEH) .....	99	1,999	99	.....	1,999
INTELLIGENCE SUPPORT EQUIPMENT .....	16,413	21,805	16,413	.....	21,805
GENERAL PURPOSE MECHANICAL TMDE .....	2,179	2,179	22,179	.....	17,179
NIGHT VISION EQUIPMENT .....	.....	.....	7,000	.....	7,000
COMM & ELEC INFRASTRUCTURE SUPPORT .....	41,809	84,409	66,609	.....	66,609
5/4T TRUCK HMMWV (MYP) .....	696	40,696	696	.....	30,696
FIELD MEDICAL EQUIPMENT .....	1,081	11,081	1,081	.....	11,081
ECONOMIC ASSUMPTIONS .....	.....	.....	-3,000	.....	-3,000

### AIRCRAFT PROCUREMENT, AIR FORCE

The conference agreement is as follows:

(In thousands of dollars)

	Budget	House	Senate	Qty	Conference
AIRCRAFT PROCUREMENT, AIR FORCE					
B-2A .....	174,086	505,286	157,786	.....	331,000
ADVANCED TACTICAL FIGHTER (AP-CY) .....	80,864	74,864	.....	.....	74,864
F-15A .....	159,000	159,000	259,800	5	226,300
F-16 C/D (MYP) .....	.....	82,500	.....	3	82,500
C-17 (MYP) .....	1,923,311	1,914,211	2,341,811	9	1,901,611
C-17 (MYP) (AP-CY) .....	278,200	265,600	278,200	.....	278,200
EC-130J .....	.....	49,900	.....	1	49,900
C-130J .....	49,928	49,928	48,000	.....	24,000
WC-130J .....	.....	.....	177,000	2	132,850
CIVIL AIR PATROL A/C .....	2,645	4,498	2,645	27	3,045
SMALL VCX (C-37) .....	.....	.....	6,000	1	6,000
LARGE VCX (C-32A) .....	190,116	190,116	.....	2	190,116
E-8C .....	313,991	317,991	309,291	1	313,291
PREDATOR UAV .....	116,506	146,506	116,506	1	141,506
B-1B MODS .....	114,245	138,245	96,845	.....	114,245
B-52 MODS .....	28,907	31,807	39,307	.....	39,307
F-15 MODS .....	169,568	157,068	197,568	.....	181,368
F-16 MODS .....	216,158	199,358	232,058	.....	220,158
C-130 MODS .....	94,511	119,211	94,511	.....	119,211
E-3 MODS .....	134,659	134,659	123,559	.....	132,159
PASSENGER SAFETY MODIFICATIONS .....	.....	.....	75,000	.....	50,000
DARP MODS .....	67,136	139,136	163,736	.....	150,136
F-15 POST PROD SUPP .....	8,089	6,289	8,089	.....	6,289
F-16 POST PROD SUPP .....	22,402	22,402	22,402	.....	38,402
WAR CONSUMABLES .....	67,565	60,165	67,565	.....	63,565
MISC PRODUCTION CHARGES .....	275,804	269,583	267,012	.....	275,804
DARP .....	141,493	146,493	141,493	.....	170,493

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
ECONOMIC ASSUMPTIONS .....			- 37,000		- 37,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
B-2A .....	174,086	505,286	157,786	331,000
Restart B-2 production .....		331,200		
Increased other Government costs .....			- 10,100	
Engineering Change Order growth .....			- 6,200	
Increase .....				156,914
F-22 Advanced Tactical Fighter (AP-CY) .....	80,864	74,864	0	74,864
Transfer OPP funds to RDTEAF .....		- 6,000		- 6,000
Delay F-22 production .....			- 80,864	0
F-15A .....	159,000	159,000	259,800	226,300
Attrition reserve aircraft .....			100,800	67,300
F-16 C/D (MYP) .....	0	82,500	0	82,500
Attrition reserve aircraft .....		82,500		82,500
C-17 (MYP) .....	1,923,311	1,914,211	2,341,811	1,901,611
Expiring funds .....		- 9,100		0
Additional aircraft .....			440,200	0
Late obligations and favorable contract negotiation ..			- 21,700	- 21,700
C-17 (MYP)(AP-CY) .....	278,200	265,600	278,200	278,200
Contract savings .....		- 12,600		0
C-130J .....	49,928	49,928	48,000	24,000
One C-130J (shifted to NGRE account) .....			- 49,928	- 49,928
C-130J spares and logistics .....			48,000	24,000
WC-130J .....			177,000	132,850
Additional Aircraft .....			177,000	118,000
Spares/Support Equipment .....				14,850
Large VCX (C-32A) .....	190,116	190,116	0	190,116
Convert 2 aircraft purchase to lease .....			- 190,116	0
E-8C .....	313,991	317,991	309,291	313,291
Rephased prior year requirements .....		16,000		16,000
Improved Data Modem .....		1,000		1,000
Excess Engineering Change Order funding .....		- 13,000		- 13,000
Systems engineering growth .....			- 4,700	- 4,700
PREDATOR UAV .....	116,506	146,506	116,506	141,506
Additional funding to purchase attrition vehicles and spare parts .....		30,000		25,000
B-1B Mods .....	114,245	138,245	96,845	114,245
Link 16 .....		24,000		0
Block D modification concurrency .....			- 17,400	0
B-52 Mods .....	28,907	31,807	39,307	39,307
Electro-optical viewing system .....		2,900		0
Increase .....			10,400	10,400
F-15 Mods .....	169,568	157,068	197,568	181,368
Terminated upgrades .....		- 11,800		- 5,000
APG-63 radar upgrade pricing .....		- 13,500		0
[APG-63 radar funds provided without restriction or reporting requirements]				
Radar support equipment .....		- 10,000		0
F-100-220E engine upgrade .....		22,800	22,800	12,800
MIDS fighter data link terminals .....			5,200	4,000
F-16 Mods .....	216,158	199,358	232,058	220,158
GPS .....		- 13,000		- 13,000
Block 40 night vision imaging system .....		- 3,800		0
HARM targeting system upgrades .....			3,500	3,000
600 gallon fuel tanks .....			10,000	8,000
Late obligations .....			- 12,600	- 6,000
Digital Terrain System .....			15,000	12,000
OBOGS .....				(1,080)

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
C-130 Mods .....	94,511	119,211	94,511	119,211
EC-130 mod .....		24,700		24,700
E-3 Mods .....	134,659	134,659	123,559	132,159
Extend sentry computers and display concurrency .....			-8,600	0
Offensive counter air change orders .....			-2,500	-2,500
Passenger Safety Modifications .....	0	0	75,000	50,000
Navigation safety .....			75,000	32,500
GATM .....				17,500
[Conferees encourage use of COTS/NDI equipment to satisfy GATM requirements]				
H-1 Mods .....	2,778	3,578	3,578	3,578
Oil debris detection system .....		800	800	800
DARP MODS .....	67,136	139,136	163,736	150,136
MWIR Trf .....		20,000		5,600
RJ Sensors .....		0		35,000
RJ Reengining .....		52,000	52,600	27,400
RJ Heaters .....			6,000	6,000
SR-71 Mods .....			9,000	9,000
U-2 Senior Glass .....			24,000	0
U-2 SYERS .....			5,000	0
F-16 Post Production Supp .....	22,402	22,402	22,402	38,402
F-16 Improved Avionics Intermediate Shop for Air National Guard .....				16,000
F-15 Post Prod Supp .....	8,089	6,289	8,089	6,289
F-15 tooling disposition .....		-1,800		-1,800
War Consumables .....	67,565	60,165	67,565	63,565
Towed decoy engineering change orders .....		-7,400		-4,000
Misc Production Charges .....	275,804	269,583	267,012	275,804
Podded electro-optical camera systems .....		-6,221		0
Reduction .....			-8,792	0
DARP .....	141,493	146,493	141,493	170,493
U-2 Senior Glass .....				24,000
U-2 SYERS .....				5,000

## B-2

The conferees provide \$331,000,000 for B-2 procurement for long-lead activities related to the procurement of additional B-2s or for upgrades to the existing B-2 force to improve mission capabilities, deployability, and maintainability.

The conferees recognize that significant disagreement exists on the question of continued low-rate production of additional B-2 stealth bombers. The conferees believe the question over whether to continue with low-rate B-2 production is a critical national security matter which must be decided on the basis of future national security requirements, projected threats, and affordability. Therefore, the conferees have included a general provision (Section 8131) establishing a panel to review and make recommendations on this matter. The panel shall report to the President and Congress no later than March 1, 1998 its conclusions and recommendations, including whether additional funds for the B-2 should be used for continued low-rate production of the B-2 or for upgrades to improve deployability, survivability and maintainability.

## F-22

The conferees agree with the House direction regarding F-22 Out Of Production Parts (OPPs). The conferees further agree that

the authority provided in that direction applies only to the F-22. The conferees direct the military departments to seek the prior approval of the congressional defense committees to gain similar authority for other programs.

#### F-16 MODIFICATIONS

The conferees direct that all new production F-16 aircraft shall include On-Board Oxygen Generating Systems (OBOGS), including the six aircraft approved in fiscal year (FY) 1997. The conferees further direct that \$1,080,000 within the F-16 Modifications line shall be available only to make the necessary production changes to incorporate OBOGS in new production F-16's.

The conferees support the Air Force's planned four-year OBOGS installation program for F-16's scheduled to start no later than fiscal year 2001, and the plan should include field installation.

#### AIR COMBAT TRAINING—RANGELESS (ACT-R)

##### KADENA INTERIM TRAINING SYSTEM (KITS)

The conferees are aware of a new air combat training capability recently delivered to Kadena Air Base, Okinawa. The Kadena Interim Training System (KITS) provides a new rangeless or untethered capability allowing it to be used on aircraft for air combat training anywhere there is available training airspace over land or sea. The conferees believe that systems like KITS can provide improvements to the readiness of our forward deployed forces. The conferees direct the Air Force to review and evaluate KITS as it applies to immediate air combat training requirements throughout the active and reserve component air forces and to submit a report to the Appropriations Committees on its procurement and fielding plans for this system.

#### MISSILE PROCUREMENT, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty.	Conference
MISSILE PROCEDURE, AIR FORCE					
HAVE NAP .....			39,000		25,000
JOINT STANDOFF WEAPON .....	1,139	30,139	1,139		20,139
AMRAAM .....	117,768	107,168	76,668	173	107,168
AGM-130 POWERED GBU-15 .....	1,539	42,539	1,539		25,000
CONVENTIONAL ALCM .....		15,300			
AGM-88A HARM .....			9,600		9,600
AGM-65 MAVERICK .....		11,000			8,000
GLOBAL POSITIONING (MYP) SPACE .....	163,837	122,137	163,837	3	163,837
TITAN SPACE BOOSTERS SPACE .....	555,304	473,304	455,304		464,304
MEDIUM LAUNCH VEHICLE SPACE .....	165,783	147,783	165,783	4	156,783
DEFENSE SUPPORT PROGRAM (MYP) SPACE .....	113,708	108,708	113,708		108,708
SPECIAL PROGRAMS .....	773,400	597,400			658,400
ECONOMIC ASSUMPTIONS .....			-18,000		-18,000



## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
AMRAAM .....	117,768	107,168	76,668	107,168
Excess engineering change order funding .....		-10,600		-10,600
Contractor overcharging .....			-41,100	0

## GLOBAL POSITIONING SYSTEM (GPS)

The conferees agree to provide \$163,837,000 for the acquisition of three satellites in fiscal year 1998. The conferees agree that while the Air Force is procuring GPS satellites well in advance of their actual need, the total costs of modifying the present GPS multiyear contract are greater than the short term saving to be derived from deferring the acquisition of one GPS satellite. The conferees direct the Department of the Air Force to submit an acquisition plan to the Appropriations Committees for the next multiyear procurement of GPS satellites which more closely aligns the acquisition of satellites with actual launch need dates. The Air Force is also directed to submit a report which compares the total costs of procuring the next block of GPS satellites under the terms of a multiyear contract with the alternative of procuring the satellites under a base year contract with variable quantity options. These reports shall be submitted no later than March 31, 1998.

## PROCUREMENT OF AMMUNITION, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT OF AMMUNITION, AIR FORCE:					
20MM PGU-28 .....		3,500			1,750
GBU-29 HARD TARGET PENETRATOR .....		16,800			8,400
JOINT DIRECT ATTACK MUNITION .....	61,307	61,307	61,307	2,673	56,307
WIND CORRECTED MUNITIONS DISPENSER ...	19,871	10,471	19,871	280	12,271
ECONOMIC ASSUMPTIONS .....			-3,000		-3,000

## OTHER PROCUREMENT, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
OTHER PROCUREMENT, AIR FORCE:					
ITEMS LESS THAN \$2,000,000 .....	5,025	3,625	5,025		3,625
HMMWV, ARMORED .....	24,181	7,781	24,181	125	24,181
ITEMS LESS THAN \$2,000,000 .....	6,738	6,194	6,738		6,194
60K A/C LOADER .....	83,143	51,143	83,143	45	83,143
INTELLIGENCE DATA HANDLING SYS .....	20,739	24,339	20,739		24,339
WEATHER OBSERV/FORCAST .....	18,013	22,013	18,013		22,013
STRATEGIC COMMAND AND CONTROL .....	20,505	19,005	20,505		20,505
TAC SIGINT SUPPORT .....	4,114	9,114	4,114		6,114
MINIMUM ESSENTIAL EMERGENCY COMM NET .....	3,488	3,488	3,488		11,988
C3 COUNTERMEASURES .....	14,904	13,004	14,904		13,004
BASE LEVEL DATA AUTO PROGRAM .....	46,778	46,778	55,678		46,778
BASE INFORMATION INFRASTRUCTURE .....	88,945	136,945	88,945		112,945

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
AF SATELLITE CONTROL NETWORK SPACE ....	32,197	23,097	32,197	.....	23,097
TACTICAL C-E EQUIPMENT .....	16,968	16,968	54,968	.....	34,968
RADIO EQUIPMENT .....	12,844	19,344	12,844	.....	19,344
ITEMS LESS THAN \$2,000,000 .....	8,960	6,160	8,960	.....	8,960
NIGHT VISION GOGGLES .....	2,371	13,271	2,371	.....	2,371
FLOODLIGHTS SET TYPE NF2D .....	7,696	4,696	7,696	.....	6,196
MEDICAL/DENTAL EQUIPMENT .....	13,295	8,095	13,295	.....	10,695
PRODUCTIVITY INVESTMENTS .....	5,980	5,980	10,980	.....	10,980
INTELLIGENCE PRODUCTION ACTIVITY .....	60,572	58,572	49,272	.....	50,072
DARP RC135 .....	12,778	47,778	12,778	.....	12,778
SELECTED ACTIVITIES .....	5,003,960	4,994,490	5,080,160	.....	5,016,060
ECONOMIC ASSUMPTIONS .....	.....	.....	-25,000	.....	-25,000
CIVIL AIR PATROL .....	.....	.....	.....	.....	500

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
ITEMS LESS THAN \$2,000,000 .....	5,025	3,625	5,025	3,625
Minor replacement items .....	.....	-1,400	.....	-1,400
HMMWV, Armored .....	24,181	7,781	24,181	24,181
Duplicative force protection/anti-terrorist items .....	.....	-16,400	.....	0
Items less than \$2,000,000 .....	6,738	6,194	6,738	6,194
Contract savings and contingency funding .....	.....	-544	.....	-544
60K A/C Loader .....	83,143	51,143	83,143	83,143
Production ramp-up .....	.....	-32,000	.....	0
Intelligence Data Handling Sys .....	20,739	24,339	20,739	24,334
JSAS .....	.....	3,600	.....	3,600
Weather Observ/Forecast .....	18,013	22,013	18,013	22,013
ASOS .....	.....	4,000	.....	4,000
Strategic Command and Control .....	20,505	19,005	20,505	20,505
Improved Technical Data System .....	.....	-10,000	.....	0
DIRECT (transfer to MEECN) .....	.....	8,500	.....	0
Tac Sigit Support .....	4,114	9,114	4,114	6,114
Integrated Broadcast Service .....	.....	5,000	.....	2,000
MEECN .....	3,488	3,488	3,488	11,988
DIRECT (transfer from Strategic Command and Control) .....	.....	.....	.....	8,500
C3 Countermeasures .....	14,904	13,004	14,904	13,004
Excess prior year funds .....	.....	-1,900	.....	-1,900
BASE LEVEL DATA AUTO PROGRAM .....	46,778	46,778	55,678	46,778
REMISS .....	.....	.....	8,900	.....
[Conferees agree to provide \$8,900,000 in O&M,AF for this purpose.]	.....	.....	.....	.....
Base Information Infrastructure .....	88,945	136,945	88,945	112,945
Security enhancements to base information systems .....	.....	48,000	.....	24,000
AF Satellite Control Network Space .....	32,197	23,097	32,197	23,097
Cancellation of Military Satellite Communications system ..	.....	-9,100	.....	-9,100
Tactical C-E Equipment .....	16,968	16,968	54,968	34,968
Theater deployable communications .....	.....	.....	38,000	18,000
Radio Equipment .....	12,844	19,344	12,844	19,344
Scope Command .....	.....	6,500	.....	6,500
ITEMS LESS THAN \$2,000,000 .....	8,960	6,160	8,960	8,960
Contract award delays .....	.....	-2,800	.....	0
Night Vision Goggles .....	2,371	13,271	2,371	2,371
Accelerate procurement .....	.....	10,900	.....	0
Floodlights Set Type NF2D .....	7,696	4,696	7,696	6,196
Contract award delays .....	.....	-3,000	.....	-1,500
Medical/Dental Equipment .....	13,295	8,095	13,295	10,695
Prior year program savings .....	.....	-5,200	.....	-2,600
Productivity Investments .....	5,980	5,980	10,980	10,980
Supply asset tracking systems .....	.....	.....	5,000	5,000
Civil Air Patrol .....	.....	.....	.....	500

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
[Transfer from Aircraft Procurement, Air Force]				

## PROCUREMENT, DEFENSE-WIDE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT, DEFENSE-WIDE:					
MAJOR EQUIPMENT, OSD .....	104,601	114,601	104,601		114,601
DEFENSE AIRBORNE RECONNAISSANCE PROGRAM .....	14,380	44,955	14,380		14,380
ITEMS LESS THAN \$2.0 MILLION .....	7,461	14,661	14,461		14,661
AUTOMATIC DOCUMENT CONVERSION SYSTEM .....		10,000	20,000		20,000
MAJOR EQUIPMENT, DSPO .....	19,334	14,334	19,334		19,334
MAJOR EQUIPMENT, TJS .....	46,847	46,847	36,847		36,847
PATRIOT PAC-3 .....		349,109		52	349,109
NAVY AREA TBDM PROGRAM .....		15,400			15,400
BMC3 .....		20,100			20,100
SOF ROTARY WING UPGRADES .....	36,042	36,042	76,542		36,042
PC, CYCLONE CLASS .....		10,700			10,700
ADVANCED SEAL DELIVERY SYSTEM (ASDS) .....	38,800	38,800	38,800		4,500
ADVANCED SEAL DELIVERY SYSTEM (ASDS) (AP-CY) .....	2,465	2,465	2,465		365
REMOTE ACTIVATION MUNITION SYSTEMS .....			2,000		1,000
SOF INTELLIGENCE SYSTEMS .....	21,175	25,475	23,175		24,175
SOF SMALL ARMS & WEAPONS .....	10,269	10,269	12,669		11,269
SOLDIER ENHANCEMENT PROGRAM .....			2,300		2,300
CLASSIFIED PROGRAMS .....	108,339	112,539	108,339		112,539
INDIVIDUAL PROTECTION .....	64,855	74,855	64,855		79,855
COLLECTIVE PROTECTION .....	17,316	37,316	17,316		27,316
CLASSIFIED PROGRAM .....	354,289	359,289	358,289		355,039
ECONOMIC ASSUMPTIONS .....			-12,000		-12,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Special Operations Command				
Other Procurement:				
SOF Intelligence Systems .....	21,175	25,475	23,175	24,175
ISP/MATTS .....		+1,800		+1,500
JTWS .....		+2,000	+2,000	+1,500
SOF Small Arms & Weapons .....	10,269	10,269	12,669	11,269
Night Firing Scopes for M4A1 Carbines .....			+2,400	+1,000
Chemical/Biological Defense:				
Individual Protection .....	64,855	74,855	64,855	79,855
JSLIST suits .....		+10,000		+5,000
JSLIST industrial production .....				+10,000
Collective Protection .....	17,316	37,316	17,316	27,316
Collective Protection Shortfalls in Korea .....		+20,000		+5,000
M17-LDS water sprayers .....				+2,000
7 HMVV medical shelters .....				+3,000

## SECURE TERMINAL EQUIPMENT

The conferees direct that \$17,000,000 of the funds appropriated for Procurement, Defense-wide be made available only for

the procurement of the tactical Secure Terminal Equipment program.

SOCOM PROCUREMENT OF NAVAL SPECIAL WARFARE BOATS

The recent acquisition strategy initiated by the Special Operations Command (SOCOM) to procure new Naval Special Warfare 33 foot rib boat systems resulted in an initial procurement of boat systems that cost about \$1,000,000 each, while other competitive designs being procured by other federal agencies were reportedly available for less than one-third that amount. The high initial cost for this procurement prompts the conferees to encourage SOCOM to conduct a fresh review of the field of competition on the next round of procurement for large (30 foot and above) rib boats. The conferees request that SOCOM keep the Congressional defense committees informed of its plans for future procurement of this type.

ADVANCED SEAL DELIVERY SYSTEM

In response to a request from the Special Operations Command, the conferees have reduced the Advanced Seal Delivery System (ASDS) Procurement lines by \$36,400,000 and added the same amount to the Special Operations Tactical Systems Development project in Title IV to complete the final stage of ASDS development.

JSLIST PRODUCTION

The conferees recommend an increase of \$10,000,000 to the Marine Corps, specifically to cover the nonrecurring facilitation and equipment costs incurred by the three National Industries for the Severely Handicapped (NISH) affiliated community rehabilitation centers currently under contract that form Department of Defense Joint Service Lightweight Integrated Suits (JSLIST) program industrial base. The Department may vest the title to the facilities and equipment with these three contractors.

NATIONAL GUARD AND RESERVE EQUIPMENT

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty.	Conference
NATIONAL GUARD & RESERVE EQUIPMENT					
RESERVE EQUIPMENT					
ARMY RESERVE					
MISCELLANEOUS EQUIPMENT .....		20,000	65,000		75,000
CH-47 D CARGO (CHINOOK) .....		65,000			
NAVY RESERVE					
MISCELLANEOUS EQUIPMENT .....		5,000	40,000		80,000
C-9 REPLACEMENT AIRCRAFT .....			40,000		
F-14A MODS .....		34,000			
MAGIC LANTERN .....		7,500			
F/A-18 MODS .....		58,000			
MARINE CORPS RESERVE					
MISCELLANEOUS EQUIPMENT .....		25,000	40,000		65,000
CH-53 HELICOPTERS .....		64,000			
T-39 REPLACEMENT AIRCRAFT .....		10,000			10,000

[In thousands of dollars]

	Budget	House	Senate	Qty.	Conference
AIR FORCE RESERVE					
MISCELLANEOUS EQUIPMENT .....		45,000	40,000		50,000
LOGISTIC SUPPORT FOR WC-130J .....			29,700		
C-5 SIMULATOR .....		27,000			
NATIONAL GUARD EQUIPMENT					
ARMY NATIONAL GUARD					
MISCELLANEOUS EQUIPMENT .....		43,000	140,000		70,000
VIBRATION MANAGEMENT ENHANCEMENT PRO- GRAM .....		3,000			
UH-60L .....		3,000			
LASER LEVELING .....		1,000			
ENGAGEMENT SKILLS TRAINERS .....		3,000			
MELIOS, AN-PVS-6 .....		5,000			
AIR NATIONAL GUARD					
MISCELLANEOUS EQUIPMENT .....		5,000	40,000		25,000
C-130J .....		293,000	95,800	4	226,000
EC-130J .....			70,500		
KC-135R ENGINE KITS .....		100,000	52,000	2	52,000
F-16 IMPROVED AVIONICS INTERMEDIATE SHOP .....		32,000			
ULTIMATE BUILDING MACHINES .....		1,500			

## MISCELLANEOUS EQUIPMENT

The conferees agree that each of the Chiefs of the Reserve and National Guard components should exercise control of modernization funds provided in this account including aircraft and aircraft modernization. The conferees further agree that separate submissions of a detailed assessment of its modernization priorities by each of the Guard and Reserve component commanders is required to be submitted to the defense committees. The conferees expect the component commanders to give priority consideration to the following items: CH-47D helicopters, F-14A modifications, magic lantern, F/A-18 modifications, C-9 replacement aircraft, CH-53 helicopters, C-5 simulators, vibration management enhancement program, UH-60L, laser leveling equipment, engagement skills trainers, MELIOS night vision devices, F-16 improved avionics intermediate shops, ultimate building machines, air defense alerting devices (ADAD), A-2 bradley upgrades, ALR-56 radar warning receiver, AN/TQM-41 MMS, avengers, theater deployable communication packages, dragon missile upgrades, multiple launch rocket system (MLRS), magic lantern spares, small arms simulators, senior scout modifications, field artillery ammunition support vehicles (FAASVs), KC-135R reengining, night vision devices and driver's night viewers, heavy equipment transport system (HETS), paladin, M-1A2 tanks, CH-47 FADEC, medium truck extended service programs (ESP), F-16 C/D onboard oxygen generating system field installation and evaluation by the Air National Guard, M-270 launcher mechanical systems (ILMS), high mobility multipurpose wheeled vehicles, LITENING targeting and navigation pods, all-terrain cranes, modular airborne fire fighting system units, CH-47 internal crash worthy fuel cells, back scatter truck inspection systems, night vision equipment, CH-47 ICH aircraft, commercial industrial equipment, high speed dirt compactors, AH-64 combat mission simulators, high mobility trailers for HMMWVs, palletized loading systems, heavy expanded mobility tactical truck wreckers, M109A6, automatic building machines, air defense alerting device

systems, interactive simulators, master cranes, deployable universal combat earth movers, HEMTT wreckers, and AN/VRC-102 Radios.

NATIONAL GUARD AND RESERVE AIRCRAFT

The conferees agree to provide \$288,000,000 specifically for the acquisition and modernization of the following aircraft to support Reserve and National Guard missions:

T-39 replacement aircraft for the Marine Corps Reserves .....	\$10,000,000
C-130J aircraft for the Air National Guard (4) .....	226,000,000
KC-135R engine kits for the Air National Guard .....	52,000,000

TITLE IV—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RDTE, ARMY .....	4,510,843	4,686,427	4,984,083	5,156,507
RDTE, NAVY .....	7,611,022	7,907,837	7,532,846	8,115,686
RDTE, AIR FORCE .....	14,451,379	14,313,456	14,127,873	14,507,804
RDTE, DEFENSE-WIDE .....	9,069,680	9,509,337	9,608,689	9,821,760
DEVELOPMENTAL TEST AND EVALUATION .....	268,183	268,183	251,183	258,183
OPERATIONAL TEST AND EVALUATION .....	23,384	32,684	31,384	31,384
<b>GRAND TOTAL, RDTE .....</b>	<b>35,934,491</b>	<b>36,717,924</b>	<b>36,536,058</b>	<b>37,891,324</b>

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
<b>RESEARCH DEVELOPMENT TEST &amp; EVAL ARMY:</b>				
IN-HOUSE LABORATORY INDEPENDENT RESEARCH .....	15,113	14,113	15,113	14,113
DEFENSE RESEARCH SCIENCES .....	138,165	120,165	136,798	125,798
UNIVERSITY AND INDUSTRY RESEARCH CENTERS .....	45,576	45,576	52,876	46,576
MATERIALS TECHNOLOGY .....	9,811	9,811	13,811	12,811
SENSORS AND ELECTRONIC SURVIVABILITY .....	19,294	24,294	21,794	26,794
AVIATION TECHNOLOGY .....	27,282	22,282	25,982	22,982
EW TECHNOLOGY .....	16,528	16,528	19,528	19,528
MISSILE TECHNOLOGY .....	22,335	22,335	26,335	25,335
COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY .....	33,112	40,112	58,112	62,112
BALLISTICS TECHNOLOGY .....	33,317	38,317	33,317	41,317
CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY .....	4,739	2,739	4,739	3,739
JOINT SERVICE SMALL ARMS PROGRAM .....	4,786	9,286	7,786	9,286
WEAPONS AND MUNITIONS TECHNOLOGY .....	26,980	26,980	30,876	30,876
ELECTRONICS AND ELECTRONIC DEVICES .....	20,192	22,692	26,042	26,792
HUMAN FACTORS ENGINEERING TECHNOLOGY .....	14,256	18,256	19,356	17,256
ENVIRONMENTAL QUALITY TECHNOLOGY .....	17,519	42,219	58,419	61,919
MILITARY ENGINEERING TECHNOLOGY .....	36,422	43,922	47,422	58,422
LOGISTICS TECHNOLOGY .....	17,689	19,689	17,689	18,689
MEDICAL TECHNOLOGY .....	74,684	142,484	74,684	165,484
MEDICAL ADVANCED TECHNOLOGY .....	10,677	142,177	196,277	190,177
AVIATION ADVANCED TECHNOLOGY .....	31,330	53,830	34,330	92,330
WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY .....	18,255	25,255	30,255	26,255
COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY .....	32,685	35,685	35,285	42,242

[In thousands of dollars]

	Budget	House	Senate	Conference
COMMAND, CONTROL, COMMUNICATIONS AD- VANCED TECHNOLOGY .....	19,688	19,688	28,688	26,688
TRACTOR HIKE .....	14,350	.....	14,350	14,350
TRACTOR ROSE .....	9,204	9,204	11,204	11,204
MISSILE AND ROCKET ADVANCED TECHNOLOGY ....	117,139	59,439	120,139	93,839
LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY .....	19,332	25,932	32,932	32,932
JOINT SERVICE SMALL ARMS PROGRAM .....	4,754	11,754	7,754	9,254
LINE-OF-SIGHT TECHNOLOGY DEMONSTRATION ....	13,000	.....	13,000	5,000
MILITARY ENGINEERING ADVANCED TECHNOLOGY	12,231	12,231	24,331	20,331
ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL) .....	24,138	55,638	87,638	75,638
ARMAMENT ENHANCEMENT INITIATIVE .....	40,313	60,313	33,313	38,313
NATO RESEARCH AND DEVELOPMENT .....	13,168	.....	13,168	9,168
AVIATION—ADV DEV .....	7,132	15,132	12,132	14,132
ARTILLERY SYSTEMS—DEM/VAL .....	324,380	324,380	301,321	324,380
EW DEVELOPMENT .....	66,212	86,524	67,712	87,024
ALL SOURCE ANALYSIS SYSTEM .....	24,045	27,545	27,245	27,245
FAMILY OF HEAVY TACTICAL VEHICLES .....	.....	5,000	.....	5,000
ADVANCED COMMAND AND CONTROL VEHICLE (AC2V) .....	8,867	8,867	11,867	10,867
ENGINEER MOBILITY EQUIPMENT DEVELOPMENT ...	56,196	56,196	50,196	52,196
COMBAT FEEDING, CLOTHING, AND EQUIPMENT ....	55,964	65,264	55,964	61,964
NON-SYSTEM TRAINING DEVICES—ENG DEV .....	76,749	76,749	81,749	80,249
AIR DEFENSE COMMAND, CONTROL AND INTEL- LIGENCE—ENG DE .....	18,350	18,350	22,350	22,350
AUTOMATIC TEST EQUIPMENT DEVELOPMENT .....	2,582	11,582	2,582	8,582
BRILLIANT ANTI-ARMOR SUBMUNITION (BAT) .....	202,302	202,302	187,302	237,302
COMBINED ARMS TACTICAL TRAINER (CATT) .....	2,823	13,323	2,823	13,323
WEAPONS AND MUNITIONS—ENG DEV .....	3,577	3,577	5,077	5,077
LANDMINE WARFARE/BARRIER—ENG DEV .....	22,605	8,905	8,732	8,732
SENSE AND DESTROY ARMAMENT MISSILE—ENG DEV .....	22,372	5,494	22,372	11,494
THREAT SIMULATOR DEVELOPMENT .....	14,004	14,004	18,004	17,004
ARMY KWAJALEIN ATOLL .....	138,769	138,769	124,769	124,769
DOD HIGH ENERGY LASER TEST FACILITY .....	14,952	30,952	29,952	29,952
MATERIAL SYSTEMS ANALYSIS .....	29,707	14,707	29,707	29,707
SUPPORT OF OPERATIONAL TESTING .....	81,672	51,672	81,672	81,672
PROGRAMWIDE ACTIVITIES .....	86,208	66,208	82,208	82,208
INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT .....	1,581	1,581	.....	.....
MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY .....	6,317	9,317	6,317	11,417
ENVIRONMENTAL COMPLIANCE .....	51,378	56,378	58,378	58,378
MAINTENANCE AND REPAIR (RPM)—RDT&E .....	85,119	85,119	86,419	86,419
MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT) .....	4,837	4,837	31,337	25,837
MLRS PRODUCT IMPROVEMENT PROGRAM .....	26,678	26,678	40,378	37,678
AEROSTAT JOINT PROJECT OFFICE .....	86,193	.....	96,193	35,000
COMBAT VEHICLE IMPROVEMENT PROGRAMS .....	136,520	152,520	176,720	167,020
AIRCRAFT MODIFICATIONS/PRODUCT IMPROVE- MENT PROGRAMS .....	2,609	22,609	32,609	22,609
DIGITIZATION .....	156,960	75,560	120,043	71,560
MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM .....	17,412	27,412	31,412	31,412
JOINT TACTICAL GROUND SYSTEM .....	3,195	6,195	3,195	5,195
SPECIAL ARMY PROGRAM .....	5,547	7,417	5,547	7,547
INFORMATION SYSTEMS SECURITY PROGRAM .....	9,647	12,147	9,647	12,147
SATCOM GROUND ENVIRONMENT (SPACE) .....	57,827	57,827	56,227	56,227
END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	44,326	54,326	57,326	66,326
FORCE XXI INITIATIVE .....	.....	38,900	.....	38,900
STRIKER .....	.....	3,900	.....	3,900
MORTAR FIRE CONTROL .....	.....	10,000	.....	10,000
ECONOMIC ASSUMPTIONS .....	.....	.....	-17,000	-17,000

[In thousands of dollars]

	Budget	House	Senate	Conference
COUNTER MRL—TSPO .....		5,000		2,000
RADIO FREQUENCY .....				1,700
LIGHTWEIGHT LASER DESIGNATOR/RANGE FINDER .....				2,800
COMBAT SYNTHETIC TRAINING ASSESSMENT RANGE .....				5,400
ARMY AIRBORNE COMMAND & CONTROL SYSTEM .....				11,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Research Sciences .....	138,165	120,165	136,798	125,798
Program growth .....		-18,000		-10,000
Defense Information Warfare Initiative .....		(1,000)	+3,500	+2,500
Scientific problems with military applications .....			-4,867	-4,867
University and Industry Research Centers .....	45,576	45,576	52,876	46,576
Federated Labs .....			+2,300	(2,300)
(Note: The conferees direct that within funds available, an additional \$2,300,000 is to be used for the federated labs.)				
Hypervelocity physics project .....			+1,000	+1,000
Electric Rail Gun .....			+4,000	0
(Note: Transferred to Ballistics Technology.)				
Sensors and Electronic Survivability .....	19,294	24,294	21,794	26,794
PDCUE .....			+2,500	+2,500
Passive millimeter wave camera .....		+5,000		+5,000
Aviation Technology .....	27,282	22,282	25,982	22,982
FY 1997 Freeze .....		-5,000		-3,000
Budget correction .....			-1,300	-1,300
Combat vehicle and automotive technology .....	33,112	40,112	58,112	62,112
Voice Instructional Device .....		+3,000		+3,000
Tank and Vehicle Simulation Laboratory .....		+6,000		+6,000
National Automotive Center .....			+4,000	+4,000
Joint Robotics Development Program on Ground vehicle survivability .....			+6,000	+4,500
Air Defense Alerting Device integration—Bradley Stinger Vehicle .....			+5,000	+4,000
High-output diesel engine testing .....		(1,000)	+1,000	+1,000
HMMWV 6.2L engine rebuild program .....			+4,000	+4,000
Alternative vehicle propulsion systems .....			+5,000	+2,500
Program termination .....		-2,000		0
Ballistics technology .....	33,317	38,317	33,317	41,317
Liquid propellant .....		+5,000		+4,000
Electric Rail Gun .....	0	0	0	+4,000
(Note: Transferred from University & Research Centers.)				
Weapons and Munitions Technology .....	26,980	26,980	30,876	30,876
Budget correction .....			-1,104	-1,104
Plastic-cased ammunition .....			+5,000	+5,000
Electronics and electronic Devices .....	20,192	22,692	26,042	+26,792
Thermophotovoltaic generators .....		+2,500		+1,500
"AA" zinc battery .....			+1,500	+1,500
Low-cost reusable alkaline manganese zinc .....			+1,000	+1,000
Enzyme-based chemical & biological detection technology .....			+2,250	+1,500
Advanced nonmetallic rechargeable battery system .....			+600	+600
Rechargeable coin cells .....			+500	+500
Environmental Quality Technology .....	17,519	42,219	58,419	61,919
Gallo Center .....		+5,000		+4,000
Natural Gas boiler demonstration—CERL .....		+2,000		0
Commercialization of Technologies to Lower Defense Cost Init. ....		+5,000		+5,000



## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Bioremediation Education, Science, & Technology Center .....		+4,000	+4,000	+4,000
Plasma Energy Pyrolysis System .....		+8,700	+8,700	+6,000
Radford Environmental Development & Management Program .....			+6,000	+5,000
Environmental projects at the WETO facility .....			+8,800	+7,000
Small Business development program .....			+5,400	+5,400
Agriculturally based remediation in Pacific Island ecosystems .....			+4,000	+4,000
Resource Recovery Technology Center .....			+4,000	0
Computer based land management .....				+4,000
Military Engineering Technology .....	36,422	43,922	47,422	58,422
Cold Regions Research and Engineering Lab .....			+1,000	+1,000
Climate change fuel cells—U.S. Army .....		+7,500		+7,500
Center for Geosciences Atmospheric Research .....			+10,000	+7,500
Molten carbonate fuel cells technology .....				+6,000
Medical Technology .....	74,684	142,484	74,684	165,484
Neurotoxin Exposure Treatment research .....		+25,000		+25,000
Neurofibromatosis .....		+9,800		+9,800
Army nutrition research .....		+3,500		+3,500
Orthopedic implant research (Volumetrically controlled manufacturing) .....		+3,500		+2,500
LSTAT .....		+6,000		0
Ovarian cancer .....		+10,000		+10,000
Prostate cancer research .....		+10,000		+40,000
Medical Advanced Technology .....	10,677	142,177	196,277	190,177
Army-managed peer-reviewed breast cancer research .....		+100,000	+175,000	+135,000
MRE nutrition research .....			+3,600	0
Prostate cancer diagnostic imaging .....			+5,000	+5,000
National Medical Testbed .....		+8,000		+8,000
Intravenous membrane oxygenator tech .....			+1,000	0
Mustard gas research .....			+1,000	+1,000
Walter Reed Lab upgrades .....		+6,000		+6,000
Advanced cancer detection .....		+3,500		+3,500
Cooperative teleradiology .....		+3,000		+3,000
Advanced trauma care .....		+6,000		+3,000
Artificial lung research .....		+1,500		+1,500
Emergency telemedicine .....		+3,500		+2,500
Volume Angiocat (VAC) .....				+4,000
Periscopic minimally-invasive surgery .....				+3,000
Proton beam .....				+4,000
Aviation Advanced Technology .....	31,330	53,830	34,330	92,330
Short range UAV .....		+5,000		0
Integrated manned and unmanned aerial vehicle study .....		+2,500		+1,000
Stinger Universal launcher .....		+11,600		+11,600
Starstreak .....		+3,400	+3,000	+3,400
Outrider UAV .....				+45,000
Weapons and Munitions Advanced Tech .....	18,255	25,255	30,255	26,255
Trajectory correctable munition .....		+5,000	+8,000	+6,000
Precision guided mortar munition .....		+2,000	+4,000	+2,000
Combat Vehicle and Automotive Adv Tech .....	32,685	35,685	35,285	42,242
Composite armored vehicle technology transfer .....		+3,000		+2,000
Aluminum metal matrix composites .....			+9,000	+6,500
Commercial derivative engine for the palletized load system .....			+3,600	+3,600
Program adjustment .....			-10,000	-2,543
Command, Control, Communications—Adv Tech .....	19,688	19,688	28,688	26,688
Wavenet technology .....			+4,000	+2,000
Field Laser Radar Demo (FLD) Data Analysis Center .....			+5,000	+5,000
Missile and Rocket Advanced Technology .....	117,139	59,439	120,139	93,839

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
EFOG-M .....		- 57,700		- 26,300
Future missile technology integration .....			+3,000	+3,000
Landmine Warfare and Barrier Adv. Tech. ....	19,332	25,932	32,932	32,932
Vehicular Mounted Mine Detection .....		+2,700	+2,700	+2,700
Stand off ground penetrating radar .....		+3,900	+3,900	+3,900
Airborne standoff minefield detection system .....			+7,000	+7,000
Joint Service Small Arms Program .....	4,754	11,754	7,754	9,254
OICW .....		+5,500	+3,000	+3,000
Adv. light antiarmor weapons system .....		+1,500		+1,500
Military Engineering Advanced Technology .....	12,231	12,231	24,331	20,331
Rapidly installed breakwater technology .....			+2,000	+2,000
Civil engineer assistance to forward deployed engineer forces .....			+2,000	+2,000
Combat engineering systems logistics over shore .....			+8,100	+4,100
Advanced light anti-armor weapons system .....			(4,500)	0
Army Missile Defense Systems Integration .....	24,138	55,638	87,638	75,638
Battlefield Integration Center .....			+22,000	+17,000
THEL .....		+31,500	+41,500	+34,500
Armament Enhancement Initiative .....	40,313	60,313	33,313	38,313
TERM-KE-seeker development, lethality testing, & associated hardware .....		+20,000	+10,000	+15,000
Smart-top attack .....			- 17,000	- 17,000
(Note: The conferees expect the Army to submit a reprogramming for appropriate close out and termination costs.)				
Aviation Adv Dev .....	7,132	15,132	12,132	14,132
Integrated aircrew common helmet .....		+3,000		+2,000
Retinal display technologies-integrated crew helmet .....		+5,000	+5,000	+5,000
EW Development .....	66,212	86,524	67,712	87,024
Force XXI lessons learned (GBCS) .....		+20,312		+15,312
Suite of integrated countermeasures .....			- 6,000	0
ATIRCM .....			+7,500	+5,500
Brilliant Anti-armor submunition .....	202,302	202,302	187,302	237,302
BAT P31 .....			- 15,000	0
Transfer from procurement .....				+35,000
DoD High Energy Laser Test Facility .....	14,952	30,952	29,952	29,952
THEL testing at HELSTF .....		+10,000	+10,000	+10,000
High energy solid state laser development .....		+6,000	+5,000	+5,000
Munitions Standardization, Effectiveness & Safety .....	6,317	9,317	6,317	11,417
Blast chamber—Blue Grass Army Depot .....		+3,000		+2,000
Blast chamber—Anniston Army Depot .....				+2,000
(Note: Added by Senate in RDT&E, Defense-wide).				
Explosive waste incinerator .....				+1,100
Environmental compliance .....	51,378	56,378	58,378	58,378
Climate Change Fuel Cell-CERL .....		+5,000	+5,000	+5,000
Natural gas boiler demonstration-CERL .....			+2,000	+2,000
MLRS Product Improvement Program .....	26,678	26,678	40,378	37,678
Guided MLRS .....			+8,100	+7,000
MLRS improved launcher mechanical system (ILMS) .....			+5,600	+4,000
Aerostate Joint Project Office .....	86,193	0	96,193	35,000
Program reduction .....		- 86,193		- 51,193
Aerostat development .....			+10,000	0
Combat Vehicle Improvement Programs .....	136,520	152,520	176,720	167,020
M1 flat panel displays .....		+12,000	+12,000	+12,000
AN/VVR-1 laser warning receiver .....		+4,000	+4,000	+4,000
Abrams SEP .....			+8,000	+6,500
ADAD for Bradley Stinger fighting vehicle .....			+4,000	+4,000
M-7 Bradley fire support team (BFIST) vehicle test program sets .....			+3,000	+2,000
Bradley A3 Test Program sets .....			+3,500	+2,000
Heavy recovery vehicle traction control system .....			+5,700	0

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Digitization .....	156,960	75,560	120,043	71,560
Force XXI .....		-100,000	-36,917	-100,000
Tactical Personal Communications .....		+10,000		+6,000
Applique .....		+2,600		+2,600
Tactical Internet .....		+6,000		+6,000
(Note: The conferees do not agree with the House direction requiring the Army to establish a Battlefield Acquisition Program Office.)				
Missile/Air Defense Product Improvement .....	17,412	27,412	31,412	31,412
Patriot upgrade .....		+10,000	+10,000	+10,000
Stinger target acquisition sensor study and Stinger Blk II pre-EMD efforts .....			+4,000	+4,000
Joint Tactical Ground System .....	3,195	6,195	3,195	5,195
Phase II P31 .....				
End Item Industrial Preparedness .....	44,326	54,326	57,326	66,326
M829E3 munitions development .....		+5,000		+5,000
Munitions manufacturing technology .....		+5,000		+3,000
Instrumented Factory for Gears (INFAC) .....			+4,000	+3,000
Total integration munitions engineering .....			+5,000	+8,000
Electronic Circuit Board Manufacturing Development Center .....			+4,000	+3,000
Radio Frequency .....	0	0	0	1,700
(Note: Funds have been transferred from Other Procurement, Army.)				
Lightweight laser designator range finder .....	0	0	0	2,800
(Note: Funds have been transferred from Other Procurement, Army.)				
Combat synthetic training assessment range .....	0	0	0	5,400
(Note: Funds have been transferred from Other Procurement, Army.)				
Army Airborne Command & Control .....	0	0	0	11,000
(Note: Funds have been transferred from Other Procurement, Army.)				

## ARMY HIGH PERFORMANCE COMPUTING RESEARCH

The conferees urge the Army to provide within the defense research sciences program element, \$750,000 to hook up four historically-black colleges with the Army High Performance Computing Center in Minneapolis and \$500,000 for work stations at these colleges to optimize the use of the new computing facilities which were made available through the fiscal year 1997 defense appropriations act.

## ENVIRONMENTAL QUALITY TECHNOLOGY

The conferees agree to provide \$4,000,000 in the Army Environmental Quality Technology line only to develop computer-based land management modeling projects designed to help reduce time and costs associated with recovery of military training areas. The conferees expect the U.S. Army Construction Engineering Research Laboratory to prudently manage this additional funding to achieve maximum results.

## MEDICAL TECHNOLOGY

## VOLUMETRICALLY CONTROLLED MANUFACTURING

The conferees have provided \$2,500,000 only for the development of a prototype artificial hip using multidimensional volumetrically controlled manufacturing of synthetic materials.

## MEDICAL ADVANCED TECHNOLOGY

## COLLABORATIVE EFFORTS IN TELEMEDICINE

The conferees recognize the need to continue establishment of collaborative efforts for design of a telemedicine trauma/emergency medical services system to provide necessary diagnostic and treatment interventions and improve medical outcomes. This effort should include participation by appropriate DoD agencies and public/institutions.

## PROSTATE DIAGNOSTIC IMAGING

The conferees are concerned about the quality and efficacy of prostate diagnostic imaging, and believe that prostate cancer detection and treatment would greatly benefit from more accurate and refined equipment and procedures. The conferees direct the Army to establish a public/private research project in coordination with appropriate Government agencies and private institutions to explore promising technologies for improvement of prostate diagnostic imaging. The conferees provide \$5,000,000 only for this purpose in the Medical Advanced Technology line. The conferees expect funding management to be accomplished by Walter Reed Army Medical Center.

## DIAGNOSTIC IMAGING TECHNOLOGY

The conferees recognize the excellent work being conducted at Walter Reed in diagnostic imaging technology and direct that a Diagnostic Imaging Technology Center of Excellence be established at Walter Reed Army Hospital and that the Army be the lead agent in this endeavor. All DoD efforts in this area should be coordinated with the center. In this vein, the conferees are extremely encouraged with the potential benefits of the Volume Angio CAT (VAC) and have provided an additional \$4,000,000 to continue efforts on this promising imaging technology.

## PERISCOPIC MINIMALLY-INVASIVE SURGERY

The conferees agree to provide \$3,000,000 in the Army Medical Technology line only to pursue further development of minimally-invasive surgery techniques. The conferees believe greater understanding of this cutting-edge technology could result in significant benefits for US armed forces.

## AVIATION ADVANCED TECHNOLOGY

## OUTRIDER TUAV

The conferees agree to provide \$45,000,000 to continue the development, testing and evaluation of the Outrider tactical unmanned aerial vehicle (TUAV). The conferees direct the Secretary

of the Army submit an acquisition strategy to the Committees on Appropriations of the House and Senate after the user-testing and evaluation are completed.

#### MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY

The conferees are aware of the need to close and clean up the open pit burning ground currently being used to dispose of explosive waste at Picatinny Arsenal. The Army has concluded that additional funds are needed to complete the construction of the Explosive Waste Incinerator and the conferees agree to provide \$1,100,000 only to finish this project.

#### MATTRACKS

The conferees urge the Army to begin development testing of the MATTRACKS track system within available research, development, test and evaluation funding. The MATTRACKS track system, which has been control tested by the Army and Marine Corps with excellent results, appears to have great value for military uses particularly mine clearing efforts.

#### RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL NAVY:				
IN-HOUSE INDEPENDENT LABORATORY RESEARCH .....	15,834	14,683	15,834	14,683
DEFENSE RESEARCH SCIENCES .....	366,283	336,463	366,283	334,463
SURFACE/AEROSPACE SURVEILLANCE AND WEAPONS TECHNOLOGY .....	32,273	29,273	32,273	29,273
SURFACE SHIP TECHNOLOGY .....	46,859	53,859	52,859	50,359
AIRCRAFT TECHNOLOGY .....	23,590	25,390	23,590	25,390
COMMAND, CONTROL, AND COMMUNICATIONS TECHNOLOGY .....	65,566	59,566	56,566	56,566
READINESS, TRAINING, AND ENVIRONMENTAL QUALITY TECHNOLOGY .....	31,762	47,362	31,762	39,362
MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY .....	76,653	73,653	80,153	75,503
ELECTRONIC WARFARE TECHNOLOGY .....	22,810	21,810	22,810	21,810
UNDERSEA SURVEILLANCE WEAPON TECHNOLOGY .....	51,033	46,033	51,033	46,033
MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE .....	42,737	42,737	21,600	42,737
OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY .....	48,211	77,711	66,961	73,711
UNDERSEA WARFARE WEAPONRY TECHNOLOGY .....	35,736	31,736	43,736	37,736
AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY .....	35,093	41,193	27,693	35,693
PRECISION STRIKE AND AIR DEFENSE .....	43,320	44,320	43,320	44,320
ADVANCED ELECTRONIC WARFARE TECHNOLOGY .....	18,144	17,144	18,144	17,144
SHIP PROPULSION SYSTEM .....	39,737	34,737	49,737	49,737
MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD) .....	34,178	63,478	51,178	61,678
MEDICAL DEVELOPMENT .....	18,332	72,732	19,632	70,232
MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV .....	18,812	20,502	20,042	22,502
ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY .....	18,249	18,999	28,249	26,249
UNDERSEA WARFARE ADVANCED TECHNOLOGY .....	54,785	46,385	46,385	49,385
SHALLOW WATER MCM DEMOS .....	41,602	38,352	41,602	38,352
ADVANCED TECHNOLOGY TRANSITION .....	87,285	73,052	72,285	76,285
C3 ADVANCED TECHNOLOGY .....	23,768	22,368	23,768	22,368
AVIATION SURVIVABILITY .....	7,859	16,959	7,859	16,959
ASW SYSTEMS DEVELOPMENT .....	22,869	26,669	22,869	24,869
SURFACE AND SHALLOW WATER MINE COUNTERMEASURES .....	58,231	71,131	76,431	73,631
ADVANCED SUBMARINE COMBAT SYSTEMS DEVELOPMENT .....	61,122	62,422	61,122	62,422
CARRIER SYSTEMS DEVELOPMENT .....	98,587	10,187	115,587	20,587
SHIPBOARD SYSTEM COMPONENT DEVELOPMENT .....	19,194	22,694	19,194	22,694
ADVANCED SUBMARINE SYSTEM DEVELOPMENT .....	59,067	162,067	59,067	114,000
SHIP PRELIMINARY DESIGN & FEASIBILITY STUDIES .....	38,682	38,682	63,682	53,682
ADVANCED SURFACE MACHINERY SYSTEMS .....	49,741	44,741	49,741	47,741

[In thousands of dollars]

	Budget	House	Senate	Conference
CONVENTIONAL MUNITIONS .....	34,190	38,190	34,190	38,390
ADVANCED WARHEAD DEVELOPMENT (MK-50) .....	2,012	.....	2,012	.....
MARINE CORPS ASSAULT VEHICLES .....	60,134	70,134	60,134	68,134
MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM .....	36,464	40,064	36,464	40,064
COOPERATIVE ENGAGEMENT .....	139,229	223,229	149,229	213,229
ENVIRONMENTAL PROTECTION .....	52,401	56,401	54,401	58,401
FACILITIES IMPROVEMENT .....	1,720	6,720	1,720	6,720
RETRACT ELM .....	21,822	24,522	21,822	24,522
NATO RESEARCH AND DEVELOPMENT .....	13,330	.....	13,330	10,000
LAND ATTACK TECHNOLOGY .....	37,809	81,909	37,809	60,809
JOINT STRIKE FIGHTER (JSF)—DEM/VAL .....	448,855	448,855	476,855	463,855
SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINE .....	4,705	4,705	9,705	7,705
OTHER HELO DEVELOPMENT .....	73,354	85,354	113,304	130,191
STANDARDS DEVELOPMENT .....	36,297	40,297	38,297	38,297
S-3 WEAPON SYSTEM IMPROVEMENT .....	4,735	4,735	930	930
P-3 MODERNIZATION PROGRAM .....	3,191	3,191	15,191	13,191
TACTICAL COMMAND SYSTEM .....	31,518	41,518	31,518	36,518
H-1 UPGRADES .....	80,735	86,335	80,735	86,335
ACOUSTIC SEARCH SENSORS .....	16,947	20,947	16,947	18,947
AIR CREW SYSTEMS DEVELOPMENT .....	12,111	18,111	12,111	18,111
EW DEVELOPMENT .....	101,803	104,603	91,127	99,127
SURFACE COMBATANT COMBAT SYSTEM ENGINEERING .....	87,934	142,134	122,934	148,134
ARSENAL SHIP .....	102,994	.....	75,994	35,000
LPD-17 CLASS SYSTEMS INTEGRATION .....	471	13,471	471	13,471
TRI-SERVICE STANDOFF ATTACK MISSILE .....	9,644	.....	5,456	5,456
VLA UPGRADE .....	.....	12,000	.....	9,000
AIRBORNE MCM .....	16,503	19,503	16,503	18,503
SSN-688 AND TRIDENT MODERNIZATION .....	42,294	52,294	67,294	57,294
SUBMARINE COMBAT SYSTEM .....	23,701	2,366	23,701	18,701
NEW DESIGN SSN .....	311,076	331,076	316,076	323,076
SSN-21 DEVELOPMENTS .....	49,542	12,332	49,542	49,542
SHIP CONTRACT DESIGN/LIVE FIRE T&E .....	75,713	64,713	100,713	92,713
NAVY TACTICAL COMPUTER RESOURCES .....	4,794	39,294	4,794	35,294
LIGHTWEIGHT TORPEDO DEVELOPMENT .....	17,290	19,302	17,290	19,302
NAVY ENERGY PROGRAM .....	2,088	2,088	4,588	2,088
JOINT STANDOFF WEAPON SYSTEMS .....	71,526	71,526	71,526	80,526
SHIP SELF DEFENSE—EMD .....	132,270	190,870	134,270	163,270
MEDICAL DEVELOPMENT .....	3,620	16,920	3,620	16,920
DISTRIBUTED SURVEILLANCE SYSTEM .....	33,048	43,448	23,048	43,448
TARGET SYSTEMS DEVELOPMENT .....	48,308	45,408	45,308	45,408
MAJOR T&E INVESTMENT .....	33,236	39,236	33,236	36,236
STUDIES AND ANALYSIS SUPPORT—NAVY .....	8,755	6,679	8,755	6,679
TECHNICAL INFORMATION SERVICES .....	8,763	763	8,763	3,263
RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT .....	57,591	55,961	57,591	55,961
TEST AND EVALUATION SUPPORT .....	263,934	235,908	251,934	246,934
MARINE CORPS PROGRAM WIDE SUPPORT .....	8,207	12,707	8,207	12,707
F/A-18 SQUADRONS .....	316,976	207,776	290,976	293,976
TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC) .....	93,359	91,500	93,359	91,500
CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT .....	58,956	36,456	63,956	68,956
HARM IMPROVEMENT .....	6,169	41,169	6,169	41,169
AVIATION IMPROVEMENTS .....	60,025	51,025	60,025	51,025
NAVY SCIENCE ASSISTANCE PROGRAM .....	.....	.....	12,000	12,000
MARINE CORPS COMMUNICATIONS SYSTEMS .....	38,296	45,296	40,296	45,296
MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS .....	12,568	14,668	12,568	14,668
DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE) .....	3,165	1,198	3,165	1,198
INDUSTRIAL PREPAREDNESS .....	.....	55,000	54,000	55,000
CLASSIFIED PROGRAM .....	488,489	531,489	188,489	494,989
ECONOMIC ASSUMPTIONS .....	.....	.....	-18,000	-18,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

(In thousands of dollars)

	FY 98 budg- et	House	Senate	Conference
DEFENSE RESEARCH SCIENCES .....	336,283	336,463	366,283	334,463
General reduction .....		-39,820		-39,820
Molecular Design Institute .....		10,000		8,000
SURFACE SHIP TECHNOLOGY .....	46,859	53,859	52,859	50,359
General reduction .....		-5,000		-5,000
Power electronic building blocks .....		6,000	6,000	6,000
Power node control centers .....		1,500		1,500
Micromechanical systems/damage tolerant networks .....		2,500		0
Underwater vehicle derived control technology .....		2,000		1,000
READINESS, TRAINING, AND ENVIRONMENTAL QUALITY TECH .....	31,762	47,362	31,762	39,362
General reduction .....		-3,000		-3,000
JMLS ACTD for sea-state 3 lighterage .....		16,000		8,000
Smart aircrew integrated life support system .....		2,600		2,600
MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY .....	76,653	73,653	80,153	75,503
General reduction .....		-7,000		-10,000
Resin transfer molding/carbon fibers .....		2,000	2,000	2,000
Composite storage capsule .....		2,000		2,000
Vacuum electronics .....			-4,000	-3,000
Photomagnetic research .....			350	350
Plasma quench technology .....			3,000	2,000
Advanced Material Intelligent Processing Center .....			2,500	2,500
Terfenol-D .....				3,000
OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY .....	48,211	77,711	66,961	73,711
Autonomous underwater vehicle/sensor development .....		10,000		10,000
Ocean partnerships .....		16,000	16,000	12,000
Naval Surface Warfare Center South Florida Test Facility .....		2,750	2,750	2,750
PM-10 .....		750	750	750
Arctic research .....		(2,000)		(2,000)
UNDERSEA WARFARE WEAPONRY TECHNOLOGY .....	35,736	31,736	43,736	37,736
General reduction .....		-4,000		-4,000
COTS airgun as an acoustic source .....		(5,000)		0
6.25" torpedo project .....			4,000	
Undersea warfare and weapons technology .....			4,000	3,000
AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY .....	35,093	41,193	27,693	35,693
Maritime avionics subsystems and technology .....		11,500		7,000
Integrated high payoff rocket technology .....		2,000		1,000
General reduction .....		-7,400		-7,400
Integrated HP turbine engine technology .....			-7,400	
SHIP PROPULSION SYSTEM .....	39,737	34,737	49,737	49,737
Active control of machinery rafts .....		5,000		5,000
General reduction .....		-10,000		-5,000
Composite helicopter hanger .....			10,000	10,000
MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD) ..	34,178	63,478	51,178	61,678
Commandant's Warfighting Lab .....		20,300	15,000	17,500
SMAW-CS product improvement program .....		5,000		5,000
2 KW proton exchange membrane fuel cell .....		4,000		3,000
CARS .....			2,000	2,000
Modeling/simulation .....			(2,450)	(2,450)
MEDICAL DEVELOPMENT .....	18,332	72,732	19,632	70,232
Bone marrow .....		34,000		34,000
National Biodynamics Lab .....		2,600		2,600
Biocide materials research .....		5,500		5,500
Freeze dried blood .....		2,500	2,500	1,500
Dental research .....		4,000		2,000
Mobile medical monitor .....		4,000		2,000
Rural health .....		3,000		3,000
Natural gas cooling/desiccant demonstration .....				2,500
Fleet health .....		-1,200	-1,200	-1,200
MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV .....	18,812	20,502	20,042	22,502
Virtual reality environment/training research .....		3,690	1,230	3,690
Center for integrated Manufacturing Studies .....				2,000
General reduction .....		-2,000		-2,000

[In thousands of dollars]

	FY 98 budg- et	House	Senate	Conference
ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECH .....	18,249	18,999	28,249	26,249
250KW proton exchange membrane fuel cell .....		1,750	1,750	1,750
Visualization of technical information .....		1,000	2,000	2,000
General reduction .....		-2,000		-2,000
Smart base .....			6,250	6,250
UNDERSEA WARFARE ADVANCED TECHNOLOGY .....	54,785	46,385	46,385	49,385
General reduction .....		-8,400		0
Shallow water surveillance technology .....			-3,000	-3,000
Beartrap advanced technology .....			-5,400	-5,400
COTS airgun as an acoustic source .....				3,000
ADVANCED TECHNOLOGY TRANSITION .....	87,285	73,052	72,285	76,285
General reduction .....		-18,233	-20,000	-20,000
High frequency surface wave radar .....		4,000	(4,000)	4,000
SWATH technology development .....			5,000	5,000
Affordable array .....			(4,900)	(4,900)
ASW SYSTEMS DEVELOPMENT .....	22,869	26,669	22,869	24,869
Geopositioning for the air deployable low frequency projector .....			3,800	2,000
SURFACE AND SHALLOW WATER MINE COUNTERMEASURES .....	58,231	71,131	76,431	73,631
Remote minehunting system .....		7,900	7,900	7,900
Integrated combat weapon system .....		5,000	10,300	7,500
ADVANCED SUBMARINE COMBAT SYSTEMS DEVELOPMENT .....	61,122	62,422	61,122	62,422
Lightweight wide aperture advanced array, fiber optic .....		4,000		4,000
Savings identified by GAO .....		-2,700		-2,700
CARRIER SYSTEMS DEVELOPMENT .....	98,587	10,187	115,587	20,587
CVX .....		-88,400		-78,000
CVN-77 .....			17,000	0
SHIPBOARD SYSTEM COMPONENT DEVELOPMENT .....	19,194	22,694	19,194	22,694
Direct carbonate fuel cell powerplant/ship electric service .....		3,500	1,000	3,500
COOPERATIVE ENGAGEMENT .....	139,229	223,229	149,229	213,229
E-2/CEC integration .....		20,000		10,000
TBMD/CEC integration .....		15,000		15,000
Low cost common equipment set .....		15,000		15,000
Reduced schedule risk/logistics support .....		13,000		13,000
SSDE/CEC integration .....		5,000		5,000
Hawk/CEC integration .....		5,000		3,000
Design agent transfer .....		5,000		0
Fleet exercises .....		3,000		3,000
LAMPS data link .....		3,000		0
Space .....			10,000	10,000
ENVIRONMENTAL PROTECTION .....	52,401	56,401	54,401	58,401
Resource recovery technology center .....		4,000		4,000
Asbestos removal .....			2,000	2,000
Hospital desiccant demonstration .....			(1,500)	0
FACILITIES IMPROVEMENT .....	1,720	6,720	1,720	6,720
Engineered lumber development .....		5,000		5,000
(NOTE: Funds for engineered lumber development are only to complete the ongoing effort already under contract by the Navy for cost-shared development and deployment of carbon fiber-reinforced, recycled thermoplastic engineered lumber which incorporates chemically treated waste-wood materials.)				
LAND ATTACK TECHNOLOGY .....	37,809	81,909	37,809	60,809
Extended range guided munition .....		15,100		8,000
MEMS guidance and control .....		5,000		2,000
Land attack Standard Missile .....		4,000		3,000
Navy ATACMS .....		20,000		10,000
JOINT STRIKE FIGHTER (JSF)—DEM/VAL .....	448,855	448,855	476,855	463,855
Eddy current sensor/eddy current array sensor .....		(6,000)		(6,000)
Engine turbine fan improvement .....		(1,000)		(1,000)
Alternative engine .....			28,000	15,000
(NOTE: Projects which are directed to be funded from within available funds may not be financed by decrements to DARPA programs.)				
OTHER HELO DEVELOPMENT .....	73,354	85,354	113,304	130,191



[In thousands of dollars]

	FY 98 budg- et	House	Senate	Conference
SH-60R block II .....		7,000	25,000	15,000
Air interoperability center .....		5,000	5,000	5,000
Parametric airborne dipping sonar .....			10,000	5,000
CH-60 development .....				31,837
(NOTE: CH-60 funds are transferred from Aircraft Procurement, Navy) .....				
STANDARDS DEVELOPMENT .....	36,297	40,297	38,297	38,297
Ground Proximity Warning System .....		4,000		0
ICAS .....			2,000	2,000
(NOTE: Funds for ground proximity warning system are funded in Aircraft Procurement, Navy) .....				
S-3 WEAPON SYSTEM IMPROVEMENT .....	4,735	4,735	930	930
Common support aircraft .....			-3,805	-3,805
(NOTE: Reduction to common support aircraft is made without prejudice.) .....				
EW DEVELOPMENT .....	101,803	104,603	91,127	99,127
Precision targeting .....		2,800		2,000
Joint emitter targeting system .....			-2,000	-2,000
Common missile warning system .....			-6,000	0
ICAP III .....				-2,676
SURFACE COMBATANT COMBAT SYSTEM ENGINEERING .....	87,934	142,134	122,934	148,134
TBMD/UYQ-70 architecture .....		43,000		38,000
Program shortfalls .....		14,000		0
Postponed sea test .....		-2,800		-2,800
High power discriminator .....			35,000	25,000
NEW DESIGN SSN .....	311,076	331,076	316,076	323,076
ASTECS/integrated mast .....		17,000		8,000
Sonar domes .....		3,000	5,000	4,000
SHIP CONTRACT DESIGN/LIVE FIRE T&E .....	75,713	64,713	100,713	92,713
CVN-77 .....		17,000		17,000
DD-21 .....		-28,000	25,000	0
NAVY TACTICAL COMPUTER RESOURCES .....	4,794	39,294	4,794	35,294
UYQ-70 for submarines .....		17,500		17,500
Virtual prototyping of electronic circuits .....		10,000		6,000
UYQ-70 for USMC expeditionary force .....		7,000		7,000
NAVY ENERGY PROGRAM .....	2,088	2,088	4,588	2,088
Natural gas cooling/desiccant demonstration .....			2,500	0
(NOTE: Funds for natural gas cooling/desiccant demonstration are provided in Medical Development) .....				
SHIP SELF DEFENSE—EMD .....	132,270	190,870	134,270	163,270
QRCC .....		19,000		10,000
Test ship .....		12,000		6,000
Wallops Island test operations .....		8,600		4,000
SPQ-9B .....		9,000		5,000
IRST .....		10,000		4,000
Nulka .....			2,000	2,000
DISTRIBUTED SURVEILLANCE SYSTEM .....	33,048	43,448	23,048	43,448
AODS integration into ADS .....		7,800		7,800
ADS algorithms .....		2,600		2,600
General reduction .....			-10,000	0
TARGET SYSTEMS DEVELOPMENT .....	48,308	45,408	45,308	45,408
Non-cooperative airborne vector scorer .....		-2,900		-2,900
General reduction .....			-3,000	0
TEST AND EVALUATION SUPPORT .....	263,934	235,908	251,934	246,934
General reduction .....		-30,026	-12,000	-18,000
Safety items .....		2,000		1,000
F/A-18 SQUADRONS .....	316,976	207,776	290,976	293,976
Management reserves .....		-114,200	-26,000	-26,000
TARPS .....		5,000		3,000
CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT .....	58,956	36,456	63,956	68,956
JTCS .....		-27,500		0
BFTT .....		5,000		5,000
PMRF sensors .....			5,000	5,000
INDUSTRIAL PREPAREDNESS .....	0	55,000	54,000	55,000

[In thousands of dollars]

	FY 98 budg- et	House	Senate	Conference
General increase .....		55,000	50,000	.....
Center for Integrated Manufacturing Studies .....			4,000	0
(NOTE: Funds for the Center for Integrated Manufacturing Studies is provided in Manpower, Personnel, and Training Advanced Technology Development.) .....				

#### AIRCRAFT TECHNOLOGY

The conferees direct that the Navy Vectored Thrust Ducted Propeller (VTDP) compound helicopter program focus the current VTDP technology development program on utilization of the H-60 helicopter as the demonstration platform. The conferees further direct that from within available funds \$200,000 is only for the Navy's H-60 program office (PMA-299) to manage the VTDP program and all current and prior year funds appropriated for this program.

#### MATERIALS, ELECTRONICS, AND COMPUTER TECHNOLOGY

The conferees agree to provide \$3,000,000 for Terfenol-D, which is used in Navy sonar programs. The conferees direct that this amount shall be available only to allow the Navy to achieve further cost reductions in the application of a magnetostrictive, iron/terbium/dysprosium alloy for new high performance sonar systems. The conferees further direct that such effort shall be undertaken through a partnership between an entity which has made a financial commitment and has experience in the production of such an alloy and the National Center for Excellence in Metal Working Technology.

#### NAVY AIRCREW EJECTION SEATS

The conferees believe the Navy must place greater emphasis on aircrew protection and safety, a problem that is of growing concern with the introduction of lighter-weight crew members. In fiscal year 1997, the Congress appropriated an additional \$5,000,000 to initiate Phase II of the Navy Aircrew Escape System (NACES) P3I program. The conferees are disappointed that this effort has not yet begun, particularly in light of technological advancements in propulsive stabilization and sensors that could substantially decrease the technical risk of resolving the safety shortcomings of the NACES. These same advances may also be applicable to making needed safety improvements in the GRU-7 seat flying in the EA-6B aircraft.

The conferees are aware of Navy plans to restructure the NACES P3I program. While voicing no objection at this time, the conferees expect that the restructured effort be conducted in a manner to include a flight demonstration of the life-saving benefits of these technologies to existing ejection seats, and that EMD planning for introduction to the fleet be completed. The conference agreement includes an additional \$6,000,000 only to accelerate the NACES P3I program to include demonstrated propulsive stabilization solutions.

NON-MAGNETIC, STAINLESS STEEL ADVANCED DOUBLE HULL WARSHIP DESIGN

The conferees note the technical challenge that the Navy faces in the design and manufacture of very large and complex structural systems that have historically been made of traditional steel materials but are now incorporating the use of more advanced materials like non-magnetic steels. The joining of the advanced double hull concept with non-magnetic steel offers the potential to reduce acquisition and operation costs and to improve survivability. The conferees direct the Navy to study this design on the DD-21 and to explore the opportunities available with existing Centers of Excellence that have capability in non-magnetic, stainless steel advanced double hull warship design.

DISTRIBUTED SURVEILLANCE SYSTEM

The conferees agree to provide \$43,448,000, of which \$7,800,000 shall be for the testing and packaging of the all-optical deployable system into an advanced deployable system (ADS) and at least \$7,000,000 shall be for the development of signal processing and detection algorithms for the ADS.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL AF:				
DEFENSE RESEARCH SCIENCES .....	226,832	183,332	222,249	207,249
MATERIALS .....	70,224	73,224	71,224	73,224
ARMSTRONG LAB EXPLORATORY DEVELOPMENT .....	76,102	76,102	79,102	76,102
AEROSPACE PROPULSION .....	69,303	69,303	60,577	60,577
AEROSPACE AVIONICS .....	69,401	68,061	66,484	64,144
HYPERSONIC TECHNOLOGY PROGRAM .....	9,840	9,840	12,840	9,840
PHILLIPS LAB EXPLORATORY DEVELOPMENT .....	111,136	131,636	112,009	127,259
COMMAND CONTROL AND COMMUNICATIONS .....	86,067	89,067	86,067	88,567
ADVANCED MATERIALS FOR WEAPON SYSTEMS .....	20,596	26,596	30,096	28,096
AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION ..	30,564	28,318	27,031	24,785
AEROSPACE STRUCTURES .....	15,032	10,423	15,032	10,423
AEROSPACE PROPULSION AND POWER TECHNOLOGY ...	37,014	37,014	35,183	35,183
CREW SYSTEMS AND PERSONNEL PROTECTION TECH- NOLOGY .....	17,204	26,204	17,204	26,204
FLIGHT VEHICLE TECHNOLOGY INTEGRATION .....	7,795	6,423	7,795	6,423
ELECTRONIC COMBAT TECHNOLOGY .....	25,621	30,871	24,121	34,371
SPACE AND MISSILE ROCKET PROPULSION .....	16,247	30,047	16,247	18,147
BALLISTIC MISSILE TECHNOLOGY .....		8,000		8,000
ADVANCED SPACECRAFT TECHNOLOGY .....	40,846	72,846	100,846	98,346
CONVENTIONAL WEAPONS TECHNOLOGY .....	26,227	28,227	23,187	24,687
ADVANCED WEAPONS TECHNOLOGY .....	41,238	56,238	59,238	55,238
C3 ADVANCED DEVELOPMENT .....	12,897	12,897	13,897	13,647
ADVANCED MILSATCOM (SPACE) .....	41,448	41,000	41,448	41,000
POLAR ADJUNCT (SPACE) .....	29,585		29,585	15,000
NATIONAL POLAR-ORBITING OPERATIONAL ENVIRON- MENTAL SAT. ....	51,504	26,504	51,504	34,004
SPACE BASED INFRARED ARCHITECTURE (SPACE)— DEM/VAL .....	222,401	217,401	222,401	217,401
NATO RESEARCH AND DEVELOPMENT .....	13,433		13,433	11,000
INTERCONTINENTAL BALLISTIC MISSILE—DEM/VAL .....	32,837	49,337	32,837	49,337
GLOBAL BROADCAST SERVICE .....	56,977	46,977	56,977	56,977
VARIABLE STABILITY IN-FLIGHT SIMULATOR TEST AIR- CRAFT .....			8,000	6,000

[In thousands of dollars]

	Budget	House	Senate	Conference
INTEGRATED AVIONICS PLANNING AND DEVELOPMENT ..	16,494	12,994	16,494	16,494
B-1B .....	216,886	222,886	216,886	220,886
SPECIALIZED UNDERGRADUATE PILOT TRAINING .....	80,238	77,238	80,238	72,238
F-22 EMD .....	2,071,234	2,077,234	1,858,234	2,077,234
EW DEVELOPMENT .....	78,465	65,965	82,308	80,465
MUNITIONS DISPENSER DEVELOPMENT .....	18,076	15,900	18,076	19,676
JOINT DIRECT ATTACK MUNITION .....	19,553	15,353	19,553	24,553
LIFE SUPPORT SYSTEMS .....	3,726	5,726	3,726	4,726
COMPUTER RESOURCE TECHNOLOGY TRANSITION (CRTT) .....	1,459	6,459	1,459	4,459
JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM) .....	203,321	.....	107,021	128,000
JSLAM .....	.....	63,000	.....	43,021
THREAT SIMULATOR DEVELOPMENT .....	51,846	50,346	56,746	54,346
MAJOR T&E INVESTMENT .....	47,336	62,136	41,336	56,336
TEST AND EVALUATION SUPPORT .....	389,348	386,348	389,348	387,848
DEVELOPMENT PLANNING .....	6,049	6,049	4,549	4,549
POLLUTION PREVENTION .....	5,880	5,880	10,880	9,880
ROCKET SYSTEMS LAUNCH PROGRAM (SPACE) .....	8,013	33,013	8,013	28,013
MAINTENANCE AND REPAIR (RPM)—RDT&E .....	55,200	55,200	58,000	56,000
ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM) .....	50,781	33,781	50,781	43,781
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PRO- GRAM .....	93,122	115,122	93,122	103,122
AGM-86C CONVENTIONAL AIR-LAUNCHED CRUISE MIS- SILE SYS .....	.....	3,500	3,500	.....
AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	46,807	47,807	46,807	46,807
ADVANCED PROGRAM TECHNOLOGY .....	95,056	95,056	71,556	100,056
THEATER BATTLE MANAGEMENT (TBM) C4I .....	24,013	24,013	28,013	27,013
JOINT SURVEILLANCE AND TARGET ATTACK RADAR SYSTEM .....	119,189	123,189	124,189	126,189
ADVANCED PROGRAM EVALUATION .....	214,011	224,011	205,219	223,019
WORLD-WIDE MILITARY COMMAND AND CONTROL SYS- TEMS .....	6,820	7,820	6,820	7,820
AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYS- TEM .....	6,571	6,571	13,471	13,471
SECURITY AND INVESTIGATIVE ACTIVITIES .....	530	1,530	530	3,530
TITAN SPACE LAUNCH VEHICLES (SPACE) .....	82,384	67,384	82,384	74,884
DEFENSE AIRBORNE RECONNAISSANCE PROGRAM .....	.....	14,990	.....	14,990
SPACETRACK (SPACE) .....	28,573	28,573	36,073	43,073
C-17 AIRCRAFT .....	113,605	113,605	113,605	110,605
AIR CARGO MATERIAL HANDLING (463-L) (NON-IF) .....	7,947	3,447	7,947	5,947
PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN PRO .....	1,032	12,032	11,032	19,032
NATO JOINT STARS .....	36,061	18,061	23,061	26,061
COBRA BALL (FLD) .....	.....	.....	12,000	12,000
CLASSIFIED PROGRAM .....	4,684,348	4,633,315	4,640,248	4,648,415
ECONOMIC ASSUMPTIONS .....	.....	.....	-76,000	-76,000
GENERAL REDUCTION .....	.....	-2,000	.....	.....

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Research Sciences .....	226,832	183,332	222,249	207,249
Reduction .....	.....	-48,500	.....	-18,000
Center for Adaptive Optics .....	.....	5,000	.....	3,000
Sacramento Peak Observatory .....	.....	(650)	(650)	(650)
Math and computer science .....	.....	.....	-2,755	-2,755
Electronics .....	.....	.....	-1,828	-1,828
Materials .....	70,224	73,224	71,224	73,224
Composite shelters .....	.....	3,000	.....	2,000
Inorganic/organic optical limiters .....	.....	.....	1,000	1,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Aerospace Propulsion .....	69,303	69,303	60,577	60,577
Turbine engine technology .....			-6,861	-6,861
High thermal stability hydrocarbon fuel .....			-1,865	-1,865
Aerospace Avionics .....	69,401	68,061	66,484	64,144
Reduction .....		-1,340		-1,340
Photonic and A-to-D Technology .....			-2,701	-2,701
Intertial navigation unit components .....			-3,216	-3,216
Environmental laser mapping .....			3,000	2,000
Hypersonic Technology Program .....	9,840	9,840	12,840	9,840
Hypersonic wind tunnel design study .....			3,000	0
Phillips Lab Exploratory Development .....	111,136	131,636	112,009	127,259
Phase III terabit fiber optic technology .....		8,000		6,000
Mightysat .....		10,000		5,000
IHPRPT .....		7,500	2,000	4,750
Tactical missile propulsion .....			-3,127	-3,127
Coherent laser diode arrays .....			-3,000	-1,500
HAARP .....			5,000	5,000
Command Control and Communications .....	86,067	89,067	86,067	88,567
Protein memory .....			3,000	2,500
Advanced Materials for Weapon Systems .....	20,596	26,596	30,096	28,096
IR signature suppression coatings .....		6,000	6,000	5,000
Electrochemical fatigue sensing with mechanical stimulation for turbines .....			3,500	2,500
Aerospace Propulsion Subsystems Integration .....	30,564	28,318	27,031	24,785
Reduction .....		-2,246		-2,246
Aircraft propulsion subsystem .....			-3,533	-3,533
Aerospace Structures .....	15,032	10,423	15,032	10,423
Reduction .....		-4,609		-4,609
Aerospace Propulsion and Power Technology .....	37,014	37,014	35,183	35,183
Advanced turbine engine gas generator .....			-1,831	-1,831
Crew Systems and Personnel Protection Technology .....	17,204	26,204	17,204	26,204
Ejection seat technology .....		5,000		5,000
Helmet display technology .....		3,000		3,000
Laser eye protection .....		1,000		1,000
Flight Vehicle Technology Integration .....	7,795	6,423	7,795	6,423
Reduction .....		-1,372		-1,372
Electronic Combat Technology .....	25,621	30,871	24,121	34,371
CLIRCM .....		5,250		3,750
Laser based IR countermeasures .....			-1,500	0
ALR-69 PLAID .....				5,000
Space and Missile Rocket Propulsion .....	16,247	30,047	16,247	18,847
IHPRPT .....		3,800		1,900
Scorpius .....		10,000		0
Ballistic Missile Technology .....	0	8,000	0	8,000
Radiation hardened electronics .....		8,000		3,200
Missile Technology Demonstration (MTD) flight testing .....				4,800
Advanced Spacecraft Technology .....	40,846	72,846	100,846	98,346
Military spaceplane .....		15,000		10,000
Solar thermionics orbital transfer vehicle .....		10,000	10,000	7,500
Miniature threat satellite reporting system .....		7,000		5,000
Clementine .....			50,000	30,000
Scorpius (transfer from Space and Missile Rocket Propulsion) .....				5,000
Conventional Weapons Technology .....	26,227	28,227	23,187	24,687
Optical correlator technology .....		2,000		1,500
Next generation air to air threats .....			-3,040	-3,040
Advanced Weapons Technology .....	41,238	56,238	59,238	55,238
Geo space object imaging .....		10,000	15,000	10,000
LIME .....		5,000		0
High energy laser technology .....			-3,000	-2,000
Field LADAR Demonstrator (FLD) upgrades .....			6,000	6,000
C3 Advanced Development .....	12,897	12,897	13,897	13,647
Survivable asynchronous transfer mode .....			1,000	750

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Advanced MILSATCOM (SPACE) .....	41,448	41,000	41,448	41,000
Program management .....		— 448		— 448
National Polar-Orbiting Operational Environment .....	51,504	26,504	51,504	34,004
Schedule delays .....		— 25,000		— 17,500
Space and Missile Rocket Propulsion .....	222,401	217,401	222,401	217,401
Program management and FFRDC .....		— 5,000		— 5,000
NATO Research and Development .....	13,433	0	13,433	11,000
Reduction .....		— 13,433		— 2,433
Intercontinental Ballistic Missile—DEMVAL .....	32,837	49,337	32,837	49,337
Conventional ballistic missile .....		16,500		16,500
Global Broadcast Service .....	56,977	46,977	56,977	56,977
Schedule delays .....		— 10,000		0
Integrated Avionics Planning and Development .....	16,494	12,994	16,494	16,494
JHMCS EMD Award .....		— 3,500		0
B-1B .....	216,886	222,886	216,886	220,886
ECOs .....		— 7,000		— 4,000
JSOW/JSLAM Integration .....		13,000		8,000
Specialized Undergraduate Pilot Training .....	80,238	77,238	80,238	72,238
T-38 schedule delays .....		— 3,000		— 3,000
JPATS GBTS contract savings .....				— 5,000
F-22 EMD .....	2,071,234	2,077,234	1,858,234	2,077,234
Out of Production Parts (OPP) redesign .....		6,000		6,000
Termination liability .....			— 213,000	0
EW Development .....	78,465	65,965	82,308	80,465
F-15 IDECM delay .....		— 6,000		— 3,000
F-15 CMWS .....		— 6,500		— 2,000
CMWS .....			— 6,157	0
Advanced flares for the C-17 and B-1 .....			10,000	7,000
Munitions Dispenser Development .....	18,076	15,900	18,076	19,676
WCMD Contract Savings .....		— 1,300		— 1,300
WCMD operational assets .....		— 862		— 862
Transfer savings from procurement account .....				3,762
Joint Direct Attack Munition .....	19,553	15,353	19,553	24,553
Excess funds .....		— 4,200		0
Transfer from procurement .....				5,000
Life Support Systems .....	3,726	5,726	3,726	4,726
Ejection seats .....		2,000		1,000
Computer Resource Technology Transition (CRTT) .....	1,459	6,459	1,459	4,459
NPLACE/PLAS .....		5,000		3,000
Intercontinental Ballistic Missile—EMD .....	137,944	152,944	152,944	152,944
MK-21 Guidance Replacement Program .....		15,000	15,000	15,000
Joint Air-to-Surface Standoff Missile (JASSM) .....	203,321	0	107,021	128,000
Cancel program .....		— 203,321		0
Weapon system development .....			— 18,200	0
Test support .....			— 49,400	0
Program office/mission support .....			— 10,900	0
Aircraft integration costs .....			— 17,800	0
Alternate engine source study .....			(5000)	1,000
Reduction pending AOA decision .....				— 76,321
JSLAM .....	0	63,000	0	43,021
Threat Simulator Development .....	51,846	50,346	56,746	54,346
SADS-2b/f .....		— 1,500		— 1,500
Digital integrated air defense system .....			2,400	2,000
Digital IADS integration with ECIT .....			2,000	1,500
Airborne radar maintenance .....			500	500
Major T&E Investment .....	47,336	62,136	41,336	56,336
Modernization of Eglin range C4I capabilities .....		14,800		10,000
Reduction .....			— 6,000	— 3,000
Hypersonic wind tunnel design study (transfer from 0602269F) .....				2,000
Test and Evaluation Support .....	389,348	386,348	389,348	387,848
Unjustified aircraft support growth .....		— 3,000		— 1,000
Prior year unobligated funds .....		— 8,000		— 6,500

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
South Base Birk flight test facility .....		8,000		6,000
Development Planning .....	6,049	6,049	4,549	4,549
Reduction .....			-1,500	-1,500
Pollution Prevention .....	5,880	5,880	10,880	9,880
E-SMART .....			5,000	4,000
Maintenance and Repair (RPM)—RDT&E .....	55,200	55,200	58,000	56,000
Landing gear life extension .....			6,000	4,000
Infrastructure support .....			-3,200	-3,200
Advanced Medium Range Air-to-Air Missile (AMRAAM) .....	50,781	33,781	50,781	43,781
Rephased upgrade efforts .....		-14,000		-4,000
P3I Phase III .....		-3,000		-3,000
AGM-86C Conventional Air Launched Cruise Missile .....	0	3,500	3,500	0
Hard target penetrator variant .....		3,500	3,500	0
Airborne Warning and Control System (AWACS) .....	46,807	47,807	46,807	46,807
Extend Sentry .....		1,000		0
Theater Battle Management (TBM) C4I .....	24,013	24,013	28,013	27,013
Theater Battle Management Core Systems (TBMCS) .....			4,000	3,000
Joint Surveillance and Target Attack Radar System .....	119,189	123,189	124,189	126,189
Improved Data Modem .....		4,000		4,000
Cruise missile defense technology .....			5,000	3,000
World-Wide Military Command and Control Systems .....	6,820	7,820	6,820	7,820
Integration of JSAS into GCCS .....		1,000		1,000
Air Traffic Control, Approach, and Landing System .....	6,571	6,571	13,471	13,471
Air traffic control simulators .....			6,900	6,900
Security and Investigative Activities .....	530	1,530	530	3,530
AFOSI computer crime investigations program .....		1,000		1,000
Defensive Information Warfare and Critical Infrastruc- ture Protection .....				2,000
SPACETRACK (SPACE) .....	28,573	28,573	36,073	43,073
AEOS development and integration with MSSS .....			7,500	7,500
Have Stare upgrade to support missile defense testing .....				7,000
Air Cargo Material Handling .....	7,947	3,447	7,947	5,947
Next Generation Small Loader test funding require- ments .....		-4,500		-2,000
Industrial Preparedness .....	48,429	48,429	48,429	48,429
National Technology Transfer Center .....		(1000)		0
Productivity, Reliability, Availability, Maintainability Program .....	1,032	12,032	11,032	19,032
Aging aircraft improvements .....		11,000		10,000
Blade repair facility .....			10,000	8,000
NATO JSTARS .....	36,061	18,061	23,061	26,061
Lack of NATO decision .....		-18,000		0
Phase II proposal preparation .....			-3,000	-3,000
Interim logistics support long lead .....			-10,000	-7,000
COBRA BALL (FLD) .....	0	0	12,000	12,000
Advanced Airborne Sensor .....			12,000	12,000

## ADVANCED SPACECRAFT TECHNOLOGY

The conferees recommend a Solar Thermionic Orbital Transfer Vehicle program that balances designing the flight demonstrator with further development of key technologies including thermionics, high temperature materials for power and propulsion, and direct gain propulsion utilizing lightweight inflatable collectors.

NATIONAL POLAR-ORBITING OPERATIONS ENVIRONMENTAL SATELLITE  
SYSTEM  
(NPOESS)

The conferees agree to provide \$34,004,000 for the National Polar-Orbiting Operational Environmental Satellite System (NPOESS), a decrease of \$17,500,000. The conferees direct the Deputy Under Secretary of Defense for Space (DUSD (Space)) to conduct an architectural review of the defense space-based meteorological mission area as part of the fiscal year 1998 program plan. DUSD (Space) is further directed to submit to the conferees a report detailing its plans to conduct the review no later than January 1, 1998.

SPACE BASED INFRARED SYSTEM (SBIRS)

The conferees are concerned that the Air Force has retained the present developer of the SBIRS high component as the overall system of systems engineer for the entire program. The conferees believe that the potential exists for conflict of interest since the SBIRS high component developer will compete for the SBIRS low component of the program.

While the Air Force has taken certain measures to attempt to ensure the fairness of the SBIRS low competition, the conferees believe that it would be appropriate for the Under Secretary of Defense for Acquisition and Technology to review any Air Force implementation plan formulated to avoid conflicts of interest in the SBIRS low component competition. The conferees therefore, direct the USD (A&T) to certify to the congressional defense committees that the Air Force's "SBIRS Organizational Conflict of Interest Mitigation Plan for the SBIR Low Component Program" adequately safeguards the objectivity of the competition for the SBIR Low program. If it is determined that the Air Force's risk mitigation plan does not ensure a fair competition, the congressional defense committees shall be notified and provided such recommendations as the USD (A&T) determines are necessary to ensure a fair competition, protect proprietary data, and mitigate potential SBIR high component program developer bias. The certification shall be provided no later than March 31, 1998.

The conferees further direct that the Deputy Under Secretary of Defense for Space, DUSD (Space), review any final allocation of requirements between the SBIRS high and low component to determine whether such allocations are justified on the basis of cost and performance. The conferees direct that the results of this review be provided to the congressional defense committees.

EVOLVED EXPENDABLE LAUNCH VEHICLE (EELV)

The conferees note that the Evolved Expendable Launch Vehicle (EELV) program is an important step in reducing the Department of Defense's space launch costs, and that two industry teams are now competing for a contract to develop an EELV. The conferees believe that the Air Force should require that a successful bidder share in the development cost of the EELV, system. In addition the conferees expect that the Air Force will recognize the com-



mercial requirements of the EELV and allow industry to develop system solutions to meet these needs. Therefore, the conferees agree to the House language which directs the Air Force to include as significant factors in the EELV acquisition the degree to which the competitive proposals include the commercial needs of the U.S. launch vehicle industry as well as government compensation and cost recoupment offers from the EELV competitors. The Under Secretary of Defense for Acquisition and Technology is also directed to provide the congressional defense committees not later than June 1, 1998, a revised EELV Single Acquisition and Management Plan (SAMP) that addresses these concerns.

JOINT AIR-TO-SURFACE STANDOFF MISSILE

JOINT STANDOFF LAND ATTACK MISSILE

The conferees have provided a total of \$171,021,000 for the Joint Air-to-Surface Standoff Missile (JASSM)/Joint Standoff Land Attack Missile (JSLAM) program. Within the JASSM program element, the conferees direct that the first priority for the available funds shall be to maintain competition on the program and to avoid an early decision to select a single contractor. The funds within this program element are provided to continue the JASSM program through completion of the Analysis of Alternatives (AOA).

The conferees have also provided \$43,021,000 in a JSLAM program element. The conferees direct that none of the JSLAM funds may be obligated until the Secretary of Defense notifies the congressional defense committees regarding the acquisition strategy the Defense Department chooses to pursue based on the results of the JASSM AOA. The conferees direct that the JSLAM program element funds shall be available for the option recommended by the Secretary of Defense.

CRUISE MISSILE DEFENSE

The conferees are concerned about the growing threat posed by advanced air-launched and surface-launched cruise missiles and urge the Department to pursue an enhanced capability on the AWACS to detect, track, and identify cruise missiles. The conferees direct the Air Force to provide a report on their specific schedule and funding plans for continued development of this needed capability.

NATO JSTARS

The conferees agree that none of the funds can be reprogrammed out of the NATO JOINT STARS program element without the prior approval of the congressional defense committees. The conferees agree to place no further restrictions on these funds.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

The conference agreement is as follows:

(In thousands of dollars)

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL DEFWIDE				
IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,169	.....	2,169	1,569

[In thousands of dollars]

	Budget	House	Senate	Conference
DEFENSE RESEARCH SCIENCES .....	76,009	70,000	76,009	70,000
UNIVERSITY RESEARCH INITIATIVES .....	237,788	215,212	251,788	230,788
GOVERNMENT/INDUSTRY COSPONSORSHIP OF UNIV RESEARCH .....	14,713	.....	9,713	7,713
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM ..	25,190	28,690	25,190	27,190
NEXT GENERATION INTERNET .....	40,000	50,000	10,000	42,000
SUPPORT TECHNOLOGIES—APPLIED RESEARCH ...	101,932	141,932	115,932	113,932
LINCOLN LABORATORY RESEARCH PROGRAM .....	20,474	13,730	20,474	18,474
COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY .....	341,752	325,057	344,252	327,557
BIOLOGICAL WARFARE DEFENSE .....	61,600	61,600	55,100	59,600
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM ..	60,023	75,323	66,023	73,023
TACTICAL TECHNOLOGY .....	157,329	126,244	158,329	151,329
INTEGRATED COMMAND AND CONTROL TECH- NOLOGY .....	37,000	39,000	55,000	49,000
MATERIALS AND ELECTRONICS TECHNOLOGY .....	192,192	208,192	224,692	237,692
DEFENSE SPECIAL WEAPONS AGENCY .....	211,971	200,593	226,971	212,593
DEMNING .....	7,663	7,663	18,063	16,663
COUNTERTERROR TECHNICAL SUPPORT .....	34,863	34,863	40,863	40,863
COUNTERPROLIFERATION SUPPORT—ADV DEV .....	58,264	67,264	61,264	68,264
SUPPORT TECHNOLOGIES—ADVANCED TECH- NOLOGY DEVELOPMENT .....	147,557	147,557	351,957	311,557
JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVEL- OPMENT .....	16,141	16,141	17,700	17,700
AUTOMATIC TARGET RECOGNITION .....	4,789	5,989	4,789	6,789
CHEMICAL AND BIOLOGICAL DEFENSE PRO- GRAM—ADVANCED DEV .....	41,223	50,773	41,233	41,223
SPECIAL TECHNICAL SUPPORT .....	11,750	9,750	14,750	11,750
VERIFICATION TECHNOLOGY DEMONSTRATION .....	83,370	69,070	73,370	84,370
GENERIC LOGISTICS R&D TECHNOLOGY DEM- ONSTRATIONS .....	17,267	23,867	24,867	22,267
STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	54,874	61,874	57,874	61,874
JOINT WARFIGHTING PROGRAM .....	14,172	14,172	9,172	9,172
AGILE PORT DEMONSTRATION .....	.....	.....	10,000	5,000
ADVANCED ELECTRONICS TECHNOLOGIES .....	277,044	285,044	295,044	299,044
ADVANCED CONCEPT TECHNOLOGY DEMONSTRA- TIONS .....	121,076	61,076	101,076	81,076
COMMERCIAL TECHNOLOGY INSERTION PROGRAM	47,889	.....	20,000	20,000
ELECTRONIC COMMERCE RESOURCE CENTERS .....	14,972	47,972	14,972	47,972
HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM .....	126,211	124,880	151,211	149,880
COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS .....	163,800	163,800	153,800	157,800
SENSOR AND GUIDANCE TECHNOLOGY .....	166,855	154,855	162,855	169,555
LAND WARFARE TECHNOLOGY .....	82,580	89,180	81,980	82,980
DUAL USE APPLICATIONS PROGRAMS .....	225,000	100,000	125,000	125,000
JOINT WARGAMING SIMULATION MANAGEMENT OF- FICE .....	71,338	59,968	66,338	64,338
PHYSICAL SECURITY EQUIPMENT .....	31,553	18,676	31,553	18,676
JOINT ROBOTICS PROGRAM .....	23,196	23,196	32,196	28,196
ADVANCED SENSOR APPLICATIONS PROGRAM .....	15,379	15,379	18,379	18,379
CALS INITIATIVE .....	1,916	5,916	5,916	9,916
NATO RESEARCH AND DEVELOPMENT .....	13,584	.....	13,584	8,584
ENVIRONMENTAL SECURITY TECHNICAL CERTIFI- CATION PROGRAM .....	15,164	15,164	20,164	15,164
THEATER HIGH-ALTITUDE AREA DEFENSE SYS- TEM—TMD—DEM/ .....	294,647	238,647	353,427	406,127
NAVY THEATER WIDE MISSILE DEFENSE—DEM/ VAL .....	194,898	444,898	274,898	409,898
BOOST PHASE INTERCEPT THEATER MISSILE DE- FENSE ACQUISIT .....	12,885	.....	17,885	16,385
JOINT THEATER MISSILE DEFENSE—DEM/VAL .....	542,619	542,619	612,619	605,419
ASAT .....	.....	.....	50,000	37,500
CHEMICAL AND BIOLOGICAL DEFENSE PRO- GRAM—EMD .....	120,535	138,535	120,535	130,535

[In thousands of dollars]

	Budget	House	Senate	Conference
THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM—TMD—EMD .....	261,480	261,480	.....	.....
NAVY AREA THEATER MISSILE DEFENSE—EMD ....	267,822	289,822	267,822	289,822
TECHNICAL STUDIES, SUPPORT AND ANALYSIS ....	38,376	31,248	30,376	30,376
JOINT THEATER AIR AND MISSILE DEFENSE ORGANIZATION .....	23,100	23,100	12,900	16,100
CLASSIFIED PROGRAM USD(P) .....	5,979	5,979	5,979	9,079
DEFENSE SUPPORT ACTIVITIES .....	5,992	7,492	8,992	8,992
MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT) .....	39,193	34,469	39,193	36,193
INFORMATION SYSTEMS SECURITY PROGRAM .....	258,593	258,593	258,593	253,593
DEFENSE IMAGERY AND MAPPING PROGRAM .....	109,430	134,430	109,430	119,430
DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE) .....	49,403	41,003	57,403	52,503
TACTICAL UAVS .....	122,004	60,007	34,507	54,507
ENDURANCE UAVS .....	216,712	192,812	216,712	192,722
AIRBORNE RECONNAISSANCE SYSTEMS .....	212,961	193,961	201,790	196,961
MANNED RECONNAISSANCE SYSTEMS .....	27,784	51,784	27,784	27,784
DARP MANAGEMENT SUPPORT .....	21,543	7,543	21,543	7,543
COUNTERDRUG INTELLIGENCE SUPPORT .....	.....	2,500	.....	.....
MANAGEMENT HEADQUARTERS (AUXILIARY FORCES) .....	1,926	1,926	7,626	1,926
PARTNERSHIP FOR PEACE ACTIVITIES .....	1,993	1,993	.....	.....
SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT .....	8,009	9,009	8,009	9,009
SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT .....	73,073	73,073	75,773	109,473
SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT .....	4,914	13,914	8,914	10,914
SOF OPERATIONAL ENHANCEMENTS .....	26,357	32,937	17,757	23,937
CERP .....	.....	12,000	.....	10,000
CLASSIFIED PROGRAM .....	995,689	1,054,970	1,036,689	1,068,589
ECONOMIC ASSUMPTIONS .....	.....	.....	-49,000	-49,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
University Research Initiatives .....	237,788	215,212	251,788	230,788
DEPSCOR .....	.....	+10,000	+10,000	+10,000
Program reduction .....	.....	-32,576	.....	-20,000
Southern Observatory for Astronomical Research ...	.....	.....	+4,000	+3,000
CARE .....	.....	(3,000)	.....	(3,000)
Chemical and Biological Defense Program .....	25,190	28,690	25,190	27,190
Non-antibiotic therapies .....	.....	+1,500	.....	.....
Novel agent research .....	.....	+2,000	.....	+2,000
Support Technologies—Applied Research .....	101,932	141,932	115,932	113,932
AIT .....	.....	+30,000	.....	.....
Wide bandgap electronics .....	.....	+10,000	+14,000	+12,000
Computing Systems and Communications Technology ....	341,752	325,057	344,252	327,557
Program reduction .....	.....	-16,695	.....	-16,695
Reuse Technology Adoption Program (RTAP) .....	.....	(7,500)	+2,500	+2,500
Chemical and Biological Defense Program .....	60,023	75,323	66,023	+73,023
Medical Biological Research .....	.....	+9,500	.....	.....
SAFEGUARD .....	.....	+5,800	+6,000	+3,000
Joint Service Chem/Bio Point Detection Sensor .....	.....	.....	(1,500)	(1,500)
Chemical agent sensor technology .....	.....	.....	.....	+10,000
Tactical Technology .....	157,329	126,244	158,329	151,329
Simulation based design (Gulf Coast Region Maritime Ctr) .....	.....	+3,000	.....	+3,000
Program reduction .....	.....	-34,085	.....	-10,000
Compact lasers .....	.....	.....	-3,000	-3,000

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Chemically specific detection .....			-3,000	-3,000
Center of Excellence for Researching in Ocean Sciences .....			+7,000	+7,000
Facial recognition technology .....			(3,000)	(3,000)
Integrated Command and Control Technology .....	37,000	39,000	55,000	49,000
High definition camera .....		+2,000		
High definition display systems .....		(4,000)		(4,000)
Flat Panel Display .....			+18,000	+12,000
High-definition optoelectric digital camera .....			(2,000)	(2,000)
Materials and Electronics Technology .....	192,192	208,192	224,692	237,692
Defense Microelectronics Activity .....		+10,000		+10,000
Nanofabrication Laboratory .....		+6,000		+6,000
Seamless high-off chip connectivity .....			+7,500	+6,000
Hard carbon based coatings .....			+1,000	+1,000
Multitechnology integration in mixed mode electronics .....			+9,000	+7,500
Life support trauma and transport .....			+4,000	+4,000
3-D multi-chip module electronics .....			+5,000	+5,000
Cryogenic electronics .....			+6,000	+6,000
Defense Special Weapons Agency .....	211,971	200,593	226,971	212,593
Bioenvironmental research .....		+5,000		+5,000
Program reduction .....		-16,378		-16,378
Nuclear weapons effects core competencies .....			+15,000	+12,000
Explosive Demilitarization .....	12,259	12,259	12,259	12,259
Cryogenic washout program .....		(2,000)		(2,000)
Demining .....	7,663	7,663	18,063	16,663
Humanitarian demining technologies .....			+10,400	+9,000
Mechanical clearance support .....			(1,000)	(1,000)
Remote area disassembly vehicle .....			(3,000)	(2,000)
Counterterror Technical Support .....	34,863	34,863	40,863	40,863
PFNA .....			+3,000	+3,000
Antibiological device (ABD) .....			+3,000	+3,000
Counterproliferation Support .....	58,264	67,264	61,264	68,264
Counterproliferation Analysis and Planning Systems (CAPS) .....		+9,000		+7,000
HAARP .....			+3,000	+3,000
Support Technologies—Advanced Technology Development .....	147,557	147,557	341,957	311,557
Advanced intercept technology .....			+40,000	+30,000
Space-based laser .....			+118,000	+98,000
Midcourse space experiment .....			+6,400	+5,000
APEX Program .....			+10,000	+8,000
Russian-American observational satellites (RAMOS) .....			+15,000	+13,000
Photo conduction on active pixel sensor technology .....			+5,000	+5,000
Scorpius .....			+10,000	+5,000
Automatic Target Recognition .....	4,789	5,989	4,789	6,789
Optical correlators .....		+1,200		
Hyperspectral IPT .....				+2,000
Chemical and Biological Defense Program .....	41,223	50,773	41,223	41,223
Medical biological programs .....		+6,700		
Joint Service Integrated Suit (JSLIST) .....		+2,850		
Special Technical Support .....	11,750	9,750	14,750	+11,750
Program reduction .....		-2,000		-2,000
Evaluate maritime combatant craft .....			+3,000	+2,000
Verification Technology .....	83,370	69,070	73,370	84,370
Industry-based program to accelerate nuclear detection .....		+5,000		+5,000
Enhanced segregated-surface solid state detectors .....		+3,000		+3,000
Russian monitoring technologies .....		+3,000		+3,000
Program reduction .....		-25,300		-10,000
Nuclear monitoring technologies (explosion seismology) .....		(7,100)		(7,100)
Hydroacoustics .....		(700)		(700)

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Program reduction .....			- 10,000	.....
Caribbean radiation early warning system (CREWS) .....			(3,000)	.....
Strategic Environmental Research Program .....	54,874	61,874	57,874	61,874
Environmental clean-up workers health and safety program .....		+2,000	.....	+2,000
Risk-based toxic chemicals research .....		+2,000	.....	+2,000
Green energetics .....		+3,000	+3,000	+3,000
Advanced Electronics Technologies .....	277,044	285,044	295,044	299,044
Center for Advanced Microstructures Devices (CAMD) .....		+3,000	.....	.....
Cryoelectronics .....		+5,000	.....	.....
Flat Panel Displays .....		(18,000)	.....	.....
Lithographic & Alternative Semiconductor Processing (LAST) .....			+23,000	+18,000
Point Source x-ray lithography .....			+3,000	+3,000
MT-06 program reduction .....			- 3,000	.....
Defense Techlink rural technology transfer .....			+1,000	+1,000
Center for Advanced Microstructures Devices (CAMD) .....			+4,000	+4,000
MAFET .....			- 10,000	- 4,000
Institute for Advanced Flexible Manufacturing .....			(4,000)	(4,000)
Laser plasma x-ray source technology .....			.....	(5,000)
High Performance Computing Modernization Program .....	126,211	124,880	151,211	149,880
Program reduction .....		- 1,331	.....	- 1,331
Operation, maintenance, and upgrade of supercomputers purchased with DoD RDT&E funds .....			+25,000	+25,000
Sensor and Guidance Technology .....	166,855	154,855	162,855	169,555
GEOSAR .....		+13,000	.....	+10,700
GPS Guidance Package .....		(6,000)	.....	(6,000)
Program reduction .....		- 25,000	.....	- 5,000
Large Millimeter Wave Telescope .....			+3,000	+3,000
Tactical Radar Program .....			- 7,000	- 6,000
Marine Technology .....	69,143	21,943	21,943	21,943
Arsenal Ship .....		- 47,200	- 47,200	- 47,200
Smart anti-submarine warfare and sonar STAP .....		(6,000)	.....	(4,000)
Land Warfare Technology .....	82,580	89,180	81,980	82,980
Active structural control .....		+6,600	+4,400	+5,400
Small unit operations .....			- 5,000	- 5,000
CALS Initiative .....	1,916	5,916	5,916	9,916
Integrated Data Environment (IDE) .....		+4,000	+4,000	+4,000
RAMP .....			.....	+4,000
Joint Theater Missile Defense—Dem/Val .....	542,619	542,619	612,619	605,419
Extended air defense testbed .....			+9,600	+7,800
Advanced Research Center (ARC) .....			+7,000	+7,000
ARROW .....			+15,000	+12,000
Kauai test facility .....			+5,000	+5,000
Upgrades for theater missile defense (PMRF) .....			+33,400	+31,000
Chemical and Biological Defense Program—EMD .....	120,535	138,535	120,535	130,535
Joint vaccine program .....		+8,000	.....	+5,000
Decontamination technology .....		+10,000	.....	+5,000
Defense Imagery and Mapping Program .....	109,430	134,430	109,430	119,430
SAR imagery .....		+25,000	.....	+5,000
USIGS Improv .....			.....	+5,000
Defense Reconnaissance Support Activities (Space) .....	49,403	41,003	57,403	52,503
Program reduction .....		- 8,400	.....	- 4,900
Pacific Disaster Center .....			+8,000	+8,000
Tactical UAVS .....	122,004	60,007	34,507	54,507
Outrider .....		- 87,497	- 87,497	- 87,497
TCS for the Predator .....		+11,500	.....	+8,000
MSAG .....		+4,000	.....	+4,000
Vertical takeoff and landing .....		+10,000	.....	+8,000
Endurance UAVS .....	216,712	192,812	216,712	192,722
Predator transfer .....		- 14,900	.....	- 14,900

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
HAE Ground Support .....		-9,000		-9,000
Airborne Reconnaissance Systems .....	212,961	193,961	201,790	196,961
JMTE Advanced Technology .....		+8,000		
E-O Framing technology .....		+15,000		+7,000
ABIT System Test and Evaluation .....		+3,000		+1,000
JASA Standards .....		-3,000		-3,000
HFE Development .....		-3,000		-3,000
Global Hawk SIGINT .....		-16,200	-16,200	-16,200
JSAF high band subsystem .....		-25,800	+5,000	-1,800
High Data Rate Lasercom Sys .....		+3,000		
Special Operations Tactical Systems Development .....	73,073	73,073	75,773	109,473
Remote act munitions .....			+1,000	
Helmet .....			+1,700	
Advanced Seal Delivery System .....				+36,400
Special Operations Intelligence Systems Development ....	4,914	13,914	8,914	10,914
Enhancements for Special Ops Intelligence Vehicle .....		+5,000		+3,000
Joint Threat Warning System (JTWS) .....		+4,000	+4,000	+3,000
SOF Operational Enhancements .....	26,357	32,937	17,757	23,937
Special Tech Assault Craft .....		+5,800		+5,800
Classified .....		+780		+780
.50 calibre ball ammo .....			+400	
Program reduction .....			-9,000	-9,000

## MISSILE FEASIBILITY ASSESSMENTS

The conferees note the past success achieved by the Countermeasures Hands-On Program (CHOP) and Hands-On Threat Demonstration (HTD) programs in assessing the feasibility of countermeasures to ballistic missile defense programs and cruise missile threats to the United States. The conferees believe a similar program to assess the feasibility of the development of long-range ballistic missile capabilities by rogue or other states will be useful in assessing potential missile threats to the United States. Accordingly, the conferees provide \$2,400,000 to the CHOP program from the amount provided for National Missile Defense for the initiation of an effort to demonstrate the feasibility of building and testing a long-range ballistic missile using open source literature and materials likely to be available to potential rogue nations. The effort shall be conducted using the same approach employed by the CHOP and HTD programs.

Furthermore, of the amount provided for National Missile Defense Demonstration and Validation (Program Element 0603871C), not less than \$150,000 shall be provided to the HTD Program for completion of cruise missile flight testing.

## ELECTRONIC COMMERCE RESOURCE CENTERS (ECRC'S)

The conferees direct that the establishment of additional ECRC sites shall be based on a Department of Defense analysis of regional needs, with priority given to States not currently having such a facility already established.

## ECRC PERFORMANCE MEASURES

The conferees believe that significant cost saving benefits will be derived from the government adopting and using electronic com-

merce (EC) and electronic data interchange (EDI) in its business functions. The conferees view Electronic Commerce Resource Centers as a key element in advancing the Department's process of transferring its business process from a paper to electronic medium, especially as this process is implemented with small and medium size businesses. The conferees are aware that it has proven difficult to assess how effective the ECRC concept has been given the many variables that affect the pace and efficiency at which DoD and the rest of the federal government convert from paper-based management functions to EC/EDI. Nevertheless, the conferees believe better program performance measures must be established for the ECRC program to help implement a policy of making the ECRC's essentially self-sustaining over a five-year period, to measure their comparative value to DoD, and to evaluate methods to improve EC outreach, education and training, and technical support to both government and industry. The Department is directed to work with the ECRC integrators to develop a set of performance indicators (metrics) for the ECRCs that (1) focus on their ability to become self-sustaining, (2) prove their value in the market place, (3) encourage them to support and aid the government effort to develop FACENET or other forms of electronic commerce, (4) measure their value to DoD relative to one another, (5) keep their operating costs low, (6) track the number of instances in which a customer adopts or expands use of EC/EDI, and (7) measure customer satisfaction.

#### ATMOSPHERIC RESEARCH

The conferees understand that the Ballistic Missile Defense Organization has expressed interest in the development of a pan-oceanic environmental and atmospheric research laboratory. The conferees would encourage the Defense Department to allocate funding within BMDO to initiate this program during fiscal year 1998. The conferees expect to address additional funding for this program in fiscal year 1999.

#### MATERIALS AND ELECTRONICS TECHNOLOGY

The conferees have provided \$5,000,000 to be used only for 3-D multi-chip module (MCM) electronics. These funds will be used to develop and demonstrate key technologies behind a packaging concept that uses a stacked MCM approach to reduce interconnect length and increase physical connectivity between layers of electronics.

#### SUPPORT TECHNOLOGIES—BMDO

The conferees direct that the \$13,000,000 provided for the Russian-American Observational Satellites (RAMOS) program shall be available only for the RAMOS program.

#### VTOL UAV TECHNOLOGY

The conferees agree to provide \$8,000,000 to continue the development of a Vertical Takeoff and Landing (VTOL) unmanned aerial vehicle (UAV) and to initiate a demonstration program of future VTOL UAV technology, which should include demonstrating a

stopped rotor, high speed, and reaction driven concept. The development and acquisition strategy for this demonstration program should be coordinated with the Navy Science and Technology Requirements Office.

ENDURANCE UAVS

The conferees agree to a \$9,000,000 reduction for HAE support. This reduction shall not be applied against the development and testing for the two HAE common ground segments.

UNIVERSITY AFFILIATED RESEARCH CENTERS (UARCS)

The conferees believe that a UARC should be defined as a university receiving more than \$10,000,000 in sole source non-competitive contracts.

INSTITUTE FOR DEFENSE ANALYSES

The conferees do not agree to place restrictions on funds for the Institute for Defense Analyses proposed by the House, since the Defense Department has recently indicated its willingness to provide classified tactical aircraft IDA studies to the Appropriations Committees.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
DEVELOPMENTAL TEST & EVAL. DEFENSE:				
CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CT) .....	131,353	131,353	116,353	123,353
ECONOMIC ASSUMPTIONS .....			-2,000	-2,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
DEVELOPMENTAL TEST AND EVALUATION, DEFENSE:				
CENTRAL TEST AND EVALUATION INVESTMENT .....	131,353	131,353	116,353	123,353
PROGRAM REDUCTION .....			-15,000	-8,000
ECONOMIC ASSUMPTIONS .....			-2,000	-2,000

NATIONAL ASSESSMENT GROUP (NAG)

The conferees recognize the critical requirement for this activity and its mission as outlined in its charter, and direct that, at the beginning of fiscal year 1998, \$4,654,973 in Defense, Test and Evaluation Program Element 0605804D be transferred to Assessment and Evaluation Program Element 0604942D. This transfer is required to establish the National Assessment Group as a fully operational and autonomous organization. It is directed that outyear funding for NAG be included in PE 0604942D.

OPERATIONAL TEST AND EVALUATION, DEFENSE

The conference agreement is as follows:



[In thousands of dollars]

	Budget	House	Senate	Conference
OPERATIONAL TEST & EVALUATION, DEFENSE:				
OPERATIONAL TEST AND EVALUATION .....	13,187	13,187	21,187	17,187
LIVE FIRE TESTING .....	10,197	19,497	10,197	14,197

[In thousands of dollars]

	Budget	House	Senate	Conference
Operational Test and Evaluation .....	13,187	13,187	21,187	17,187
Operational field testing .....			+8,000	+4,000
Live fire testing .....	10,197	19,497	10,197	14,197
Simulation and modeling .....		+9,300		+4,000

## OPERATIONAL TEST AND EVALUATION

The conferees agree to provide \$4,000,000 for operational field assessments. However, the conferees are concerned about the widely differing views within the Department of Defense on this issue. To clarify this situation, the conferees direct the Joint Staff Director for Force Structure, Resources and Assessment (J-8) to conduct a thorough review of all aspects of operational field assessments. The review should assess past and current efforts, potential duplication of existing assessment capabilities, users of the assessment program, and the roles of possible participants, to include OT&E, the Services, NRO, DIA, and others as appropriate.

The report is to be provided to the Committees on Appropriations by March 30, 1998. The conferees direct that the funds provided for operational field assessments shall not be obligated until the required report is provided to Congress.

## TITLE V—REVOLVING AND MANAGEMENT FUNDS

The conferees agree to the following amounts for Revolving and Management Funds programs:

	Budget	House	Senate	Conference
Defense Working Capital Funds .....	33,400	971,952	871,952	971,952
Military Commissary Fund, Defense .....	938,552			
National Defense Sealift Fund .....	1,191,426	1,199,926	516,126	1,074,948
Total, Revolving and Management Funds .....	2,163,378	2,171,878	1,388,078	2,046,900

## DEFENSE WORKING CAPITAL FUNDS

The conferees agree to provide \$971,952,000 for the Defense Working Capital Fund. The conferees agree to merge funding for operations of the Defense Commissary Agency into the Defense working capital fund rather than including such funding in a separate account.

## NATIONAL DEFENSE SEALIFT FUND

The conferees agree to provide \$1,074,948,000. This includes reductions of \$131,000,000 for cost adjustments on previous LMSR conversion ships which can be deferred until fiscal year 1999 and \$478,000 of excess advance procurement funds for new LMSR con-

struction. The agreement also includes \$15,000,000 only for procurement of lighterage.

#### TITLE VI—OTHER DEPARTMENT OF DEFENSE PROGRAMS

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Health .....	10,301,650	10,309,750	10,317,675	10,369,075
Chemical Agents and Munitions Destruction, Defense ..	620,700	595,700	609,700	600,700
Drug Interdiction and Counter-Drug Activities, Defense	652,582	713,082	691,482	712,882
Office of the Inspector General .....	138,380	142,980	135,380	138,380
<b>Total, Other Department of Defense Programs</b>	<b>11,713,312</b>	<b>11,761,512</b>	<b>11,754,237</b>	<b>11,821,037</b>

#### DEFENSE HEALTH PROGRAM

##### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Medical Programs, O&M .....		+8,100	+16,025	+67,425
Breast Cancer (military programs) .....		+25,000		+25,000
Head Injury .....		+1,000		+1,000
Air Force Neuroscience .....		+4,900		+4,900
Diabetes Research .....		+4,000		+4,000
Epidermolysis Bullosa .....		+1,000		+1,000
Medical Imaging .....		+4,700		+3,500
Tissue Engineering .....		+4,700		+3,500
HIV .....		+15,000		+15,000
Minimally Invasive Research .....		+13,000		+13,000
Lab Upgrades .....		+8,000		+8,000
Nervous System Studies .....		+4,500		+4,500
Gulf War Illness .....		+4,500		+4,500
PACMEDNET .....		+1,000		+1,000
High risk automation systems .....		-20,000		-20,000
HPSP Tax Liability .....		-70,800	-70,800	-70,800
Economic Adjustment .....		-1,400		
Hepatitis A Vaccine .....			+25,000	+17,000
Military Health Information Services .....			+10,000	+7,000
USUHS .....			+13,000	+13,000
Pacific Island Health Care Program .....			+5,000	+5,000
Brown Tree Snakes .....			+1,000	+1,000
Cancer Control Program .....			+8,925	+8,925
Army Research Institute .....			+5,400	+5,400
Committee Increase .....			+1,500	
Military Nursing Research .....			+5,000	+5,000
Disaster Management Training .....			+5,000	+5,000
Holloman Air Force Base .....			+7,000	+5,000
Restoration of Army O&M (VAC) .....				+8,000
Economic Adjustment .....				-20,000

#### BREAST CANCER

The conferees have provided a total of \$160,000,000 only for breast cancer research and related treatment. Of that amount \$135,000,000 is for the Army's peer-reviewed research program. The conferees are very encouraged with the administration of this program and with the composition of, and strategy developed by the program's peer review panel and believe this should be main-

tained. The remaining \$25,000,000 is to be used to improve access to care for military members and their families.

#### TELEMEDICINE

The conferees agree that pursuant to the GAO report "Telemedicine: Federal Strategy is Needed to Guide Investments", DoD Health Affairs should contract with an outside organization, which has previously demonstrated the ability to assess and plan strategic telehealth initiatives, to enumerate current telehealth efforts and recommend coordination activities among the tri-services to prevent duplication and enhance "dual use" telecommunications for health care delivery, education and related public sector applications. This assessment should also include the worldwide computer-based patient record as a necessary component of telehealth. The resulting report and recommendations shall be provided to the congressional defense committees by April 1, 1998.

#### NATIONAL REHABILITATION HOSPITAL

The conferees are pleased with the success of the cooperative effort between the Department of the Army and the National Rehabilitation Hospital at the Assistive Technology Research Center. Through its efforts, individuals with disabilities are benefiting from technology advances previously limited to the military. The conferees urge that this effort be continued.

#### MILITARY RETIREE HEALTH CARE

The conferees are encouraged by the recent decision to implement the Medicare subvention demonstration, to provide health care for Medicare-eligible military retirees who are not currently covered under TRICARE. The conferees believe a properly tailored subvention demonstration, coupled with continued assessment of the TRICARE program, is essential to develop the data needed to evaluate the success, and adequacy, of military managed care programs. The conferees understand the Department is focusing its efforts in the first phase of the Medicare subvention demonstration on rapid implementation. However, this emphasis may not provide a true picture of the relative merits of the subvention program, as it may preclude analysis of a representative sampling of beneficiary populations (such as those in rural areas, or in regions with a high density retiree population).

The conferees believe the Department should rapidly move towards a second phase Medicare subvention demonstration, which takes into account such factors and will give the Department a more diverse sampling of data and one more representative of the actual challenges facing the military health care delivery system. The Department is directed to submit a report to the congressional defense committees not later than March 1, 1998, on its plans for phase one of the Medicare subvention demonstration as well as its plans regarding subsequent demonstration phases.

While encouraged by the advent of the subvention effort, the conferees note that alternative options, such as providing the Federal Employees Health Benefits Plan (FEHBP) to Medicare-eligible military retirees, exist and could serve to further ameliorate the

problems caused by TRICARE “lock-out.” In response to a directive in last year’s Defense Appropriations Act to assess the FEHBP option, the Department indicated there may be some merit in conducting a limited FEHBP demonstration program. The conferees believe such an effort, if analyzed in conjunction with TRICARE and the Medicare subvention options, would provide the Department of Defense, other affected Federal agencies, and Congress with a more complete picture of the potentially available means for providing health care for the over-65 military beneficiary population. Therefore, the conferees direct the Secretary of Defense, in consultation with the Director of the Office of Personnel Management, to submit a legislative proposal for Congressional consideration next year to implement a limited FEHBP demonstration program. The program plan should cover only Medicare-eligible beneficiaries and include cost estimates that are based on current beneficiary participation data.

#### DNA DATA BANK

The conferees strongly support Department of Defense policies that protect information in its “DNA Data Bank” for soldiers, as outlined in its April 2, 1996 policy memorandum. Because this pool of genetic data is one of the largest in the country, the conferees are concerned about the possibility for health, life, and disability insurers to use this data for inappropriate and discriminator purposes. The conferees direct the Department of Defense to continue to promote policies that provide the utmost protection of the genetic information in the “Armed Forces Repository of Specimen Samples for the Identification of Remains.”

#### CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

The conference agreement is as follows:

(In thousands of dollars)

	Budget	House	Senate	Qty	Conference
CHEM AGENTS & MUNITION DESTRUCTION, DEF					
CHEM DEMILITARIZATION—O&M .....	472,200	472,200	467,200	.....	462,200
CHEM DEMILITARIZATION—PROC. ....	82,200	67,200	77,200	.....	72,200
CHEM DEMILITARIZATION—RDTE .....	66,300	56,300	70,300	.....	66,300
ECONOMIC ASSUMPTIONS .....			-5,000	.....	

#### DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

The conference agreement is as follows:

(In thousand of dollars)

	Budget	House	Senate	Conference
Dismantling Cartels .....	54,306	.....	.....	54,306
Source Nation Support .....	166,763	.....	.....	174,963
National Imagery & Mapping Agency .....	8,374	7,574	8,374	7,574
LEA Support (1004) .....	3,585	18,585	3,585	3,585
Riverine Interdiction Initiative .....	.....	.....	4,200	9,000
Detection and Monitoring .....	124,686	.....	.....	124,686
Law Enforcement Agency Support .....	223,589	.....	.....	275,189
Gulf States Counterdrug Initiative .....	3,366	16,166	10,066	16,166
Multi-Jurisdictional Task Force .....	2,047	6,047	2,047	6,047
Southwest Border Information System .....	.....	5,000	.....	4,000

[In thousand of dollars]

	Budget	House	Senate	Conference
Civil Air Patrol .....	1,175	3,975	1,175	1,175
National Interagency Counter-drug Institute .....		3,000		
Southwest Border Fence .....		7,000		4,000
Optionally Piloted Air Vehicle .....		2,500		
HIDTA Crack House Demolition .....		2,300		2,300
C-26 Aircraft Photo Reconnaissance Upgrade .....		11,000		4,500
Non-Intrusive Inspection Systems RDT&E .....	16,013	11,413	16,013	16,013
National Guard .....	132,358	132,358	157,358	149,358
Regional Police Information System .....			3,000	3,000
Demand Reduction .....	83,238			83,738
Young Marines Program .....	500	1,000	500	1,000
<b>Total .....</b>	<b>652,582</b>	<b>713,082</b>	<b>691,482</b>	<b>712,882</b>

## GULF STATES INITIATIVE

The conferees agree with the direction contained in House report 105-206 and provide \$16,166,000 for the Gulf States Initiative (GSI). The conferees have funded this program in the Drug Interdiction account, but direct that management of this program, with the exception of the Regional Counter-drug Training Academy, be transferred to the Joint Military Intelligence Program (JMIP). The conferees direct the Coordinator for Drug Enforcement Policy and Support to provide \$13,135,000 to the JMIP to manage and operate the GSI in fiscal year 1998.

## CIVIL AIR PATROL

The conferees agree to provide \$2,800,000 above the budget request for the Civil Air Patrol, but have provided those funds in the Operation and Maintenance Title.

## HIDTA CRACK HOUSE DEMOLITION

The conferees agree to provide \$2,300,000 as recommended by the House for Crack House Demolition and related missions. The conferees are concerned about the physical protection of National Guard personnel during demolition missions and expect the Guard and local law enforcement agencies to arrange for protection prior to the execution of these missions. The conferees are also concerned about the status of the properties to be demolished. The conferees understand that the National Guard intends to require legal certification from the lead public agency that titles to the structures to be demolished are controlled by the public agency, that hazardous materials are not present and that the appropriate law enforcement agency has certified the sites as drug distribution centers.

## OFFICE OF THE INSPECTOR GENERAL

The conferees agree to provide \$138,380,000 for the Office of the Inspector General. Of this amount, \$136,580,000 shall be for operation and maintenance activities and \$1,800,000 shall be for procurement.

## TITLE VII—RELATED AGENCIES

The conferees agree to the following amounts for Related Agencies:

[In Thousands of Dollars]

	Request	House	Senate	Conference
Intelligence Community Management Account .....	122,580	125,580	122,580	121,080
National Security Education Trust Fund .....	2,000	2,000	2,000	2,000
Central Intelligence Agency Retirement and Disability System Fund .....	196,900	196,900	196,900	196,900
Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund .....	10,000	10,000	10,000	35,000

## INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

Details of the adjustments to this account are addressed in the classified annex accompanying this report.

## TITLE VIII—GENERAL PROVISIONS

The conference agreement incorporates general provisions of the House and Senate versions of the bill which were not amended. Those general provisions that were amended in conference follow:

The conferees included a general provision (Section 8005) which amends Senate language concerning transfer authority and which provides \$65,000,000 for termination costs of the Reserve Mobilization Income Insurance Program.

The conferees included a general provision (Section 8008) providing multiyear procurement authority for certain programs.

The conferees included a general provision (Section 8024) which amends Senate language earmarking funds for Indian Financing Act Incentives and extends eligibility to contractors participating in the test program established by Section 854 of Public Law 101-89.

The conferees included a general provision (Section 8034) earmarking funds for the Civil Air Patrol.

The conferees included a general provision (Section 8035) governing the activities of defense federally funded research and development centers (FFRDCs).

The conferees included a general provision (Section 8043) which amends a Senate provision offsetting funds provided to meet flying hour shortfalls. The conference agreement contains significant increases over the budget request to meet shortfalls in flying hour and spare parts funding, depot maintenance, and other readiness requirements of both the Active and Reserve components. Section 8043 provides offsets for these critical readiness programs through reductions, on a pro-rata basis, to each activity funded in titles III and IV of the conference agreement.

The conferees included a new general provision (Section 8048) which offsets funding provided for National Missile Defense (NMD). In title IV, the conference agreement includes an additional \$474,000,000 over the President's request for NMD, responding to a request from the Secretary of Defense after significant shortfalls were discovered in programmed funding. Section 8048 offsets the additional funds provided in the conference agreement for NMD by

a like reduction, on a pro-rata basis, to each activity funded in title IV.

The conferees included a general provision (Section 8056) which amends Senate language regarding the mitigation of environmental impact of DoD activities on Indian lands.

The conferees included a general provision (Section 8061) which amends House language concerning the increase or transfer of DoD personnel assigned to headquarters activities and field operating agencies.

The conferees included a general provision (Section 8062) which amends Senate language authorizing intelligence activities.

The conferees included a general provision (Section 8064) which amends House and Senate language recommending rescissions.

	House	Senate	Conference
FISCAL YEAR 1996			
SHIPBUILDING AND CONVERSION, NAVY:			
AFS Ship .....	- 35,600,000	0	- 35,600,000
Subtotal .....	- 35,600,000	0	- 35,600,000
OTHER PROCUREMENT, NAVY:			
SHINCOM .....	- 3,300,000	0	- 3,300,000
Subtotal .....	- 3,300,000	0	- 3,300,000
Total fiscal year 1996 .....	- 38,900,000	0	- 38,900,000
FISCAL YEAR 1997			
AIRCRAFT PROCUREMENT, ARMY:			
Blackhawk Advance Procurement .....	- 5,000,000	0	- 5,000,000
Subtotal .....	- 5,000,000	0	- 5,000,000
PROCUREMENT OF AMMUNITION, ARMY:			
Armament Retooling and Manufacturing Support .....	- 5,000,000	0	- 5,000,000
Subtotal .....	- 5,000,000	0	- 5,000,000
OTHER PROCUREMENT, ARMY:			
Maneuver Control System .....	- 6,000,000	0	- 6,000,000
Subtotal .....	- 6,000,000	0	- 6,000,000
AIRCRAFT PROCUREMENT, NAVY:			
F/A-18E/F (Fighter) Hornet (AP-CY) .....	- 24,000,000	0	- 24,000,000
Subtotal .....	- 24,000,000	0	- 24,000,000
OTHER PROCUREMENT, NAVY:			
SHINCOM .....	- 2,200,000	0	- 2,200,000
Subtotal .....	- 2,200,000	0	- 2,200,000
RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY:			
Armored System Modernization-Adv Development .....	0	0	- 6,000,000
Subtotal .....	0	0	- 6,000,000

	House	Senate	Conference
RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY:			
Classified programs .....	0	0	-40,000,000
Subtotal .....	0	0	-40,000,000
RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE:			
Classified programs .....	0	-25,000,000	-25,000,000
Subtotal .....	0	-25,000,000	-25,000,000
RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE:			
Tactical UAV Outrider .....	0	-20,000,000	-20,000,000
Follow-on-TMD Airborne sensors for ballistic missile tracking .....	0	-9,700,000	-4,000,000
Subtotal .....	0	-29,700,000	-24,000,000
Total fiscal year 1997 .....	-42,200,000	-54,700,000	-137,200,000
Grand total .....	-81,000,000	-54,700,000	-176,100,000

The conferees have rescinded a portion of the fiscal year 1997 funds provided for the Airborne Sensors for Ballistic Missile Tracking project. The conferees direct that the first priority for the remaining funds shall be to accomplish any valid technology transfer to Airborne Laser (ABL) program.

The conferees included a general provision (Section 8086) which amends Senate language making funds available for Reserve peacetime support to active duty and civilian activities.

The conferees included a general provision (Section 8090) which amends House language for ship cost adjustments requested by the Navy and program adjustments for the F-22. It also includes transfer of funds formerly for prior year ship construction projects to the RDT&E appropriation. The conferees direct that \$9,500,000 within the Research, Development, Test and Evaluation, Navy appropriation be used only in the Advanced Transition Technology program for the integration of advanced propulsion technology within a composite structure and mission capable communications to be used for multi-mission patrol craft.

The conferees included a new general provision (Section 8097) to provide funding for the refurbishment of the USS Intrepid.

The conferees included a general provision (Section 8105) which amends House language reducing funding provided to the Operation and Maintenance accounts of the Army, Navy, and Air Force to compensate for excess inventory.

The conferees included a general provision (Section 8106) which amends House language concerning savings from changes to law proposed by the House National Security Committee and the Senate Armed Services Committees on warranties in contracts for the acquisition of defense weapon systems. The conferees agree to a reduction of \$75,000,000 rather than \$50,000,000 as proposed by the House.



The conferees included a general provision (Section 8109) which amends Senate language concerning a pilot project within the Maritime Technology Program to make technical corrections.

The conferees included a general provision (Section 8114) which amends House language restricting the use of Research and Development funding for the procurement of end-items.

The conferees included a general provision (Section 8117) which prohibits the Department from entering into or renewing a contract with an entity unless the contractor has submitted an annual report to the Department of Labor concerning the employment of veterans. The conferees express their understanding that under current regulations, the annual report for 1997 must be submitted not later than September 30, 1998.

The conferees included a general provision (Section 8121) which amends Senate language earmarking funds to demonstrate expanded use of multi-technology automated reader cards.

The conferees included a general provision (Section 8122) which amends Senate language requiring a report on all anticipated costs to the United States for the admission of the Czech Republic, Poland and Hungary to NATO.

The conferees included a general provision (Section 8123) which amends Senate language concerning reciprocal trade agreements and the conditions under which the Secretary of Defense may issue waivers to the Buy America Act.

The conferees included a new general provision (Section 8127) which rescinds \$100,000,000 from funds appropriated in previous Defense Department Appropriations Acts which are expected to expire at the end of fiscal year 1998.

The conferees included a new general provision (Section 8128) which allows the Secretary of Defense to provide funds for operational costs associated with the Lexington Bluegrass facility.

The conferees included a new general provision (Section 8129) to facilitate contractor teaming for construction of submarines. It is required by the Navy in order to implement the President's budget request and appropriation in this Act for funding for the New Attack Submarine.

The conferees included a new general provision (Section 8130) establishing the National Security Strategy Study Group.

The conferees included a new general provision (Section 8131) establishing a panel to review the need for continued production of the B-2 bomber.

The conferees included a general provision (Section 8132) which amends House language restricting the use of funds for the U.S. military deployment in Bosnia after June 30, 1998. The amended provision denies the use of funds in the Defense Appropriations Act, 1998, for the deployment of U.S. armed forces in the Republic of Bosnia and Herzegovina after June 30, 1998, unless the President, after consultation with the bipartisan leadership of the Senate and House of Representatives, transmits to the Congress not later than May 15, 1998 a certification that the continued presence of United States armed forces is required in order to meet the national security interests of the United States. Any such certification shall specify the following aspects of any deployment beyond June 30, 1998:

- (1) The reasons why such deployment is in the national interest;
- (2) The number of United States military personnel to be deployed in and around the Republic of Bosnia and Herzegovina and the former Yugoslavia;
- (3) The expected duration of any such deployment;
- (4) The mission and objectives of United States military forces deployed in and around the Republic of Bosnia and Herzegovina and the former Yugoslavia; and
- (5) The exit strategy for United States forces engaged in such deployment;
- (6) The costs associated with any deployment beyond June 30, 1998; and
- (7) The impact of such deployment on the morale, retention, and effectiveness of U.S. forces:

Pursuant to Section 8132, concurrent with the submission of any such certification, the President shall submit to the Congress a fiscal year 1998 supplemental appropriations request for such amounts as are necessary for any continued deployment beyond June 30, 1998.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1998 recommended by the Committee of Conference, with comparisons to the fiscal year 1997 amount, the 1998 budget estimates, and the House and Senate bills for 1998 follow:

New budget (obligational) authority, fiscal year 1997 .....	\$242,389,726,000
Budget estimates of new (obligational) authority, fiscal year 1998 .....	243,923,541,000
House bill, fiscal year 1998 .....	248,335,303,000
Senate bill, fiscal year 1998 .....	247,184,859,000
Conference agreement, fiscal year 1998 .....	247,708,522,000
Conference agreement compared with: .....	
New budget (obligational) authority, fiscal year 1997 .....	+5,318,796,000
Budget estimates of new (obligational) authority, fiscal year 1998 .....	+3,784,981,000
House bill, fiscal year 1998 .....	-626,781,000
Senate bill, fiscal year 1998 .....	+523,663,000

BILL YOUNG,  
 JOSEPH M. MCDADE,  
 JERRY LEWIS,  
 JOE SKEEN,  
 DAVID L. HOBSON,  
 HENRY BONILLA,  
 GEORGE R. NETHERCUTT, Jr.,  
 ERNEST ISTOOK,  
 RANDY "DUKE" CUNNINGHAM,  
 BOB LIVINGSTON,  
 JOHN P. MURTHA,  
 NORM DICKS,  
 (Except on amendment dealing with the B-2 bomber),  
 W.G. BILL HEFNER,  
 MARTIN OLAV SABO,  
 JULIAN C. DIXON,

PETER J. VISCLOSKY,  
*Managers on the Part of the House.*

TED STEVENS,  
THAD COCHRAN,  
ARLEN SPECTER,  
PETE DOMENICI,  
CHRISTOPHER S. BOND,  
MITCH MCCONNELL,  
RICHARD SHELBY,  
JUDD GREGG,  
KAY BAILEY HUTCHISON,  
DANIEL K. INOUE,  
ROBERT BYRD,  
PATRICK J. LEAHY,  
DALE BUMPERS,  
FRANK R. LAUTENBERG,  
BYRON L. DORGAN,  
*Managers of the Part of the Senate.*

