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94TH CONGRESS } HOUSE OF REPRESENTATIVES } REPORT
1st Session } } No. 94-413

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1976 AND THE PERIOD BEGINNING JULY 1, 1976, AND ENDING SEPTEMBER 30, 1976, FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, ACTIVE DUTY, RESERVE, AND CIVILIAN PERSONNEL STRENGTH LEVELS, MILITARY TRAINING STUDENT LOADS, AND FOR OTHER PURPOSES.

JULY 26, 1975.—Ordered to be printed

Mr. PRICE, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 6674]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads 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 proposed to be inserted by the Senate amendment insert the following:

TITLE I—PROCUREMENT

Sec. 101. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked

combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$337,500,000; for the Navy and the Marine Corps, \$2,997,800,000; for the Air Force, \$4,224,000,000, of which amount not to exceed \$64,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft. None of the funds authorized by this Act may be obligated or expended for the purpose of entering into any production contract or any other contractual arrangement for production of the B-1 bomber aircraft unless the production of such aircraft is hereafter authorized by law. The funds authorized in this Act for long lead items for the B-1 bomber aircraft do not constitute a production decision or a commitment on the part of Congress for the future production of such aircraft.

MISSILES

For missiles: for the Army, \$431,000,000; for the Navy, \$990,400,000; for the Marine Corps, \$52,900,000; for the Air Force, \$1,765,000,000, of which \$265,800,000 shall be used only for the procurement of Minuteman III missiles.

NAVAL VESSELS

For Naval vessels: for the Navy, \$4,044,400,000, of which amount not more than \$60,000,000 shall be available for the procurement of only long lead items for the nuclear strike cruiser.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$864,000,000, of which \$379,400,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$101,500,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$189,500,000.

OTHER WEAPONS

For other weapons: for the Army, \$74,300,000; for the Navy, \$17,700,000; for the Marine Corps, \$100,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$2,028,933,000;

For the Navy (including the Marine Corps), \$3,318,649,000;

For the Air Force, \$3,737,001,000; and
For the Defense Agencies, \$588,700,000, of which \$25,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

TITLE III—ACTIVE FORCES

SEC. 301. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

- (1) The Army, 785,000;
- (2) The Navy, 528,651;
- (3) The Marine Corps, 196,303;
- (4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and the Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

TITLE IV—RESERVE FORCES

SEC. 401. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than following:

- (1) The Army National Guard of the United States, 400,000;
- (2) The Army Reserve, 219,000;
- (3) The Naval Reserve, 106,000;
- (4) The Marine Corps Reserve, 32,481;
- (5) The Air National Guard of the United States, 94,879;
- (6) The Air Force Reserve, 51,789;
- (7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

TITLE V—CIVILIAN PERSONNEL

Sec. 501. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Department of Defense is authorized an end strength for civilian personnel of 1,058,000.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section but such additional number may not exceed one-half of one per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

TITLE VI—MILITARY TRAINING STUDENT LOADS

Sec. 601. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

- (1) The Army, 83,101;
- (2) The Navy, 69,513;
- (3) The Marine Corps, 26,489;
- (4) The Air Force, 51,225;
- (5) The Army National Guard of the United States, 9,788;

- (6) The Army Reserve, 7,359;
- (7) The Naval Reserve, 1,661;
- (8) The Marine Corps Reserve, 2,769;
- (9) The Air National Guard of the United States, 1,952; and
- (10) The Air Force Reserve, 810.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the fiscal year ending June 30, 1976, shall be adjusted consistent with the manpower strengths provided in titles III, IV, and V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve Components in such manner as the Secretary of Defense shall prescribe.

TITLE VII—AUTHORIZATION FOR THE PERIOD BEGINNING JULY 1, 1976, AND ENDING SEPTEMBER 30, 1976

Sec. 701. PROCUREMENT.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$59,400,000; for the Navy and the Marine Corps, \$585,500,000; for the Air Force, \$858,000,000, of which amount not to exceed \$23,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft.

MISSILES

For missiles: for the Army, \$56,500,000; for the Navy, \$308,600,000; for the Marine Corps, \$10,700,000; for the Air Force, \$252,200,000.

Naval Vessels

For naval vessels: for the Navy, \$474,200,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$245,300,000, of which \$133,000,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$400,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$19,200,000.

OTHER WEAPONS

For other weapons: for the Army, \$9,700,000; for the Navy, \$1,400,000.

SEC. 702. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$513,326,000;

For the Navy (including the Marine Corps), \$849,746,000;

For the Air Force, \$965,783,000; and

For the Defense Agencies, \$144,768,000, of which \$5,000,000 is authorized for the activities of the Director of Test and Evaluation Defense.

SEC. 703. ACTIVE FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 793,000;

(2) The Navy, 535,860;

(3) The Marine Corps, 196,498;

(4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

SEC. 704. RESERVES FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 400,000;

(2) The Army Reserve, 219,000;

(3) The Naval Reserve, 106,000;

(4) The Marine Corps Reserve, 33,013;

(5) The Air National Guard of the United States, 94,543;

(6) The Air Force Reserve, 53,612;

(7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the period; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the period. Whenever such units or such individual members are released from active duty during the period, the average strength for such period for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 705. CIVILIAN PERSONNEL.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Department of Defense is authorized an end strength for civilian personnel of 1,064,400.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section, but such additional number may not exceed one-half of 1 per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

SEC. 706. MILITARY TRAINING STUDENT LOADS.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 75,185;

(2) The Navy, 70,571;

(3) The Marine Corps, 26,788;

(4) The Air Force, 52,280;

(5) The Army National Guard of the United States, 9,481;

(6) The Army Reserve, 5,518;

(7) The Naval Reserve, 2,106;

(8) The Marine Corps Reserve, 4,088;

(9) *The Air National Guard of the United States*, 2,180; and
 (10) *The Air Force Reserve*, 836.

(b) *The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the period beginning July 1, 1976, and ending September 30, 1976, shall be adjusted consistent with the manpower strengths provided in sections 703, 704, and 705 of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components in such manner as the Secretary of Defense shall prescribe.*

TITLE VIII—GENERAL PROVISIONS

SEC. 801. (a) *Section 138 of title 10, United States Code, is amended as follows:*

(1) *Subsection (a) of such section is amended—*

(A) *by striking out “or” at the end of paragraph (4);*

(B) *by inserting “or” after the semicolon at the end of paragraph (5); and*

(C) *by inserting immediately after paragraph (5) the following new paragraph:*

“(6) *military construction (as defined in subsection (e) of this section);”*

(2) *Such section is amended by adding at the end thereof the following new subsection:*

“(e) *For purposes of subsection (a) (6) of this section, the term ‘military construction’ includes any construction, development, conversion, or extension of any kind which is carried out with respect to any military facility or installation (including any Government-owned or Government-leased industrial facility used for the production of defense articles and any facility to which section 2353 of this title applies) but excludes any activity to which section 2673 or 2674, or chapter 133, of this title apply, or to which section 406 (a) of Public Law 85-241 (71 Stat. 556) applies.”*

(b) *The amendment provided by paragraph (2) of subsection (a) above with respect to funds not heretofore required to be authorized shall only apply to funds authorized for appropriation for fiscal year 1977 and thereafter.*

SEC. 802. (a) *The second sentence of section 511(d) of title 10, United States Code, is amended by striking out “four months” and inserting in lieu thereof “twelve weeks”.*

(b) *Section 671 of title 10, United States Code, is amended by striking out “four months” and inserting in lieu thereof “twelve weeks”.*

(c) *The sixth paragraph of section 4(a) of the Military Selective Service Act (50 U.S.C. App. 454(a)) is amended by striking out “four months” each time it appears in such paragraph and inserting in lieu thereof in each case “twelve weeks”.*

(d) *The third sentence of section 6(c) (2) (A) of the Military Selective Service Act (50 U.S.C. App. 456(c) (2) (A)) is amended by striking out “four consecutive months” and inserting in lieu thereof “twelve consecutive weeks”.*

SEC. 803. (a) *Notwithstanding any other provision of law, in the administration of chapter 403 of title 10, United States Code (relating to the United States Military Academy), chapter 603 of such title (relating to the United States Naval Academy), and chapter 903 of such title (relating to the United States Air Force Academy), the Secretary of the military department concerned shall take such action as may be necessary and appropriate to insure that (1) female individuals shall be eligible for appointment and admission to the service academy concerned, beginning with appointments to such academy for the class beginning in calendar year 1976, and (2) the academic and other relevant standards required for appointment, admission, training, graduation, and commissioning of female individuals shall be the same as those required for male individuals, except for those minimum essential adjustments in such standards required because of physiological differences between male and female individuals.*

(b) *Title 10, United States Code, is amended as follows:*

(1) *Sections 4342, 6954, and 9342 are each amended by striking out the word “sons” wherever it appears therein and inserting in place thereof in each instance the word “children”.*

(2) *Section 6956 (d) is amended by striking out the word “men” wherever it appears therein and inserting in place thereof in each instance the word “members”.*

(c) *It is the sense of Congress that, subject to the provisions of subsection (a), the Secretaries of the military departments shall, under the direction of the Secretary of Defense, continue to exercise the authority granted them in chapters 403, 603 and 903 of title 10, United States Code, but such authority must be exercised within a program providing for the orderly and expeditious admission of women to the academies, consistent with the needs of the services, with the implementation of such program upon enactment of this Act.*

SEC. 804. (a) *Chapter 4 of title 10, United States Code, is amended by adding the following new section after section 139 and inserting a corresponding item in the chapter analysis:*

“§ 140. Emergencies and extraordinary expenses

“(a) *Subject to the limitations of subsection (c) of this section, and within the limitation of appropriations made for the purpose, the Secretary of Defense and the Secretary of a military department within his department, may provide for any emergency or extraordinary expense which cannot be anticipated or classified. When it is so provided in such an appropriation, the funds may be spent on approval or authority of the Secretary concerned for any purpose he determines to be proper, and such a determination is final and conclusive upon the accounting officers of the United States. The Secretary concerned may certify the amount of any such expenditure authorized by him that he considers advisable not to specify, and his certificate is sufficient voucher for the expenditure of that amount.*

“(b) *The authority conferred by this section may be delegated by the Secretary of Defense to any person in the Department of Defense or by the Secretary of a military department to any person within his department, with or without the authority to make successive re-delegations.*

"(c) In any case in which funds are expended under the authority of subsections (a) and (b) of this section, the Secretary of Defense shall submit a report of such expenditures on a quarterly basis to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives."

(b) Section 7202 of title 10, United States Code, and the corresponding item in the analysis of such chapter are repealed.

SEC. 805. Section 139 (b) of title 10, United States Code, is amended by deleting the word "sixty" and inserting in lieu thereof the word "ninety".

SEC. 806. Section 1401a of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(f) Notwithstanding any other provision of law, the monthly retired or retainer pay of a member or a former member of an armed force who initially became entitled to that pay on or after January 1, 1971, may not be less than the monthly retired or retainer pay to which he would be entitled if he had become entitled to retired or retainer pay at an earlier date, adjusted to reflect any applicable increases in such pay under this section. In computing the amount of retired or retainer pay to which such a member would have been entitled on that earlier date, the computation shall, subject to subsection (e) of this section, be based on his grade, length of service, and the rate of basic pay applicable to him at that time. This subsection does not authorize any increase in the monthly retired or retainer pay to which a member was entitled for any period prior to the effective date of this subsection."

SEC. 807. (a) In any case in which funds are unavailable for the payment of a claim arising under a contract entered into prior to July 1, 1974, for the construction or conversion of any naval vessel, the Secretary of the Navy is authorized to settle such claim, but the settlement thereof shall be made subject to the authorization and appropriation of funds therefor. The Secretary of the Navy shall promptly forward to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives copies of all claim settlements made under this section.

(b) The authority provided in subsection (a) of this section shall be effective for any fiscal year only to such extent and in such amounts as are provided in appropriation Acts.

SEC. 808. Concurrent with the submission of the President's budget for the fiscal year commencing October 1, 1976, the Secretary of Defense shall submit a five-year naval ship new construction and conversion program. Thereafter, concurrent with the annual submission of the President's budget, the Secretary of Defense shall report to the Committees on Armed Services of the Senate and the House of Representatives any changes to such a five-year program as he deems necessary for the current year, and for the succeeding years, based upon, but not limited to, alterations in the defense strategy of the United States and advances in defense technology. This section does not in any way change existing law with respect to the annual authorization of the construction and conversion of naval vessels.

SEC. 809. The restrictive language contained in section 101 of the Department of Defense Appropriations Authorization Act, 1975

(Public Law 93-365), and in section 101 of the Department of Defense Appropriations Authorization Act, 1974 (Public Law 93-155), under the heading "Naval Vessels", which relates to the use of funds for the DLGN nuclear guided missile frigate program, shall not apply with respect to \$101,000,000 of long lead funding provided for in such Acts for the DLGN-42 nuclear guided missile frigate.

SEC. 810. No funds authorized for appropriation to the Department of Defense shall be obligated under a contract for any multiyear procurement as defined in section I-322 of the Armed Services Procurement Regulations (as in effect on September 26, 1972) where the cancellation ceiling for such procurement is in excess of \$5,000,000 unless the Congress, in advance, approves such cancellation ceiling by statute.

SEC. 811. (a) Beginning with the quarter ending December 31, 1975, the Secretary of Defense shall submit to the Congress within 30 days after the end of each quarter of each fiscal year, written selected acquisition reports for those major defense systems which are estimated to require the total cumulative financing for research, development, test, and evaluation in excess of \$50,000,000 or a cumulative production investment in excess of \$200,000,000. If the reports received are preliminary then final reports are to be submitted to the Congress within 45 days after the end of each quarter.

(b) Any report required to be submitted under subsection (a) shall include, but not be limited to, the detailed and summarized information included in reports required by section 139 of title 10, United States Code.

SEC. 812. The Secretary of Defense, after consultation with the Secretary of State, shall prepare and submit to the Committees on Armed Services of the Senate and the House of Representatives a written annual report on the foreign policy and military force structure of the United States for the next fiscal year, how such policy and force structure relate to each other, and the justification for each. Such report shall be submitted not later than January 31 of each year.

SEC. 813. In the case of any letter of offer to sell or any proposal to transfer defense articles which are valued at \$25,000,000 or more from the United States active forces' inventories, the Secretary of Defense shall submit a report to the Congress setting forth—

(1) the impact of such sales or transfers on the current readiness of United States forces; and

(2) the adequacy of reimbursements to cover, at the time of replenishment to United States' inventories, the full replacement costs of those items sold or transferred.

SEC. 814. (a) It is the sense of the Congress that equipment, procedures, ammunition, fuel and other military impedimenta for land, air and naval forces of the United States stationed in Europe under the terms of the North Atlantic Treaty should be standardized or made interoperable with that of other members of the North Atlantic Treaty Organization to the maximum extent feasible. In carrying out such policy the Secretary of Defense shall, to the maximum feasible extent, initiate and carry out procurement procedures that provide for the acquisition of equipment which is standardized or interoperable with equipment of other members of the North Atlantic Treaty Organization whenever such equipment is designed primarily to be

used by personnel of the Armed Forces of the United States stationed in Europe under the terms of the North Atlantic Treaty.

(b) The report required under section 302(c) of Public Law 93-365 shall include a listing of the initiation of procurement action on any new major system not in compliance with the policy set forth in section (a).

(c) Section 302(c) of Public Law 93-365 is amended by deleting the last two sentences and inserting in lieu thereof the following: "The Secretary of Defense shall report annually, not later than January 31 of each year, to the Congress on the specific assessments and evaluations made under the above provisions as well as the results achieved with the North Atlantic Treaty Organization allies."

SEC. 815. Notwithstanding any other provision of law, the authority provided in section 501 of Public Law 91-441 (84 Stat. 909) is hereby extended until June 30, 1977; but no transfer of aircraft or other equipment may be made under the authority of such section 501 unless funds have been previously appropriated for such transfer.

SEC. 816. (a) The Armed Forces of the United States operate worldwide in maintaining international peace and in protecting the interests of the United States. It is essential to the effective operation of the Armed Forces that they receive adequate supplies of petroleum products. Citizens and nationals of the United States and corporations organized or operating within the United States enjoy the benefits of the United States flag and the protection of the Armed Forces and owe allegiance to the United States. It is the purpose of this section to provide a remedy for discrimination by citizens or nationals of the United States or corporations organized or operating within the United States, and by organizations controlled by them, against the Department of Defense in the supply of petroleum products.

(b) (1) No supplier shall engage in discrimination (as defined in subsection (e) (2) of this section) in the supply, either within or outside the United States, of petroleum products for the Armed Forces of the United States.

(2) The Secretary of Defense, whenever he has reason to believe that there has been discrimination, shall immediately refer the matter to the Attorney General of the United States who shall immediately institute an investigation.

(c) (1) The several district courts of the United States are invested with jurisdiction to prevent and restrain discrimination prohibited by subsection (b) (1) of this section; and it shall be the duty of the several United States attorneys, in their respective districts, under the direction of the Attorney General, to institute proceedings to prevent and restrain such discrimination. Such proceedings may be by way of petitions setting forth the case and requesting that the discrimination be enjoined or otherwise prohibited. Pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as it determines appropriate under the circumstances of the case.

(2) Whenever it shall appear to the court before which any proceeding under paragraph (1) of this subsection may be pending, that

the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpoenas to that end may be served in any district by the marshal thereof.

(3) Any proceeding under paragraph (1) of this subsection against any corporation may be brought not only in the judicial district in which it is incorporated, but also in any district in which it may be found or transacts business; and all process in such cases may be served in the district in which it is incorporated, or wherever it may be found.

(4) In any proceeding brought in any district court of the United States pursuant to this section, the Attorney General may file with the clerk of such court a certificate of the Secretary of Defense that, in his opinion, the proceeding is of critical importance to the effective operation of the Armed Forces of the United States and that immediate relief from the discrimination is necessary, a copy of which shall be immediately furnished by such clerk to the chief judge of the circuit (or, in his absence, the presiding circuit judge) in which the proceeding is pending. Upon receipt of the copy of such certificate, it shall be the duty of the chief judge of the circuit or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge, to hear and determine such proceeding. Except as to causes which the court considers to be of greater urgency, proceedings before any district court under this section shall take precedence over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

(5) In every proceeding brought in any district court of the United States under this section, an appeal from the final order of the district court will be only to the Supreme Court.

(d) (1) For the purpose of any investigation instituted by the Attorney General pursuant to subsection (b) of this section, he, or his designee, shall at all reasonable times (A) have access to the premises or property of, (B) have access to and the right to copy the books, records, and other writings of, (C) have the right to take the sworn testimony of, and (D) have the right to administer oaths and affirmations to, any person as may be necessary or appropriate, in his discretion, to the enforcement of this section and the regulations or orders issued thereunder.

(2) The Attorney General shall issue rules and regulations insuring that the authority of paragraph (1) of this subsection will be utilized only after the scope and purpose of the investigation, inspection, or inquiry to be made have been defined by competent authority, and it is assured that no adequate and authoritative data are available from any Federal or other responsible agency. In case of contumacy by, or refusal to obey a subpoena served upon, any person with respect to any action taken by the Attorney General under paragraph (1) of this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the Attorney General, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The production of any person's books, records, or other documentary evidence shall not be required at any place other than the place where such person usually keeps them, if, prior to the return date specified in the regulations, subpoena, or other document issued with respect thereto, such person furnishes the Attorney General with a true copy of such books, records, or other documentary evidence (certified by such person under oath to be a true and correct copy) or enters into a stipulation with the Attorney General as to the information contained in such books, records, or other documentary evidence. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(4) Any person who willfully performs any act prohibited, or willfully fails to perform any act required, by paragraph (1) of this subsection, or any rule, regulation, or order issued under paragraph (2) of this subsection, shall upon conviction be fined not more than \$1,000 or imprisoned for not more than one year or both.

(5) Information obtained under this section which the Attorney General deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information shall not be published or disclosed unless the Attorney General determines that the withholding thereof is contrary to the interest of the national defense. Any person who willfully violates this subsection shall, upon conviction, be fined not more than \$10,000, or imprisoned for not more than one year, or both. All information obtained by the Attorney General under this section and which he deems confidential shall not be published or disclosed, either to the public or to another Federal agency, not including the Congress or any duly authorized committee thereof in the performance of its functions, unless the Attorney General determines that the withholding thereof is contrary to the interests of the national defense, and any person willfully violating this provision shall, upon conviction, be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(6) Any person subpoenaed under this section shall have the right to make a record of his testimony and to be represented by counsel.

(7) No individual who, having claimed his privilege against self-incrimination, is compelled to testify or produce evidence, documentary or otherwise, under the provision of this section, may be prosecuted in any criminal proceeding of the offense of discrimination established by this section.

(e) As used in this section—

(1) The term "United States" when used in a geographical sense includes the several States, the possessions of the United States, the Canal Zone, and the District of Columbia.

(2) The term "discrimination" means the willful refusal or failure of a supplier, when requested by the Secretary of Defense or his designee, to supply petroleum products for the use of the Armed Forces of the United States under the terms of any contract or under the authority of the Defense Production Act, as amended (64 Stat. 798, 50 U.S.C. App. 2061-2166), the Emergency Petroleum Allocation Act, as amended (Public Law 93-159); or under the provisions of any other authority, on terms not

inconsistent with the applicable Armed Services Procurement Regulations, as amended from time to time, and at prices which are fair and reasonable and do not exceed prices received for similar products and quantities from other domestic or foreign customers. Disagreements as to price or other terms or conditions shall be disputes as to questions of fact to be resolved in the manner prescribed by the applicable Armed Services Procurement Regulations, as amended from time to time, for the settlement of disputes arising out of contracts and shall not be a basis for delay or refusal to supply petroleum products.

(3) The term "supplier" means any citizen or national of the United States, any corporation organized or operating within the United States, or any organization controlled by any United States citizen, national, or corporation organized or operating within the United States, engaged in producing, refining or marketing of petroleum or petroleum products.

(f) Any supplier who willfully discriminates as prohibited by subsection (b) (1) of this section shall, upon conviction, be fined not more than \$100,000 or imprisoned for not more than two years, or both.

(g) If any provision of this section or the application thereof to any person or circumstances is held invalid, the validity of the remaining provisions of this section and the application of such provision to other persons and circumstances shall not be affected thereby.

(h) The provisions of this section shall expire two years after the date of enactment of this Act, except that—

(1) any supplier who, before the date of the expiration of this section, willfully violated any provision of this section shall be punished in accordance with the provisions of such section as in effect on the date the violation occurred;

(2) any proceeding relating to any provision of this section which is pending at the time this section expires shall be continued by the Attorney General as if this subsection had not been enacted, and orders issued in any such proceeding shall continue in effect as if they had been effectively issued under this section before the expiration thereof or until otherwise terminated by appropriate action;

(3) the expiration of this section shall not affect any suit, action, or other proceeding lawfully commenced before the expiration of this section, and all such suits, actions, and proceedings shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if this section had not expired; and

(4) the provisions of this section relating to the improper publication or disclosure of information shall continue in effect, in the same manner and with the same effect as if this section had not expired, with respect to any publication or disclosure (prohibited by such section before the expiration thereof) made after the expiration of such section if the information published or disclosed was obtained under authority of this section before the expiration of this section.

Sec. 817. The Secretary of Defense shall provide to the Committees on Armed Services of the Senate and the House of Representatives a

plan that identifies the platform and funding for AEGIS fleet implementation.

SEC. 818. (a) Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this or any other Act shall be used for the purpose of production of lethal binary chemical munitions unless the President certifies to Congress that the production of such munitions is essential to the national interest and submits a full report thereon to the President of the Senate and the Speaker of the House of Representatives as far in advance of the production of such munitions as is practicable.

(b) For purposes of this section the term "lethal binary chemical munitions" means (1) any toxic chemical (solid, liquid, or gas) which, through its chemical properties, is intended to be used to produce injury or death to human beings, and (2) any unique device, instrument, apparatus, or contrivance, including any components or accessories thereof, intended to be used to disperse or otherwise disseminate any such toxic chemical.

SEC. 819. (a) Notwithstanding any other provision of law, the aggregate amount of any upward adjustments in certain elements of compensation of members of the uniformed services required by section 1009 of title 37, United States Code, may not exceed 5 per centum during the period from January 1, 1975, through June 30, 1976, except that no such restriction shall apply unless a 5 per centum restriction on the aggregate amount of upward adjustments of the General Schedule of compensation for Federal classified employees as contained in section 5332 of title 5, United States Code, is also required during that period.

(b) No reduction in compensation is required under subsection (a) of any upward adjustment that may have been put into effect under section 1009 of title 37, United States Code, between January 1, 1975, and the date of enactment of this section.

(c) Any upward adjustment in compensation which has been limited by subsection (a) of this section to an amount or amounts less than otherwise would have been in effect shall not be increased subsequent to June 30, 1976—

(1) in order to compensate a member for the difference between the amounts he has received under the provisions of subsection (a) and the amounts he would have otherwise received; or

(2) except in accordance with the normal procedures and timing which would have been in effect for any such pay increase subsequent to June 30, 1976, without regard to any limitation under subsection (a) of this section.

SEC. 820. (a) Notwithstanding any other provision of law, the total number of enlisted members of the Armed Forces of the United States that may be assigned or otherwise detailed to duty as enlisted aides on the personal staffs of officers of the Army, Navy, Marine Corps, Air Force, and Coast Guard (when operating as a service of the Navy) during any fiscal year shall be a number determined by (1) multiplying 4 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-10, (2) multiplying 2 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-9, and (3) adding the products obtained under clauses (1) and (2).

(b) The Secretary of Defense shall allocate the aides authorized by subsection (a) of this section among officers of the Armed Forces, in such numbers as he determines appropriate, on the basis of the duties of such officers.

(c) This section shall not apply with respect to the number of aides assigned to generals of the Army or admirals of the Fleet.

SEC. 821. Notwithstanding any provision of section 2004 of title 10, United States Code, an officer in any pay grade who was in a missing status (as defined in section 551(2) of title 37, United States Code) after August 4, 1964, and before May 8, 1975, may be selected for detail for legal training under that section 2004 on other than a competitive basis and, if selected for that training, is not counted in computing, for the purpose of subsection (a) of that section 2004, the number of officers who may commence that training in any single fiscal year. For the purposes of determining eligibility under that section 2004, the period of time during which an officer was in that missing status may be disregarded in computing the period he has served on active duty.

SEC. 822. This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1976".

And the Senate agree to the same.

MELVIN PRICE,
F. EDWARD HÉBERT,
CHARLES E. BENNETT,
SAMUEL S. STRATTON,
RICHARD ICHORD,
LUCIEN NEDZI,
WILLIAM RANDALL,
CHARLES WILSON,
BOB WILSON,
WILLIAM DICKINSON,
WILLIAM WHITEHURST,
FLOYD SPENCE,

Managers on the Part of the House.

JOHN C. STENNIS,
STUART SYMINGTON,
HENRY M. JACKSON,
HOWARD W. CANNON,
THOMAS J. MCINTYRE,
HARRY F. BYRD, JR.,
SAM NUNN,
STROM THURMOND,
JOHN TOWER,
BARRY GOLDWATER,
WILLIAM L. SCOTT,
ROBERT TAFT, JR.,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE
OF CONFERENCE

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. 6674) an Act to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads 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:

TITLES I AND II—PROCUREMENT

AIRCRAFT

ARMY

UH-1H Utility Helicopter

The House bill contained \$24.8 million for 48 UH-1H Utility Helicopters for the Army. The Senate amendment deleted all of these funds.

The conferees concurred with the Senate rationale that since the Army was permitted to purchase 48 helicopters in FY-75, those additional assets were sufficient to supplement the Army's Authorized Acquisition Objective until the follow-on UTTAS helicopter comes into the inventory.

The House reluctantly recedes.

AH-1S

Section 101 of the House bill provided that no funds authorized for procurement of Army aircraft shall be obligated for AH-1S aircraft. The Senate amendment had no similar provision.

The Department of Defense pointed out that the 1973 joint Army-Navy study was an in-depth evaluation of the feasibility of common gunship procurement, including consideration of the AH-1J (improved) for Army use. The study concluded that the Army should procure the AH-1S for a variety of reasons. Subsequently, the Congress appropriated funds for the Army to modify existing Cobras and for procurement of new AH-1S helicopters. The Senate conferees were adamant in their position that any curtailment of AH-1S production

at this time would result in increased costs for the aircraft, and an undesirable slippage of the timetable deemed necessary to bolster the Army's antiarmor capability.

The House conferees were equally as adamant because of the detailed Committee consideration in the House committee. After a lengthy discussion, and Senate conferees producing figures showing the greatly increased cost to the Army for purchase of AH-1J, and pointing out the fact that the Army didn't want or need the AH-1J, the House very reluctantly receded.

NAVY

A-4M

The House bill contained \$67.3 million for 24 A-4M light attack aircraft in fiscal year 1976. The Senate deleted the 24 aircraft buy, but included \$8.2 million in fiscal year 1976 for non-recurring costs of two improvement items (heavyweight landing gear and improved bombing computer).

The Senate conferees argued that the 24 aircraft were an attrition buy and that these planes need not be bought this year for the active Marine Corps inventory. Furthermore, because of foreign military sales, the A-4M production line would continue to be active in fiscal year 1976 without the need of a U.S. buy. The House conferees pointed out that delay in procurement of the A-4M for the Marine Corps would result in some increased costs during fiscal year 1977, but Senate conferees argued that the need for fiscal restraints in the present procurement cycle made this action acceptable.

The conferees, after a full discussion, authorized \$8.2 million in fiscal year 1976 for non-recurring costs of the two improvement items, and \$9.8 million for 3 aircraft in fiscal year 1977. These three aircraft will level the A-4 production rate at two per month in fiscal year 1977 (including foreign sales) and will be followed by A-4M procurement in fiscal year 1977 for the Marines.

The House recedes with an amendment.

A-6E

The House bill authorized 12 A-6E aircraft for \$151.3 million in fiscal year 1976, and \$14.3 million for advance procurement. The Senate amendment authorized 8 A-6E aircraft for \$118.9 million in fiscal year 1976, 3 A-6E aircraft for \$24.3 million in fiscal year 1977, and \$8.1 million for advance procurement in fiscal year 1977. In essence, the Senate recommended buying 11 rather than 12 A-6Es and using the funds saved for advance procurement.

The conferees were advised that there would be a 4-month production gap at the start of the fiscal year 1976 funded delivery period because of a delay by OSD in authorizing release of long lead funds for fiscal year 1976. It was necessary, therefore, to make both fiscal and quantitative adjustments in the A-6E procurement program. The Senate's recommendations for funding were not sufficient to procure the 8 aircraft in fiscal year 1976, nor was there sufficient funds for the advance procurement necessary to sustain fiscal year 1977 and fiscal year 1977 delivery schedules.

The conferees discussed this program at length and finally agreed to fully fund the 11 aircraft in fiscal year 1976 for the original price

of 12 A-6Es and provide \$14.3 million for advance procurement towards a fiscal year 1977 buy of A-6Es as the Navy requested, because the 11 will be stretched over a 15-month production period (fiscal years 1976 and 1977) which raises the price of the program. The conferees insist that the Navy see that these planes are built on an optimized schedule.

The Senate recedes with an amendment.

A-7E

The House bill deleted all funds for advance procurement in fiscal years 1976 and 1977. The Senate amendment provided \$21.8 million for this purpose. The Senate conferees argued the fact that deletion of advance procurement funds would cause complications in production planning and ultimately result in increased costs for A-7E production through fiscal year 1977. The conferees agreed on the full Senate figure of \$21.8 million in advance procurement for the A-7E, but redistributed the funding primarily into fiscal year 1976.

The House recedes with an amendment.

F-14

The House bill provided for procurement of 9 F-14s in the amount of \$73.3 million and \$59.0 million for advance procurement in fiscal year 1977. The Senate deleted procurement authorization for the 9 aircraft in 1977 and added \$33.3 million for advance procurement in that year.

The House conferees argued that Senate action conflicted with the Congressional full funding principle for weapons systems which was the basis for the funding of 9 aircraft in fiscal year 1977. The \$33.3 million amounted to about 54 percent of the total cost for advance procurement in fiscal year 1977.

After a full discussion, the conferees agreed to fully fund 9 F-14s in fiscal year 1977 as requested by the Navy. Thus, advance procurement for the 1977 period is authorized at \$59.0 million.

The Senate recedes.

AH-1J

The House bill authorized 16 helicopters for \$39.0 million in fiscal year 1976 and 6 helicopters for \$10.1 million in fiscal year 1977. The Senate amendment authorized 7 helicopters for \$17.4 million in fiscal year 1976 and 7 helicopters for \$12.2 million in fiscal year 1977. The House bill authorized \$1.4 million for advance procurement in fiscal year 1976 and \$1.0 million in fiscal year 1977. The Senate did not authorize any advance procurement funding for fiscal year 1976, but included \$6.2 million in fiscal year 1977.

The Senate conferees pointed out that 8 of the 22 aircraft in the total request were to be completed during the fiscal year 1977 funding period, and therefore, recommended that these 8 aircraft not be authorized until fiscal year 1977.

The Department of Defense was concerned that due to administrative/contracting procedures, it was necessary to provide adequate advance procurement funds in fiscal year 1976 in order to provide economical procurement of long lead items.

The conferees, after discussing the concern of the Department of Defense, agreed to authorize 7 AH-1Js in fiscal year 1976 and 7 in

fiscal year 197T and shift \$6.2 million of advance procurement funds from fiscal year 197T to fiscal year 1976.

The House recedes with an amendment.

P-3C

The House bill provides \$11.7 million in fiscal year 197T for simulators and ground support equipment for the P-3C. The Senate amendment deletes the entire amount. The House conferees verified that certain anticipated homeport changes for P-3C squadrons were recently cancelled by the Navy, and, therefore, accepted the Senate reduction in fiscal year 197T of P-3C simulators and ground support items no longer needed for overseas homeporting.

The House recedes.

Harpoon Modifications

The House bill deleted \$22.7 million in fiscal year 1976 and \$4.8 million in fiscal year 197T for Harpoon modification for the P-3C and S-3A aircraft. The Senate retained full authorization for this procurement.

The House conferees argued that the Navy should consider other versatile air-launched weapons systems which are currently available, for multiple roles as a substitute in view of the expensive modifications necessary for use of the Harpoon.

The Senate recedes.

Aircraft Spares

From the total amount of \$429.0 proposed for procurement of aircraft spares, the Senate reduced \$2.7 million for A-4M spares in fiscal year 1976 and \$1.2 million for AH-1J spares in fiscal year 197T.

The House recedes.

Other Financing

The Senate amendment reduced other financing by \$8.7 million in fiscal year 197T. This figure was determined to be the calculated savings achieved through consolidation of contracts under a single procurement contract rather than two separate contracts for fiscal years 1976 and 197T buys. The House argued successfully that this was not a viable procedure for calculating savings.

The Senate conferees reluctantly accepted the House position that \$8.7 million "Other Financing" will not be available.

The Senate recedes.

B-1

The House bill authorized the entire amount of \$672.2 million and \$168.3 million requested by the Air Force for the B-1 research and development program for fiscal years 1976 and 197T respectively. The House bill also authorized the full requests of \$77.0 million and \$31.0 million for the procurement of long-lead items for these periods. The Senate amendment reduced the R&D program by \$75.0 million and \$39.3 million for fiscal years 1976 and 197T respectively. The Senate amendment also deleted the entire amount requested for procurement.

The following table summarizes the action of the conferees:

(In millions of dollars)

	Fiscal year—	
	1976	197T
R. & D.		
DOD request.....	672.2	168.3
Conference.....	642.0	158.0
Procurement:		
DOD request.....	77.0	31.0
Conference.....	64.0	23.0

The conferees emphasized that the authorization of long-lead funding in no way commits nor obligates the United States Government to place the B-1 aircraft in production. Indeed, the conferees agreed to prohibit the Defense Department, as a matter of law, from entering into any production contract or any other contractual agreement for the production of the B-1 bomber aircraft unless subsequently authorized by law. This prohibition, however, is not meant to apply to the acquisition of the long-lead items for the first three follow-on air vehicles.

The authorization of long-lead items is completely independent of the production decision. Authorization for the long-lead items for the B-1 was strongly supported by the House conferees who believe that future production cost savings will be realized which would otherwise be precluded in the event that actual production of the B-1 is subsequently authorized.

The Senate conferees did not necessarily agree with the estimated magnitude of the savings.

A-10

The House bill contained \$72.0 million for 33 A-10 aircraft for FY-7T. The Senate authorization contained \$61.0 million for 30 aircraft. After a thorough discussion, the House conferees concurred with the Senate view that the production rate should be slowed, while the contractor gains experience in building the airplane. The conferees adopted the 30 aircraft delivery schedule.

The House recedes.

E-3A AWACS

The House bill contained \$245.25 million in FY 1976 and \$15.0 million in FY 197T for AWACS procurement. This action amounted to a reduction in the procurement account by 50 percent and cut aircraft production from six to three. The Senate authorized the full \$430.5 million for six aircraft for FY 1976 and \$30 million for FY 197T.

Specifically, the House Conferees were dissatisfied with recent test results on AWACS performance and insisted that the production rate be cut in one-half to permit additional time for aircraft systems evaluation.

In discussing this program, Senate Conferees pointed out that their opinion of the recent testing was quite favorable for the AWACS system, that 6 planes had been approved last year and the House-proposed action would cause an unfavorable slowdown to the production line, and that to procure three aircraft, the cost for FY 1976 and FY 197T would increase to \$294.2 million, an increase in the amount

authorized by the House of \$79 million. Further, due to repricing of some components, and deferral of some support equipment, it would be possible to reduce the amount requested for six aircraft by \$50 million to \$380.5 million.

The House reluctantly recedes.

A-7D

\$115 million was added to the budget request in the House bill for FY 1976 to procure 24 A-7D aircraft for the Air National Guard. The Senate bill contained no such authorization. The conferees recognize and fully support the need for modernization of the Guard, but had to weigh that need against total expenditures in the Defense Authorization Bill. The House reluctantly receded, but without diminishing its conviction that careful examination of Air National Guard assets and capabilities should be among the priority programs in Defense Department planning.

The House recedes.

F-15

The House bill contained \$1,400.6 million for 108 aircraft in FY 1976. The Senate bill contained \$1,378.3 million for the same number of aircraft in that year. The Senate reduction of \$22.3 million was for a partial reduction in the allowance for engineering change orders. The Conferees agreed to fully authorize this item in the F-15 request.

The Senate recedes.

Modification of Aircraft (Civil Reserve Air Fleet)

Included in the \$600.7 million Air Force request for modifications of aircraft in FY 1976 and \$126.3 million in FY 197T is \$22.0 million and \$24.0 million, respectively, for the modification of commercial aircraft to increase their cargo-carrying capacity for use as a standby airlift capability.

The House bill approved the CRAF authorization. The Senate amendment deleted it.

The Senate deleted the funds for the civilian aircraft modification program because the Air Force airlift studies conducted to date were not adequate to justify this program.

The House was adamant in their insistence that this program was needed to improve the strategic airlift capability.

The Senate agreed to a compromise position to allow the modification of the four aircraft requested in the FY 1976 budget as a prototype program and the House agreed to recede on the request for authorization of additional aircraft modifications in the transition budget period. The compromise was an effort to get the FY 1976 prototypes started. The House and Senate recede with an amendment.

Aircraft Spares

The House bill authorized \$1,071.7 million in FY 1976 and \$179.3 million in FY 197T. The Senate bill contained \$672.2 million in FY 1976 and \$175.6 million in FY 197T.

The House Conferees were concerned over the ramifications of diminishing the aircraft spares account, as the Senate cut would do, particularly with respect to the adverse effect such reductions would have on F-15 spares and mobilization spares.

The Senate conferees pointed out that the spares request for FY 1976 represented an increase of \$375 million, or 52 percent, over the FY 1975 spares appropriation and yet the Air Force was supporting less total flying hours in FY 1976. The conferees finally agreed to restore \$200 million of the Senate reduction, which would provide \$872.2 million in FY 1976 or a 20 percent increase over last year. The conferees direct the Air Force to allocate their individual spares procurements within this total according to Air Force current priorities.

The Senate agreed to restore \$3.7 million in FY 197T, which was for F-15 engine spares, and accept the House figure of \$179.3 million for that period.

The Senate recedes with an amendment.

Common Ground Equipment

A total of \$209.3 million was requested by the Air Force in FY 1976 in the Common Ground Equipment account. The House bill did not reduce the amount of the original request; however, the Senate reduced the program by \$36.9 million for C-130 and B-52 simulators and \$1.5 million alleged by the Senate to be for the CRAF program, a total of \$38.4 million.

The Conferees thoroughly support the objectives of aircraft simulator programs and recognize the all-around accumulated savings inherent therein in comparison to airborne training. Senate Conferees, however, pointed out that the configuration of the C-130 simulator had not been adequately defined, including some disagreement as to the type of visual system required, and would not be put on contract until April 1976, two more C-130 simulators were not required at this time. Also, the Senate also argued that the complexity and expense of the first-time requested B-52 simulator was such that, the Air Force should start with one simulator, instead of two, in order to see if the simulator is capable of performing the mission required.

House Conferees pointed out that there was no money in the Common Ground Equipment account for the CRAF program and, therefore, the Senate agreed to restore the \$1.5 million they deleted. In addition, Senate Conferees admitted that the \$3.5 million to the Common Ground Equipment account, required to support the C-130 simulator authorized in FY 1975, making the total authorized \$175.9 million.

The House and Senate recede with an amendment.

War Consumables

The House bill contained \$34.6 million in FY 1976 and \$9.9 million in FY 197T for war consumables. The Senate bill was \$1.3 million less in FY 1976 and \$0.3 million less in FY 197T which reflected the cost of planned F-5E support to South Vietnam.

The House accepts the funding in the Senate authorization, \$33.3 million in FY 1976 and \$9.6 million in FY 197T.

The House recedes.

Other Financing

The Conferees concurred with the Senate proposal that \$24.3 million could be saved in close-out costs of the F-111 program.

The Air Force did not deny these savings.

The House recedes.

authorized by the House of \$79 million. Further, due to repricing of some components, and deferral of some support equipment, it would be possible to reduce the amount requested for six aircraft by \$50 million to \$380.5 million.

The House reluctantly recedes.

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The Senate agreed to restore \$3.7 million in FY 197T, which was for F-15 engine spares, and accept the House figure of \$179.3 million for that period.

The Senate recedes with an amendment.

Common Ground Equipment

A total of \$209.3 million was requested by the Air Force in FY 1976 in the Common Ground Equipment account. The House bill did not reduce the amount of the original request; however, the Senate reduced the program by \$36.9 million for C-130 and B-52 simulators and \$1.5 million alleged by the Senate to be for the CRAF program, a total of \$38.4 million.

The Conferees thoroughly support the objectives of aircraft simulator programs and recognize the all-around accumulated savings inherent therein in comparison to airborne training. Senate Conferees, however, pointed out that the configuration of the C-130 simulator had not been adequately defined, including some disagreement as to the type of visual system required, and would not be put on contract until April 1976, two more C-130 simulators were not required at this time. Also, the Senate also argued that the complexity and expense of the first-time requested B-52 simulator was such that, the Air Force should start with one simulator, instead of two, in order to see if the simulator is capable of performing the mission required.

House Conferees pointed out that there was no money in the Common Ground Equipment account for the CRAF program and, therefore, the Senate agreed to restore the \$1.5 million they deleted. In addition, Senate Conferees admitted that the \$3.5 million to the Common Ground Equipment account, required to support the C-130 simulator authorized in FY 1975, making the total authorized \$175.9 million.

The House and Senate recede with an amendment.

War Consumables

The House bill contained \$34.6 million in FY 1976 and \$9.9 million in FY 197T for war consumables. The Senate bill was \$1.3 million less in FY 1976 and \$0.3 million less in FY 197T which reflected the cost of planned F-5E support to South Vietnam.

The House accepts the funding in the Senate authorization, \$33.3 million in FY 1976 and \$9.6 million in FY 197T.

The House recedes.

Other Financing

The Conferees concurred with the Senate proposal that \$24.3 million could be saved in close-out costs of the F-111 program.

The Air Force did not deny these savings.

The House recedes.

MISSILES

ARMY

Chaparral

The House approved \$37.5 million, the amount requested, for procurement for Chaparral surface-to-air missile system in fiscal 1976, plus \$1 million for the system in the fiscal transition period.

The Senate amendment deleted all authorization for the Chaparral. The Senate recesses.

Hawk

The House provided \$73 million for 520 Hawk surface-to-air missiles in fiscal year 1976. The Senate provided \$72.2 million for the same quantity of Hawk missiles.

The House recesses.

Tow

The House bill provided \$20.5 million in authorization for 6,000 Tow missiles during the fiscal transition period. The Senate reduced the amount to \$6.6 million for 1,922 Tow missiles, a reduction of \$13.9 million. The Senate position was based on the fact that the Army's budget request included quantities of missiles that were intended to satisfy projected requirements for contingency and war reserve for allies and such would be in violation of law. The House Conferees were concerned about the drawdown of inventories of such weapons that occurred during the Middle East War of 1973 and were concerned that inventory requirements for antitank missiles have been understated. After considerable discussion, the Conferees agreed to restore the funds for the TOW missiles with the understanding that the missiles are to be procured only for the inventory requirements for the Army and are not to be procured for the purpose of filling stockpile requirements for allies.

The Senate recesses.

Interim Target Acquisition System

The House bill contained \$23.8 million in fiscal 1976 to begin procurement of the Interim Target Acquisition System (ITAS), an Army system using reconnaissance drones. The Senate deleted all authorization for the ITAS because it would duplicate existing Air Force reconnaissance capabilities. The House Conferees concluded that the authorization for procurement for the system could safely be delayed until fiscal year 1977 and, therefore, concurred in the Senate reduction.

The House recesses.

Lance

The House bill contained restrictive language [section 101(b)(1)] which provided that no funds could be used for production of a non-nuclear warhead for the Lance missile for any other nation until a non-nuclear warhead had been certified for production for the U.S. Army.

The Senate amendment contained no similar provision.

The House conferees pointed out that some allies of the United States were in the process of buying the conventional Lance—developed and produced by the U.S. Army—but the Army had been

prevented from buying it by the Department of Defense. The House conferees insisted they did not believe the United States should be in a position of stating that it could produce a cost-effective nonnuclear Lance for allies but not for its own Army. The Senate conferees stated the previous Defense Department studies of the cost-effectiveness of the nonnuclear Lance had shown that all-weather manned aircraft could deliver conventional weapon at less cost than using Lance missiles, at least at normally experienced attrition rates to the aircraft.

The Fiscal Year 1976/77 budget contains \$1.0 million for procurement of nonnuclear Lance warheads for the U. S. Army for use in annual training firings. These funds were approved by both the House and Senate and were not at dispute in the conference. Since approval of procurement of nonnuclear Lance missiles for the Army would not occur before the Fiscal Year 1977 budget is submitted, the conferees agreed to review this question again if the Army requests production of this missile next year.

If the Army should desire to utilize certain funds contained in the fiscal year 1976 budget for the procurement of nonnuclear warheads for the Lance, the conferees would consider an Army proposal for such a change through the normal reprogramming procedure.

The House recesses.

NAVY

Standard MR

The House bill provided \$38.1 million for procurement of 285 Standard MR missiles for the Navy in fiscal year 1976 and \$7.6 million for 54 missiles in the fiscal transition period. The Senate amendment reduced the authorization by \$10.1 million and 85 missiles in fiscal year 1976 and \$5 million and four missiles in the fiscal transition period.

The House recesses.

AIR FORCE

Maverick

The House bill contained \$25 million in the fiscal transition period for procurement of 1200 Maverick missiles and \$.2 million for the procurement of Maverick spares in the fiscal transition period. The House bill also provided \$33.3 million in fiscal year 1976 for advance procurement for Maverick.

The Senate amendment deleted all of these authorizations. The Senate reduction was intended to slow the production to phase in the laser-guided and infrared versions of Maverick. The House Conferees expressed concern that the Senate reduction would result in later high start-up and related costs and also expressed concern about maintaining the inventory levels of this weapon. After extensive discussion, the Conferees agreed on deletion of the \$25.2 million for the fiscal transition period as provided in the Senate amendment and agreed to retain the \$33.3 million for advance procurement in fiscal 1976 as provided in the House bill.

Sidewinder

The House bill provided \$17.1 million, the amount requested, for modification of the Sidewinder missile. The Senate amendment deleted the authorization for the Sidewinder modification on the grounds that the Air Force should procure the newer AIM-9L Sidewinder

instead. The House Conferees stated their belief that the Air Force would have to depend on the stocks of the older sidewinder missiles for quite a few years to come and that the missile could be modified to provide significantly increased capability at relatively low unit cost.

After considerable discussion, the Senate agreed to recede with an amendment providing for the authorization of \$13.6 million to modify 1,410 AIM-9B Sidewinder missiles to the -9J configuration. The House recedes on \$3.5 million. The conferees agreed that future procurement should be of new AIM-9L Sidewinder missiles in lieu of further modifications to the AIM-9B series.

Procurement of Minuteman III Missiles

The Senate amendment language provided that the \$265,800,000 authorized for the procurement of Minuteman III missiles may only be used for such procurement.

The House bill had no similar provisions.

The House recedes.

NAVAL VESSELS

Trident

The House approved \$537.4 million of the \$602.6 million requested by the President. The Senate approved \$602.6 million.

The House recedes.

SSN 688 (Nuclear Attack Submarine)

The House approved \$474.8 million of the \$541.0 million requested by the President. The Senate approved \$541.0 million.

The House recedes.

DLGN-42 and Nuclear Strike Cruiser Long Lead Authorization

Included in the shipbuilding section as approved by the House was new authorization for the DLGN-42 (nuclear frigate) in the amount of \$203.9 million and authorization for long lead items for the new nuclear strike cruiser (CSGN-1) in the amount of \$60 million. Funding for the long lead items for the nuclear strike cruiser had not been initially included in the President's budget request for FY 1976 and, therefore, was not considered in the Senate bill. However, on June 24, 1975, the President submitted a budget amendment for Fiscal Year 1976 to include \$60 million of long lead funds for the nuclear strike cruiser.

The Senate conferees were adamant in their opposition to the House action on the DLGN-42 and after considerable discussion the House conferees reluctantly receded with the understanding that the Senate conferees would accept the action recommended by the House with respect to long lead time items on the nuclear strike cruiser in the amount of \$60 million.

The \$60 million approved by the conferees for the nuclear strike cruiser authorizes the procurement of only long lead time items for this new more powerful class of cruiser which would be equipped with AEGIS surface-to-air weapons system. The Aegis will be a much more advanced weapons system than now exists or is planned for any ship in the U.S. inventory.

Patrol Frigate

The House included \$837.1 million of the \$955.5 million requested for 10 patrol frigates. The House removed \$118.4 million requested for escalation on this program for fiscal year 1978 and later years. The Senate included \$617.5 million for 7 ships after disapproving \$68.0 million requested for the Vulcan-Phalanx Close-In Weapon System (CIWS).

The conferees agreed to restore the three ships deleted by the Senate, along with the \$118.4 million requested for future escalation, and accepted the Senate position deleting \$68.0 million requested for the Vulcan-Phalanx CIWS. The conferees agreed to a funding level of \$887.5 for the patrol frigate program.

The Senate recedes with an amendment.

Patrol Hydrofoil Missile Ship (PHM)

The President's request contained \$83.4 million for two Patrol Hydrofoil Missile ships (PHM's). The House included \$72.5 million for two ships. The Senate approved no funds for the requested PHMs. After considerable discussion the conferees agreed to authorize two fully funded PHMs in the amount of \$83.4 million.

The House recedes with an amendment.

Destroyer Tender (AD)

The House approved \$322.3 million of the \$393.2 million requested by the President for two destroyer tenders. The Senate approved \$374.0 million of the President's request, removing \$19.2 million, the funds for putting Vulcan-Phalanx Close-In Weapon System on the Tenders.

The House recedes.

Fleet Oiler (AO)

The House approved \$202.7 million of the \$231.8 million requested by the President for two fleet oilers. The Senate approved \$212.1 million of the President's request, removing \$19.7 million, the funds for putting the Vulcan-Phalanx Close-In Weapon System on the oilers.

The House recedes.

Fleet Tug (T-ATF)

The House approved \$38.4 million of the \$41.4 million requested by the President for three fleet tugs, the Senate approved \$41.4 million, including \$3.0 million requested for future escalation.

The House recedes.

Escalation on Prior Year Programs

The House approved \$633.0 million of the \$1,149.8 million requested for contract escalation which the DoD estimates will occur on prior year shipbuilding and conversion programs until those programs are completed. The \$633.0 million approved represents the estimated amount of escalation which will need to be obligated in FY 1976, the transition period and in FY 1977. The additional year of escalation was added to permit a measure of flexibility.

The Senate approved \$368.6 million for this escalation reserve—the amount calculated to be obligated in FY 1976 and the transition period.

The Conferee's compromised the two amounts at \$420.3 million, realizing that this amount reduces the Navy's flexibility in financing escalation on its programs approved in prior years and that the Navy may have to resort to reprogramming actions to prevent program disruption or stop work orders.

The House recedes with an amendment.

Escalation on Fiscal Year 1976 Shipbuilding Programs

The House funded the basic costs of all 23 ships requested and, in addition, funded the forecast contract escalation on those ships in amount equal to two years of escalation. The Senate funded only 17 ships and funded forecast contract escalation in the full amount requested. The Senate receded on 5 ships (three patrol frigates and two patrol hydrofoil missile ships) and the Senate Conferees insisted that the full amount of forecast escalation for the entire period of the contracts be funded.

The House Conferees objected to the authorization of large sums merely on the basis of speculation as to future economic events and pointed out that shipbuilding programs may be overfunded in the light of the experienced reduction in the rate of inflation and the recent downward revision of escalation estimates by DoD.

In view of the adamant position of the Senate \$363.7 million was added to the individual ship programs for escalation which may need to be obligated in FY 1978 and the following years.

The House recedes.

Cost Growth

The House approved \$969.5 of the \$1,119.5 requested for cost growth on the Navy shipbuilding and Conversion programs, after deleting \$150 million requested for a reserve against the settlement of claims. The Senate approved \$913.4 for this item, after deleting \$143.2 million which is not needed for obligation in FY 1976 and \$62.9 million for cost growth on the Patrol Hydrofoil missile ship (PHM) program.

The Conferees compromised these differences at \$826.3 million, as follows:

The Senate agreed to delete the \$150 million requested as a reserve against claims.

The House agreed to delete the \$143.2 million not required for obligation in FY 1976.

The Senate agreed to restore the \$62.9 million for cost growth in the PHM program.

The Senate recedes with an amendment.

NEED FOR IMPROVEMENT IN THE PLANNING AND MANAGEMENT OF NAVY SHIPBUILDING PROGRAM

Both the constitutional and statutory responsibility of the Congress for maintaining an adequate national defense necessitates sound budgetary information and planning. It is with this responsibility in mind that the conferees of this bill comment on the Navy shipbuilding management.

It is essential that there be an improvement in the management of the Navy shipbuilding programs. Among the principal problems are

the following: (1) for a number of years there has been a consistent understatement of costs presented to the Congress with regard to various shipbuilding programs. One result has been the insufficient budget requests causing the necessity for later approval of funds to cover underestimates in prior years. This lack of accurate cost information has hampered Congressional efforts to provide for a coherent and systematic shipbuilding program; (2) in many instances Congress is unaware of the cost of ships since the ultimate cost has remained unresolved for long periods of time. In part this situation prevails because of the lack of firm contractual arrangements between the Navy and shipbuilders initially with regard to the obligation of the government in terms of costs and construction schedules. Therefore, in order for the Congress to be in a better position to make budgetary judgments the Navy must, at the time of its initial submission of shipbuilding requests, present better cost estimates and construction schedules, both of which may necessitate a greater degree of preliminary design and definitization effort.

The objective of the foregoing comments is to place the Congress in a better position of knowing realistically the cost of ship programs at the time of their initiation and likewise be advised of changes in these programs in terms of cost whenever revisions are made subsequent to construction.

	Number	President's budget	Conference resolution	Difference
Trident.....	1	602.6	602.6	.....
SSN688 (nuclear attack submarines).....	2	541.0	541.0	.....
DLGN (nuclear guided missile programs).....	1	257.0	.....	257.0
Recoup prior year LL.....			-75.0	75.0
CSGN (nuclear strike cruiser).....		60.0	60.0	.....
PHM (patrol hydrofoil missile).....	2	83.4	83.4	.....
PF (patrol frigate).....	10	955.5	827.5	68.0
AD (destroyer tender).....	2	393.2	374.0	19.2
AO (fleet oiler).....	2	231.8	212.1	19.7
T-ATF (fleet tug).....	3	41.4	41.4	.....
Craft.....		12.9	12.9	.....
Outfitting.....		38.2	38.2	.....
Post delivery.....		19.7	19.7	.....
Cost growth.....		1,119.5	826.3	293.2
Escalation prior year program.....		1,149.8	420.3	729.5
Total.....		5,506.0	4,044.4	1,461.6

TRACKED COMBAT VEHICLES

M60A1 tank and tank modification

The House bill contained \$387 million in FY 76 and \$147.4 million in FY 7T for the M60A1 tank. The authorization was to procure 662 tanks in FY 76 and 248 in FY 7T. The Senate amendment, while providing authorization for the same number of tanks, reduced the authorization by \$14.6 million in FY 76 and \$14.4 million in FY 7T. The Senate reductions were for product improvement of the M60A1 tanks being procured in FY 76 and FY 7T intended to improve their combat capability.

In addition, the House bill contained \$241.1 million in FY 76 and \$71.2 million in FY 7T for tank modifications. The Senate amend-

ment reduced the authorization by \$36.4 million in FY 76 and by \$12.9 million in FY 7T. This reduction was to reduce the modification funds so as to eliminate retrofit kits for putting on M60A1 tanks already in the inventory the same items of equipment referred to above to improve the tank capability. The basis for the reduction by the Senate was that the unit cost for the modifications were so high and the increased effectiveness and tank capability demonstrated to date so limited as to make the modification not cost effective. The House conferees expressed the belief that the modifications would provide a desirable level of increased capability and were, therefore, justified. The conferees agreed to a deletion of the authorization with the understanding that when the cost-effectiveness of the items in question were adequately demonstrated, the Army could request reprogramming for these items through the regular reprogramming procedure.

The House recedes.

The language of the Senate amendment also provided that the \$379,400,000 authorized in Fiscal Year 1976 and \$133,000,000 authorized in Fiscal Year 197T for the procurement of M-60 series tanks shall be used only for the procurement of M-60 series tanks. The House bill had no similar provisions.

The House recedes.

M578 recovery vehicle

The House bill contained \$38.9 million for 210 M578 recovery vehicles for the Army in FY 76. The Senate amendment reduced the authorization by \$1.3 million, representing a reduction of 7 vehicles from the buy. The conferees agreed to restore the funds with the understanding that the recovery vehicles are to be procured only for the inventory requirements of the U.S. Army and the authorization is not to be used for the purpose of providing war-readiness reserves for our allies.

The Senate recedes.

Navy Torpedoes

The House approved \$21.5 million for 24 Mark-30 torpedo targets and \$13.5 million for torpedo spare parts. The Senate approved \$16.6 million for 9 Mark-30 targets and \$10.5 million for torpedo spare parts.

The House recedes.

OTHER WEAPONS

NAVY

Vulcan-Phalanx Close-In Weapons System

The House approved \$8.6 million requested for FY 1976 for design and planning of the production line to manufacture the first units of this system which were planned to be funded in FY 1977, and \$3.0 million for this purpose for FY 197T. The Senate approved no funds for this item. In view of the fact that the Vulcan-Phalanx Close-In Weapons System requires further testing prior to production, the House recedes.

TITLE II AND VII—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

GENERAL

The Department of Defense requested authorization of \$10,181,388,000 for the fiscal year 1976 Research, Development, Test, and Evaluation appropriations.

The R.D.T. & E. request for the three-month transitional period referred to as "197T" was \$2,682,937,000.

The following table summarizes the Senate and House modifications to the Research and Development budget request:

R.D.T. & E. SUMMARY

(In thousands of dollars)

	Request	House	Senate	Conference amount
FISCAL YEAR 1976				
Army.....	2,181,700	2,049,228	2,016,593	2,028,933
Navy.....	3,470,188	3,268,661	3,368,802	3,318,649
Air Force.....	3,903,200	3,766,691	3,707,840	3,737,001
Defense agencies.....	597,800	556,793	565,700	563,700
Test and evaluation.....	28,500	25,000	28,500	25,000
Total, budget authority.....	10,181,388	9,666,373	9,687,435	9,673,283

R.D.T. & E. SUMMARY

(In thousands of dollars)

	Request	House	Senate	Conference amount
FISCAL YEAR 197T				
Army.....	585,600	535,017	491,214	513,326
Navy.....	903,837	849,730	851,363	849,746
Air Force.....	1,034,000	986,077	946,621	965,783
Defense agencies.....	152,700	137,793	143,600	139,768
Test and evaluation.....	6,800	3,400	6,800	5,000
Total, budget authority.....	2,682,937	2,512,017	2,439,598	2,473,623

As shown, the conferees agreed on a total of \$9,673,283,000 which is \$508,105,000 less than the amount requested for fiscal year 1976. The conferees agreed on a total of \$2,473,623,000, or \$209,314,000 less than the amount requested for fiscal year 197T.

The details of the differences between the House bill and the Senate amendment and the changes adopted by the conferees are reflected in the following table:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
ARMY—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Surgical investigations	5,880		5,880	-500	5,380	5,380	1
2	Studies and analyses	7,000		7,000	-500	6,500	6,500	2
3	TRADOC studies and analyses	3,900		3,900	-900	3,000	3,000	3
4	Heavy lift helicopter	19,790	-3,000	16,790	-7,790	9,000	9,000	4
5	Aerial scout	10,700		10,700	-10,000	700	5,000	5
6	Advanced attack helicopter	65,039	-9,500	55,539	-100	55,439	55,439	6
7	CH-47 modernization	10,000		10,000	-6,500	3,500	10,000	7
8	Chaparral/Vulcan	14,790	-10,000	4,790	-100	4,890	4,890	8
9	Hardened BMD materials	5,150		5,150	-5,150			9
10	Advanced forward area air defense system	15,940	-11,100	5,840	+11,100	16,940	16,940	10
11	Surface-to-surface missile rocket system	5,000	-5,000		-5,000	5,000	1,000	11
12	BMD advanced technology program	105,000	-8,000	97,000	+8,000	105,000	97,000	12
13	Site defense	140,000	-6,000	134,000	-64,000	70,000	100,000	13
14	Cannon launched guided projectile	17,792		10,000	-7,792	17,792	14,000	14
15	Heliborne missile—Hellfire	5,000	-5,000		-5,000	5,000	5,000	15
16	Pershing II	19,000		19,000	-3,000	16,000	19,000	16
17	Nonnuclear warheads	4,750		4,750	-2,000	2,750	4,750	17
18	Fire and forget missile—Hellfire	7,300	-7,300		+7,300	7,300		18
19	Kwajalein Missile Range	87,400	-7,400	80,000	-4,000	76,000	80,000	19
20	Armament technology	21,315		21,315	-6,000	16,315	18,815	20
21	Ballistics technology	13,850		13,850	-3,000	10,850	13,850	21
22	Chemical munitions technology	1,945		1,945	-685	260	1,945	22
23	Lethal chemical munitions concept	957		957	-957		957	23
24	Lethal chemical munitions	3,525		3,525	-3,525		3,525	24
25	MGOA1 thermal sight	8,086		8,086	-1,500	6,586	6,586	25
26	Bushmaster	16,070	-6,070	10,000	+6,070	16,070	10,000	26
27	Chemical defense materiel concepts	6,890	-1,850	5,040	+1,850	6,890	5,040	27
28	Manpower and human resources technology	7,280		7,280	-1,000	6,280	6,280	28
29	Army support of DARPA hostile weapons project	1,400	-1,400		+1,400	1,400	400	29
30	Unattended ground sensor	9,630	-6,630	3,000	+4,130	7,130	5,000	30
31	Classified program	13,041		13,041	-3,000	10,041	13,041	31
32	STANO	16,430	-12,430	4,000	+12,430	16,430	12,000	32
33	Command and control	7,190		7,190	-1,100	6,090	7,190	33
34	Artillery locating radar	13,340	-4,000	9,340	+4,000	13,340	10,340	34
35	Manpower and human resources development	9,480		9,480	-1,600	7,880	7,880	35
36	General combat support	8,655		8,655	-1,000	7,655	8,000	36
37	Mortar locating radar	10,820	-2,000	8,820	+2,000	10,820	8,820	37
38	Programwide management and support		-18,000	-18,000	+18,000		-9,000	38
	Reimbursements from foreign military sales	-7,700		-7,700		-7,700	-7,700	
	Programs not in dispute	1,469,065		1,469,065		1,469,065	1,469,065	
	Total, Army budget authority	2,181,700	-132,472	2,049,228	-32,635	2,016,593	2,028,933	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
NAVY—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Studies and analysis support, Navy	11,135		11,135	-1,000	10,135	10,135	1
2	Aircraft flight test general	3,983		3,983	-500	3,483	3,483	2
3	Classified program	35,713		35,713	-9,608	26,105	31,700	3
4	Aircraft systems (advanced)	4,913		4,913	-2,000	2,913	2,913	4
5	Air ASW	41,300	-16,900	24,400	+7,598	31,998	31,998	5
6	Airborne mine countermeasures	3,531		3,531	-500	3,031	3,031	6
7	Tactical air reconnaissance	6,888		6,888	-6,277	611	6,888	7
8	Aircraft survivability and vulnerability	2,033		2,033	-1,000	1,033	2,033	8
9	Modular FLIR	600	-600		+600	600		9
10	All weather attack	1,100	-1,100		+1,100	1,100	500	10
11	Fleet ballistic missile system	65,782	-20,000	45,782	+20,000	65,782	53,282	11
12	Sanguine	18,000		18,000	-300	17,700	17,700	12
13	Gryphon	11,788		11,788	-700	11,088	11,088	13
14	Strike warfare weaponry technology	39,291	-9,000	30,291	+9,000	39,291	36,500	14
15	ARM system technology	5,002	-1,002	4,000	+1,002	5,002	4,000	15
16	Advanced surface-to-air weapon system	11,932	-11,932		+11,932	11,932	11,932	16
17	Advanced short range air-to-air missile	6,000	-3,000	3,000	+3,000	6,000	3,000	17
18	Air launched/surface launched antiship missile	3,000	-3,000		+3,000	3,000		18
19	Cruise missile	101,800	-8,000	93,800	+1,000	94,800	93,800	19
20	Surface missile guidance (advanced)	4,000		4,000	-3,000	1,000	1,000	20
21	Surface launched MSGB technology	500	-3,500	4,000	-3,500	500	4,000	21
22	Close in weapon system (Phalanx)	30,671	-19,371	11,300	+19,371	30,671	15,000	22
23	Trident missile system	735,500	-45,000	690,500	+42,000	732,500	725,500	23
24	Classified program	27,822		27,822	-4,000	23,822	27,822	24
25	Surface ASW	27,093	-5,000	22,093	+5,000	27,093	24,600	25
26	Ship development (advanced)	27,758	-7,758	20,000	-42	19,958	19,958	26
27	Hydrofoil craft (advanced)	7,075		7,075	-2,900	4,175	4,175	27
28	Classified program	10,900		10,900	+11,647	22,547	13,900	28
29	Ship development (engineering)	32,670	-11,647	21,023	-23,800	8,870	30,570	29

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
NAVY—FISCAL YEAR 1976—Continued

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1976 request	Change	Authorization	Change from House	Authorization		
30	MK-48 torpedo	3,197	-1,597	1,600	+1,597	3,197	3,197	30
31	Gun systems	1,500	-1,500		-1,500	1,500		31
32	BW/CW weapons	1,599		1,599	-1,599		1,599	32
33	Fire control systems (engineering)	14,197	-2,000	12,197	+2,000	14,197	14,197	33
34	Manpower effectiveness	4,508		4,508	-700	3,808	3,808	34
35	Education and training	7,930		7,930	-400	7,530	7,503	35
36	Reliability and maintainability	2,000		2,000	-2,000			36
37	Other Marine Corps development (engineering)	5,390	-2,505	2,885	+2,505	5,390	5,390	37
38	Foreign weapons evaluation	2,110	-1,110	1,000	+1,110	2,110	2,110	38
39	R.D.T.&E. instrumentation support	29,081		29,081	-2,000	27,081	27,081	39
40	R.D.T.&E. ship and aircraft support	47,029		47,029	-2,000	45,029	47,029	40
41	Test and evaluation support	150,466		150,466	-3,000	147,466	147,466	41
42	Laboratory fleet support	3,000		3,000	-3,000			42
43	Programwide management and support		-33,005	-33,005	+33,005		-17,000	43
44	Undistributed reduction						-23,020	44
45	Funds excess to fiscal year 1975 program requirements				-4,000	-4,000		45
	Reimbursements from foreign military sales	-50,000		-50,000		-50,000	-50,000	
	Programs not in dispute	1,958,754		1,958,754		1,958,754	1,959,754	
Total, Navy budget authority		3,470,188	-201,527	3,268,661	+100,141	3,368,802	3,318,649	

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
AIR FORCE—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1976 request	Change	Authorization	Change from House	Authorization		
1	B-52 squadrons	10,329	-10,329		+7,329	7,329	5,000	1
2	F-15 squadrons	39,900	9,900	30,000	+9,900	39,900	35,000	2
3	C-5A airlift squadrons	22,300		22,300	-10,300	12,000	22,300	3
4	Advanced avionics for aircraft	10,200	1,200	9,000	+1,200	10,200	10,200	4
5	Aircraft equipment development	7,480		7,480	-1,500	5,980	7,480	5
6	B-1	672,200		672,200	-75,000	597,200	642,000	6
7	Air combat fighter	272,950	-39,000	233,950	-12,900	221,050	221,050	7
8	Advanced (CBM) technology	41,200		41,200	-1,100	40,100	40,100	8
9	Advanced ballistic reentry systems	101,000	-9,000	92,000	+9,000	101,000	96,500	9
10	Strategic bomber penetration	7,700		7,700	-1,000	6,700	7,700	10
11	Advanced short-range air-to-air missile systems technology	3,800	-800	3,000	-800	3,800	3,000	11
12	SAMTEC and ACS telecommunications	4,500		4,500	-1,000	3,500	4,000	12
13	Classified programs	20,000	-2,000	18,000	+2,000	20,000	19,000	13
14	Armament ordnance development	9,680		9,680	-1,500	8,180	9,000	14
15	Close air support weapon system	31,520	-21,520	10,000	+21,520	31,520	24,000	15
16	Strategic Air Command communications	6,000	-4,000	2,000	+4,000	6,000	6,000	16
17	Ground electronics	45,350		45,350	-2,160	43,190	43,190	17
18	Electronic warfare technology	8,400	-1,000	7,400	+1,000	8,400	7,400	18
19	Advanced computer technology	3,960	-960	3,000	+960	3,960	3,000	19
20	Life support system	6,940		6,940	-1,000	5,940	6,440	20
21	Other operational equipment	9,900		9,900	-2,500	7,400	8,440	21
22	Integrated program for airbase defense	7,500		7,500	-1,500	6,000	6,000	22
23	Drone/remotely piloted vehicle systems development	13,988		13,988	-5,500	8,488	13,988	23
24	Precision emitter location strike system	19,000	-8,000	11,000	-2,900	8,100	10,000	24
25	AWACS	199,192	-14,000	185,192	+14,000	199,192	199,192	25
26	Advanced fighter protective systems	18,800	-2,800	16,000	+2,800	18,800	17,400	26
27	Intelligence equipment	7,200		7,200	-2,000	5,200	6,200	27
28	Test and evaluation support	288,500		288,500	-12,500	276,000	276,000	28
29	Programwide management and support		-12,000	-12,000	+12,000		-8,000	29
30	Undistributed reduction						-19,000	30
31	Funds excess to fiscal year 1975 program requirements				-11,000	-11,000		31
	Programs not in dispute	2,013,711		2,013,711		2,013,711	2,013,711	
Total, Air Force budget authority		3,903,200	-136,509	3,766,691	-58,851	3,707,840	3,737,001	

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
DEFENSE AGENCIES—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1976 request	Change	Authorization	Change from House	Authorization		
DARPA:								
1	Defense research sciences	37,100		37,100	-2,100	35,000	37,100	1
2	Missiles and related equipment	74,900	-2,000	72,900	+2,000	74,900	72,900	2
3	Nuclear monitoring research	15,400	-1,000	14,400	+1,000	15,400	14,400	3
4	Tactical technology	46,000	-3,000	43,000	-1,000	42,000	43,000	4
5	Distributed information systems	14,700	-3,000	11,700	+3,000	14,700	11,700	5
6	Advanced command, control, and communications technology	12,700	-1,000	11,700	-1,000	10,700	11,700	6
7	Training, forecasting, and decision technology	7,100	-1,000	6,100	+600	6,700	6,100	7
8	Technology assessments	6,200	-1,000	5,200	+800	6,000	5,200	8
9	Materials processing	6,100	-600	5,500	+600	6,100	6,100	9
10	DCA: WWMCCS-JTSA	6,800		6,800	-1,200	5,600	6,200	10
11	DMA: Undistributed reduction	14,902	-900	14,002	-100	13,902	13,902	11
12	DIA (classified)		-1,000		-200			12
13	DNA (classified)				-2,000			13
14	NSA (classified)		-9,407		-5,593			14
15	Technical support to OSD/JCS	22,800	-17,100	5,700	+14,100	19,800	17,500	15
	Programs not in dispute	44,853		44,853		44,853	44,853	
	Total, Defense agencies budget authority	597,800	-41,007	556,793	+8,907	565,700	563,700	
16	Director of test and evaluation	28,500	-3,500	25,000	+3,500	28,500	25,000	16
	Total, R.D.T. & E. budget authority	10,181,388	-515,015	9,666,373	+21,062	9,687,435	9,673,283	

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
ARMY—1977

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1977 request	Change	Authorization	Change from House	Authorization		
ARMY—1977								
1	Surgical investigations	1,605		1,605	-200	1,405	1,405	1
2	Studies and analyses	1,900		1,900	-200	1,700	1,700	2
3	TRADOC studies and analyses	970		970	-170	800	800	3
4	Heavy lift helicopter	3,000	-500	2,500	-2,500			4
5	Aerial scout	8,800		8,800	-8,600		7,000	5
6	Advanced VTOL	3,405		3,405	-1,200	2,205	2,205	6
7	Advanced attack helicopter	17,908	-6,900	11,008		11,008	11,008	7
8	CH-47 modernization	2,800		2,800	-1,900	900	2,800	8
9	Chaparral/Vulcan	5,710	-4,000	1,710	-700	1,010	1,710	9
10	Hardened BMD materials	1,717		1,717	-1,717			10
11	Advanced forward area air defense systems	2,025	-1,500	525	+1,500	2,025	2,025	11
12	Surface-to-surface missile rocket system	3,000	-3,000		+3,000	3,000	500	12
13	BMD advanced technology program	30,158	-5,000	25,158	+1,342	26,500	25,158	13
14	Site defense	38,000	-4,000	34,000	-15,000	19,000	25,000	14
15	Canon launched guided projectile	6,982	-6,982		+6,982	6,982	3,000	15
16	Heliborne missile—Hellfire	4,000	-4,000		-1,800	800	800	16
17	Pershing II missile	6,000		6,000	-1,000	5,000	6,000	17
18	Fire and forget module—Hellfire	1,450	-1,450		+1,450	1,450		18
19	Kwajalein Missile Range	23,560	-1,560	22,000	-3,000	19,000	22,000	19
20	Ballistics technology	3,260		3,260	-500	2,760	3,260	20
21	Chemical munitions technology	475		475	-170	305	475	21
22	Lethal chemical munitions concepts	960		960	-960		960	22
23	Tank systems (XM-1)	38,953		38,953	-29,653	9,300	38,953	23
24	Lethal chemical munitions	1,448		1,448	-1,448		1,448	24
25	Bushmaster	3,631	-1,631	2,000	+1,631	3,631	3,631	25
26	Chemical defense materiel concepts	1,620	-550	1,070	+550	1,620	1,070	26
27	Manpower and human resources technology	1,827		1,827	-200	1,627	1,627	27
28	Army support of DARPA hostile weapons program	280	-280		+280	280	100	28
29	Unattended ground sensors	2,460	-1,700	760	+1,300	2,060	1,400	29
30	Classified program	2,735		2,735	-200	2,535	2,735	30
31	STAND	4,191	-3,191	1,000	+3,191	4,191	3,000	31
32	Command and control	1,770		1,770	-200	1,570	1,770	32
33	Artillery locating radar	1,960	-1,000	960	+1,000	1,960	1,200	33
34	Manpower and human resources development	2,443		2,443	-400	2,043	2,043	34
35	General combat support	2,254		2,254	-250	2,004	2,100	35
36	Mortar locating radar	1,925	-500	1,425	+500	1,925	1,425	36
37	Program wide management and support		-2,839	-2,839	+2,839		-1,400	37
38	Undistributed reduction						-15,000	38
	Programs not in dispute	350,418		350,418		350,418	350,418	
	Total, Army budget authority	585,600	-50,583	535,017	-43,803	491,214	513,326	

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

NAVY—197T

(In thousands of dollars)

Item No.	Program element	Fiscal year 197T request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Studies and analysis support, Navy	3,189		3,189	-500	2,589	2,589	1
2	Aircraft flight test general	1,467		1,467	-500	967	967	2
3	Classified Program	11,289		11,289	-6,929	4,360	10,289	3
4	Aircraft systems (advanced)	2,398		2,398	-1,500	898	898	4
5	Air ASW	4,419		4,419	-1,883	2,536	2,536	5
6	Airborne mine countermeasures	1,445		1,445	-400	1,045	1,445	6
7	Tactical air reconnaissance	2,307		2,307	-1,764	543	2,307	7
8	Aircraft survivability and vulnerability	2,096		2,096	-1,500	596	2,096	8
9	Modular FLIR	200	-200		+200	200		9
10	All weather attack	1,201	-1,201		+1,201	1,201		10
11	Fleet ballistic missile system	21,273	-6,500	14,773	+6,500	21,273	16,773	11
12	Sanguine	4,400		4,400	-770	3,630	3,630	12
13	Gryphon	6,597		6,597	-1,800	4,797	4,797	13
14	Strike warfare weaponry technology	10,683	-2,500	8,183	+2,500	10,683	9,500	14
15	ARM system technology	804	-400	404	+400	804	404	15
16	Advanced surface-to-air weapon system	4,600	-4,600					16
17	Agile	5,407	-2,600	2,807	+2,600	5,407	3,307	17
18	Air launched/surface launched antiship missile	2,373	-2,373		+2,373	2,373		18
19	Cruise missile	42,100	-4,000	38,100	-1,000	37,100	37,100	19
20	Surface missile guidance (advanced)	1,700		1,700	-700	1,000	1,000	20
21	Surface launched MGGB technology	200	+1,500	1,700	-1,500	200	1,700	21
22	Air-to-air missile component technology	4,604		4,604	-3,200	1,404	1,404	22
23	Close-in weapon system (Phalanx)	2,458	-2,458		+2,458	2,458	2,458	23
24	Trident missile system	172,610	-10,000	162,610	+9,000	171,610	165,610	24
25	Classified program	11,598		11,598	-1,200	10,398	11,598	25
26	Surface ASW	9,160	-2,160	7,000	+2,160	9,160	8,000	26
27	Ship development (advanced)	10,755	-2,755	8,000	-1,845	6,155	7,000	27
28	Hydrofoilcraft (advanced)	2,398		2,398	-930	1,468	1,468	28
29	Classified program	5,844	-2,844	3,000	+2,844	5,844	4,000	29
30	Ship development (engineering)	9,803		9,803	-6,700	3,103	8,603	30
31	Gun systems	642	-642		+642	642		31
32	BW/CW weapons	348		348	-348		348	32
33	Manpower effectiveness	1,187		1,187	-200	987	987	33
34	Education and training	2,112		2,112	-100	2,012	2,012	34
35	Reliability and maintainability	1,250		1,250	-1,250			35
36	Other Marine Corps development (engineering)	2,081	-1,002	1,079	+1,002	2,081	2,081	36
37	R.D.T. & E. instrumentation and material support	10,325		10,325	-2,000	8,325	8,325	37
38	R.D.T. & E. ship and aircraft support	12,988		12,988	-1,000	11,988	12,988	38
39	Test and evaluation support	38,657		38,657	-1,000	37,657	37,657	39
40	Laboratory fleet support	1,000		1,000	-1,000			40
41	Undistributed reduction		-9,372		+9,372			41
	Programs not indispute	473,969		473,969		473,969	473,969	
	Total, Navy budget authority	903,837	-54,107	849,730	+1,633	851,363	849,746	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

AIR FORCE—197T

(In thousands of dollars)

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	B-52 squadrons	7,329	-7,329		+3,029	3,029		1
2	C-5A airlift squadrons	10,400		10,400	-7,400	3,000	10,400	2
3	Advanced avionics for aircraft	3,600	-600	3,000	+600	3,600	3,600	3
4	Stall/spin inhibitors	2,600		2,600	-600			4
5	Aircraft equipment development	2,200		2,200	-700	1,500	2,200	5
6	B-1	168,300		168,300	-39,300	129,000	158,000	6
7	Air combat fighter	82,504	7,000	75,504	-5,800	69,704	69,704	7
8	Advanced CBNM technology	15,300		15,300	-1,000	14,300	14,300	8
9	Advanced ballistic reentry systems	29,150	-5,000	24,150	+5,000	29,150	26,650	9
10	Strategic bomber penetration	5,700		5,700	-1,000	4,700	5,700	10
11	Advanced short-range air-to-air missile systems technology	1,200	-200	1,000	+200	1,200	1,000	11
12	SAMTEC and ACS telecommunications	1,000		1,000	-100	900	1,000	12
13	Classified program	5,720	-1,720	4,000	+1,720	5,720	4,800	13
14	Armament ordnance development	2,789		2,789	-500	2,189	2,500	14
15	Close air support weapon system	16,800	-13,000	3,800	+13,000	16,800	6,700	15
16	Ground electronics	12,123		12,123	-529	11,594	11,594	16
17	Electronic warfare technology	2,750	-1,000	1,750	+1,000	2,750	1,750	17
18	Advanced computer technology	1,200	-200	1,000	+200	1,200	1,000	18
19	Life support system	1,980		1,980	-400	1,580	1,780	19
20	Other operational equipment	2,200		2,200	-200	2,000	2,000	20
21	Integrated program for airbase defense	1,650		1,650	-150	1,500	1,650	21
22	Drone/remotely piloted vehicle systems development	6,000		6,000	-4,900	1,100	6,000	22
23	Precision emitter location strike system	10,600	-4,600	6,000	-4,300	1,700	3,000	23
24	AWACS	54,474	-1,374	53,100	+1,374	54,474	54,474	24
25	Advanced fighter protection systems	3,600	-1,600	2,000	+1,600	3,600	2,800	25
26	Intelligence equipment	3,300		3,300	-2,000	1,300	2,300	26
27	Test and evaluation support	75,000		75,000	+2,500	72,500	72,500	27
28	Programwide management and support		-4,300	-4,300	+4,300		-2,150	28
29	Undistributed reduction						-6,000	29
	Programs not in dispute	506,531		506,531		506,531	506,531	
	Total, Air Force budget authority	1,034,000	-47,923	986,077	-39,456	946,621	965,783	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
DEFENSE AGENCIES—1977
(in thousands of dollars)

Item No.	Program element	House			Senate			Item No.	Conference
		Fiscal year 1977 request	Change	Authorization	Change from House	Authorization			
1	DARPA:								
2	Defense research sciences	9,300	-2,750	9,300	-500	8,750	1	8,750	
3	Missiles and related equipment	18,700	-1,000	16,950	+2,756	18,700	2	17,950	
4	Tactical technology	11,500	-1,250	10,500	+1,250	10,500	3	10,500	
5	Distributed information systems	3,700	-	3,700	-	3,700	4	2,450	
6	Advanced command, control, and communications technology	3,200	-	3,200	-500	2,700	5	2,700	
7	Training, forecasting, and decision technology	1,800	-	1,800	-100	1,700	6	1,700	
8	Technology assessments	1,600	-	1,600	-	1,600	7	1,600	
9	DCA: WW/CCS-JSA	1,700	-350	1,700	-300	1,400	8	1,600	
10	DMA: Undistributed reduction	3,850	-	3,850	-	3,850	9	3,500	
11	DNA (Classified)		-5,282		+1,600		10		
12	NSA (Classified)		-		+1,282		11		
13	DIA (Classified)		-		+3,575		12		
	Technical support to OSD/JCS	5,700	-4,275	1,425	-	5,000	13	4,300	
	Programs not in dispute	18,464	-	18,464	-	18,464		18,464	
14	Total, Defense agencies budget authority	162,700	-14,907	137,793	+5,807	143,600		139,768	
	Director of test and evaluation	6,800	-3,400	3,400	+3,400	6,800		5,000	
	Total, R.D.T. & E. budget authority	2,682,937	-170,920	2,512,017	-72,419	2,439,598		2,473,823	

CONFERENCE ACTION ON SELECTED SUBJECTS IN THE RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FISCAL YEARS 1976 AND 1977
AUTHORIZATION REQUEST

AERIAL SCOUT

The House bill approved the full amount of \$10.7 million for FY 1976 and \$8.8 million for 1977T as requested. The Senate amendment authorized \$700,000 and \$200,000 for these respective periods only to support in-house efforts because (1) the Army had not yet approved the characteristics of the new scout; (2) the Army had not determined if either a new development or an off-the-shelf helicopter would satisfy the requirement; and (3) following these determinations, the Army must obtain DSARC approval before proceeding with the program. The Senate action considered that if the Army and DOD had decided what the Army requires by the time the fiscal year 1977 request is submitted, there then would be a meaningful basis for consideration.

The Department of Defense reclama states the Army had completed the study of the characteristics of the Advanced Scout Helicopter, that indications are it will be a military adaptation of an existing helicopter, and the DSARC will be held on July 31, 1975. Because of these new developments, the Senate conferees recede and agreed to restore \$4.3 million in fiscal year 1976 and \$6.8 million in 1977T. This will provide a total of \$5.0 million and \$7.0 million for these respective periods.

The use of the funds restored is contingent on approval of the House and Senate Armed Services Committees following DSARC approval and prior to issuance of requests for proposal to industry.

ADVANCED FORWARD AREA AIR DEFENSE SYSTEM

The House bill deleted the request for \$11.1 million in fiscal year 1976 and \$2.0 million in 1977T for prototypes of a new anti-aircraft gun system. The Senate amendment approved the full request.

The House reduction was made because of the belief that the Army's plans for development of a new gun system were too indefinite to warrant a start on the program at this time. The Senate conferees pointed out that the Army had continued to firm up its plans for development of the new gun since the fiscal year 1976 budget hearings and an advanced development requirement had been approved before the conference.

The Senate and House conferees both agreed on the need for a new and more powerful gun to replace the 20 mm Vulcan. The conferees agreed to restore the full amount of \$13.1 million in fiscal year 1976 and \$2.0 million in 1977T as provided by the Senate. At least one of the new prototype gun systems shall use the GAU-8 30 mm gun adapted for the anti-aircraft role.

ARTILLERY LOCATING (COUNTERBATTERY) RADAR

The House bill resulted in a reduction of \$4.0 million from the Army's request of \$13.340 million for fiscal year 1976 and a reduction of \$1.0 million from the \$1.960 million requested for fiscal year 1977T. The Senate amendment authorized the amounts requested.

The House action was based on the fact that the Army planned to initiate a six-month modification phase for the two competing radar systems. The modification phase follows the completion of test and evaluation of both systems.

The conferees believe that the Army, at the completion of testing, should be able to select the best system for the follow-on phase. The conferees agreed to a funding level of \$10.340 million and \$1.2 million for fiscal years 1976 and 197T respectively to support this approach.

The projected high unit cost of this system requires that the Army assess less costly alternatives such as Remotely Piloted Vehicles and infrared systems to provide this capability. The results of this assessment should be available to support the fiscal year 1977 authorization request.

BINARY CHEMICAL MUNITIONS

SEE TITLE VIII, GENERAL PROVISIONS

CANNON LAUNCHED GUIDED PROJECTILE

The House bill authorized \$10.0 million of the Army's \$17.8 million request for fiscal year 1976, and none of the \$7.0 million for fiscal year 197T. The Senate amendment approved the full amount requested for both periods.

The House action reflected dissatisfaction with the overall management of the Army and Navy guided ordnance programs, and stated the belief that commonality is possible and both cost and performance effective.

The conferees are concerned that the Army requirement for this projectile has not yet been validated, in view of all other weapons and munitions available or planned to be employed against the same targets. The conferees also are concerned that it may not be worth the cost to develop and deploy this projectile since there are other possible alternatives. The conferees were advised that the estimated cost to develop and procure the planned inventory requirements is about \$1.0 billion.

The conferees agreed that the Army's program should proceed into engineering development with the specific understanding that the engineering development contract would not be a commitment to either full scale engineering development or production. The conferees were advised by the Army that the "Producibility Engineering and Planning (PEP) phase of the contract would be deferred until after fiscal year 197T. At that time the prospects for commonality will again be assessed. Both Committees on Armed Services are to be advised of this assessment prior to initiation of PEP. In addition, the Army advised that it planned another stopping point for program review preceding the Limited Rate Initial Procurement (LRIP) phase of the program.

Prior to the submission of the fiscal year 1977 request for authorization, both Committees on Armed Services are to be provided with the results of a complete DDR&E coordinated study of Army requirements (including the Navy candidates and all other delivery systems and munitions available or planned for inventory) and cost effectiveness analysis.

The House recedes and agrees to restore \$4.0 million in fiscal year 1976 and \$3.0 million in 197T to support either the engineering development contract or competitive testing with the Navy round.

CHAPARRAL/VULCAN

The House bill reduced the request for \$14.8 million in fiscal year 1976 and \$5.7 million in 197T for R&D on improvements to the Chaparral surface-to-air missile down to \$4.8 million in fiscal year 1976 and \$1.7 million in 197T. The Senate amendment contained \$4.9 million in fiscal year 1976 and \$1.0 million in 197T.

The Conferees agreed to provide \$4.9 million in fiscal year 1976 and \$1.7 million in 197T. If additional funding is required during the fiscal year, a reprogramming request will be considered for this missile system.

CH-47 MODERNIZATION

The House bill authorized the full \$10.0 million requested for fiscal year 1976 and \$2.8 million for 197T to modernize the CH-47 helicopter fleet. The Senate amendment reduced these amounts to \$3.5 million and \$900,000 respectively because the Army had not yet decided which of six possible alternative courses of action to pursue. The reduced level of funding would sustain current preliminary design efforts but preclude initiating the full program.

The Army now states that preliminary results of current studies confirm that modernization of present inventory helicopters rather than replacement with new helicopters is the most cost effective approach. Formal Army approval was anticipated by July 24, 1975 and DOD approval by September 30, 1975. Because of these developments and the imminency of the approval actions, the Senate recedes and accepts the full amounts approved by the House. However, none of the amounts restored are to be used without approval by both the House and Senate Armed Services Committees of the plan approved by the Office of the Secretary of Defense.

CHEMICAL DEFENSE MATERIAL CONCEPTS

The House bill recommended a reduction of \$1.850 million from the \$6.890 million requested by the Army for fiscal year 1976 and \$550,000 from the \$1.620 million requested for fiscal year 197T. The reduction was intended to terminate the Long Path Infrared (LOPAIR). The Senate amendment authorized the full amount of the request.

The Senate conferees accepted the House position since LOPAIR has not demonstrated significant progress to warrant continued support. The House conferees expressed their belief that LOPAIR has been overtaken by technological advancements such as the Forward Looking Infrared (FLIR). Last year the Army was encouraged to conduct side-by-side tests and evaluation of FLIR and LOPAIR. The tests were not conducted.

While no funds are authorized for any continued development of LOPAIR; the Army can, if it chooses, submit a reprogramming request in accordance with established procedures to conduct a side-by-side test of FLIR and LOPAIR.

HELLFIRE

The House bill deleted all of the funds for both HELLFIRE programs: \$5.0 million for the laser Heliborne missile for fiscal year 1976 and \$4.0 million for fiscal year 1977; \$7.3 million for the Fire and Forget module for fiscal year 1976 and \$1.450 million for fiscal year 1977. The Senate bill authorized the entire amount requested for both programs except for fiscal year 1977 where the \$3.2 million requested for starting engineering development of Hellfire was deleted and only \$800,000 was authorized for the laser Heliborne missile.

The rationale for the House action was based on the Army's testimony concerning the affordability of the Hellfire missile. The House conferees, however, in light of the relatively successful test program coupled with the fact that the Hellfire missile is a viable alternative for the Advanced Attack Helicopter, agreed with the Senate position to authorize the \$5.0 million request for the laser Heliborne missile for fiscal year 1976 and \$800,000 for fiscal year 1977. The Army is expected, however, to thoroughly assess other possible alternatives, such as a powered version of the cannon launched guided projectile or a 5-inch guided projectile, for the Hellfire mission.

The Senate conferees agreed with the House position that the Fire and Forget module would result in an even more expensive missile than Hellfire since it would utilize a more expensive seeker. Further, the Army has not yet been able to demonstrate that the Fire and Forget seeker would improve combat capability over laser Hellfire because of the target acquisition problem. The conferees agreed to terminate this program as a line item. However, the Army may continue to explore the potential of using other candidate seekers within the total funding authorized for the laser Heliborne missile.

HEAVY LIFT HELICOPTER

The House bill approved \$16.8 million in fiscal year 1976 and \$2.5 million in 1977 for continuation of the redirected Heavy Life Helicopter (HLH) program limited by the Secretary of Defense to a single prototype advanced development program including flight testing. The Senate amendment approved \$9.0 million for fiscal year 1976 which is the amount estimated by the Army as required to terminate the program.

The reasons for termination are set forth on page 84 of Senate Report No. 94-146 on the pending Military Procurement Authorization Bill. The House recedes.

SITE DEFENSE

The House bill authorized \$134.0 million of the \$140.0 million requested for fiscal year 1976 and \$34.0 million of the \$38.0 million requested for 1977.

The Senate amendment provided \$70.0 million and \$19.0 million respectively for these two periods because the Army had not entirely complied with the Senate direction last year to change from a prototype demonstration program to a sustaining advanced development program. The Senate stated that the program will be maintained at

a sustaining level pending further developments in strategic weapons limitation negotiations with the Soviets.

The conferees agreed to an authorization of \$100 million and \$25 million for fiscal years 1976 and 1977 respectively.

The Department of Defense reclama stated that the Senate position is inadequate for a sustaining level and would cripple the program and possibly force dissolution of the present contractor team. This also would dramatically increase deployment time, if needed, and erode the U.S. SALT bargaining position.

The Senate reluctantly recedes and agrees to restore \$30.0 million in fiscal year 1976 and \$6.0 million in 1977, the minimum amount estimated as needed to retain the contractor team and continue the program at a minimum acceptable level. The conferees adopted the Senate requirement for a study by the Secretary of Defense to conduct it as stated on page 18 of Senate Report No. 94-146 accompanying the pending Military Procurement Authorization Bill.

The results of the study will be submitted to the House and Senate Committees on Armed Services by November 15, 1975.

SURFACE-TO-SURFACE MISSILE ROCKET

The House bill deleted the entire \$5.0 million requested by the Army for fiscal year 1976 and the \$3.0 million requested for fiscal year 1977. The Senate amendment authorized the entire request.

The Army intended to develop two systems: a new Long Range Guided Missile (LRGM) as a nonnuclear alternative to Lance, and a free flight General Support Rocket System (GSRS). The conferees were not convinced that the LRGM would be more performance or cost-effective than the existing Lance missile system and accordingly agreed to preclude this new start.

The conferees agreed to restore \$1.0 million for GSRS for fiscal year 1976 and \$500 thousand for fiscal year 1977. The basis for supporting this development is the need for a medium range counter-battery weapon; however, the conferees are concerned over two areas which are not properly integrated in the program plan, viz., a concurrent development of a terminal seeker for the GSRS and the forward area targeting problem. During the coming year, the Army will address these problems and report their findings and conclusions in conjunction with submission of the fiscal year 1977 authorization request.

VEHICLE RAPID FIRE WEAPON SYSTEM—BUSHMASTER

The House bill resulted in a reduction of \$6.070 million from the \$16.070 million requested by the Army for fiscal year 1976 and a reduction of \$1.631 million from the \$3.631 million requested for fiscal year 1977. The Senate amendment authorized the full request.

The rationale for the House action was based largely on the Army's plan to product improve the M-139 gun and use it as an interim system for the Mechanized Infantry Combat Vehicle (MICV). Further, the House was not convinced that the Army had a viable plan for the development of the Bushmaster for the MICV. There are a number of factors in question. Included is the fact that the proposed 25mm

round is not fully developed and will cost several hundred million dollars to put into the U.S. inventory.

The Senate conferees concur with the House position that continued investment of funds for the M-139 is not prudent. The conferees have been advised of a Department of Defense memorandum that states it would be more cost effective to slip the MICV schedule than it would be to pursue an interim gun system. The Army should reassess the MICV schedule and justify the need and plan to both Committees on Armed Services, for both the interim and Bushmaster gun system.

The conferees agreed that the Army still lacks a viable definitive plan for the Bushmaster and agreed to the level of funding authorized by the House.

XM-1 TANK

The House bill authorized the entire Army request of \$51.8 million and \$39.0 million for fiscal year 1976 and 1977T respectively. The Senate amendment reduced the 1977T request by \$29.7 million.

The Senate action was intended to ensure a competition of both U.S. tank candidates in addition to the German Leopard II candidate.

The Senate recedes and agreed to restore the \$29.7 million approved by the House. The conferees agree that \$23 million of this is available only to initiate engineering development with a single contractor provided specific approval is granted by the Secretary of Defense and reported to the Armed Services Committees. The conferees also agreed that initiation of engineering development, prior to the delivery of a Leopard II test article in September 1976 for competitive testing with the XM-1, will not prejudice the results of that test program.

ADVANCED SHORT RANGE AIR-TO-AIR MISSILE TECHNOLOGY

The House bill resulted in a reduction of \$3.0 million from the Navy's request for \$6.0 million for fiscal year 1976 and a reduction of \$2.6 million from the \$5.407 million request for fiscal year 1977T. In addition, the House bill reduced the Air Force request of \$3.8 million for fiscal year 1976 to \$3.0 million and the \$1.2 million request for fiscal year 1977T to \$1.0 million. The Senate amendment authorized full funding for both the Navy and Air Force programs.

Last year the conferees terminated the Navy's Agile missile program due to its high cost, complexity, and lack of progress after expenditures in excess of \$80 million. The conferees also terminated the Air Force's CLAW missile program because of its projected lack of effectiveness. Both programs were intended to provide the Navy and Air Force with separate follow-on dogfight missiles to the Sidewinder AIM-9L series.

The House-Senate Conference Report, No. 93-1212, for fiscal year 1975 directed that the Navy and Air Force establish firm common requirements for a new missile prior to the expenditure of funds for the development of complex technology that may not even be required. The plans provided by the Services for fiscal years 1976 and 1977T, however, indicated their intention to develop Agile and CLAW prototypes.

The conferees again stress the need to complete the requirements phase which will define a single set of missile performance characteris-

tics such as seeker sensitivity, off-axis boresight acquisition requirements, maneuverability, etc. The conferees agreed that the funding authorized by the House is adequate to perform the necessary requirements phase with limited component development. The conferees further stress that there does not appear to be any urgency for an accelerated program to develop this follow-on to the excellently-performing AIM-9L Sidewinder.

The Senate recedes.

ADVANCED SURFACE-TO-AIR WEAPON SYSTEM

The House bill deleted the \$11.932 million requested by the Navy for fiscal year 1976 and \$4.6 million requested for fiscal year 1977T to initiate the development of this missile. The Senate amendment authorized the full request for fiscal year 1976 but deleted the \$4.6 million requested for starting engineering development in fiscal year 1977T.

The House action was based on the belief that a 5" surface-to-air missile is neither cost nor performance effective. The missile has a smaller warhead than that of the 5-inch guided projectile with an estimated unit cost that could be as much as ten times greater than that of the projectile. The Navy failed to explain why the lower cost guided projectile could not be made launcher compatible. The Senate action for fiscal year 1977T was intended to preclude engineering development of this missile until the basic questions concerning lethality and systems integration are resolved by the Navy.

The House conferees remained firm in their conviction that a launcher compatible 5-inch guided projectile would be more cost and performance effective. While the feasibility of the guidance scheme employed in the 5-inch guided projectile has been demonstrated, the Senate conferees contended that performance should be demonstrated including feasibility firings. Since the feasibility of the boosted projectile would have to be demonstrated, the conferees agreed to support an advanced development program for both the missile and projectile during fiscal years 1976 and 1977T.

The conferees authorized \$11.932 million for fiscal year 1976 and 1977T of which \$4.9 million will be used only for the advanced development of the launcher compatible guided projectile. The remaining \$7.032 million is authorized for the advanced development of the 5-inch missile. The Navy has advised that these funds are sufficient for the directed tasks. The authorization for the missile program is predicated upon the initiation and conduct of the guided projectile launcher compatibility demonstration, i.e., the missile program may not be initiated unless all funds are available for the projectile program during the fifteen month period. The Navy could submit a reprogramming request if additional funding is required.

The conferees agreed that no subsequent funding would be provided for the 5-inch missile program until completion of the feasibility firings of the projectile.

AEGIS

The House bill contained restrictive language that would prohibit expenditure of funds for Aegis until the Secretary of Defense provided to both Committees on Armed Services a plan that identified a

nuclear platform and funding for the fleet implementation of Aegis during or prior to 1981. The Senate amendment contained no similar provision.

While recognizing the need to identify a platform for the Aegis, the Senate conferees thought it unwise to make continued development of the Aegis system dependent upon identification of a platform that would provide for Aegis fleet implementation before 1981. Thus the conferees agreed simply to require the Secretary of Defense to identify a platform, nuclear or otherwise, for the Aegis system.

The House conferees were especially concerned over the fact that after a period that spans nearly ten years of Aegis development, the Navy has failed to identify a suitable platform for this much needed system.

The House report (No. 94-199) suggested that the Navy give serious consideration to the U.S.S. *Long Beach* (CGN-9) as the first Aegis platform. The House contended that the *Long Beach* could serve as a prototype for the Strike Cruiser and would be a viable platform since, at the present time, the *Long Beach* weapon systems suite is antiquated.

The House conferees feel strongly that the Navy should give special attention to integrating the Aegis on the *Long Beach* in order to make it a modern Strike Cruiser. The Navy is to submit a written report by November 15, 1975, to both Committees on Armed Services that addresses the various alternatives and estimated costs for the *Long Beach* with various conversion plans including the addition of the Aegis and Standard missile systems.

AIR ASW (MK III LAMPS)

The House bill authorized \$16.9 million of the \$41.3 million requested for fiscal year 1976 and none of the \$4.419 million requested for 197T for this program. This would leave \$18,533 million in fiscal year 1976 specifically for the MK III LAMPS project and no funds in 197T. The Senate amendment provided \$26.131 million in fiscal year 1976 and \$1.987 million in 197T for the MK III LAMPS project.

Both the House and Senate reductions are intended to defer engineering design contracts to define the required changes to UTTAS until after the Army selects the winning UTTAS contractor.

The Senate considered that it is improper if not illegal to limit the LAMPS competition to the two UTTAS contractors and preclude an open competition in accordance with Armed Services Procurement Regulations. The amounts deleted by the Senate are not required under the foregoing House and Senate determinations.

The House accepts the Senate authorization and the conferees direct to Navy to conduct an open competition for the helicopter. Consistent with this action, which does not preclude the ultimate selection of a UTTAS derivative in an open competition, the Navy should revise its program schedule and fund requirements, and submit to the Congress a request for funds to initiate this program in fiscal year 1977. If the Navy is ready to do this sooner, and urgency dictates action before fiscal year 1977, the Armed Services Committees of the House and Senate would consider a reprogramming action if proposed for this purpose.

This situation may again occur in other programs and therefore should be reviewed by the Department of Defense and the General Accounting Office to determine what corrective action, if any, should be taken in law or in the ASPR. The Comptroller General will submit, a report to the House and Senate Armed Services Committees of findings and appropriate recommendations by October 1, 1975.

The action of the Congress will ensure a more comprehensive check-out of the sensors and software since the Navy plans to integrate them in the SH-2 testbed. The present SH-2 Air ASW system is performing exceptionally well. Therefore, the conferees also recommend a more orderly systems development phase for the LAMPS III without unnecessary concurrency.

AIR LAUNCHED/SURFACE LAUNCHED ANTISHIP MISSILE

The House bill deleted the entire Navy request of \$3.0 million and \$2.373 million requested for fiscal years 1976 and 197T respectively. The Senate amendment authorized the full request.

This program was intended to initiate an advanced technology program for the improved Harpoon seeker. The rationale for the House reduction was based on the recent substantial increase in the cost of the Harpoon program as reported in the latest Selected Acquisition Report (SAR).

The Senate conferees receded and join with the House conferees in requiring the Navy to investigate the basic design, fabrication and manufacturing process of the present system in an effort to reduce costs. The conferees support the need for the Harpoon missile but believe that an advanced technology program should not be initiated at this time.

ALL WEATHER ATTACK

The House bill deleted the entire Navy request of \$1.1 million for fiscal year 1976 and \$1.201 million for fiscal year 197T. The Senate amendment authorized the full amounts requested.

The basis for the House action was the Navy's failure to present a viable plan for this program. The Senate conferees expressed concern over the Navy's future requirements in the area of all weather avionics. The House conferees, in recognition of this concern, agreed to authorize \$500,000 for fiscal year 1976 for study purposes only. The conferees emphasize that this authorization is not a commitment to the program as presented by the Navy.

CLASSIFIED PROGRAM

The House bill reduced this Navy classified program by \$11.647 million in fiscal year 1976 and \$2.844 million in 197T. The Senate amendment approved the full amount requested.

The conferees consider this Navy program essential and their action is not intended to curtail advances in the technology. The conferees agreed to restore \$3.0 million and \$1.0 million respectively of the amount reduced by the House. The Navy's plan to build an integrated brassboard system at a specific contractor operated facility is not accepted by the conferees. This plan would not allow for maxi-

imum government participation in operation, would give one contractor a technological monopoly, and would not allow for full system testing because of safety limitations.

The amounts authorized will be used only for modification and completion of equipment already under development. Assembly of an integrated brassboard system will not begin until a thorough study to identify and prepare a government facility for the construction of the system has been completed and the study results reported to both Committees on Armed Services. If the two Committees agree with the results of the study and additional funds are required during fiscal year 1976 or 1977 to implement the results, such funds may be provided through established reprogramming procedures.

CLOSE-IN WEAPON SYSTEM (PHALANX)

The House bill decreased the Navy's request of \$30.671 million by \$19.371 million for fiscal year 1976 and deleted the entire \$2.458 million requested for fiscal year 1977. The Senate amendment authorized the full request for R&D.

The House action was based on the fact that the system has not demonstrated its effectiveness. Last year the conferees directed that the Navy design target missile tests that would provide lethality data in support of CIWS. The Senate conferees agreed with the House conferees that the data provided by the Navy was insufficient and agreed that a more rigorous test program was required to demonstrate the adequacy of the present gun or the possible need for a larger caliber weapon.

The conferees agreed to an authorization of \$15.0 million for fiscal year 1976 and \$2.458 million for fiscal year 1977. The funds authorized are intended for lethality tests and the conduct of any appropriate reliability and maintainability efforts that could be accomplished on existing completed CIWS systems and within the funding provided.

The conferees agreed that subsequent CIWS funding will be made contingent upon test data that clearly demonstrates: the ability of the CIWS to cause full detonation of the target warhead; a kill of the specified dynamic target in its normal flyable configuration at the intended ranges; and an acceptable level of the CIWS platform damage as a result of debris should warhead detonation occur.

If the CIWS tests are successful and its effectiveness is clearly demonstrated, the Navy may submit a reprogramming action in accordance with established procedures for the funds required to complete the operational suitability models and continuation of the R.D.T. & E. program.

COMBAT SYSTEM ENGINEERING DEVELOPMENT SITE (CSEDS)

The conferees recognize the advantages that can be realized from a land based test facility for the Aegis system. Such a system is invaluable to the conduct of systems studies, system checkout, and greatly facilitates the support of a weapon system from the manufacturer's plant to the shipboard platform.

The House conferees expressed concern over the Navy's lack of definition of a government facility for the CSEDS. The House ration-

ale for support of a government facility is based on the need to conduct life cycle maintenance throughout the fleet operational lifetime of the Aegis.

The conferees support the House position that precludes the expenditure of any funds for CSEDS until the Navy completes a trade-off study that addresses the location of the facility, the cost considerations over the near- and long-term, and advises both Committees on Armed Services of the results and considerations.

CLOSE AIR SUPPORT WEAPON SYSTEM (CASWS)

The House bill deleted \$21.52 million from the \$31.52 million requested by the Air Force for fiscal year 1976 and \$13.0 million from the \$16.8 million requested for fiscal year 1977. The Senate amendment authorized the full amount.

The Senate Conferees agreed with the House position to preclude the engineering development of the imaging infrared seeker until the Air Force can adequately analyse the cost of both the missile and the ancillary equipment required to support the acquisition and cueing requirements. The Conferees authorized \$4.4 million which the Air Force requested for the advanced development of the imaging infrared seeker during Fiscal Year 1976/77. Funding for engineering development of this seeker was denied and will not be approved until the Air Force presents to the Committee on Armed Services of the Senate and House of Representatives a plan that delineates the total system cost relative to the increased capability provided by such a seeker.

The House Conferees agreed to a funding level of \$24.0 million for fiscal year 1976 and \$6.7 million for fiscal year 1977. The restoration of these funds, however, is predicated upon full Air Force support of the laser semi-active seeker development program.

FIRE CONTROL SYSTEMS (ENGINEERING)

The House bill resulted in a reduction of \$2.0 million from the \$14.197 million requested by the Navy for fiscal year 1976. The House bill authorized the Navy's request of \$1.570 million for fiscal year 1977 while the Senate amendment authorized the entire request for fiscal years 1976 and 1977.

The House action was directed toward the MK-92 gun fire control system since the planned effort for fiscal year 1976 as described by the Navy was not commensurate with the requested funding level.

The Senate conferees concurred with the House position and recognized the Navy's need for funds for naval gunnery. Consequently, the conferees agreed that \$2.0 million be restored only for application to the development of the much needed extended range 8-inch guided projectile.

FLEET BALLISTIC MISSILE SYSTEM

The House bill decreased the Navy's request of \$65.782 million by \$20.0 million for fiscal year 1976 and reduced the \$21.273 million request for fiscal year 1977 by \$6.5 million. The Senate amendment authorized the full amounts requested.

The rationale for the House action was based on the Navy's proposed costly approach to better defining the component contributions to the total system error budget for the Poseidon and Trident missile systems. The House recommended that the Navy examine the missile performance measuring system technique employed by the Air Force to delineate the in-flight error components.

The Navy is not to proceed with the proposed satellite approach until they provide a clear, definitive plan that establishes the need for this costly approach.

The conferees, in light of the required study effort, agreed to restore \$7.5 million for fiscal year 1976 and \$2.0 million for fiscal year 1977.

LABORATORY FLEET SUPPORT—R.D.T. & E. SHIP AND AIRCRAFT SUPPORT

The House bill provided full funding of the Navy's request for both programs. The Senate amendment deleted the \$3.0 million and \$1.0 million requested for Laboratory Fleet Support for fiscal years 1976 and 1977 respectively.

The Senate amendment reduced the Navy's request for RDT&E Ship and Aircraft Support of \$47.029 million for fiscal year 1976 by \$2.0 million and the request of \$12.988 million for fiscal year 1977 by \$1.0 million.

The Senate rationale for deleting all funds for Laboratory Fleet Support was that there is no justification for this new program since the fleet could receive laboratory support under other programs.

The House conferees concur with the Senate position that would preclude a separate funding element for laboratory support of the fleet. The House conferees contend, however, that funds should be available to enable the laboratories to respond to urgent, dynamic problems.

The conferees agreed, therefore, to restore \$2.0 million and \$1.0 million for fiscal years 1976 and 1977 respectively to the RDT&E Ship and Aircraft Support element to accomplish this purpose.

OTHER MARINE CORPS DEVELOPMENT (ENGINEERING)

The House bill resulted in a reduction of \$2.505 million from the \$5.390 million requested by the Marine Corps for fiscal year 1976 and a reduction of \$1.002 million from \$2.081 million requested for fiscal year 1977. The Senate amendment authorized the full request.

The House reductions were intended to terminate the Positioning Location Reporting System (PLRS) project. The conferees believe that while this program has not demonstrated significant progress, it is nearing a major test milestone during fiscal year 1976. Therefore, the House conferees recede to the Senate position and agree to allow the program to continue through its initial test phase.

The conferees expect, however, that the Marine Corps will demonstrate the ability of the system to operate in an electronic counter-measure environment, demonstrate the over-all accuracy of the system, and describe the total system concept that delineates the planned use of PLRS in support of the fiscal year 1977 request for authorization.

SHIP DEVELOPMENT (ADVANCED)

The House bill authorized \$20.0 million of the \$27.8 million requested for fiscal year 1976 and \$8.0 million of the \$10.8 million requested for 1977. The Senate provide \$42,000 less than the House for fiscal year 1976 and \$6.2 million for 1977.

The House and Senate amounts are essentially the same for fiscal year 1976, and the House recedes. The conferees agreed to an amount of \$7.0 million for 1977. The Navy may apply the respective amounts authorized to the various programs proposed within each period consistent with program priorities.

SHIP DEVELOPMENT (ENGINEERING)

The House bill authorized the full amounts requested for fiscal year 1976 and 1977. The Senate amendment provided \$8.9 million of the \$32.7 million requested for fiscal year 1976 and \$3.1 million of the \$9.8 million requested for 1977.

The Senate action primarily reflected a reduction of \$21.7 million in fiscal year 1976 and \$5.5 million in 1977 for engineering development of the nuclear strike cruiser because the program lacked Secretary of Defense approval and because the program had not been reviewed by the Congress. Congress has received a formal budget amendment requesting \$60.0 million in fiscal year 1976 for initial long lead items for a nuclear strike cruiser. The Senate recedes and agrees to restore the engineering development funds.

SURFACE LAUNCHED MODULAR GUIDED GLIDE BOMB TECHNOLOGY

The House bill increased the Navy's request of \$500,000 to \$4.0 million for fiscal year 1976 and the request of \$200,000 to \$1.7 million for fiscal year 1977. The Senate amendment authorized the full request for fiscal years 1976 and 1977.

The conferees recognize the present deficiencies in the surface fleet's shore bombardment mission. A review of the Navy's experience in Southeast Asia demonstrated the need for a weapon such as the SMARTROC. This weapon consists of a basic laser guided MK-82 bomb adapted to and powered by the MK-37 antisubmarine rocket booster. SMARTROC feasibility was demonstrated in 1973.

The conferees recognize that the effective range of this weapon can be doubled and that the unit cost should be under \$10,000. Further, the extended range weapon would provide a surface-to-surface as well as shore bombardment capability. The conferees understand that a total authorization of \$5.7 million during a fifteen month period will permit the orderly development of the extended range weapon.

The conferees advocate the use and integration of existing off-the-shelf technology to provide low cost effective weapon systems and the Navy will use the additional funds to initiate this development during fiscal year 1976. The conferees agreed that the funds authorized for this program may not be used for any other purpose. The Senate recedes.

SURFACE NAVAL GUNNERY

Last year the conferees added restrictive language to the Authorization Act (PL 93-365) to prevent funds authorized for naval gunnery from being reprogrammed to other accounts.

The conferees still remain concerned over the status of the surface fleet's gun systems and expressed dissatisfaction over the Navy's failure to carry out the guidance provided last year. The Navy was encouraged, for example, to develop the extended range 8-inch guided projectile but chose to reprogram the funds for this project to other elements.

On a comparative basis, the funds requested by the Navy this year for surface naval gunnery are over ten percent less than those requested for fiscal year 1975. The Navy should reassess its gun programs and initiate developments that will provide a significant increase in the effectiveness of naval gunnery. This will be a major consideration in the review of the fiscal year 1977 request for authorization in the area of both missiles and gun systems.

Again, the conferees request the Navy to take a more systems orientated approach toward enhancing the effectiveness of the surface fleet. *The conferees expect that the funds requested for naval gunnery will be used only for that purpose.* The programs include:

- Long Range Surface Weapon System (5-inch and 8-inch guided projectiles);
- Surface Launched Munitions;
- Fire Control Systems (Advanced);
- Gun Systems, including the Lightweight Modular Gun System;
- and
- Fire Control Systems (Engineering), including the MK-68, the MK-86 and the 8-inch Major Caliber Lightweight Gun.

TRIDENT MISSILE SYSTEM

The House bill resulted in a reduction of \$45.0 million from the Navy's request of \$735.5 million for fiscal year 1976 and \$10.0 million from the \$172.510 million requested for fiscal year 1977. The reduction was intended to terminate all effort on the MaRV Evader prototype program. The Senate amendment authorized full funding for the MaRV effort but deleted \$3.0 million for the Trident II missile in fiscal year 1976.

The conferees were advised that the Evader prototype program could be completed by the end of fiscal year 1977. In view of the high termination costs for this program, coupled with the fact that it could be completed in a relatively short timeframe, the conferees agreed to restore \$35.0 million in fiscal year 1976 and \$3.0 million in 1977 to continue and conclude this program. The House receded on the Trident II missile funding.

The Evader prototype is not a high accuracy MaRV. The Senate amendment offered in its general provisions, Title VIII, language that would preclude testing of both type MaRVs. The Senate receded on this amendment which is described in the general provisions section of this report.

ADVANCED ICBM TECHNOLOGY

The House bill authorized the full amounts of \$41.2 million and \$15.3 million requested for fiscal year 1976 and 1977 respectively. The Senate amendment provided \$40.1 million and \$14.3 million for these two periods. The Senate reductions reflected the determination that studies will not be conducted for a new fixed base ICBM because of its questionable survivability. The House recedes.

ADVANCED FIGHTER PROTECTIVE SYSTEMS

The House bill deleted \$2.8 million from the \$18.8 million requested for fiscal year 1976 and \$1.6 million from the \$3.6 million requested for fiscal year 1977. The Senate amendment authorized the full amounts requested.

The House's concerns centered on the Air Force's request which amounted to a 20 percent increase over the fiscal year 1975 funds, without a commensurate increase in the amount of work planned for the coming period.

In the Department of Defense reclama additional funds were requested for work not fully described earlier by the Air Force. Therefore, the Conferees agreed to increase the funding for this program and authorize \$17.4 million for fiscal year 1976 and \$2.8 million for fiscal year 1977.

B-1

The House bill authorized the entire amount of \$672.2 million and \$168.3 million requested by the Air Force for the B-1 research and development program for fiscal years 1976 and 1977 respectively. The House bill also authorized the full requests for \$77.0 million and \$31.0 million for the procurement of long-lead items for these periods. The Senate amendment reduced the R&D program by \$75.0 million and \$39.3 million for fiscal years 1976 and 1977 respectively. The Senate amendment also deleted the entire amount requested for procurement.

The following table summarizes the action of the conferees:

	[Dollars in millions]	
	Fiscal year 1976	Fiscal year 1977
R. & D.:		
DOD request.....	\$672.2	\$168.3
Conference.....	642.0	158.0
Procurement:		
DOD request.....	77.0	31.0
Conference.....	64.0	23.0

The conferees emphasized that the authorization of long-lead funding in no way commits nor obligates the United States Government to place the B-1 aircraft in production. Indeed, the conferees agreed to prohibit the Defense Department, as a matter of law, from entering into any production contract or any other contractual agreement for the production of the B-1 bomber aircraft unless subsequently au-

thorized by law. This prohibition, however, is not meant to apply to the acquisition of the long-lead items for the first three follow-on air vehicles.

The authorization of long-lead items is completely independent of the production decision. Authorization for the long-lead items for the B-1 was strongly supported by the House conferees who believe that future production cost savings will be realized which would otherwise be precluded in the event that actual production of the B-1 is subsequently authorized. The Senate conferees did not necessarily agree with the estimated magnitude of the savings.

The research and development funds authorized provide for fabrication of a fourth prototype aircraft.

B-52 SQUADRONS

The House bill deleted the entire Air Force request of \$10.329 million and \$7.329 million for fiscal years 1976 and 197T respectively. The Senate amendment reduced the request by \$3.0 million and \$4.3 million for fiscal years 1976 and 197T respectively.

The purpose of this program is to integrate the Harpoon missile on the Air Force B-52 strategic bomber. The House reduction was based on Navy testimony indicating that augmentation of the fleet with this capability was not essential. In addition, the House was not convinced that Harpoon is the optimum choice since its guidance system limits its applications. The Senate conferees concur with the House position and agreed to defer this program until the above concerns are adequately addressed by the Air Force and Navy.

The Services will prepare a joint study that indicates the need for fleet augmentation, the tradeoffs concerning the various choices of available missiles and the potential savings that could be realized with this capability.

The conferees agreed to restore \$5.0 million for fiscal year 1976 for the purpose of the study and the B-52 simulator effort that was a part of this program element. The funds are not to be used for any Harpoon/B-52 integration or development effort.

TECHNICAL SUPPORT TO OSD/JCS

The House bill authorized \$5.7 million of the \$22.8 million requested by the Department of Defense for fiscal year 1976 and \$1.425 million of the \$5.7 million requested for fiscal year 197T. The Senate amendment authorized \$19.8 million for fiscal year 1976 and \$5.0 million for fiscal year 197T.

The rationale for the substantial reduction in the House bill was based on the extremely poor testimony presented in support of this entire program. The primary concern related to the utility of the studies conducted, especially in the House of International Security Affairs, Manpower, and Net Technical Assessment. The House Committee had every reason to believe that a number of these studies are also being conducted elsewhere in the Defense establishment.

The House Conferees very reluctantly receded and agreed to restore \$11.8 million and \$2.825 for fiscal year 1976 and 197T respectively, on the basis of a stated requirement for these funds by the Secretary of

Defense during the deliberations of the Conference Committee. The House conferees, however, are still concerned over the utility and effectiveness of these studies. A report will be provided to the Committees on Armed Services of the House and Senate that covers the fiscal year 1975 period and includes the following information: the title of the study; the principal investigators; the cost of the study; the number of man-years expended; the purpose of the study; a brief summary of what the study encompasses; the utility of the study; and a brief statement of impact, if any, that the study has on on-going programs and/or the defense posture. This report is to be submitted prior to submission of the fiscal year 1977 authorization request.

IN-HOUSE LABORATORIES

The Director of Defense Research and Engineering indicated before both Committees on Armed Services his intention to effect a draw-down of some 6,000 civilian employees from the Defense Research and Development organization. The House, in its report number 94-199, directed that any proposed drawdown be deferred until the Committee had an opportunity to conduct hearings to assess the near and long-term effects of such action. The Senate, in its report number 94-146, expressed concurrence with the proposed drawdown.

The Department of Defense reclama requested that the House recede in its position during the deliberations of the Conference Committee.

Subsequently, staff members of the House and Senate Armed Services Committees met with representatives of the Office of the Director of Defense Research and Engineering and determined that the proposed drawdown of the planned magnitude over a one or two year period, under established procedures, could disrupt and demoralize the laboratories and could reduce them in size without renewing and strengthening their staffs.

The Conferees understand that the military departments and many, if not all, of the laboratories concur in the need for a properly structured reduction in manpower and that this would result in improved efficiency and effectiveness. The difference of opinion relates to the schedule for implementation of the reduction coupled with a hiring policy that would preclude renewing and strengthening of the staffs. The concern of the conferees is based on the potential loss of vitally important manpower and capabilities that currently exists in the in-house laboratory system. The Conferees would agree that the Department of Defense should proceed with a drawdown provided that it is phased over a longer period of time than two years and permits concurrent staff renewal to ensure the retention of needed in-house capability in the various areas of the research and development organization.

The Conferees, however, direct that prior to the implementation of any drawdown, the Director of Defense Research and Engineering presents to both Committees on Armed Services a plan for the service laboratory drawdowns consistent with this guidance to ensure the vitality and integrity of the in-house laboratory system. In the interim, the House Conferees agreed to defer further inquiry pending a review of the Director of Defense Research and Engineering plan.

TITLE III AND VII—ACTIVE FORCES

Title III and VII of the bill contain the authorization for the end strength of the active duty component of the armed forces for FY 1976 and the transition period.

For both FY 1976 and the transition period, the House bill authorized the strengths requested by the military departments.

The Senate amendment had reduced the total authorization by 18,300 personnel in the following manner:

For fiscal year 1976:	
Army	779,300
Navy	524,100
Marine Corps	195,900
Air Force	582,400
For fiscal year 197T:	
Army	787,300
Navy	531,300
Marine Corps	196,100
Air Force	582,400

The Senate contended that its reductions could be implemented without affecting combat capabilities. The House asserted that in light of the evidence that the management of defense manpower is showing real progress, reductions at this time would frustrate such efforts.

After extensive discussions, the conferees agreed on a compromise total reduction of 9,000 in active forces to be allocated by the Secretary of Defense as he deems appropriate. The conferees suggest that these reductions be made in the general areas recommended in the Senate committee report.

The conferees request that the Secretary of Defense report to the House and Senate Armed Services Committees within 60 days on the allocation of the reduction to the military services, and functional areas therein.

TITLE IV AND VII—RESERVE FORCES

Titles IV and VII of the bill contains the annual authorization for the strength of the selected Reserve of each Reserve component of the Armed Forces for fiscal year 1976 and the transition period.

The House and Senate positions differed on the strengths for the Army Reserve and the Navy Reserve. There were no differences in the authorizations for any other Reserve components.

For the Army Reserve, the Senate had authorized 212,400 for both fiscal year 1976 and the transition period; while the House authorized 226,000 for each of the periods.

The conferees agreed on 219,000.

For the Naval Reserve, the Senate authorized 92,000 for fiscal year 1976 and the transition period; while the House authorized 112,000 for each of these periods.

The conferees agreed on 106,000.

The House yielded reluctantly in the case of the Naval Reserve. It was agreed by the conferees that the 106,000 strength does not require reductions in the current strength of Reserve Naval Construction Battalions (SeaBee units).

The Senate and House also differed on the method of authorizing Reserve strength. The Senate conferees defended their authorization

of Reserve strengths in terms of end strength and a minimum average strength, and stated this would provide a firm mission planning basis for the Selected Reserve components. House conferees, however, were adamant that the previous average strength method of authorization be continued as provided in the House bill.

The Senate reluctantly recedes.

TITLE V AND VII—CIVILIAN PERSONNEL

The Senate Armed Services Committee approved civilian personnel end strengths by services and the Defense agencies as follows:

Fiscal year 1976:	
Army	329,000
Navy	310,300
Air Force	251,300
Defense Agencies	71,400
Fiscal year 197T:	
Army	332,700
Navy	311,100
Air Force	253,200
Defense Agencies	71,400

The total of these authorizations represent a 23,000 reduction from the strengths requested by the Department of Defense. The Senate as a whole imposed a further reduction of 17,000 to be allocated by the Secretary of Defense.

The House authorized a single Department of Defense-wide authorization for civilian personnel for each period. The House bill also excluded from this authorized end strength the civilian personnel engaged in industrially-funded activities of the Department of Defense. The end strengths authorized by the House were the strengths requested by the Department of Defense for each period less the employees of industrially-funded activities (985,000 minus 286,662 for FY 1976; 991,441 minus 285,128 for FY 197T).

The House bill provided for a separate authorization of 96,000 for indirect hire foreign national civilian employees in both fiscal year 1976 and the transition period.

The conference agreed to provide for an overall Department of Defense-wide authorization for civilian personnel with the Secretary of Defense given the authority to allocate the personnel to the military departments and Defense agencies as he deems appropriate.

The conference agreed to a total reduction of 23,000, for fiscal year 1976 and the transition period, from the number requested by the Department of Defense. The conferees suggest that these reductions be made in the general areas recommended in the Senate committee report.

After extensive discussion, the House reluctantly recedes on the exclusion for civilian employees of industrially-funded activities.

The conferees expressed the belief that the Armed Services and Appropriations Committees of the House and Senate should jointly study the manner of authorizing and appropriating for industrially-funded civilians, with a recommendation to be ready for Congressional action next year.

The conferees are cognizant of and emphasized the fact that no industrially-funded civilians were included in the reductions made in the areas specified in the Senate Committee report.

The House recedes on the provision which would have changed permanent authorizing legislation regarding the authorization of civilian personnel on a Department of Defense-wide basis as its intent is met otherwise.

The Senate recedes as to the exclusion of indirect hire employees from the civilian personnel authorization; however, the conferees agreed to include their number within the overall civilian end strength. Since the indirect hire employees are included in the overall authorization and thus within the one-half percent escalatory authority of the Secretary of Defense, the House intent in providing flexibility is met.

The conferees request that the Secretary of Defense report to the House and Senate Armed Services Committees within 60 days on the allocation of the reduction to the military services, and functional areas therein.

TITLE VI AND VII—MILITARY TRAINING STUDENT LOADS

Both the Senate and House authorized the Military Training Student Loads as requested by the Department of Defense and the numbers, therefore, were not subject to conference.

The Senate amendment to the bill however, incorporated a provision which would require the Secretary of Defense to adjust the Military Training Student Loads consistent with the manpower strengths in Titles III, IV, V, and VII.

TITLE VII

The discussion of issues relating to the transition period can be found within prior discussions of the specific subject matters in earlier titles.

TITLE VIII—GENERAL PROVISION

Authorization of repair, maintenance and overhaul of naval vessels and certain element of military construction

The House bill contained a provision, section 701(a)(1)(b), amending section 138 of title 10 United States Code so as to subject appropriations for repair, maintenance and overhaul of naval vessels to the annual authorization process. The Senate bill contained no such language.

The Senate Conferees objected to this provision because they questioned the need for the additional oversight requirement and the resulting new workload placed upon the Department and the legislative Committees.

Section 701 of the House bill also contained a provision which adds a new paragraph (a)(6) on military construction, as defined in new subsection (e) to section 138 of title 10, United States Code, which precludes the provision of funds for any fiscal year for military construction unless funds therefor have been specifically authorized by law. Subsection (e) defines the term "military con-

struction" to include any construction, development, conversion, or extension of any kind which is carried out with respect to any military facility or installation (including any Government-owned or Government-leased industrial facility used for the production of defense articles and any facility to which section 2353 of this title applies) but excludes any activity to which section 2673 or 2674, or chapter 133 of this title apply, or to which section 406(a) of Public Law 85-241 (71 Stat. 556) applies.

The conferees agree that there is a need for the DoD to maintain single management control of construction authorized with the procurement and RDT&E accounts. There is also a need for the Congress to have full visibility of all construction projects regardless of the method of funding. As currently practiced, military construction associated with either RDT&E or production of weapons systems is authorized along with those weapons systems. Therefore, it is pointed out that this addition to section 138 of title 10, United States Code, is not intended to incorporate an additional review of construction associated with weapons systems, which will continue to be reviewed and authorized along with the weapons systems themselves. However, all other military construction as indicated above not associated with RDT&E or production of weapons systems must be authorized in an annual military construction authorization bill.

The Senate recedes with an amendment striking the language referring to the authorization of repair, maintenance and overhaul of naval vessels.

Four Months Training

The House bill included language intended to alter certain requirements in the law which govern the amount of training necessary before an active duty serviceman can be assigned overseas, and governing the period of initial active duty for training for reservists. The Senate version of the bill had no such language.

The House position was motivated by evidence that substantial periods of time are being used inefficiently due to the current mandated periods for training which do not, in many cases, correspond to the actual time necessary for training servicemen in many skills.

The Senate conferees concern was to insure that adequate safeguards against the use of insufficiently trained personnel remained in the law.

The conferees agreed on new language which alters the current statutory time period of "four months"; at various points in the law, to a period of twelve weeks so as to avoid these inefficiencies, yet continue the statutory safeguard. This language, with its constraints, should be uniformly interpreted within the Department of Defense.

Admission of Women to the Service Academies

Both the House and the Senate have voted unequivocally to admit women to the Nation's three military service academies. Both House and Senate have also supported the principle that admission, training, graduation and commissioning of students should be essentially equal.

The conferees believe that this mandate can and should be carried out promptly, with a minimum of changes or adjustments in curriculum or facilities and with first admissions to begin with the class

entering in calendar year 1976. However, no changes should be made that would lead to separate training systems for men and women in the academies.

In implementing the admission of women to the academies, the conferees believe that the Secretary of Defense should be provided the discretion to phase in such changes or adjustments as may be necessary using as a guide the experience gained in the introduction of women into officer training in the various services' ROTC programs, Officer Candidate Schools and the U.S. Merchant Marine Academy.

Section 707: Contracting Authority for Naval Vessels

Section 707 of the House bill contained language which would authorize contracts for the construction, conversion, overhaul and repair of naval vessels, not in excess of unobligated balances. The Senate Amendments did not contain similar language.

The House Conferees urged that this provision was desirable in order to remove any doubt concerning the legal authority of the Department of Defense to enter into contracts where funds were appropriated in an amount sufficient for the target contract price, but where the Congress had not appropriated funds for contract escalation payments which might occur in the future due to economic inflation.

The House reluctantly recedes.

Emergency and Extraordinary Expenses

Included as Section 907 of the Senate bill was a provision, recommended by the Department of Defense, to specifically authorize for appropriations to the individual Service Secretaries, such funds as would be necessary for emergency and extraordinary purposes.

The House had not included a similar provision, since it was of the view that such new statutory language was unnecessary.

After considerable discussion, the conferees agreed to the Senate provision with some minor modifications.

The House recedes with an amendment.

Authority to Settle Shipbuilder Claims Subject to Appropriations

The House bill contained a provision, section 708, authorizing the Secretary of the Navy to settle claims arising out of ship construction and conversion contracts, entered into prior to July 1, 1974, notwithstanding the availability of appropriations for that purpose, subject to appropriations subsequently authorized and appropriated by Congress. The Senate bill contained no such language.

The Senate recedes.

Compliance With Congressional Budget Act

The House bill contained a provision, Section 709, which would bring any new spending authority, as defined by the Congressional Budget Act of 1974, involved in the House Sections 707 and 708 into compliance with Section 401 of the Congressional Budget Act of 1974. The Senate bill contained no such language.

House Section 707 was dropped and House Section 707 was modified to include requirements of House Section 709. Consequently, the House receded.

Five-Year Naval Shipbuilding Program

Section 710 of the House bill contained language directing the Secretary of Defense to submit a five-year naval ship new construction and conversion program for each fiscal year. The Senate bill contained no similar language.

This provision was fully supported by the Department of Defense.

Extensive hearings in the House during 1974 and again this year clearly showed the need for a longer range shipbuilding plan in order to eliminate some of the upheavals and uncertainties in the shipbuilding industry which have contributed to increased costs.

The Senate Conferees expressed concern that this provision would affect the annual authorization process. The Conferees agreed to make a technical amendment to this section and the language of this section does not, in any way, change existing law with respect to the annual authorization of the construction and conversion of naval vessels.

The Senate recedes with an amendment.

Restriction on Multi-Year Contracts

The House bill contained language which prohibits multi-year contracts with cancellation ceilings in excess of \$5 million, unless such contracts are approved in advance by the Congress. The Senate bill had no similar language.

The Senate recedes.

Requirement To Procure Technical Data Packages

The House bill contained a provision, Section 712, to require the Department of Defense to purchase all designs and data required to manufacture major weapon systems which cost \$100 million or more to develop and/or procure, subject to waiver with approval of both the House and Senate Armed Services Committees. The purpose of the House provision is to standardize DoD contractual relations which have been different for each of the three military services.

The Senate conferees consider that there is merit to the proposed language but, because it is a highly complicated matter with profound implications involving both the Department of Defense and industry, there should be a period of time to enable the Department to conduct a complete study and report to the Congress on findings and appropriate recommendations for statutory language if warranted.

The conferee's prime concern is the ever increasing cost of weapons systems which necessitates the Services having the greatest flexibility in procuring these systems. The conferees believe that it is more cost effective for the Services to have complete detailed design and manufacturing data in so far as weapons can be procured, when economical from multiple sources. Further, the conferees believe that it is imperative that the Department of Defense retain greater flexibility in having the information required to independently modify and maintain their weapons systems.

The House conferees agreed to delete Section 712 of the House bill. The conferees direct the Department of Defense, with GAO participation, to conduct a study on this subject to determine what policies and procedures should be established throughout the Department which

can be implemented uniformly by the various military departments and Defense Agencies.

The results of this study, including proposed policies and procedures, will be submitted to the Congress in conjunction with the submission of the fiscal year 1977 authorization request.

The Department of Defense will submit a report for fiscal year 1976 to the Congress covering all contracts awarded for development of weapon systems having a total value of \$100 million or more, and indicating what provision was included for procurement of manufacturing data. Included in the report will be a complete discussion of the provisions included in the contracts which were used to ensure that the data obtained could be used by independent manufacturers for the production of the weapon systems. If the provisions used did not ensure that complete and useful data would be provided, then suggested provisions which would require that such data be supplied are to be included in the report.

REQUIREMENTS FOR NOTIFICATION OF TRANSFERS OF FUNDS FROM RDT&E ACCOUNTS

The House bill contained a provision, Section 713, which required prior approval by the House and Senate Armed Services Committees of any transfer to other accounts of funds authorized for appropriations for Research, Development, Test and Evaluation.

The Senate conferees did not object to the purpose of the House language but questioned the need for statutory language. It also would severely restrict the limited management flexibility that the Department of Defense has in dealing with funding problems, particularly in view of the reluctance of the Congress to consider requests for supplemental appropriations.

The House conferees recede and agree to delete the statutory language recognizing that adequate controls by the Congress may be exercised through established reprogramming procedures.

The conferees agree that the policy is hereby established whereby the transfer of any funds from the Department of Defense appropriations for Research, Development, Test and Evaluation, to other appropriations of the Department of Defense requires prior approval of the Armed Services Committees of the Congress in accordance with established reprogramming procedures.

The Department of Defense will comply with this policy and will implement its provisions beginning with fiscal year 1976.

5-percent pay cap

The House bill contained a provision (section 714) providing for a 5-percent cap on military active-duty pay increases throughout FY 76 subject to a similar cap being placed on civil service classified pay increases and providing that no change is made in the surcharge of military commissaries during the period the cap is enforced. The Senate amendment contained no such provision.

The Senate conferees convinced the House conferees that the inclusion of military commissaries in the language was not appropriate to the provision of a 5-percent cap; and, therefore, the Senate receded with an amendment deleting all reference to the surcharge in military

commissaries. It should be understood that the language of the section will provide for a 5-percent cap on military active-duty pay only if a similar cap is placed on classified civil service pay.

Submission of Selected Acquisition Reports to Congress

The House bill contained a provision which would require the Secretary of Defense to submit to Congress within thirty days after the end of each quarter, beginning with the quarter ending December 31, 1975, all selected acquisition reports on major defense systems which are estimated to require a total cumulative financing for research, development, test, and evaluation in excess of \$50,000,000 or a cumulative production investment in excess of \$200,000,000. The Senate amendment contained no similar provision.

The Senate conferees concurred in the need for timely submission of these reports to Congress; however, the conferees being advised by the Department of Defense that final reports might not in all cases be finalized for submission to Congress within thirty days after the end of a quarter agreed to extend the period for submission of final reports to forty-five days. The conferees did insist, though, that selected acquisition reports covering the previous quarter be submitted to Congress within thirty days after the end of the quarter and strongly urge that they be the final approved reports. All reports whether final or not are to contain all information required in final selected acquisition reports.

Military Force Structure and Foreign Policy Report

The Senate bill included in section 914 a provision adopted as a Floor amendment which required an annual report to the Congress explaining the relationship of our military force structure to our foreign policy for the forthcoming fiscal year.

The House bill contained no similar provision.

The House conferees were of the view that this proposed annual report was unnecessary and redundant. However, the Senate conferees were adamant in their position that an annual report of this kind was necessary to provide the Congress a better comprehension of the actual need for our military force structure required to support our current and projected foreign policy.

The House conferees reluctantly recede with an amendment.

Petroleum Supply Discrimination: Remedy for Department of Defense

Title VIII of the Senate amendments contained language prohibiting "discrimination" by United States citizens, by firms or organizations controlled by United States citizens, or by corporations organized or operating within the United States, in the supply of petroleum products for the use of United States armed forces. This title provides for injunctive relief and for criminal penalties.

The language of this title was prompted by concern of the Senate over the failure of some overseas suppliers to provide petroleum products to our armed forces during the Arab embargo. A related concern was the allegation that some U.S. petroleum companies have explicitly or implicitly threatened to reduce or eliminate supplies of petroleum products to the Department of Defense overseas unless the Department

of Defense agreed to contract terms which met the particular views of the company concerned, terms however, that were incompatible with laws or regulations governing Defense contracts. Although no supply failure has been experienced because of such disagreements, unnecessary delays in reaching agreement on contract terms did threaten timely supply support.

The Senate provisions, as approved by the Senate were designed to overcome these problems.

The House Conferees objected to this provision since it appeared to be non-germane to the subject of the House bill, was vague in its terms and, as drafted, was objectionable on Constitutional grounds.

As a result of the House Conferee's objections, Senate Title VIII was redrafted to provide a more concise procedure for obtaining records and furnishing records and information, protecting the Constitutional rights of individuals and for safeguarding confidential information. The responsibility for conducting investigations of discrimination (as defined by this provision) is shifted from the Secretary of Defense to the Attorney General of the United States. In addition the amended provision contains a more concise definition of "discrimination", adds a new definition of the term "supplier", and provides that this provision will expire two years after enactment.

The House therefore recedes and agrees to the Senate amendment, with an amendment.

Sale or Transfer of Defense Articles From the U.S. Active Forces Inventory

The Senate amendment provided that in the case of any letter of offer to sell or any proposal to transfer defense articles from U.S. active forces' inventory in the amount of \$25,000,000 or more, the Secretary of Defense shall submit a report to the Congress setting forth the impact of the transaction on the U.S. readiness posture and the adequacy of reimbursement to cover the full replacement cost of said items.

The House bill included a provision which was similar to the language of the Senate amendment, but not as broad in scope. The conferees agreed on a modification of the language of the Senate provision which satisfied the purposes of both Houses.

Accordingly, the House recedes with an amendment.

Readiness Report

The Senate amendment contained a provision requiring an annual report detailing U.S. readiness in an additional, separate format. The House bill has no similar language.

The Senate recedes.

Binary Chemical Munitions

The House bill authorized the entire amount of \$5.167 million requested by the Army for fiscal year 1976 and \$2.578 million requested for fiscal year 1977 for the continued research, development, test, and evaluation of binary chemical munitions. The House bill also authorized the Navy's request of \$1.599 million and \$348 thousand for fiscal year 1976 and 1977 for the "Big Eye" bomb program. The Senate amendment deleted the entire Army and Navy requests for fiscal years 1976 and 1977 and further adopted statutory language to prohibit the research, development, test, and evaluation, preproduction and

production of lethal binary chemical munitions until the President certifies to the Congress that it is essential to the national interest.

The House conferees could not concur with the Senate amendment in consideration of the expanding effort of the Soviets to advance virtually every aspect of offensive chemical warfare technology.

The Senate receded to the House position to restore all RDT&E funds.

In light of the current negotiations concerning the ban of chemical munitions, the House conferees agreed to accept the Senate position and provide statutory language prohibiting the production of lethal binary chemical munitions unless the President certifies to the House and Senate that it is in the national interest to do so.

All of the conferees expressed serious concern over the inadequacy of our chemical warfare defensive programs. The conferees believe that the Department of Defense is not putting forth an acceptable level of effort in this area and strongly urges the Department to advance our military posture in this area.

NATO Standardization

The Senate amendment contained language intended to provide impetus for further standardization of military equipment in NATO by declaring it to be United States policy that equipment procured for U.S. forces stationed in Europe be standardized or at least interoperable with the equipment of our NATO allies. The Secretary of Defense was also directed to implement procurement policies to this effect, and report to the Congress whenever this policy could not be complied with.

The House conferees, although in agreement with the goal of standardization particularly in the area of communication and other similarly suitable equipment, expressed grave concerns that the import of this language as presently constituted could be misconstrued and possibly used to our disadvantage.

After lengthy discussion of this matter, the House recedes with amendments. The section in the Senate amendment concerning the "Buy America" Act and its relationship to the Secretary of Defense's authority to procure articles manufactured outside the United States was deleted and the reporting requirement was modified. The Senate conferees strongly believe that whenever the Secretary of Defense determines that it is necessary, in order to carry out the policy expressed in this section, to procure equipment manufactured outside the United States, he is authorized to determine, for the purposes of section 2 of title III of the Act of March 3, 1933 (47 Stat. 1520; 41 U.S.C. 10a), that the acquisition of such equipment manufactured in the United States is inconsistent with the public interest.

The conferees stressed that while the reporting requirement only covers non-compliance on major systems, the amendment also urges standardization of procedures, logistics and support equipment.

Suggestions from retiring personnel

The Senate amendment contained a provision (section 906) which would direct the Secretary of Defense to request suggestions for improvements in procurement of policies from retiring military officers

and civilian personnel of a grade GS-13 or above who are employed in military procurement. The House bill contained no such provision.

The Senate recesses.

Study on Training Establishment

The Senate amendment contained a provision, Section 911, which expressed the sense of Congress that training programs in the Department of Defense should be restructured so as to increase the ratio of students to staff. This provision also mandated a study of the training establishment intended to result in a student to staff and overhead ratio of three to one. This study was to contain a detailed plan for achieving this three to one ratio with the conversion of these excess training authorizations into combat units. The House bill contained no comparable provision, however a study of the composition of the training establishment was directed in its report.

The conferees agree that a comprehensive study of the entire training establishment is necessary. It is apparent that substantial and valid concerns exist within both bodies as to the current structure of the training establishment with its consequent costs. Therefore, it was agreed that while the bill itself should not contain this requirement, a study of this nature should be expeditiously initiated by the Department of Defense. This study, in addition to examining the underlying policy and basic validity of the current training structure, its qualities unique from a civilian education institution, and the possibility of duplication therein, should carefully delineate the character of personnel currently assigned in the area of training, by function, using the manpower categories contained in the Manpower Requirements Report. Further, the study should examine in some depth the appropriate character which the training establishment would assume when structured for a substantially higher proportion of students to staff and overhead personnel than is currently existent.

The results of this study should be submitted to the Congress as an independent segment of the annual report recommending average student loads required by section 604 of Public Law 92-436.

The Senate recesses.

Enlisted Aides

Section 912 of the Senate amendment contained a provision specifying that enlisted aides could only be assigned to four and three star general and flag officers of the armed forces in the following allocation: three aides for the Chairman of the Joint Chiefs of Staff, the Chiefs of Staff of the Armed Forces, and the Commandant of the Marine Corps; two for other officers in the rank of general or admiral; and one for officers in the rank of lieutenant general or vice admiral. This would result in a total of approximately 204 aides compared to the current number of 500.

The House bill contains no such provision.

The conferees agreed that a provision in the law controlling the number of enlisted personnel assigned to officers staffs as aides was ap-

propriate. However, the conferees consider the assignment of these aides should be based not on the rank of the particular officer, but rather on the officer's position and its incumbent responsibilities. While the number of aides is to be determined by a formula based upon the total number of four star officers (four for each), and three star officers (two for each), the Secretary of Defense is given the authority to allocate these aides as he deems appropriate. The assigned duties of the officers should be the controlling factor.

This formula for determining the number of aides will result in 396 aides for fiscal year 1976. Generals of the Army and admirals of the Fleet are not considered in this formula; however this omission is not intended to alter the current practice of assigning aides to these officers.

Extension of Authority for Credit Sales to Israel

The bill, as passed by the Senate, included a floor amendment which would extend to December 31, 1977, the provisions of the Defense Procurement Act of 1970 (84 Stat. 909) authorizing the President "to transfer to Israel by sale, credit sale, or guaranty, such aircraft, and equipment appropriate to use, maintain, and protect such aircraft, as may be necessary to counteract any past, present, or future increased military assistance provided to other countries of the Middle East. Any such sale, credit sale, or guaranty shall be made on terms and conditions not less favorable than those extended to other countries which receive the same or similar types of aircraft and equipment."

The authority of this provision was previously extended in 1972 and 1973 and is now due to expire on December 31, 1975.

The Senate Conferees urged approval of the Senate-passed provision since, in their view, failure to do so might be construed as an unwillingness of the Congress to maintain the "status-quo" in the Middle East. The House Conferees, on other hand, expressed serious reservations concerning the germaneness of the Senate-passed provision, but in view of Senate adamant position reluctantly recessed.

Military retired-pay inversion

The Senate amendment contained a provision which would amend title 10, United States Code, to prevent military personnel who retire from receiving less retired pay than if they had retired at an earlier date, but after January 1, 1971. The Senate provision was designed to correct the so-called "retired-pay inversion" problem which was caused by the fact that retired pay has been increasing at a faster rate than active-duty pay in recent years. The House conferees concurred that the present pay situation, based on an interpretation by the Comptroller General, was creating individual inequities and was working against the retention of highly qualified personnel.

The House recesses.

Law Training for Officers Formerly in a Missing Status

The Senate amendment contained language to permit commissioned officers who were in a missing status during the Vietnam era to be de-

tailed as students at law school notwithstanding eligibility limitations in section 2004, Title 10, U.S. Code, that would render them ineligible. The House bill contained no such provision. However, the House Armed Services Committee had approved separate legislation to achieve the same objective.

The House, therefore, recesses.

Food and Forage

The Senate amendment contained a provision to repeal the so-called "Food and Forage" section of the revised statutes. This is contained in section 11 of title 41, U.S. Code, and provides authority for the military departments to contract for clothing, assistance, forage, fuel, quarters and transportation during the "current year" without regard to prior authorization and appropriation.

The Senate acted to effect repeal because the provisions of the so-called Food and Forage Act were designed to allow for emergency needs of the military departments at a time when rapid response from the Congress may not have been available in emergencies, and the Senate conferees maintained that the provisions are no longer required in law. The House conferees stated that they have not had an opportunity to study the matter and were not sure of the present uses of the law and what the ramifications of repeal would be.

The House conferees proposed, therefore, that the Senate language be deleted with the understanding that the House Armed Services Committee would hold hearings on the matter.

The Senate recesses.

Life Cycle Costing

The Senate amendment contained a provision which, if adopted, would have required the Secretary of Defense to submit a report estimating the life cycle costs of operating all major weapons systems procured since FY 1975 at the same time as the President presents his budget to the Congress for fiscal year 1977.

The House bill contained no similar provision.

Although the House conferees recognize the meritorious objective of the provision, they considered the proposed statutory requirement unnecessarily broad and requiring a response from the Department of Defense that could possibly not be met, within this time frame, in a meaningful manner.

After considerable discussion, the conferees agreed to delete this provision with the explicit understanding that the Department of Defense was to be placed on notice that each of the Committees on Armed Services, from time to time, expect to request life cycle costs on individual major weapons systems rather than on all weapons systems. Therefore, these requests for life cycle costs on individual weapons systems must elicit a timely and meaningful report from the departments.

The Senate recesses.

Maneuvering Reentry Vehicle Testing

The Senate amendment provided language in section 917, general provisions, that would preclude any testing of Maneuvering Reentry Vehicles (MaRV) unless the President certified that such testing was

conducted by our potential adversaries or the President certified that it would be in the national interest of the United States to conduct MaRV tests.

The House bill contained no similar provision.

The House conferees strongly opposed such restrictive language since it could result in unilateral U.S. termination of MaRV testing.

The Senate conferees reluctantly agreed to recede, but only after they determined that no MaRV testing, with the exception of the Evader prototype, would be conducted during the period of fiscal year 1976 and 1977. Since the Navy plans to flight test the Evader only over the ocean, the Senate conferees understand that this could in no way be construed as supporting the development of a high accuracy MaRV.

MELVIN PRICE,
F. EDWARD HEBERT,
CHARLES BENNETT,
SAMUEL STRATTON,
RICHARD ICHORD,
LUCIEN NEDZI,
WILLIAM RANDALL,
CHARLES WILSON,
BOB WILSON,
WILLIAM DICKINSON,
WILLIAM WHITEHURST,
FLOYD SPENCE,

Managers on the Part of the House.

JOHN C. STENNIS,
STUART SYMINGTON,
HENRY M. JACKSON,
HOWARD W. CANNON,
THOMAS J. MCINTYRE,
HARRY F. BYRD, JR.,
SAM NUNN,
STROM THURMOND,
JOHN TOWER,
BARRY GOLDWATER,
WILLIAM L. SCOTT,
ROBERT TAFT, JR.,

Managers on the Part of the Senate.

○

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1976 AND THE PERIOD BEGINNING JULY 1, 1976, AND ENDING SEPTEMBER 30, 1976, FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, ACTIVE DUTY, RESERVE, AND CIVILIAN PERSONNEL STRENGTH LEVELS, MILITARY TRAINING STUDENT LOADS, AND FOR OTHER PURPOSES.

September 18, 1975.—Ordered to be printed

MR. PRICE, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 6674]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads 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 proposed to be inserted by the Senate amendment insert the following:

TITLE I—PROCUREMENT

Sec. 101. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked

combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$337,500,000; for the Navy and the Marine Corps, \$2,997,500,000; for the Air Force, \$4,119,000,000, of which amount not to exceed \$64,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft. None of the funds authorized by this Act may be obligated or expended for the purpose of entering into any production contract or any other contractual arrangement for production of the B-1 bomber aircraft unless the production of such aircraft is hereafter authorized by law. The funds authorized in this Act for long lead items for the B-1 bomber aircraft do not constitute a production decision or a commitment on the part of Congress for the future production of such aircraft.

MISSILES

For missiles: for the Army, \$431,000,000; for the Navy, \$990,400,000; for the Marine Corps, \$52,900,000; for the Air Force, \$1,765,000,000, of which \$265,800,000 shall be used only for the procurement of Minuteman III missiles.

NAVAL VESSELS

For Naval vessels: for the Navy, \$3,899,400,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$864,000,000, of which \$379,400,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$101,500,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$189,500,000.

OTHER WEAPONS

For other weapons: for the Army, \$74,300,000; for the Navy, \$17,700,000; for the Marine Corps, \$100,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$2,028,933,000;

For the Navy (including the Marine Corps), \$3,318,649,000;

For the Air Force, \$3,737,001,000; and
For the Defense Agencies, \$588,700,000, of which \$25,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

TITLE III—ACTIVE FORCES

SEC. 301. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

- (1) The Army, 785,000;
- (2) The Navy, 528,651;
- (3) The Marine Corps, 196,303;
- (4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and the Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

TITLE IV—RESERVE FORCES

SEC. 401. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than following:

- (1) The Army National Guard of the United States, 400,000;
- (2) The Army Reserve, 219,000;
- (3) The Naval Reserve, 106,000;
- (4) The Marine Corps Reserve, 32,481;
- (5) The Air National Guard of the United States, 94,879;
- (6) The Air Force Reserve, 51,789;
- (7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

TITLE V—CIVILIAN PERSONNEL

Sec. 501. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Department of Defense is authorized an end strength for civilian personnel of 1,058,000.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section but such additional number may not exceed one-half of one per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

TITLE VI—MILITARY TRAINING STUDENT LOADS

Sec. 601. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

- (1) The Army, 83,101;
- (2) The Navy, 69,513;
- (3) The Marine Corps, 26,489;
- (4) The Air Force, 51,225;
- (5) The Army National Guard of the United States, 9,788;

- (6) The Army Reserve, 7,359;
- (7) The Naval Reserve, 1,661;
- (8) The Marine Corps Reserve, 2,769;
- (9) The Air National Guard of the United States, 1,952; and
- (10) The Air Force Reserve, 810.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the fiscal year ending June 30, 1976, shall be adjusted consistent with the manpower strengths provided in titles III, IV, and V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve Components in such manner as the Secretary of Defense shall prescribe.

TITLE VII—AUTHORIZATION FOR THE PERIOD BEGINNING JULY 1, 1976, AND ENDING SEPTEMBER 30, 1976

Sec. 701. PROCUREMENT.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$59,400,000; for the Navy and the Marine Corps, \$585,500,000; for the Air Force, \$858,000,000, of which amount not to exceed \$23,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft.

MISSILES

For missiles: for the Army, \$56,500,000; for the Navy, \$308,600,000; for the Marine Corps, \$10,700,000; for the Air Force, \$252,200,000.

Naval Vessels

For naval vessels: for the Navy, \$474,200,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$245,300,000, of which \$133,000,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$400,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$19,200,000.

OTHER WEAPONS

For other weapons: for the Army, \$9,700,000; for the Navy, \$1,400,000.

SEC. 702. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$513,326,000;

For the Navy (including the Marine Corps), \$849,746,000;

For the Air Force, \$965,783,000; and

For the Defense Agencies, \$144,768,000, of which \$5,000,000 is authorized for the activities of the Director of Test and Evaluation Defense.

SEC. 703. ACTIVE FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 793,000;

(2) The Navy, 535,860;

(3) The Marine Corps, 196,498;

(4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

SEC. 704. RESERVES FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 400,000;

(2) The Army Reserve, 219,000;

(3) The Naval Reserve, 106,000;

(4) The Marine Corps Reserve, 33,013;

(5) The Air National Guard of the United States, 94,543;

(6) The Air Force Reserve, 53,612;

(7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the period; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the period. Whenever such units or such individual members are released from active duty during the period, the average strength for such period for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 705. CIVILIAN PERSONNEL.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Department of Defense is authorized an end strength for civilian personnel of 1,064,400.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section, but such additional number may not exceed one-half of 1 per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

SEC. 706. MILITARY TRAINING STUDENT LOADS.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 75,185;

(2) The Navy, 70,571;

(3) The Marine Corps, 26,788;

(4) The Air Force, 52,280;

(5) The Army National Guard of the United States, 9,481;

(6) The Army Reserve, 5,518;

(7) The Naval Reserve, 2,106;

(8) The Marine Corps Reserve, 4,088;

(9) *The Air National Guard of the United States*, 2,180; and
 (10) *The Air Force Reserve*, 836.

(b) *The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the period beginning July 1, 1976, and ending September 30, 1976, shall be adjusted consistent with the manpower strengths provided in sections 703, 704, and 705 of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components in such manner as the Secretary of Defense shall prescribe.*

TITLE VIII—GENERAL PROVISIONS

SEC. 801. (a) *Section 138 of title 10, United States Code, is amended as follows:*

(1) *Subsection (a) of such section is amended—*

(A) *by striking out "or" at the end of paragraph (4);*

(B) *by inserting "or" after the semicolon at the end of paragraph (5); and*

(C) *by inserting immediately after paragraph (5) the following new paragraph:*

"(6) *military construction (as defined in subsection (e) of this section);"*

(2) *Such section is amended by adding at the end thereof the following new subsection:*

"(e) *For purposes of subsection (a)(6) of this section, the term 'military construction' includes any construction, development, conversion, or extension of any kind which is carried out with respect to any military facility or installation (including any Government-owned or Government-leased industrial facility used for the production of defense articles and any facility to which section 2353 of this title applies) but excludes any activity to which section 2673 or 2674, or chapter 133, of this title apply, or to which section 406(a) of Public Law 85-241 (71 Stat. 556) applies."*

(b) *The amendment provided by paragraph (2) of subsection (a) above with respect to funds not heretofore required to be authorized shall only apply to funds authorized for appropriation for fiscal year 1977 and thereafter.*

SEC. 802. (a) *The second sentence of section 511(d) of title 10, United States Code, is amended by striking out "four months" and inserting in lieu thereof "twelve weeks".*

(b) *Section 671 of title 10, United States Code, is amended by striking out "four months" and inserting in lieu thereof "twelve weeks".*

(c) *The sixth paragraph of section 4(a) of the Military Selective Service Act (50 U.S.C. App. 454(a)) is amended by striking out "four months" each time it appears in such paragraph and inserting in lieu thereof in each case "twelve weeks".*

(d) *The third sentence of section 6(c)(2)(A) of the Military Selective Service Act (50 U.S.C. App. 456(c)(2)(A)) is amended by striking out "four consecutive months" and inserting in lieu thereof "twelve consecutive weeks".*

SEC. 803. (a) *Notwithstanding any other provision of law, in the administration of chapter 403 of title 10, United States Code (relating to the United States Military Academy), chapter 603 of such title (relating to the United States Naval Academy), and chapter 903 of such title (relating to the United States Air Force Academy), the Secretary of the military department concerned shall take such action as may be necessary and appropriate to insure that (1) female individuals shall be eligible for appointment and admission to the service academy concerned, beginning with appointments to such academy for the class beginning in calendar year 1976, and (2) the academic and other relevant standards required for appointment, admission, training, graduation, and commissioning of female individuals shall be the same as those required for male individuals, except for those minimum essential adjustments in such standards required because of physiological differences between male and female individuals.*

(b) *Title 10, United States Code, is amended as follows:*

(1) *Sections 4342, 6954, and 9342 are each amended by striking out the word "sons" wherever it appears therein and inserting in place thereof in each instance the word "children".*

(2) *Section 6956 (d) is amended by striking out the word "men" wherever it appears therein and inserting in place thereof in each instance the word "members".*

(c) *It is the sense of Congress that, subject to the provisions of subsection (a), the Secretaries of the military departments shall, under the direction of the Secretary of Defense, continue to exercise the authority granted them in chapters 403, 603 and 903 of title 10, United States Code, but such authority must be exercised within a program providing for the orderly and expeditious admission of women to the academies, consistent with the needs of the services, with the implementation of such program upon enactment of this Act.*

SEC. 804. (a) *Chapter 4 of title 10, United States Code, is amended by adding the following new section after section 139 and inserting a corresponding item in the chapter analysis:*

"§ 140. Emergencies and extraordinary expenses

"(a) *Subject to the limitations of subsection (c) of this section, and within the limitation of appropriations made for the purpose, the Secretary of Defense and the Secretary of a military department within his department, may provide for any emergency or extraordinary expense which cannot be anticipated or classified. When it is so provided in such an appropriation, the funds may be spent on approval or authority of the Secretary concerned for any purpose he determines to be proper, and such a determination is final and conclusive upon the accounting officers of the United States. The Secretary concerned may certify the amount of any such expenditure authorized by him that he considers advisable not to specify, and his certificate is sufficient voucher for the expenditure of that amount.*

"(b) *The authority conferred by this section may be delegated by the Secretary of Defense to any person in the Department of Defense or by the Secretary of a military department to any person within his department, with or without the authority to make successive re-delegations.*

"(c) In any case in which funds are expended under the authority of subsections (a) and (b) of this section, the Secretary of Defense shall submit a report of such expenditures on a quarterly basis to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives."

(b) Section 7202 of title 10, United States Code, and the corresponding item in the analysis of such chapter are repealed.

SEC. 805. Section 139(b) of title 10, United States Code, is amended by deleting the word "sixty" and inserting in lieu thereof the word "ninety".

SEC. 806. Section 1401a of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(f) Notwithstanding any other provision of law, the monthly retired or retainer pay of a member or a former member of an armed force who initially became entitled to that pay on or after January 1, 1971, may not be less than the monthly retired or retainer pay to which he would be entitled if he had become entitled to retired or retainer pay at an earlier date, adjusted to reflect any applicable increases in such pay under this section. In computing the amount of retired or retainer pay to which such a member would have been entitled on that earlier date, the computation shall, subject to subsection (e) of this section, be based on his grade, length of service, and the rate of basic pay applicable to him at that time. This subsection does not authorize any increase in the monthly retired or retainer pay to which a member was entitled for any period prior to the effective date of this subsection."

SEC. 807. In any case in which funds are unavailable for the payment of a claim arising under a contract entered into prior to July 1, 1974, for the construction or conversion of any naval vessel, the Secretary of the Navy is authorized to settle such claim, but the settlement thereof shall be made subject to the authorization and appropriation of funds therefore. The Secretary of the Navy shall promptly forward to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives copies of all claim settlements made under this section.

SEC. 808. Concurrent with the submission of the President's budget for the fiscal year commencing October 1, 1976, the Secretary of Defense shall submit a five-year naval ship new construction and conversion program. Thereafter, concurrent with the annual submission of the President's budget, the Secretary of Defense shall report to the Committees on Armed Services of the Senate and the House of Representatives any changes to such a five-year program as he deems necessary for the current year, and for the succeeding years, based upon, but not limited to, alterations in the defense strategy of the United States and advances in defense technology. This section does not in any way change existing law with respect to the annual authorization of the construction and conversion of naval vessels.

SEC. 809. The restrictive language contained in section 101 of the Department of Defense Appropriations Authorization Act, 1975

(Public Law 93-365), and in section 101 of the Department of Defense Appropriations Authorization Act, 1974 (Public Law 93-155), under the heading "Naval Vessels", which relates to the use of funds for the DLGN nuclear guided missile frigate program, shall not apply with respect to \$101,000,000 of long lead funding provided for in such Acts for the DLGN-42 nuclear guided missile frigate.

SEC. 810. No funds authorized for appropriation to the Department of Defense shall be obligated under a contract for any multiyear procurement as defined in section I-322 of the Armed Services Procurement Regulations (as in effect on September 26, 1972) where the cancellation ceiling for such procurement is in excess of \$5,000,000 unless the Congress, in advance, approves such cancellation ceiling by statute.

SEC. 811. (a) Beginning with the quarter ending December 31, 1975, the Secretary of Defense shall submit to the Congress within 30 days after the end of each quarter of each fiscal year, written selected acquisition reports for those major defense systems which are estimated to require the total cumulative financing for research, development, test, and evaluation in excess of \$50,000,000 or a cumulative production investment in excess of \$200,000,000. If the reports received are preliminary then final reports are to be submitted to the Congress within 45 days after the end of each quarter.

(b) Any report required to be submitted under subsection (a) shall include, but not be limited to, the detailed and summarized information included in reports required by section 139 of title 10, United States Code.

SEC. 812. The Secretary of Defense, after consultation with the Secretary of State, shall prepare and submit to the Committees on Armed Services of the Senate and the House of Representatives a written annual report on the foreign policy and military force structure of the United States for the next fiscal year, how such policy and force structure relate to each other, and the justification for each. Such report shall be submitted not later than January 31 of each year.

SEC. 813. In the case of any letter of offer to sell or any proposal to transfer defense articles which are valued at \$25,000,000 or more from the United States active forces' inventories, the Secretary of Defense shall submit a report to the Congress setting forth—

(1) the impact of such sales or transfers on the current readiness of United States forces; and

(2) the adequacy of reimbursements to cover, at the time of replenishment to United States' inventories, the full replacement costs of those items sold or transferred.

SEC. 814. (a) It is the sense of the Congress that equipment, procedures, ammunition, fuel and other military impedimenta for land, air and naval forces of the United States stationed in Europe under the terms of the North Atlantic Treaty should be standardized or made interoperable with that of other members of the North Atlantic Treaty Organization to the maximum extent feasible. In carrying out such policy the Secretary of Defense shall, to the maximum feasible extent, initiate and carry out procurement procedures that provide for the acquisition of equipment which is standardized or interoperable with equipment of other members of the North Atlantic Treaty Organization whenever such equipment is designed primarily to be

used by personnel of the Armed Forces of the United States stationed in Europe under the terms of the North Atlantic Treaty.

(b) The report required under section 302(c) of Public Law 93-365 shall include a listing of the initiation of procurement action on any new major system not in compliance with the policy set forth in section (a).

(c) Section 302(c) of Public Law 93-365 is amended by deleting the last two sentences and inserting in lieu thereof the following: "The Secretary of Defense shall report annually, not later than January 31 of each year, to the Congress on the specific assessments and evaluations made under the above provisions as well as the results achieved with the North Atlantic Treaty Organization allies."

Sec. 815. Notwithstanding any other provision of law, the authority provided in section 501 of Public Law 91-441 (84 Stat. 909) is hereby extended until June 30, 1977; but no transfer of aircraft or other equipment may be made under the authority of such section 501 unless funds have been previously appropriated for such transfer.

Sec. 816. (a) The Armed Forces of the United States operate worldwide in maintaining international peace and in protecting the interests of the United States. It is essential to the effective operation of the Armed Forces that they receive adequate supplies of petroleum products. Citizens and nationals of the United States and corporations organized or operating within the United States enjoy the benefits of the United States flag and the protection of the Armed Forces and owe allegiance to the United States. It is the purpose of this section to provide a remedy for discrimination by citizens or nationals of the United States or corporations organized or operating within the United States, and by organizations controlled by them, against the Department of Defense in the supply of petroleum products.

(b) (1) No supplier shall engage in discrimination (as defined in subsection (c) (2) of this section) in the supply, either within or outside the United States, of petroleum products for the Armed Forces of the United States.

(2) The Secretary of Defense, whenever he has reason to believe that there has been discrimination, shall immediately refer the matter to the Attorney General of the United States who shall immediately institute an investigation.

(c) (1) The several district courts of the United States are invested with jurisdiction to prevent and restrain discrimination prohibited by subsection (b) (1) of this section; and it shall be the duty of the several United States attorneys, in their respective districts, under the direction of the Attorney General, to institute proceedings to prevent and restrain such discrimination. Such proceedings may be by way of petitions setting forth the case and requesting that the discrimination be enjoined or otherwise prohibited. Pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as it determines appropriate under the circumstances of the case.

(2) Whenever it shall appear to the court before which any proceeding under paragraph (1) of this subsection may be pending, that

the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpoenas to that end may be served in any district by the marshal thereof.

(3) Any proceeding under paragraph (1) of this subsection against any corporation may be brought not only in the judicial district in which it is incorporated, but also in any district in which it may be found or transacts business; and all process in such cases may be served in the district in which it is incorporated, or wherever it may be found.

(4) In any proceeding brought in any district court of the United States pursuant to this section, the Attorney General may file with the clerk of such court a certificate of the Secretary of Defense that, in his opinion, the proceeding is of critical importance to the effective operation of the Armed Forces of the United States and that immediate relief from the discrimination is necessary, a copy of which shall be immediately furnished by such clerk to the chief judge of the circuit (or, in his absence, the presiding circuit judge) in which the proceeding is pending. Upon receipt of the copy of such certificate, it shall be the duty of the chief judge of the circuit or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge, to hear and determine such proceeding. Except as to causes which the court considers to be of greater urgency, proceedings before any district court under this section shall take precedence over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

(5) In every proceeding brought in any district court of the United States under this section, an appeal from the final order of the district court will be only to the Supreme Court.

(d) (1) For the purpose of any investigation instituted by the Attorney General pursuant to subsection (b) of this section, he, or his designee, shall at all reasonable times (A) have access to the premises or property of, (B) have access to and the right to copy the books, records, and other writings of, (C) have the right to take the sworn testimony of, and (D) have the right to administer oaths and affirmations to, any person as may be necessary or appropriate, in his discretion, to the enforcement of this section and the regulations or orders issued thereunder.

(2) The Attorney General shall issue rules and regulations insuring that the authority of paragraph (1) of this subsection will be utilized only after the scope and purpose of the investigation, inspection, or inquiry to be made have been defined by competent authority, and it is assured that no adequate and authoritative data are available from any Federal or other responsible agency. In case of contumacy by, or refusal to obey a subpoena served upon, any person with respect to any action taken by the Attorney General under paragraph (1) of this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the Attorney General, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The production of any person's books, records, or other documentary evidence shall not be required at any place other than the place where such person usually keeps them, if, prior to the return date specified in the regulations, subpoena, or other document issued with respect thereto, such person furnishes the Attorney General with a true copy of such books, records, or other documentary evidence (certified by such person under oath to be a true and correct copy) or enters into a stipulation with the Attorney General as to the information contained in such books, records, or other documentary evidence. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(4) Any person who willfully performs any act prohibited, or willfully fails to perform any act required, by paragraph (1) of this subsection, or any rule, regulation, or order issued under paragraph (2) of this subsection, shall upon conviction be fined not more than \$1,000 or imprisoned for not more than one year or both.

(5) Information obtained under this section which the Attorney General deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information shall not be published or disclosed unless the Attorney General determines that the withholding thereof is contrary to the interest of the national defense. Any person who willfully violates this subsection shall, upon conviction, be fined not more than \$10,000, or imprisoned for not more than one year, or both. All information obtained by the Attorney General under this section and which he deems confidential shall not be published or disclosed, either to the public or to another Federal agency, not including the Congress or any duly authorized committee thereof in the performance of its functions, unless the Attorney General determines that the withholding thereof is contrary to the interests of the national defense, and any person willfully violating this provision shall, upon conviction, be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(6) Any person subpoenaed under this section shall have the right to make a record of his testimony and to be represented by counsel.

(7) No individual who, having claimed his privilege against self-incrimination, is compelled to testify or produce evidence, documentary or otherwise, under the provision of this section, may be prosecuted in any criminal proceeding of the offense of discrimination established by this section.

(e) As used in this section—

(1) The term "United States" when used in a geographical sense includes the several States, the possessions of the United States, the Canal Zone, and the District of Columbia.

(2) The term "discrimination" means the willful refusal or failure of a supplier, when requested by the Secretary of Defense or his designee, to supply petroleum products for the use of the Armed Forces of the United States under the terms of any contract or under the authority of the Defense Production Act, as amended (64 Stat. 798, 50 U.S.C. App. 2061-2166), the Emergency Petroleum Allocation Act, as amended (Public Law 93-159); or under the provisions of any other authority, on terms not

inconsistent with the applicable Armed Services Procurement Regulations, as amended from time to time, and at prices which are fair and reasonable and do not exceed prices received for similar products and quantities from other domestic or foreign customers. Disagreements as to price or other terms or conditions shall be disputes as to questions of fact to be resolved in the manner prescribed by the applicable Armed Services Procurement Regulations, as amended from time to time, for the settlement of disputes arising out of contracts and shall not be a basis for delay or refusal to supply petroleum products.

(3) The term "supplier" means any citizen or national of the United States, any corporation organized or operating within the United States, or any organization controlled by any United States citizen, national, or corporation organized or operating within the United States, engaged in producing, refining or marketing of petroleum or petroleum products.

(f) Any supplier who willfully discriminates as prohibited by subsection (b) (1) of this section shall, upon conviction, be fined not more than \$100,000 or imprisoned for not more than two years, or both.

(g) If any provision of this section or the application thereof to any person or circumstances is held invalid, the validity of the remaining provisions of this section and the application of such provision to other persons and circumstances shall not be affected thereby.

(h) The provisions of this section shall expire two years after the date of enactment of this Act, except that—

(1) any supplier who, before the date of the expiration of this section, willfully violated any provision of this section shall be punished in accordance with the provisions of such section as in effect on the date the violation occurred;

(2) any proceeding relating to any provision of this section which is pending at the time this section expires shall be continued by the Attorney General as if this subsection had not been enacted, and orders issued in any such proceeding shall continue in effect as if they had been effectively issued under this section before the expiration thereof or until otherwise terminated by appropriate action;

(3) the expiration of this section shall not affect any suit, action, or other proceeding lawfully commenced before the expiration of this section, and all such suits, actions, and proceedings shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if this section had not expired; and

(4) the provisions of this section relating to the improper publication or disclosure of information shall continue in effect, in the same manner and with the same effect as if this section had not expired, with respect to any publication or disclosure (prohibited by such section before the expiration thereof) made after the expiration of such section if the information published or disclosed was obtained under authority of this section before the expiration of this section.

SEC. 817. The Secretary of Defense shall provide to the Committees on Armed Services of the Senate and the House of Representatives a

plan that identifies the platform and funding for AEGIS fleet implementation.

Sec. 818. (a) Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this or any other Act shall be used for the purpose of production of lethal binary chemical munitions unless the President certifies to Congress that the production of such munitions is essential to the national interest and submits a full report thereon to the President of the Senate and the Speaker of the House of Representatives as far in advance of the production of such munitions as is practicable.

(b) For purposes of this section the term "lethal binary chemical munitions" means (1) any toxic chemical (solid, liquid, or gas) which, through its chemical properties, is intended to be used to produce injury or death to human beings, and (2) any unique device, instrument, apparatus, or contrivance, including any components or accessories thereof, intended to be used to disperse or otherwise disseminate any such toxic chemical.

Sec. 819. (a) Notwithstanding any other provision of law, the aggregate amount of any upward adjustments in certain elements of compensation of members of the uniformed services required by section 1009 of title 37, United States Code, may not exceed 5 per centum during the period from January 1, 1975, through June 30, 1976, except that no such restriction shall apply unless a 5 per centum restriction on the aggregate amount of upward adjustments of the General Schedule of compensation for Federal classified employees as contained in section 5332 of title 5, United States Code, is also required during that period.

(b) No reduction in compensation is required under subsection (a) of any upward adjustment that may have been put into effect under section 1009 of title 37, United States Code, between January 1, 1975, and the date of enactment of this section.

(c) Any upward adjustment in compensation which has been limited by subsection (a) of this section to an amount or amounts less than otherwise would have been in effect shall not be increased subsequent to June 30, 1976—

(1) in order to compensate a member for the difference between the amounts he has received under the provisions of subsection (a) and the amounts he would have otherwise received; or

(2) except in accordance with the normal procedures and timing which would have been in effect for any such pay increase subsequent to June 30, 1976, without regard to any limitation under subsection (a) of this section.

Sec. 820. (a) Notwithstanding any other provision of law, the total number of enlisted members of the Armed Forces of the United States that may be assigned or otherwise detailed to duty as enlisted aides on the personal staffs of officers of the Army, Navy, Marine Corps, Air Force, and Coast Guard (when operating as a service of the Navy) during any fiscal year shall be a number determined by (1) multiplying 4 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-10, (2) multiplying 2 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-9, and (3) adding the products obtained under clauses (1) and (2).

(b) The Secretary of Defense shall allocate the aides authorized by subsection (a) of this section among officers of the Armed Forces, in such numbers as he determines appropriate, on the basis of the duties of such officers.

(c) This section shall not apply with respect to the number of aides assigned to generals of the Army or admirals of the Fleet.

Sec. 821. Notwithstanding any provision of section 2004 of title 10, United States Code, an officer in any pay grade who was in a missing status (as defined in section 551(2) of title 37, United States Code) after August 4, 1964, and before May 8, 1975, may be selected for detail for legal training under that section 2004 on other than a competitive basis and, if selected for that training, is not counted in computing, for the purpose of subsection (a) of that section 2004, the number of officers who may commence that training in any single fiscal year. For the purposes of determining eligibility under that section 2004, the period of time during which an officer was in that missing status may be disregarded in computing the period he has served on active duty.

Sec. 822. This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1976".

And the Senate agree to the same.

MELVIN PRICE,
F. EDWARD HÉBERT,
CHARLES E. BENNETT,
SAMUEL S. STRATTON,
RICHARD ICHORD,
LUCIEN NEDZI,
WILLIAM RANDALL,
CHARLES WILSON,
ROBERT L. LEGGETT,
BOB WILSON,
WILLIAM DICKINSON,
WILLIAM WHITEHURST,
FLOYD SPENCE,

Managers on the Part of the House.

JOHN C. STENNIS,
STUART SYMINGTON,
(with reservation, right
of opposition on floor),

HENRY M. JACKSON,
HOWARD W. CANNON,
HARRY F. BYRD, JR.,
SAM NUNN,
STROM THURMOND,
JOHN TOWER,
BARRY GOLDWATER,
WILLIAM L. SCOTT,
ROBERT TAFT, JR.,

Managers on the Part of the Senate.

**JOINT EXPLANATORY STATEMENT OF THE COMMITTEE
OF CONFERENCE**

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. 6674) an Act to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads 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:

TITLES I AND II—PROCUREMENT

DEPARTMENT OF DEFENSE FISCAL YEAR 1976 AND 1977 AUTHORIZATION BILL—SUMMARY BY MAJOR WEAPON CATEGORY—ARMY, NAVY, AIR FORCE, AND DEFENSE AGENCIES

(Amount in thousands of dollars)

Procurement	Request			House			Senate			Conference		
	1976	1977	1976	1976	1977	1976	1976	1977	1976	1977	1976	1977
Aircraft:												
Army.....	\$362,300	\$59,400	\$362,300	\$59,400	\$337,500	\$59,400	\$337,500	\$59,400	\$337,500	\$59,400	\$337,500	\$59,400
Navy and Marine Corps.....	3,077,000	600,100	3,056,600	585,500	2,959,800	578,200	2,959,800	578,200	2,959,800	585,500	2,997,800	585,500
Air Force.....	4,575,500	1,087,100	4,445,250	886,300	3,960,700	831,300	3,960,700	831,300	4,119,000	858,000	4,119,000	858,000
Subtotal.....	8,014,800	1,746,600	7,864,150	1,531,200	7,258,000	1,468,900	7,258,000	1,468,900	7,454,300	1,502,900	7,454,300	1,502,900
Missiles:												
Army.....	460,800	56,500	455,600	56,500	392,500	41,600	392,500	41,600	431,000	56,500	431,000	56,500
Navy.....	1,000,500	309,100	1,000,500	309,100	990,400	308,600	990,400	308,600	990,400	309,100	990,400	309,100
Marine Corps.....	32,900	10,700	32,900	10,700	52,900	10,700	52,900	10,700	52,900	10,700	52,900	10,700
Air Force.....	1,791,400	277,400	1,768,500	277,400	1,718,100	252,200	1,718,100	252,200	1,765,000	252,200	1,765,000	252,200
Subtotal.....	3,305,600	653,700	3,277,500	653,700	3,154,900	613,100	3,154,900	613,100	3,239,300	628,000	3,239,300	628,000
Naval vessels.....	5,466,000	474,200	4,422,400	474,200	3,666,400	474,200	3,666,400	474,200	3,899,400	474,200	3,899,400	474,200
Tracked combat vehicles:												
Army.....	915,000	272,600	915,000	272,600	862,700	245,300	862,700	245,300	864,000	245,300	864,000	245,300
Marine Corps.....	101,500	400	101,500	400	101,500	400	101,500	400	101,500	400	101,500	400
Subtotal.....	1,016,500	273,000	1,016,500	273,000	964,200	245,700	964,200	245,700	965,500	245,700	965,500	245,700
Torpedoes--Navy.....	197,400	19,200	197,400	19,200	189,500	19,200	189,500	19,200	189,500	19,200	189,500	19,200
Other weapons:												
Army.....	74,300	9,700	74,300	9,700	74,300	9,700	74,300	9,700	74,300	9,700	74,300	9,700
Navy.....	26,300	4,400	26,300	4,400	17,700	1,400	17,700	1,400	17,700	1,400	17,700	1,400
Marine Corps.....	100,700	14,100	100,700	14,100	92,100	11,100	92,100	11,100	92,100	11,100	92,100	11,100
Subtotal sec. 101.....	300,000	28,200	300,000	28,200	264,100	22,200	264,100	22,200	264,100	22,200	264,100	22,200
Section 102.....	18,381,000	3,180,800	16,878,650	2,965,400	15,325,100	2,832,200	15,325,100	2,832,200	15,840,100	2,881,100	15,840,100	2,881,100
Total procurement title I.....	2,181,700	585,600	2,049,228	535,017	2,016,593	491,214	2,016,593	491,214	2,028,933	513,326	2,028,933	513,326
R.D.T. & E.:												
Army.....	13,470,188	1,903,837	3,268,661	849,730	3,368,802	1,851,363	3,368,802	1,851,363	3,318,649	849,746	3,318,649	849,746
Navy and Marine Corps.....	3,303,200	1,034,000	3,766,691	586,077	3,707,840	946,621	3,707,840	946,621	3,737,001	965,783	3,737,001	965,783
Air Force.....	597,800	152,700	556,793	137,793	565,700	143,600	565,700	143,600	563,700	139,768	563,700	139,768
Defense agencies.....	28,500	6,800	25,000	3,400	28,500	6,800	28,500	6,800	25,000	5,000	25,000	5,000
Test and evaluation.....	110,181,388	12,682,937	9,666,373	2,512,017	9,687,435	2,439,598	9,687,435	2,439,598	9,673,283	2,473,623	9,673,283	2,473,623
Total R.D.T. & E., title II.....	128,562,388	15,867,737	26,545,023	5,477,417	25,012,535	5,271,798	25,012,535	5,271,798	25,513,383	5,254,723	25,513,383	5,254,723
Total procurement and R.D.T. & E.....												

¹ Includes \$2,488,000 (fiscal year 1976) and \$37,000 (fiscal year 1977) currency program. Note: Excludes \$1,293,000,000 requested for support of South Vietnamese military. Revised Sept. 15, 1975.

AIRCRAFT

ARMY

UH-1H Utility Helicopter

The House bill contained \$24.8 million for 48 UH-1H Utility Helicopters for the Army. The Senate amendment deleted all of these funds.

The conferees concurred with the Senate rationale that since the Army was permitted to purchase 48 helicopters in FY-75, those additional assets were sufficient to supplement the Army's Authorized Acquisition Objective until the follow-on UTTAS helicopter comes into the inventory.

The House reluctantly recedes.

AH-1S

Section 101 of the House bill provided that no funds authorized for procurement of Army aircraft shall be obligated for AH-1S aircraft. The Senate amendment had no similar provision.

The Department of Defense pointed out that the 1973 joint Army-Navy study was an in-depth evaluation of the feasibility of common gunship procurement, including consideration of the AH-1J (improved) for Army use. The study concluded that the Army should procure the AH-1S for a variety of reasons. Subsequently, the Congress appropriated funds for the Army to modify existing Cobras and for procurement of new AH-1S helicopters. The Senate conferees were adamant in their position that any curtailment of AH-1S production at this time would result in increased costs for the aircraft, and an undesirable slippage of the timetable deemed necessary to bolster the Army's antiarmor capability.

The House conferees were equally as adamant because of the detailed Committee consideration in the House committee. After a lengthy discussion, and Senate conferees producing figures showing the greatly increased cost to the Army for purchase of AH-1J, and pointing out the fact that the Army didn't want or need the AH-1J, the House very reluctantly receded.

NAVY

A-4M

The House bill contained \$67.3 million for 24 A-4M light attack aircraft in fiscal year 1976. The Senate deleted the 24 aircraft buy, but included \$8.2 million in fiscal year 1976 for non-recurring costs of two improvement items (heavyweight landing gear and improved bombing computer).

The Senate conferees argued that the 24 aircraft were an attrition buy and that these planes need not be bought this year for the active Marine Corps inventory. Furthermore, because of foreign military sales, the A-4M production line would continue to be active in fiscal year 1976 without the need of a U.S. buy. The House conferees pointed out that delay in procurement of the A-4M for the Marine Corps would result in some increased costs during fiscal year 1977, but Senate conferees argued that the need for fiscal restraints in the present procurement cycle made this action acceptable.

The conferees, after a full discussion, authorized \$8.2 million in fiscal year 1976 for non-recurring costs of the two improvement items, and \$9.8 million for 3 aircraft in fiscal year 197T. These three aircraft will level the A-4 production rate at two per month in fiscal year 197T (including foreign sales) and will be followed by A-4M procurement in fiscal year 1977 for the Marines.

The House recedes with an amendment.

A-6E

The House bill authorized 12 A-6E aircraft for \$151.3 million in fiscal year 1976, and \$14.3 million for advance procurement. The Senate amendment authorized 8 A-6E aircraft for \$118.9 million in fiscal year 1976, 3 A-6E aircraft for \$24.3 million in fiscal year 197T, and \$8.1 million for advance procurement in fiscal year 197T. In essence, the Senate recommended buying 11 rather than 12 A-6Es and using the funds saved for advance procurement.

The conferees were advised that there would be a 4-month production gap at the start of the fiscal year 1976 funded delivery period because of a delay by OSD in authorizing release of long lead funds for fiscal year 1976. It was necessary, therefore, to make both fiscal and quantitative adjustments in the A-6E procurement program. The Senate's recommendations for funding were not sufficient to procure the 8 aircraft in fiscal year 1976, nor was there sufficient funds for the advance procurement necessary to sustain fiscal year 197T and fiscal year 1977 delivery schedules.

The conferees discussed this program at length and finally agreed to fully fund the 11 aircraft in fiscal year 1976 for the original price of 12 A-6Es and provide \$14.3 million for advance procurement towards a fiscal year 1977 buy of A-6Es as the Navy requested, because the 11 will be stretched over a 15-month production period (fiscal years 1976 and 197T) which raises the price of the program. The conferees insist that the Navy see that these planes are built on an optimized schedule.

The Senate recedes with an amendment.

A-7E

The House bill deleted all funds for advance procurement in fiscal years 1976 and 197T. The Senate amendment provided \$21.8 million for this purpose. The Senate conferees argued the fact that deletion of advance procurement funds would cause complications in production planning and ultimately result in increased costs for A-7E production through fiscal year 1977. The conferees agreed on the full Senate figure of \$21.8 million in advance procurement for the A-7E, but redistributed the funding primarily into fiscal year 1976.

The House recedes with an amendment.

F-14

The House bill provided for procurement of 9 F-14s in the amount of \$73.3 million and \$59.0 million for advance procurement in fiscal year 197T. The Senate deleted procurement authorization for the 9 aircraft in 197T and added \$33.3 million for advance procurement in that year.

The House conferees argued that Senate action conflicted with the Congressional full funding principle for weapons systems which was the basis for the funding of 9 aircraft in fiscal year 197T. The \$33.3

million amounted to about 54 percent of the total cost for advance procurement in fiscal year 1977.

After a full discussion, the conferees agreed to fully fund 9 F-14s in fiscal year 197T as requested by the Navy. Thus, advance procurement for the 197T period is authorized at \$59.0 million.

The Senate recedes.

AH-1J

The House bill authorized 16 helicopters for \$39.0 million in fiscal year 1976 and 6 helicopters for \$10.1 million in fiscal year 197T. The Senate amendment authorized 7 helicopters for \$17.4 million in fiscal year 1976 and 7 helicopters for \$12.2 million in fiscal year 197T. The House bill authorized \$1.4 million for advance procurement in fiscal year 1976 and \$1.0 million in fiscal year 197T. The Senate did not authorize any advance procurement funding for fiscal year 1976, but included \$6.2 million in fiscal year 197T.

The Senate conferees pointed out that 8 of the 22 aircraft in the total request were to be completed during the fiscal year 1977 funding period, and therefore, recommended that these 8 aircraft not be authorized until fiscal year 1977.

The Department of Defense was concerned that due to administrative/contracting procedures, it was necessary to provide adequate advance procurement funds in fiscal year 1976 in order to provide economical procurement of long lead items.

The conferees, after discussing the concern of the Department of Defense, agreed to authorize 7 AH-1Js in fiscal year 1976 and 7 in fiscal year 197T and shift \$6.2 million of advance procurement funds from fiscal year 197T to fiscal year 1976.

The House recedes with an amendment.

P-3C

The House bill provides \$11.7 million in fiscal year 197T for simulators and ground support equipment for the P-3C. The Senate amendment deletes the entire amount. The House conferees verified that certain anticipated homeport changes for P-3C squadrons were recently cancelled by the Navy, and, therefore, accepted the Senate reduction in fiscal year 197T of P-3C simulators and ground support items no longer needed for overseas homeporting.

The House recedes.

Harpoon Modifications

The House bill deleted \$22.7 million in fiscal year 1976 and \$4.8 million in fiscal year 197T for Harpoon modification for the P-3C and S-3A aircraft. The Senate retained full authorization for this procurement.

The House conferees argued that the Navy should consider other versatile air-launched weapons systems which are currently available, for multiple roles as a substitute in view of the expensive modifications necessary for use of the Harpoon.

The Senate recedes.

Aircraft Spares

From the total amount of \$429.0 proposed for procurement of aircraft spares, the Senate reduced \$2.7 million for A-4M spares in fiscal year 1976 and \$1.2 million for AH-1J spares in fiscal year 197T.

The House recedes.

Other Financing

The Senate amendment reduced other financing by \$8.7 million in fiscal year 197T. This figure was determined to be the calculated savings achieved through consolidation of contracts under a single procurement contract rather than two separate contracts for fiscal years 1976 and 197T buys. The House argued successfully that this was not a viable procedure for calculating savings.

The Senate conferees reluctantly accepted the House position that \$8.7 million "Other Financing" will not be available.

The Senate recesses.

AIR FORCE

B-1

The House bill authorized the entire amount of \$672.2 million and \$168.3 million requested by the Air Force for the B-1 research and development program for fiscal years 1976 and 197T respectively. The House bill also authorized the full requests of \$77.0 million and \$31.0 million for the procurement of long-lead items for these periods. The Senate amendment reduced the R&D program by \$75.0 million and \$39.3 million for fiscal years 1976 and 197T respectively. The Senate amendment also deleted the entire amount requested for procurement.

The following table summarizes the action of the conferees:

{In millions of dollars}

	Fiscal year—	
	1976	197T
R. & D.		
DOD request	672.2	168.3
Conference	642.0	158.0
Procurement:		
DOD request	77.0	31.0
Conference	64.0	23.0

The conferees emphasized that the authorization of long-lead funding in no way commits nor obligates the United States Government to place the B-1 aircraft in production. Indeed, the conferees agreed to prohibit the Defense Department, as a matter of law, from entering into any production contract or any other contractual agreement for the production of the B-1 bomber aircraft unless subsequently authorized by law. This prohibition, however, is not meant to apply to the acquisition of the long-lead items for the first three follow-on air vehicles.

The authorization of long-lead items is completely independent of the production decision. Authorization for the long-lead items for the B-1 was strongly supported by the House conferees who believe that future production cost savings will be realized which would otherwise be precluded in the event that actual production of the B-1 is subsequently authorized.

The Senate conferees did not necessarily agree with the estimated magnitude of the savings.

A-10

The House bill contained \$72.0 million for 33 A-10 aircraft for FY-7T. The Senate authorization contained \$61.0 million for 30 air-

craft. After a thorough discussion, the House conferees concurred with the Senate view that the production rate should be slowed, while the contractor gains experience in building the airplane. The conferees adopted the 30 aircraft delivery schedule.

The House recesses.

E-3A AWACS

The House bill contained \$245.25 million in FY 1976 and \$15.0 million in FY 197T for AWACS procurement. This action amounted to a reduction in the procurement account by 50 percent and cut aircraft production from six to three. The Senate authorized the full \$430.5 million for six aircraft for FY 1976 and \$30 million for FY 197T.

Repricing of some components and deferral of some support equipment permits a reduction of \$50 million to the amount requested for six AWACS aircraft. Further, the conferees were advised that the Air Force had completed negotiating the Fiscal Year 1975 production contract early in September and the cost had been reduced by \$30 million from the budget estimate. The conferees agreed that the Air Force should take appropriate steps if necessary to reprogram the savings to the Fiscal Year 1976 AWACS program and accordingly reduced the AWACS authorization by that amount.

In summary, the conferees agreed to six aircraft and \$350.5 million for Fiscal Year 1976 and \$30 million for the transition period. This is a reduction to the request of \$80 million for Fiscal Year 1976.

The House reluctantly recesses.

A-7D

\$115 million was added to the budget request in the House bill for FY 1976 to procure 24 A-7D aircraft for the Air National Guard. The Senate bill contained no such authorization. The conferees recognize and fully support the need for modernization of the Guard, but had to weigh that need against total expenditures in the Defense Authorization Bill. The House reluctantly recessed, but without diminishing its conviction that careful examination of Air National Guard assets and capabilities should be among the priority programs in Defense Department planning.

The House recesses.

F-15

The House bill contained \$1,400.6 million for 108 F-15s in fiscal year 1976. The Senate bill contained \$1,378.3 million for the same number of aircraft for fiscal year 1976. This amounted to a reduction of \$22.3 million by the Senate and was for a partial reduction in the allowance for engineering change orders.

The House recesses with the understanding that in the event this reduction adversely impacts on the F-15 program, a reprogramming action will be entertained by the appropriate committees to compensate for this problem.

The House recesses.

Modification of Aircraft (Civil Reserve Air Fleet)

Included in the \$600.7 million Air Force request for modifications of aircraft in FY 1976 and \$126.3 million in FY 197T is \$22.0 million and \$24.0 million, respectively, for the modification of commercial

aircraft to increase their cargo-carrying capacity for use as a standby airlift capability.

The House bill approved the CRAF authorization. The Senate amendment deleted it.

The Senate deleted the funds for the civilian aircraft modification program because the Air Force airlift studies conducted to date were not adequate to justify this program.

The House was adamant in their insistence that this program was needed to improve the strategic airlift capability.

The Senate agreed to a compromise position to allow the modification of the four aircraft requested in the FY 1976 budget as a prototype program and the House agreed to recede on the request for authorization of additional aircraft modifications in the transition budget period. The compromise was an effort to get the FY 1976 prototypes started. The House and Senate recede with an amendment.

Aircraft Spares

The House bill authorized \$1,071.7 million in FY 1976 and \$179.3 million in FY 197T. The Senate bill contained \$672.2 million in FY 1976 and \$175.6 million in FY 197T.

The House Conferees were concerned over the ramifications of diminishing the aircraft spares account, as the Senate cut would do, particularly with respect to the adverse effect such reductions would have on F-15 spares and mobilization spares.

The Senate Conferees pointed out that the spares request for FY 1976 represented an increase of \$375 million, or 52 percent, over the FY 1975 spares appropriation and yet the Air Force was supporting less total.

The Senate conferees pointed out that the spares request for FY 1976 represented an increase of \$375 million, or 52 percent, over the FY 1975 spares appropriation and yet the Air Force was supporting less total flying hours in FY 1976. The conferees finally agreed to restore \$200 million of the Senate reduction, which would provide \$872.2 million in FY 1976 or a 20 percent increase over last year. The conferees direct the Air Force to allocate their individual spares procurements within this total according to Air Force current priorities.

The Senate agreed to restore \$3.7 million in FY 197T, which was for F-15 engine spares, and accept the House figure of \$179.3 million for that period.

The Senate recedes with an amendment.

Common Ground Equipment

A total of \$209.3 million was requested by the Air Force in FY 1976 in the Common Ground Equipment account. The House bill did not reduce the amount of the original request; however, the Senate reduced the program by \$36.9 million for C-130 and B-52 simulators and \$1.5 million alleged by the Senate to be for the CRAF program, a total of \$38.4 million.

The Conferees thoroughly support the objectives of aircraft simulator programs and recognize the all-around accumulated savings inherent therein in comparison to airborne training. Senate Conferees, however, pointed out that the configuration of the C-130 simulator had not been adequately defined, including some disagreement as to the type of visual system required, and would not be put on contract until April 1976, two more C-130 simulators were not required at this

time. Also, the Senate also argued that the complexity and expense of the first-time requested B-52 simulator was such that, the Air Force should start with one simulator, instead of two, in order to see if the simulator is capable of performing the mission required.

House Conferees pointed out that there was no money in the Common Ground Equipment account for the CRAF program and, therefore, the Senate agreed to restore the \$1.5 million they deleted. In addition, Senate Conferees admitted that the \$3.5 million to the Common Ground Equipment account, required to support the C-130 simulator authorized in FY 1975, making the total authorized \$175.9 million.

The House and Senate recede with an amendment.

War Consumables

The House bill contained \$34.6 million in FY 1976 and \$9.9 million in FY 197T for war consumables. The Senate bill was \$1.3 million less in FY 1976 and \$0.3 million less in FY 197T which reflected the cost of planned F-5E support to South Vietnam.

The House accepts the funding in the Senate authorization, \$33.3 million in FY 1976 and \$9.6 million in FY 197T.

The House recedes.

Other Financing

The Conferees concurred with the Senate proposal that \$24.3 million could be saved in close-out costs of the F-111 program.

The Air Force did not deny these savings.

The House recedes.

MISSILES

ARMY

Chaparral

The House approved \$37.5 million, the amount requested, for procurement for Chaparral surface-to-air missile system in fiscal 1976, plus \$1 million for the system in the fiscal transition period.

The Senate amendment deleted all authorization for the Chaparral.

The Senate recedes.

Hawk

The House provided \$73 million for 520 Hawk surface-to-air missiles in fiscal year 1976. The Senate provided \$72.2 million for the same quantity of Hawk missiles.

The House recedes.

Tow

The House bill provided \$20.5 million in authorization for 6,000 Tow missiles during the fiscal transition period. The Senate reduced the amount to \$6.6 million for 1,922 Tow missiles, a reduction of \$13.9 million. The Senate position was based on the fact that the Army's budget request included quantities of missiles that were intended to satisfy projected requirements for contingency and war reserve for allies and such would be in violation of law. The House Conferees were concerned about the drawdown of inventories of such weapons that occurred during the Middle East War of 1973 and were concerned that inventory requirements for antitank missiles have been understated. After considerable discussion, the Conferees

agreed to restore the funds for the TOW missiles with the understanding that the missiles are to be procured only for the inventory requirements for the Army and are not to be procured for the purpose of filling stockpile requirements for allies.

The Senate recesses.

Interim Target Acquisition System

The House bill contained \$23.8 million in fiscal 1976 to begin procurement of the Interim Target Acquisition System (ITAS), an Army system using reconnaissance drones. The Senate deleted all authorization for the ITAS because it would duplicate existing Air Force reconnaissance capabilities. The House Conferees concluded that the authorization for procurement for the system could safely be delayed until fiscal year 1977 and, therefore, concurred in the Senate reduction.

The House recesses.

Lance

The House bill contained restrictive language [section 101(b)(1)] which provided that no funds could be used for production of a non-nuclear warhead for the Lance missile for any other nation until a non-nuclear warhead had been certified for production for the U.S. Army.

The Senate amendment contained no similar provision.

The House conferees pointed out that some allies of the United States were in the process of buying the conventional Lance—developed and produced by the U.S. Army—but the Army had been prevented from buying it by the Department of Defense. The House conferees insisted they did not believe the United States should be in a position of stating that it could produce a cost-effective nonnuclear Lance for allies but not for its own Army. The Senate conferees stated the previous Defense Department studies of the cost-effectiveness of the nonnuclear Lance had shown that all-weather manned aircraft could deliver conventional weapon at less cost than using Lance missiles, at least at normally experienced attrition rates to the aircraft.

The Fiscal Year 1976/77 budget contains \$1.0 million for procurement of nonnuclear Lance warheads for the U. S. Army for use in annual training firings. These funds were approved by both the House and Senate and were not at dispute in the conference. Since approval of procurement of nonnuclear Lance missiles for the Army would not occur before the Fiscal Year 1977 budget is submitted, the conferees agreed to review this question again if the Army requests production of this missile next year.

If the Army should desire to utilize certain funds contained in the fiscal year 1976 budget for the procurement of nonnuclear warheads for the Lance, the conferees would consider an Army proposal for such a change through the normal reprogramming procedure.

The House recesses.

NAVY

Standard MR

The House bill provided \$38.1 million for procurement of 285 Standard MR missiles for the Navy in fiscal year 1976 and \$7.6 million for 54 missiles in the fiscal transition period. The Senate amendment

reduced the authorization by \$10.1 million and 85 missiles in fiscal year 1976 and \$.5 million and four missiles in the fiscal transition period.

The House recesses.

AIR FORCE

Maverick

The House bill contained \$25 million in the fiscal transition period for procurement of 1200 Maverick missiles and \$.2 million for the procurement of Maverick spares in the fiscal transition period. The House bill also provided \$33.3 million in fiscal year 1976 for advance procurement for Maverick.

The Senate amendment deleted all of these authorizations. The Senate reduction was intended to slow the production to phase in the laser-guided and infrared versions of Maverick. The House Conferees expressed concern that the Senate reduction would result in later high start-up and related costs and also expressed concern about maintaining the inventory levels of this weapon. After extensive discussion, the Conferees agreed on deletion of the \$25.2 million for the fiscal transition period as provided in the Senate amendment and agreed to retain the \$33.3 million for advance procurement in fiscal 1976 as provided in the House bill.

Sidewinder

The House bill provided \$17.1 million, the amount requested, for modification of the Sidewinder missile. The Senate amendment deleted the authorization for the Sidewinder modification on the grounds that the Air Force should procure the newer AIM-9L Sidewinder instead. The House Conferees stated their belief that the Air Force would have to depend on the stocks of the older sidewinder missiles for quite a few years to come and that the missile could be modified to provide significantly increased capability at relatively low unit cost.

After considerable discussion, the Senate agreed to recede with an amendment providing for the authorization of \$13.6 million to modify 1,410 AIM-9B Sidewinder missiles to the -9J configuration. The House recesses on \$3.5 million. The conferees agreed that future procurement should be of new AIM-9L Sidewinder missiles in lieu of further modifications to the AIM-9B series.

Procurement of Minuteman III Missiles

The Senate amendment language provided that the \$265,800,000 authorized for the procurement of Minuteman III missiles may only be used for such procurement.

The House bill had no similar provisions.

The House recesses.

NAVAL VESSELS

Trident

The House approved \$537.4 million of the \$602.6 million requested by the President. The Senate approved \$602.6 million.

The House recesses.

SSN 688 (Nuclear Attack Submarine)

The House approved \$474.8 million of the \$541.0 million requested by the President. The Senate approved \$541.0 million.

The House recesses.

DLGN-42 Nuclear Frigate

Included in the Shipbuilding and Conversion section, as approved by the House, was new authorization for the DLGN-42 (nuclear frigate) in the amount of \$203.9 million. The Senate approved no new funds for the DLGN-42 and, further, placed a \$75 million recoupment objective upon the \$111 million appropriated for the DLGN-42 in prior years.

The Senate Conferees were adamant in their opposition to the House action on the DLGN-42, maintaining that this ship should not be further funded since it would be built without the AEGIS surface to air weapons system. After considerable discussion, the House Conferees reluctantly receded.

The Conferees found, however, that a considerable portion of the funds appropriated for the DLGN-42 in prior years has already been obligated by the navy for long lead time items. The components procured with these already obligated funds may be usable as spares for existing ships. On the other hand, if the navy is required to recoup all of those funds, to the extent that incomplete contracts had to be terminated, funds may be wasted through cancellation charges and the delivery of incomplete and unusable components. To prevent this waste of funds, the Conferees urge the Secretary of the Navy to recoup the unobligated DLGN-42 funds for use in other shipbuilding and conversion programs. Where funds have been obligated, the remaining recoupments should be made, or contracts continued through completion where the result would be most economical, depending upon the status of each individual contract.

Nuclear Strike Cruiser Long Lead Authorization

Included in the Shipbuilding and Conversion program approved by the House was authorization for long lead time items for a new nuclear strike cruiser (CSGN-1) in the amount of \$60 million. The strike cruiser was not included in the President's budget request for FY 1976 as originally submitted and, therefore, it was not considered in the Senate bill. However, on June 25, 1975, the President submitted a budget amendment for FY 1976 to include \$60 million for long lead time funds for the nuclear strike cruiser.

The House Committee on Armed Services received testimony to the effect that inclusion of \$60 million for long lead time items would permit fleet introduction of this more powerful ship, equipped with the AEGIS surface-to-air weapons system one year earlier. The AEGIS will be a much more advanced weapons system than now exists or is planned for any ship in the U.S. Navy inventory.

The Senate Conferees, during the many vigorous discussions of the strike cruiser, were adamant in their positions that no new class of ships should be authorized in this bill, even to the extent of long lead items for a lead ship, not until the ship's characteristics had been more clearly defined and program costs had been more fully developed. After considerable discussion the House reluctantly receded with the understanding that the disapproval of long lead time items for the nuclear strike cruiser is without prejudice to future requests for authorization of ships of this type.

The House Conferees recognize the need for more capable surface combatants in the fleet and that all surface ships contained in the FY 1976 authorization are of the "low mix", relatively less capable, type.

In submitting future budget requests, the Conferees hope that recognition will be given to the fact that large numbers of ships with weaponry of very limited offensive and defensive capability provide only a questionable probability of success in modern naval warfare.

It was the position of the House Conferees that the deletion of the \$60 million for long lead time items for the nuclear powered strike cruiser is not to be considered as a rejection of the ship. On the contrary, the Department of Defense is urged to include within the budget for FY 1977 the total amount of long lead time items which are required, and the Navy is expected to continue its efforts in connection with the design of the ship so that it can respond fully to questions from the Congress as to the characteristics and costs of the ship when the Navy's FY '77 ship building program is considered by the appropriate Congressional committees.

Patrol Frigate

The House included \$837.1 million of the \$955.5 million requested for 10 patrol frigates. The House removed \$118.4 million requested for escalation on this program for fiscal year 1978 and later years. The Senate included \$617.5 million for 7 ships after disapproving \$68.0 million requested for the Vulcan-Phalanx Close-In Weapon System (CIWS).

The conferees agreed to a program of 9 patrol frigates and \$802.5 million. This is a reduction to the request of \$68 million requested for the Vulcan Phalanx and \$85 million for one patrol frigate.

The Senate recedes with an amendment.

Patrol Hydrofoil Missile Ship (PHM)

The President's request contained \$83.4 million for two Patrol Hydrofoil Missile ships (PHM's). The House included \$72.5 million for two ships. The Senate approved no funds for the requested PHMs. After considerable discussion the conferees agreed to authorize two fully funded PHMs in the amount of \$83.4 million.

The House recedes with an amendment.

Destroyer Tender (AD)

The House approved \$322.3 million of the \$393.2 million requested by the President for two destroyer tenders. The Senate approved \$374.0 million of the President's request, removing \$19.2 million, the funds for putting Vulcan-Phalanx Close-In Weapon System on the Tenders.

The House recedes.

Fleet Oiler (AO)

The House approved \$202.7 million of the \$231.8 million requested by the President for two fleet oilers. The Senate approved \$212.1 million of the President's request, removing \$19.7 million, the funds for putting the Vulcan-Phalanx Close-In Weapon System on the oilers.

The House recedes.

Fleet Tug (T-ATF)

The House approved \$38.4 million of the \$41.4 million requested by the President for three fleet tugs, the Senate approved \$41.4 million, including \$3.0 million requested for future escalation.

The House recedes.

Escalation on Prior Year Programs

The House approved \$633.0 million of the \$1,149.8 million requested for contract escalation which the DoD estimates will occur on prior year shipbuilding and conversion programs until those programs are completed. The \$633.0 million approved represents the estimated amount of escalation which will need to be obligated in FY 1976, the transition period and in FY 1977. The additional year of escalation was added to permit a measure of flexibility.

The Senate approved \$368.6 million for this escalation reserve—the amount calculated to be obligated in FY 1976 and the transition period.

The Conferee's compromised the two amounts at \$420.3 million, realizing that this amount reduces the Navy's flexibility in financing escalation on its programs approved in prior years and that the Navy may have to resort to reprogramming actions to prevent program disruption or stop work orders.

The House recedes with an amendment.

Escalation on Fiscal Year 1976 Shipbuilding Programs

The House funded the basic costs of all 23 ships requested and, in addition, funded the forecast contract escalation on those ships in amount equal to two years of escalation. The Senate funded only 17 ships and funded forecast contract escalation in the full amount requested. The Senate receded on 5 ships (three patrol frigates and two patrol hydrofoil missile ships) and the Senate Conferees insisted that the full amount of forecast escalation for the entire period of the contracts be funded.

The House Conferees objected to the authorization of large sums merely on the basis of speculation as to future economic events and pointed out that shipbuilding programs may be overfunded in the light of the experienced reduction in the rate of inflation and the recent downward revision of escalation estimates by DoD.

In view of the adamant position of the Senate \$363.7 million was added to the individual ship programs for escalation which may need to be obligated in FY 1978 and the following years.

The House recedes.

Cost Growth

The House approved \$969.5 of the \$1,119.5 requested for cost growth on the Navy shipbuilding and Conversion programs, after deleting \$150 million requested for a reserve against the settlement of claims. The Senate approved \$913.4 for this item, after deleting \$143.2 million which is not needed for obligation in FY 1976 and \$62.9 million for cost growth on the Patrol Hydrofoil missile ship (PHM) program.

The Conferees compromised these differences at \$826.3 million, as follows:

The Senate agreed to delete the \$150 million requested as a reserve against claims, but with the understanding that reprogramming for claims would be considered if necessary.

The House agreed to delete the \$143.2 million not required for obligation in FY 1976.

The Senate agreed to restore the \$62.9 million for cost growth in the PHM program.

The Senate recedes with an amendment.

NEED FOR IMPROVEMENT IN THE PLANNING AND MANAGEMENT OF NAVY SHIPBUILDING PROGRAM

Both the constitutional and statutory responsibility of the Congress for maintaining an adequate national defense necessitates sound budgetary information and planning. It is with this responsibility in mind that the conferees of this bill comment on the Navy shipbuilding management.

It is essential that there be an improvement in the management of the Navy shipbuilding programs. Among the principal problems are the following: (1) for a number of years there has been a consistent understatement of costs presented to the Congress with regard to various shipbuilding programs. One result has been the insufficient budget requests causing the necessity for later approval of funds to cover underestimates in prior years. This lack of accurate cost information has hampered Congressional efforts to provide for a coherent and systematic shipbuilding program; (2) in many instances Congress is unaware of the cost of ships since the ultimate cost has remained unresolved for long periods of time. In part this situation prevails because of the lack of firm contractual arrangements between the Navy and shipbuilders initially with regard to the obligation of the government in terms of costs and construction schedules. Therefore, in order for the Congress to be in a better position to make budgetary judgments the Navy must, at the time of its initial submission of shipbuilding requests, present better cost estimates and construction schedules, both of which may necessitate a greater degree of preliminary design and definitization effort.

The objective of the foregoing comments is to place the Congress in a better position of knowing realistically the cost of ship programs at the time of their initiation and likewise be advised of changes in these programs in terms of cost whenever revisions are made subsequent to construction.

SHIPBUILDING AND CONVERSION, NAVY

	Number requested	Number authorized	President's budget	Conference resolution	Difference
Trident.....	1	1	\$602.6	\$602.8	.....
SSN688—Nuclear attack submarines.....	2	2	541.0	541.0	.....
DLGN—Nuclear guided missile programs.....	1	.....	257.0	.....	\$257.0
Recoup prior year—LL.....	.....	.....	.....	-75.0	75.0
CSGN—Nuclear strike cruiser—LLT.....	.....	.....	60.0	.....	60.0
PHM—Patrol hydrofoil missile.....	2	2	83.4	83.4	.....
PF—Patrol frigate.....	10	9	955.5	802.5	153.0
AD—Destroyer tender.....	2	2	393.2	374.0	19.2
AO—Fleet oiler.....	2	2	231.8	212.1	19.7
T-ATF—Fleet tug.....	3	3	41.4	41.4	.....
Craft.....	.....	.....	12.9	12.9	.....
Outfitting.....	.....	.....	38.2	38.2	.....
Post delivery.....	.....	.....	19.7	19.7	.....
Cost growth.....	.....	.....	1,119.5	826.3	293.2
Escalation prior year program.....	.....	.....	1,149.8	420.3	729.5
Total.....	23	21	5,506.0	3,899.4	-1,606.6

TRACKED COMBAT VEHICLES

M60A1 tank and tank modification

The House bill contained \$387 million in FY 76 and \$147.4 million in FY 7T for the M60A1 tank. The authorization was to procure 662 tanks in FY 76 and 248 in FY 7T. The Senate amendment, while

providing authorization for the same number of tanks, reduced the authorization by \$14.6 million in FY 76 and \$14.4 million in FY 7T. The Senate reductions were for product improvement of the M60A1 tanks being procured in FY 76 and FY7T intended to improve their combat capability.

In addition, the House bill contained \$241.1 million in FY 76 and \$71.2 million in FY 7T for tank modifications. The Senate amendment reduced the authorization by \$36.4 million in FY 76 and by \$12.9 million in FY 7T. This reduction was to reduce the modification funds so as to eliminate retrofit kits for putting on M60A1 tanks already in the inventory the same items of equipment referred to above to improve the tank capability. The basis for the reduction by the Senate was that the unit cost for the modifications were so high and the increased effectiveness and tank capability demonstrated to date so limited as to make the modification not cost effective. The House conferees expressed the belief that the modifications would provide a desirable level of increased capability and were, therefore, justified. The conferees agreed to a deletion of the authorization with the understanding that when the cost-effectiveness of the items in question were adequately demonstrated, the Army could request reprogramming for these items through the regular reprogramming procedure.

The House recedes.

The language of the Senate amendment also provided that the \$379,400,000 authorized in Fiscal Year 1976 and \$133,000,000 authorized in Fiscal Year 197T for the procurement of M-60 series tanks shall be used only for the procurement of M-60 series tanks. The House bill had no similar provisions.

The House recedes.

M578 recovery vehicle

The House bill contained \$38.9 million for 210 M578 recovery vehicles for the Army in FY 76. The Senate amendment reduced the authorization by \$1.3 million, representing a reduction of 7 vehicles from the buy. The conferees agreed to restore the funds with the understanding that the recovery vehicles are to be procured only for the inventory requirements of the U.S. Army and the authorization is not to be used for the purpose of providing war-readiness reserves for our allies.

The Senate recedes.

Navy Torpedoes

The House approved \$21.5 million for 24 Mark-30 torpedo targets and \$13.5 million for torpedo spare parts. The Senate approved \$16.6 million for 9 Mark-30 targets and \$10.5 million for torpedo spare parts.

The House recedes.

OTHER WEAPONS

NAVY

Vulcan-Phalanx Close-In Weapons System

The House approved \$8.6 million requested for FY 1976 for design and planning of the production line to manufacture the first units of this system which were planned to be funded in FY 1977, and \$3.0

million for this purpose for FY 197T. The Senate approved no funds for this item. In view of the fact that the Vulcan-Phalanx Close-In Weapons System requires further testing prior to production, the House recedes.

TITLE II AND VII—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

GENERAL

The Department of Defense requested authorization of \$10,181,388,000 for the fiscal year 1976 Research, Development, Test, and Evaluation appropriations.

The R.D.T. & E. request for the three-month transitional period referred to as "197T" was \$2,682,937,000.

The following table summarizes the Senate and House modifications to the Research and Development budget request:

R.D.T. & E. SUMMARY

(In thousands of dollars)

	Request	House	Senate	Conference amount
FISCAL YEAR 1976				
Army.....	2,181,700	2,049,228	2,016,593	2,028,933
Navy.....	3,470,188	3,268,661	3,368,802	3,318,649
Air Force.....	3,903,200	3,766,691	3,707,840	3,737,001
Defense agencies.....	597,800	556,793	565,700	563,700
Test and evaluation.....	28,500	25,000	28,500	25,000
Total, budget authority.....	10,181,388	9,666,373	9,687,435	9,673,283

R.D.T. & E. SUMMARY

(In thousands of dollars)

	Request	House	Senate	Conference amount
FISCAL YEAR 197T				
Army.....	585,600	535,017	491,214	513,326
Navy.....	903,837	849,730	851,363	849,746
Air Force.....	1,034,000	986,077	946,621	965,783
Defense agencies.....	152,700	137,793	143,600	139,768
Test and evaluation.....	6,800	3,400	6,800	5,000
Total, budget authority.....	2,682,937	2,512,017	2,439,598	2,473,623

As shown, the conferees agreed on a total of \$9,673,283,000 which is \$508,105,000 less than the amount requested for fiscal year 1976. The conferees agreed on a total of \$2,473,623,000, or \$209,314,000 less than the amount requested for fiscal year 197T.

The details of the differences between the House bill and the Senate amendment and the changes adopted by the conferees are reflected in the following table:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
ARMY—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Surgical investigations	5,880		5,880	-500	5,380	5,380	1
2	Studies and analyses	7,000		7,000	-500	6,500	6,500	2
3	TRADOC studies and analyses	3,900		3,900	-900	3,000	3,000	3
4	Heavy lift helicopter	19,790	-3,000	16,790	-7,790	9,000	9,000	4
5	Aerial scout	10,700		10,700	-10,000	700	5,000	5
6	Advanced attack helicopter	65,039	-9,500	55,539	-100	55,439	55,439	6
7	CH-47 modernization	10,000		10,000	-6,500	3,500	10,000	7
8	Chaparral/Vulcan	14,790	-10,000	4,790	+100	4,890	4,890	8
9	Hardened BMD materials	5,150		5,150	-5,150			9
10	Advanced forward area air defense system	16,940	-11,100	5,840	+11,100	16,940	16,940	10
11	Surface-to-surface missile rocket system	5,000	-5,000		+5,000	5,000	1,000	11
12	BMD advanced technology program	105,000	-8,000	97,000	+8,000	105,000	97,000	12
13	Site defense	140,000	-6,000	134,000	-64,000	70,000	100,000	13
14	Cannon launched guided projectile	17,792	-7,792	10,000	+7,792	17,792	14,000	14
15	Heliborne missile—Hellfire	5,000	-5,000		+5,000	5,000	5,000	15
16	Pershing II	19,000		19,000	-3,000	16,000	19,000	16
17	Nonnuclear warheads	4,750		4,750	-2,000	2,750	4,750	17
18	Fire and forget missile—Hellfire	7,300	-7,300		+7,300	7,300		18
19	Kwajalein Missile Range	87,400	-7,400	80,000	-4,000	76,000	80,000	19
20	Armament technology	21,315		21,315	-5,000	16,315	18,815	20
21	Ballistics technology	13,850		13,850	-3,000	10,850	13,850	21
22	Chemical munitions technology	1,945		1,945	-685	260	1,945	22
23	Lethal chemical munitions concept	957		957	-957		957	23
24	Lethal chemical munitions	3,525		3,525	-3,525		3,525	24
25	M60A1 thermal sight	8,086		8,086	-1,500	6,586	6,586	25
26	Bushmaster	16,070	-6,070	10,000	+6,070	16,070	10,000	26
27	Chemical defense materiel concepts	6,890	-1,850	5,040	+1,850	6,890	5,040	27
28	Manpower and human resources technology	7,280		7,280	-1,000	6,280	6,280	28
29	Army support of DARPA hostile weapons project	1,400	-1,400		+1,400	1,400	400	29
30	Unattended ground sensor	9,630	-6,630	3,000	+4,130	7,130	5,000	30
31	Classified program	13,041		13,041	-3,000	10,041	13,041	31
32	STANO	16,430	-12,430	4,000	+12,430	16,430	12,000	32
33	Command and control	7,190		7,190	-1,100	6,090	7,190	33
34	Artillery locating radar	13,340	-4,000	9,340	+4,000	13,340	10,340	34
35	Manpower and human resources development	9,480		9,480	-1,600	7,880	7,880	35
36	General combat support	8,655		8,655	-1,000	7,655	8,000	36
37	Mortar locating radar	10,820	-2,000	8,820	+2,000	10,820	8,820	37
38	Programwide management and support		-18,000	-18,000	+18,000		-9,000	38
	Reimbursements from foreign military sales	-7,700		-7,700		-7,700	-7,700	
	Programs not in dispute	1,469,065		1,469,065		1,469,065	1,469,065	
	Total, Army budget authority	2,181,700	-132,472	2,049,228	-32,635	2,016,593	2,028,933	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
NAVY—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Studies and analysis support, Navy	11,135		11,135	-1,000	10,135	10,135	1
2	Aircraft flight test general	3,983		3,983	-500	3,483	3,483	2
3	Classified program	35,713		35,713	-9,608	26,105	31,700	3
4	Aircraft systems (advanced)	4,913		4,913	-2,000	2,913	2,913	4
5	Air ASW	41,300	-16,900	24,400	+7,588	31,988	31,988	5
6	Airborne mine countermeasures	3,531		3,531	-500	3,031	3,031	6
7	Tactical air reconnaissance	6,888		6,888	-6,277	611	6,888	7
8	Aircraft survivability and vulnerability	2,033		2,033	-1,000	1,033	2,033	8
9	Modular FLIR	600	-600		+600			9
10	All weather attack	1,100	-1,100		+1,100	1,100	500	10
11	Fleet ballistic missile system	65,782	-20,000	45,782	+20,000	65,782	53,282	11
12	Sanguine	18,000		18,000	300	17,700	17,700	12
13	Gryphon	11,788		11,788	-700	11,088	11,088	13
14	Strike warfare weaponry technology	39,291	-9,000	30,291	+9,000	39,291	36,500	14
15	ARM system technology	5,002	-1,002	4,000	+1,002	5,002	4,000	15
16	Advanced surface-to-air weapon system	11,932	-11,932		+11,932	11,932	11,932	16
17	Advanced short range air-to-air missile	6,000	-3,000	3,000	+3,000	6,000	3,000	17
18	Air launched/surface launched antiship missile	3,000	-8,000		+3,000	3,000		18
19	Cruise missile	101,800		93,800	+1,000	94,800	93,800	19
20	Surface missile guidance (advanced)	4,000		4,000	-3,000	1,000	1,000	20
21	Surface launched MGBB technology	500	+3,500	4,000	-3,500	500	4,000	21
22	Close in weapon system (Phalanx)	30,671	-19,371	11,300	+19,371	30,671	15,000	22
23	Trident missile system	735,590	-45,000	690,590	+42,000	732,590	725,500	23
24	Classified program	27,822		27,822	-4,000	23,822	27,822	24
25	Surface ASW	27,093	-5,000	22,093	+5,000	27,093	24,600	25
26	Ship development (advanced)	27,758	-7,758	20,000	-42	19,958	19,958	26
27	Hydrofoil craft (advanced)	7,075		7,075	-2,900	4,175	4,175	27
28	Classified program	22,547	-11,647	10,900	+11,647	22,547	13,900	28
29	Ship development (engineering)	32,670		32,670	-23,800	8,870	30,570	29

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
NAVY—FISCAL YEAR 1976—Continued

(In thousands of dollars)

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1976 request	Change	Authorization	Change from House	Authorization		
30	MK-48 torpedo.....	3,197	-1,597	1,600	+1,597	3,197	3,197	30
31	Gun systems.....	1,500	-1,500	---	+1,500	1,500	---	31
32	BW/GW weapons.....	1,599	---	1,599	-1,599	---	1,599	32
33	Fire control systems (engineering).....	14,197	-2,000	12,197	+2,000	14,197	14,197	33
34	Manpower effectiveness.....	4,508	---	4,508	-700	3,808	3,808	34
35	Education and training.....	7,930	---	7,930	-400	7,530	7,503	35
36	Reliability and maintainability.....	2,000	---	2,000	-2,000	---	---	36
37	Other Marine Corps development (engineering).....	5,390	-2,505	2,885	+2,505	5,390	5,390	37
38	Foreign weapons evaluation.....	2,110	-1,110	1,000	+1,110	2,110	2,110	38
39	R.D.T.&E. instrumentation support.....	29,081	---	29,081	-2,000	27,081	27,081	39
40	R.D.T.&E. ship and aircraft support.....	47,029	---	47,029	-2,000	45,029	47,029	40
41	Test and evaluation support.....	150,466	---	150,466	-3,000	147,466	147,466	41
42	Laboratory fleet support.....	3,000	---	3,000	-3,000	---	---	42
43	Programwide management and support.....	---	-33,005	-33,005	+33,005	---	-17,000	43
44	Undistributed reduction.....	---	---	---	-4,000	-4,000	-23,020	44
45	Funds excess to fiscal year 1975 program requirements.....	-50,000	---	-50,000	---	-50,000	-50,000	---
	Reimbursements from foreign military sales.....	1,958,754	---	1,958,754	---	1,958,754	1,959,754	---
	Programs not in dispute.....	---	---	---	---	---	---	---
	Total, Navy budget authority.....	3,470,188	-201,527	3,268,661	+100,141	3,368,802	3,318,649	

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

AIR FORCE—FISCAL YEAR 1976

(In thousands of dollars)

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1976 request	Change	Authorization	Change from House	Authorization		
1	B-52 squadrons.....	10,329	-10,329	---	+7,329	7,329	5,000	1
2	F-15 squadrons.....	39,900	9,900	30,000	+9,900	39,900	35,000	2
3	C-5A airlift squadrons.....	22,300	---	22,300	-10,300	12,000	22,300	3
4	Advanced avionics for aircraft.....	10,200	1,200	9,000	+1,200	10,200	10,200	4
5	Aircraft equipment development.....	7,480	---	7,480	-1,500	5,980	7,480	5
6	B-1.....	672,200	---	672,200	-75,000	597,200	642,000	6
7	Air combat fighter.....	272,950	-39,000	233,950	-12,900	221,050	221,050	7
8	Advanced ICBM technology.....	41,200	---	41,200	-1,100	40,100	40,100	8
9	Advanced ballistic reentry systems.....	101,000	-9,000	92,000	+9,000	101,000	96,500	9
10	Strategic bomber penetration.....	7,700	---	7,700	-1,000	6,700	7,700	10
11	Advanced short-range air-to-air missile systems technology.....	3,800	-800	3,000	+800	3,800	3,000	11
12	SAMTEC and ACS telecommunications.....	4,500	---	4,500	-1,000	3,500	4,000	12
13	Classified programs.....	20,000	-2,000	18,000	+2,000	20,000	19,000	13
14	Armament ordnance development.....	9,680	---	9,680	-1,500	8,180	9,000	14
15	Close air support weapon system.....	31,520	-21,520	10,000	+21,520	31,520	24,000	15
16	Strategic Air Command communications.....	6,000	-4,000	2,000	+4,000	6,000	6,000	16
17	Ground electronics.....	45,350	---	45,350	-2,180	43,170	43,180	17
18	Electronic warfare technology.....	8,400	-1,000	7,400	+1,000	8,400	7,400	18
19	Advanced computer technology.....	3,950	-950	3,000	+950	3,950	3,000	19
20	Life support system.....	6,940	---	6,940	-1,000	5,940	6,440	20
21	Other operational equipment.....	9,900	---	9,900	-2,500	7,400	8,400	21
22	Integrated program for airbase defense.....	7,500	---	7,500	-1,500	6,000	7,650	22
23	Drone/remotely piloted vehicle systems development.....	13,988	---	13,988	-5,500	8,488	13,988	23
24	Precision emitter location strike system.....	19,000	-8,000	11,000	-2,900	8,100	10,000	24
25	AWACS.....	199,192	-14,000	185,192	+14,000	199,192	199,192	25
26	Advanced fighter protective systems.....	18,800	-2,800	16,000	+2,800	18,800	17,400	26
27	Intelligence equipment.....	7,200	---	7,200	-2,000	5,200	6,200	27
28	Test and evaluation support.....	288,500	---	288,500	-12,500	276,000	276,000	28
29	Programwide management and support.....	---	-12,000	-12,000	+12,000	---	-8,000	29
30	Undistributed reduction.....	---	---	---	---	---	-19,000	30
31	Funds excess to fiscal year 1975 program requirements.....	---	---	---	-11,000	-11,000	---	---
	Programs not in dispute.....	2,013,711	---	2,013,711	---	2,013,711	2,013,711	---
	Total, Air Force budget authority.....	3,903,200	-136,509	3,766,691	-58,851	3,707,840	3,737,001	

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
DEFENSE AGENCIES—FISCAL YEAR 1976
(In thousands of dollars)

Item No.	Program element	House		Senate		Conference	Item No.	
		Fiscal year 1976 request	Change	Authorization	Change from House			Authorization
DARPA:								
1	Defense research sciences.....	37,100		37,100	-2,100	35,000	37,100	1
2	Missiles and related equipment.....	74,900	-2,000	72,900	+2,000	74,900	72,900	2
3	Nuclear monitoring research.....	15,400	-1,000	14,400	+1,000	15,400	14,400	3
4	Tactical technology.....	46,000	-3,000	43,000	-1,000	42,000	43,000	4
5	Distributed information systems.....	14,700	-3,000	11,700	+3,000	14,700	11,700	5
6	Advanced command, control, and communications technology.....	12,700	-1,000	11,700	-1,000	10,700	11,700	6
7	Training, forecasting, and decision technology.....	7,100	-1,000	6,100	+600	6,700	6,100	7
8	Technology assessments.....	6,200	-1,000	5,200	+800	6,000	5,200	8
9	Materials processing.....	6,100	-600	5,500	+600	6,100	6,100	9
10	DCA: WWMCCS-JTSA.....	6,800		6,800	-1,200	5,600	6,200	10
11	DMA: Unclassified reduction.....	14,902	-900	14,002	-100	13,902	13,902	11
12	DIA (classified).....		-1,000		-200			12
13	DNA (classified).....				-2,000			13
14	NSA (classified).....		-9,407		-5,593			14
15	Technical support to OSD/JCS.....	22,800	-17,100	5,700	+14,100	19,800	17,500	15
	Programs not in dispute.....	44,853		44,853		44,853	44,853	
Total, Defense agencies budget authority.....		597,800	-41,007	556,793	+8,907	565,700	563,700	16
16	Director of test and evaluation.....	28,500	-3,500	25,000	+3,500	28,500	25,000	
Total, R.D.T. & E. budget authority.....		10,181,388	-515,015	9,666,373	+21,062	9,687,435	9,673,283	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
ARMY—1977
(In thousands of dollars)

Item No.	Program element	House		Senate		Conference	Item No.	
		Fiscal year 1977 request	Change	Authorization	Change from House			Authorization
ARMY—1977								
1	Surgical investigations.....	1,605		1,605	-200	1,405	1,405	1
2	Studies and analyses.....	1,900		1,900	-200	1,700	1,700	2
3	TRADOC studies and analyses.....	970		970	-170	800	800	3
4	Heavy lift helicopter.....	3,000	-500	2,500	-2,500			4
5	Aerial scout.....	8,800		8,800		200	7,000	5
6	Advanced VTOL.....	3,405		3,405	-1,200	2,205	2,205	6
7	Advanced attack helicopter.....	17,908	-6,900	11,008		11,008	11,008	7
8	CH-47 modernization.....	2,800		2,800	-1,900	900	2,800	8
9	Chaparral/Vulcan.....	5,710	-4,000	1,710	-700	1,010	1,710	9
10	Hardened BMD materials.....	1,717		1,717	-1,717			10
11	Advanced forward area air defense systems.....	2,025	-1,500	525	+1,500	2,025	2,025	11
12	Surface-to-surface missile rocket system.....	3,000	-3,000		+3,000	3,000	500	12
13	BMD advanced technology program.....	30,158	-5,000	25,158	+1,342	26,500	25,158	13
14	Site defense.....	38,000	-4,000	34,000	-15,000	19,000	25,000	14
15	Cannon launched guided projectile.....	6,982	-6,982		+6,982	6,982	3,000	15
16	Heliborne missile—Hellfire.....	4,000	-4,000		+800	800	800	16
17	Pershing II missile.....	6,000		6,000	-1,000	5,000	6,000	17
18	Fire and forget module—Hellfire.....	1,450	-1,450		+1,450	1,450		18
19	Kwajalein Missile Range.....	23,560	-1,560	22,000	-3,000	19,000	22,000	19
20	Ballistics technology.....	3,260		3,260	-500	2,760	3,260	20
21	Chemical munitions technology.....	475		475	-170	305	475	21
22	Lethal chemical munitions concepts.....	960		960	-960		960	22
23	Tank systems (XM-1).....	38,953		38,953	-29,653	9,300	38,953	23
24	Lethal chemical munitions.....	1,448		1,448	-1,448		1,448	24
25	Bushmaster.....	3,631	-1,631	2,000	+1,631	3,631	3,631	25
26	Chemical defense materiel concepts.....	1,620	-550	1,070	+550	1,620	1,070	26
27	Manpower and human resources technology.....	1,827		1,827	-200	1,627	1,627	27
28	Army support of DARPA hostile weapons program.....	280	-280		+280	280	100	28
29	Unattended ground sensors.....	2,460	-1,700	760	+1,300	2,060	1,400	29
30	Classified program.....	2,735		2,735	-200	2,535	2,735	30
31	STANO.....	4,191	-3,191	1,000	+3,191	4,191	3,000	31
32	Command and control.....	1,770		1,770	-200	1,570	1,770	32
33	Artillery locating radar.....	1,960	-1,000	960	+1,000	1,960	1,200	33
34	Manpower and human resources development.....	2,443		2,443	-400	2,043	2,043	34
35	General combat support.....	2,254		2,254	-250	2,004	2,100	35
36	Mortar locating radar.....	1,925	-500	1,425	+500	1,925	1,425	36
37	Program wide management and support.....		-2,839	-2,839	+2,839		-1,400	37
38	Undistributed reduction.....						-16,000	38
	Programs not in dispute.....	350,418		350,418		350,418	350,418	
Total, Army budget authority.....		585,600	-50,583	535,017	-43,803	491,214	513,326	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

NAVY—1977

[In thousands of dollars]

Item No.	Program element	Fiscal year 1977 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Studies and analysis support, Navy	3,189		3,189	-600	2,589	2,589	1
2	Aircraft flight test general	1,467		1,467	-500	967	967	2
3	Classified Program	11,289		11,289	-6,929	4,360	10,289	3
4	Aircraft systems (advanced)	2,398		2,398	-1,500	898	898	4
5	Air ASW	4,419		4,419	-1,883	2,536	2,536	5
6	Airborne mine countermeasures	1,445		1,445	-400	1,045	1,445	6
7	Tactical air reconnaissance	2,307		2,307	-1,764	543	2,307	7
8	Aircraft survivability and vulnerability	2,096		2,096	-1,500	596	2,096	8
9	Modular FLIR	200	-200		+200			9
10	All weather attack	1,201	-1,201		+1,201	1,201		10
11	Fleet ballistic missile system	21,273	-6,500	14,773	+6,500	21,273	16,773	11
12	Sanguine	4,400		4,400	-770	3,630	3,630	12
13	Gryphon	6,597		6,597	-1,800	4,797	4,797	13
14	Strike warfare weaponry technology	10,683	-2,500	8,183	+2,500	10,683	9,500	14
15	ARM system technology	804	-400	404	+400	804	404	15
16	Advanced surface-to-air weapon system	4,600	-4,600					16
17	Agile	5,407	-2,600	2,807	+2,600	5,407	3,307	17
18	Air launched/surface launched antiship missile	2,373	-2,373		+2,373	2,373		18
19	Cruise missile	42,100	-4,000	38,100	-1,000	37,100	37,100	19
20	Surface missile guidance (advanced)	1,700		1,700	-700	1,000	1,000	20
21	Surface launched MGGB technology	200	+1,500	1,700	-1,500	200	1,700	21
22	Air-to-air missile component technology	4,604		4,604	-3,200	1,404	1,404	22
23	Close-in weapon system (Phalanx)	2,458	-2,458		+2,458	2,458	2,458	23
24	Trident missile system	172,510	-10,000	162,510	+9,000	171,510	165,510	24
25	Classified program	11,598		11,598	-1,200	10,398	11,598	25
26	Surface ASW	9,160	-2,160	7,000	+2,160	9,160	8,000	26
27	Ship development (advanced)	10,755	-2,755	8,000	-1,845	6,155	7,000	27
28	Hydrofoilcraft (advanced)	2,398		2,398	-930	1,468	1,468	28
29	Classified program	5,844	-2,844	3,000	+2,844	5,844	4,000	29
30	Ship development (engineering)	9,803		9,803	-6,700	3,103	8,603	30
31	Gun systems	642	-642		+642	642		31
32	BW/CW weapons	348		348	-348		348	32
33	Manpower effectiveness	1,187		1,187	-200	987	987	33
34	Education and training	2,112		2,112	-100	2,012	2,012	34
35	Reliability and maintainability	1,250		1,250	-1,250			35
36	Other Marine Corps development (engineering)	2,081	-1,002	1,079	+1,002	2,081	2,081	36
37	R.D.T. & E. instrumentation and material support	10,325		10,325	-2,000	8,325	8,325	37
38	R.D.T. & E. ship and aircraft support	12,988		12,988	-1,000	11,988	12,988	38
39	Test and evaluation support	38,657		38,657	-1,000	37,657	37,657	39
40	Laboratory fleet support	1,000		1,000	-1,000			40
41	Undistributed reduction		-9,372		+9,372			41
	Programs not indispute	473,969		473,969		473,969	473,969	
	Total, Navy budget authority	903,837	-54,107	849,730	+1,633	851,363	849,746	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

AIR FORCE—1977

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	B-52 squadrons	7,329	-7,329		+3,029	3,029		1
2	C-5A airlift squadrons	10,400		10,400	-7,400	3,000	10,400	2
3	Advanced avionics for aircraft	3,600	-600	3,000	+600	3,600	3,600	3
4	Stall/spin inhibitors	600		600	-600			4
5	Aircraft equipment development	2,200		2,200	-700	1,500	2,200	5
6	B-1	168,300		168,300	-39,300	129,000	158,000	6
7	Air combat fighter	82,504	7,000	75,504	-5,800	69,704	69,704	7
8	Advanced ICBM technology	15,300		15,300	-1,000	14,300	14,300	8
9	Advanced ballistic reentry systems	29,150	-5,000	24,150	+5,000	29,150	26,650	9
10	Strategic bomber penetration	5,700		5,700	-1,000	4,700	5,700	10
11	Advanced short-range air-to-air missile systems technology	1,200	-200	1,000	+200	1,200	1,000	11
12	SAMTEC and ACS telecommunications	1,000		1,000	-100	900	1,000	12
13	Classified program	5,720	-1,720	4,000	+1,720	5,720	4,800	13
14	Armament ordnance development	2,789		2,789	-600	2,189	2,500	14
15	Close air support weapon system	16,800	-13,000	3,800	+13,000	16,800	6,700	15
16	Ground electronics	12,123		12,123	-529	11,594	11,594	16
17	Electronic warfare technology	2,750	-1,000	1,750	+1,000	2,750	1,750	17
18	Advanced computer technology	1,200	-200	1,000	+200	1,200	1,000	18
19	Life support system	1,980		1,980	-400	1,580	1,780	19
20	Other operational equipment	2,200		2,200	-200	2,000	2,000	20
21	Integrated program for airbase defense	1,650		1,650	-150	1,500	1,650	21
22	Drone/remotely piloted vehicle systems development	6,000		6,000	-4,900	1,100	6,000	22
23	Precision emitter location strike system	10,600	-4,600	6,000	-4,300	1,700	3,000	23
24	AWACS	54,474	-1,374	53,100	+1,374	54,474	54,474	24
25	Advanced fighter protection systems	3,600	-1,600	2,000	+1,600	3,600	2,800	25
26	Intelligence equipment	3,300		3,300	-2,000	1,300	2,300	26
27	Test and evaluation support	75,000		75,000	+2,500	72,500	72,500	27
28	Programwide management and support		-4,300		+4,300			28
29	Undistributed reduction						-6,000	29
	Programs not in dispute	506,531		506,531		506,531	506,531	
	Total, Air Force budget authority	1,034,000	-47,923	986,077	-39,456	946,621	965,783	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
DEFENSE AGENCIES—1977
(In thousands of dollars)

Item No.	Program element	House		Senate		Conference	Item No.
		Fiscal year 1977 request	Change	Authorization	Change from House			Authorization
DARPA:							
1	Defense research sciences.....	9,300	-2,750	9,300	-500	8,750	1
2	Missiles and related equipment.....	18,700	-1,400	15,950	+2,750	17,950	2
3	Tactical technology.....	11,500	-1,250	10,600	+1,250	10,600	3
4	Distributed information systems.....	3,700	-	3,700	-	3,700	4
5	Advanced command, control, and communications technology.....	3,200	-	3,200	-	3,200	5
6	Training, forecasting, and decision technology.....	1,800	-	1,800	-	1,800	6
7	Technology assessments.....	1,600	-	1,600	-	1,600	7
8	DCA: WWMCS, JTSA.....	1,700	-	1,700	-	1,700	8
9	DMA: Undistributed reduction.....	3,850	-	3,500	+300	3,500	9
10	DNA (Classified).....	-	-5,282	-	+1,600	-	10
11	NSA (Classified).....	5,700	-4,275	1,425	+3,575	5,000	11
12	DIA (Classified).....	18,464	-	18,464	-	18,464	12
13	Technical support to OSD/JCS.....	-	-	-	-	-	13
	Programs not in dispute.....	-	-	-	-	-	
	Total, Defense agencies budget authority.....	152,700	-14,907	137,793	+5,807	143,600	
14	Director of test and evaluation.....	6,800	-3,400	3,400	+3,400	6,800	14
	Total, R.D.T. & E. budget authority.....	2,682,937	-170,920	2,512,017	-72,419	2,439,598	
						2,473,623	

CONFERENCE ACTION ON SELECTED SUBJECTS IN THE RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FISCAL YEARS 1976 AND 1977
AUTHORIZATION REQUEST

F-18

The Senate bill contained language prohibiting the use of funds authorized by the act to conduct research, development, testing, and evaluation of the F-18 Navy Air Combat Fighter until the Comptroller General of the United States has rendered an official decision in the LTV Aerospace Corporation protest filed with the GAO, or until July 31, 1975, whichever is sooner.

The House conferees objected to the provision as not being necessary and pointed out that the effective date of an authorization bill would be later than July 31, 1975. The Senate reluctantly receded.

AERIAL SCOUT

The House bill approved the full amount of \$10.7 million for FY 1976 and \$8.8 million for 1977T as requested. The Senate amendment authorized \$700,000 and \$200,000 for these respective periods only to support in-house efforts because (1) the Army had not yet approved the characteristics of the new scout; (2) the Army had not determined if either a new development or an off-the-shelf helicopter would satisfy the requirement; and (3) following these determinations, the Army must obtain DSARC approval before proceeding with the program. The Senate action considered that if the Army and DOD had decided what the Army requires by the time the fiscal year 1977 request is submitted, there then would be a meaningful basis for consideration.

The Department of Defense reclama states the Army had completed the study of the characteristics of the Advanced Scout Helicopter, that indications are it will be a military adaptation of an existing helicopter, and the DSARC will be held on July 31, 1975. Because of these new developments, the Senate conferees recede and agreed to restore \$4.3 million in fiscal year 1976 and \$6.8 million in 1977T. This will provide a total of \$5.0 million and \$7.0 million for these respective periods.

The use of the funds restored is contingent on approval of the House and Senate Armed Services Committees following DSARC approval and prior to issuance of requests for proposal to industry.

ADVANCED FORWARD AREA AIR DEFENSE SYSTEM

The House bill deleted the request for \$11.1 million in fiscal year 1976 and \$2.0 million in 1977T for prototypes of a new anti-aircraft gun system. The Senate amendment approved the full request.

The House reduction was made because of the belief that the Army's plans for development of a new gun system were too indefinite to warrant a start on the program at this time. The Senate conferees pointed out that the Army had continued to firm up its plans for development of the new gun since the fiscal year 1976 budget hearings and an advanced development requirement had been approved before the conference.

The Senate and House conferees both agreed on the need for a new and more powerful gun to replace the 20 mm Vulcan. The conferees

agreed to restore the full amount of \$13.1 million in fiscal year 1976 and \$2.0 million in 197T as provided by the Senate. At least one of the new prototype gun systems shall use the GAU-8 30 mm gun adapted for the anti-aircraft role.

ARTILLERY LOCATING (COUNTERBATTERY) RADAR

The House bill resulted in a reduction of \$4.0 million from the Army's request of \$13.340 million for fiscal year 1976 and a reduction of \$1.0 million from the \$1.960 million requested for fiscal year 197T. The Senate amendment authorized the amounts requested.

The House action was based on the fact that the Army planned to initiate a six-month modification phase for the two competing radar systems. The modification phase follows the completion of test and evaluation of both systems.

The conferees believe that the Army, at the completion of testing, should be able to select the best system for the follow-on phase. The conferees agreed to a funding level of \$10.340 million and \$1.2 million for fiscal years 1976 and 197T respectively to support this approach.

The projected high unit cost of this system requires that the Army assess less costly alternatives such as Remotely Piloted Vehicles and infrared systems to provide this capability. The results of this assessment should be available to support the fiscal year 1977 authorization request.

BINARY CHEMICAL MUNITIONS

SEE TITLE VIII, GENERAL PROVISIONS

CANNON LAUNCHED GUIDED PROJECTILE

The House bill authorized \$10.0 million of the Army's \$17.8 million request for fiscal year 1976, and none of the \$7.0 million for fiscal year 197T. The Senate amendment approved the full amount requested for both periods.

The House action reflected dissatisfaction with the overall management of the Army and Navy guided ordnance programs, and stated the belief that commonality is possible and both cost and performance effective.

The conferees are concerned that the Army requirement for this projectile has not yet been validated, in view of all other weapons and munitions available or planned to be employed against the same targets. The conferees also are concerned that it may not be worth the cost to develop and deploy this projectile since there are other possible alternatives. The conferees were advised that the estimated cost to develop and procure the planned inventory requirements is about \$1.0 billion.

The conferees agreed that the Army's program should proceed into engineering development with the specific understanding that the engineering development contract would not be a commitment to either full scale engineering development or production. The conferees were advised by the Army that the "Producibility Engineering and Planning (PEP) phase of the contract would be deferred until after fiscal year 197T. At that time the prospects for commonality will again be assessed. Both Committees on Armed Services are to be advised of this assessment prior to initiation of PEP. In addition, the Army advised that it planned another stopping point for program review pre-

ceding the Limited Rate Initial Procurement (LRIP) phase of the program.

Prior to the submission of the fiscal year 1977 request for authorization, both Committees on Armed Services are to be provided with the results of a complete DDR&E coordinated study of Army requirements (including the Navy candidates and all other delivery systems and munitions available or planned for inventory) and cost effectiveness analysis.

The House recedes and agrees to restore \$4.0 million in fiscal year 1976 and \$3.0 million in 197T to support either the engineering development contract or competitive testing with the Navy round.

CHAPARRAL/VULCAN

The House bill reduced the request for \$14.8 million in fiscal year 1976 and \$5.7 million in 197T for R&D on improvements to the Chaparral surface-to-air missile down to \$4.8 million in fiscal year 1976 and \$1.7 million in 197T. The Senate amendment contained \$4.9 million in fiscal year 1976 and \$1.0 million in 197T.

The Conferees agreed to provide \$4.9 million in fiscal year 1976 and \$1.7 million in 197T. If additional funding is required during the fiscal year, a reprogramming request will be considered for this missile system.

CH-47 MODERNIZATION

The House bill authorized the full \$10.0 million requested for fiscal year 1976 and \$2.8 million for 197T to modernize the CH-47 helicopter fleet. The Senate amendment reduced these amounts to \$3.5 million and \$900,000 respectively because the Army had not yet decided which of six possible alternative courses of action to pursue. The reduced level of funding would sustain current preliminary design efforts but preclude initiating the full program.

The Army now states that preliminary results of current studies confirm that modernization of present inventory helicopters rather than replacement with new helicopters is the most cost effective approach. Formal Army approval was anticipated by July 24, 1975 and DOD approval by September 30, 1975. Because of these developments and the imminency of the approval actions, the Senate recedes and accepts the full amounts approved by the House. However, none of the amounts restored are to be used without approval by both the House and Senate Armed Services Committees of the plan approved by the Office of the Secretary of Defense.

CHEMICAL DEFENSE MATERIAL CONCEPTS

The House bill recommended a reduction of \$1.850 million from the \$6.890 million requested by the Army for fiscal year 1976 and \$550,000 from the \$1.620 million requested for fiscal year 197T. The reduction was intended to terminate the Long Path Infrared (LOPAIR). The Senate amendment authorized the full amount of the request.

The Senate conferees accepted the House position since LOPAIR has not demonstrated significant progress to warrant continued support. The House conferees expressed their belief that LOPAIR has been overtaken by technological advancements such as the Forward Looking Infrared (FLIR). Last year the Army was encouraged to conduct

side-by-side tests and evaluation of FLIR and LOPAIR. The tests were not conducted.

While no funds are authorized for any continued development of LOPAIR; the Army can, if it chooses, submit a reprogramming request in accordance with established procedures to conduct a side-by-side test of FLIR and LOPAIR.

HELLFIRE

The House bill deleted all of the funds for both HELLFIRE programs: \$5.0 million for the laser Heliborne missile for fiscal year 1976 and \$4.0 million for fiscal year 1977; \$7.3 million for the Fire and Forget module for fiscal year 1976 and \$1.450 million for fiscal year 1977. The Senate bill authorized the entire amount requested for both programs except for fiscal year 1977 where the \$3.2 million requested for starting engineering development of Hellfire was deleted and only \$800,000 was authorized for the laser Heliborne missile.

The rationale for the House action was based on the Army's testimony concerning the affordability of the Hellfire missile. The House conferees, however, in light of the relatively successful test program coupled with the fact that the Hellfire missile is a viable alternative for the Advanced Attack Helicopter, agreed with the Senate position to authorize the \$5.0 million request for the laser Heliborne missile for fiscal year 1976 and \$800,000 for fiscal year 1977. The Army is expected, however, to thoroughly assess other possible alternatives, such as a powered version of the cannon launched guided projectile or a 5-inch guided projectile, for the Hellfire mission.

The Senate conferees agreed with the House position that the Fire and Forget module would result in an even more expensive missile than Hellfire since it would utilize a more expensive seeker. Further, the Army has not yet been able to demonstrate that the Fire and Forget seeker would improve combat capability over laser Hellfire because of the target acquisition problem. The conferees agreed to terminate this program as a line item. However, the Army may continue to explore the potential of using other candidate seekers within the total funding authorized for the laser Heliborne missile.

HEAVY LIFT HELICOPTER

The House bill approved \$16.8 million in fiscal year 1976 and \$2.5 million in 1977 for continuation of the redirected Heavy Life Helicopter (HLH) program limited by the Secretary of Defense to a single prototype advanced development program including flight testing. The Senate amendment approved \$9.0 million for fiscal year 1976 which is the amount estimated by the Army as required to terminate the program.

The reasons for termination are set forth on page 84 of Senate Report No. 94-146 on the pending Military Procurement Authorization Bill. The House recedes.

SITE DEFENSE

The House bill authorized \$134.0 million of the \$140.0 million requested for fiscal year 1976 and \$34.0 million of the \$38.0 million requested for 1977.

The Senate amendment provided \$70.0 million and \$19.0 million respectively for these two periods because the Army had not entirely complied with the Senate direction last year to change from a prototype demonstration program to a sustaining advanced development program. The Senate stated that the program will be maintained at a sustaining level pending further developments in strategic weapons limitation negotiations with the Soviets.

The conferees agreed to an authorization of \$100 million and \$25 million for fiscal years 1976 and 1977 respectively.

The Department of Defense reclama stated that the Senate position is inadequate for a sustaining level and would cripple the program and possibly force dissolution of the present contractor team. This also would dramatically increase deployment time, if needed, and erode the U.S. SALT bargaining position.

The Senate reluctantly recedes and agrees to restore \$30.0 million in fiscal year 1976 and \$6.0 million in 1977, the minimum amount estimated as needed to retain the contractor team and continue the program at a minimum acceptable level. The conferees adopted the Senate requirement for a study by the Secretary of Defense to conduct it as stated on page 18 of Senate Report No. 94-146 accompanying the pending Military Procurement Authorization Bill.

The results of the study will be submitted to the House and Senate Committees on Armed Services by November 15, 1975.

SURFACE-TO-SURFACE MISSILE ROCKET

The House bill deleted the entire \$5.0 million requested by the Army for fiscal year 1976 and the \$3.0 million requested for fiscal year 1977. The Senate amendment authorized the entire request.

The Army intended to develop two systems: a new Long Range Guided Missile (LRGM) as a nonnuclear alternative to Lance, and a free flight General Support Rocket System (GSRS). The conferees were not convinced that the LRGM would be more performance or cost-effective than the existing Lance missile system and accordingly agreed to preclude this new start.

The conferees agreed to restore \$1.0 million for GSRS for fiscal year 1976 and \$500 thousand for fiscal year 1977. The basis for supporting this development is the need for a medium range counter-battery weapon; however, the conferees are concerned over two areas which are not properly integrated in the program plan, viz., a concurrent development of a terminal seeker for the GSRS and the forward area targeting problem. During the coming year, the Army will address these problems and report their findings and conclusions in conjunction with submission of the fiscal year 1977 authorization request.

VEHICLE RAPID FIRE WEAPON SYSTEM—BUSHMASTER

The House bill resulted in a reduction of \$6.070 million from the \$16.070 million requested by the Army for fiscal year 1976 and a reduction of \$1.631 million from the \$3.631 million requested for fiscal year 1977. The Senate amendment authorized the full request.

The rationale for the House action was based largely on the Army's plan to product improve the M-139 gun and use it as an interim system for the Mechanized Infantry Combat Vehicle (MICV). Further,

the House was not convinced that the Army had a viable plan for the development of the Bushmaster for the MICV. There are a number of factors in question. Included is the fact that the proposed 25mm round is not fully developed and will cost several hundred million dollars to put into the U.S. inventory.

The Senate conferees concur with the House position that continued investment of funds for the M-139 is not prudent. The conferees have been advised of a Department of Defense memorandum that states it would be more cost effective to slip the MICV schedule than it would be to pursue an interim gun system. The Army should reassess the MICV schedule and justify the need and plan to both Committees on Armed Services, for both the interim and Bushmaster gun system.

The conferees agreed that the Army still lacks a viable definitive plan for the Bushmaster and agreed to the level of funding authorized by the House.

XM-1 TANK

The House bill authorized the entire Army request of \$51.8 million and \$39.0 million for fiscal year 1976 and 1977T respectively. The Senate amendment reduced the 1977T request by \$29.7 million.

The Senate action was intended to ensure a competition of both U.S. tank candidates in addition to the German Leopard II candidate.

The Senate recedes and agreed to restore the \$29.7 million approved by the House. The conferees agree that \$23 million of this is available only to initiate engineering development with a single contractor provided specific approval is granted by the Secretary of Defense and reported to the Armed Services Committees. The conferees also agreed that initiation of engineering development, prior to the delivery of a Leopard II test article in September 1976 for competitive testing with the XM-1, will not prejudice the results of that test program.

ADVANCED SHORT RANGE AIR-TO-AIR MISSILE TECHNOLOGY

The House bill resulted in a reduction of \$3.0 million from the Navy's request for \$6.0 million for fiscal year 1976 and a reduction of \$2.6 million from the \$5.407 million request for fiscal year 1977T. In addition, the House bill reduced the Air Force request of \$3.8 million for fiscal year 1976 to \$3.0 million and the \$1.2 million request for fiscal year 1977T to \$1.0 million. The Senate amendment authorized full funding for both the Navy and Air Force programs.

Last year the conferees terminated the Navy's Agile missile program due to its high cost, complexity, and lack of progress after expenditures in excess of \$80 million. The conferees also terminated the Air Force's CLAW missile program because of its projected lack of effectiveness. Both programs were intended to provide the Navy and Air Force with separate follow-on dogfight missiles to the Sidewinder AIM-9L series.

The House-Senate Conference Report, No. 93-1212, for fiscal year 1975 directed that the Navy and Air Force establish firm common requirements for a new missile prior to the expenditure of funds for the development of complex technology that may not even be required. The plans provided by the Services for fiscal years 1976 and 1977T, however, indicated their intention to develop Agile and CLAW prototypes.

The conferees again stress the need to complete the requirements phase which will define a single set of missile performance characteristics such as seeker sensitivity, off-axis boresight acquisition requirements, maneuverability, etc. The conferees agreed that the funding authorized by the House is adequate to perform the necessary requirements phase with limited component development. The conferees further stress that there does not appear to be any urgency for an accelerated program to develop this follow-on to the excellently-performing AIM-9L Sidewinder.

The Senate recedes.

ADVANCED SURFACE-TO-AIR WEAPON SYSTEM

The House bill deleted the \$11.932 million requested by the Navy for fiscal year 1976 and \$4.6 million requested for fiscal year 1977T to initiate the development of this missile. The Senate amendment authorized the full request for fiscal year 1976 but deleted the \$4.6 million requested for starting engineering development in fiscal year 1977T.

The House action was based on the belief that a 5" surface-to-air missile is neither cost nor performance effective. The missile has a smaller warhead than that of the 5-inch guided projectile with an estimated unit cost that could be as much as ten times greater than that of the projectile. The Navy failed to explain why the lower cost guided projectile could not be made launcher compatible. The Senate action for fiscal year 1977T was intended to preclude engineering development of this missile until the basic questions concerning lethality and systems integration are resolved by the Navy.

The House conferees remained firm in their conviction that a launcher compatible 5-inch guided projectile would be more cost and performance effective. While the feasibility of the guidance scheme employed in the 5-inch guided projectile has been demonstrated, the Senate conferees contended that performance should be demonstrated including feasibility firings. Since the feasibility of the boosted projectile would have to be demonstrated, the conferees agreed to support an advanced development program for both the missile and projectile during fiscal years 1976 and 1977T.

The conferees authorized \$11.932 million for fiscal year 1976 and 1977T of which \$4.9 million will be used only for the advanced development of the launcher compatible guided projectile. The remaining \$7.032 million is authorized for the advanced development of the 5-inch missile. The Navy has advised that these funds are sufficient for the directed tasks. The authorization for the missile program is predicated upon the initiation and conduct of the guided projectile launcher compatibility demonstration, i.e., the missile program may not be initiated unless all funds are available for the projectile program during the fifteen month period. The Navy could submit a reprogramming request if additional funding is required.

The conferees agreed that no subsequent funding would be provided for the 5-inch missile program until completion of the feasibility firings of the projectile.

AEGIS

The House bill contained restrictive language that would prohibit expenditure of funds for Aegis until the Secretary of Defense provided to both Committees on Armed Services a plan that identified a

nuclear platform and funding for the fleet implementation of Aegis during or prior to 1981. The Senate amendment contained no similar provision.

While recognizing the need to identify a platform for the Aegis, the Senate conferees thought it unwise to make continued development of the Aegis system dependent upon identification of a platform that would provide for Aegis fleet implementation before 1981. Thus the conferees agreed simply to require the Secretary of Defense to identify a platform, nuclear or otherwise, for the Aegis system.

The House conferees were especially concerned over the fact that after a period that spans nearly ten years of Aegis development, the Navy has failed to identify a suitable platform for this much needed system.

The House report (No. 94-199) suggested that the Navy give serious consideration to the U.S.S. *Long Beach* (CGN-9) as the first Aegis platform. The House contended that the *Long Beach* could serve as a prototype for the Strike Cruiser and would be a viable platform since, at the present time, the *Long Beach* weapon systems suite is antiquated.

The House conferees feel strongly that the Navy should give special attention to integrating the Aegis on the *Long Beach* in order to make it a modern Strike Cruiser. The Navy is to submit a written report by November 15, 1975, to both Committees on Armed Services that addresses the various alternatives and estimated costs for the *Long Beach* with various conversion plans including the addition of the Aegis and Standard missile systems.

AIR ASW (MK III LAMPS)

The House bill authorized \$16.9 million of the \$41.3 million requested for fiscal year 1976 and none of the \$4.419 million requested for 197T for this program. This would leave \$18,533 million in fiscal year 1976 specifically for the MK III LAMPS project and no funds in 197T. The Senate amendment provided \$26.131 million in fiscal year 1976 and \$1.987 million in 197T for the MK III LAMPS project.

Both the House and Senate reductions are intended to defer engineering design contracts to define the required changes to UTTAS until after the Army selects the winning UTTAS contractor.

The Senate considered that it is improper if not illegal to limit the LAMPS competition to the two UTTAS contractors and preclude an open competition in accordance with Armed Services Procurement Regulations. The amounts deleted by the Senate are not required under the foregoing House and Senate determinations.

The House accepts the Senate authorization and the conferees direct to Navy to conduct an open competition for the helicopter. Consistent with this action, which does not preclude the ultimate selection of a UTTAS derivative in an open competition, the Navy should revise its program schedule and fund requirements, and submit to the Congress a request for funds to initiate this program in fiscal year 1977. If the Navy is ready to do this sooner, and urgency dictates action before fiscal year 1977, the Armed Services Committees of the House and Senate would consider a reprogramming action if proposed for this purpose.

This situation may again occur in other programs and therefore should be reviewed by the Department of Defense and the General Accounting Office to determine what corrective action, if any, should be taken in law or in the ASPR. The Comptroller General will submit, a report to the House and Senate Armed Services Committees of findings and appropriate recommendations by October 1, 1975.

The action of the Congress will ensure a more comprehensive check-out of the sensors and software since the Navy plans to integrate them in the SH-2 testbed. The present SH-2 Air ASW system is performing exceptionally well. Therefore, the conferees also recommend a more orderly systems development phase for the LAMPS III without unnecessary concurrency.

AIR LAUNCHED/SURFACE LAUNCHED ANTISHIP MISSILE

The House bill deleted the entire Navy request of \$3.0 million and \$2.373 million requested for fiscal years 1976 and 197T respectively. The Senate amendment authorized the full request.

This program was intended to initiate an advanced technology program for the improved Harpoon seeker. The rationale for the House reduction was based on the recent substantial increase in the cost of the Harpoon program as reported in the latest Selected Acquisition Report (SAR).

The Senate conferees receded and join with the House conferees in requiring the Navy to investigate the basic design, fabrication and manufacturing process of the present system in an effort to reduce costs. The conferees support the need for the Harpoon missile but believe that an advanced technology program should not be initiated at this time.

ALL WEATHER ATTACK

The House bill deleted the entire Navy request of \$1.1 million for fiscal year 1976 and \$1.201 million for fiscal year 197T. The Senate amendment authorized the full amounts requested.

The basis for the House action was the Navy's failure to present a viable plan for this program. The Senate conferees expressed concern over the Navy's future requirements in the area of all weather avionics. The House conferees, in recognition of this concern, agreed to authorize \$500,000 for fiscal year 1976 for study purposes only. The conferees emphasize that this authorization is not a commitment to the program as presented by the Navy.

CLASSIFIED PROGRAM

The House bill reduced this Navy classified program by \$11.647 million in fiscal year 1976 and \$2.844 million in 197T. The Senate amendment approved the full amount requested.

The conferees consider this Navy program essential and their action is not intended to curtail advances in the technology. The conferees agreed to restore \$3.0 million and \$1.0 million respectively of the amount reduced by the House. The Navy's plan to build an integrated brassboard system at a specific contractor operated facility is not accepted by the conferees. This plan would not allow for maxi-

mum government participation in operation, would give one contractor a technological monopoly, and would not allow for full system testing because of safety limitations.

The amounts authorized will be used only for modification and completion of equipment already under development. Assembly of an integrated brassboard system will not begin until a thorough study to identify and prepare a government facility for the construction of the system has been completed and the study results reported to both Committees on Armed Services. If the two Committees agree with the results of the study and additional funds are required during fiscal year 1976 or 197T to implement the results, such funds may be provided through established reprogramming procedures.

CLOSE-IN WEAPON SYSTEM (PHALANX)

The House bill decreased the Navy's request of \$30.671 million by \$19.371 million for fiscal year 1976 and deleted the entire \$2.458 million requested for fiscal year 197T. The Senate amendment authorized the full request for R&D.

The House action was based on the fact that the system has not demonstrated its effectiveness. Last year the conferees directed that the Navy design target missile tests that would provide lethality data in support of CIWS. The Senate conferees agreed with the House conferees that the data provided by the Navy was insufficient and agreed that a more rigorous test program was required to demonstrate the adequacy of the present gun or the possible need for a larger caliber weapon.

The conferees agreed to an authorization of \$15.0 million for fiscal year 1976 and \$2.458 million for fiscal year 197T. The funds authorized are intended for lethality tests and the conduct of any appropriate reliability and maintainability efforts that could be accomplished on existing completed CIWS systems and within the funding provided.

The conferees agreed that subsequent CIWS funding will be made contingent upon test data that clearly demonstrates: the ability of the CIWS to cause full detonation of the target warhead; a kill of the specified dynamic target in its normal flyable configuration at the intended ranges; and an acceptable level of the CIWS platform damage as a result of debris should warhead detonation occur.

If the CIWS tests are successful and its effectiveness is clearly demonstrated, the Navy may submit a reprogramming action in accordance with established procedures for the funds required to complete the operational suitability models and continuation of the R.D.T. & E. program.

COMBAT SYSTEM ENGINEERING DEVELOPMENT SITE (CSEDS)

The conferees recognize the advantages that can be realized from a land based test facility for the Aegis system. Such a system is invaluable to the conduct of systems studies, system checkout, and greatly facilitates the support of a weapon system from the manufacturer's plant to the shipboard platform.

The House conferees expressed concern over the Navy's lack of definition of a government facility for the CSEDS. The House ration-

ale for support of a government facility is based on the need to conduct life cycle maintenance throughout the fleet operational lifetime of the Aegis.

The conferees support the House position that precludes the expenditure of any funds for CSEDS until the Navy completes a trade-off study that addresses the location of the facility, the cost considerations over the near- and long-term, and advises both Committees on Armed Services of the results and considerations.

CLOSE AIR SUPPORT WEAPON SYSTEM (CASWS)

The House bill deleted \$21.52 million from the \$31.52 million requested by the Air Force for fiscal year 1976 and \$13.0 million from the \$16.8 million requested for fiscal year 197T. The Senate amendment authorized the full amount.

The Senate Conferees agreed with the House position to preclude the engineering development of the imaging infrared seeker until the Air Force can adequately analyze the cost of both the missile and the ancillary equipment required to support the acquisition and cueing requirements. The Conferees authorized \$4.4 million which the Air Force requested for the advanced development of the imaging infrared seeker during Fiscal Year 1976/7T. Funding for engineering development of this seeker was denied and will not be approved until the Air Force presents to the Committee on Armed Services of the Senate and House of Representatives a plan that delineates the total system cost relative to the increased capability provided by such a seeker.

The House Conferees agreed to a funding level of \$24.0 million for fiscal year 1976 and \$6.7 million for fiscal year 197T. The restoration of these funds, however, is predicated upon full Air Force support of the laser semi-active seeker development program.

FIRE CONTROL SYSTEMS (ENGINEERING)

The House bill resulted in a reduction of \$2.0 million from the \$14.197 million requested by the Navy for fiscal year 1976. The House bill authorized the Navy's request of \$1.570 million for fiscal year 197T while the Senate amendment authorized the entire request for fiscal years 1976 and 197T.

The House action was directed toward the MK-92 gun fire control system since the planned effort for fiscal year 1976 as described by the Navy was not commensurate with the requested funding level.

The Senate conferees concurred with the House position and recognized the Navy's need for funds for naval gunnery. Consequently, the conferees agreed that \$2.0 million be restored only for application to the development of the much needed extended range 8-inch guided projectile.

FLEET BALLISTIC MISSILE SYSTEM

The House bill decreased the Navy's request of \$65.782 million by \$20.0 million for fiscal year 1976 and reduced the \$21.273 million request for fiscal year 197T by \$6.5 million. The Senate amendment authorized the full amounts requested.

The rationale for the House action was based on the Navy's proposed costly approach to better defining the component contributions to the total system error budget for the Poseidon and Trident missile systems. The House recommended that the Navy examine the missile performance measuring system technique employed by the Air Force to delineate the in-flight error components.

The Navy is not to proceed with the proposed satellite approach until they provide a clear, definitive plan that establishes the need for this costly approach.

The conferees, in light of the required study effort, agreed to restore \$7.5 million for fiscal year 1976 and \$2.0 million for fiscal year 1977.

LABORATORY FLEET SUPPORT—R.D.T. & E. SHIP AND AIRCRAFT SUPPORT

The House bill provided full funding of the Navy's request for both programs. The Senate amendment deleted the \$3.0 million and \$1.0 million requested for Laboratory Fleet Support for fiscal years 1976 and 1977 respectively.

The Senate amendment reduced the Navy's request for RDT&E Ship and Aircraft Support of \$47.029 million for fiscal year 1976 by \$2.0 million and the request of \$12.988 million for fiscal year 1977 by \$1.0 million.

The Senate rationale for deleting all funds for Laboratory Fleet Support was that there is no justification for this new program since the fleet could receive laboratory support under other programs.

The House conferees concur with the Senate position that would preclude a separate funding element for laboratory support of the fleet. The House conferees contend, however, that funds should be available to enable the laboratories to respond to urgent, dynamic problems.

The conferees agreed, therefore, to restore \$2.0 million and \$1.0 million for fiscal years 1976 and 1977 respectively to the RDT&E Ship and Aircraft Support element to accomplish this purpose.

OTHER MARINE CORPS DEVELOPMENT (ENGINEERING)

The House bill resulted in a reduction of \$2.505 million from the \$5.390 million requested by the Marine Corps for fiscal year 1976 and a reduction of \$1.002 million from \$2.081 million requested for fiscal year 1977. The Senate amendment authorized the full request.

The House reductions were intended to terminate the Positioning Location Reporting System (PLRS) project. The conferees believe that while this program has not demonstrated significant progress, it is nearing a major test milestone during fiscal year 1976. Therefore, the House conferees recede to the Senate position and agree to allow the program to continue through its initial test phase.

The conferees expect, however, that the Marine Corps will demonstrate the ability of the system to operate in an electronic countermeasure environment, demonstrate the over-all accuracy of the system, and describe the total system concept that delineates the planned use of PLRS in support of the fiscal year 1977 request for authorization.

SHIP DEVELOPMENT (ADVANCED)

The House bill authorized \$20.0 million of the \$27.8 million requested for fiscal year 1976 and \$8.0 million of the \$10.8 million requested for 1977. The Senate provides \$42,000 less than the House for fiscal year 1976 and \$6.2 million for 1977.

The House and Senate amounts are essentially the same for fiscal year 1976, and the House recedes. The conferees agreed to an amount of \$7.0 million for 1977. The Navy may apply the respective amounts authorized to the various programs proposed within each period consistent with program priorities.

SHIP DEVELOPMENT (ENGINEERING)

The House bill authorized the full amounts requested for fiscal year 1976 and 1977. The Senate amendment provided \$8.9 million of the \$32.7 million requested for fiscal year 1976 and \$3.1 million of the \$9.8 million requested for 1977.

The Senate action primarily reflected a reduction of \$21.7 million in fiscal year 1976 and \$5.5 million in 1977 for engineering development of the nuclear strike cruiser because the program lacked Secretary of Defense approval and because the program had not been reviewed by the Congress. Congress has received a formal budget amendment requesting \$60.0 million in fiscal year 1976 for initial long lead items for a nuclear strike cruiser. The Senate recedes and agrees to restore the engineering development funds.

SURFACE LAUNCHED MODULAR GUIDED GLIDE BOMB TECHNOLOGY

The House bill increased the Navy's request of \$500,000 to \$4.0 million for fiscal year 1976 and the request of \$200,000 to \$1.7 million for fiscal year 1977. The Senate amendment authorized the full request for fiscal years 1976 and 1977.

The conferees recognize the present deficiencies in the surface fleet's shore bombardment mission. A review of the Navy's experience in Southeast Asia demonstrated the need for a weapon such as the SMARTROC. This weapon consists of a basic laser guided MK-82 bomb adapted to and powered by the MK-37 antisubmarine rocket booster. SMARTROC feasibility was demonstrated in 1973.

The conferees recognize that the effective range of this weapon can be doubled and that the unit cost should be under \$10,000. Further, the extended range weapon would provide a surface-to-surface as well as shore bombardment capability. The conferees understand that a total authorization of \$5.7 million during a fifteen month period will permit the orderly development of the extended range weapon.

The conferees advocate the use and integration of existing off-the-shelf technology to provide low cost effective weapon systems and the Navy will use the additional funds to initiate this development during fiscal year 1976. The conferees agreed that the funds authorized for this program may not be used for any other purpose. The Senate recedes.

SURFACE NAVAL GUNNERY

Last year the conferees added restrictive language to the Authorization Act (PL 93-365) to prevent funds authorized for naval gunnery from being reprogrammed to other accounts.

The conferees still remain concerned over the status of the surface fleet's gun systems and expressed dissatisfaction over the Navy's failure to carry out the guidance provided last year. The Navy was encouraged, for example, to develop the extended range 8-inch guided projectile but chose to reprogram the funds for this project to other elements.

On a comparative basis, the funds requested by the Navy this year for surface naval gunnery are over ten percent less than those requested for fiscal year 1975. The Navy should reassess its gun programs and initiate developments that will provide a significant increase in the effectiveness of naval gunnery. This will be a major consideration in the review of the fiscal year 1977 request for authorization in the area of both missiles and gun systems.

Again, the conferees request the Navy to take a more systems orientated approach toward enhancing the effectiveness of the surface fleet. *The conferees expect that the funds requested for naval gunnery will be used only for that purpose.* The programs include:

Long Range Surface Weapon System (5-inch and 8-inch guided projectiles);

Surface Launched Munitions;

Fire Control Systems (Advanced);

Gun Systems, including the Lightweight Modular Gun System; and

Fire Control Systems (Engineering), including the MK-68, the MK-86 and the 8-inch Major Caliber Lightweight Gun.

TRIDENT MISSILE SYSTEM

The House bill resulted in a reduction of \$45.0 million from the Navy's request of \$735.5 million for fiscal year 1976 and \$10.0 million from the \$172.510 million requested for fiscal year 197T. The reduction was intended to terminate all effort on the MaRV Evader prototype program. The Senate amendment authorized full funding for the MaRV effort but deleted \$3.0 million for the Trident II missile in fiscal year 1976.

The conferees were advised that the Evader prototype program could be completed by the end of fiscal year 197T. In view of the high termination costs for this program, coupled with the fact that it could be completed in a relatively short timeframe, the conferees agreed to restore \$35.0 million in fiscal year 1976 and \$3.0 million in 197T to continue and conclude this program. The House receded on the Trident II missile funding.

The Evader prototype is not a high accuracy MaRV. The Senate amendment offered in its general provisions, Title VIII, language that would preclude testing of both type MaRVs. The Senate receded on this amendment which is described in the general provisions section of this report.

ADVANCED ICBM TECHNOLOGY

The House bill authorized the full amounts of \$41.2 million and \$15.3 million requested for fiscal year 1976 and 197T respectively. The Senate amendment provided \$40.1 million and \$14.3 million for these two periods. The Senate reductions reflected the determination that studies will not be conducted for a new fixed base ICBM because of its questionable survivability. The House recedes.

ADVANCED FIGHTER PROTECTIVE SYSTEMS

The House bill deleted \$2.8 million from the \$18.8 million requested for fiscal year 1976 and \$1.6 million from the \$3.6 million requested for fiscal year 197T. The Senate amendment authorized the full amounts requested.

The House's concerns centered on the Air Force's request which amounted to a 20 percent increase over the fiscal year 1975 funds, without a commensurate increase in the amount of work planned for the coming period.

In the Department of Defense reclama additional funds were requested for work not fully described earlier by the Air Force. Therefore, the Conferees agreed to increase the funding for this program and authorize \$17.4 million for fiscal year 1976 and \$2.8 million for fiscal year 197T.

B-1

The House bill authorized the entire amount of \$672.2 million and \$168.3 million requested by the Air Force for the B-1 research and development program for fiscal years 1976 and 197T respectively. The House bill also authorized the full requests for \$77.0 million and \$31.0 million for the procurement of long-lead items for these periods. The Senate amendment reduced the R&D program by \$75.0 million and \$39.3 million for fiscal years 1976 and 197T respectively. The Senate amendment also deleted the entire amount requested for procurement.

The following table summarizes the action of the conferees:

[Dollars in millions]

	Fiscal year 1976	Fiscal year 197T
R. & D.:		
DOD request.....	\$672.2	\$168.3
Conference.....	642.0	158.0
Procurement:		
DOD request.....	77.0	31.0
Conference.....	64.0	23.0

The conferees emphasized that the authorization of long-lead funding in no way commits nor obligates the United States Government to place the B-1 aircraft in production. Indeed, the conferees agreed to prohibit the Defense Department, as a matter of law, from entering into any production contract or any other contractual agreement for the production of the B-1 bomber aircraft unless subsequently au-

thorized by law. This prohibition, however, is not meant to apply to the acquisition of the long-lead items for the first three follow-on air vehicles.

The authorization of long-lead items is completely independent of the production decision. Authorization for the long-lead items for the B-1 was strongly supported by the House conferees who believe that future production cost savings will be realized which would otherwise be precluded in the event that actual production of the B-1 is subsequently authorized. The Senate conferees did not necessarily agree with the estimated magnitude of the savings.

The research and development funds authorized provide for fabrication of a fourth prototype aircraft.

B-52 SQUADRONS

The House bill deleted the entire Air Force request of \$10.329 million and \$7.329 million for fiscal years 1976 and 197T respectively. The Senate amendment reduced the request by \$3.0 million and \$4.3 million for fiscal years 1976 and 197T respectively.

The purpose of this program is to integrate the Harpoon missile on the Air Force B-52 strategic bomber. The House reduction was based on Navy testimony indicating that augmentation of the fleet with this capability was not essential. In addition, the House was not convinced that Harpoon is the optimum choice since its guidance system limits its applications. The Senate conferees concur with the House position and agreed to defer this program until the above concerns are adequately addressed by the Air Force and Navy.

The Services will prepare a joint study that indicates the need for fleet augmentation, the tradeoffs concerning the various choices of available missiles and the potential savings that could be realized with this capability.

The conferees agreed to restore \$5.0 million for fiscal year 1976 for the purpose of the study and the B-52 simulator effort that was a part of this program element. The funds are not to be used for any Harpoon/B-52 integration or development effort.

TECHNICAL SUPPORT TO OSD/JCS

The House bill authorized \$5.7 million of the \$22.8 million requested by the Department of Defense for fiscal year 1976 and \$1.425 million of the \$5.7 million requested for fiscal year 197T. The Senate amendment authorized \$19.8 million for fiscal year 1976 and \$5.0 million for fiscal year 197T.

The rationale for the substantial reduction in the House bill was based on the extremely poor testimony presented in support of this entire program. The primary concern related to the utility of the studies conducted, especially in the House of International Security Affairs, Manpower, and Net Technical Assessment. The House Committee had every reason to believe that a number of these studies are also being conducted elsewhere in the Defense establishment.

The House Conferees very reluctantly receded and agreed to restore \$11.8 million and \$2.825 for fiscal year 1976 and 197T respectively, on the basis of a stated requirement for these funds by the Secretary of

Defense during the deliberations of the Conference Committee. The House conferees, however, are still concerned over the utility and effectiveness of these studies. A report will be provided to the Committees on Armed Services of the House and Senate that covers the fiscal year 1975 period and includes the following information: the title of the study; the principal investigators; the cost of the study; the number of man-years expended; the purpose of the study; a brief summary of what the study encompasses; the utility of the study; and a brief statement of impact, if any, that the study has on on-going programs and/or the defense posture. This report is to be submitted prior to submission of the fiscal year 1977 authorization request.

IN-HOUSE LABORATORIES

The Director of Defense Research and Engineering indicated before both Committees on Armed Services his intention to effect a drawdown of some 6,000 civilian employees from the Defense Research and Development organization. The House, in its report number 94-199, directed that any proposed drawdown be deferred until the Committee had an opportunity to conduct hearings to assess the near and long-term effects of such action. The Senate, in its report number 94-146, expressed concurrence with the proposed drawdown.

The Department of Defense reclama requested that the House recede in its position during the deliberations of the Conference Committee.

Subsequently, staff members of the House and Senate Armed Services Committees met with representatives of the Office of the Director of Defense Research and Engineering and determined that the proposed drawdown of the planned magnitude over a one or two year period, under established procedures, could disrupt and demoralize the laboratories and could reduce them in size without renewing and strengthening their staffs.

The Conferees understand that the military departments and many, if not all, of the laboratories concur in the need for a properly structured reduction in manpower and that this would result in improved efficiency and effectiveness. The difference of opinion relates to the schedule for implementation of the reduction coupled with a hiring policy that would preclude renewing and strengthening of the staffs. The concern of the conferees is based on the potential loss of vitally important manpower and capabilities that currently exists in the in-house laboratory system. The Conferees would agree that the Department of Defense should proceed with a drawdown provided that it is phased over a longer period of time than two years and permits concurrent staff renewal to ensure the retention of needed in-house capability in the various areas of the research and development organization.

The Conferees, however, direct that prior to the implementation of any drawdown, the Director of Defense Research and Engineering presents to both Committees on Armed Services a plan for the service laboratory drawdowns consistent with this guidance to ensure the vitality and integrity of the in-house laboratory system. In the interim, the House Conferees agreed to defer further inquiry pending a review of the Director of Defense Research and Engineering plan.

TITLE III AND VII—ACTIVE FORCES

Title III and VII of the bill contain the authorization for the end strength of the active duty component of the armed forces for FY 1976 and the transition period.

For both FY 1976 and the transition period, the House bill authorized the strengths requested by the military departments.

The Senate amendment had reduced the total authorization by 18,300 personnel in the following manner:

For fiscal year 1976:	
Army	779,300
Navy	524,100
Marine Corps	195,900
Air Force	582,400
For fiscal year 1977:	
Army	787,300
Navy	531,300
Marine Corps	196,100
Air Force	582,400

The Senate contended that its reductions could be implemented without affecting combat capabilities. The House asserted that in light of the evidence that the management of defense manpower is showing real progress, reductions at this time would frustrate such efforts.

After extensive discussions, the conferees agreed on a compromise total reduction of 9,000 in active forces to be allocated by the Secretary of Defense as he deems appropriate. The conferees suggest that these reductions be made in the general areas recommended in the Senate committee report.

The conferees request that the Secretary of Defense report to the House and Senate Armed Services Committees within 60 days on the allocation of the reduction to the military services, and functional areas therein.

TITLE IV AND VII—RESERVE FORCES

Titles IV and VII of the bill contains the annual authorization for the strength of the selected Reserve of each Reserve component of the Armed Forces for fiscal year 1976 and the transition period.

The House and Senate positions differed on the strengths for the Army Reserve and the Navy Reserve. There were no differences in the authorizations for any other Reserve components.

For the Army Reserve, the Senate had authorized 212,400 for both fiscal year 1976 and the transition period; while the House authorized 226,000 for each of the periods.

The conferees agreed on 219,000.

For the Naval Reserve, the Senate authorized 92,000 for fiscal year 1976 and the transition period; while the House authorized 112,000 for each of these periods.

The conferees agreed on 106,000.

The House yielded reluctantly in the case of the Naval Reserve. It was agreed by the conferees that the 106,000 strength does not require reductions in the current strength of Reserve Naval Construction Battalions (SeaBee units).

The Senate and House also differed on the method of authorizing Reserve strength. The Senate conferees defended their authorization

of Reserve strengths in terms of end strength and a minimum average strength, and stated this would provide a firm mission planning basis for the Selected Reserve components. House conferees, however, were adamant that the previous average strength method of authorization be continued as provided in the House bill.

The Senate reluctantly recedes.

TITLE V AND VII—CIVILIAN PERSONNEL

The Senate Armed Services Committee approved civilian personnel end strengths by services and the Defense agencies as follows:

Fiscal year 1976:	
Army	329,000
Navy	310,300
Air Force	251,300
Defense Agencies	71,400
Fiscal year 1977:	
Army	332,700
Navy	311,100
Air Force	253,200
Defense Agencies	71,400

The total of these authorizations represent a 23,000 reduction from the strengths requested by the Department of Defense. The Senate as a whole imposed a further reduction of 17,000 to be allocated by the Secretary of Defense.

The House authorized a single Department of Defense-wide authorization for civilian personnel for each period. The House bill also excluded from this authorized end strength the civilian personnel engaged in industrially-funded activities of the Department of Defense. The end strengths authorized by the House were the strengths requested by the Department of Defense for each period less the employees of industrially-funded activities (985,000 minus 286,662 for FY 1976; 991,441 minus 285,128 for FY 1977).

The House bill provided for a separate authorization of 96,000 for indirect hire foreign national civilian employees in both fiscal year 1976 and the transition period.

The conference agreed to provide for an overall Department of Defense-wide authorization for civilian personnel with the Secretary of Defense given the authority to allocate the personnel to the military departments and Defense agencies as he deems appropriate.

The conference agreed to a total reduction of 23,000, for fiscal year 1976 and the transition period, from the number requested by the Department of Defense. The conferees suggest that these reductions be made in the general areas recommended in the Senate committee report.

After extensive discussion, the House reluctantly recedes on the exclusion for civilian employees of industrially-funded activities.

The conferees expressed the belief that the Armed Services and Appropriations Committees of the House and Senate should jointly study the manner of authorizing and appropriating for industrially-funded civilians, with a recommendation to be ready for Congressional action next year.

The conferees are cognizant of and emphasized the fact that no industrially-funded civilians were included in the reductions made in the areas specified in the Senate Committee report.

The House recedes on the provision which would have changed permanent authorizing legislation regarding the authorization of civilian personnel on a Department of Defense-wide basis as its intent is met otherwise.

The Senate recedes as to the exclusion of indirect hire employees from the civilian personnel authorization; however, the conferees agreed to include their number within the overall civilian end strength. Since the indirect hire employees are included in the overall authorization and thus within the one-half percent escalatory authority of the Secretary of Defense, the House intent in providing flexibility is met.

The conferees request that the Secretary of Defense report to the House and Senate Armed Services Committees within 60 days on the allocation of the reduction to the military services, and functional areas therein.

TITLE VI AND VII—MILITARY TRAINING STUDENT LOADS

Both the Senate and House authorized the Military Training Student Loads as requested by the Department of Defense and the numbers, therefore, were not subject to conference.

The Senate amendment to the bill however, incorporated a provision which would require the Secretary of Defense to adjust the Military Training Student Loads consistent with the manpower strengths in Titles III, IV, V, and VII.

TITLE VII

The discussion of issues relating to the transition period can be found within prior discussions of the specific subject matters in earlier titles.

TITLE VIII—GENERAL PROVISION

Authorization of repair, maintenance and overhaul of naval vessels and certain element of military construction

The House bill contained a provision, section 701 (a) (1) (b), amending section 138 of title 10 United States Code so as to subject appropriations for repair, maintenance and overhaul of naval vessels to the annual authorization process. The Senate bill contained no such language.

The Senate Conferees objected to this provision because they questioned the need for the additional oversight requirement and the resulting new workload placed upon the Department and the legislative Committees.

Section 701 of the House bill also contained a provision which adds a new paragraph (a) (6) on military construction, as defined in new subsection (e) to section 138 of title 10, United States Code, which precludes the provision of funds for any fiscal year for military construction unless funds therefor have been specifically authorized by law. Subsection (e) defines the term "military con-

struction" to include any construction, development, conversion, or extension of any kind which is carried out with respect to any military facility or installation (including any Government-owned or Government-leased industrial facility used for the production of defense articles and any facility to which section 2353 of this title applies) but excludes any activity to which section 2673 or 2674, or chapter 133 of this title apply, or to which section 406 (a) of Public Law 85-241 (71 Stat. 556) applies.

The conferees agree that there is a need for the DoD to maintain single management control of construction authorized with the procurement and RDT&E accounts. There is also a need for the Congress to have full visibility of all construction projects regardless of the method of funding. As currently practiced, military construction associated with either RDT&E or production of weapons systems is authorized along with those weapons systems. Therefore, it is pointed out that this addition to section 138 of title 10, United States Code, is not intended to incorporate an additional review of construction associated with weapons systems, which will continue to be reviewed and authorized along with the weapons systems themselves. However, all other military construction as indicated above not associated with RDT&E or production of weapons systems must be authorized in an annual military construction authorization bill.

The Senate recedes with an amendment striking the language referring to the authorization of repair, maintenance and overhaul of naval vessels.

Four Months Training

The House bill included language intended to alter certain requirements in the law which govern the amount of training necessary before an active duty serviceman can be assigned overseas, and governing the period of initial active duty for training for reservists. The Senate version of the bill had no such language.

The House position was motivated by evidence that substantial periods of time are being used inefficiently due to the current mandated periods for training which do not, in many cases, correspond to the actual time necessary for training servicemen in many skills.

The Senate conferees concern was to insure that adequate safeguards against the use of insufficiently trained personnel remained in the law.

The conferees agreed on new language which alters the current statutory time period of "four months", at various points in the law, to a period of twelve weeks so as to avoid these inefficiencies, yet continue the statutory safeguard. This language, with its constraints, should be uniformly interpreted within the Department of Defense.

Admission of Women to the Service Academies

Both the House and the Senate have voted unequivocally to admit women to the Nation's three military service academies. Both House and Senate have also supported the principle that admission, training, graduation and commissioning of students should be essentially equal.

The conferees believe that this mandate can and should be carried out promptly, with a minimum of changes or adjustments in curriculum or facilities and with first admissions to begin with the class

entering in calendar year 1976. However, no changes should be made that would lead to separate training systems for men and women in the academies.

In implementing the admission of women to the academies, the conferees believe that the Secretary of Defense should be provided the discretion to phase in such changes or adjustments as may be necessary using as a guide the experience gained in the introduction of women into officer training in the various services' ROTC programs, Officer Candidate Schools and the U.S. Merchant Marine Academy.

Section 707: Contracting Authority for Naval Vessels

Section 707 of the House bill contained language which would authorize contracts for the construction, conversion, overhaul and repair of naval vessels, not in excess of unobligated balances. The Senate Amendments did not contain similar language.

The House Conferees urged that this provision was desirable in order to remove any doubt concerning the legal authority of the Department of Defense to enter into contracts where funds were appropriated in an amount sufficient for the target contract price, but where the Congress had not appropriated funds for contract escalation payments which might occur in the future due to economic inflation.

The House reluctantly recedes.

Emergency and Extraordinary Expenses

Included as Section 907 of the Senate bill was a provision, recommended by the Department of Defense, to specifically authorize for appropriations to the individual Service Secretaries, such funds as would be necessary for emergency and extraordinary purposes.

The House had not included a similar provision, since it was of the view that such new statutory language was unnecessary.

After considerable discussion, the conferees agreed to the Senate provision with some minor modifications.

The House recedes with an amendment.

Authority to Settle Shipbuilder Claims Subject to Appropriations

The House bill contained a provision, section 708, authorizing the Secretary of the Navy to settle claims arising out of ship construction and conversion contracts, entered into prior to July 1, 1974, notwithstanding the availability of appropriations for that purpose, subject to appropriations subsequently authorized and appropriated by Congress. The Senate bill contained no such language.

The Senate recedes.

Compliance With Congressional Budget Act

The House bill contained a provision, Section 709, which would bring any new spending authority, as defined by the Congressional Budget Act of 1974, involved in the House Sections 707 and 708 into compliance with Section 401 of the Congressional Budget Act of 1974. The Senate bill contained no such language.

House Section 707 was dropped and House Section 707 was modified to include requirements of House Section 709. Consequently, the House receded.

Five-Year Naval Shipbuilding Program

Section 710 of the House bill contained language directing the Secretary of Defense to submit a five-year naval ship new construction and conversion program for each fiscal year. The Senate bill contained no similar language.

This provision was fully supported by the Department of Defense.

Extensive hearings in the House during 1974 and again this year clearly showed the need for a longer range shipbuilding plan in order to eliminate some of the upheavals and uncertainties in the shipbuilding industry which have contributed to increased costs.

The Senate Conferees expressed concern that this provision would affect the annual authorization process. The Conferees agreed to make a technical amendment to this section and the language of this section does not, in any way, change existing law with respect to the annual authorization of the construction and conversion of naval vessels.

The Senate recedes with an amendment.

Restriction on Multi-Year Contracts

The House bill contained language which prohibits multi-year contracts with cancellation ceilings in excess of \$5 million, unless such contracts are approved in advance by the Congress. The Senate bill had no similar language.

The Senate recedes.

Requirement To Procure Technical Data Packages

The House bill contained a provision, Section 712, to require the Department of Defense to purchase all designs and data required to manufacture major weapon systems which cost \$100 million or more to develop and/or procure, subject to waiver with approval of both the House and Senate Armed Services Committees. The purpose of the House provision is to standardize DoD contractual relations which have been different for each of the three military services.

The Senate conferees consider that there is merit to the proposed language but, because it is a highly complicated matter with profound implications involving both the Department of Defense and industry, there should be a period of time to enable the Department to conduct a complete study and report to the Congress on findings and appropriate recommendations for statutory language if warranted.

The conferee's prime concern is the ever increasing cost of weapons systems which necessitates the Services having the greatest flexibility in procuring these systems. The conferees believe that it is more cost effective for the Services to have complete detailed design and manufacturing data in so far as weapons can be procured, when economical from multiple sources. Further, the conferees believe that it is imperative that the Department of Defense retain greater flexibility in having the information required to independently modify and maintain their weapons systems.

The House conferees agreed to delete Section 712 of the House bill. The conferees direct the Department of Defense, with GAO participation, to conduct a study on this subject to determine what policies and procedures should be established throughout the Department which

can be implemented uniformly by the various military departments and Defense Agencies.

The results of this study, including proposed policies and procedures, will be submitted to the Congress in conjunction with the submission of the fiscal year 1977 authorization request.

The Department of Defense will submit a report for fiscal year 1976 to the Congress covering all contracts awarded for development of weapon systems having a total value of \$100 million or more, and indicating what provision was included for procurement of manufacturing data. Included in the report will be a complete discussion of the provisions included in the contracts which were used to ensure that the data obtained could be used by independent manufacturers for the production of the weapon systems. If the provisions used did not ensure that complete and useful data would be provided, then suggested provisions which would require that such data be supplied are to be included in the report.

REQUIREMENTS FOR NOTIFICATION OF TRANSFERS OF FUNDS FROM RDT&E ACCOUNTS

The House bill contained a provision, Section 713, which required prior approval by the House and Senate Armed Services Committees of any transfer to other accounts of funds authorized for appropriations for Research, Development, Test and Evaluation.

The Senate conferees did not object to the purpose of the House language but questioned the need for statutory language. It also would severely restrict the limited management flexibility that the Department of Defense has in dealing with funding problems, particularly in view of the reluctance of the Congress to consider requests for supplemental appropriations.

The House conferees recede and agree to delete the statutory language recognizing that adequate controls by the Congress may be exercised through established reprogramming procedures.

The conferees agree that the policy is hereby established whereby the transfer of any funds from the Department of Defense appropriations for Research, Development, Test and Evaluation, to other appropriations of the Department of Defense requires prior approval of the Armed Services Committees of the Congress in accordance with established reprogramming procedures.

The Department of Defense will comply with this policy and will implement its provisions beginning with fiscal year 1976.

5-percent pay cap

The House bill contained a provision (section 714) providing for a 5-percent cap on military active-duty pay increases throughout FY 76 subject to a similar cap being placed on civil service classified pay increases and providing that no change is made in the surcharge of military commissaries during the period the cap is enforced. The Senate amendment contained no such provision.

The Senate conferees convinced the House conferees that the inclusion of military commissaries in the language was not appropriate to the provision of a 5-percent cap; and, therefore, the Senate receded with an amendment deleting all reference to the surcharge in military

commissaries. It should be understood that the language of the section will provide for a 5-percent cap on military active-duty pay only if a similar cap is placed on classified civil service pay.

Submission of Selected Acquisition Reports to Congress

The House bill contained a provision which would require the Secretary of Defense to submit to Congress within thirty days after the end of each quarter, beginning with the quarter ending December 31, 1975, all selected acquisition reports on major defense systems which are estimated to require a total cumulative financing for research, development, test, and evaluation in excess of \$50,000,000 or a cumulative production investment in excess of \$200,000,000. The Senate amendment contained no similar provision.

The Senate conferees concurred in the need for timely submission of these reports to Congress; however, the conferees being advised by the Department of Defense that final reports might not in all cases be finalized for submission to Congress within thirty days after the end of a quarter agreed to extend the period for submission of final reports to forty-five days. The conferees did insist, though, that selected acquisition reports covering the previous quarter be submitted to Congress within thirty days after the end of the quarter and strongly urge that they be the final approved reports. All reports whether final or not are to contain all information required in final selected acquisition reports.

Military Force Structure and Foreign Policy Report

The Senate bill included in section 914 a provision adopted as a Floor amendment which required an annual report to the Congress explaining the relationship of our military force structure to our foreign policy for the forthcoming fiscal year.

The House bill contained no similar provision.

The House conferees were of the view that this proposed annual report was unnecessary and redundant. However, the Senate conferees were adamant in their position that an annual report of this kind was necessary to provide the Congress a better comprehension of the actual need for our military force structure required to support our current and projected foreign policy.

The House conferees reluctantly recede with an amendment.

Petroleum Supply Discrimination: Remedy for Department of Defense

Title VIII of the Senate amendment contained language prohibiting "discrimination" by United States citizens, by firms or organizations controlled by United States citizens, or by corporations organized or operating within the United States, in the supply of petroleum products for the use of United States armed forces. This title would prohibit such firms from refusing to supply petroleum products to the armed forces of the United States at fair and reasonable prices which do not exceed prices charged other foreign or domestic customers in similar commercial circumstances. The title also provides for injunctive relief and for criminal penalties.

The language of this title was prompted by concern of the Senate over the failure of some oversea suppliers to provide petroleum products to our armed forces during the Arab embargo. A related concern was the allegation that some U.S. petroleum companies have explicitly

or implicitly threatened to reduce or eliminate supplies of petroleum products to the Department of Defense overseas unless the Department of Defense agreed to contract terms which met the particular views of the company concerned, terms however, that were incompatible with laws or regulations governing Defense contracts. Although no supply failure has been experienced because of such disagreements, unnecessary delays in reaching agreement on contract terms did threaten timely supply support.

The Senate provisions, as approved by the Senate were designed to overcome these problems.

The House Conferees objected to this provision since it appeared to be non-germane to the subject of the House bill, was vague in its terms and, as drafted, was objectionable on Constitutional grounds.

As a result of the House Conferee's objections, Senate Title VIII was redrafted to provide a more concise procedure for obtaining records and furnishing records and information, protecting the Constitutional rights of individuals and for safeguarding confidential information. The responsibility for conducting investigations of discrimination (as defined by this provision) is shifted from the Secretary of Defense to the Attorney General of the United States. In addition the amended provision contains a more concise definition of "discrimination", adds a new definition of the term "supplier", and provides that this provision will expire two years after enactment.

The House therefore recedes and agrees to the Senate amendment, with an amendment.

Sale or Transfer of Defense Articles From the U.S. Active Forces Inventory

The Senate amendment provided that in the case of any letter of offer to sell or any proposal to transfer defense articles from U.S. active forces' inventory in the amount of \$25,000,000 or more, the Secretary of Defense shall submit a report to the Congress setting forth the impact of the transaction on the U.S. readiness posture and the adequacy of reimbursement to cover the full replacement cost of said items.

The House bill included a provision which was similar to the language of the Senate amendment, but not as broad in scope. The conferees agreed on a modification of the language of the Senate provision which satisfied the purposes of both Houses.

Accordingly, the House recedes with an amendment.

Readiness Report

The Senate amendment contained a provision requiring an annual report detailing U.S. readiness in an additional, separate format. The House bill has no similar language.

The Senate recedes.

Binary Chemical Munitions

The House bill authorized the entire amount of \$5.167 million requested by the Army for fiscal year 1976 and \$2.578 million requested for fiscal year 1977 for the continued research, development, test, and evaluation of binary chemical munitions. The House bill also authorized the Navy's request of \$1.599 million and \$348 thousand for fiscal year 1976 and 1977 for the "Big Eye" bomb program. The Senate amendment deleted the entire Army and Navy requests for fiscal years 1976 and 1977 and further adopted statutory language to prohibit

the research, development, test, and evaluation, preproduction and production of lethal binary chemical munitions until the President certifies to the Congress that it is essential to the national interest.

The House conferees could not concur with the Senate amendment in consideration of the expanding effort of the Soviets to advance virtually every aspect of offensive chemical warfare technology.

The Senate receded to the House position to restore all RDT&E funds.

In light of the current negotiations concerning the ban of chemical munitions, the House conferees agreed to accept the Senate position and provide statutory language prohibiting the production of lethal binary chemical munitions unless the President certifies to the House and Senate that it is in the national interest to do so.

All of the conferees expressed serious concern over the inadequacy of our chemical warfare defensive programs. The conferees believe that the Department of Defense is not putting forth an acceptable level of effort in this area and strongly urges the Department to advance our military posture in this area.

NATO Standardization

The Senate amendment contained language intended to provide impetus for further standardization of military equipment in NATO by declaring it to be United States policy that equipment procured for U.S. forces stationed in Europe be standardized or at least interoperable with the equipment of our NATO allies. The Secretary of Defense was also directed to implement procurement policies to this effect, and report to the Congress whenever this policy could not be complied with.

The House conferees, although in agreement with the goal of standardization particularly in the area of communication and other similarly suitable equipment, expressed grave concerns that the import of this language as presently constituted could be misconstrued and possibly used to our disadvantage.

After lengthy discussion of this matter, the House recedes with amendments. The section in the Senate amendment concerning the "Buy America" Act and its relationship to the Secretary of Defense's authority to procure articles manufactured outside the United States was deleted and the reporting requirement was modified. The Senate conferees strongly believe that whenever the Secretary of Defense determines that it is necessary, in order to carry out the policy expressed in this section, to procure equipment manufactured outside the United States, he is authorized to determine, for the purposes of section 2 of title III of the Act of March 3, 1933 (47 Stat. 1520; 41 U.S.C. 10a), that the acquisition of such equipment manufactured in the United States is inconsistent with the public interest.

The conferees stressed that while the reporting requirement only covers non-compliance on major systems, the amendment also urges standardization of procedures, logistics and support equipment.

Suggestions from retiring personnel

The Senate amendment contained a provision (section 906) which would direct the Secretary of Defense to request suggestions for improvements in procurement of policies from retiring military officers

and civilian personnel of a grade GS-13 or above who are employed in military procurement. The House bill contained no such provision.

The Senate recesses.

Study on Training Establishment

The Senate amendment contained a provision, Section 911, which expressed the sense of Congress that training programs in the Department of Defense should be restructured so as to increase the ratio of students to staff. This provision also mandated a study of the training establishment intended to result in a student to staff and overhead ratio of three to one. This study was to contain a detailed plan for achieving this three to one ratio with the conversion of these excess training authorizations into combat units. The House bill contained no comparable provision, however a study of the composition of the training establishment was directed in its report.

The conferees agree that a comprehensive study of the entire training establishment is necessary. It is apparent that substantial and valid concerns exist within both bodies as to the current structure of the training establishment with its consequent costs. Therefore, it was agreed that while the bill itself should not contain this requirement, a study of this nature should be expeditiously initiated by the Department of Defense. This study, in addition to examining the underlying policy and basic validity of the current training structure, its qualities unique from a civilian education institution, and the possibility of duplication therein, should carefully delineate the character of personnel currently assigned in the area of training, by function, using the manpower categories contained in the Manpower Requirements Report. Further, the study should examine in some depth the appropriate character which the training establishment would assume when structured for a substantially higher proportion of students to staff and overhead personnel than is currently existent.

The results of this study should be submitted to the Congress as an independent segment of the annual report recommending average student loads required by section 604 of Public Law 92-436.

The Senate recesses.

Enlisted Aides

Section 912 of the Senate amendment contained a provision specifying that enlisted aides could only be assigned to four and three star general and flag officers of the armed forces in the following allocation: three aides for the Chairman of the Joint Chiefs of Staff, the Chiefs of Staff of the Armed Forces, and the Commandant of the Marine Corps; two for other officers in the rank of general or admiral; and one for officers in the rank of lieutenant general or vice admiral. This would result in a total of approximately 204 aides compared to the current number of 500.

The House bill contains no such provision.

The conferees agreed that a provision in the law controlling the number of enlisted personnel assigned to officers staffs as aides was ap-

propriate. However, the conferees consider the assignment of these aides should be based not on the rank of the particular officer, but rather on the officer's position and its incumbent responsibilities. While the number of aides is to be determined by a formula based upon the total number of four star officers (four for each), and three star officers (two for each), the Secretary of Defense is given the authority to allocate these aides as he deems appropriate. The assigned duties of the officers should be the controlling factor.

This formula for determining the number of aides will result in 396 aides for fiscal year 1976. Generals of the Army and admirals of the Fleet are not considered in this formula; however this omission is not intended to alter the current practice of assigning aides to these officers.

Extension of Authority for Credit Sales to Israel

The bill, as passed by the Senate, included a floor amendment which would extend to December 31, 1977, the provisions of the Defense Procurement Act of 1970 (84 Stat. 909) authorizing the President "to transfer to Israel by sale, credit sale, or guaranty, such aircraft, and equipment appropriate to use, maintain, and protect such aircraft, as may be necessary to counteract any past, present, or future increased military assistance provided to other countries of the Middle East. Any such sale, credit sale, or guaranty shall be made on terms and conditions not less favorable than those extended to other countries which receive the same or similar types of aircraft and equipment."

The authority of this provision was previously extended in 1972 and 1973 and is now due to expire on December 31, 1975.

The Senate Conferees urged approval of the Senate-passed provision since, in their view, failure to do so might be construed as an unwillingness of the Congress to maintain the "status-quo" in the Middle East. The House Conferees, on other hand, expressed serious reservations concerning the germaneness of the Senate-passed provision, but in view of Senate adamant position reluctantly recessed.

Military retired-pay inversion

The Senate amendment contained a provision which would amend title 10, United States Code, to prevent military personnel who retire from receiving less retired pay than if they had retired at an earlier date, but after January 1, 1971. The Senate provision was designed to correct the so-called "retired-pay inversion" problem which was caused by the fact that retired pay has been increasing at a faster rate than active-duty pay in recent years. The House conferees concurred that the present pay situation, based on an interpretation by the Comptroller General, was creating individual inequities and was working against the retention of highly qualified personnel.

The House recesses.

Law Training for Officers Formerly in a Missing Status

The Senate amendment contained language to permit commissioned officers who were in a missing status during the Vietnam era to be de-

tailed as students at law school notwithstanding eligibility limitations in section 2004, Title 10, U.S. Code, that would render them ineligible. The House bill contained no such provision. However, the House Armed Services Committee had approved separate legislation to achieve the same objective.

The House, therefore, recedes.

Food and Forage

The Senate amendment contained a provision to repeal the so-called "Food and Forage" section of the revised statutes. This is contained in section 11 of title 41, U.S. Code, and provides authority for the military departments to contract for clothing, assistance, forage, fuel, quarters and transportation during the "current year" without regard to prior authorization and appropriation.

The Senate acted to effect repeal because the provisions of the so-called Food and Forage Act were designed to allow for emergency needs of the military departments at a time when rapid response from the Congress may not have been available in emergencies, and the Senate conferees maintained that the provisions are no longer required in law. The House conferees stated that they have not had an opportunity to study the matter and were not sure of the present uses of the law and what the ramifications of repeal would be.

The House conferees proposed, therefore, that the Senate language be deleted with the understanding that the House Armed Services Committee would hold hearings on the matter.

The Senate recedes.

Life Cycle Costing

The Senate amendment contained a provision which, if adopted, would have required the Secretary of Defense to submit a report estimating the life cycle costs of operating all major weapons systems procured since FY 1975 at the same time as the President presents his budget to the Congress for fiscal year 1977.

The House bill contained no similar provision.

Although the House conferees recognize the meritorious objective of the provision, they considered the proposed statutory requirement unnecessarily broad and requiring a response from the Department of Defense that could possibly not be met, within this time frame, in a meaningful manner.

After considerable discussion, the conferees agreed to delete this provision with the explicit understanding that the Department of Defense was to be placed on notice that each of the Committees on Armed Services, from time to time, expect to request life cycle costs on individual major weapons systems rather than on all weapons systems. Therefore, these requests for life cycle costs on individual weapons systems must elicit a timely and meaningful report from the departments.

The Senate recedes.

Maneuvering Reentry Vehicle Testing

The Senate amendment provided language in section 917, general provisions, that would preclude any testing of Maneuvering Reentry Vehicles (MaRV) unless the President certified that such testing was

conducted by our potential adversaries or the President certified that it would be in the national interest of the United States to conduct MaRV tests.

The House bill contained no similar provision.

The House conferees strongly opposed such restrictive language since it could result in unilateral U.S. termination of MaRV testing.

The Senate conferees reluctantly agreed to recede, but only after they determined that no MaRV testing, with the exception of the Evader prototype, would be conducted during the period of fiscal year 1976 and 1977. Since the Navy plans to flight test the Evader only over the ocean, the Senate conferees understand that this could in no way be construed as supporting the development of a high accuracy MaRV.

MELVIN PRICE,
F. EDWARD HEBERT,
CHARLES BENNETT,
SAMUEL STRATTON,
RICHARD ICHORD,
LUCIEN NEDZI,
WILLIAM RANDALL,
CHARLES WILSON,
ROBERT L. LEGGETT,
BOB WILSON,
WILLIAM DICKINSON,
WILLIAM WHITEHURST,
FLOYD SPENCE,

Managers on the Part of the House.

JOHN C. STENNIS,
STUART SYMINGTON,
(with reservation, right
of opposition on floor),
HENRY M. JACKSON,
HOWARD W. CANNON,
HARRY F. BYRD, Jr.,
SAM NUNN,
STROM THURMOND,
JOHN TOWER,
BARRY GOLDWATER,
WILLIAM L. SCOTT,
ROBERT TAFT, Jr.,

Managers on the Part of the Senate.

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1976 AND THE PERIOD BEGINNING JULY 1, 1976, AND ENDING SEPTEMBER 30, 1976, FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, ACTIVE DUTY, RESERVE, AND CIVILIAN PERSONNEL STRENGTH LEVELS, MILITARY TRAINING STUDENT LOADS, AND FOR OTHER PURPOSES.

JULY 25 (legislative day, JULY 21), 1975.—Ordered to be printed

Mr. STENNIS, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 6674]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads 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 proposed to be inserted by the Senate amendment insert the following:

TITLE I—PROCUREMENT

Sec. 101. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked

combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$337,500,000; for the Navy and the Marine Corps, \$2,997,800,000; for the Air Force, \$4,224,000,000, of which amount not to exceed \$64,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft. None of the funds authorized by this Act may be obligated or expended for the purpose of entering into any production contract or any other contractual arrangement for production of the B-1 bomber aircraft unless the production of such aircraft is hereafter authorized by law. The funds authorized in this Act for long lead items for the B-1 bomber aircraft do not constitute a production decision or a commitment on the part of Congress for the future production of such aircraft.

MISSILES

For missiles: for the Army, \$431,000,000; for the Navy, \$990,400,000; for the Marine Corps, \$52,900,000; for the Air Force, \$1,765,000,000, of which \$265,800,000 shall be used only for the procurement of Minuteman III missiles.

NAVAL VESSELS

For Naval vessels: for the Navy, \$4,044,400,000, of which amount not more than \$60,000,000 shall be available for the procurement of only long lead items for the nuclear strike cruiser.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$864,000,000, of which \$379,400,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$101,500,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$189,500,000.

OTHER WEAPONS

For other weapons: for the Army, \$74,300,000; for the Navy, \$17,700,000; for the Marine Corps, \$100,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$2,028,933,000;

For the Navy (including the Marine Corps), \$3,318,649,000;

For the Air Force, \$3,737,001,000; and
For the Defense Agencies, \$588,700,000, of which \$25,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

TITLE III—ACTIVE FORCES

SEC. 301. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

- (1) The Army, 785,000;
- (2) The Navy, 528,651;
- (3) The Marine Corps, 196,303;
- (4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and the Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

TITLE IV—RESERVE FORCES

SEC. 401. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than following:

- (1) The Army National Guard of the United States, 400,000;
- (2) The Army Reserve, 219,000;
- (3) The Naval Reserve, 106,000;
- (4) The Marine Corps Reserve, 32,481;
- (5) The Air National Guard of the United States, 94,879;
- (6) The Air Force Reserve, 51,789;
- (7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

TITLE V—CIVILIAN PERSONNEL

SEC. 501. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Department of Defense is authorized an end strength for civilian personnel of 1,058,000.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section but such additional number may not exceed one-half of one per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

TITLE VI—MILITARY TRAINING STUDENT LOADS

SEC. 601. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

- (1) The Army, 83,101;
- (2) The Navy, 69,513;
- (3) The Marine Corps, 26,489;
- (4) The Air Force, 51,225;
- (5) The Army National Guard of the United States, 9,788;

- (6) The Army Reserve, 7,359;
- (7) The Naval Reserve, 1,661;
- (8) The Marine Corps Reserve, 2,769;
- (9) The Air National Guard of the United States, 1,952; and
- (10) The Air Force Reserve, 810.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the fiscal year ending June 30, 1976, shall be adjusted consistent with the manpower strengths provided in titles III, IV, and V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve Components in such manner as the Secretary of Defense shall prescribe.

TITLE VII—AUTHORIZATION FOR THE PERIOD BEGINNING JULY 1, 1976, AND ENDING SEPTEMBER 30, 1976

SEC. 701. PROCUREMENT.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$59,400,000; for the Navy and the Marine Corps, \$585,500,000; for the Air Force, \$858,000,000, of which amount not to exceed \$23,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft.

MISSILES

For missiles: for the Army, \$56,500,000; for the Navy, \$308,600,000; for the Marine Corps, \$10,700,000; for the Air Force, \$252,200,000.

Naval Vessels

For naval vessels: for the Navy, \$474,200,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$245,300,000, of which \$133,000,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$400,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$19,200,000.

OTHER WEAPONS

For other weapons: for the Army, \$9,700,000; for the Navy, \$1,400,000.

SEC. 702. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$513,326,000;

For the Navy (including the Marine Corps), \$849,746,000;

For the Air Force, \$965,783,000; and

For the Defense Agencies, \$144,768,000, of which \$5,000,000 is authorized for the activities of the Director of Test and Evaluation Defense.

SEC. 703. ACTIVE FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 793,000;

(2) The Navy, 535,860;

(3) The Marine Corps, 196,498;

(4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

SEC. 704. RESERVES FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 400,000;

(2) The Army Reserve, 219,000;

(3) The Naval Reserve, 106,000;

(4) The Marine Corps Reserve, 33,013;

(5) The Air National Guard of the United States, 94,543;

(6) The Air Force Reserve, 53,612;

(7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the period; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the period. Whenever such units or such individual members are released from active duty during the period, the average strength for such period for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 705. CIVILIAN PERSONNEL.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Department of Defense is authorized an end strength for civilian personnel of 1,064,400.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section, but such additional number may not exceed one-half of 1 per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

SEC. 706. MILITARY TRAINING STUDENT LOADS.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 75,185;

(2) The Navy, 70,571;

(3) The Marine Corps, 26,788;

(4) The Air Force, 52,280;

(5) The Army National Guard of the United States, 9,481;

(6) The Army Reserve, 5,518;

(7) The Naval Reserve, 2,106;

(8) The Marine Corps Reserve, 4,088;

(9) *The Air National Guard of the United States*, 2,180; and
 (10) *The Air Force Reserve*, 836.

(b) *The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the period beginning July 1, 1976, and ending September 30, 1976, shall be adjusted consistent with the manpower strengths provided in sections 703, 704, and 705 of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components in such manner as the Secretary of Defense shall prescribe.*

TITLE VIII—GENERAL PROVISIONS

SEC. 801. (a) *Section 138 of title 10, United States Code, is amended as follows:*

(1) *Subsection (a) of such section is amended—*

(A) *by striking out “or” at the end of paragraph (4);*

(B) *by inserting “or” after the semicolon at the end of paragraph (5); and*

(C) *by inserting immediately after paragraph (5) the following new paragraph:*

“(6) *military construction (as defined in subsection (e) of this section);”*

(2) *Such section is amended by adding at the end thereof the following new subsection:*

“(e) *For purposes of subsection (a)(6) of this section, the term ‘military construction’ includes any construction, development, conversion, or extension of any kind which is carried out with respect to any military facility or installation (including any Government-owned or Government-leased industrial facility used for the production of defense articles and any facility to which section 2353 of this title applies) but excludes any activity to which section 2673 or 2674, or chapter 133, of this title apply, or to which section 406(a) of Public Law 85-241 (71 Stat. 556) applies.”*

(b) *The amendment provided by paragraph (2) of subsection (a) above with respect to funds not heretofore required to be authorized shall only apply to funds authorized for appropriation for fiscal year 1977 and thereafter.*

SEC. 802. (a) *The second sentence of section 511(d) of title 10, United States Code, is amended by striking out “four months” and inserting in lieu thereof “twelve weeks”.*

(b) *Section 671 of title 10, United States Code, is amended by striking out “four months” and inserting in lieu thereof “twelve weeks”.*

(c) *The sixth paragraph of section 4(a) of the Military Selective Service Act (50 U.S.C. App. 454(a)) is amended by striking out “four months” each time it appears in such paragraph and inserting in lieu thereof in each case “twelve weeks”.*

(d) *The third sentence of section 6(e)(2)(A) of the Military Selective Service Act (50 U.S.C. App. 456(e)(2)(A)) is amended by striking out “four consecutive months” and inserting in lieu thereof “twelve consecutive weeks”.*

SEC. 803. (a) *Notwithstanding any other provision of law, in the administration of chapter 403 of title 10, United States Code (relating to the United States Military Academy), chapter 603 of such title (relating to the United States Naval Academy), and chapter 903 of such title (relating to the United States Air Force Academy), the Secretary of the military department concerned shall take such action as may be necessary and appropriate to insure that (1) female individuals shall be eligible for appointment and admission to the service academy concerned, beginning with appointments to such academy for the class beginning in calendar year 1976, and (2) the academic and other relevant standards required for appointment, admission, training, graduation, and commissioning of female individuals shall be the same as those required for male individuals, except for those minimum essential adjustments in such standards required because of physiological differences between male and female individuals.*

(b) *Title 10, United States Code, is amended as follows:*

(1) *Sections 4342, 6954, and 9342 are each amended by striking out the word “sons” wherever it appears therein and inserting in place thereof in each instance the word “children”.*

(2) *Section 6956 (d) is amended by striking out the word “men” wherever it appears therein and inserting in place thereof in each instance the word “members”.*

(c) *It is the sense of Congress that, subject to the provisions of subsection (a), the Secretaries of the military departments shall, under the direction of the Secretary of Defense, continue to exercise the authority granted them in chapters 403, 603 and 903 of title 10, United States Code, but such authority must be exercised within a program providing for the orderly and expeditious admission of women to the academies, consistent with the needs of the services, with the implementation of such program upon enactment of this Act.*

SEC. 804. (a) *Chapter 4 of title 10, United States Code, is amended by adding the following new section after section 139 and inserting a corresponding item in the chapter analysis:*

“§ 140. **Emergencies and extraordinary expenses**

“(a) *Subject to the limitations of subsection (c) of this section, and within the limitation of appropriations made for the purpose, the Secretary of Defense and the Secretary of a military department within his department, may provide for any emergency or extraordinary expense which cannot be anticipated or classified. When it is so provided in such an appropriation, the funds may be spent on approval or authority of the Secretary concerned for any purpose he determines to be proper, and such a determination is final and conclusive upon the accounting officers of the United States. The Secretary concerned may certify the amount of any such expenditure authorized by him that he considers advisable not to specify, and his certificate is sufficient voucher for the expenditure of that amount.*

“(b) *The authority conferred by this section may be delegated by the Secretary of Defense to any person in the Department of Defense or by the Secretary of a military department to any person within his department, with or without the authority to make successive re-delegations.*

"(c) In any case in which funds are expended under the authority of subsections (a) and (b) of this section, the Secretary of Defense shall submit a report of such expenditures on a quarterly basis to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives."

(b) Section 7202 of title 10, United States Code, and the corresponding item in the analysis of such chapter are repealed.

SEC. 805. Section 139(b) of title 10, United States Code, is amended by deleting the word "sixty" and inserting in lieu thereof the word "ninety".

SEC. 806. Section 1401a of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(f) Notwithstanding any other provision of law, the monthly retired or retainer pay of a member or a former member of an armed force who initially became entitled to that pay on or after January 1, 1971, may not be less than the monthly retired or retainer pay to which he would be entitled if he had become entitled to retired or retainer pay at an earlier date, adjusted to reflect any applicable increases in such pay under this section. In computing the amount of retired or retainer pay to which such a member would have been entitled on that earlier date, the computation shall, subject to subsection (e) of this section, be based on his grade, length of service, and the rate of basic pay applicable to him at that time. This subsection does not authorize any increase in the monthly retired or retainer pay to which a member was entitled for any period prior to the effective date of this subsection."

SEC. 807. (a) In any case in which funds are unavailable for the payment of a claim arising under a contract entered into prior to July 1, 1974, for the construction or conversion of any naval vessel, the Secretary of the Navy is authorized to settle such claim, but the settlement thereof shall be made subject to the authorization and appropriation of funds therefor. The Secretary of the Navy shall promptly forward to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives copies of all claim settlements made under this section.

(b) The authority provided in subsection (a) of this section shall be effective for any fiscal year only to such extent and in such amounts as are provided in appropriation Acts.

SEC. 808. Concurrent with the submission of the President's budget for the fiscal year commencing October 1, 1976, the Secretary of Defense shall submit a five-year naval ship new construction and conversion program. Thereafter, concurrent with the annual submission of the President's budget, the Secretary of Defense shall report to the Committees on Armed Services of the Senate and the House of Representatives any changes to such a five-year program as he deems necessary for the current year, and for the succeeding years, based upon, but not limited to, alterations in the defense strategy of the United States and advances in defense technology. This section does not in any way change existing law with respect to the annual authorization of the construction and conversion of naval vessels.

SEC. 809. The restrictive language contained in section 101 of the Department of Defense Appropriations Authorization Act, 1975

(Public Law 93-365), and in section 101 of the Department of Defense Appropriations Authorization Act, 1974 (Public Law 93-155), under the heading "Naval Vessels", which relates to the use of funds for the DLGN nuclear guided missile frigate program, shall not apply with respect to \$101,000,000 of long lead funding provided for in such Acts for the DLGN-42 nuclear guided missile frigate.

SEC. 810. No funds authorized for appropriation to the Department of Defense shall be obligated under a contract for any multiyear procurement as defined in section I-322 of the Armed Services Procurement Regulations (as in effect on September 26, 1972) where the cancellation ceiling for such procurement is in excess of \$5,000,000 unless the Congress, in advance, approves such cancellation ceiling by statute.

SEC. 811. (a) Beginning with the quarter ending December 31, 1975, the Secretary of Defense shall submit to the Congress within 30 days after the end of each quarter of each fiscal year, written selected acquisition reports for those major defense systems which are estimated to require the total cumulative financing for research, development, test, and evaluation in excess of \$50,000,000 or a cumulative production investment in excess of \$200,000,000. If the reports received are preliminary then final reports are to be submitted to the Congress within 45 days after the end of each quarter.

(b) Any report required to be submitted under subsection (a) shall include, but not be limited to, the detailed and summarized information included in reports required by section 139 of title 10, United States Code.

SEC. 812. The Secretary of Defense, after consultation with the Secretary of State, shall prepare and submit to the Committees on Armed Services of the Senate and the House of Representatives a written annual report on the foreign policy and military force structure of the United States for the next fiscal year, how such policy and force structure relate to each other, and the justification for each. Such report shall be submitted not later than January 31 of each year.

SEC. 813. In the case of any letter of offer to sell or any proposal to transfer defense articles which are valued at \$25,000,000 or more from the United States active forces' inventories, the Secretary of Defense shall submit a report to the Congress setting forth—

(1) the impact of such sales or transfers on the current readiness of United States forces; and

(2) the adequacy of reimbursements to cover, at the time of replenishment to United States' inventories, the full replacement costs of those items sold or transferred.

SEC. 814. (a) It is the sense of the Congress that equipment, procedures, ammunition, fuel and other military impedimenta for land, air and naval forces of the United States stationed in Europe under the terms of the North Atlantic Treaty should be standardized or made interoperable with that of other members of the North Atlantic Treaty Organization to the maximum extent feasible. In carrying out such policy the Secretary of Defense shall, to the maximum feasible extent, initiate and carry out procurement procedures that provide for the acquisition of equipment which is standardized or interoperable with equipment of other members of the North Atlantic Treaty Organization whenever such equipment is designed primarily to be

used by personnel of the Armed Forces of the United States stationed in Europe under the terms of the North Atlantic Treaty.

(b) The report required under section 302(c) of Public Law 93-365 shall include a listing of the initiation of procurement action on any new major system not in compliance with the policy set forth in section (a).

(c) Section 302(c) of Public Law 93-365 is amended by deleting the last two sentences and inserting in lieu thereof the following: "The Secretary of Defense shall report annually, not later than January 31 of each year, to the Congress on the specific assessments and evaluations made under the above provisions as well as the results achieved with the North Atlantic Treaty Organization allies."

SEC. 815. Notwithstanding any other provision of law, the authority provided in section 501 of Public Law 91-441 (84 Stat. 909) is hereby extended until June 30, 1977; but no transfer of aircraft or other equipment may be made under the authority of such section 501 unless funds have been previously appropriated for such transfer.

SEC. 816. (a) The Armed Forces of the United States operate worldwide in maintaining international peace and in protecting the interests of the United States. It is essential to the effective operation of the Armed Forces that they receive adequate supplies of petroleum products. Citizens and nationals of the United States and corporations organized or operating within the United States enjoy the benefits of the United States flag and the protection of the Armed Forces and owe allegiance to the United States. It is the purpose of this section to provide a remedy for discrimination by citizens or nationals of the United States or corporations organized or operating within the United States, and by organizations controlled by them, against the Department of Defense in the supply of petroleum products.

(b) (1) No supplier shall engage in discrimination (as defined in subsection (e) (2) of this section) in the supply, either within or outside the United States, of petroleum products for the Armed Forces of the United States.

(2) The Secretary of Defense, whenever he has reason to believe that there has been discrimination, shall immediately refer the matter to the Attorney General of the United States who shall immediately institute an investigation.

(c) (1) The several district courts of the United States are invested with jurisdiction to prevent and restrain discrimination prohibited by subsection (b) (1) of this section; and it shall be the duty of the several United States attorneys, in their respective districts, under the direction of the Attorney General, to institute proceedings to prevent and restrain such discrimination. Such proceedings may be by way of petitions setting forth the case and requesting that the discrimination be enjoined or otherwise prohibited. Pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as it determines appropriate under the circumstances of the case.

(2) Whenever it shall appear to the court before which any proceeding under paragraph (1) of this subsection may be pending, that

the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpoenas to that end may be served in any district by the marshal thereof.

(3) Any proceeding under paragraph (1) of this subsection against any corporation may be brought not only in the judicial district in which it is incorporated, but also in any district in which it may be found or transacts business; and all process in such cases may be served in the district in which it is incorporated, or wherever it may be found.

(4) In any proceeding brought in any district court of the United States pursuant to this section, the Attorney General may file with the clerk of such court a certificate of the Secretary of Defense that, in his opinion, the proceeding is of critical importance to the effective operation of the Armed Forces of the United States and that immediate relief from the discrimination is necessary, a copy of which shall be immediately furnished by such clerk to the chief judge of the circuit (or, in his absence, the presiding circuit judge) in which the proceeding is pending. Upon receipt of the copy of such certificate, it shall be the duty of the chief judge of the circuit or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge, to hear and determine such proceeding. Except as to causes which the court considers to be of greater urgency, proceedings before any district court under this section shall take precedence over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

(5) In every proceeding brought in any district court of the United States under this section, an appeal from the final order of the district court will be only to the Supreme Court.

(d) (1) For the purpose of any investigation instituted by the Attorney General pursuant to subsection (b) of this section, he, or his designee, shall at all reasonable times (A) have access to the premises or property of, (B) have access to and the right to copy the books, records, and other writings of, (C) have the right to take the sworn testimony of, and (D) have the right to administer oaths and affirmations to, any person as may be necessary or appropriate, in his discretion, to the enforcement of this section and the regulations or orders issued thereunder.

(2) The Attorney General shall issue rules and regulations insuring that the authority of paragraph (1) of this subsection will be utilized only after the scope and purpose of the investigation, inspection, or inquiry to be made have been defined by competent authority, and it is assured that no adequate and authoritative data are available from any Federal or other responsible agency. In case of contumacy by, or refusal to obey a subpoena served upon, any person with respect to any action taken by the Attorney General under paragraph (1) of this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the Attorney General, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The production of any person's books, records, or other documentary evidence shall not be required at any place other than the place where such person usually keeps them, if, prior to the return date specified in the regulations, subpoena, or other document issued with respect thereto, such person furnishes the Attorney General with a true copy of such books, records, or other documentary evidence (certified by such person under oath to be a true and correct copy) or enters into a stipulation with the Attorney General as to the information contained in such books, records, or other documentary evidence. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(4) Any person who willfully performs any act prohibited, or willfully fails to perform any act required, by paragraph (1) of this subsection, or any rule, regulation, or order issued under paragraph (2) of this subsection, shall upon conviction be fined not more than \$1,000 or imprisoned for not more than one year or both.

(5) Information obtained under this section which the Attorney General deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information shall not be published or disclosed unless the Attorney General determines that the withholding thereof is contrary to the interest of the national defense. Any person who willfully violates this subsection shall, upon conviction, be fined not more than \$10,000, or imprisoned for not more than one year, or both. All information obtained by the Attorney General under this section and which he deems confidential shall not be published or disclosed, either to the public or to another Federal agency, not including the Congress or any duly authorized committee thereof in the performance of its functions, unless the Attorney General determines that the withholding thereof is contrary to the interests of the national defense, and any person willfully violating this provision shall, upon conviction, be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(6) Any person subpoenaed under this section shall have the right to make a record of his testimony and to be represented by counsel.

(7) No individual who, having claimed his privilege against self-incrimination, is compelled to testify or produce evidence, documentary or otherwise, under the provision of this section, may be prosecuted in any criminal proceeding of the offense of discrimination established by this section.

(e) As used in this section—

(1) The term "United States" when used in a geographical sense includes the several States, the possessions of the United States, the Canal Zone, and the District of Columbia.

(2) The term "discrimination" means the willful refusal or failure of a supplier, when requested by the Secretary of Defense or his designee, to supply petroleum products for the use of the Armed Forces of the United States under the terms of any contract or under the authority of the Defense Production Act, as amended (64 Stat. 798, 50 U.S.C. App. 2061-2166), the Emergency Petroleum Allocation Act, as amended (Public Law 93-159); or under the provisions of any other authority, on terms not

inconsistent with the applicable Armed Services Procurement Regulations, as amended from time to time, and at prices which are fair and reasonable and do not exceed prices received for similar products and quantities from other domestic or foreign customers. Disagreements as to price or other terms or conditions shall be disputes as to questions of fact to be resolved in the manner prescribed by the applicable Armed Services Procurement Regulations, as amended from time to time, for the settlement of disputes arising out of contracts and shall not be a basis for delay or refusal to supply petroleum products.

(3) The term "supplier" means any citizen or national of the United States, any corporation organized or operating within the United States, or any organization controlled by any United States citizen, national, or corporation organized or operating within the United States, engaged in producing, refining or marketing of petroleum or petroleum products.

(f) Any supplier who willfully discriminates as prohibited by subsection (b) (1) of this section shall, upon conviction, be fined not more than \$100,000 or imprisoned for not more than two years, or both.

(g) If any provision of this section or the application thereof to any person or circumstances is held invalid, the validity of the remaining provisions of this section and the application of such provision to other persons and circumstances shall not be affected thereby.

(h) The provisions of this section shall expire two years after the date of enactment of this Act, except that—

(1) any supplier who, before the date of the expiration of this section, willfully violated any provision of this section shall be punished in accordance with the provisions of such section as in effect on the date the violation occurred;

(2) any proceeding relating to any provision of this section which is pending at the time this section expires shall be continued by the Attorney General as if this subsection had not been enacted, and orders issued in any such proceeding shall continue in effect as if they had been effectively issued under this section before the expiration thereof or until otherwise terminated by appropriate action;

(3) the expiration of this section shall not affect any suit, action, or other proceeding lawfully commenced before the expiration of this section, and all such suits, actions, and proceedings shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if this section had not expired; and

(4) the provisions of this section relating to the improper publication or disclosure of information shall continue in effect, in the same manner and with the same effect as if this section had not expired, with respect to any publication or disclosure (prohibited by such section before the expiration thereof) made after the expiration of such section if the information published or disclosed was obtained under authority of this section before the expiration of this section.

SEC. 817. The Secretary of Defense shall provide to the Committees on Armed Services of the Senate and the House of Representatives a

plan that identifies the platform and funding for AEGIS fleet implementation.

SEC. 818. (a) Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this or any other Act shall be used for the purpose of production of lethal binary chemical munitions unless the President certifies to Congress that the production of such munitions is essential to the national interest and submits a full report thereon to the President of the Senate and the Speaker of the House of Representatives as far in advance of the production of such munitions as is practicable.

(b) For purposes of this section the term "lethal binary chemical munitions" means (1) any toxic chemical (solid, liquid, or gas) which, through its chemical properties, is intended to be used to produce injury or death to human beings, and (2) any unique device, instrument, apparatus, or contrivance, including any components or accessories thereof, intended to be used to disperse or otherwise disseminate any such toxic chemical.

SEC. 819. (a) Notwithstanding any other provision of law, the aggregate amount of any upward adjustments in certain elements of compensation of members of the uniformed services required by section 1009 of title 37, United States Code, may not exceed 5 per centum during the period from January 1, 1975, through June 30, 1976, except that no such restriction shall apply unless a 5 per centum restriction on the aggregate amount of upward adjustments of the General Schedule of compensation for Federal classified employees as contained in section 5332 of title 5, United States Code, is also required during that period.

(b) No reduction in compensation is required under subsection (a) of any upward adjustment that may have been put into effect under section 1009 of title 37, United States Code, between January 1, 1975, and the date of enactment of this section.

(c) Any upward adjustment in compensation which has been limited by subsection (a) of this section to an amount or amounts less than otherwise would have been in effect shall not be increased subsequent to June 30, 1976—

(1) in order to compensate a member for the difference between the amounts he has received under the provisions of subsection (a) and the amounts he would have otherwise received; or

(2) except in accordance with the normal procedures and timing which would have been in effect for any such pay increase subsequent to June 30, 1976, without regard to any limitation under subsection (a) of this section.

SEC. 820. (a) Notwithstanding any other provision of law, the total number of enlisted members of the Armed Forces of the United States that may be assigned or otherwise detailed to duty as enlisted aides on the personal staffs of officers of the Army, Navy, Marine Corps, Air Force, and Coast Guard (when operating as a service of the Navy) during any fiscal year shall be a number determined by (1) multiplying 4 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-10, (2) multiplying 2 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-9, and (3) adding the products obtained under clauses (1) and (2).

(b) The Secretary of Defense shall allocate the aides authorized by subsection (a) of this section among officers of the Armed Forces, in such numbers as he determines appropriate, on the basis of the duties of such officers.

(c) This section shall not apply with respect to the number of aides assigned to generals of the Army or admirals of the Fleet.

SEC. 821. Notwithstanding any provision of section 2004 of title 10, United States Code, an officer in any pay grade who was in a missing status (as defined in section 551(2) of title 37, United States Code) after August 4, 1964, and before May 8, 1975, may be selected for detail for legal training under that section 2004 on other than a competitive basis and, if selected for that training, is not counted in computing, for the purpose of subsection (a) of that section 2004, the number of officers Who may commence that training in any single fiscal year. For the purposes of determining eligibility under that section 2004, the period of time during which an officer was in that missing status may be disregarded in computing the period he has served on active duty.

SEC. 822. This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1976".

And the Senate agree to the same.

JOHN C. STENNIS,
STUART SYMINGTON,
HENRY M. JACKSON,
HOWARD W. CANNON,
THOMAS J. MCINTYRE,
HARRY F. BYRD, JR.,
SAM NUNN,
STROM THURMOND,
JOHN TOWER,
BARRY GOLDWATER,
WILLIAM L. SCOTT,
ROBERT TAFT, JR.,

Managers on the Part of the Senate.

MELVIN PRICE,
F. EDWARD HEBERT,
CHARLES E. BENNETT,
SAMUEL S. STRATTON,
RICHARD ICHORD,
LUCIEN NEDZI,
WILLIAM RANDALL,
CHARLES WILSON,
BOB WILSON,
WILLIAM DICKINSON,
WILLIAM WHITEHURST,
FLOYD SPENCE,

Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

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. 6674) an Act to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads 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:

TITLES I AND II—PROCUREMENT

AIRCRAFT

ARMY

UH-1H Utility Helicopter

The House bill contained \$24.8 million for 48 UH-1H Utility Helicopters for the Army. The Senate amendment deleted all of these funds.

The conferees concurred with the Senate rationale that since the Army was permitted to purchase 48 helicopters in FY-75, those additional assets were sufficient to supplement the Army's Authorized Acquisition Objective until the follow-on UTTAS helicopter comes into the inventory.

The House reluctantly recedes.

AH-1S

Section 101 of the House bill provided that no funds authorized for procurement of Army aircraft shall be obligated for AH-1S aircraft. The Senate amendment had no similar provision.

The Department of Defense pointed out that the 1973 joint Army-Navy study was an in-depth evaluation of the feasibility of common gunship procurement, including consideration of the AH-1J (improved) for Army use. The study concluded that the Army should procure the AH-1S for a variety of reasons. Subsequently, the Congress appropriated funds for the Army to modify existing Cobras and for procurement of new AH-1S helicopters. The Senate conferees were adamant in their position that any curtailment of AH-1S production

at this time would result in increased costs for the aircraft, and an undesirable slippage of the timetable deemed necessary to bolster the Army's antiarmor capability.

The House conferees were equally as adamant because of the detailed Committee consideration in the House committee. After a lengthy discussion, and Senate conferees producing figures showing the greatly increased cost to the Army for purchase of AH-1J, and pointing out the fact that the Army didn't want or need the AH-1J, the House very reluctantly receded.

NAVY

A-4M

The House bill contained \$67.3 million for 24 A-4M light attack aircraft in fiscal year 1976. The Senate deleted the 24 aircraft buy, but included \$8.2 million in fiscal year 1976 for non-recurring costs of two improvement items (heavyweight landing gear and improved bombing computer).

The Senate conferees argued that the 24 aircraft were an attrition buy and that these planes need not be bought this year for the active Marine Corps inventory. Furthermore, because of foreign military sales, the A-4M production line would continue to be active in fiscal year 1976 without the need of a U.S. buy. The House conferees pointed out that delay in procurement of the A-4M for the Marine Corps would result in some increased costs during fiscal year 1977, but Senate conferees argued that the need for fiscal restraints in the present procurement cycle made this action acceptable.

The conferees, after a full discussion, authorized \$8.2 million in fiscal year 1976 for non-recurring costs of the two improvement items, and \$9.8 million for 3 aircraft in fiscal year 1977. These three aircraft will level the A-4 production rate at two per month in fiscal year 1977 (including foreign sales) and will be followed by A-4M procurement in fiscal year 1977 for the Marines.

The House recedes with an amendment.

A-6E

The House bill authorized 12 A-6E aircraft for \$151.3 million in fiscal year 1976, and \$14.3 million for advance procurement. The Senate amendment authorized 8 A-6E aircraft for \$118.9 million in fiscal year 1976, 3 A-6E aircraft for \$24.3 million in fiscal year 1977, and \$8.1 million for advance procurement in fiscal year 1977. In essence, the Senate recommended buying 11, rather than 12 A-6Es and using the funds saved for advance procurement.

The conferees were advised that there would be a 4-month production gap at the start of the fiscal year 1976 funded delivery period because of a delay by OSD in authorizing release of long lead funds for fiscal year 1976. It was necessary, therefore, to make both fiscal and quantitative adjustments in the A-6E procurement program. The Senate's recommendations for funding were not sufficient to procure the 8 aircraft in fiscal year 1976, nor was there sufficient funds for the advance procurement necessary to sustain fiscal year 1977 and fiscal year 1977 delivery schedules.

The conferees discussed this program at length and finally agreed to fully fund the 11 aircraft in fiscal year 1976 for the original price

of 12 A-6Es and provide \$14.3 million for advance procurement towards a fiscal year 1977 buy of A-6Es as the Navy requested, because the 11 will be stretched over a 15-month production period (fiscal years 1976 and 1977) which raises the price of the program. The conferees insist that the Navy see that these planes are built on an optimized schedule.

The Senate recedes with an amendment.

A-7E

The House bill deleted all funds for advance procurement in fiscal years 1976 and 1977. The Senate amendment provided \$21.8 million for this purpose. The Senate conferees argued the fact that deletion of advance procurement funds would cause complications in production planning and ultimately result in increased costs for A-7E production through fiscal year 1977. The conferees agreed on the full Senate figure of \$21.8 million in advance procurement for the A-7E, but redistributed the funding primarily into fiscal year 1976.

The House recedes with an amendment.

F-14

The House bill provided for procurement of 9 F-14s in the amount of \$73.3 million and \$59.0 million for advance procurement in fiscal year 1977. The Senate deleted procurement authorization for the 9 aircraft in 1977 and added \$33.3 million for advance procurement in that year.

The House conferees argued that Senate action conflicted with the Congressional full funding principle for weapons systems which was the basis for the funding of 9 aircraft in fiscal year 1977. The \$33.3 million amounted to about 54 percent of the total cost for advance procurement in fiscal year 1977.

After a full discussion, the conferees agreed to fully fund 9 F-14s in fiscal year 1977 as requested by the Navy. Thus, advance procurement for the 1977 period is authorized at \$59.0 million.

The Senate recedes.

AH-1J

The House bill authorized 16 helicopters for \$39.0 million in fiscal year 1976 and 6 helicopters for \$10.1 million in fiscal year 1977. The Senate amendment authorized 7 helicopters for \$17.4 million in fiscal year 1976 and 7 helicopters for \$12.2 million in fiscal year 1977. The House bill authorized \$1.4 million for advance procurement in fiscal year 1976 and \$1.0 million in fiscal year 1977. The Senate did not authorize any advance procurement funding for fiscal year 1976, but included \$6.2 million in fiscal year 1977.

The Senate conferees pointed out that 8 of the 22 aircraft in the total request were to be completed during the fiscal year 1977 funding period, and therefore, recommended that these 8 aircraft not be authorized until fiscal year 1977.

The Department of Defense was concerned that due to administrative/contracting procedures, it was necessary to provide adequate advance procurement funds in fiscal year 1976 in order to provide economical procurement of long lead items.

The conferees, after discussing the concern of the Department of Defense, agreed to authorize 7 AH-1Js in fiscal year 1976 and 7 in

fiscal year 197T and shift \$6.2 million of advance procurement funds from fiscal year 197T to fiscal year 1976.

The House recedes with an amendment.

P-3C

The House bill provides \$11.7 million in fiscal year 197T for simulators and ground support equipment for the P-3C. The Senate amendment deletes the entire amount. The House conferees verified that certain anticipated homeport changes for P-3C squadrons were recently cancelled by the Navy, and, therefore, accepted the Senate reduction in fiscal year 197T of P-3C simulators and ground support items no longer needed for overseas homeporting.

The House recedes.

Harpoon Modifications

The House bill deleted \$22.7 million in fiscal year 1976 and \$4.8 million in fiscal year 197T for Harpoon modification for the P-3C and S-3A aircraft. The Senate retained full authorization for this procurement.

The House conferees argued that the Navy should consider other versatile air-launched weapons systems which are currently available, for multiple roles as a substitute in view of the expensive modifications necessary for use of the Harpoon.

The Senate recedes.

Aircraft Spares

From the total amount of \$429.0 proposed for procurement of aircraft spares, the Senate reduced \$2.7 million for A-4M spares in fiscal year 1976 and \$1.2 million for AH-1J spares in fiscal year 197T.

The House recedes.

Other Financing

The Senate amendment reduced other financing by \$8.7 million in fiscal year 197T. This figure was determined to be the calculated savings achieved through consolidation of contracts under a single procurement contract rather than two separate contracts for fiscal years 1976 and 197T buys. The House argued successfully that this was not a viable procedure for calculating savings.

The Senate conferees reluctantly accepted the House position that \$8.7 million "Other Financing" will not be available.

The Senate recedes.

B-1

The House bill authorized the entire amount of \$672.2 million and \$168.3 million requested by the Air Force for the B-1 research and development program for fiscal years 1976 and 197T respectively. The House bill also authorized the full requests of \$77.0 million and \$31.0 million for the procurement of long-lead items for these periods. The Senate amendment reduced the R&D program by \$75.0 million and \$39.3 million for fiscal years 1976 and 197T respectively. The Senate amendment also deleted the entire amount requested for procurement.

The following table summarizes the action of the conferees:

(In millions of dollars)

	Fiscal year—	
	1976	197T
R. & D.		
DOD request.....	672.2	168.3
Conference.....	642.0	158.0
Procurement:		
DOD request.....	77.0	31.0
Conference.....	64.0	23.0

The conferees emphasized that the authorization of long-lead funding in no way commits nor obligates the United States Government to place the B-1 aircraft in production. Indeed, the conferees agreed to prohibit the Defense Department, as a matter of law, from entering into any production contract or any other contractual agreement for the production of the B-1 bomber aircraft unless subsequently authorized by law. This prohibition, however, is not meant to apply to the acquisition of the long-lead items for the first three follow-on air vehicles.

The authorization of long-lead items is completely independent of the production decision. Authorization for the long-lead items for the B-1 was strongly supported by the House conferees who believe that future production cost savings will be realized which would otherwise be precluded in the event that actual production of the B-1 is subsequently authorized.

The Senate conferees did not necessarily agree with the estimated magnitude of the savings.

A-10

The House bill contained \$72.0 million for 33 A-10 aircraft for FY-7T. The Senate authorization contained \$61.0 million for 30 aircraft. After a thorough discussion, the House conferees concurred with the Senate view that the production rate should be slowed, while the contractor gains experience in building the airplane. The conferees adopted the 30 aircraft delivery schedule.

The House recedes.

E-3A AWACS

The House bill contained \$245.25 million in FY 1976 and \$15.0 million in FY 197T for AWACS procurement. This action amounted to a reduction in the procurement account by 50 percent and cut aircraft production from six to three. The Senate authorized the full \$430.5 million for six aircraft for FY 1976 and \$30 million for FY 197T.

Specifically, the House Conferees were dissatisfied with recent test results on AWACS performance and insisted that the production rate be cut in one-half to permit additional time for aircraft systems evaluation.

In discussing this program, Senate Conferees pointed out that their opinion of the recent testing was quite favorable for the AWACS system, that 6 planes had been approved last year and the House-proposed action would cause an unfavorable slowdown to the production line, and that to procure three aircraft, the cost for FY 1976 and FY 197T would increase to \$294.2 million, an increase in the amount

authorized by the House of \$79 million. Further, due to repricing of some components, and deferral of some support equipment, it would be possible to reduce the amount requested for six aircraft by \$50 million to \$380.5 million.

The House reluctantly recedes.

A-7D

\$115 million was added to the budget request in the House bill for FY 1976 to procure 24 A-7D aircraft for the Air National Guard. The Senate bill contained no such authorization. The conferees recognize and fully support the need for modernization of the Guard, but had to weigh that need against total expenditures in the Defense Authorization Bill. The House reluctantly receded, but without diminishing its conviction that careful examination of Air National Guard assets and capabilities should be among the priority programs in Defense Department planning.

The House recedes.

F-15

The House bill contained \$1,400.6 million for 108 aircraft in FY 1976. The Senate bill contained \$1,378.3 million for the same number of aircraft in that year. The Senate reduction of \$22.3 million was for a partial reduction in the allowance for engineering change orders. The Conferees agreed to fully authorize this item in the F-15 request.

The Senate recedes.

Modification of Aircraft (Civil Reserve Air Fleet)

Included in the \$600.7 million Air Force request for modifications of aircraft in FY 1976 and \$126.3 million in FY 197T is \$22.0 million and \$24.0 million, respectively, for the modification of commercial aircraft to increase their cargo-carrying capacity for use as a standby airlift capability.

The House bill approved the CRAF authorization. The Senate amendment deleted it.

The Senate deleted the funds for the civilian aircraft modification program because the Air Force airlift studies conducted to date were not adequate to justify this program.

The House was adamant in their insistence that this program was needed to improve the strategic airlift capability.

The Senate agreed to a compromise position to allow the modification of the four aircraft requested in the FY 1976 budget as a prototype program and the House agreed to recede on the request for authorization of additional aircraft modifications in the transition budget period. The compromise was an effort to get the FY 1976 prototypes started. The House and Senate recede with an amendment.

Aircraft Spares

The House bill authorized \$1,071.7 million in FY 1976 and \$179.3 million in FY 197T. The Senate bill contained \$672.2 million in FY 1976 and \$175.6 million in FY 197T.

The House Conferees were concerned over the ramifications of diminishing the aircraft spares account, as the Senate cut would do, particularly with respect to the adverse effect such reductions would have on F-15 spares and mobilization spares.

The Senate conferees pointed out that the spares request for FY 1976 represented an increase of \$375 million, or 52 percent, over the FY 1975 spares appropriation and yet the Air Force was supporting less total flying hours in FY 1976. The conferees finally agreed to restore \$200 million of the Senate reduction, which would provide \$872.2 million in FY 1976 or a 20 percent increase over last year. The conferees direct the Air Force to allocate their individual spares procurements within this total according to Air Force current priorities.

The Senate agreed to restore \$3.7 million in FY 197T, which was for F-15 engine spares, and accept the House figure of \$179.3 million for that period.

The Senate recedes with an amendment.

Common Ground Equipment

A total of \$209.3 million was requested by the Air Force in FY 1976 in the Common Ground Equipment account. The House bill did not reduce the amount of the original request; however, the Senate reduced the program by \$36.9 million for C-130 and B-52 simulators and \$1.5 million alleged by the Senate to be for the CRAF program, a total of \$38.4 million.

The Conferees thoroughly support the objectives of aircraft simulator programs and recognize the all-around accumulated savings inherent therein in comparison to airborne training. Senate Conferees, however, pointed out that the configuration of the C-130 simulator had not been adequately defined, including some disagreement as to the type of visual system required, and would not be put on contract until April 1976, two more C-130 simulators were not required at this time. Also, the Senate also argued that the complexity and expense of the first-time requested B-52 simulator was such that, the Air Force should start with one simulator, instead of two, in order to see if the simulator is capable of performing the mission required.

House Conferees pointed out that there was no money in the Common Ground Equipment account for the CRAF program and, therefore, the Senate agreed to restore the \$1.5 million they deleted. In addition, Senate Conferees admitted that the \$3.5 million to the Common Ground Equipment account, required to support the C-130 simulator authorized in FY 1975, making the total authorized \$175.9 million.

The House and Senate recede with an amendment.

War Consumables

The House bill contained \$34.6 million in FY 1976 and \$9.9 million in FY 197T for war consumables. The Senate bill was \$1.3 million less in FY 1976 and \$0.3 million less in FY 197T which reflected the cost of planned F-5E support to South Vietnam.

The House accepts the funding in the Senate authorization, \$33.3 million in FY 1976 and \$9.6 million in FY 197T.

The House recedes.

Other Financing

The Conferees concurred with the Senate proposal that \$24.3 million could be saved in close-out costs of the F-111 program.

The Air Force did not deny these savings.

The House recedes.

MISSILES

ARMY

Chaparral

The House approved \$37.5 million, the amount requested, for procurement for Chaparral surface-to-air missile system in fiscal 1976, plus \$1 million for the system in the fiscal transition period.

The Senate amendment deleted all authorization for the Chaparral. The Senate recesses.

Hawk

The House provided \$73 million for 520 Hawk surface-to-air missiles in fiscal year 1976. The Senate provided \$72.2 million for the same quantity of Hawk missiles.

The House recesses.

Tow

The House bill provided \$20.5 million in authorization for 6,000 Tow missiles during the fiscal transition period. The Senate reduced the amount to \$6.6 million for 1,922 Tow missiles, a reduction of \$13.9 million. The Senate position was based on the fact that the Army's budget request included quantities of missiles that were intended to satisfy projected requirements for contingency and war reserve for allies and such would be in violation of law. The House Conferees were concerned about the drawdown of inventories of such weapons that occurred during the Middle East War of 1973 and were concerned that inventory requirements for antitank missiles have been understated. After considerable discussion, the Conferees agreed to restore the funds for the TOW missiles with the understanding that the missiles are to be procured only for the inventory requirements for the Army and are not to be procured for the purpose of filling stockpile requirements for allies.

The Senate recesses.

Interim Target Acquisition System

The House bill contained \$23.8 million in fiscal 1976 to begin procurement of the Interim Target Acquisition System (ITAS), an Army system using reconnaissance drones. The Senate deleted all authorization for the ITAS because it would duplicate existing Air Force reconnaissance capabilities. The House Conferees concluded that the authorization for procurement for the system could safely be delayed until fiscal year 1977 and, therefore, concurred in the Senate reduction.

The House recesses.

Lance

The House bill contained restrictive language [section 101(b)(1)] which provided that no funds could be used for production of a non-nuclear warhead for the Lance missile for any other nation until a non-nuclear warhead had been certified for production for the U.S. Army.

The Senate amendment contained no similar provision.

The House conferees pointed out that some allies of the United States were in the process of buying the conventional Lance—developed and produced by the U.S. Army—but the Army had been

prevented from buying it by the Department of Defense. The House conferees insisted they did not believe the United States should be in a position of stating that it could produce a cost-effective nonnuclear Lance for allies but not for its own Army. The Senate conferees stated the previous Defense Department studies of the cost-effectiveness of the nonnuclear Lance had shown that all-weather manned aircraft could deliver conventional weapon at less cost than using Lance missiles, at least at normally experienced attrition rates to the aircraft.

The Fiscal Year 1976/77 budget contains \$1.0 million for procurement of nonnuclear Lance warheads for the U. S. Army for use in annual training firings. These funds were approved by both the House and Senate and were not at dispute in the conference. Since approval of procurement of nonnuclear Lance missiles for the Army would not occur before the Fiscal Year 1977 budget is submitted, the conferees agreed to review this question again if the Army requests production of this missile next year.

If the Army should desire to utilize certain funds contained in the fiscal year 1976 budget for the procurement of nonnuclear warheads for the Lance, the conferees would consider an Army proposal for such a change through the normal reprogramming procedure.

The House recesses.

NAVY

Standard MR

The House bill provided \$38.1 million for procurement of 285 Standard MR missiles for the Navy in fiscal year 1976 and \$7.6 million for 54 missiles in the fiscal transition period. The Senate amendment reduced the authorization by \$10.1 million and 85 missiles in fiscal year 1976 and \$5 million and four missiles in the fiscal transition period.

The House recesses.

AIR FORCE

Maverick

The House bill contained \$25 million in the fiscal transition period for procurement of 1200 Maverick missiles and \$.2 million for the procurement of Maverick spares in the fiscal transition period. The House bill also provided \$33.3 million in fiscal year 1976 for advance procurement for Maverick.

The Senate amendment deleted all of these authorizations. The Senate reduction was intended to slow the production to phase in the laser-guided and infrared versions of Maverick. The House Conferees expressed concern that the Senate reduction would result in later high start-up and related costs and also expressed concern about maintaining the inventory levels of this weapon. After extensive discussion, the Conferees agreed on deletion of the \$25.2 million for the fiscal transition period as provided in the Senate amendment and agreed to retain the \$33.3 million for advance procurement in fiscal 1976 as provided in the House bill.

Sidewinder

The House bill provided \$17.1 million, the amount requested, for modification of the Sidewinder missile. The Senate amendment deleted the authorization for the Sidewinder modification on the grounds that the Air Force should procure the newer AIM-9L Sidewinder

instead. The House conferees stated their belief that the Air Force would have to depend on the stocks of the older sidewinder missiles for quite a few years to come and that the missile could be modified to provide significantly increased capability at relatively low unit cost.

After considerable discussion, the Senate agreed to recede with an amendment providing for the authorization of \$13.6 million to modify 1,410 AIM-9B Sidewinder missiles to the -9J configuration. The House recedes on \$3.5 million. The conferees agreed that future procurement should be of new AIM-9L Sidewinder missiles in lieu of further modifications to the AIM-9B series.

Procurement of Minuteman III Missiles

The Senate amendment language provided that the \$265,800,000 authorized for the procurement of Minuteman III missiles may only be used for such procurement.

The House bill had no similar provisions.

The House recedes.

NAVAL VESSELS

Trident

The House approved \$537.4 million of the \$602.6 million requested by the President. The Senate approved \$602.6 million.

The House recedes.

SSN 688 (Nuclear Attack Submarine)

The House approved \$474.8 million of the \$541.0 million requested by the President. The Senate approved \$541.0 million.

The House recedes.

DLGN-42 and Nuclear Strike Cruiser Long Lead Authorization

Included in the shipbuilding section as approved by the House was new authorization for the DLGN-42 (nuclear frigate) in the amount of \$203.9 million and authorization for long lead items for the new nuclear strike cruiser (CSGN-1) in the amount of \$60 million. Funding for the long lead items for the nuclear strike cruiser had not been initially included in the President's budget request for FY 1976 and, therefore, was not considered in the Senate bill. However, on June 24, 1975, the President submitted a budget amendment for Fiscal Year 1976 to include \$60 million of long lead funds for the nuclear strike cruiser.

The Senate conferees were adamant in their opposition to the House action on the DLGN-42 and after considerable discussion the House conferees reluctantly receded with the understanding that the Senate conferees would accept the action recommended by the House with respect to long lead time items on the nuclear strike cruiser in the amount of \$60 million.

The \$60 million approved by the conferees for the nuclear strike cruiser authorizes the procurement of only long lead time items for this new more powerful class of cruiser which would be equipped with AEGIS surface-to-air weapons system. The Aegis will be a much more advanced weapons system than now exists or is planned for any ship in the U.S. inventory.

Patrol Frigate

The House included \$837.1 million of the \$955.5 million requested for 10 patrol frigates. The House removed \$118.4 million requested for escalation on this program for fiscal year 1978 and later years. The Senate included \$617.5 million for 7 ships after disapproving \$68.0 million requested for the Vulcan-Phalanx Close-In Weapon System (CIWS).

The conferees agreed to restore the three ships deleted by the Senate, along with the \$118.4 million requested for future escalation, and accepted the Senate position deleting \$68.0 million requested for the Vulcan-Phalanx CIWS. The conferees agreed to a funding level of \$887.5 for the patrol frigate program.

The Senate recedes with an amendment.

Patrol Hydrofoil Missile Ship (PHM)

The President's request contained \$83.4 million for two Patrol Hydrofoil Missile ships (PHM's). The House included \$72.5 million for two ships. The Senate approved no funds for the requested PHMs. After considerable discussion the conferees agreed to authorize two fully funded PHMs in the amount of \$83.4 million.

The House recedes with an amendment.

Destroyer Tender (AD)

The House approved \$322.3 million of the \$393.2 million requested by the President for two destroyer tenders. The Senate approved \$374.0 million of the President's request, removing \$19.2 million, the funds for putting Vulcan-Phalanx Close-In Weapon System on the Tenders.

The House recedes.

Fleet Oiler (AO)

The House approved \$202.7 million of the \$231.8 million requested by the President for two fleet oilers. The Senate approved \$212.1 million of the President's request, removing \$19.7 million, the funds for putting the Vulcan-Phalanx Close-In Weapon System on the oilers.

The House recedes.

Fleet Tug (T-ATF)

The House approved \$38.4 million of the \$41.4 million requested by the President for three fleet tugs, the Senate approved \$41.4 million, including \$3.0 million requested for future escalation.

The House recedes.

Escalation on Prior Year Programs

The House approved \$633.0 million of the \$1,149.8 million requested for contract escalation which the DoD estimates will occur on prior year shipbuilding and conversion programs until those programs are completed. The \$633.0 million approved represents the estimated amount of escalation which will need to be obligated in FY 1976, the transition period and in FY 1977. The additional year of escalation was added to permit a measure of flexibility.

The Senate approved \$368.6 million for this escalation reserve—the amount calculated to be obligated in FY 1976 and the transition period.

The Conferee's compromised the two amounts at \$420.3 million, realizing that this amount reduces the Navy's flexibility in financing escalation on its programs approved in prior years and that the Navy may have to resort to reprogramming actions to prevent program disruption or stop work orders.

The House recedes with an amendment.

Escalation on Fiscal Year 1976 Shipbuilding Programs

The House funded the basic costs of all 23 ships requested and, in addition, funded the forecast contract escalation on those ships in amount equal to two years of escalation. The Senate funded only 17 ships and funded forecast contract escalation in the full amount requested. The Senate receded on 5 ships (three patrol frigates and two patrol hydrofoil missile ships) and the Senate Conferees insisted that the full amount of forecast escalation for the entire period of the contracts be funded.

The House Conferees objected to the authorization of large sums merely on the basis of speculation as to future economic events and pointed out that shipbuilding programs may be overfunded in the light of the experienced reduction in the rate of inflation and the recent downward revision of escalation estimates by DoD.

In view of the adamant position of the Senate \$363.7 million was added to the individual ship programs for escalation which may need to be obligated in FY 1978 and the following years.

The House recedes.

Cost Growth

The House approved \$969.5 of the \$1,119.5 requested for cost growth on the Navy shipbuilding and Conversion programs, after deleting \$150 million requested for a reserve against the settlement of claims. The Senate approved \$913.4 for this item, after deleting \$143.2 million which is not needed for obligation in FY 1976 and \$62.9 million for cost growth on the Patrol Hydrofoil missile ship (PHM) program.

The Conferees compromised these differences at \$826.3 million, as follows:

The Senate agreed to delete the \$150 million requested as a reserve against claims.

The House agreed to delete the \$143.2 million not required for obligation in FY 1976.

The Senate agreed to restore the \$62.9 million for cost growth in the PHM program.

The Senate recedes with an amendment.

NEED FOR IMPROVEMENT IN THE PLANNING AND MANAGEMENT OF NAVY SHIPBUILDING PROGRAM

Both the constitutional and statutory responsibility of the Congress for maintaining an adequate national defense necessitates sound budgetary information and planning. It is with this responsibility in mind that the conferees of this bill comment on the Navy shipbuilding management.

It is essential that there be an improvement in the management of the Navy shipbuilding programs. Among the principal problems are

the following: (1) for a number of years there has been a consistent understatement of costs presented to the Congress with regard to various shipbuilding programs. One result has been the insufficient budget requests causing the necessity for later approval of funds to cover underestimates in prior years. This lack of accurate cost information has hampered Congressional efforts to provide for a coherent and systematic shipbuilding program; (2) in many instances Congress is unaware of the cost of ships since the ultimate cost has remained unresolved for long periods of time. In part this situation prevails because of the lack of firm contractual arrangements between the Navy and shipbuilders initially with regard to the obligation of the government in terms of costs and construction schedules. Therefore, in order for the Congress to be in a better position to make budgetary judgments the Navy must, at the time of its initial submission of shipbuilding requests, present better cost estimates and construction schedules, both of which may necessitate a greater degree of preliminary design and definitization effort.

The objective of the foregoing comments is to place the Congress in a better position of knowing realistically the cost of ship programs at the time of their initiation and likewise be advised of changes in these programs in terms of cost whenever revisions are made subsequent to construction.

	Number	President's budget	Conference resolution	Difference
Trident.....	1	602.6	602.6	-----
SSN688 (nuclear attack submarines).....	2	541.0	541.0	-----
DLGN (nuclear guided missile programs).....	1	257.0	-----	257.0
Recoup prior year LL.....			-75.0	75.0
CSGN (nuclear strike cruiser).....		60.0	60.0	-----
PHM (patrol hydrofoil missile).....	2	83.4	83.4	-----
PF (patrol frigate).....	10	955.5	887.5	68.0
AD (destroyer tender).....	2	393.2	374.0	19.2
AO (fleet oiler).....	2	231.8	212.1	19.7
T-ATF (fleet tug).....	3	41.4	41.4	-----
Craft.....		12.9	12.9	-----
Outfitting.....		38.2	38.2	-----
Post delivery.....		19.7	19.7	-----
Cost growth.....		1,119.5	826.3	293.2
Escalation prior year program.....		1,149.8	420.3	729.5
Total.....		5,506.0	4,044.4	1,461.6

TRACKED COMBAT VEHICLES

M60A1 tank and tank modification

The House bill contained \$387 million in FY 76 and \$147.4 million in FY 77 for the M60A1 tank. The authorization was to procure 662 tanks in FY 76 and 248 in FY 77. The Senate amendment, while providing authorization for the same number of tanks, reduced the authorization by \$14.6 million in FY 76 and \$14.4 million in FY 77. The Senate reductions were for product improvement of the M60A1 tanks being procured in FY 76 and FY 77 intended to improve their combat capability.

In addition, the House bill contained \$241.1 million in FY 76 and \$71.2 million in FY 77 for tank modifications. The Senate amend-

ment reduced the authorization by \$36.4 million in FY 76 and by \$12.9 million in FY 7T. This reduction was to reduce the modification funds so as to eliminate retrofit kits for putting on M60A1 tanks already in the inventory the same items of equipment referred to above to improve the tank capability. The basis for the reduction by the Senate was that the unit cost for the modifications were so high and the increased effectiveness and tank capability demonstrated to date so limited as to make the modification not cost effective. The House conferees expressed the belief that the modifications would provide a desirable level of increased capability and were, therefore, justified. The conferees agreed to a deletion of the authorization with the understanding that when the cost-effectiveness of the items in question were adequately demonstrated, the Army could request reprogramming for these items through the regular reprogramming procedure.

The House recedes.

The language of the Senate amendment also provided that the \$379,400,000 authorized in Fiscal Year 1976 and \$133,000,000 authorized in Fiscal Year 197T for the procurement of M-60 series tanks shall be used only for the procurement of M-60 series tanks. The House bill had no similar provisions.

The House recedes.

M578 recovery vehicle

The House bill contained \$38.9 million for 210 M578 recovery vehicles for the Army in FY 76. The Senate amendment reduced the authorization by \$1.3 million, representing a reduction of 7 vehicles from the buy. The conferees agreed to restore the funds with the understanding that the recovery vehicles are to be procured only for the inventory requirements of the U.S. Army and the authorization is not to be used for the purpose of providing war-readiness reserves for our allies.

The Senate recedes.

Navy Torpedoes

The House approved \$21.5 million for 24 Mark-30 torpedo targets and \$13.5 million for torpedo spare parts. The Senate approved \$16.6 million for 9 Mark-30 targets and \$10.5 million for torpedo spare parts.

The House recedes.

OTHER WEAPONS

NAVY

Vulcan-Phalanx Close-In Weapons System

The House approved \$8.6 million requested for FY 1976 for design and planning of the production line to manufacture the first units of this system which were planned to be funded in FY 1977, and \$3.0 million for this purpose for FY 197T. The Senate approved no funds for this item. In view of the fact that the Vulcan-Phalanx Close-In Weapons System requires further testing prior to production, the House recedes.

TITLE II AND VII—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

GENERAL

The Department of Defense requested authorization of \$10,181,388,000 for the fiscal year 1976 Research, Development, Test, and Evaluation appropriations.

The R.D.T. & E. request for the three-month transitional period referred to as "197T" was \$2,682,937,000.

The following table summarizes the Senate and House modifications to the Research and Development budget request:

R.D.T. & E. SUMMARY

[In thousands of dollars]

	Request	House	Senate	Conference amount
FISCAL YEAR 1976				
Army.....	2,181,700	2,049,228	2,016,593	2,028,933
Navy.....	3,470,188	3,268,661	3,368,802	3,318,649
Air Force.....	3,903,200	3,766,691	3,707,840	3,737,001
Defense agencies.....	597,800	556,793	565,700	563,700
Test and evaluation.....	28,500	25,000	28,500	25,000
Total, budget authority.....	10,181,388	9,666,373	9,687,435	9,673,283

R.D.T. & E. SUMMARY

[In thousands of dollars]

	Request	House	Senate	Conference amount
FISCAL YEAR 197T				
Army.....	585,600	535,017	491,214	513,326
Navy.....	903,837	849,730	851,363	849,746
Air Force.....	1,034,000	986,077	946,621	965,783
Defense agencies.....	152,700	137,793	143,600	139,768
Test and evaluation.....	6,800	3,400	6,800	5,000
Total, budget authority.....	2,682,937	2,512,017	2,439,598	2,473,623

As shown, the conferees agreed on a total of \$9,673,283,000 which is \$508,105,000 less than the amount requested for fiscal year 1976. The conferees agreed on a total of \$2,473,623,000, or \$209,314,000 less than the amount requested for fiscal year 197T.

The details of the differences between the House bill and the Senate amendment and the changes adopted by the conferees are reflected in the following table:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
ARMY—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Surgical investigations	5,880		5,880	-500	5,380	5,380	1
2	Studies and analyses	7,000		7,000	-500	6,500	6,500	2
3	TRADOC studies and analyses	3,900		3,900	-900	3,000	3,000	3
4	Heavy lift helicopter	19,790	-3,000	16,790	-7,790	9,000	9,000	4
5	Aerial scout	10,700		10,700	-10,000	700	5,000	5
6	Advanced attack helicopter	65,039	-9,500	55,539	-100	55,439	55,439	6
7	CH-47 modernization	10,000		10,000	-6,500	3,500	10,000	7
8	Chaparral/Vulcan	14,790	-10,000	4,790	+100	4,890	4,890	8
9	Hardened BMD materials	5,150		5,150	-5,150			9
10	Advanced forward area air defense system	16,940	-11,100	5,840	+11,100	16,940	16,940	10
11	Surface-to-surface missile rocket system	5,000		5,000	+5,000	5,000	1,000	11
12	BMD advanced technology program	105,000	-8,000	97,000	+8,000	105,000	97,000	12
13	Site defense	140,000	-6,000	134,000	-64,000	70,000	100,000	13
14	Cannon launched guided projectile	17,792	-7,792	10,000	+7,792	17,792	14,000	14
15	Heliborne missile—Hellfire	5,000	-5,000		+5,000	5,000	5,000	15
16	Pershing II	19,000		19,000	-3,000	16,000	19,000	16
17	Nonnuclear warheads	4,750		4,750	-2,000	2,750	4,750	17
18	Fire and forget missile—Hellfire	7,300	-7,300		+7,300	7,300		18
19	Kwajalein Missile Range	87,400	-7,400	80,000	-4,000	76,000	80,000	19
20	Armament technology	21,315		21,315	-5,000	16,315	18,815	20
21	Ballistics technology	13,850		13,850	-3,000	10,850	13,850	21
22	Chemical munitions technology	1,945		1,945	-685	260	1,945	22
23	Lethal chemical munitions concept	957		957	-957		957	23
24	Lethal chemical munitions	3,525		3,525	-3,525		3,525	24
25	MGOA1 thermal sight	8,086		8,086	-1,500	6,586	6,586	25
26	Bushmaster	16,070	-6,070	10,000	+6,070	16,070	10,000	26
27	Chemical defense materiel concepts	6,890	-1,850	5,040	+1,850	6,890	5,040	27
28	Manpower and human resources technology	7,280		7,280	-1,000	6,280	6,280	28
29	Army support of DARPA hostile weapons project	1,400	-1,400		+1,400	1,400	4,400	29
30	Unattended ground sensor	9,630	-6,630	3,000	+4,130	7,130	5,000	30
31	Classified program	13,041		13,041	-3,000	10,041	13,041	31
32	STANO	16,430	-12,430	4,000	+12,430	16,430	12,000	32
33	Command and control	7,190		7,190	-1,100	6,090	7,190	33
34	Artillery locating radar	13,340	-4,000	9,340	+4,000	13,340	10,340	34
35	Manpower and human resources development	9,480		9,480	-1,600	7,880	7,880	35
36	General combat support	8,655		8,655	-1,000	7,655	8,000	36
37	Mortar locating radar	10,820	-2,000	8,820	+2,000	10,820	8,820	37
38	Programwide management and support	-7,700	-18,000	-25,700	+18,000	-7,700	-9,000	38
	Reimbursements from foreign military sales			-7,700		-7,700		
	Programs not in dispute	1,469,065		1,469,065		1,469,065	1,469,065	
	Total, Army budget authority	2,181,700	-132,472	2,049,228	-32,635	2,016,593	2,028,933	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
NAVY—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Studies and analysis support, Navy	11,135		11,135	-1,000	10,135	10,135	1
2	Aircraft flight test general	3,983		3,983	-500	3,483	3,483	2
3	Classified program	35,713		35,713	-9,608	26,105	31,700	3
4	Aircraft systems (advanced)	4,913		4,913	-2,000	2,913	2,913	4
5	Air ASW	41,300	-16,900	24,400	+7,598	31,998	31,998	5
6	Airborne mine countermeasures	3,531		3,531	-500	3,031	3,031	6
7	Tactical air reconnaissance	6,888		6,888	-6,277	611	6,888	7
8	Aircraft survivability and vulnerability	2,033		2,033	-1,000	1,033	2,033	8
9	Modular FLIR	600	-600		+600	600		9
10	All weather attack	1,100	-1,100		+1,100	1,100	500	10
11	Fleet ballistic missile system	65,782	-20,000	45,782	+20,000	65,782	53,282	11
12	Sanguine	18,000		18,000	-300	17,700	17,700	12
13	Gryphon	11,788		11,788	-700	11,088	11,088	13
14	Strike warfare weaponry technology	39,291	-9,000	30,291	+9,000	39,291	36,500	14
15	ARM system technology	5,002	-1,002	4,000	+1,002	5,002	4,000	15
16	Advanced surface-to-air weapon system	11,932	-11,932		+11,932	11,932	11,932	16
17	Advanced short range air-to-air missile	6,000	-3,000	3,000	+3,000	6,000	3,000	17
18	Air launched/surface launched antiship missile	3,000	-3,000		+3,000	3,000		18
19	Cruise missile	101,800	-8,000	93,800	+1,000	94,800	93,800	19
20	Surface missile guidance (advanced)	4,000		4,000	-3,000	1,000	1,000	20
21	Surface launched MGGG technology	500	+3,500	4,000	-3,500	500	4,000	21
22	Close in weapon system (Phalanx)	30,671	-19,371	11,300	+19,371	30,671	15,000	22
23	Trident missile system	735,500	-45,000	690,500	+42,000	732,500	725,500	23
24	Classified program	27,822		27,822	-4,000	23,822	27,822	24
25	Surface ASW	27,093	-5,000	22,093	+5,000	27,093	24,600	25
26	Ship development (advanced)	27,758	-7,758	20,000	-42	19,958	19,958	26
27	Hydrofoil craft (advanced)	7,075		7,075	-4,175	2,900	4,175	27
28	Classified program	22,547	-11,647	10,900	+11,647	22,547	13,900	28
29	Ship development (engineering)	32,670		32,670	-23,800	8,870	30,570	29

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
NAVY—FISCAL YEAR 1976—Continued

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1976 request	Change	Authorization	Change from House	Authorization		
30	MK-48 torpedo.....	3,197	-1,597	1,600	+1,597	3,197	3,197	30
31	Gun systems.....	1,500	-1,500		+1,500	1,500		31
32	BW/CW weapons.....	1,599		1,599	-1,599		1,599	32
33	Fire control systems (engineering).....	14,197	-2,000	12,197	+2,000	14,197	14,197	33
34	Manpower effectiveness.....	4,508		4,508	-700	3,808	3,808	34
35	Education and training.....	7,930		7,930	-400	7,530	7,503	35
36	Reliability and maintainability.....	2,000		2,000	-2,000			36
37	Other Marine Corps development (engineering).....	5,390	-2,505	2,885	+2,505	5,390	5,390	37
38	Foreign weapons evaluation.....	2,110	-1,110	1,000	+1,110	2,110	2,110	38
39	R.D.T.&E. instrumentation support.....	29,081		29,081	-2,000	27,081	27,081	39
40	R.D.T.&E. ship and aircraft support.....	47,029		47,029	-2,000	45,029	47,029	40
41	Test and evaluation support.....	150,466		150,466	-3,000	147,466	147,466	41
42	Laboratory fleet support.....	3,000		3,000	-3,000			42
43	Programwide management and support.....		-33,005	-33,005	+33,005		-17,000	43
44	Undistributed reduction.....						-23,020	44
45	Funds excess to fiscal year 1975 program requirements.....	-50,000		-50,000	-4,000	-4,000	-50,000	45
	Reimbursements from foreign military sales.....							
	Programs not in dispute.....	1,958,754		1,958,754		1,958,754	1,958,754	
	Total, Navy budget authority.....	3,470,188	-201,527	3,268,661	+100,141	3,368,802	3,318,649	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

AIR FORCE—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1976 request	Change	Authorization	Change from House	Authorization		
1	B-52 squadrons.....	10,329	-10,329		+7,329	7,329	5,000	1
2	F-15 squadrons.....	39,900	9,900	30,000	+9,900	39,900	35,000	2
3	C-5A airlift squadrons.....	22,300		22,300	-10,300	12,000	22,300	3
4	Advanced avionics for aircraft.....	10,200	1,200	9,000	+1,200	10,200	10,200	4
5	Aircraft equipment development.....	7,480		7,480	-1,500	5,980	7,480	5
6	B-1.....	672,200		672,200	-75,000	597,200	642,000	6
7	Air combat fighter.....	272,950	-39,000	233,950	-12,900	221,050	221,050	7
8	Advanced ICBM technology.....	41,200		41,200	-1,100	40,100	40,100	8
9	Advanced ballistic reentry systems.....	101,000	-9,000	92,000	+9,000	101,000	96,500	9
10	Strategic bomber penetration.....	7,700		7,700	-1,000	6,700	7,700	10
11	Advanced short-range air-to-air missile systems technology.....	3,800	-800	3,000	+800	3,800	3,000	11
12	SAMTEC and ACS telecommunications.....	4,500		4,500	-1,000	3,500	4,000	12
13	Classified programs.....	20,000	-2,000	18,000	+2,000	20,000	19,000	13
14	Armament ordnance development.....	9,680		9,680	-1,500	8,180	9,000	14
15	Close air support weapon system.....	31,520	-21,520	10,000	+21,520	31,520	24,000	15
16	Strategic Air Command communications.....	6,000	-4,000	2,000	+4,000	6,000	6,000	16
17	Ground electronics.....	45,350		45,350	-2,160	43,190	43,190	17
18	Electronic warfare technology.....	8,400	-1,000	7,400	+1,000	8,400	7,400	18
19	Advanced computer technology.....	3,960	-960	3,000	+960	3,960	3,000	19
20	Life support system.....	6,940		6,940	-1,000	5,940	6,440	20
21	Other operational equipment.....	9,900		9,900	-2,500	7,400	8,400	21
22	Integrated program for airbase defense.....	7,500		7,500	-1,500	6,000	7,650	22
23	Drone/remotely piloted vehicle systems development.....	13,988		13,988	-5,500	8,488	13,988	23
24	Precision emitter location strike system.....	19,000	-8,000	11,000	-2,900	8,100	10,000	24
25	AWACS.....	199,192	-14,000	185,192	+14,000	199,192	199,192	25
26	Advanced fighter protective systems.....	18,800	-2,800	16,000	+2,800	18,800	17,400	26
27	Intelligence equipment.....	7,200		7,200	-2,000	5,200	6,200	27
28	Test and evaluation support.....	288,500		288,500	-12,500	276,000	276,000	28
29	Programwide management and support.....		-12,000	-12,000	+12,000		-8,000	29
30	Undistributed reduction.....						-19,000	30
31	Funds excess to fiscal year 1975 program requirements.....				-11,000	-11,000		31
	Programs not in dispute.....	2,013,711		2,013,711		2,013,711	2,013,711	
	Total, Air Force budget authority.....	3,903,200	-136,509	3,766,691	-58,851	3,707,840	3,737,001	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

DEFENSE AGENCIES—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1976 request	Change	Authorization	Change from House	Authorization		
DARPA:								
1	Defense research sciences	37,100		37,100	-2,100	35,000	37,100	1
2	Missiles and related equipment	74,900	-2,000	72,900	+2,000	74,900	72,900	2
3	Nuclear monitoring research	15,400	-1,000	14,400	+1,000	15,400	14,400	3
4	Tactical technology	46,000	-3,000	43,000	-1,000	42,000	43,000	4
5	Distributed information systems	14,700	-3,000	11,700	+3,000	14,700	11,700	5
6	Advanced command, control, and communications technology	12,700	-1,000	11,700	-1,000	10,700	11,700	6
7	Training, forecasting, and decision technology	7,100	-1,000	6,100	+500	6,700	6,100	7
8	Technology assessments	6,200	-1,000	5,200	+800	6,000	5,200	8
9	Materials processing	6,100	-500	5,500	+600	6,100	5,500	9
10	DCA: WWMCCS-JTSA	6,800		6,800	-1,200	5,600	6,200	10
11	DMA: Undistributed reduction	14,902	-900	14,002	-200	13,902	13,902	11
12	DIA (classified)		-1,000					12
13	DNA (classified)				-2,000			13
14	NSA (classified)		-9,407		+5,593			14
15	Technical support to OSD/JCS	22,800	-17,100	5,700	+14,100	19,800	17,500	15
	Programs not in dispute	44,853		44,853		44,853	44,853	
Total, Defense agencies budget authority		597,800	-41,007	556,793	+8,907	565,700	563,700	
16	Director of test and evaluation	28,500	-3,500	25,000	+3,500	28,500	25,000	16
Total, R.D.T. & E. budget authority		10,181,388	-515,015	9,666,373	+21,062	9,687,435	9,673,283	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

ARMY—1977

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1977 request	Change	Authorization	Change from House	Authorization		
ARMY—1977								
1	Surgical investigations	1,605		1,605	-200	1,405	1,405	1
2	Studies and analyses	1,900		1,900	-200	1,700	1,700	2
3	TRADOC studies and analyses	970		970	-170	800	800	3
4	Heavy lift helicopter	3,000	-500	2,500	-2,500		7,000	4
5	Aerial scout	8,800		8,800	-8,600	200	2,205	5
6	Advanced VTOL	3,405		3,405	-1,200	2,205	2,205	6
7	Advanced attack helicopter	17,908	-6,900	11,008		11,008	11,008	7
8	CH-47 modernization	2,800		2,800	-1,900	900	2,800	8
9	Chaparral/Vulcan	5,710	-4,000	1,710	-700	1,010	1,710	9
10	Hardened BMD materials	1,717		1,717	-1,717			10
11	Advanced forward area air defense systems	2,025	-1,500	525	+1,500	2,025	2,025	11
12	Surface-to-surface missile rocket system	3,000	-3,000		+3,000	3,000	500	12
13	BMD advanced technology program	30,158	-5,000	25,158	+1,342	26,500	25,158	13
14	Site defense	38,000	-4,000	34,000	-15,000	19,000	25,000	14
15	Cannon launched guided projectile	6,982	-6,982		+6,982	6,982	3,000	15
16	Heliborne missile—Hellfire	4,000	-4,000		+800	800	800	16
17	Pershing II missile	6,000		6,000	-1,000	5,000	6,000	17
18	Fire and forget module—Hellfire	1,450	-1,450		+1,450	1,450		18
19	Kwajalein Missile Range	23,560	-1,560	22,000	-3,000	19,000	22,000	19
20	Ballistics technology	3,260		3,260	-500	2,760	3,260	20
21	Chemical munitions technology	475		475	-170	305	475	21
22	Lethal chemical munitions concepts	960		960	-960		960	22
23	Tank systems (XM-1)	38,953		38,953	-29,653	9,300	38,953	23
24	Lethal chemical munitions	1,448		1,448	-1,448		1,448	24
25	Bushmaster	3,631	-1,631	2,000	+1,631	3,631	3,631	25
26	Chemical defense materiel concepts	1,620	-550	1,070	+550	1,620	1,070	26
27	Manpower and human resources technology	1,827		1,827	-200	1,627	1,627	27
28	Army support of DARPA hostile weapons program	280	-280		+280	280	100	28
29	Unattended ground sensors	2,460	-1,700	760	+1,300	2,060	1,400	29
30	Classified program	2,735		2,735	-200	2,535	2,735	30
31	STANO	4,191	-3,191	1,000	+3,191	4,191	3,000	31
32	Command and control	1,770		1,770	-200	1,570	1,770	32
33	Artillery locating radar	1,960	-1,000	960	+1,000	1,960	1,200	33
34	Manpower and human resources development	2,443		2,443	-400	2,043	2,043	34
35	General combat support	2,254		2,254	-250	2,004	2,100	35
36	Mortar locating radar	1,925	-500	1,425	+500	1,925	1,425	36
37	Program wide management and support		-2,839	-2,839	+2,839		-1,400	37
38	Undistributed reduction						-16,000	38
	Programs not in dispute	350,418		350,418		350,418	350,418	
Total, Army budget authority		585,600	-50,583	535,017	-43,803	491,214	513,326	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

NAVY—1977

[In thousands of dollars]

Item No.	Program element	Fiscal year 1977 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Studies and analysis support, Navy	3,189		3,189	-600	2,589	2,589	1
2	Aircraft flight test general	1,467		1,467	-500	967	967	2
3	Classified Program	11,289		11,289	-6,929	4,360	10,289	3
4	Aircraft systems (advanced)	2,398		2,398	-1,500	898	898	4
5	Air ASW	4,419		4,419	-1,883	2,536	2,536	5
6	Airborne mine countermeasures	1,445		1,445	-400	1,045	1,045	6
7	Tactical air reconnaissance	2,307		2,307	-1,764	543	2,307	7
8	Aircraft survivability and vulnerability	2,096		2,096	-1,500	596	2,096	8
9	Modular FLIR	200	-200		+200	200		9
10	All weather attack	1,201		1,201	+1,201	1,201		10
11	Fleet ballistic missile system	21,273	-6,500	14,773	+6,500	21,273	16,773	11
12	Sanguine	4,400		4,400	-770	3,630	3,630	12
13	Gryphon	6,597		6,597	-1,800	4,797	4,797	13
14	Strike warfare weaponry technology	10,683	-2,500	8,183	+2,500	10,683	9,500	14
15	ARM system technology	804	-400	404	+400	804	404	15
16	Advanced surface-to-air weapon system	4,600	-4,600					16
17	Agile	5,407	-2,600	2,807	+2,600	5,407	3,307	17
18	Air launched/surface launched antiship missile	2,373	-2,373		+2,373	2,373		18
19	Cruise missile	42,100	-4,000	38,100	-1,000	37,100	37,100	19
20	Surface missile guidance (advanced)	1,700		1,700	-700	1,000	1,000	20
21	Surface launched MGGB technology	1,200	+1,500	2,700	-1,500	1,200	1,700	21
22	Air-to-air missile component technology	4,604		4,604	-3,200	1,404	1,404	22
23	Close-in weapon system (Phalanx)	2,458	-2,458		+2,458	2,458	2,458	23
24	Trident missile system	172,510	-10,000	162,510	+9,000	171,510	165,510	24
25	Classified program	11,598		11,598	-1,200	10,398	11,598	25
26	Surface ASW	9,160	-2,160	7,000	+2,160	9,160	8,000	26
27	Ship development (advanced)	10,755	-2,755	8,000	-1,845	6,155	7,000	27
28	Hydrofoilcraft (advanced)	2,398		2,398	-930	1,468	1,468	28
29	Classified program	5,844	-2,844	3,000	+2,844	5,844	4,000	29
30	Ship development (engineering)	9,803		9,803	-6,700	3,103	8,603	30
31	Gun systems	642	-642		+642	642		31
32	BW/CW weapons	348		348	-348		348	32
33	Manpower effectiveness	1,187		1,187	-200	987	987	33
34	Education and training	2,112		2,112	-190	2,012	2,012	34
35	Reliability and maintainability	1,250		1,250	-1,250			35
36	Other Marine Corps development (engineering)	2,081	-1,002	1,079	+1,002	2,081	2,081	36
37	R.D.T. & E. instrumentation and material support	10,325		10,325	-2,000	8,325	8,325	37
38	R.D.T. & E. ship and aircraft support	12,988		12,988	-1,000	11,988	12,988	38
39	Test and evaluation support	38,657		38,657	-1,000	37,657	37,657	39
40	Laboratory fleet support	1,000		1,000	-1,000			40
41	Undistributed reduction		-9,372		+9,372			41
	Programs not in dispute	473,969		473,969		473,969	473,969	
	Total, Navy budget authority	903,837	-54,107	849,730	+1,633	851,363	849,746	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

AIR FORCE—1977

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	B-52 squadrons	7,329	-7,329		+3,029	3,029	10,400	1
2	C-5A airlift squadrons	10,400		10,400	-7,400	3,000	10,400	2
3	Advanced avionics for aircraft	3,600	-600	3,000	+600	3,600	3,600	3
4	Stall/spin inhibitors	600		600	-600			4
5	Aircraft equipment development	2,200		2,200	-700	1,500	2,200	5
6	B-1	168,300		168,300	-39,300	129,000	158,000	6
7	Air Combat fighter	82,504	7,000	75,504	-5,800	69,704	69,704	7
8	Advanced ICBM technology	15,300		15,300	-1,000	14,300	14,300	8
9	Advanced ballistic reentry systems	29,150	-5,000	24,150	+5,000	29,150	26,650	9
10	Strategic bomber penetration	5,700		5,700	-1,000	4,700	5,700	10
11	Advanced short-range air-to-air missile systems technology	1,200	-200	1,000	+200	1,200	1,000	11
12	SAMTEC and ACS telecommunications	1,000		1,000	-100	900	1,000	12
13	Classified program	5,720	-1,720	4,000	+1,720	5,720	4,800	13
14	Armament ordnance development	2,789		2,789	-600	2,189	2,500	14
15	Close air support weapon system	16,800	-13,000	3,800	+13,000	16,800	6,700	15
16	Ground electronics	12,123		12,123	-529	11,594	11,594	16
17	Electronic warfare technology	2,750	-1,000	1,750	+1,000	2,750	1,750	17
18	Advanced computer technology	1,200	-200	1,000	+200	1,200	1,000	18
19	Life support system	1,980		1,980	-400	1,580	1,780	19
20	Other operational equipment	2,200		2,200	-200	2,000	2,000	20
21	Integrated program for airbase defense	1,650		1,650	-150	1,500	1,650	21
22	Drone/remotely piloted vehicle systems development	6,000	-4,600	1,400	-4,900	1,100	6,000	22
23	Precision emitter location strike system	10,600		10,600	-4,300	6,300	3,000	23
24	AWACS	54,474	-1,374	53,100	+1,374	54,474	54,474	24
25	Advanced fighter protection systems	3,600	-1,600	2,000	+1,600	3,600	2,800	25
26	Intelligence equipment	3,300		3,300	-2,000	1,300	2,300	26
27	Test and evaluation support	75,000		75,000	+2,500	72,500	72,500	27
28	Programwide management and support		-4,300		+4,300			28
29	Undistributed reduction						-2,150	29
	Programs not in dispute	506,531		506,531		506,531	506,531	
	Total, Air Force budget authority	1,034,000	-47,923	986,077	-39,456	946,621	965,783	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
DEFENSE AGENCIES--197T
[in thousands of dollars]

Item No.	Program element	House			Senate			Item No.
		Fiscal year 197T request	Change	Authorization	Change from House	Authorization	Conference	
DARPA:								
1	Defense research sciences	9,300	-2,750	9,300	-500	8,750	1	
2	Missiles and related equipment	16,700	-1,000	15,700	+2,750	18,700	2	
3	Tactical technology	11,500	-1,000	10,500	+1,250	11,750	3	
4	Distributed information systems	3,700	-1,250	2,450	+1,250	3,700	4	
5	Advanced command, control, and communications technology	3,200	-----	3,200	-----	3,200	5	
6	Training, forecasting, and decision technology	1,800	-----	1,800	-100	1,700	6	
7	Technology assessments	1,600	-----	1,600	-100	1,500	7	
8	DCA: WWMCS, JTS	1,700	-----	1,700	-300	1,400	8	
9	DMA: Undistributed reduction	3,850	-350	3,500	-1,500	2,000	9	
10	DNA (classified)	-----	-----	-----	+1,282	1,282	10	
11	NSA (classified)	5,700	-5,282	425	+3,575	5,000	11	
12	DIA (classified)	18,464	-4,275	14,189	-----	18,464	12	
13	Technical support to OSD/JCS	-----	-----	-----	-----	-----	13	
14	Programs not in dispute	-----	-----	-----	-----	-----	14	
Total, Defense agencies budget authority		182,700	-14,907	167,793	+5,807	173,600	139,768	
Director of test and evaluation		6,800	-3,400	3,400	+3,400	6,800	5,000	
Total, R.D.T. & E. budget authority		2,682,937	-170,920	2,512,017	-72,419	2,439,598	2,473,623	

CONFERENCE ACTION ON SELECTED SUBJECTS IN THE RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FISCAL YEARS 1976 AND 197T
AUTHORIZATION REQUEST

AERIAL SCOUT

The House bill approved the full amount of \$10.7 million for FY 1976 and \$8.8 million for 197T as requested. The Senate amendment authorized \$700,000 and \$200,000 for these respective periods only to support in-house efforts because (1) the Army had not yet approved the characteristics of the new scout; (2) the Army had not determined if either a new development or an off-the-shelf helicopter would satisfy the requirement; and (3) following these determinations, the Army must obtain DSARC approval before proceeding with the program. The Senate action considered that if the Army and DOD had decided what the Army requires by the time the fiscal year 1977 request is submitted, there then would be a meaningful basis for consideration.

The Department of Defense reclama states the Army had completed the study of the characteristics of the Advanced Scout Helicopter, that indications are it will be a military adaptation of an existing helicopter, and the DSARC will be held on July 31, 1975. Because of these new developments, the Senate conferees recede and agreed to restore \$4.3 million in fiscal year 1976 and \$6.8 million in 197T. This will provide a total of \$5.0 million and \$7.0 million for these respective periods.

The use of the funds restored is contingent on approval of the House and Senate Armed Services Committees following DSARC approval and prior to issuance of requests for proposal to industry.

ADVANCED FORWARD AREA AIR DEFENSE SYSTEM

The House bill deleted the request for \$11.1 million in fiscal year 1976 and \$2.0 million in 197T for prototypes of a new anti-aircraft gun system. The Senate amendment approved the full request.

The House reduction was made because of the belief that the Army's plans for development of a new gun system were too indefinite to warrant a start on the program at this time. The Senate conferees pointed out that the Army had continued to firm up its plans for development of the new gun since the fiscal year 1976 budget hearings and an advanced development requirement had been approved before the conference.

The Senate and House conferees both agreed on the need for a new and more powerful gun to replace the 20 mm Vulcan. The conferees agreed to restore the full amount of \$13.1 million in fiscal year 1976 and \$2.0 million in 197T as provided by the Senate. At least one of the new prototype gun systems shall use the GAU-8 30 mm gun adapted for the anti-aircraft role.

ARTILLERY LOCATING (COUNTERBATTERY) RADAR

The House bill resulted in a reduction of \$4.0 million from the Army's request of \$13.340 million for fiscal year 1976 and a reduction of \$1.0 million from the \$1.960 million requested for fiscal year 197T. The Senate amendment authorized the amounts requested.

The House action was based on the fact that the Army planned to initiate a six-month modification phase for the two competing radar systems. The modification phase follows the completion of test and evaluation of both systems.

The conferees believe that the Army, at the completion of testing, should be able to select the best system for the follow-on phase. The conferees agreed to a funding level of \$10.340 million and \$1.2 million for fiscal years 1976 and 1977T respectively to support this approach.

The projected high unit cost of this system requires that the Army assess less costly alternatives such as Remotely Piloted Vehicles and infrared systems to provide this capability. The results of this assessment should be available to support the fiscal year 1977 authorization request.

BINARY CHEMICAL MUNITIONS

SEE TITLE VIII, GENERAL PROVISIONS

CANNON LAUNCHED GUIDED PROJECTILE

The House bill authorized \$10.0 million of the Army's \$17.8 million request for fiscal year 1976, and none of the \$7.0 million for fiscal year 1977T. The Senate amendment approved the full amount requested for both periods.

The House action reflected dissatisfaction with the overall management of the Army and Navy guided ordnance programs, and stated the belief that commonality is possible and both cost and performance effective.

The conferees are concerned that the Army requirement for this projectile has not yet been validated, in view of all other weapons and munitions available or planned to be employed against the same targets. The conferees also are concerned that it may not be worth the cost to develop and deploy this projectile since there are other possible alternatives. The conferees were advised that the estimated cost to develop and procure the planned inventory requirements is about \$1.0 billion.

The conferees agreed that the Army's program should proceed into engineering development with the specific understanding that the engineering development contract would not be a commitment to either full scale engineering development or production. The conferees were advised by the Army that the "Producibility Engineering and Planning (PEP) phase of the contract would be deferred until after fiscal year 1977T. At that time the prospects for commonality will again be assessed. Both Committees on Armed Services are to be advised of this assessment prior to initiation of PEP. In addition, the Army advised that it planned another stopping point for program review preceding the Limited Rate Initial Procurement (LRIP) phase of the program.

Prior to the submission of the fiscal year 1977 request for authorization, both Committees on Armed Services are to be provided with the results of a complete DDR&E coordinated study of Army requirements (including the Navy candidates and all other delivery systems and munitions available or planned for inventory) and cost effectiveness analysis.

The House recedes and agrees to restore \$4.0 million in fiscal year 1976 and \$3.0 million in 1977T to support either the engineering development contract or competitive testing with the Navy round.

CHAPARRAL/VULCAN

The House bill reduced the request for \$14.8 million in fiscal year 1976 and \$5.7 million in 1977T for R&D on improvements to the Chaparral surface-to-air missile down to \$4.8 million in fiscal year 1976 and \$1.7 million in 1977T. The Senate amendment contained \$4.9 million in fiscal year 1976 and \$1.0 million in 1977T.

The Conferees agreed to provide \$4.9 million in fiscal year 1976 and \$1.7 million in 1977T. If additional funding is required during the fiscal year, a reprogramming request will be considered for this missile system.

CH-47 MODERNIZATION

The House bill authorized the full \$10.0 million requested for fiscal year 1976 and \$2.8 million for 1977T to modernize the CH-47 helicopter fleet. The Senate amendment reduced these amounts to \$3.5 million and \$900,000 respectively because the Army had not yet decided which of six possible alternative courses of action to pursue. The reduced level of funding would sustain current preliminary design efforts but preclude initiating the full program.

The Army now states that preliminary results of current studies confirm that modernization of present inventory helicopters rather than replacement with new helicopters is the most cost effective approach. Formal Army approval was anticipated by July 24, 1975 and DOD approval by September 30, 1975. Because of these developments and the imminency of the approval actions, the Senate recedes and accepts the full amounts approved by the House. However, none of the amounts restored are to be used without approval by both the House and Senate Armed Services Committees of the plan approved by the Office of the Secretary of Defense.

CHEMICAL DEFENSE MATERIAL CONCEPTS

The House bill recommended a reduction of \$1.850 million from the \$6.890 million requested by the Army for fiscal year 1976 and \$550,000 from the \$1.620 million requested for fiscal year 1977T. The reduction was intended to terminate the Long Path Infrared (LOPAIR). The Senate amendment authorized the full amount of the request.

The Senate conferees accepted the House position since LOPAIR has not demonstrated significant progress to warrant continued support. The House conferees expressed their belief that LOPAIR has been overtaken by technological advancements such as the Forward Looking Infrared (FLIR). Last year the Army was encouraged to conduct side-by-side tests and evaluation of FLIR and LOPAIR. The tests were not conducted.

While no funds are authorized for any continued development of LOPAIR; the Army can, if it chooses, submit a reprogramming request in accordance with established procedures to conduct a side-by-side test of FLIR and LOPAIR.

HELLFIRE

The House bill deleted all of the funds for both HELLFIRE programs: \$5.0 million for the laser Heliborne missile for fiscal year 1976 and \$4.0 million for fiscal year 197T; \$7.3 million for the Fire and Forget module for fiscal year 1976 and \$1.450 million for fiscal year 197T. The Senate bill authorized the entire amount requested for both programs except for fiscal year 197T where the \$3.2 million requested for starting engineering development of Hellfire was deleted and only \$800,000 was authorized for the laser Heliborne missile.

The rationale for the House action was based on the Army's testimony concerning the affordability of the Hellfire missile. The House conferees, however, in light of the relatively successful test program coupled with the fact that the Hellfire missile is a viable alternative for the Advanced Attack Helicopter, agreed with the Senate position to authorize the \$5.0 million request for the laser Heliborne missile for fiscal year 1976 and \$800,000 for fiscal year 197T. The Army is expected, however, to thoroughly assess other possible alternatives, such as a powered version of the cannon launched guided projectile or a 5-inch guided projectile, for the Hellfire mission.

The Senate conferees agreed with the House position that the Fire and Forget module would result in an even more expensive missile than Hellfire since it would utilize a more expensive seeker. Further, the Army has not yet been able to demonstrate that the Fire and Forget seeker would improve combat capability over laser Hellfire because of the target acquisition problem. The conferees agreed to terminate this program as a line item. However, the Army may continue to explore the potential of using other candidate seekers within the total funding authorized for the laser Heliborne missile.

HEAVY LIFT HELICOPTER

The House bill approved \$16.8 million in fiscal year 1976 and \$2.5 million in 197T for continuation of the redirected Heavy Life Helicopter (HLH) program limited by the Secretary of Defense to a single prototype advanced development program including flight testing. The Senate amendment approved \$9.0 million for fiscal year 1976 which is the amount estimated by the Army as required to terminate the program.

The reasons for termination are set forth on page 84 of Senate Report No. 94-146 on the pending Military Procurement Authorization Bill. The House recedes.

SITE DEFENSE

The House bill authorized \$134.0 million of the \$140.0 million requested for fiscal year 1976 and \$34.0 million of the \$38.0 million requested for 197T.

The Senate amendment provided \$70.0 million and \$19.0 million respectively for these two periods because the Army had not entirely complied with the Senate direction last year to change from a prototype demonstration program to a sustaining advanced development program. The Senate stated that the program will be maintained at

a sustaining level pending further developments in strategic weapons limitation negotiations with the Soviets.

The conferees agreed to an authorization of \$100 million and \$25 million for fiscal years 1976 and 197T respectively.

The Department of Defense reclama stated that the Senate position is inadequate for a sustaining level and would cripple the program and possibly force dissolution of the present contractor team. This also would dramatically increase deployment time, if needed, and erode the U.S. SALT bargaining position.

The Senate reluctantly recedes and agrees to restore \$30.0 million in fiscal year 1976 and \$6.0 million in 197T, the minimum amount estimated as needed to retain the contractor team and continue the program at a minimum acceptable level. The conferees adopted the Senate requirement for a study by the Secretary of Defense to conduct it as stated on page 18 of Senate Report No. 94-146 accompanying the pending Military Procurement Authorization Bill.

The results of the study will be submitted to the House and Senate Committees on Armed Services by November 15, 1975.

SURFACE-TO-SURFACE MISSILE ROCKET

The House bill deleted the entire \$5.0 million requested by the Army for fiscal year 1976 and the \$3.0 million requested for fiscal year 197T. The Senate amendment authorized the entire request.

The Army intended to develop two systems: a new Long Range Guided Missile (LRGM) as a nonnuclear alternative to Lance, and a free flight General Support Rocket System (GSRS). The conferees were not convinced that the LRGM would be more performance or cost-effective than the existing Lance missile system and accordingly agreed to preclude this new start.

The conferees agreed to restore \$1.0 million for GSRS for fiscal year 1976 and \$500 thousand for fiscal year 197T. The basis for supporting this development is the need for a medium range counter-battery weapon; however, the conferees are concerned over two areas which are not properly integrated in the program plan, viz., a concurrent development of a terminal seeker for the GSRS and the forward area targeting problem. During the coming year, the Army will address these problems and report their findings and conclusions in conjunction with submission of the fiscal year 1977 authorization request.

VEHICLE RAPID FIRE WEAPON SYSTEM—BUSHMASTER

The House bill resulted in a reduction of \$6.070 million from the \$16.070 million requested by the Army for fiscal year 1976 and a reduction of \$1.631 million from the \$3.631 million requested for fiscal year 197T. The Senate amendment authorized the full request.

The rationale for the House action was based largely on the Army's plan to product improve the M-139 gun and use it as an interim system for the Mechanized Infantry Combat Vehicle (MICV). Further, the House was not convinced that the Army had a viable plan for the development of the Bushmaster for the MICV. There are a number of factors in question. Included is the fact that the proposed 25mm

round is not fully developed and will cost several hundred million dollars to put into the U.S. inventory.

The Senate conferees concur with the House position that continued investment of funds for the M-139 is not prudent. The conferees have been advised of a Department of Defense memorandum that states it would be more cost effective to slip the MICV schedule than it would be to pursue an interim gun system. The Army should reassess the MICV schedule and justify the need and plan to both Committees on Armed Services, for both the interim and Bushmaster gun system.

The conferees agreed that the Army still lacks a viable definitive plan for the Bushmaster and agreed to the level of funding authorized by the House.

XM-1 TANK

The House bill authorized the entire Army request of \$51.8 million and \$39.0 million for fiscal year 1976 and 1977 respectively. The Senate amendment reduced the 1977 request by \$29.7 million.

The Senate action was intended to ensure a competition of both U.S. tank candidates in addition to the German Leopard II candidate.

The Senate recedes and agreed to restore the \$29.7 million approved by the House. The conferees agree that \$23 million of this is available only to initiate engineering development with a single contractor provided specific approval is granted by the Secretary of Defense and reported to the Armed Services Committees. The conferees also agreed that initiation of engineering development, prior to the delivery of a Leopard II test article in September 1976 for competitive testing with the XM-1, will not prejudice the results of that test program.

ADVANCED SHORT RANGE AIR-TO-AIR MISSILE TECHNOLOGY

The House bill resulted in a reduction of \$3.0 million from the Navy's request for \$6.0 million for fiscal year 1976 and a reduction of \$2.6 million from the \$5.407 million request for fiscal year 1977. In addition, the House bill reduced the Air Force request of \$3.8 million for fiscal year 1976 to \$3.0 million and the \$1.2 million request for fiscal year 1977 to \$1.0 million. The Senate amendment authorized full funding for both the Navy and Air Force programs.

Last year the conferees terminated the Navy's Agile missile program due to its high cost, complexity, and lack of progress after expenditures in excess of \$80 million. The conferees also terminated the Air Force's CLAW missile program because of its projected lack of effectiveness. Both programs were intended to provide the Navy and Air Force with separate follow-on dogfight missiles to the Sidewinder AIM-9L series.

The House-Senate Conference Report, No. 93-1212, for fiscal year 1975 directed that the Navy and Air Force establish firm common requirements for a new missile prior to the expenditure of funds for the development of complex technology that may not even be required. The plans provided by the Services for fiscal years 1976 and 1977, however, indicated their intention to develop Agile and CLAW prototypes.

The conferees again stress the need to complete the requirements phase which will define a single set of missile performance characteris-

tics such as seeker sensitivity, off-axis boresight acquisition requirements, maneuverability, etc. The conferees agreed that the funding authorized by the House is adequate to perform the necessary requirements phase with limited component development. The conferees further stress that there does not appear to be any urgency for an accelerated program to develop this follow-on to the excellently-performing AIM-9L Sidewinder.

The Senate recedes.

ADVANCED SURFACE-TO-AIR WEAPON SYSTEM

The House bill deleted the \$11.932 million requested by the Navy for fiscal year 1976 and \$4.6 million requested for fiscal year 1977 to initiate the development of this missile. The Senate amendment authorized the full request for fiscal year 1976 but deleted the \$4.6 million requested for starting engineering development in fiscal year 1977.

The House action was based on the belief that a 5" surface-to-air missile is neither cost nor performance effective. The missile has a smaller warhead than that of the 5-inch guided projectile with an estimated unit cost that could be as much as ten times greater than that of the projectile. The Navy failed to explain why the lower cost guided projectile could not be made launcher compatible. The Senate action for fiscal year 1977 was intended to preclude engineering development of this missile until the basic questions concerning lethality and systems integration are resolved by the Navy.

The House conferees remained firm in their conviction that a launcher compatible 5-inch guided projectile would be more cost and performance effective. While the feasibility of the guidance scheme employed in the 5-inch guided projectile has been demonstrated, the Senate conferees contended that performance should be demonstrated including feasibility firings. Since the feasibility of the boosted projectile would have to be demonstrated, the conferees agreed to support an advanced development program for both the missile and projectile during fiscal years 1976 and 1977.

The conferees authorized \$11.932 million for fiscal year 1976 and 1977 of which \$4.9 million will be used only for the advanced development of the launcher compatible guided projectile. The remaining \$7.032 million is authorized for the advanced development of the 5-inch missile. The Navy has advised that these funds are sufficient for the directed tasks. The authorization for the missile program is predicated upon the initiation and conduct of the guided projectile launcher compatibility demonstration, i.e., the missile program may not be initiated unless all funds are available for the projectile program during the fifteen month period. The Navy could submit a reprogramming request if additional funding is required.

The conferees agreed that no subsequent funding would be provided for the 5-inch missile program until completion of the feasibility firings of the projectile.

AEGIS

The House bill contained restrictive language that would prohibit expenditure of funds for Aegis until the Secretary of Defense provided to both Committees on Armed Services a plan that identified a

nuclear platform and funding for the fleet implementation of Aegis during or prior to 1981. The Senate amendment contained no similar provision.

While recognizing the need to identify a platform for the Aegis, the Senate conferees thought it unwise to make continued development of the Aegis system dependent upon identification of a platform that would provide for Aegis fleet implementation before 1981. Thus the conferees agreed simply to require the Secretary of Defense to identify a platform, nuclear or otherwise, for the Aegis system.

The House conferees were especially concerned over the fact that after a period that spans nearly ten years of Aegis development, the Navy has failed to identify a suitable platform for this much needed system.

The House report (No. 94-199) suggested that the Navy give serious consideration to the U.S.S. *Long Beach* (CGN-9) as the first Aegis platform. The House contended that the *Long Beach* could serve as a prototype for the Strike Cruiser and would be a viable platform since, at the present time, the *Long Beach* weapon systems suite is antiquated.

The House conferees feel strongly that the Navy should give special attention to integrating the Aegis on the *Long Beach* in order to make it a modern Strike Cruiser. The Navy is to submit a written report by November 15, 1975, to both Committees on Armed Services that addresses the various alternatives and estimated costs for the *Long Beach* with various conversion plans including the addition of the Aegis and Standard missile systems.

AIR ASW (MK III LAMPS)

The House bill authorized \$16.9 million of the \$41.3 million requested for fiscal year 1976 and none of the \$4.419 million requested for 1977 for this program. This would leave \$18,533 million in fiscal year 1976 specifically for the MK III LAMPS project and no funds in 1977. The Senate amendment provided \$26.131 million in fiscal year 1976 and \$1.987 million in 1977 for the MK III LAMPS project.

Both the House and Senate reductions are intended to defer engineering design contracts to define the required changes to UTTAS until after the Army selects the winning UTTAS contractor.

The Senate considered that it is improper if not illegal to limit the LAMPS competition to the two UTTAS contractors and preclude an open competition in accordance with Armed Services Procurement Regulations. The amounts deleted by the Senate are not required under the foregoing House and Senate determinations.

The House accepts the Senate authorization and the conferees direct to Navy to conduct an open competition for the helicopter. Consistent with this action, which does not preclude the ultimate selection of a UTTAS derivative in an open competition, the Navy should revise its program schedule and fund requirements, and submit to the Congress a request for funds to initiate this program in fiscal year 1977. If the Navy is ready to do this sooner, and urgency dictates action before fiscal year 1977, the Armed Services Committees of the House and Senate would consider a reprogramming action if proposed for this purpose.

This situation may again occur in other programs and therefore should be reviewed by the Department of Defense and the General Accounting Office to determine what corrective action, if any, should be taken in law or in the ASPR. The Comptroller General will submit a report to the House and Senate Armed Services Committees of findings and appropriate recommendations by October 1, 1975.

The action of the Congress will ensure a more comprehensive check-out of the sensors and software since the Navy plans to integrate them in the SH-2 testbed. The present SH-2 Air ASW system is performing exceptionally well. Therefore, the conferees also recommend a more orderly systems development phase for the LAMPS III without unnecessary concurrency.

AIR LAUNCHED/SURFACE LAUNCHED ANTISHIP MISSILE

The House bill deleted the entire Navy request of \$3.0 million and \$2.373 million requested for fiscal years 1976 and 1977 respectively. The Senate amendment authorized the full request.

This program was intended to initiate an advanced technology program for the improved Harpoon seeker. The rationale for the House reduction was based on the recent substantial increase in the cost of the Harpoon program as reported in the latest Selected Acquisition Report (SAR).

The Senate conferees receded and join with the House conferees in requiring the Navy to investigate the basic design, fabrication and manufacturing process of the present system in an effort to reduce costs. The conferees support the need for the Harpoon missile but believe that an advanced technology program should not be initiated at this time.

ALL WEATHER ATTACK

The House bill deleted the entire Navy request of \$1.1 million for fiscal year 1976 and \$1.201 million for fiscal year 1977. The Senate amendment authorized the full amounts requested.

The basis for the House action was the Navy's failure to present a viable plan for this program. The Senate conferees expressed concern over the Navy's future requirements in the area of all weather avionics. The House conferees, in recognition of this concern, agreed to authorize \$500,000 for fiscal year 1976 for study purposes only. The conferees emphasize that this authorization is not a commitment to the program as presented by the Navy.

CLASSIFIED PROGRAM

The House bill reduced this Navy classified program by \$11.647 million in fiscal year 1976 and \$2.844 million in 1977. The Senate amendment approved the full amount requested.

The conferees consider this Navy program essential and their action is not intended to curtail advances in the technology. The conferees agreed to restore \$3.0 million and \$1.0 million respectively of the amount reduced by the House. The Navy's plan to build an integrated brassboard system at a specific contractor operated facility is not accepted by the conferees. This plan would not allow for maxi-

imum government participation in operation, would give one contractor a technological monopoly, and would not allow for full system testing because of safety limitations.

The amounts authorized will be used only for modification and completion of equipment already under development. Assembly of an integrated brassboard system will not begin until a thorough study to identify and prepare a government facility for the construction of the system has been completed and the study results reported to both Committees on Armed Services. If the two Committees agree with the results of the study and additional funds are required during fiscal year 1976 or 197T to implement the results, such funds may be provided through established reprogramming procedures.

CLOSE-IN WEAPON SYSTEM (PHALANX)

The House bill decreased the Navy's request of \$30.671 million by \$19.371 million for fiscal year 1976 and deleted the entire \$2.458 million requested for fiscal year 197T. The Senate amendment authorized the full request for R&D.

The House action was based on the fact that the system has not demonstrated its effectiveness. Last year the conferees directed that the Navy design target missile tests that would provide lethality data in support of CIWS. The Senate conferees agreed with the House conferees that the data provided by the Navy was insufficient and agreed that a more rigorous test program was required to demonstrate the adequacy of the present gun or the possible need for a larger caliber weapon.

The conferees agreed to an authorization of \$15.0 million for fiscal year 1976 and \$2.458 million for fiscal year 197T. The funds authorized are intended for lethality tests and the conduct of any appropriate reliability and maintainability efforts that could be accomplished on existing completed CIWS systems and within the funding provided.

The conferees agreed that subsequent CIWS funding will be made contingent upon test data that clearly demonstrates: the ability of the CIWS to cause full detonation of the target warhead; a kill of the specified dynamic target in its normal flyable configuration at the intended ranges; and an acceptable level of the CIWS platform damage as a result of debris should warhead detonation occur.

If the CIWS tests are successful and its effectiveness is clearly demonstrated, the Navy may submit a reprogramming action in accordance with established procedures for the funds required to complete the operational suitability models and continuation of the R.D.T. & E. program.

COMBAT SYSTEM ENGINEERING DEVELOPMENT SITE (CSEDS)

The conferees recognize the advantages that can be realized from a land based test facility for the Aegis system. Such a system is invaluable to the conduct of systems studies, system checkout, and greatly facilitates the support of a weapon system from the manufacturer's plant to the shipboard platform.

The House conferees expressed concern over the Navy's lack of definition of a government facility for the CSEDS. The House ration-

ale for support of a government facility is based on the need to conduct life cycle maintenance throughout the fleet operational lifetime of the Aegis.

The conferees support the House position that precludes the expenditure of any funds for CSEDS until the Navy completes a trade-off study that addresses the location of the facility, the cost considerations over the near- and long-term, and advises both Committees on Armed Services of the results and considerations.

CLOSE AIR SUPPORT WEAPON SYSTEM (CASWS)

The House bill deleted \$21.52 million from the \$31.52 million requested by the Air Force for fiscal year 1976 and \$13.0 million from the \$16.8 million requested for fiscal year 197T. The Senate amendment authorized the full amount.

The Senate Conferees agreed with the House position to preclude the engineering development of the imaging infrared seeker until the Air Force can adequately analyze the cost of both the missile and the ancillary equipment required to support the acquisition and cueing requirements. The Conferees authorized \$4.4 million which the Air Force requested for the advanced development of the imaging infrared seeker during Fiscal Year 1976/7T. Funding for engineering development of this seeker was denied and will not be approved until the Air Force presents to the Committee on Armed Services of the Senate and House of Representatives a plan that delineates the total system cost relative to the increased capability provided by such a seeker.

The House Conferees agreed to a funding level of \$24.0 million for fiscal year 1976 and \$6.7 million for fiscal year 197T. The restoration of these funds, however, is predicated upon full Air Force support of the laser semi-active seeker development program.

FIRE CONTROL SYSTEMS (ENGINEERING)

The House bill resulted in a reduction of \$2.0 million from the \$14.197 million requested by the Navy for fiscal year 1976. The House bill authorized the Navy's request of \$1.570 million for fiscal year 197T while the Senate amendment authorized the entire request for fiscal years 1976 and 197T.

The House action was directed toward the MK-92 gun fire control system since the planned effort for fiscal year 1976 as described by the Navy was not commensurate with the requested funding level.

The Senate conferees concurred with the House position and recognized the Navy's need for funds for naval gunnery. Consequently, the conferees agreed that \$2.0 million be restored only for application to the development of the much needed extended range 8-inch guided projectile.

FLEET BALLISTIC MISSILE SYSTEM

The House bill decreased the Navy's request of \$65.782 million by \$20.0 million for fiscal year 1976 and reduced the \$21.273 million request for fiscal year 197T by \$6.5 million. The Senate amendment authorized the full amounts requested.

The rationale for the House action was based on the Navy's proposed costly approach to better defining the component contributions to the total system error budget for the Poseidon and Trident missile systems. The House recommended that the Navy examine the missile performance measuring system technique employed by the Air Force to delineate the in-flight error components.

The Navy is not to proceed with the proposed satellite approach until they provide a clear, definitive plan that establishes the need for this costly approach.

The conferees, in light of the required study effort, agreed to restore \$7.5 million for fiscal year 1976 and \$2.0 million for fiscal year 1977.

LABORATORY FLEET SUPPORT—R.D.T. & E. SHIP AND AIRCRAFT SUPPORT

The House bill provided full funding of the Navy's request for both programs. The Senate amendment deleted the \$3.0 million and \$1.0 million requested for Laboratory Fleet Support for fiscal years 1976 and 1977 respectively.

The Senate amendment reduced the Navy's request for RDT&E Ship and Aircraft Support of \$47.029 million for fiscal year 1976 by \$2.0 million and the request of \$12.988 million for fiscal year 1977 by \$1.0 million.

The Senate rationale for deleting all funds for Laboratory Fleet Support was that there is no justification for this new program since the fleet could receive laboratory support under other programs.

The House conferees concur with the Senate position that would preclude a separate funding element for laboratory support of the fleet. The House conferees contend, however, that funds should be available to enable the laboratories to respond to urgent, dynamic problems.

The conferees agreed, therefore, to restore \$2.0 million and \$1.0 million for fiscal years 1976 and 1977 respectively to the RDT&E Ship and Aircraft Support element to accomplish this purpose.

OTHER MARINE CORPS DEVELOPMENT (ENGINEERING)

The House bill resulted in a reduction of \$2.505 million from the \$5.390 million requested by the Marine Corps for fiscal year 1976 and a reduction of \$1.002 million from \$2.081 million requested for fiscal year 1977. The Senate amendment authorized the full request.

The House reductions were intended to terminate the Positioning Location Reporting System (PLRS) project. The conferees believe that while this program has not demonstrated significant progress, it is nearing a major test milestone during fiscal year 1976. Therefore, the House conferees recede to the Senate position and agree to allow the program to continue through its initial test phase.

The conferees expect, however, that the Marine Corps will demonstrate the ability of the system to operate in an electronic countermeasure environment, demonstrate the over-all accuracy of the system, and describe the total system concept that delineates the planned use of PLRS in support of the fiscal year 1977 request for authorization.

SHIP DEVELOPMENT (ADVANCED)

The House bill authorized \$20.0 million of the \$27.8 million requested for fiscal year 1976 and \$8.0 million of the \$10.8 million requested for 1977. The Senate provide \$42,000 less than the House for fiscal year 1976 and \$6.2 million for 1977.

The House and Senate amounts are essentially the same for fiscal year 1976, and the House recedes. The conferees agreed to an amount of \$7.0 million for 1977. The Navy may apply the respective amounts authorized to the various programs proposed within each period consistent with program priorities.

SHIP DEVELOPMENT (ENGINEERING)

The House bill authorized the full amounts requested for fiscal year 1976 and 1977. The Senate amendment provided \$8.9 million of the \$32.7 million requested for fiscal year 1976 and \$3.1 million of the \$9.8 million requested for 1977.

The Senate action primarily reflected a reduction of \$21.7 million in fiscal year 1976 and \$5.5 million in 1977 for engineering development of the nuclear strike cruiser because the program lacked Secretary of Defense approval and because the program had not been reviewed by the Congress. Congress has received a formal budget amendment requesting \$60.0 million in fiscal year 1976 for initial long lead items for a nuclear strike cruiser. The Senate recedes and agrees to restore the engineering development funds.

SURFACE LAUNCHED MODULAR GUIDED GLIDE BOMB TECHNOLOGY

The House bill increased the Navy's request of \$500,000 to \$4.0 million for fiscal year 1976 and the request of \$200,000 to \$1.7 million for fiscal year 1977. The Senate amendment authorized the full request for fiscal years 1976 and 1977.

The conferees recognize the present deficiencies in the surface fleet's shore bombardment mission. A review of the Navy's experience in Southeast Asia demonstrated the need for a weapon such as the SMARTROC. This weapon consists of a basic laser guided MK-82 bomb adapted to and powered by the MK-37 antisubmarine rocket booster. SMARTROC feasibility was demonstrated in 1973.

The conferees recognize that the effective range of this weapon can be doubled and that the unit cost should be under \$10,000. Further, the extended range weapon would provide a surface-to-surface as well as shore bombardment capability. The conferees understand that a total authorization of \$5.7 million during a fifteen month period will permit the orderly development of the extended range weapon.

The conferees advocate the use and integration of existing off-the-shelf technology to provide low cost effective weapon systems and the Navy will use the additional funds to initiate this development during fiscal year 1976. The conferees agreed that the funds authorized for this program may not be used for any other purpose. The Senate recedes.

SURFACE NAVAL GUNNERY

Last year the conferees added restrictive language to the Authorization Act (PL 93-365) to prevent funds authorized for naval gunnery from being reprogrammed to other accounts.

The conferees still remain concerned over the status of the surface fleet's gun systems and expressed dissatisfaction over the Navy's failure to carry out the guidance provided last year. The Navy was encouraged, for example, to develop the extended range 8-inch guided projectile but chose to reprogram the funds for this project to other elements.

On a comparative basis, the funds requested by the Navy this year for surface naval gunnery are over ten percent less than those requested for fiscal year 1975. The Navy should reassess its gun programs and initiate developments that will provide a significant increase in the effectiveness of naval gunnery. This will be a major consideration in the review of the fiscal year 1977 request for authorization in the area of both missiles and gun systems.

Again, the conferees request the Navy to take a more systems orientated approach toward enhancing the effectiveness of the surface fleet. The conferees expect that the funds requested for naval gunnery will be used only for that purpose. The programs include:

- Long Range Surface Weapon System (5-inch and 8-inch guided projectiles);
- Surface Launched Munitions;
- Fire Control Systems (Advanced);
- Gun Systems, including the Lightweight Modular Gun System; and
- Fire Control Systems (Engineering), including the MK-68, the MK-86 and the 8-inch Major Caliber Lightweight Gun.

TRIDENT MISSILE SYSTEM

The House bill resulted in a reduction of \$45.0 million from the Navy's request of \$735.5 million for fiscal year 1976 and \$10.0 million from the \$172.510 million requested for fiscal year 1977. The reduction was intended to terminate all effort on the MaRV Evader prototype program. The Senate amendment authorized full funding for the MaRV effort but deleted \$3.0 million for the Trident II missile in fiscal year 1976.

The conferees were advised that the Evader prototype program could be completed by the end of fiscal year 1977. In view of the high termination costs for this program, coupled with the fact that it could be completed in a relatively short timeframe, the conferees agreed to restore \$35.0 million in fiscal year 1976 and \$3.0 million in 1977 to continue and conclude this program. The House receded on the Trident II missile funding.

The Evader prototype is not a high accuracy MaRV. The Senate amendment offered in its general provisions, Title VIII, language that would preclude testing of both type MaRVs. The Senate receded on this amendment which is described in the general provisions section of this report.

ADVANCED ICBM TECHNOLOGY

The House bill authorized the full amounts of \$41.2 million and \$15.3 million requested for fiscal year 1976 and 1977 respectively. The Senate amendment provided \$40.1 million and \$14.3 million for these two periods. The Senate reductions reflected the determination that studies will not be conducted for a new fixed base ICBM because of its questionable survivability. The House recedes.

ADVANCED FIGHTER PROTECTIVE SYSTEMS

The House bill deleted \$2.8 million from the \$18.8 million requested for fiscal year 1976 and \$1.6 million from the \$3.6 million requested for fiscal year 1977. The Senate amendment authorized the full amounts requested.

The House's concerns centered on the Air Force's request which amounted to a 20 percent increase over the fiscal year 1975 funds, without a commensurate increase in the amount of work planned for the coming period.

In the Department of Defense reclama additional funds were requested for work not fully described earlier by the Air Force. Therefore, the Conferees agreed to increase the funding for this program and authorize \$17.4 million for fiscal year 1976 and \$2.8 million for fiscal year 1977.

B-1

The House bill authorized the entire amount of \$672.2 million and \$168.3 million requested by the Air Force for the B-1 research and development program for fiscal years 1976 and 1977 respectively. The House bill also authorized the full requests for \$77.0 million and \$31.0 million for the procurement of long-lead items for these periods. The Senate amendment reduced the R&D program by \$75.0 million and \$39.3 million for fiscal years 1976 and 1977 respectively. The Senate amendment also deleted the entire amount requested for procurement.

The following table summarizes the action of the conferees:

[Dollars in millions]		
	Fiscal year 1976	Fiscal year 1977
R. & D.:		
DOD request.....	\$672.2	\$168.3
Conference.....	642.0	158.0
Procurement:		
DOD request.....	77.0	31.0
Conference.....	64.0	23.0

The conferees emphasized that the authorization of long-lead funding in no way commits nor obligates the United States Government to place the B-1 aircraft in production. Indeed, the conferees agreed to prohibit the Defense Department, as a matter of law, from entering into any production contract or any other contractual agreement for the production of the B-1 bomber aircraft unless subsequently au-

thorized by law. This prohibition, however, is not meant to apply to the acquisition of the long-lead items for the first three follow-on air vehicles.

The authorization of long-lead items is completely independent of the production decision. Authorization for the long-lead items for the B-1 was strongly supported by the House conferees who believe that future production cost savings will be realized which would otherwise be precluded in the event that actual production of the B-1 is subsequently authorized. The Senate conferees did not necessarily agree with the estimated magnitude of the savings.

The research and development funds authorized provide for fabrication of a fourth prototype aircraft.

B-52 SQUADRONS

The House bill deleted the entire Air Force request of \$10.329 million and \$7.329 million for fiscal years 1976 and 197T respectively. The Senate amendment reduced the request by \$3.0 million and \$4.3 million for fiscal years 1976 and 197T respectively.

The purpose of this program is to integrate the Harpoon missile on the Air Force B-52 strategic bomber. The House reduction was based on Navy testimony indicating that augmentation of the fleet with this capability was not essential. In addition, the House was not convinced that Harpoon is the optimum choice since its guidance system limits its applications. The Senate conferees concur with the House position and agreed to defer this program until the above concerns are adequately addressed by the Air Force and Navy.

The Services will prepare a joint study that indicates the need for fleet augmentation, the tradeoffs concerning the various choices of available missiles and the potential savings that could be realized with this capability.

The conferees agreed to restore \$5.0 million for fiscal year 1976 for the purpose of the study and the B-52 simulator effort that was a part of this program element. The funds are not to be used for any Harpoon/B-52 integration or development effort.

TECHNICAL SUPPORT TO OSD/JCS

The House bill authorized \$5.7 million of the \$22.8 million requested by the Department of Defense for fiscal year 1976 and \$1.425 million of the \$5.7 million requested for fiscal year 197T. The Senate amendment authorized \$19.8 million for fiscal year 1976 and \$5.0 million for fiscal year 197T.

The rationale for the substantial reduction in the House bill was based on the extremely poor testimony presented in support of this entire program. The primary concern related to the utility of the studies conducted, especially in the House of International Security Affairs, Manpower, and Net Technical Assessment. The House Committee had every reason to believe that a number of these studies are also being conducted elsewhere in the Defense establishment.

The House Conferees very reluctantly receded and agreed to restore \$11.8 million and \$2.825 for fiscal year 1976 and 197T respectively, on the basis of a stated requirement for these funds by the Secretary of

Defense during the deliberations of the Conference Committee. The House conferees, however, are still concerned over the utility and effectiveness of these studies. A report will be provided to the Committees on Armed Services of the House and Senate that covers the fiscal year 1975 period and includes the following information: the title of the study; the principal investigators; the cost of the study; the number of man-years expended; the purpose of the study; a brief summary of what the study encompasses; the utility of the study; and a brief statement of impact, if any, that the study has on on-going programs and/or the defense posture. This report is to be submitted prior to submission of the fiscal year 1977 authorization request.

IN-HOUSE LABORATORIES

The Director of Defense Research and Engineering indicated before both Committees on Armed Services his intention to effect a drawdown of some 6,000 civilian employees from the Defense Research and Development organization. The House, in its report number 94-199, directed that any proposed drawdown be deferred until the Committee had an opportunity to conduct hearings to assess the near and long-term effects of such action. The Senate, in its report number 94-146, expressed concurrence with the proposed drawdown.

The Department of Defense reclama requested that the House recede in its position during the deliberations of the Conference Committee.

Subsequently, staff members of the House and Senate Armed Services Committees met with representatives of the Office of the Director of Defense Research and Engineering and determined that the proposed drawdown of the planned magnitude over a one or two year period, under established procedures, could disrupt and demoralize the laboratories and could reduce them in size without renewing and strengthening their staffs.

The Conferees understand that the military departments and many, if not all, of the laboratories concur in the need for a properly structured reduction in manpower and that this would result in improved efficiency and effectiveness. The difference of opinion relates to the schedule for implementation of the reduction coupled with a hiring policy that would preclude renewing and strengthening of the staffs. The concern of the conferees is based on the potential loss of vitally important manpower and capabilities that currently exists in the in-house laboratory system. The Conferees would agree that the Department of Defense should proceed with a drawdown provided that it is phased over a longer period of time than two years and permits concurrent staff renewal to ensure the retention of needed in-house capability in the various areas of the research and development organization.

The Conferees, however, direct that prior to the implementation of any drawdown, the Director of Defense Research and Engineering presents to both Committees on Armed Services a plan for the service laboratory drawdowns consistent with this guidance to ensure the vitality and integrity of the in-house laboratory system. In the interim, the House Conferees agreed to defer further inquiry pending a review of the Director of Defense Research and Engineering plan.

TITLE III AND VII—ACTIVE FORCES

Title III and VII of the bill contain the authorization for the end strength of the active duty component of the armed forces for FY 1976 and the transition period.

For both FY 1976 and the transition period, the House bill authorized the strengths requested by the military departments.

The Senate amendment had reduced the total authorization by 18,300 personnel in the following manner:

For fiscal year 1976:	
Army	779, 300
Navy	524, 100
Marine Corps	195, 900
Air Force	582, 400
For fiscal year 197T:	
Army	787, 300
Navy	531, 300
Marine Corps	196, 100
Air Force	582, 400

The Senate contended that its reductions could be implemented without affecting combat capabilities. The House asserted that in light of the evidence that the management of defense manpower is showing real progress, reductions at this time would frustrate such efforts.

After extensive discussions, the conferees agreed on a compromise total reduction of 9,000 in active forces to be allocated by the Secretary of Defense as he deems appropriate. The conferees suggest that these reductions be made in the general areas recommended in the Senate committee report.

The conferees request that the Secretary of Defense report to the House and Senate Armed Services Committees within 60 days on the allocation of the reduction to the military services, and functional areas therein.

TITLE IV AND VII—RESERVE FORCES

Titles IV and VII of the bill contains the annual authorization for the strength of the selected Reserve of each Reserve component of the Armed Forces for fiscal year 1976 and the transition period.

The House and Senate positions differed on the strengths for the Army Reserve and the Navy Reserve. There were no differences in the authorizations for any other Reserve components.

For the Army Reserve, the Senate had authorized 212,400 for both fiscal year 1976 and the transition period; while the House authorized 226,000 for each of the periods.

The conferees agreed on 219,000.

For the Naval Reserve, the Senate authorized 92,000 for fiscal year 1976 and the transition period; while the House authorized 112,000 for each of these periods.

The conferees agreed on 106,000.

The House yielded reluctantly in the case of the Naval Reserve. It was agreed by the conferees that the 106,000 strength does not require reductions in the current strength of Reserve Naval Construction Battalions (SeaBee units).

The Senate and House also differed on the method of authorizing Reserve strength. The Senate conferees defended their authorization

of Reserve strengths in terms of end strength and a minimum average strength, and stated this would provide a firm mission planning basis for the Selected Reserve components. House conferees, however, were adamant that the previous average strength method of authorization be continued as provided in the House bill.

The Senate reluctantly recedes.

TITLE V AND VII—CIVILIAN PERSONNEL

The Senate Armed Services Committee approved civilian personnel end strengths by services and the Defense agencies as follows:

Fiscal year 1976:	
Army	329, 000
Navy	310, 300
Air Force	251, 300
Defense Agencies	71, 400
Fiscal year 197T:	
Army	332, 700
Navy	311, 100
Air Force	253, 200
Defense Agencies	71, 400

The total of these authorizations represent a 23,000 reduction from the strengths requested by the Department of Defense. The Senate as a whole imposed a further reduction of 17,000 to be allocated by the Secretary of Defense.

The House authorized a single Department of Defense-wide authorization for civilian personnel for each period. The House bill also excluded from this authorized end strength the civilian personnel engaged in industrially-funded activities of the Department of Defense. The end strengths authorized by the House were the strengths requested by the Department of Defense for each period less the employees of industrially-funded activities (985,000 minus 286,662 for FY 1976; 991,441 minus 285,128 for FY 197T).

The House bill provided for a separate authorization of 96,000 for indirect hire foreign national civilian employees in both fiscal year 1976 and the transition period.

The conference agreed to provide for an overall Department of Defense-wide authorization for civilian personnel with the Secretary of Defense given the authority to allocate the personnel to the military departments and Defense agencies as he deems appropriate.

The conference agreed to a total reduction of 23,000, for fiscal year 1976 and the transition period, from the number requested by the Department of Defense. The conferees suggest that these reductions be made in the general areas recommended in the Senate committee report.

After extensive discussion, the House reluctantly recedes on the exclusion for civilian employees of industrially-funded activities.

The conferees expressed the belief that the Armed Services and Appropriations Committees of the House and Senate should jointly study the manner of authorizing and appropriating for industrially-funded civilians, with a recommendation to be ready for Congressional action next year.

The conferees are cognizant of and emphasized the fact that no industrially-funded civilians were included in the reductions made in the areas specified in the Senate Committee report.

The House recedes on the provision which would have changed permanent authorizing legislation regarding the authorization of civilian personnel on a Department of Defense-wide basis as its intent is met otherwise.

The Senate recedes as to the exclusion of indirect hire employees from the civilian personnel authorization; however, the conferees agreed to include their number within the overall civilian end strength. Since the indirect hire employees are included in the overall authorization and thus within the one-half percent escalatory authority of the Secretary of Defense, the House intent in providing flexibility is met.

The conferees request that the Secretary of Defense report to the House and Senate Armed Services Committees within 60 days on the allocation of the reduction to the military services, and functional areas therein.

TITLE VI AND VII—MILITARY TRAINING STUDENT LOADS

Both the Senate and House authorized the Military Training Student Loads as requested by the Department of Defense and the numbers, therefore, were not subject to conference.

The Senate amendment to the bill however, incorporated a provision which would require the Secretary of Defense to adjust the Military Training Student Loads consistent with the manpower strengths in Titles III, IV, V, and VII.

TITLE VII

The discussion of issues relating to the transition period can be found within prior discussions of the specific subject matters in earlier titles.

TITLE VIII—GENERAL PROVISION

Authorization of repair, maintenance and overhaul of naval vessels and certain element of military construction

The House bill contained a provision, section 701(a)(1)(b), amending section 138 of title 10 United States Code so as to subject appropriations for repair, maintenance and overhaul of naval vessels to the annual authorization process. The Senate bill contained no such language.

The Senate Conferees objected to this provision because they questioned the need for the additional oversight requirement and the resulting new workload placed upon the Department and the legislative Committees.

Section 701 of the House bill also contained a provision which adds a new paragraph (a)(6) on military construction, as defined in new subsection (e) to section 138 of title 10, United States Code, which precludes the provision of funds for any fiscal year for military construction unless funds therefor have been specifically authorized by law. Subsection (e) defines the term "military con-

struction" to include any construction, development, conversion, or extension of any kind which is carried out with respect to any military facility or installation (including any Government-owned or Government-leased industrial facility used for the production of defense articles and any facility to which section 2353 of this title applies) but excludes any activity to which section 2673 or 2674, or chapter 133 of this title apply, or to which section 406(a) of Public Law 85-241 (71 Stat. 556) applies.

The conferees agree that there is a need for the DoD to maintain single management control of construction authorized with the procurement and RDT&E accounts. There is also a need for the Congress to have full visibility of all construction projects regardless of the method of funding. As currently practiced, military construction associated with either RDT&E or production of weapons systems is authorized along with those weapons systems. Therefore, it is pointed out that this addition to section 138 of title 10, United States Code, is not intended to incorporate an additional review of construction associated with weapons systems, which will continue to be reviewed and authorized along with the weapons systems themselves. However, all other military construction as indicated above not associated with RDT&E or production of weapons systems must be authorized in an annual military construction authorization bill.

The Senate recedes with an amendment striking the language referring to the authorization of repair, maintenance and overhaul of naval vessels.

Four Months Training

The House bill included language intended to alter certain requirements in the law which govern the amount of training necessary before an active duty serviceman can be assigned overseas, and governing the period of initial active duty for training for reservists. The Senate version of the bill had no such language.

The House position was motivated by evidence that substantial periods of time are being used inefficiently due to the current mandated periods for training which do not, in many cases, correspond to the actual time necessary for training servicemen in many skills.

The Senate conferees concern was to insure that adequate safeguards against the use of insufficiently trained personnel remained in the law.

The conferees agreed on new language which alters the current statutory time period of "four months", at various points in the law, to a period of twelve weeks so as to avoid these inefficiencies, yet continue the statutory safeguard. This language, with its constraints, should be uniformly interpreted within the Department of Defense.

Admission of Women to the Service Academies

Both the House and the Senate have voted unequivocally to admit women to the Nation's three military service academies. Both House and Senate have also supported the principle that admission, training, graduation and commissioning of students should be essentially equal.

The conferees believe that this mandate can and should be carried out promptly, with a minimum of changes or adjustments in curriculum or facilities and with first admissions to begin with the class

entering in calendar year 1976. However, no changes should be made that would lead to separate training systems for men and women in the academies.

In implementing the admission of women to the academies, the conferees believe that the Secretary of Defense should be provided the discretion to phase in such changes or adjustments as may be necessary using as a guide the experience gained in the introduction of women into officer training in the various services' ROTC programs, Officer Candidate Schools and the U.S. Merchant Marine Academy.

Section 707: Contracting Authority for Naval Vessels

Section 707 of the House bill contained language which would authorize contracts for the construction, conversion, overhaul and repair of naval vessels, not in excess of unobligated balances. The Senate Amendments did not contain similar language.

The House Conferees urged that this provision was desirable in order to remove any doubt concerning the legal authority of the Department of Defense to enter into contracts where funds were appropriated in an amount sufficient for the target contract price, but where the Congress had not appropriated funds for contract escalation payments which might occur in the future due to economic inflation.

The House reluctantly recedes.

Emergency and Extraordinary Expenses

Included as Section 907 of the Senate bill was a provision, recommended by the Department of Defense, to specifically authorize for appropriations to the individual Service Secretaries, such funds as would be necessary for emergency and extraordinary purposes.

The House had not included a similar provision, since it was of the view that such new statutory language was unnecessary.

After considerable discussion, the conferees agreed to the Senate provision with some minor modifications.

The House recedes with an amendment.

Authority to Settle Shipbuilder Claims Subject to Appropriations

The House bill contained a provision, section 708, authorizing the Secretary of the Navy to settle claims arising out of ship construction and conversion contracts, entered into prior to July 1, 1974, notwithstanding the availability of appropriations for that purpose, subject to appropriations subsequently authorized and appropriated by Congress. The Senate bill contained no such language.

The Senate recedes.

Compliance With Congressional Budget Act

The House bill contained a provision, Section 709, which would bring any new spending authority, as defined by the Congressional Budget Act of 1974, involved in the House Sections 707 and 708 into compliance with Section 401 of the Congressional Budget Act of 1974. The Senate bill contained no such language.

House Section 707 was dropped and House Section 707 was modified to include requirements of House Section 709. Consequently, the House receded.

Five-Year Naval Shipbuilding Program

Section 710 of the House bill contained language directing the Secretary of Defense to submit a five-year naval ship new construction and conversion program for each fiscal year. The Senate bill contained no similar language.

This provision was fully supported by the Department of Defense.

Extensive hearings in the House during 1974 and again this year clearly showed the need for a longer range shipbuilding plan in order to eliminate some of the upheavals and uncertainties in the shipbuilding industry which have contributed to increased costs.

The Senate Conferees expressed concern that this provision would affect the annual authorization process. The Conferees agreed to make a technical amendment to this section and the language of this section does not, in any way, change existing law with respect to the annual authorization of the construction and conversion of naval vessels.

The Senate recedes with an amendment.

Restriction on Multi-Year Contracts

The House bill contained language which prohibits multi-year contracts with cancellation ceilings in excess of \$5 million, unless such contracts are approved in advance by the Congress. The Senate bill had no similar language.

The Senate recedes.

Requirement To Procure Technical Data Packages

The House bill contained a provision, Section 712, to require the Department of Defense to purchase all designs and data required to manufacture major weapon systems which cost \$100 million or more to develop and/or procure, subject to waiver with approval of both the House and Senate Armed Services Committees. The purpose of the House provision is to standardize DoD contractual relations which have been different for each of the three military services.

The Senate conferees consider that there is merit to the proposed language but, because it is a highly complicated matter with profound implications involving both the Department of Defense and industry, there should be a period of time to enable the Department to conduct a complete study and report to the Congress on findings and appropriate recommendations for statutory language if warranted.

The conferee's prime concern is the ever increasing cost of weapons systems which necessitates the Services having the greatest flexibility in procuring these systems. The conferees believe that it is more cost effective for the Services to have complete detailed design and manufacturing data in so far as weapons can be procured, when economical from multiple sources. Further, the conferees believe that it is imperative that the Department of Defense retain greater flexibility in having the information required to independently modify and maintain their weapons systems.

The House conferees agreed to delete Section 712 of the House bill. The conferees direct the Department of Defense, with GAO participation, to conduct a study on this subject to determine what policies and procedures should be established throughout the Department which

can be implemented uniformly by the various military departments and Defense Agencies.

The results of this study, including proposed policies and procedures, will be submitted to the Congress in conjunction with the submission of the fiscal year 1977 authorization request.

The Department of Defense will submit a report for fiscal year 1976 to the Congress covering all contracts awarded for development of weapon systems having a total value of \$100 million or more, and indicating what provision was included for procurement of manufacturing data. Included in the report will be a complete discussion of the provisions included in the contracts which were used to ensure that the data obtained could be used by independent manufacturers for the production of the weapon systems. If the provisions used did not ensure that complete and useful data would be provided, then suggested provisions which would require that such data be supplied are to be included in the report.

REQUIREMENTS FOR NOTIFICATION OF TRANSFERS OF FUNDS FROM RDT&E ACCOUNTS

The House bill contained a provision, Section 713, which required prior approval by the House and Senate Armed Services Committees of any transfer to other accounts of funds authorized for appropriations for Research, Development, Test and Evaluation.

The Senate conferees did not object to the purpose of the House language but questioned the need for statutory language. It also would severely restrict the limited management flexibility that the Department of Defense has in dealing with funding problems, particularly in view of the reluctance of the Congress to consider requests for supplemental appropriations.

The House conferees recede and agree to delete the statutory language recognizing that adequate controls by the Congress may be exercised through established reprogramming procedures.

The conferees agree that the policy is hereby established whereby the transfer of any funds from the Department of Defense appropriations for Research, Development, Test and Evaluation, to other appropriations of the Department of Defense requires prior approval of the Armed Services Committees of the Congress in accordance with established reprogramming procedures.

The Department of Defense will comply with this policy and will implement its provisions beginning with fiscal year 1976.

5-percent pay cap

The House bill contained a provision (section 714) providing for a 5-percent cap on military active-duty pay increases throughout FY 76 subject to a similar cap being placed on civil service classified pay increases and providing that no change is made in the surcharge of military commissaries during the period the cap is enforced. The Senate amendment contained no such provision.

The Senate conferees convinced the House conferees that the inclusion of military commissaries in the language was not appropriate to the provision of a 5-percent cap; and, therefore, the Senate receded with an amendment deleting all reference to the surcharge in military

commissaries. It should be understood that the language of the section will provide for a 5-percent cap on military active-duty pay only if a similar cap is placed on classified civil service pay.

Submission of Selected Acquisition Reports to Congress

The House bill contained a provision which would require the Secretary of Defense to submit to Congress within thirty days after the end of each quarter, beginning with the quarter ending December 31, 1975, all selected acquisition reports on major defense systems which are estimated to require a total cumulative financing for research, development, test, and evaluation in excess of \$50,000,000 or a cumulative production investment in excess of \$200,000,000. The Senate amendment contained no similar provision.

The Senate conferees concurred in the need for timely submission of these reports to Congress; however, the conferees being advised by the Department of Defense that final reports might not in all cases be finalized for submission to Congress within thirty days after the end of a quarter agreed to extend the period for submission of final reports to forty-five days. The conferees did insist, though, that selected acquisition reports covering the previous quarter be submitted to Congress within thirty days after the end of the quarter and strongly urge that they be the final approved reports. All reports whether final or not are to contain all information required in final selected acquisition reports.

Military Force Structure and Foreign Policy Report

The Senate bill included in section 914 a provision adopted as a Floor amendment which required an annual report to the Congress explaining the relationship of our military force structure to our foreign policy for the forthcoming fiscal year.

The House bill contained no similar provision.

The House conferees were of the view that this proposed annual report was unnecessary and redundant. However, the Senate conferees were adamant in their position that an annual report of this kind was necessary to provide the Congress a better comprehension of the actual need for our military force structure required to support our current and projected foreign policy.

The House conferees reluctantly recede with an amendment.

Petroleum Supply Discrimination: Remedy for Department of Defense

Title VIII of the Senate amendments contained language prohibiting "discrimination" by United States citizens, by firms or organizations controlled by United States citizens, or by corporations organized or operating within the United States, in the supply of petroleum products for the use of United States armed forces. This title provides for injunctive relief and for criminal penalties.

The language of this title was prompted by concern of the Senate over the failure of some oversea suppliers to provide petroleum products to our armed forces during the Arab embargo. A related concern was the allegation that some U.S. petroleum companies have explicitly or implicitly threatened to reduce or eliminate supplies of petroleum products to the Department of Defense overseas unless the Department

of Defense agreed to contract terms which met the particular views of the company concerned, terms however, that were incompatible with laws or regulations governing Defense contracts. Although no supply failure has been experienced because of such disagreements, unnecessary delays in reaching agreement on contract terms did threaten timely supply support.

The Senate provisions, as approved by the Senate were designed to overcome these problems.

The House Conferees objected to this provision since it appeared to be non-germane to the subject of the House bill, was vague in its terms and, as drafted, was objectionable on Constitutional grounds.

As a result of the House Conferee's objections, Senate Title VIII was redrafted to provide a more concise procedure for obtaining records and furnishing records and information, protecting the Constitutional rights of individuals and for safeguarding confidential information. The responsibility for conducting investigations of discrimination (as defined by this provision) is shifted from the Secretary of Defense to the Attorney General of the United States. In addition the amended provision contains a more concise definition of "discrimination", adds a new definition of the term "supplier", and provides that this provision will expire two years after enactment.

The House therefore recedes and agrees to the Senate amendment, with an amendment.

Sale or Transfer of Defense Articles From the U.S. Active Forces Inventory

The Senate amendment provided that in the case of any letter of offer to sell or any proposal to transfer defense articles from U.S. active forces' inventory in the amount of \$25,000,000 or more, the Secretary of Defense shall submit a report to the Congress setting forth the impact of the transaction on the U.S. readiness posture and the adequacy of reimbursement to cover the full replacement cost of said items.

The House bill included a provision which was similar to the language of the Senate amendment, but not as broad in scope. The conferees agreed on a modification of the language of the Senate provision which satisfied the purposes of both Houses.

Accordingly, the House recedes with an amendment.

Readiness Report

The Senate amendment contained a provision requiring an annual report detailing U.S. readiness in an additional, separate format. The House bill has no similar language.

The Senate recedes.

Binary Chemical Munitions

The House bill authorized the entire amount of \$5.167 million requested by the Army for fiscal year 1976 and \$2.578 million requested for fiscal year 1977 for the continued research, development, test, and evaluation of binary chemical munitions. The House bill also authorized the Navy's request of \$1.599 million and \$348 thousand for fiscal year 1976 and 1977 for the "Big Eye" bomb program. The Senate amendment deleted the entire Army and Navy requests for fiscal years 1976 and 1977 and further adopted statutory language to prohibit the research, development, test, and evaluation, preproduction and

production of lethal binary chemical munitions until the President certifies to the Congress that it is essential to the national interest.

The House conferees could not concur with the Senate amendment in consideration of the expanding effort of the Soviets to advance virtually every aspect of offensive chemical warfare technology.

The Senate receded to the House position to restore all RDT&E funds.

In light of the current negotiations concerning the ban of chemical munitions, the House conferees agreed to accept the Senate position and provide statutory language prohibiting the production of lethal binary chemical munitions unless the President certifies to the House and Senate that it is in the national interest to do so.

All of the conferees expressed serious concern over the inadequacy of our chemical warfare defensive programs. The conferees believe that the Department of Defense is not putting forth an acceptable level of effort in this area and strongly urges the Department to advance our military posture in this area.

NATO Standardization

The Senate amendment contained language intended to provide impetus for further standardization of military equipment in NATO by declaring it to be United States policy that equipment procured for U.S. forces stationed in Europe be standardized or at least interoperable with the equipment of our NATO allies. The Secretary of Defense was also directed to implement procurement policies to this effect, and report to the Congress whenever this policy could not be complied with.

The House conferees, although in agreement with the goal of standardization particularly in the area of communication and other similarly suitable equipment, expressed grave concerns that the import of this language as presently constituted could be misconstrued and possibly used to our disadvantage.

After lengthy discussion of this matter, the House recedes with amendments. The section in the Senate amendment concerning the "Buy America" Act and its relationship to the Secretary of Defense's authority to procure articles manufactured outside the United States was deleted and the reporting requirement was modified. The Senate conferees strongly believe that whenever the Secretary of Defense determines that it is necessary, in order to carry out the policy expressed in this section, to procure equipment manufactured outside the United States, he is authorized to determine, for the purposes of section 2 of title III of the Act of March 3, 1933 (47 Stat. 1520; 41 U.S.C. 10a), that the acquisition of such equipment manufactured in the United States is inconsistent with the public interest.

The conferees stressed that while the reporting requirement only covers non-compliance on major systems, the amendment also urges standardization of procedures, logistics and support equipment.

Suggestions from retiring personnel

The Senate amendment contained a provision (section 906) which would direct the Secretary of Defense to request suggestions for improvements in procurement of policies from retiring military officers

and civilian personnel of a grade GS-13 or above who are employed in military procurement. The House bill contained no such provision.

The Senate recesses.

Study on Training Establishment

The Senate amendment contained a provision, Section 911, which expressed the sense of Congress that training programs in the Department of Defense should be restructured so as to increase the ratio of students to staff. This provision also mandated a study of the training establishment intended to result in a student to staff and overhead ratio of three to one. This study was to contain a detailed plan for achieving this three to one ratio with the conversion of these excess training authorizations into combat units. The House bill contained no comparable provision, however a study of the composition of the training establishment was directed in its report.

The conferees agree that a comprehensive study of the entire training establishment is necessary. It is apparent that substantial and valid concerns exist within both bodies as to the current structure of the training establishment with its consequent costs. Therefore, it was agreed that while the bill itself should not contain this requirement, a study of this nature should be expeditiously initiated by the Department of Defense. This study, in addition to examining the underlying policy and basic validity of the current training structure, its qualities unique from a civilian education institution, and the possibility of duplication therein, should carefully delineate the character of personnel currently assigned in the area of training, by function, using the manpower categories contained in the Manpower Requirements Report. Further, the study should examine in some depth the appropriate character which the training establishment would assume when structured for a substantially higher proportion of students to staff and overhead personnel than is currently existent.

The results of this study should be submitted to the Congress as an independent segment of the annual report recommending average student loads required by section 604 of Public Law 92-436.

The Senate recesses.

Enlisted Aides

Section 912 of the Senate amendment contained a provision specifying that enlisted aides could only be assigned to four and three star general and flag officers of the armed forces in the following allocation: three aides for the Chairman of the Joint Chiefs of Staff, the Chiefs of Staff of the Armed Forces, and the Commandant of the Marine Corps; two for other officers in the rank of general or admiral; and one for officers in the rank of lieutenant general or vice admiral. This would result in a total of approximately 204 aides compared to the current number of 500.

The House bill contains no such provision.

The conferees agreed that a provision in the law controlling the number of enlisted personnel assigned to officers staffs as aides was ap-

propriate. However, the conferees consider the assignment of these aides should be based not on the rank of the particular officer, but rather on the officer's position and its incumbent responsibilities. While the number of aides is to be determined by a formula based upon the total number of four star officers (four for each), and three star officers (two for each), the Secretary of Defense is given the authority to allocate these aides as he deems appropriate. The assigned duties of the officers should be the controlling factor.

This formula for determining the number of aides will result in 396 aides for fiscal year 1976. Generals of the Army and admirals of the Fleet are not considered in this formula; however this omission is not intended to alter the current practice of assigning aides to these officers.

Extension of Authority for Credit Sales to Israel

The bill, as passed by the Senate, included a floor amendment which would extend to December 31, 1977, the provisions of the Defense Procurement Act of 1970 (84 Stat. 909) authorizing the President "to transfer to Israel by sale, credit sale, or guaranty, such aircraft, and equipment appropriate to use, maintain, and protect such aircraft, as may be necessary to counteract any past, present, or future increased military assistance provided to other countries of the Middle East. Any such sale, credit sale, or guaranty shall be made on terms and conditions not less favorable than those extended to other countries which receive the same or similar types of aircraft and equipment."

The authority of this provision was previously extended in 1972 and 1973 and is now due to expire on December 31, 1975.

The Senate Conferees urged approval of the Senate-passed provision since, in their view, failure to do so might be construed as an unwillingness of the Congress to maintain the "status-quo" in the Middle East. The House Conferees, on other hand, expressed serious reservations concerning the germaneness of the Senate-passed provision, but in view of Senate adamant position reluctantly recessed.

Military retired-pay inversion

The Senate amendment contained a provision which would amend title 10, United States Code, to prevent military personnel who retire from receiving less retired pay than if they had retired at an earlier date, but after January 1, 1971. The Senate provision was designed to correct the so-called "retired-pay inversion" problem which was caused by the fact that retired pay has been increasing at a faster rate than active-duty pay in recent years. The House conferees concurred that the present pay situation, based on an interpretation by the Comptroller General, was creating individual inequities and was working against the retention of highly qualified personnel.

The House recesses.

Law Training for Officers Formerly in a Missing Status

The Senate amendment contained language to permit commissioned officers who were in a missing status during the Vietnam era to be de-

tailed as students at law school notwithstanding eligibility limitations in section 2004, Title 10, U.S. Code, that would render them ineligible. The House bill contained no such provision. However, the House Armed Services Committee had approved separate legislation to achieve the same objective.

The House, therefore, recesses.

Food and Forage

The Senate amendment contained a provision to repeal the so-called "Food and Forage" section of the revised statutes. This is contained in section 11 of title 41, U.S. Code, and provides authority for the military departments to contract for clothing, assistance, forage, fuel, quarters and transportation during the "current year" without regard to prior authorization and appropriation.

The Senate acted to effect repeal because the provisions of the so-called Food and Forage Act were designed to allow for emergency needs of the military departments at a time when rapid response from the Congress may not have been available in emergencies, and the Senate conferees maintained that the provisions are no longer required in law. The House conferees stated that they have not had an opportunity to study the matter and were not sure of the present uses of the law and what the ramifications of repeal would be.

The House conferees proposed, therefore, that the Senate language be deleted with the understanding that the House Armed Services Committee would hold hearings on the matter.

The Senate recesses.

Life Cycle Costing

The Senate amendment contained a provision which, if adopted, would have required the Secretary of Defense to submit a report estimating the life cycle costs of operating all major weapons systems procured since FY 1975 at the same time as the President presents his budget to the Congress for fiscal year 1977.

The House bill contained no similar provision.

Although the House conferees recognize the meritorious objective of the provision, they considered the proposed statutory requirement unnecessarily broad and requiring a response from the Department of Defense that could possibly not be met, within this time frame, in a meaningful manner.

After considerable discussion, the conferees agreed to delete this provision with the explicit understanding that the Department of Defense was to be placed on notice that each of the Committees on Armed Services, from time to time, expect to request life cycle costs on individual major weapons systems rather than on all weapons systems. Therefore, these requests for life cycle costs on individual weapons systems must elicit a timely and meaningful report from the departments.

The Senate recesses.

Maneuvering Reentry Vehicle Testing

The Senate amendment provided language in section 917, general provisions, that would preclude any testing of Maneuvering Reentry Vehicles (MaRV) unless the President certified that such testing was

conducted by our potential adversaries or the President certified that it would be in the national interest of the United States to conduct MaRV tests.

The House bill contained no similar provision.

The House conferees strongly opposed such restrictive language since it could result in unilateral U.S. termination of MaRV testing.

The Senate conferees reluctantly agreed to recede, but only after they determined that no MaRV testing, with the exception of the Evader prototype, would be conducted during the period of fiscal year 1976 and 1977. Since the Navy plans to flight test the Evader only over the ocean, the Senate conferees understand that this could in no way be construed as supporting the development of a high accuracy MaRV.

JOHN C. STENNIS,
STUART SYMINGTON,
HENRY M. JACKSON,
HOWARD W. CANNON,
THOMAS J. MCINTYRE,
HARRY F. BYRD, JR.,
SAM NUNN,
STROM THURMOND,
JOHN TOWER,
BARRY GOLDWATER,
WILLIAM L. SCOTT,
ROBERT TAFT, JR.,

Managers on the Part of the Senate.

MELVIN PRICE,
F. EDWARD HÉBERT,
CHARLES BENNETT,
SAMUEL STRATTON,
RICHARD ICHORD,
LUCIEN NEDZI,
WILLIAM RANDALL,
CHARLES WILSON,
BOB WILSON,
WILLIAM DICKINSON,
WILLIAM WHITEHURST,
FLOYD SPENCE,

Managers on the Part of the House.



AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1976 AND THE PERIOD BEGINNING JULY 1, 1976, AND ENDING SEPTEMBER 30, 1976, FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, ACTIVE DUTY, RESERVE, AND CIVILIAN PERSONNEL STRENGTH LEVELS, MILITARY TRAINING STUDENT LOADS, AND FOR OTHER PURPOSES.

SEPTEMBER 19 (legislative day, SEPTEMBER 11), 1975.—Ordered to be printed

Mr. STENNIS, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 6674]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads 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 proposed to be inserted by the Senate amendment insert the following:

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked

combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$337,500,000; for the Navy and the Marine Corps, \$2,997,800,000; for the Air Force, \$4,119,000,000, of which amount not to exceed \$64,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft. None of the funds authorized by this Act may be obligated or expended for the purpose of entering into any production contract or any other contractual arrangement for production of the B-1 bomber aircraft unless the production of such aircraft is hereafter authorized by law. The funds authorized in this Act for long lead items for the B-1 bomber aircraft do not constitute a production decision or a commitment on the part of Congress for the future production of such aircraft.

MISSILES

For missiles: for the Army, \$431,000,000; for the Navy, \$990,400,000; for the Marine Corps, \$52,900,000; for the Air Force, \$1,765,000,000, of which \$265,800,000 shall be used only for the procurement of Minuteman III missiles.

NAVAL VESSELS

For Naval vessels: for the Navy, \$3,899,400,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$864,000,000, of which \$379,400,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$101,500,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$189,500,000.

OTHER WEAPONS

For other weapons: for the Army, \$74,300,000; for the Navy, \$17,700,000; for the Marine Corps, \$100,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Sec. 201. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$2,028,933,000;

For the Navy (including the Marine Corps), \$3,318,649,000;

For the Air Force, \$3,737,001,000; and
For the Defense Agencies, \$588,700,000, of which \$25,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

TITLE III—ACTIVE FORCES

Sec. 301. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

- (1) The Army, 785,000;
- (2) The Navy, 528,651;
- (3) The Marine Corps, 196,303;
- (4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and the Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

TITLE IV—RESERVE FORCES

Sec. 401. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than following:

- (1) The Army National Guard of the United States, 400,000;
- (2) The Army Reserve, 219,000;
- (3) The Naval Reserve, 106,000;
- (4) The Marine Corps Reserve, 32,481;
- (5) The Air National Guard of the United States, 94,879;
- (6) The Air Force Reserve, 51,789;
- (7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

TITLE V—CIVILIAN PERSONNEL

SEC. 501. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Department of Defense is authorized an end strength for civilian personnel of 1,058,000.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section but such additional number may not exceed one-half of one per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

TITLE VI—MILITARY TRAINING STUDENT LOADS

SEC. 601. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

- (1) The Army, 83,101;
- (2) The Navy, 69,513;
- (3) The Marine Corps, 26,489;
- (4) The Air Force, 51,225;
- (5) The Army National Guard of the United States, 9,788;

- (6) The Army Reserve, 7,359;
- (7) The Naval Reserve, 1,661;
- (8) The Marine Corps Reserve, 2,769;
- (9) The Air National Guard of the United States, 1,952; and
- (10) The Air Force Reserve, 810.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the fiscal year ending June 30, 1976, shall be adjusted consistent with the manpower strengths provided in titles III, IV, and V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve Components in such manner as the Secretary of Defense shall prescribe.

TITLE VII—AUTHORIZATION FOR THE PERIOD BEGINNING JULY 1, 1976, AND ENDING SEPTEMBER 30, 1976

SEC. 701. PROCUREMENT.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$59,400,000; for the Navy and the Marine Corps, \$585,500,000; for the Air Force, \$858,000,000, of which amount not to exceed \$23,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft.

MISSILES

For missiles: for the Army, \$56,500,000; for the Navy, \$308,600,000; for the Marine Corps, \$10,700,000; for the Air Force, \$252,200,000.

Naval Vessels

For naval vessels: for the Navy, \$474,200,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$245,300,000, of which \$133,000,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$400,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$19,200,000.

OTHER WEAPONS

For other weapons: for the Army, \$9,700,000; for the Navy, \$1,400,000.

SEC. 702. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$513,326,000;

For the Navy (including the Marine Corps), \$849,746,000;

For the Air Force, \$965,783,000; and

For the Defense Agencies, \$144,768,000, of which \$5,000,000 is authorized for the activities of the Director of Test and Evaluation Defense.

SEC. 703. ACTIVE FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 793,000;

(2) The Navy, 535,860;

(3) The Marine Corps, 196,498;

(4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

SEC. 704. RESERVES FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 400,000;

(2) The Army Reserve, 219,000;

(3) The Naval Reserve, 106,000;

(4) The Marine Corps Reserve, 33,013;

(5) The Air National Guard of the United States, 94,543;

(6) The Air Force Reserve, 53,642;

(7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the period; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the period. Whenever such units or such individual members are released from active duty during the period, the average strength for such period for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 705. CIVILIAN PERSONNEL.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Department of Defense is authorized an end strength for civilian personnel of 1,064,400.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty or activity is transferred or assigned to a department or agency of the Department of Defense or from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section, but such additional number may not exceed one-half of 1 per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

SEC. 706. MILITARY TRAINING STUDENT LOADS.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 75,185;

(2) The Navy, 70,571;

(3) The Marine Corps, 26,788;

(4) The Air Force, 52,280;

(5) The Army National Guard of the United States, 9,481;

(6) The Army Reserve, 5,518;

(7) The Naval Reserve, 2,106;

(8) The Marine Corps Reserve, 4,088;

- (9) *The Air National Guard of the United States*, 2,180; and
 (10) *The Air Force Reserve*, 836.

(b) *The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the period beginning July 1, 1976, and ending September 30, 1976, shall be adjusted consistent with the manpower strengths provided in sections 703, 704, and 705 of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components in such manner as the Secretary of Defense shall prescribe.*

TITLE VIII—GENERAL PROVISIONS

SEC. 801. (a) *Section 138 of title 10, United States Code, is amended as follows:*

(1) *Subsection (a) of such section is amended—*

(A) *by striking out “or” at the end of paragraph (4);*

(B) *by inserting “or” after the semicolon at the end of paragraph (5); and*

(C) *by inserting immediately after paragraph (5) the following new paragraph:*

“(6) *military construction (as defined in subsection (e) of this section);”.*

(2) *Such section is amended by adding at the end thereof the following new subsection:*

“(e) *For purposes of subsection (a) (6) of this section, the term ‘military construction’ includes any construction, development, conversion, or extension of any kind which is carried out with respect to any military facility or installation (including any Government-owned or Government-leased industrial facility used for the production of defense articles and any facility to which section 2353 of this title applies) but excludes any activity to which section 2673 or 2674, or chapter 133, of this title apply, or to which section 406 (a) of Public Law 85-241 (71 Stat. 556) applies.”.*

(b) *The amendment provided by paragraph (2) of subsection (a) above with respect to funds not heretofore required to be authorized shall only apply to funds authorized for appropriation for fiscal year 1977 and thereafter.*

SEC. 802. (a) *The second sentence of section 511 (d) of title 10, United States Code, is amended by striking out “four months” and inserting in lieu thereof “twelve weeks”.*

(b) *Section 671 of title 10, United States Code, is amended by striking out “four months” and inserting in lieu thereof “twelve weeks”.*

(c) *The sixth paragraph of section 4 (a) of the Military Selective Service Act (50 U.S.C. App. 454 (a)) is amended by striking out “four months” each time it appears in such paragraph and inserting in lieu thereof in each case “twelve weeks”.*

(d) *The third sentence of section 6 (c) (2) (A) of the Military Selective Service Act (50 U.S.C. App. 456 (c) (2) (A)) is amended by striking out “four consecutive months” and inserting in lieu thereof “twelve consecutive weeks”.*

SEC. 803. (a) *Notwithstanding any other provision of law, in the administration of chapter 403 of title 10, United States Code (relating to the United States Military Academy), chapter 603 of such title (relating to the United States Naval Academy), and chapter 903 of such title (relating to the United States Air Force Academy), the Secretary of the military department concerned shall take such action as may be necessary and appropriate to insure that (1) female individuals shall be eligible for appointment and admission to the service academy concerned, beginning with appointments to such academy for the class beginning in calendar year 1976, and (2) the academic and other relevant standards required for appointment, admission, training, graduation, and commissioning of female individuals shall be the same as those required for male individuals, except for those minimum essential adjustments in such standards required because of physiological differences between male and female individuals.*

(b) *Title 10, United States Code, is amended as follows:*

(1) *Sections 4342, 6954, and 9342 are each amended by striking out the word “sons” wherever it appears therein and inserting in place thereof in each instance the word “children”.*

(2) *Section 6956 (d) is amended by striking out the word “men” wherever it appears therein and inserting in place thereof in each instance the word “members”.*

(c) *It is the sense of Congress that, subject to the provisions of subsection (a), the Secretaries of the military departments shall, under the direction of the Secretary of Defense, continue to exercise the authority granted them in chapters 403, 603 and 903 of title 10, United States Code, but such authority must be exercised within a program providing for the orderly and expeditious admission of women to the academies, consistent with the needs of the services, with the implementation of such program upon enactment of this Act.*

SEC. 804. (a) *Chapter 4 of title 10, United States Code, is amended by adding the following new section after section 139 and inserting a corresponding item in the chapter analysis:*

“§ 140. Emergencies and extraordinary expenses

“(a) *Subject to the limitations of subsection (c) of this section, and within the limitation of appropriations made for the purpose, the Secretary of Defense and the Secretary of a military department within his department, may provide for any emergency or extraordinary expense which cannot be anticipated or classified. When it is so provided in such an appropriation, the funds may be spent on approval or authority of the Secretary concerned for any purpose he determines to be proper, and such a determination is final and conclusive upon the accounting officers of the United States. The Secretary concerned may certify the amount of any such expenditure authorized by him that he considers advisable not to specify, and his certificate is sufficient voucher for the expenditure of that amount.*

“(b) *The authority conferred by this section may be delegated by the Secretary of Defense to any person in the Department of Defense or by the Secretary of a military department to any person within his department, with or without the authority to make successive re-delegations.*

"(c) In any case in which funds are expended under the authority of subsections (a) and (b) of this section, the Secretary of Defense shall submit a report of such expenditures on a quarterly basis to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives."

(b) Section 7202 of title 10, United States Code, and the corresponding item in the analysis of such chapter are repealed.

SEC. 805. Section 139(b) of title 10, United States Code, is amended by deleting the word "sixty" and inserting in lieu thereof the word "ninety".

SEC. 806. Section 1401a of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(f) Notwithstanding any other provision of law, the monthly retired or retainer pay of a member or a former member of an armed force who initially became entitled to that pay on or after January 1, 1971, may not be less than the monthly retired or retainer pay to which he would be entitled if he had become entitled to retired or retainer pay at an earlier date, adjusted to reflect any applicable increases in such pay under this section. In computing the amount of retired or retainer pay to which such a member would have been entitled on that earlier date, the computation shall, subject to subsection (e) of this section, be based on his grade, length of service, and the rate of basic pay applicable to him at that time. This subsection does not authorize any increase in the monthly retired or retainer pay to which a member was entitled for any period prior to the effective date of this subsection."

SEC. 807. In any case in which funds are unavailable for the payment of a claim arising under a contract entered into prior to July 1, 1974, for the construction or conversion of any naval vessel, the Secretary of the Navy is authorized to settle such claim, but the settlement thereof shall be made subject to the authorization and appropriation of funds therefore. The Secretary of the Navy shall promptly forward to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives copies of all claim settlements made under this section.

SEC. 808. Concurrent with the submission of the President's budget for the fiscal year commencing October 1, 1976, the Secretary of Defense shall submit a five-year naval ship new construction and conversion program. Thereafter, concurrent with the annual submission of the President's budget, the Secretary of Defense shall report to the Committees on Armed Services of the Senate and the House of Representatives any changes to such a five-year program as he deems necessary for the current year, and for the succeeding years, based upon, but not limited to, alterations in the defense strategy of the United States and advances in defense technology. This section does not in any way change existing law with respect to the annual authorization of the construction and conversion of naval vessels.

SEC. 809. The restrictive language contained in section 101 of the Department of Defense Appropriations Authorization Act, 1975

(Public Law 93-365), and in section 101 of the Department of Defense Appropriations Authorization Act, 1974 (Public Law 93-155), under the heading "Naval Vessels", which relates to the use of funds for the DLGN nuclear guided missile frigate program, shall not apply with respect to \$101,000,000 of long lead funding provided for in such Acts for the DLGN-42 nuclear guided missile frigate.

SEC. 810. No funds authorized for appropriation to the Department of Defense shall be obligated under a contract for any multiyear procurement as defined in section 1-322 of the Armed Services Procurement Regulations (as in effect on September 26, 1972) where the cancellation ceiling for such procurement is in excess of \$5,000,000 unless the Congress, in advance, approves such cancellation ceiling by statute.

SEC. 811. (a) Beginning with the quarter ending December 31, 1975, the Secretary of Defense shall submit to the Congress within 30 days after the end of each quarter of each fiscal year, written selected acquisition reports for those major defense systems which are estimated to require the total cumulative financing for research, development, test, and evaluation in excess of \$50,000,000 or a cumulative production investment in excess of \$200,000,000. If the reports received are preliminary then final reports are to be submitted to the Congress within 45 days after the end of each quarter.

(b) Any report required to be submitted under subsection (a) shall include, but not be limited to, the detailed and summarized information included in reports required by section 139 of title 10, United States Code.

SEC. 812. The Secretary of Defense, after consultation with the Secretary of State, shall prepare and submit to the Committees on Armed Services of the Senate and the House of Representatives a written annual report on the foreign policy and military force structure of the United States for the next fiscal year, how such policy and force structure relate to each other, and the justification for each. Such report shall be submitted not later than January 31 of each year.

SEC. 813. In the case of any letter of offer to sell or any proposal to transfer defense articles which are valued at \$25,000,000 or more from the United States active forces' inventories, the Secretary of Defense shall submit a report to the Congress setting forth—

(1) the impact of such sales or transfers on the current readiness of United States forces; and

(2) the adequacy of reimbursements to cover, at the time of replenishment to United States' inventories, the full replacement costs of those items sold or transferred.

SEC. 814. (a) It is the sense of the Congress that equipment, procedures, ammunition, fuel and other military impedimenta for land, air and naval forces of the United States stationed in Europe under the terms of the North Atlantic Treaty should be standardized or made interoperable with that of other members of the North Atlantic Treaty Organization to the maximum extent feasible. In carrying out such policy the Secretary of Defense shall, to the maximum feasible extent, initiate and carry out procurement procedures that provide for the acquisition of equipment which is standardized or interoperable with equipment of other members of the North Atlantic Treaty Organization whenever such equipment is designed primarily to be

used by personnel of the Armed Forces of the United States stationed in Europe under the terms of the North Atlantic Treaty.

(b) The report required under section 302(c) of Public Law 93-365 shall include a listing of the initiation of procurement action on any new major system not in compliance with the policy set forth in section (a).

(c) Section 302(c) of Public Law 93-365 is amended by deleting the last two sentences and inserting in lieu thereof the following: "The Secretary of Defense shall report annually, not later than January 31 of each year, to the Congress on the specific assessments and evaluations made under the above provisions as well as the results achieved with the North Atlantic Treaty Organization allies."

SEC. 815. Notwithstanding any other provision of law, the authority provided in section 501 of Public Law 91-441 (84 Stat. 909) is hereby extended until June 30, 1977; but no transfer of aircraft or other equipment may be made under the authority of such section 501 unless funds have been previously appropriated for such transfer.

SEC. 816. (a) The Armed Forces of the United States operate worldwide in maintaining international peace and in protecting the interests of the United States. It is essential to the effective operation of the Armed Forces that they receive adequate supplies of petroleum products. Citizens and nationals of the United States and corporations organized or operating within the United States enjoy the benefits of the United States flag and the protection of the Armed Forces and owe allegiance to the United States. It is the purpose of this section to provide a remedy for discrimination by citizens or nationals of the United States or corporations organized or operating within the United States, and by organizations controlled by them, against the Department of Defense in the supply of petroleum products.

(b) (1) No supplier shall engage in discrimination (as defined in subsection (e) (2) of this section) in the supply, either within or outside the United States, of petroleum products for the Armed Forces of the United States.

(2) The Secretary of Defense, whenever he has reason to believe that there has been discrimination, shall immediately refer the matter to the Attorney General of the United States who shall immediately institute an investigation.

(c) (1) The several district courts of the United States are invested with jurisdiction to prevent and restrain discrimination prohibited by subsection (b) (1) of this section; and it shall be the duty of the several United States attorneys, in their respective districts, under the direction of the Attorney General, to institute proceedings to prevent and restrain such discrimination. Such proceedings may be by way of petitions setting forth the case and requesting that the discrimination be enjoined or otherwise prohibited. Pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as it determines appropriate under the circumstances of the case.

(2) Whenever it shall appear to the court before which any proceeding under paragraph (1) of this subsection may be pending, that

the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpoenas to that end may be served in any district by the marshal thereof.

(3) Any proceeding under paragraph (1) of this subsection against any corporation may be brought not only in the judicial district in which it is incorporated, but also in any district in which it may be found or transacts business; and all process in such cases may be served in the district in which it is incorporated, or wherever it may be found.

(4) In any proceeding brought in any district court of the United States pursuant to this section, the Attorney General may file with the clerk of such court a certificate of the Secretary of Defense that, in his opinion, the proceeding is of critical importance to the effective operation of the Armed Forces of the United States and that immediate relief from the discrimination is necessary, a copy of which shall be immediately furnished by such clerk to the chief judge of the circuit (or, in his absence, the presiding circuit judge) in which the proceeding is pending. Upon receipt of the copy of such certificate, it shall be the duty of the chief judge of the circuit or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge, to hear and determine such proceeding. Except as to causes which the court considers to be of greater urgency, proceedings before any district court under this section shall take precedence over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

(5) In every proceeding brought in any district court of the United States under this section, an appeal from the final order of the district court will be only to the Supreme Court.

(d) (1) For the purpose of any investigation instituted by the Attorney General pursuant to subsection (b) of this section, he, or his designee, shall at all reasonable times (A) have access to the premises or property of, (B) have access to and the right to copy the books, records, and other writings of, (C) have the right to take the sworn testimony of, and (D) have the right to administer oaths and affirmations to, any person as may be necessary or appropriate, in his discretion, to the enforcement of this section and the regulations or orders issued thereunder.

(2) The Attorney General shall issue rules and regulations insuring that the authority of paragraph (1) of this subsection will be utilized only after the scope and purpose of the investigation, inspection, or inquiry to be made have been defined by competent authority, and it is assured that no adequate and authoritative data are available from any Federal or other responsible agency. In case of contumacy by, or refusal to obey a subpoena served upon, any person with respect to any action taken by the Attorney General under paragraph (1) of this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the Attorney General, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The production of any person's books, records, or other documentary evidence shall not be required at any place other than the place where such person usually keeps them, if, prior to the return date specified in the regulations, subpoena, or other document issued with respect thereto, such person furnishes the Attorney General with a true copy of such books, records, or other documentary evidence (certified by such person under oath to be a true and correct copy) or enters into a stipulation with the Attorney General as to the information contained in such books, records, or other documentary evidence. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(4) Any person who willfully performs any act prohibited, or willfully fails to perform any act required, by paragraph (1) of this subsection, or any rule, regulation, or order issued under paragraph (2) of this subsection, shall upon conviction be fined not more than \$1,000 or imprisoned for not more than one year or both.

(5) Information obtained under this section which the Attorney General deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information shall not be published or disclosed unless the Attorney General determines that the withholding thereof is contrary to the interest of the national defense. Any person who willfully violates this subsection shall, upon conviction, be fined not more than \$10,000, or imprisoned for not more than one year, or both. All information obtained by the Attorney General under this section and which he deems confidential shall not be published or disclosed, either to the public or to another Federal agency, not including the Congress or any duly authorized committee thereof in the performance of its functions, unless the Attorney General determines that the withholding thereof is contrary to the interests of the national defense, and any person willfully violating this provision shall, upon conviction, be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(6) Any person subpoenaed under this section shall have the right to make a record of his testimony and to be represented by counsel.

(7) No individual who, having claimed his privilege against self-incrimination, is compelled to testify or produce evidence, documentary or otherwise, under the provision of this section, may be prosecuted in any criminal proceeding of the offense of discrimination established by this section.

(e) As used in this section—

(1) The term "United States" when used in a geographical sense includes the several States, the possessions of the United States, the Canal Zone, and the District of Columbia.

(2) The term "discrimination" means the willful refusal or failure of a supplier, when requested by the Secretary of Defense or his designee, to supply petroleum products for the use of the Armed Forces of the United States under the terms of any contract or under the authority of the Defense Production Act, as amended (64 Stat. 798, 50 U.S.C. App. 2061-2166), the Emergency Petroleum Allocation Act, as amended (Public Law 93-159); or under the provisions of any other authority, on terms not

inconsistent with the applicable Armed Services Procurement Regulations, as amended from time to time, and at prices which are fair and reasonable and do not exceed prices received for similar products and quantities from other domestic or foreign customers. Disagreements as to price or other terms or conditions shall be disputes as to questions of fact to be resolved in the manner prescribed by the applicable Armed Services Procurement Regulations, as amended from time to time, for the settlement of disputes arising out of contracts and shall not be a basis for delay or refusal to supply petroleum products.

(3) The term "supplier" means any citizen or national of the United States, any corporation organized or operating within the United States, or any organization controlled by any United States citizen, national, or corporation organized or operating within the United States, engaged in producing, refining or marketing of petroleum or petroleum products.

(f) Any supplier who willfully discriminates as prohibited by subsection (b) (1) of this section shall, upon conviction, be fined not more than \$100,000 or imprisoned for not more than two years, or both.

(g) If any provision of this section or the application thereof to any person or circumstances is held invalid, the validity of the remaining provisions of this section and the application of such provision to other persons and circumstances shall not be affected thereby.

(h) The provisions of this section shall expire two years after the date of enactment of this Act, except that—

(1) any supplier who, before the date of the expiration of this section, willfully violated any provision of this section shall be punished in accordance with the provisions of such section as in effect on the date the violation occurred;

(2) any proceeding relating to any provision of this section which is pending at the time this section expires shall be continued by the Attorney General as if this subsection had not been enacted, and orders issued in any such proceeding shall continue in effect as if they had been effectively issued under this section before the expiration thereof or until otherwise terminated by appropriate action;

(3) the expiration of this section shall not affect any suit, action, or other proceeding lawfully commenced before the expiration of this section, and all such suits, actions, and proceedings shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if this section had not expired; and

(4) the provisions of this section relating to the improper publication or disclosure of information shall continue in effect, in the same manner and with the same effect as if this section had not expired, with respect to any publication or disclosure (prohibited by such section before the expiration thereof) made after the expiration of such section if the information published or disclosed was obtained under authority of this section before the expiration of this section.

SEC. 817. The Secretary of Defense shall provide to the Committees on Armed Services of the Senate and the House of Representatives a

plan that identifies the platform and funding for AEGIS fleet implementation.

SEC. 818. (a) Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this or any other Act shall be used for the purpose of production of lethal binary chemical munitions unless the President certifies to Congress that the production of such munitions is essential to the national interest and submits a full report thereon to the President of the Senate and the Speaker of the House of Representatives as far in advance of the production of such munitions as is practicable.

(b) For purposes of this section the term "lethal binary chemical munitions" means (1) any toxic chemical (solid, liquid, or gas) which, through its chemical properties, is intended to be used to produce injury or death to human beings, and (2) any unique device, instrument, apparatus, or contrivance, including any components or accessories thereof, intended to be used to disperse or otherwise disseminate any such toxic chemical.

SEC. 819. (a) Notwithstanding any other provision of law, the aggregate amount of any upward adjustments in certain elements of compensation of members of the uniformed services required by section 1009 of title 37, United States Code, may not exceed 5 per centum during the period from January 1, 1975, through June 30, 1976, except that no such restriction shall apply unless a 5 per centum restriction on the aggregate amount of upward adjustments of the General Schedule of compensation for Federal classified employees as contained in section 5332 of title 5, United States Code, is also required during that period.

(b) No reduction in compensation is required under subsection (a) of any upward adjustment that may have been put into effect under section 1009 of title 37, United States Code, between January 1, 1975, and the date of enactment of this section.

(c) Any upward adjustment in compensation which has been limited by subsection (a) of this section to an amount or amounts less than otherwise would have been in effect shall not be increased subsequent to June 30, 1976—

(1) in order to compensate a member for the difference between the amounts he has received under the provisions of subsection (a) and the amounts he would have otherwise received; or

(2) except in accordance with the normal procedures and timing which would have been in effect for any such pay increase subsequent to June 30, 1976, without regard to any limitation under subsection (a) of this section.

SEC. 820. (a) Notwithstanding any other provision of law, the total number of enlisted members of the Armed Forces of the United States that may be assigned or otherwise detailed to duty as enlisted aides on the personal staffs of officers of the Army, Navy, Marine Corps, Air Force, and Coast Guard (when operating as a service of the Navy) during any fiscal year shall be a number determined by (1) multiplying 4 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-10, (2) multiplying 2 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-9, and (3) adding the products obtained under clauses (1) and (2).

(b) The Secretary of Defense shall allocate the aides authorized by subsection (a) of this section among officers of the Armed Forces, in such numbers as he determines appropriate, on the basis of the duties of such officers.

(c) This section shall not apply with respect to the number of aides assigned to generals of the Army or admirals of the Fleet.

SEC. 821. Notwithstanding any provision of section 2004 of title 10, United States Code, an officer in any pay grade who was in a missing status (as defined in section 551(2) of title 37, United States Code) after August 4, 1964, and before May 8, 1975, may be selected for detail for legal training under that section 2004 on other than a competitive basis and, if selected for that training, is not counted in computing, for the purpose of subsection (a) of that section 2004, the number of officers who may commence that training in any single fiscal year. For the purposes of determining eligibility under that section 2004, the period of time during which an officer was in that missing status may be disregarded in computing the period he has served on active duty.

SEC. 822. This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1976".

And the Senate agree to the same.

JOHN C. STENNIS,
STUART SYMINGTON,
(with reservation, right
of opposition on floor),
HENRY M. JACKSON,
HOWARD W. CANNON,
HARRY F. BYRD, JR.,
SAM NUNN,
STROM THURMOND,
JOHN TOWER,
BARRY GOLDWATER,
WILLIAM L. SCOTT,
ROBERT TAFT, JR.,

Managers on the Part of the Senate.

MELVIN PRICE,
F. EDWARD HEBERT,
CHARLES E. BENNETT,
SAMUEL S. STRATTON,
RICHARD ICHORD,
LUCIEN NEDZI,
WILLIAM RANDALL,
CHARLES WILSON,
ROBERT L. LEGGETT,
BOB WILSON,
WILLIAM DICKINSON,
WILLIAM WHITEHURST,
FLOYD SPENCE,

Managers on the Part of the House.

**JOINT EXPLANATORY STATEMENT OF THE COMMITTEE
OF CONFERENCE**

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. 6674) an Act to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads 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 :

TITLES I AND II—PROCUREMENT

DEPARTMENT OF DEFENSE FISCAL YEAR 1976 AND 1977 AUTHORIZATION BILL—SUMMARY BY MAJOR WEAPON CATEGORY—ARMY, NAVY, AIR FORCE, AND DEFENSE AGENCIES

(Amount in thousands of dollars)

Procurement	Request			House			Senate			Conference	
	1976	1977	1976	1976	1977	1975	1977	1976	1977	1976	1977
Aircraft:											
Army	\$362,300	\$59,400	\$362,300	\$59,400	\$337,500	\$59,400	\$337,500	\$337,500	\$59,400	\$337,500	\$59,400
Navy and Marine Corps	3,077,000	600,100	3,056,600	585,500	2,959,800	578,200	2,997,800	2,997,800	585,500	2,997,800	585,500
Air Force	4,575,500	1,087,100	4,445,250	886,300	3,960,700	871,300	4,119,000	4,119,000	886,300	4,119,000	886,300
Subtotal	8,014,800	1,746,600	7,864,150	1,531,200	7,258,000	1,468,900	7,454,300	7,454,300	1,502,900	7,454,300	1,502,900
Missiles:											
Army	460,800	56,500	455,600	56,500	393,500	41,600	431,000	431,000	56,500	431,000	56,500
Navy	1,000,000	309,100	1,000,500	309,100	990,400	308,600	990,400	990,400	308,600	990,400	308,600
Marine Corps	52,300	10,700	52,300	10,700	52,300	10,700	52,300	52,300	10,700	52,300	10,700
Air Force	1,791,400	277,400	1,768,500	277,400	1,718,100	252,200	1,765,000	1,765,000	252,200	1,765,000	252,200
Subtotal	3,305,600	653,700	3,277,900	653,700	3,154,900	613,100	3,239,300	3,239,300	613,100	3,239,300	613,100
Naval vessels:	5,466,000	474,200	4,422,400	474,200	3,666,400	474,200	3,899,400	3,899,400	474,200	3,899,400	474,200
Tracked combat vehicles:											
Army	915,000	272,600	915,000	272,600	862,700	245,300	864,000	864,000	245,300	864,000	245,300
Marine Corps	101,500	400	101,500	400	101,500	101,500	101,500	101,500	400	101,500	400
Subtotal	1,016,500	273,000	1,016,500	273,000	964,200	245,700	965,500	965,500	245,700	965,500	245,700
Torpedoes—Navy:	197,400	19,200	197,400	19,200	189,500	19,200	189,500	189,500	19,200	189,500	19,200
Other weapons:											
Army	74,300	9,700	74,300	9,700	74,300	9,700	74,300	74,300	9,700	74,300	9,700
Navy	26,300	4,400	26,300	4,400	17,700	1,400	17,700	17,700	1,400	17,700	1,400
Marine Corps	100	100	100	100	100	100	100	100	100	100	100
Subtotal sec. 101	100,700	14,100	100,700	14,100	92,100	11,100	92,100	92,100	11,100	92,100	11,100
Section 102	300,000										
Total procurement title I	18,381,000	3,180,800	16,873,650	2,965,400	15,325,100	2,832,200	15,840,100	15,840,100	2,881,100	15,840,100	2,881,100
R.D.T. & E.:											
Army	2,181,700	585,600	2,049,228	535,017	2,016,593	491,214	2,028,933	2,028,933	491,214	2,028,933	513,326
Navy and Marine Corps	3,470,188	1,903,837	3,258,661	849,730	3,368,802	1,851,363	3,318,649	3,318,649	849,746	3,318,649	849,746
Air Force	3,903,200	1,034,000	3,766,691	986,077	3,707,840	946,621	3,737,001	3,737,001	946,621	3,737,001	965,783
Defense agencies	597,800	152,700	556,793	137,933	565,700	143,600	563,700	563,700	139,768	563,700	139,768
Test and evaluation	28,500	6,800	25,000	3,400	28,500	6,800	25,000	25,000	6,800	25,000	5,000
Total R.D.T. & E., title II	10,181,388	2,682,937	9,666,373	2,512,017	9,687,435	2,439,598	9,673,283	9,673,283	2,473,623	9,673,283	2,473,623
Total procurement and R.D.T. & E.	28,562,388	5,867,737	26,545,023	5,477,417	25,012,535	5,271,798	25,513,383	25,513,383	5,354,723	25,513,383	5,354,723

1 Includes \$2,488,000 (fiscal year 1976) and \$37,000 (fiscal year 1977) currency program.
Note: Excludes \$1,293,000,000 requested for support of South Vietnamese military.
Revised Sept. 15, 1975.

AIRCRAFT

ARMY

UH-1H Utility Helicopter

The House bill contained \$24.8 million for 48 UH-1H Utility Helicopters for the Army. The Senate amendment deleted all of these funds.

The conferees concurred with the Senate rationale that since the Army was permitted to purchase 48 helicopters in FY-75, those additional assets were sufficient to supplement the Army's Authorized Acquisition Objective until the follow-on UTTAS helicopter comes into the inventory.

The House reluctantly recedes.

AH-1S

Section 101 of the House bill provided that no funds authorized for procurement of Army aircraft shall be obligated for AH-1S aircraft. The Senate amendment had no similar provision.

The Department of Defense pointed out that the 1973 joint Army-Navy study was an in-depth evaluation of the feasibility of common gunship procurement, including consideration of the AH-1J (improved) for Army use. The study concluded that the Army should procure the AH-1S for a variety of reasons. Subsequently, the Congress appropriated funds for the Army to modify existing Cobras and for procurement of new AH-1S helicopters. The Senate conferees were adamant in their position that any curtailment of AH-1S production at this time would result in increased costs for the aircraft, and an undesirable slippage of the timetable deemed necessary to bolster the Army's antiarmor capability.

The House conferees were equally as adamant because of the detailed Committee consideration in the House committee. After a lengthy discussion, and Senate conferees producing figures showing the greatly increased cost to the Army for purchase of AH-1J, and pointing out the fact that the Army didn't want or need the AH-1J, the House very reluctantly receded.

NAVY

A-4M

The House bill contained \$67.3 million for 24 A-4M light attack aircraft in fiscal year 1976. The Senate deleted the 24 aircraft buy, but included \$8.2 million in fiscal year 1976 for non-recurring costs of two improvement items (heavyweight landing gear and improved bombing computer).

The Senate conferees argued that the 24 aircraft were an attrition buy and that these planes need not be bought this year for the active Marine Corps inventory. Furthermore, because of foreign military sales, the A-4M production line would continue to be active in fiscal year 1976 without the need of a U.S. buy. The House conferees pointed out that delay in procurement of the A-4M for the Marine Corps would result in some increased costs during fiscal year 1977, but Senate conferees argued that the need for fiscal restraints in the present procurement cycle made this action acceptable.

The conferees, after a full discussion, authorized \$8.2 million in fiscal year 1976 for non-recurring costs of the two improvement items, and \$9.8 million for 3 aircraft in fiscal year 1977. These three aircraft will level the A-4 production rate at two per month in fiscal year 1977 (including foreign sales) and will be followed by A-4M procurement in fiscal year 1977 for the Marines.

The House recedes with an amendment.

A-6E

The House bill authorized 12 A-6E aircraft for \$151.3 million in fiscal year 1976, and \$14.3 million for advance procurement. The Senate amendment authorized 8 A-6E aircraft for \$118.9 million in fiscal year 1976, 3 A-6E aircraft for \$24.3 million in fiscal year 1977, and \$8.1 million for advance procurement in fiscal year 1977. In essence, the Senate recommended buying 11 rather than 12 A-6Es and using the funds saved for advance procurement.

The conferees were advised that there would be a 4-month production gap at the start of the fiscal year 1976 funded delivery period because of a delay by OSD in authorizing release of long lead funds for fiscal year 1976. It was necessary, therefore, to make both fiscal and quantitative adjustments in the A-6E procurement program. The Senate's recommendations for funding were not sufficient to procure the 8 aircraft in fiscal year 1976, nor was there sufficient funds for the advance procurement necessary to sustain fiscal year 1977 and fiscal year 1977 delivery schedules.

The conferees discussed this program at length and finally agreed to fully fund the 11 aircraft in fiscal year 1976 for the original price of 12 A-6Es and provide \$14.3 million for advance procurement towards a fiscal year 1977 buy of A-6Es as the Navy requested, because the 11 will be stretched over a 15-month production period (fiscal years 1976 and 1977) which raises the price of the program. The conferees insist that the Navy see that these planes are built on an optimized schedule.

The Senate recedes with an amendment.

A-7E

The House bill deleted all funds for advance procurement in fiscal years 1976 and 1977. The Senate amendment provided \$21.8 million for this purpose. The Senate conferees argued the fact that deletion of advance procurement funds would cause complications in production planning and ultimately result in increased costs for A-7E production through fiscal year 1977. The conferees agreed on the full Senate figure of \$21.8 million in advance procurement for the A-7E, but redistributed the funding primarily into fiscal year 1976.

The House recedes with an amendment.

F-14

The House bill provided for procurement of 9 F-14s in the amount of \$73.3 million and \$59.0 million for advance procurement in fiscal year 1977. The Senate deleted procurement authorization for the 9 aircraft in 1977 and added \$33.3 million for advance procurement in that year.

The House conferees argued that Senate action conflicted with the Congressional full funding principle for weapons systems which was the basis for the funding of 9 aircraft in fiscal year 1977. The \$33.3

million amounted to about 54 percent of the total cost for advance procurement in fiscal year 1977.

After a full discussion, the conferees agreed to fully fund 9 F-14s in fiscal year 1977 as requested by the Navy. Thus, advance procurement for the 1977 period is authorized at \$59.0 million.

The Senate recedes.

AH-1J

The House bill authorized 16 helicopters for \$39.0 million in fiscal year 1976 and 6 helicopters for \$10.1 million in fiscal year 1977. The Senate amendment authorized 7 helicopters for \$17.4 million in fiscal year 1976 and 7 helicopters for \$12.2 million in fiscal year 1977. The House bill authorized \$1.4 million for advance procurement in fiscal year 1976 and \$1.0 million in fiscal year 1977. The Senate did not authorize any advance procurement funding for fiscal year 1976, but included \$6.2 million in fiscal year 1977.

The Senate conferees pointed out that 8 of the 22 aircraft in the total request were to be completed during the fiscal year 1977 funding period, and therefore, recommended that these 8 aircraft not be authorized until fiscal year 1977.

The Department of Defense was concerned that due to administrative/contracting procedures, it was necessary to provide adequate advance procurement funds in fiscal year 1976 in order to provide economical procurement of long lead items.

The conferees, after discussing the concern of the Department of Defense, agreed to authorize 7 AH-1Js in fiscal year 1976 and 7 in fiscal year 1977 and shift \$6.2 million of advance procurement funds from fiscal year 1977 to fiscal year 1976.

The House recedes with an amendment.

P-3C

The House bill provides \$11.7 million in fiscal year 1977 for simulators and ground support equipment for the P-3C. The Senate amendment deletes the entire amount. The House conferees verified that certain anticipated homeport changes for P-3C squadrons were recently cancelled by the Navy, and, therefore, accepted the Senate reduction in fiscal year 1977 of P-3C simulators and ground support items no longer needed for overseas homeporting.

The House recedes.

Harpoon Modifications

The House bill deleted \$22.7 million in fiscal year 1976 and \$4.8 million in fiscal year 1977 for Harpoon modification for the P-3C and S-3A aircraft. The Senate retained full authorization for this procurement.

The House conferees argued that the Navy should consider other versatile air-launched weapons systems which are currently available, for multiple roles as a substitute in view of the expensive modifications necessary for use of the Harpoon.

The Senate recedes.

Aircraft Spares

From the total amount of \$429.0 proposed for procurement of aircraft spares, the Senate reduced \$2.7 million for A-4M spares in fiscal year 1976 and \$1.2 million for AH-1J spares in fiscal year 1977.

The House recedes.

Other Financing

The Senate amendment reduced other financing by \$8.7 million in fiscal year 197T. This figure was determined to be the calculated savings achieved through consolidation of contracts under a single procurement contract rather than two separate contracts for fiscal years 1976 and 197T buys. The House argued successfully that this was not a viable procedure for calculating savings.

The Senate conferees reluctantly accepted the House position that \$8.7 million "Other Financing" will not be available.

The Senate recedes.

AIR FORCE

B-1

The House bill authorized the entire amount of \$672.2 million and \$168.3 million requested by the Air Force for the B-1 research and development program for fiscal years 1976 and 197T respectively. The House bill also authorized the full requests of \$77.0 million and \$31.0 million for the procurement of long-lead items for these periods. The Senate amendment reduced the R&D program by \$75.0 million and \$39.3 million for fiscal years 1976 and 197T respectively. The Senate amendment also deleted the entire amount requested for procurement.

The following table summarizes the action of the conferees:

(In millions of dollars)

	Fiscal year--	
	1976	197T
R. & D.		
DOD request.....	672.2	168.3
Conference.....	642.0	158.0
Procurement:		
DOD request.....	77.0	31.0
Conference.....	64.0	23.0

The conferees emphasized that the authorization of long-lead funding in no way commits nor obligates the United States Government to place the B-1 aircraft in production. Indeed, the conferees agreed to prohibit the Defense Department, as a matter of law, from entering into any production contract or any other contractual agreement for the production of the B-1 bomber aircraft unless subsequently authorized by law. This prohibition, however, is not meant to apply to the acquisition of the long-lead items for the first three follow-on air vehicles.

The authorization of long-lead items is completely independent of the production decision. Authorization for the long-lead items for the B-1 was strongly supported by the House conferees who believe that future production cost savings will be realized which would otherwise be precluded in the event that actual production of the B-1 is subsequently authorized.

The Senate conferees did not necessarily agree with the estimated magnitude of the savings.

A-10

The House bill contained \$72.0 million for 33 A-10 aircraft for FY-7T. The Senate authorization contained \$61.0 million for 30 air-

craft. After a thorough discussion, the House conferees concurred with the Senate view that the production rate should be slowed, while the contractor gains experience in building the airplane. The conferees adopted the 30 aircraft delivery schedule.

The House recedes.

E-3A AWACS

The House bill contained \$245.25 million in FY 1976 and \$15.0 million in FY 197T for AWACS procurement. This action amounted to a reduction in the procurement account by 50 percent and cut aircraft production from six to three. The Senate authorized the full \$430.5 million for six aircraft for FY 1976 and \$30 million for FY 197T.

Repricing of some components and deferral of some support equipment permits a reduction of \$50 million to the amount requested for six AWACS aircraft. Further, the conferees were advised that the Air Force had completed negotiating the Fiscal Year 1975 production contract early in September and the cost had been reduced by \$30 million from the budget estimate. The conferees agreed that the Air Force should take appropriate steps if necessary to reprogram the savings to the Fiscal Year 1976 AWACS program and accordingly reduced the AWACS authorization by that amount.

In summary, the conferees agreed to six aircraft and \$350.5 million for Fiscal Year 1976 and \$30 million for the transition period. This is a reduction to the request of \$80 million for Fiscal Year 1976.

The House reluctantly recedes.

A-7D

\$115 million was added to the budget request in the House bill for FY 1976 to procure 24 A-7D aircraft for the Air National Guard. The Senate bill contained no such authorization. The conferees recognize and fully support the need for modernization of the Guard, but had to weigh that need against total expenditures in the Defense Authorization Bill. The House reluctantly receded, but without diminishing its conviction that careful examination of Air National Guard assets and capabilities should be among the priority programs in Defense Department planning.

The House recedes.

F-15

The House bill contained \$1,400.6 million for 108 F-15s in fiscal year 1976. The Senate bill contained \$1,378.3 million for the same number of aircraft for fiscal year 1976. This amounted to a reduction of \$22.3 million by the Senate and was for a partial reduction in the allowance for engineering change orders.

The House recedes with the understanding that in the event this reduction adversely impacts on the F-15 program, a reprogramming action will be entertained by the appropriate committees to compensate for this problem.

The House recedes.

Modification of Aircraft (Civil Reserve Air Fleet)

Included in the \$600.7 million Air Force request for modifications of aircraft in FY 1976 and \$126.3 million in FY 197T is \$22.0 million and \$24.0 million, respectively, for the modification of commercial

aircraft to increase their cargo-carrying capacity for use as a standby airlift capability.

The House bill approved the CRAF authorization. The Senate amendment deleted it.

The Senate deleted the funds for the civilian aircraft modification program because the Air Force airlift studies conducted to date were not adequate to justify this program.

The House was adamant in their insistence that this program was needed to improve the strategic airlift capability.

The Senate agreed to a compromise position to allow the modification of the four aircraft requested in the FY 1976 budget as a prototype program and the House agreed to recede on the request for authorization of additional aircraft modifications in the transition budget period. The compromise was an effort to get the FY 1976 prototypes started. The House and Senate recede with an amendment.

Aircraft Spares

The House bill authorized \$1,071.7 million in FY 1976 and \$179.3 million in FY 197T. The Senate bill contained \$672.2 million in FY 1976 and \$175.6 million in FY 197T.

The House Conferees were concerned over the ramifications of diminishing the aircraft spares account, as the Senate cut would do, particularly with respect to the adverse effect such reductions would have on F-15 spares and mobilization spares.

The Senate Conferees pointed out that the spares request for FY 1976 represented an increase of \$375 million, or 52 percent, over the FY 1975 spares appropriation and yet the Air Force was supporting less total.

The Senate conferees pointed out that the spares request for FY 1976 represented an increase of \$375 million, or 52 percent, over the FY 1975 spares appropriation and yet the Air Force was supporting less total flying hours in FY 1976. The conferees finally agreed to restore \$200 million of the Senate reduction, which would provide \$872.2 million in FY 1976 or a 20 percent increase over last year. The conferees direct the Air Force to allocate their individual spares procurements within this total according to Air Force current priorities.

The Senate agreed to restore \$3.7 million in FY 197T, which was for F-15 engine spares, and accept the House figure of \$179.3 million for that period.

The Senate recedes with an amendment.

Common Ground Equipment

A total of \$209.3 million was requested by the Air Force in FY 1976 in the Common Ground Equipment account. The House bill did not reduce the amount of the original request; however, the Senate reduced the program by \$36.9 million for C-130 and B-52 simulators and \$1.5 million alleged by the Senate to be for the CRAF program, a total of \$38.4 million.

The Conferees thoroughly support the objectives of aircraft simulator programs and recognize the all-around accumulated savings inherent therein in comparison to airborne training. Senate Conferees, however, pointed out that the configuration of the C-130 simulator had not been adequately defined, including some disagreement as to the type of visual system required, and would not be put on contract until April 1976, two more C-130 simulators were not required at this

time. Also, the Senate also argued that the complexity and expense of the first-time requested B-52 simulator was such that, the Air Force should start with one simulator, instead of two, in order to see if the simulator is capable of performing the mission required.

House Conferees pointed out that there was no money in the Common Ground Equipment account for the CRAF program and, therefore, the Senate agreed to restore the \$1.5 million they deleted. In addition, Senate Conferees admitted that the \$3.5 million to the Common Ground Equipment account, required to support the C-130 simulator authorized in FY 1975, making the total authorized \$175.9 million.

The House and Senate recede with an amendment.

War Consumables

The House bill contained \$34.6 million in FY 1976 and \$9.9 million in FY 197T for war consumables. The Senate bill was \$1.3 million less in FY 1976 and \$0.3 million less in FY 197T which reflected the cost of planned F-5E support to South Vietnam.

The House accepts the funding in the Senate authorization, \$33.3 million in FY 1976 and \$9.6 million in FY 197T.

The House recedes.

Other Financing

The Conferees concurred with the Senate proposal that \$24.3 million could be saved in close-out costs of the F-111 program.

The Air Force did not deny these savings.

The House recedes.

MISSILES

ARMY

Chaparral

The House approved \$37.5 million, the amount requested, for procurement for Chaparral surface-to-air missile system in fiscal 1976, plus \$1 million for the system in the fiscal transition period.

The Senate amendment deleted all authorization for the Chaparral. The Senate recedes.

Hawk

The House provided \$73 million for 520 Hawk surface-to-air missiles in fiscal year 1976. The Senate provided \$72.2 million for the same quantity of Hawk missiles.

The House recedes.

Tow

The House bill provided \$20.5 million in authorization for 6,000 Tow missiles during the fiscal transition period. The Senate reduced the amount to \$6.6 million for 1,922 Tow missiles, a reduction of \$13.9 million. The Senate position was based on the fact that the Army's budget request included quantities of missiles that were intended to satisfy projected requirements for contingency and war reserve for allies and such would be in violation of law. The House Conferees were concerned about the drawdown of inventories of such weapons that occurred during the Middle East War of 1973 and were concerned that inventory requirements for antitank missiles have been understated. After considerable discussion, the Conferees

agreed to restore the funds for the TOW missiles with the understanding that the missiles are to be procured only for the inventory requirements for the Army and are not to be procured for the purpose of filling stockpile requirements for allies.

The Senate recesses.

Interim Target Acquisition System

The House bill contained \$23.8 million in fiscal 1976 to begin procurement of the Interim Target Acquisition System (ITAS), an Army system using reconnaissance drones. The Senate deleted all authorization for the ITAS because it would duplicate existing Air Force reconnaissance capabilities. The House Conferees concluded that the authorization for procurement for the system could safely be delayed until fiscal year 1977 and, therefore, concurred in the Senate reduction.

The House recesses.

Lance

The House bill contained restrictive language [section 101(b)(1)] which provided that no funds could be used for production of a non-nuclear warhead for the Lance missile for any other nation until a non-nuclear warhead had been certified for production for the U.S. Army.

The Senate amendment contained no similar provision.

The House conferees pointed out that some allies of the United States were in the process of buying the conventional Lance—developed and produced by the U.S. Army—but the Army had been prevented from buying it by the Department of Defense. The House conferees insisted they did not believe the United States should be in a position of stating that it could produce a cost-effective nonnuclear Lance for allies but not for its own Army. The Senate conferees stated the previous Defense Department studies of the cost-effectiveness of the nonnuclear Lance had shown that all-weather manned aircraft could deliver conventional weapon at less cost than using Lance missiles, at least at normally experienced attrition rates to the aircraft.

The Fiscal Year 1976/77 budget contains \$1.0 million for procurement of nonnuclear Lance warheads for the U. S. Army for use in annual training firings. These funds were approved by both the House and Senate and were not at dispute in the conference. Since approval of procurement of nonnuclear Lance missiles for the Army would not occur before the Fiscal Year 1977 budget is submitted, the conferees agreed to review this question again if the Army requests production of this missile next year.

If the Army should desire to utilize certain funds contained in the fiscal year 1976 budget for the procurement of nonnuclear warheads for the Lance, the conferees would consider an Army proposal for such a change through the normal reprogramming procedure.

The House recesses.

NAVY

Standard MR

The House bill provided \$38.1 million for procurement of 285 Standard MR missiles for the Navy in fiscal year 1976 and \$7.6 million for 54 missiles in the fiscal transition period. The Senate amendment

reduced the authorization by \$10.1 million and 85 missiles in fiscal year 1976 and \$.5 million and four missiles in the fiscal transition period.

The House recesses.

AIR FORCE

Maverick

The House bill contained \$25 million in the fiscal transition period for procurement of 1200 Maverick missiles and \$.2 million for the procurement of Maverick spares in the fiscal transition period. The House bill also provided \$33.3 million in fiscal year 1976 for advance procurement for Maverick.

The Senate amendment deleted all of these authorizations. The Senate reduction was intended to slow the production to phase in the laser-guided and infrared versions of Maverick. The House Conferees expressed concern that the Senate reduction would result in later high start-up and related costs and also expressed concern about maintaining the inventory levels of this weapon. After extensive discussion, the Conferees agreed on deletion of the \$25.2 million for the fiscal transition period as provided in the Senate amendment and agreed to retain the \$33.3 million for advance procurement in fiscal 1976 as provided in the House bill.

Sidewinder

The House bill provided \$17.1 million, the amount requested, for modification of the Sidewinder missile. The Senate amendment deleted the authorization for the Sidewinder modification on the grounds that the Air Force should procure the newer AIM-9L Sidewinder instead. The House Conferees stated their belief that the Air Force would have to depend on the stocks of the older sidewinder missiles for quite a few years to come and that the missile could be modified to provide significantly increased capability at relatively low unit cost.

After considerable discussion, the Senate agreed to recede with an amendment providing for the authorization of \$13.6 million to modify 1,410 AIM-9B Sidewinder missiles to the -9J configuration. The House recesses on \$3.5 million. The conferees agreed that future procurement should be of new AIM-9L Sidewinder missiles in lieu of further modifications to the AIM-9B series.

Procurement of Minuteman III Missiles

The Senate amendment language provided that the \$265,800,000 authorized for the procurement of Minuteman III missiles may only be used for such procurement.

The House bill had no similar provisions.

The House recesses.

NAVAL VESSELS

Trident

The House approved \$537.4 million of the \$602.6 million requested by the President. The Senate approved \$602.6 million.

The House recesses.

SSN 688 (Nuclear Attack Submarine)

The House approved \$474.8 million of the \$541.0 million requested by the President. The Senate approved \$541.0 million.

The House recesses.

DLGN-42 Nuclear Frigate

Included in the Shipbuilding and Conversion section, as approved by the House, was new authorization for the DLGN-42 (nuclear frigate) in the amount of \$203.9 million. The Senate approved no new funds for the DLGN-42 and, further, placed a \$75 million recoupment objective upon the \$111 million appropriated for the DLGN-42 in prior years.

The Senate Conferees were adamant in their opposition to the House action on the DLGN-42, maintaining that this ship should not be further funded since it would be built without the AEGIS surface to air weapons system. After considerable discussion, the House Conferees reluctantly receded.

The Conferees found, however, that a considerable portion of the funds appropriated for the DLGN-42 in prior years has already been obligated by the navy for long lead time items. The components procured with these already obligated funds may be usable as spares for existing ships. On the other hand, if the navy is required to recoup all of those funds, to the extent that incomplete contracts had to be terminated, funds may be wasted through cancellation charges and the delivery of incomplete and unusable components. To prevent this waste of funds, the Conferees urge the Secretary of the Navy to recoup the unobligated DLGN-42 funds for use in other shipbuilding and conversion programs. Where funds have been obligated, the remaining recoupments should be made, or contracts continued through completion where the result would be most economical, depending upon the status of each individual contract.

Nuclear Strike Cruiser Long Lead Authorization

Included in the Shipbuilding and Conversion program approved by the House was authorization for long lead time items for a new nuclear strike cruiser (CSGN-1) in the amount of \$60 million. The strike cruiser was not included in the President's budget request for FY 1976 as originally submitted and, therefore, it was not considered in the Senate bill. However, on June 25, 1975, the President submitted a budget amendment for FY 1976 to include \$60 million for long lead time funds for the nuclear strike cruiser.

The House Committee on Armed Services received testimony to the effect that inclusion of \$60 million for long lead time items would permit fleet introduction of this more powerful ship, equipped with the AEGIS surface-to-air weapons system one year earlier. The AEGIS will be a much more advanced weapons system than now exists or is planned for any ship in the U.S. Navy inventory.

The Senate Conferees, during the many vigorous discussions of the strike cruiser, were adamant in their positions that no new class of ships should be authorized in this bill, even to the extent of long lead items for a lead ship, not until the ship's characteristics had been more clearly defined and program costs had been more fully developed. After considerable discussion the House reluctantly receded with the understanding that the disapproval of long lead time items for the nuclear strike cruiser is without prejudice to future requests for authorization of ships of this type.

The House Conferees recognize the need for more capable surface combatants in the fleet and that all surface ships contained in the FY 1976 authorization are of the "low mix", relatively less capable, type.

In submitting future budget requests, the Conferees hope that recognition will be given to the fact that large numbers of ships with weaponry of very limited offensive and defensive capability provide only a questionable probability of success in modern naval warfare.

It was the position of the House Conferees that the deletion of the \$60 million for long lead time items for the nuclear powered strike cruiser is not to be considered as a rejection of the ship. On the contrary, the Department of Defense is urged to include within the budget for FY 1977 the total amount of long lead time items which are required, and the Navy is expected to continue its efforts in connection with the design of the ship so that it can respond fully to questions from the Congress as to the characteristics and costs of the ship when the Navy's FY '77 ship building program is considered by the appropriate Congressional committees.

Patrol Frigate

The House included \$837.1 million of the \$955.5 million requested for 10 patrol frigates. The House removed \$118.4 million requested for escalation on this program for fiscal year 1978 and later years. The Senate included \$617.5 million for 7 ships after disapproving \$68.0 million requested for the Vulcan-Phalanx Close-In Weapon System (CIWS).

The conferees agreed to a program of 9 patrol frigates and \$802.5 million. This is a reduction to the request of \$68 million requested for the Vulcan Phalanx and \$85 million for one patrol frigate.

The Senate recedes with an amendment.

Patrol Hydrofoil Missile Ship (PHM)

The President's request contained \$83.4 million for two Patrol Hydrofoil Missile ships (PHM's). The House included \$72.5 million for two ships. The Senate approved no funds for the requested PHMs. After considerable discussion the conferees agreed to authorize two fully funded PHMs in the amount of \$83.4 million.

The House recedes with an amendment.

Destroyer Tender (AD)

The House approved \$322.3 million of the \$393.2 million requested by the President for two destroyer tenders. The Senate approved \$374.0 million of the President's request, removing \$19.2 million, the funds for putting Vulcan-Phalanx Close-In Weapon System on the Tenders.

The House recedes.

Fleet Oiler (AO)

The House approved \$202.7 million of the \$231.8 million requested by the President for two fleet oilers. The Senate approved \$212.1 million of the President's request, removing \$19.7 million, the funds for putting the Vulcan-Phalanx Close-In Weapon System on the oilers.

The House recedes.

Fleet Tug (T-ATF)

The House approved \$38.4 million of the \$41.4 million requested by the President for three fleet tugs, the Senate approved \$41.4 million, including \$3.0 million requested for future escalation.

The House recedes.

Escalation on Prior Year Programs

The House approved \$633.0 million of the \$1,149.8 million requested for contract escalation which the DoD estimates will occur on prior year shipbuilding and conversion programs until those programs are completed. The \$633.0 million approved represents the estimated amount of escalation which will need to be obligated in FY 1976, the transition period and in FY 1977. The additional year of escalation was added to permit a measure of flexibility.

The Senate approved \$368.6 million for this escalation reserve—the amount calculated to be obligated in FY 1976 and the transition period.

The Conferee's compromised the two amounts at \$420.3 million, realizing that this amount reduces the Navy's flexibility in financing escalation on its programs approved in prior years and that the Navy may have to resort to reprogramming actions to prevent program disruption or stop work orders.

The House recedes with an amendment.

Escalation on Fiscal Year 1976 Shipbuilding Programs

The House funded the basic costs of all 23 ships requested and, in addition, funded the forecast contract escalation on those ships in amount equal to two years of escalation. The Senate funded only 17 ships and funded forecast contract escalation in the full amount requested. The Senate receded on 5 ships (three patrol frigates and two patrol hydrofoil missile ships) and the Senate Conferees insisted that the full amount of forecast escalation for the entire period of the contracts be funded.

The House Conferees objected to the authorization of large sums merely on the basis of speculation as to future economic events and pointed out that shipbuilding programs may be overfunded in the light of the experienced reduction in the rate of inflation and the recent downward revision of escalation estimates by DoD.

In view of the adamant position of the Senate \$363.7 million was added to the individual ship programs for escalation which may need to be obligated in FY 1978 and the following years.

The House recedes.

Cost Growth

The House approved \$969.5 of the \$1,119.5 requested for cost growth on the Navy shipbuilding and Conversion programs, after deleting \$150 million requested for a reserve against the settlement of claims. The Senate approved \$913.4 for this item, after deleting \$143.2 million which is not needed for obligation in FY 1976 and \$62.9 million for cost growth on the Patrol Hydrofoil missile ship (PHM) program.

The Conferees compromised these differences at \$826.3 million, as follows:

The Senate agreed to delete the \$150 million requested as a reserve against claims, but with the understanding that reprogramming for claims would be considered if necessary.

The House agreed to delete the \$143.2 million not required for obligation in FY 1976.

The Senate agreed to restore the \$62.9 million for cost growth in the PHM program.

The Senate recedes with an amendment.

NEED FOR IMPROVEMENT IN THE PLANNING AND MANAGEMENT OF NAVY SHIPBUILDING PROGRAM

Both the constitutional and statutory responsibility of the Congress for maintaining an adequate national defense necessitates sound budgetary information and planning. It is with this responsibility in mind that the conferees of this bill comment on the Navy shipbuilding management.

It is essential that there be an improvement in the management of the Navy shipbuilding programs. Among the principal problems are the following: (1) for a number of years there has been a consistent understatement of costs presented to the Congress with regard to various shipbuilding programs. One result has been the insufficient budget requests causing the necessity for later approval of funds to cover underestimates in prior years. This lack of accurate cost information has hampered Congressional efforts to provide for a coherent and systematic shipbuilding program; (2) in many instances Congress is unaware of the cost of ships since the ultimate cost has remained unresolved for long periods of time. In part this situation prevails because of the lack of firm contractual arrangements between the Navy and shipbuilders initially with regard to the obligation of the government in terms of costs and construction schedules. Therefore, in order for the Congress to be in a better position to make budgetary judgments the Navy must, at the time of its initial submission of shipbuilding requests, present better cost estimates and construction schedules, both of which may necessitate a greater degree of preliminary design and definitization effort.

The objective of the foregoing comments is to place the Congress in a better position of knowing realistically the cost of ship programs at the time of their initiation and likewise be advised of changes in these programs in terms of cost whenever revisions are made subsequent to construction.

SHIPBUILDING AND CONVERSION, NAVY

	Number requested	Number authorized	President's budget	Conference resolution	Difference
Trident.....	1	1	\$602.6	\$602.8	.....
SSN688—Nuclear attack submarines.....	2	2	541.0	541.0	.....
DLGN—Nuclear guided missile programs.....	1	.....	257.0	.....	\$257.0
Recoup prior year—LL.....	.....	.....	.....	-75.0	75.0
CSSN—Nuclear strike cruiser—LLT.....	.....	.....	60.0	.....	60.0
PHM—Patrol hydrofoil missile.....	2	2	83.4	83.4	.....
PF—Patrol frigate.....	10	9	955.5	802.5	153.0
AD—Destroyer tender.....	2	2	393.2	374.0	19.2
AO—Fleet oiler.....	2	2	231.8	212.1	19.7
T-ATF—Fleet tug.....	3	3	41.4	41.4	.....
Craft.....	.....	.....	12.9	12.9	.....
Outfitting.....	.....	.....	38.2	38.2	.....
Post delivery.....	.....	.....	19.7	19.7	.....
Cost growth.....	.....	.....	1,119.5	826.3	293.2
Escalation prior year program.....	.....	.....	1,149.8	420.3	729.5
Total.....	23	21	5,506.0	3,899.4	-1,606.6

TRACKED COMBAT VEHICLES

M60A1 tank and tank modification

The House bill contained \$387 million in FY 76 and \$147.4 million in FY 77 for the M60A1 tank. The authorization was to procure 662 tanks in FY 76 and 248 in FY 77. The Senate amendment, while

providing authorization for the same number of tanks, reduced the authorization by \$14.6 million in FY 76 and \$14.4 million in FY 7T. The Senate reductions were for product improvement of the M60A1 tanks being procured in FY 76 and FY7T intended to improve their combat capability.

In addition, the House bill contained \$241.1 million in FY 76 and \$71.2 million in FY 7T for tank modifications. The Senate amendment reduced the authorization by \$36.4 million in FY 76 and by \$12.9 million in FY 7T. This reduction was to reduce the modification funds so as to eliminate retrofit kits for putting on M60A1 tanks already in the inventory the same items of equipment referred to above to improve the tank capability. The basis for the reduction by the Senate was that the unit cost for the modifications were so high and the increased effectiveness and tank capability demonstrated to date so limited as to make the modification not cost effective. The House conferees expressed the belief that the modifications would provide a desirable level of increased capability and were, therefore, justified. The conferees agreed to a deletion of the authorization with the understanding that when the cost-effectiveness of the items in question were adequately demonstrated, the Army could request reprogramming for these items through the regular reprogramming procedure.

The House recedes.

The language of the Senate amendment also provided that the \$379,400,000 authorized in Fiscal Year 1976 and \$133,000,000 authorized in Fiscal Year 197T for the procurement of M-60 series tanks shall be used only for the procurement of M-60 series tanks. The House bill had no similar provisions.

The House recedes.

M578 recovery vehicle

The House bill contained \$38.9 million for 210 M578 recovery vehicles for the Army in FY 76. The Senate amendment reduced the authorization by \$1.3 million, representing a reduction of 7 vehicles from the buy. The conferees agreed to restore the funds with the understanding that the recovery vehicles are to be procured only for the inventory requirements of the U.S. Army and the authorization is not to be used for the purpose of providing war-readiness reserves for our allies.

The Senate recedes.

Navy Torpedoes

The House approved \$21.5 million for 24 Mark-30 torpedo targets and \$13.5 million for torpedo spare parts. The Senate approved \$16.6 million for 9 Mark-30 targets and \$10.5 million for torpedo spare parts.

The House recedes.

OTHER WEAPONS

NAVY

Vulcan-Phalanx Close-In Weapons System

The House approved \$8.6 million requested for FY 1976 for design and planning of the production line to manufacture the first units of this system which were planned to be funded in FY 1977, and \$3.0

million for this purpose for FY 197T. The Senate approved no funds for this item. In view of the fact that the Vulcan-Phalanx Close-In Weapons System requires further testing prior to production, the House recedes.

TITLE II AND VII—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

GENERAL

The Department of Defense requested authorization of \$10,181,388,000 for the fiscal year 1976 Research, Development, Test, and Evaluation appropriations.

The R.D.T. & E. request for the three-month transitional period referred to as "197T" was \$2,682,937,000.

The following table summarizes the Senate and House modifications to the Research and Development budget request:

R. D. T. & E. SUMMARY

(In thousands of dollars)

	Request	House	Senate	Conference amount
FISCAL YEAR 1976				
Army.....	2,181,700	2,049,228	2,016,593	2,028,933
Navy.....	3,470,188	3,268,661	3,368,802	3,318,649
Air Force.....	3,903,200	3,766,691	3,707,840	3,737,001
Defense agencies.....	597,800	556,793	565,700	563,700
Test and evaluation.....	28,500	25,000	28,500	25,000
Total, budget authority.....	10,181,388	9,666,373	9,687,435	9,673,283

R. D. T. & E. SUMMARY

(In thousands of dollars)

	Request	House	Senate	Conference amount
FISCAL YEAR 197T				
Army.....	585,600	535,017	491,214	513,326
Navy.....	903,837	849,730	851,363	849,746
Air Force.....	1,034,000	986,077	946,621	965,783
Defense agencies.....	152,700	137,793	143,600	139,768
Test and evaluation.....	6,800	3,400	6,800	5,000
Total, budget authority.....	2,682,937	2,512,017	2,439,598	2,473,623

As shown, the conferees agreed on a total of \$9,673,283,000 which is \$508,105,000 less than the amount requested for fiscal year 1976. The conferees agreed on a total of \$2,473,623,000, or \$209,314,000 less than the amount requested for fiscal year 197T.

The details of the differences between the House bill and the Senate amendment and the changes adopted by the conferees are reflected in the following table:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
ARMY—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Surgical investigations	5,880		5,880	-500	5,380	5,380	1
2	Studies and analyses	7,000		7,000	-500	6,500	6,500	2
3	TRADOC studies and analyses	3,900		3,900	-900	3,000	3,000	3
4	Heavy lift helicopter	19,790	-3,000	16,790	-7,790	9,000	9,000	4
5	Aerial scout	10,700		10,700	-10,000	700	5,000	5
6	Advanced attack helicopter	65,039	-9,500	55,539	-100	55,439	55,439	6
7	CH-47 modernization	10,000		10,000	-6,500	3,500	10,000	7
8	Chaparral/Vulcan	14,790	-10,000	4,790	-100	4,690	4,890	8
9	Hardened BMD materials	5,150		5,150	-5,150			9
10	Advanced forward area air defense system	16,940	-11,100	5,840	+11,100	16,940	16,940	10
11	Surface-to-surface missile rocket system	5,000	-5,000		+5,000	5,000	1,000	11
12	BMD advanced technology program	105,000	-8,000	97,000	-8,000	105,000	97,000	12
13	Site defense	140,000	-6,000	134,000	-64,000	70,000	100,000	13
14	Cannon launched guided projectile	17,792	-7,792	10,000	+7,792	17,792	14,000	14
15	Heliborne missile—Hellfire	5,000	-5,000		+5,000	5,000	5,000	15
16	Parshing II	19,000		19,000	-3,000	16,000	19,000	16
17	Nonnuclear warheads	4,750		4,750	-2,000	2,750	4,750	17
18	Fire and forget missile—Hellfire	7,300	-7,300		+7,300	7,300		18
19	Kwajalein Missile Range	87,400	-7,400	80,000	-4,000	76,000	80,000	19
20	Armament technology	21,315		21,315	-5,000	16,315	18,815	20
21	Ballistics technology	13,850		13,850	-3,000	10,850	13,850	21
22	Chemical munitions technology	1,945		1,945	-685	260	1,945	22
23	Lethal chemical munitions concept	957		957	-957		957	23
24	Lethal chemical munitions	3,525		3,525	-3,525		3,525	24
25	M60A1 thermal sight	8,086		8,086	-1,500	6,586	6,586	25
26	Bushmaster	16,070	-6,070	10,000	+6,070	16,070	10,000	26
27	Chemical defense materiel concepts	6,890	-1,850	5,040	+1,850	6,890	5,040	27
28	Manpower and human resources technology	7,280		7,280	-1,000	6,280	6,280	28
29	Army support of DARPA hostile weapons project	1,400	-1,400		+1,400	1,400	400	29
30	Unattended ground sensor	9,630	-6,630	3,000	+4,130	7,130	5,000	30
31	Classified program	13,041		13,041	-3,000	10,041	13,041	31
32	STANO	16,430	-12,430	4,000	+12,430	16,430	12,000	32
33	Command and control	7,190		7,190	-1,100	6,090	7,190	33
34	Artillery locating radar	13,340	-4,000	9,340	+4,000	13,340	10,340	34
35	Manpower and human resources development	9,480		9,480	-1,600	7,880	7,880	35
36	General combat support	8,655		8,655	-1,000	7,655	8,000	36
37	Mortar locating radar	10,820	-2,000	8,820	+2,000	10,820	8,820	37
38	Programwide management and support		-18,000	-18,000	+18,000		-9,000	38
	Reimbursements from foreign military sales	-7,700		-7,700		-7,700	-7,700	
	Programs not in dispute	1,469,065		1,469,065		1,469,065	1,469,065	
	Total, Army budget authority	2,181,700	-132,472	2,049,228	-32,635	2,016,593	2,028,933	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
NAVY—FISCAL YEAR 1976

[In thousands of dollars]

Item No.	Program element	Fiscal year 1976 request	House		Senate		Conference	Item No.
			Change	Authorization	Change from House	Authorization		
1	Studies and analysis support, Navy	11,135		11,135	-1,000	10,135	10,135	1
2	Aircraft flight test general	3,983		3,983	-500	3,483	3,483	2
3	Classified program	35,713		35,713	-9,608	26,105	31,700	3
4	Aircraft systems (advanced)	4,913		4,913	-2,000	2,913	2,913	4
5	Air ASW	41,300	-16,900	24,400	+7,598	31,998	31,998	5
6	Airborne mine countermeasures	3,531		3,531	-500	3,031	3,031	6
7	Tactical air reconnaissance	6,888		6,888	-6,277	611	6,888	7
8	Aircraft survivability and vulnerability	2,033		2,033	-1,000	1,033	2,033	8
9	Modular FLIR	600	-600		+600	600		9
10	All weather attack	1,100	-1,100		+1,100	1,100	500	10
11	Fleet ballistic missile system	65,782	-20,000	45,782	+20,000	65,782	53,282	11
12	Sanguine	18,000		18,000	-300	17,700	17,700	12
13	Gryphon	11,788		11,788	-700	11,088	11,088	13
14	Strike warfare weaponry technology	39,291	-9,000	30,291	+9,000	39,291	36,500	14
15	ARM system technology	5,002	-1,002	4,000	+1,002	5,002	4,000	15
16	Advanced surface-to-air weapon system	11,932	-11,932		+11,932	11,932	11,932	16
17	Advanced short range air-to-air missile	6,000	-3,000	3,000	+3,000	6,000	3,000	17
18	Air launched/surface launched antiship missile	3,000	-3,000		+3,000	3,000		18
19	Cruise missile	101,800	-8,000	93,800	+1,000	94,800	93,800	19
20	Surface missile guidance (advanced)	4,000		4,000	-3,000	1,000	1,000	20
21	Surface launched MGBB technology	500	+3,500	4,000	-3,500	500	4,000	21
22	Close in weapon system (Phalanx)	30,671	-19,371	11,300	+19,371	30,671	15,000	22
23	Trident missile system	735,590	-45,000	690,590	+42,000	732,590	725,500	23
24	Classified program	27,822		27,822	-4,000	23,822	27,822	24
25	Surface ASW	27,093	-5,000	22,093	+5,000	27,093	24,600	25
26	Ship development (advanced)	27,758	-7,758	20,000	-42	19,958	19,958	26
27	Hydrofoil craft (advanced)	7,075		7,075	-2,900	4,175	4,175	27
28	Classified program	22,547	-11,647	10,900	+11,647	22,547	13,900	28
29	Ship development (engineering)	32,670		32,670	-23,800	8,870	30,570	29

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
NAVY—FISCAL YEAR 1976—Continued

(In thousands of dollars)

Item No.	Program element	House		Senate		Conference	Item No.	
		Fiscal year 1976 request	Change	Authorization	Change from House			Authorization
30	MK-48 torpedo	3,197	-1,597	1,600	+1,597	3,197	3,197	30
31	Gun systems	1,500	-1,500		+1,500	1,500		31
32	BW/CW weapons	1,599		1,599	-1,599		1,599	32
33	Fire control systems (engineering)	14,197	-2,000	12,197	+2,000	14,197	14,197	33
34	Manpower effectiveness	4,508		4,508	-700	3,808	3,808	34
35	Education and training	7,930		7,930	-400	7,530	7,503	35
36	Reliability and maintainability	2,000		2,000	-2,000			36
37	Other Marine Corps development (engineering)	5,390	-2,505	2,885	+2,505	5,390	5,390	37
38	Foreign weapons evaluation	2,110	-1,110	1,000	+1,110	2,110	2,110	38
39	R.D.T.&E. instrumentation support	29,081		29,081	-2,000	27,081	27,081	39
40	R.D.T.&E. ship and aircraft support	47,029		47,029	-2,000	45,029	47,029	40
41	Test and evaluation support	150,466		150,466	-3,000	147,466	147,466	41
42	Laboratory fleet support	3,000		3,000	-3,000			42
43	Programwide management and support		-33,005	-33,005	+33,005		-17,000	43
44	Undistributed reduction						-23,020	44
45	Funds excess to fiscal year 1975 program requirements				-4,000		-4,000	45
	Reimbursements from foreign military sales	-50,000		-50,000		-50,000	-50,000	
	Programs not in dispute	1,958,754		1,958,754		1,958,754	1,959,754	
	Total, Navy budget authority	3,470,188	-201,527	3,268,661	+100,141	3,368,802	3,318,649	

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

AIR FORCE—FISCAL YEAR 1976

(In thousands of dollars)

Item No.	Program element	House		Senate		Conference	Item No.	
		Fiscal year 1976 request	Change	Authorization	Change from House			Authorization
1	B-52 squadrons	10,329	-10,329		+7,329	7,329	5,000	1
2	F-15 squadrons	39,900	9,900	30,000	+9,900	39,900	35,000	2
3	C-5A airlift squadrons	22,300		22,300	-10,300	12,000	22,300	3
4	Advanced avionics for aircraft	10,200	1,200	9,000	+1,200	10,200	10,200	4
5	Aircraft equipment development	7,480		7,480	-1,500	5,980	7,480	5
6	B-1	672,200		672,200	-75,000	597,200	642,000	6
7	Air combat fighter	272,950	-39,000	233,950	-12,900	221,050	221,050	7
8	Advanced ICBM technology	41,200		41,200	-1,100	40,100	40,100	8
9	Advanced ballistic reentry systems	101,000	-9,000	92,000	+9,000	101,000	96,500	9
10	Strategic bomber penetration	7,700		7,700	-1,000	6,700	7,700	10
11	Advanced short-range air-to-air missile systems technology	3,800	-800	3,000	+800	3,800	3,000	11
12	SAMTEC and ACS telecommunications	4,500		4,500	-1,000	3,500	4,000	12
13	Classified programs	20,000	-2,000	18,000	+2,000	20,000	19,000	13
14	Armament ordnance development	9,680		9,680	-1,500	8,180	9,000	14
15	Close air support weapon system	31,520	-21,520	10,000	+21,520	31,520	24,000	15
16	Strategic Air Command communications	6,000	-4,000	2,000	+4,000	6,000	6,000	16
17	Ground electronics	45,350		45,350	-2,160	43,190	43,190	17
18	Electronic warfare technology	8,400	-1,000	7,400	+1,000	8,400	7,400	18
19	Advanced computer technology	3,960	-960	3,000	+960	3,960	3,000	19
20	Life support system	6,940		6,940	-1,000	5,940	6,440	20
21	Other operational equipment	9,900		9,900	-2,500	7,400	8,400	21
22	Integrated program for airbase defense	7,500		7,500	-1,500	6,000	7,650	22
23	Drone/remotely piloted vehicle systems development	13,988		13,988	-5,500	8,488	13,988	23
24	Precision emitter location strike system	19,000	-8,000	11,000	-2,900	8,100	10,000	24
25	AWACS	199,192	-14,000	185,192	+14,000	199,192	199,192	25
26	Advanced fighter protective systems	18,800	-2,800	16,000	+2,800	18,800	17,400	26
27	Intelligence equipment	7,200		7,200	-2,000	5,200	6,200	27
28	Test and evaluation support	288,500		288,500	-12,500	276,000	276,000	28
29	Programwide management and support		-12,000	-12,000	+12,000		-8,000	29
30	Undistributed reduction						-19,000	30
31	Funds excess to fiscal year 1975 program requirements				-11,000		-11,000	31
	Programs not in dispute	2,013,711		2,013,711		2,013,711	2,013,711	
	Total, Air Force budget authority	3,903,200	-136,509	3,766,691	-58,851	3,707,840	3,737,001	

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

NAVY—1977

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1977 request	Change	Authorization	Change from House	Authorization		
1	Studies and analysis support, Navy	3,189		3,189	-600	2,589	2,589	1
2	Aircraft flight test general	1,467		1,467	-500	967	967	2
3	Classified Program	11,289		11,289	-6,929	4,360	10,289	3
4	Aircraft systems (advanced)	2,398		2,398	-1,500	898	898	4
5	Air ASW	4,419		4,419	-1,883	2,536	2,536	5
6	Airborne mine countermeasures	1,445		1,445	-400	1,045	1,445	6
7	Tactical air reconnaissance	2,307		2,307	-1,764	543	2,307	7
8	Aircraft survivability and vulnerability	2,096		2,096	-1,500	596	2,096	8
9	Modular FLIR	200	-200		+200	200		9
10	All weather attack	1,201	-1,201		+1,201	1,201		10
11	Fleet ballistic missile system	21,273	-6,500	14,773	+6,500	21,273	16,773	11
12	Sanguine	4,400		4,400	-770	3,630	3,630	12
13	Gryphon	6,597		6,597	-1,800	4,797	4,797	13
14	Strike warfare weaponry technology	10,683	-2,500	8,183	+2,500	10,683	9,500	14
15	ARM system technology	804	-400	404	+400	804	404	15
16	Advanced surface-to-air weapon system	4,600	-4,600					16
17	Agile	5,407	-2,600	2,807	+2,600	5,407	3,307	17
18	Air launched/surface launched antiship missile	2,373	-2,373		+2,373	2,373		18
19	Cruise missile	42,100	-4,000	38,100	-1,000	37,100	37,100	19
20	Surface missile guidance (advanced)	1,700		1,700	-700	1,000	1,000	20
21	Surface launched MGBB technology	200	+1,500	1,700	-1,500	200	1,700	21
22	Air-to-air missile component technology	4,604		4,604	-3,200	1,404	1,404	22
23	Close-in weapon system (Phalanx)	2,458	-2,458		+2,458	2,458	2,458	23
24	Trident missile system	172,510	-10,000	162,510	+9,000	171,510	165,510	24
25	Classified program	11,598		11,598	-1,200	10,398	11,598	25
26	Surface ASW	9,160	-2,160	7,000	+2,160	9,160	8,000	26
27	Ship development (advanced)	10,755	-2,755	8,000	-1,845	6,155	7,000	27
28	Hydrofoilcraft (advanced)	2,398		2,398	-930	1,468	1,468	28
29	Classified program	5,844	-2,844	3,000	+2,844	5,844	4,000	29
30	Ship development (engineering)	9,803		9,803	-6,700	3,103	8,603	30
31	Gun systems	642	-642		+642	642		31
32	BW/CW weapons	348		348	-348		348	32
33	Manpower effectiveness	1,187		1,187	-200	987	987	33
34	Education and training	2,112		2,112	-100	2,012	2,012	34
35	Reliability and maintainability	1,250		1,250	-1,250			35
36	Other Marine Corps development (engineering)	2,081	-1,002	1,079	+1,002	2,081	2,081	36
37	R.D.T. & E. instrumentation and material support	10,325		10,325	-2,000	8,325	8,325	37
38	R.D.T. & E. ship and aircraft support	12,988		12,988	-1,000	11,988	12,988	38
39	Test and evaluation support	38,657		38,657	-1,000	37,657	37,657	39
40	Laboratory fleet support	1,000		1,000	-1,000			40
41	Undistributed reduction		-9,372	-9,372	+9,372			41
	Programs not indispute	473,969		473,969		473,969	473,969	
	Total, Navy budget authority	903,837	-54,107	849,730	+1,633	851,363	849,746	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION

AIR FORCE—1977

[In thousands of dollars]

Item No.	Program element	House			Senate		Conference	Item No.
		Fiscal year 1976 request	Change	Authorization	Change from House	Authorization		
1	B-52 squadrons	7,329	-7,329		+3,029	3,029		1
2	C-5A airlift squadrons	10,400		10,400	-7,400	3,000	10,400	2
3	Advanced avionics for aircraft	3,600	-600	3,000	+600	3,600	3,600	3
4	Stall/spin inhibitors	600		600	-600			4
5	Aircraft equipment development	2,200		2,200	-700	1,500	2,200	5
6	B-1	168,300		168,300	-39,300	129,000	158,000	6
7	Air combat fighter	82,504	7,000	75,504	-5,800	69,704	69,704	7
8	Advanced ICBM technology	15,300		15,300	-1,000	14,300	14,300	8
9	Advanced ballistic reentry systems	29,150	-5,000	24,150	+5,000	29,150	26,650	9
10	Strategic bomber penetration	5,700		5,700	-1,000	4,700	5,700	10
11	Advanced short-range air-to-air missile systems technology	1,200	-200	1,000	+200	1,200	1,000	11
12	SAMTEC and ACS telecommunications	1,000		1,000	-100	900	1,000	12
13	Classified program	5,720	-1,720	4,000	+1,720	5,720	4,800	13
14	Armament ordnance development	2,789		2,789	-600	2,189	2,500	14
15	Close air support weapon system	16,800	-13,000	3,800	+13,000	16,800	6,700	15
16	Ground electronics	12,123		12,123	-529	11,594	11,594	16
17	Electronic warfare technology	2,750	-1,000	1,750	+1,000	2,750	1,750	17
18	Advanced computer technology	1,200	-200	1,000	+200	1,200	1,000	18
19	Life support system	1,980		1,980	-400	1,580	1,780	19
20	Other operational equipment	2,200		2,200	-200	2,000	2,000	20
21	Integrated program for airbase defense	1,650		1,650	-150	1,500	1,650	21
22	Drone/remotely piloted vehicle systems development	6,000		6,000	-4,900	1,100	6,000	22
23	Precision emitter location strike system	10,600	-4,600	6,000	+4,300	10,300	3,000	23
24	AWACS	54,474	-1,374	53,100	+1,374	54,474	54,474	24
25	Advanced fighter protection systems	3,600	-1,600	2,000	+1,600	3,600	2,800	25
26	Intelligence equipment	3,300		3,300	-2,000	1,300	2,300	26
27	Test and evaluation support	75,000		75,000	+2,500	72,500	72,500	27
28	Programwide management and support		-4,300	-4,300	+4,300		-6,000	28
29	Undistributed reduction						-2,150	29
	Programs not in dispute	506,531		506,531		506,531	506,531	
	Total, Air Force budget authority	1,034,000	-47,923	986,077	-39,456	946,621	965,783	

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RESEARCH, DEVELOPMENT, TEST, AND EVALUATION SUMMARY OF CONFERENCE ACTION
DEFENSE AGENCIES—1977
(In thousands of dollars)

Item No.	Program element	House			Senate			Item No.
		Fiscal year 1977 request	Change	Authorization	Change from House	Authorization	Conference	
DARPA:								
1	Defense research sciences.....	9,300	-2,750	9,300	-500	8,760	8,760	
2	Missiles and related equipment.....	18,700	-1,000	18,700	+2,750	18,700	17,950	
3	Tactical technology.....	11,500	-1,250	10,250	+1,250	10,500	10,500	
4	Distributed information systems.....	3,700	-	3,700	-	3,700	2,450	
5	Advanced command, control, and communications technology.....	3,200	-	3,200	-500	2,700	2,700	
6	Training, forecasting, and decision technology.....	1,800	-	1,800	-100	1,700	1,700	
7	Technology assessments.....	1,600	-	1,600	-	1,500	1,500	
8	DCA: WWMCCS-JTSA.....	1,700	-	1,700	-300	1,400	1,550	
9	DMA: Undistributed reduction.....	3,850	-350	3,500	-	3,500	3,500	
10	DNA (Classified).....	-	-5,282	-	+1,282	-	-	
11	NSA (Classified).....	-	-	-	-	-	-	
12	DIA (Classified).....	5,700	-4,275	1,425	+3,575	5,000	4,300	
13	Technical support to OSD/JCS.....	18,464	-	18,464	-	18,464	18,464	
	Programs not in dispute.....	-	-	-	-	-	-	
	Total, Defense agencies budget authority.....	182,700	-14,907	167,793	+5,807	143,600	139,768	
14	Director of test and evaluation.....	6,800	-3,400	3,400	+3,400	6,800	5,000	
	Total, R.D.T. & E. budget authority.....	2,682,937	-170,920	2,512,017	-72,419	2,439,598	2,473,623	

CONFERENCE ACTION ON SELECTED SUBJECTS IN THE RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FISCAL YEARS 1976 AND 1977
AUTHORIZATION REQUEST

F-18

The Senate bill contained language prohibiting the use of funds authorized by the act to conduct research, development, testing, and evaluation of the F-18 Navy Air Combat Fighter until the Comptroller General of the United States has rendered an official decision in the LTV Aerospace Corporation protest filed with the GAO, or until July 31, 1975, whichever is sooner.

The House conferees objected to the provision as not being necessary and pointed out that the effective date of an authorization bill would be later than July 31, 1975. The Senate reluctantly receded.

AERIAL SCOUT

The House bill approved the full amount of \$10.7 million for FY 1976 and \$8.8 million for 1977 as requested. The Senate amendment authorized \$700,000 and \$200,000 for these respective periods only to support in-house efforts because (1) the Army had not yet approved the characteristics of the new scout; (2) the Army had not determined if either a new development or an off-the-shelf helicopter would satisfy the requirement; and (3) following these determinations, the Army must obtain DSARC approval before proceeding with the program. The Senate action considered that if the Army and DOD had decided what the Army requires by the time the fiscal year 1977 request is submitted, there then would be a meaningful basis for consideration.

The Department of Defense reclama states the Army had completed the study of the characteristics of the Advanced Scout Helicopter, that indications are it will be a military adaptation of an existing helicopter, and the DSARC will be held on July 31, 1975. Because of these new developments, the Senate conferees recede and agreed to restore \$4.3 million in fiscal year 1976 and \$6.8 million in 1977. This will provide a total of \$5.0 million and \$7.0 million for these respective periods.

The use of the funds restored is contingent on approval of the House and Senate Armed Services Committees following DSARC approval and prior to issuance of requests for proposal to industry.

ADVANCED FORWARD AREA AIR DEFENSE SYSTEM

The House bill deleted the request for \$11.1 million in fiscal year 1976 and \$2.0 million in 1977 for prototypes of a new anti-aircraft gun system. The Senate amendment approved the full request.

The House reduction was made because of the belief that the Army's plans for development of a new gun system were too indefinite to warrant a start on the program at this time. The Senate conferees pointed out that the Army had continued to firm up its plans for development of the new gun since the fiscal year 1976 budget hearings and an advanced development requirement had been approved before the conference.

The Senate and House conferees both agreed on the need for a new and more powerful gun to replace the 20 mm Vulcan. The conferees

agreed to restore the full amount of \$13.1 million in fiscal year 1976 and \$2.0 million in 197T as provided by the Senate. At least one of the new prototype gun systems shall use the GAU-8 30 mm gun adapted for the anti-aircraft role.

ARTILLERY LOCATING (COUNTERBATTERY) RADAR

The House bill resulted in a reduction of \$4.0 million from the Army's request of \$13.340 million for fiscal year 1976 and a reduction of \$1.0 million from the \$1.960 million requested for fiscal year 197T. The Senate amendment authorized the amounts requested.

The House action was based on the fact that the Army planned to initiate a six-month modification phase for the two competing radar systems. The modification phase follows the completion of test and evaluation of both systems.

The conferees believe that the Army, at the completion of testing, should be able to select the best system for the follow-on phase. The conferees agreed to a funding level of \$10.340 million and \$1.2 million for fiscal years 1976 and 197T respectively to support this approach.

The projected high unit cost of this system requires that the Army assess less costly alternatives such as Remotely Piloted Vehicles and infrared systems to provide this capability. The results of this assessment should be available to support the fiscal year 1977 authorization request.

BINARY CHEMICAL MUNITIONS

SEE TITLE VIII, GENERAL PROVISIONS

CANNON LAUNCHED GUIDED PROJECTILE

The House bill authorized \$10.0 million of the Army's \$17.8 million request for fiscal year 1976, and none of the \$7.0 million for fiscal year 197T. The Senate amendment approved the full amount requested for both periods.

The House action reflected dissatisfaction with the overall management of the Army and Navy guided ordnance programs, and stated the belief that commonality is possible and both cost and performance effective.

The conferees are concerned that the Army requirement for this projectile has not yet been validated, in view of all other weapons and munitions available or planned to be employed against the same targets. The conferees also are concerned that it may not be worth the cost to develop and deploy this projectile since there are other possible alternatives. The conferees were advised that the estimated cost to develop and procure the planned inventory requirements is about \$1.0 billion.

The conferees agreed that the Army's program should proceed into engineering development with the specific understanding that the engineering development contract would not be a commitment to either full scale engineering development or production. The conferees were advised by the Army that the "Producibility Engineering and Planning (PEP) phase of the contract would be deferred until after fiscal year 197T. At that time the prospects for commonality will again be assessed: Both Committees on Armed Services are to be advised of this assessment prior to initiation of PEP. In addition, the Army advised that it planned another stopping point for program review pre-

ceding the Limited Rate Initial Procurement (LRIP) phase of the program.

Prior to the submission of the fiscal year 1977 request for authorization, both Committees on Armed Services are to be provided with the results of a complete DDR&E coordinated study of Army requirements (including the Navy candidates and all other delivery systems and munitions available or planned for inventory) and cost effectiveness analysis.

The House recedes and agrees to restore \$4.0 million in fiscal year 1976 and \$3.0 million in 197T to support either the engineering development contract or competitive testing with the Navy round.

CHAPARRAL/VULCAN

The House bill reduced the request for \$14.8 million in fiscal year 1976 and \$5.7 million in 197T for R&D on improvements to the Chaparral surface-to-air missile down to \$4.8 million in fiscal year 1976 and \$1.7 million in 197T. The Senate amendment contained \$4.9 million in fiscal year 1976 and \$1.0 million in 197T.

The Conferees agreed to provide \$4.9 million in fiscal year 1976 and \$1.7 million in 197T. If additional funding is required during the fiscal year, a reprogramming request will be considered for this missile system.

CH-47 MODERNIZATION

The House bill authorized the full \$10.0 million requested for fiscal year 1976 and \$2.8 million for 197T to modernize the CH-47 helicopter fleet. The Senate amendment reduced these amounts to \$3.5 million and \$900,000 respectively because the Army had not yet decided which of six possible alternative courses of action to pursue. The reduced level of funding would sustain current preliminary design efforts but preclude initiating the full program.

The Army now states that preliminary results of current studies confirm that modernization of present inventory helicopters rather than replacement with new helicopters is the most cost effective approach. Formal Army approval was anticipated by July 24, 1975 and DOD approval by September 30, 1975. Because of these developments and the imminency of the approval actions, the Senate recedes and accepts the full amounts approved by the House. However, none of the amounts restored are to be used without approval by both the House and Senate Armed Services Committees of the plan approved by the Office of the Secretary of Defense.

CHEMICAL DEFENSE MATERIAL CONCEPTS

The House bill recommended a reduction of \$1.850 million from the \$6.890 million requested by the Army for fiscal year 1976 and \$550,000 from the \$1.620 million requested for fiscal year 197T. The reduction was intended to terminate the Long Path Infrared (LOPAIR). The Senate amendment authorized the full amount of the request.

The Senate conferees accepted the House position since LOPAIR has not demonstrated significant progress to warrant continued support. The House conferees expressed their belief that LOPAIR has been overtaken by technological advancements such as the Forward Looking Infrared (FLIR). Last year the Army was encouraged to conduct

side-by-side tests and evaluation of FLIR and LOPAIR. The tests were not conducted.

While no funds are authorized for any continued development of LOPAIR; the Army can, if it chooses, submit a reprogramming request in accordance with established procedures to conduct a side-by-side test of FLIR and LOPAIR.

HELLFIRE

The House bill deleted all of the funds for both HELLFIRE programs: \$5.0 million for the laser Heliborne missile for fiscal year 1976 and \$4.0 million for fiscal year 197T; \$7.3 million for the Fire and Forget module for fiscal year 1976 and \$1.450 million for fiscal year 197T. The Senate bill authorized the entire amount requested for both programs except for fiscal year 197T where the \$3.2 million requested for starting engineering development of Hellfire was deleted and only \$800,000 was authorized for the laser Heliborne missile.

The rationale for the House action was based on the Army's testimony concerning the affordability of the Hellfire missile. The House conferees, however, in light of the relatively successful test program coupled with the fact that the Hellfire missile is a viable alternative for the Advanced Attack Helicopter, agreed with the Senate position to authorize the \$5.0 million request for the laser Heliborne missile for fiscal year 1976 and \$800,000 for fiscal year 197T. The Army is expected, however, to thoroughly assess other possible alternatives, such as a powered version of the cannon launched guided projectile or a 5-inch guided projectile, for the Hellfire mission.

The Senate conferees agreed with the House position that the Fire and Forget module would result in an even more expensive missile than Hellfire since it would utilize a more expensive seeker. Further, the Army has not yet been able to demonstrate that the Fire and Forget seeker would improve combat capability over laser Hellfire because of the target acquisition problem. The conferees agreed to terminate this program as a line item. However, the Army may continue to explore the potential of using other candidate seekers within the total funding authorized for the laser Heliborne missile.

HEAVY LIFT HELICOPTER

The House bill approved \$16.8 million in fiscal year 1976 and \$2.5 million in 197T for continuation of the redirected Heavy Life Helicopter (HLH) program limited by the Secretary of Defense to a single prototype advanced development program including flight testing. The Senate amendment approved \$9.0 million for fiscal year 1976 which is the amount estimated by the Army as required to terminate the program.

The reasons for termination are set forth on page 84 of Senate Report No. 94-146 on the pending Military Procurement Authorization Bill. The House recedes.

SITE DEFENSE

The House bill authorized \$134.0 million of the \$140.0 million requested for fiscal year 1976 and \$34.0 million of the \$38.0 million requested for 197T.

The Senate amendment provided \$70.0 million and \$19.0 million respectively for these two periods because the Army had not entirely complied with the Senate direction last year to change from a prototype demonstration program to a sustaining advanced development program. The Senate stated that the program will be maintained at a sustaining level pending further developments in strategic weapons limitation negotiations with the Soviets.

The conferees agreed to an authorization of \$100 million and \$25 million for fiscal years 1976 and 197T respectively.

The Department of Defense reclama stated that the Senate position is inadequate for a sustaining level and would cripple the program and possibly force dissolution of the present contractor team. This also would dramatically increase deployment time, if needed, and erode the U.S. SALT bargaining position.

The Senate reluctantly recedes and agrees to restore \$30.0 million in fiscal year 1976 and \$6.0 million in 197T, the minimum amount estimated as needed to retain the contractor team and continue the program at a minimum acceptable level. The conferees adopted the Senate requirement for a study by the Secretary of Defense to conduct it as stated on page 18 of Senate Report No. 94-146 accompanying the pending Military Procurement Authorization Bill.

The results of the study will be submitted to the House and Senate Committees on Armed Services by November 15, 1975.

SURFACE-TO-SURFACE MISSILE ROCKET

The House bill deleted the entire \$5.0 million requested by the Army for fiscal year 1976 and the \$3.0 million requested for fiscal year 197T. The Senate amendment authorized the entire request.

The Army intended to develop two systems: a new Long Range Guided Missile (LRGM) as a nonnuclear alternative to Lance, and a free flight General Support Rocket System (GSRS). The conferees were not convinced that the LRGM would be more performance or cost-effective than the existing Lance missile system and accordingly agreed to preclude this new start.

The conferees agreed to restore \$1.0 million for GSRS for fiscal year 1976 and \$500 thousand for fiscal year 197T. The basis for supporting this development is the need for a medium range counter-battery weapon; however, the conferees are concerned over two areas which are not properly integrated in the program plan, viz., a concurrent development of a terminal seeker for the GSRS and the forward area targeting problem. During the coming year, the Army will address these problems and report their findings and conclusions in conjunction with submission of the fiscal year 1977 authorization request.

VEHICLE RAPID FIRE WEAPON SYSTEM—BUSHMASTER

The House bill resulted in a reduction of \$6.070 million from the \$16.070 million requested by the Army for fiscal year 1976 and a reduction of \$1.631 million from the \$3.631 million requested for fiscal year 197T. The Senate amendment authorized the full request.

The rationale for the House action was based largely on the Army's plan to product improve the M-139 gun and use it as an interim system for the Mechanized Infantry Combat Vehicle (MICV). Further,

the House was not convinced that the Army had a viable plan for the development of the Bushmaster for the MICV. There are a number of factors in question. Included is the fact that the proposed 25mm round is not fully developed and will cost several hundred million dollars to put into the U.S. inventory.

The Senate conferees concur with the House position that continued investment of funds for the M-139 is not prudent. The conferees have been advised of a Department of Defense memorandum that states it would be more cost effective to slip the MICV schedule than it would be to pursue an interim gun system. The Army should reassess the MICV schedule and justify the need and plan to both Committees on Armed Services, for both the interim and Bushmaster gun system.

The conferees agreed that the Army still lacks a viable definitive plan for the Bushmaster and agreed to the level of funding authorized by the House.

XM-1 TANK

The House bill authorized the entire Army request of \$51.8 million and \$39.0 million for fiscal year 1976 and 197T respectively. The Senate amendment reduced the 197T request by \$29.7 million.

The Senate action was intended to ensure a competition of both U.S. tank candidates in addition to the German Leopard II candidate.

The Senate recedes and agreed to restore the \$29.7 million approved by the House. The conferees agree that \$23 million of this is available only to initiate engineering development with a single contractor provided specific approval is granted by the Secretary of Defense and reported to the Armed Services Committees. The conferees also agreed that initiation of engineering development, prior to the delivery of a Leopard II test article in September 1976 for competitive testing with the XM-1, will not prejudice the results of that test program.

ADVANCED SHORT RANGE AIR-TO-AIR MISSILE TECHNOLOGY

The House bill resulted in a reduction of \$3.0 million from the Navy's request for \$6.0 million for fiscal year 1976 and a reduction of \$2.6 million from the \$5.407 million request for fiscal year 197T. In addition, the House bill reduced the Air Force request of \$3.8 million for fiscal year 1976 to \$3.0 million and the \$1.2 million request for fiscal year 197T to \$1.0 million. The Senate amendment authorized full funding for both the Navy and Air Force programs.

Last year the conferees terminated the Navy's Agile missile program due to its high cost, complexity, and lack of progress after expenditures in excess of \$80 million. The conferees also terminated the Air Force's CLAW missile program because of its projected lack of effectiveness. Both programs were intended to provide the Navy and Air Force with separate follow-on dogfight missiles to the Sidewinder AIM-9L series.

The House-Senate Conference Report, No. 93-1212, for fiscal year 1975 directed that the Navy and Air Force establish firm common requirements for a new missile prior to the expenditure of funds for the development of complex technology that may not even be required. The plans provided by the Services for fiscal years 1976 and 197T, however, indicated their intention to develop Agile and CLAW prototypes.

The conferees again stress the need to complete the requirements phase which will define a single set of missile performance characteristics such as seeker sensitivity, off-axis boresight acquisition requirements, maneuverability, etc. The conferees agreed that the funding authorized by the House is adequate to perform the necessary requirements phase with limited component development. The conferees further stress that there does not appear to be any urgency for an accelerated program to develop this follow-on to the excellently-performing AIM-9L Sidewinder.

The Senate recedes.

ADVANCED SURFACE-TO-AIR WEAPON SYSTEM

The House bill deleted the \$11.932 million requested by the Navy for fiscal year 1976 and \$4.6 million requested for fiscal year 197T to initiate the development of this missile. The Senate amendment authorized the full request for fiscal year 1976 but deleted the \$4.6 million requested for starting engineering development in fiscal year 197T.

The House action was based on the belief that a 5" surface-to-air missile is neither cost nor performance effective. The missile has a smaller warhead than that of the 5-inch guided projectile with an estimated unit cost that could be as much as ten times greater than that of the projectile. The Navy failed to explain why the lower cost guided projectile could not be made launcher compatible. The Senate action for fiscal year 197T was intended to preclude engineering development of this missile until the basic questions concerning lethality and systems integration are resolved by the Navy.

The House conferees remained firm in their conviction that a launcher compatible 5-inch guided projectile would be more cost and performance effective. While the feasibility of the guidance scheme employed in the 5-inch guided projectile has been demonstrated, the Senate conferees contended that performance should be demonstrated including feasibility firings. Since the feasibility of the boosted projectile would have to be demonstrated, the conferees agreed to support an advanced development program for both the missile and projectile during fiscal years 1976 and 197T.

The conferees authorized \$11.932 million for fiscal year 1976 and 197T of which \$4.9 million will be used only for the advanced development of the launcher compatible guided projectile. The remaining \$7.032 million is authorized for the advanced development of the 5-inch missile. The Navy has advised that these funds are sufficient for the directed tasks. The authorization for the missile program is predicated upon the initiation and conduct of the guided projectile launcher compatibility demonstration, i.e., the missile program may not be initiated unless all funds are available for the projectile program during the fifteen month period. The Navy could submit a reprogramming request if additional funding is required.

The conferees agreed that no subsequent funding would be provided for the 5-inch missile program until completion of the feasibility firings of the projectile.

AEGIS

The House bill contained restrictive language that would prohibit expenditure of funds for Aegis until the Secretary of Defense provided to both Committees on Armed Services a plan that identified a

nuclear platform and funding for the fleet implementation of Aegis during or prior to 1981. The Senate amendment contained no similar provision.

While recognizing the need to identify a platform for the Aegis, the Senate conferees thought it unwise to make continued development of the Aegis system dependent upon identification of a platform that would provide for Aegis fleet implementation before 1981. Thus the conferees agreed simply to require the Secretary of Defense to identify a platform, nuclear or otherwise, for the Aegis system.

The House conferees were especially concerned over the fact that after a period that spans nearly ten years of Aegis development, the Navy has failed to identify a suitable platform for this much needed system.

The House report (No. 94-199) suggested that the Navy give serious consideration to the U.S.S. *Long Beach* (CGN-9) as the first Aegis platform. The House contended that the *Long Beach* could serve as a prototype for the Strike Cruiser and would be a viable platform since, at the present time, the *Long Beach* weapon systems suite is antiquated.

The House conferees feel strongly that the Navy should give special attention to integrating the Aegis on the *Long Beach* in order to make it a modern Strike Cruiser. The Navy is to submit a written report by November 15, 1975, to both Committees on Armed Services that addresses the various alternatives and estimated costs for the *Long Beach* with various conversion plans including the addition of the Aegis and Standard missile systems.

AIR ASW (MK III LAMPS)

The House bill authorized \$16.9 million of the \$41.3 million requested for fiscal year 1976 and none of the \$4.419 million requested for 1977 for this program. This would leave \$18,533 million in fiscal year 1976 specifically for the MK III LAMPS project and no funds in 1977. The Senate amendment provided \$26.131 million in fiscal year 1976 and \$1.987 million in 1977 for the MK III LAMPS project.

Both the House and Senate reductions are intended to defer engineering design contracts to define the required changes to UTTAS until after the Army selects the winning UTTAS contractor.

The Senate considered that it is improper if not illegal to limit the LAMPS competition to the two UTTAS contractors and preclude an open competition in accordance with Armed Services Procurement Regulations. The amounts deleted by the Senate are not required under the foregoing House and Senate determinations.

The House accepts the Senate authorization and the conferees direct to Navy to conduct an open competition for the helicopter. Consistent with this action, which does not preclude the ultimate selection of a UTTAS derivative in an open competition, the Navy should revise its program schedule and fund requirements, and submit to the Congress a request for funds to initiate this program in fiscal year 1977. If the Navy is ready to do this sooner, and urgency dictates action before fiscal year 1977, the Armed Services Committees of the House and Senate would consider a reprogramming action if proposed for this purpose.

This situation may again occur in other programs and therefore should be reviewed by the Department of Defense and the General Accounting Office to determine what corrective action, if any, should be taken in law or in the ASPR. The Comptroller General will submit, a report to the House and Senate Armed Services Committees of findings and appropriate recommendations by October 1, 1975.

The action of the Congress will ensure a more comprehensive check-out of the sensors and software since the Navy plans to integrate them in the SH-2 testbed. The present SH-2 Air ASW system is performing exceptionally well. Therefore, the conferees also recommend a more orderly systems development phase for the LAMPS III without unnecessary concurrency.

AIR LAUNCHED/SURFACE LAUNCHED ANTISHIP MISSILE

The House bill deleted the entire Navy request of \$3.0 million and \$2.373 million requested for fiscal years 1976 and 1977 respectively. The Senate amendment authorized the full request.

This program was intended to initiate an advanced technology program for the improved Harpoon seeker. The rationale for the House reduction was based on the recent substantial increase in the cost of the Harpoon program as reported in the latest Selected Acquisition Report (SAR).

The Senate conferees receded and join with the House conferees in requiring the Navy to investigate the basic design, fabrication and manufacturing process of the present system in an effort to reduce costs. The conferees support the need for the Harpoon missile but believe that an advanced technology program should not be initiated at this time.

ALL WEATHER ATTACK

The House bill deleted the entire Navy request of \$1.1 million for fiscal year 1976 and \$1.201 million for fiscal year 1977. The Senate amendment authorized the full amounts requested.

The basis for the House action was the Navy's failure to present a viable plan for this program. The Senate conferees expressed concern over the Navy's future requirements in the area of all weather avionics. The House conferees, in recognition of this concern, agreed to authorize \$500,000 for fiscal year 1976 for study purposes only. The conferees emphasize that this authorization is not a commitment to the program as presented by the Navy.

CLASSIFIED PROGRAM

The House bill reduced this Navy classified program by \$11.647 million in fiscal year 1976 and \$2.844 million in 1977. The Senate amendment approved the full amount requested.

The conferees consider this Navy program essential and their action is not intended to curtail advances in the technology. The conferees agreed to restore \$3.0 million and \$1.0 million respectively of the amount reduced by the House. The Navy's plan to build an integrated brassboard system at a specific contractor operated facility is not accepted by the conferees. This plan would not allow for maxi-

imum government participation in operation, would give one contractor a technological monopoly, and would not allow for full system testing because of safety limitations.

The amounts authorized will be used only for modification and completion of equipment already under development. Assembly of an integrated brassboard system will not begin until a thorough study to identify and prepare a government facility for the construction of the system has been completed and the study results reported to both Committees on Armed Services. If the two Committees agree with the results of the study and additional funds are required during fiscal year 1976 or 1977T to implement the results, such funds may be provided through established reprogramming procedures.

CLOSE-IN WEAPON SYSTEM (PHALANX)

The House bill decreased the Navy's request of \$30.671 million by \$19.371 million for fiscal year 1976 and deleted the entire \$2.458 million requested for fiscal year 1977T. The Senate amendment authorized the full request for R&D.

The House action was based on the fact that the system has not demonstrated its effectiveness. Last year the conferees directed that the Navy design target missile tests that would provide lethality data in support of CIWS. The Senate conferees agreed with the House conferees that the data provided by the Navy was insufficient and agreed that a more rigorous test program was required to demonstrate the adequacy of the present gun or the possible need for a larger caliber weapon.

The conferees agreed to an authorization of \$15.0 million for fiscal year 1976 and \$2.458 million for fiscal year 1977T. The funds authorized are intended for lethality tests and the conduct of any appropriate reliability and maintainability efforts that could be accomplished on existing completed CIWS systems and within the funding provided.

The conferees agreed that subsequent CIWS funding will be made contingent upon test data that clearly demonstrates: the ability of the CIWS to cause full detonation of the target warhead; a kill of the specified dynamic target in its normal flyable configuration at the intended ranges; and an acceptable level of the CIWS platform damage as a result of debris should warhead detonation occur.

If the CIWS tests are successful and its effectiveness is clearly demonstrated, the Navy may submit a reprogramming action in accordance with established procedures for the funds required to complete the operational suitability models and continuation of the R.D.T. & E. program.

COMBAT SYSTEM ENGINEERING DEVELOPMENT SITE (CSEDS)

The conferees recognize the advantages that can be realized from a land based test facility for the Aegis system. Such a system is invaluable to the conduct of systems studies, system checkout, and greatly facilitates the support of a weapon system from the manufacturer's plant to the shipboard platform.

The House conferees expressed concern over the Navy's lack of definition of a government facility for the CSEDS. The House ration-

ale for support of a government facility is based on the need to conduct life cycle maintenance throughout the fleet operational lifetime of the Aegis.

The conferees support the House position that precludes the expenditure of any funds for CSEDS until the Navy completes a trade-off study that addresses the location of the facility, the cost considerations over the near- and long-term, and advises both Committees on Armed Services of the results and considerations.

CLOSE AIR SUPPORT WEAPON SYSTEM (CASWS)

The House bill deleted \$21.52 million from the \$31.52 million requested by the Air Force for fiscal year 1976 and \$13.0 million from the \$16.8 million requested for fiscal year 1977T. The Senate amendment authorized the full amount.

The Senate Conferees agreed with the House position to preclude the engineering development of the imaging infrared seeker until the Air Force can adequately analyse the cost of both the missile and the ancillary equipment required to support the acquisition and cueing requirements. The Conferees authorized \$4.4 million which the Air Force requested for the advanced development of the imaging infrared seeker during Fiscal Year 1976/77T. Funding for engineering development of this seeker was denied and will not be approved until the Air Force presents to the Committee on Armed Services of the Senate and House of Representatives a plan that delineates the total system cost relative to the increased capability provided by such a seeker.

The House Conferees agreed to a funding level of \$24.0 million for fiscal year 1976 and \$6.7 million for fiscal year 1977T. The restoration of these funds, however, is predicated upon full Air Force support of the laser semi-active seeker development program.

FIRE CONTROL SYSTEMS (ENGINEERING)

The House bill resulted in a reduction of \$2.0 million from the \$14.197 million requested by the Navy for fiscal year 1976. The House bill authorized the Navy's request of \$1.570 million for fiscal year 1977T while the Senate amendment authorized the entire request for fiscal years 1976 and 1977T.

The House action was directed toward the MK-92 gun fire control system since the planned effort for fiscal year 1976 as described by the Navy was not commensurate with the requested funding level.

The Senate conferees concurred with the House position and recognized the Navy's need for funds for naval gunnery. Consequently, the conferees agreed that \$2.0 million be restored only for application to the development of the much needed extended range 8-inch guided projectile.

FLEET BALLISTIC MISSILE SYSTEM

The House bill decreased the Navy's request of \$65.782 million by \$20.0 million for fiscal year 1976 and reduced the \$21.273 million request for fiscal year 1977T by \$6.5 million. The Senate amendment authorized the full amounts requested.

The rationale for the House action was based on the Navy's proposed costly approach to better defining the component contributions to the total system error budget for the Poseidon and Trident missile systems. The House recommended that the Navy examine the missile performance measuring system technique employed by the Air Force to delineate the in-flight error components.

The Navy is not to proceed with the proposed satellite approach until they provide a clear, definitive plan that establishes the need for this costly approach.

The conferees, in light of the required study effort, agreed to restore \$7.5 million for fiscal year 1976 and \$2.0 million for fiscal year 197T.

LABORATORY FLEET SUPPORT—R.D.T. & E. SHIP AND AIRCRAFT SUPPORT

The House bill provided full funding of the Navy's request for both programs. The Senate amendment deleted the \$3.0 million and \$1.0 million requested for Laboratory Fleet Support for fiscal years 1976 and 197T respectively.

The Senate amendment reduced the Navy's request for RDT&E Ship and Aircraft Support of \$47.029 million for fiscal year 1976 by \$2.0 million and the request of \$12.988 million for fiscal year 197T by \$1.0 million.

The Senate rationale for deleting all funds for Laboratory Fleet Support was that there is no justification for this new program since the fleet could receive laboratory support under other programs.

The House conferees concur with the Senate position that would preclude a separate funding element for laboratory support of the fleet. The House conferees contend, however, that funds should be available to enable the laboratories to respond to urgent, dynamic problems.

The conferees agreed, therefore, to restore \$2.0 million and \$1.0 million for fiscal years 1976 and 197T respectively to the RDT&E Ship and Aircraft Support element to accomplish this purpose.

OTHER MARINE CORPS DEVELOPMENT (ENGINEERING)

The House bill resulted in a reduction of \$2.505 million from the \$5.390 million requested by the Marine Corps for fiscal year 1976 and a reduction of \$1.002 million from \$2.081 million requested for fiscal year 197T. The Senate amendment authorized the full request.

The House reductions were intended to terminate the Positioning Location Reporting System (PLRS) project. The conferees believe that while this program has not demonstrated significant progress, it is nearing a major test milestone during fiscal year 1976. Therefore, the House conferees recede to the Senate position and agree to allow the program to continue through its initial test phase.

The conferees expect, however, that the Marine Corps will demonstrate the ability of the system to operate in an electronic counter-measure environment, demonstrate the over-all accuracy of the system, and describe the total system concept that delineates the planned use of PLRS in support of the fiscal year 1977 request for authorization.

SHIP DEVELOPMENT (ADVANCED)

The House bill authorized \$20.0 million of the \$27.8 million requested for fiscal year 1976 and \$8.0 million of the \$10.8 million requested for 197T. The Senate provide \$42,000 less than the House for fiscal year 1976 and \$6.2 million for 197T.

The House and Senate amounts are essentially the same for fiscal year 1976, and the House recedes. The conferees agreed to an amount of \$7.0 million for 197T. The Navy may apply the respective amounts authorized to the various programs proposed within each period consistent with program priorities.

SHIP DEVELOPMENT (ENGINEERING)

The House bill authorized the full amounts requested for fiscal year 1976 and 197T. The Senate amendment provided \$8.9 million of the \$32.7 million requested for fiscal year 1976 and \$3.1 million of the \$9.8 million requested for 197T.

The Senate action primarily reflected a reduction of \$21.7 million in fiscal year 1976 and \$5.5 million in 197T for engineering development of the nuclear strike cruiser because the program lacked Secretary of Defense approval and because the program had not been reviewed by the Congress. Congress has received a formal budget amendment requesting \$60.0 million in fiscal year 1976 for initial long lead items for a nuclear strike cruiser. The Senate recedes and agrees to restore the engineering development funds.

SURFACE LAUNCHED MODULAR GUIDED GLIDE BOMB TECHNOLOGY

The House bill increased the Navy's request of \$500,000 to \$4.0 million for fiscal year 1976 and the request of \$200,000 to \$1.7 million for fiscal year 197T. The Senate amendment authorized the full request for fiscal years 1976 and 197T.

The conferees recognize the present deficiencies in the surface fleet's shore bombardment mission. A review of the Navy's experience in Southeast Asia demonstrated the need for a weapon such as the SMARTROC. This weapon consists of a basic laser guided MK-82 bomb adapted to and powered by the MK-37 antisubmarine rocket booster. SMARTROC feasibility was demonstrated in 1973.

The conferees recognize that the effective range of this weapon can be doubled and that the unit cost should be under \$10,000. Further, the extended range weapon would provide a surface-to-surface as well as shore bombardment capability. The conferees understand that a total authorization of \$5.7 million during a fifteen month period will permit the orderly development of the extended range weapon.

The conferees advocate the use and integration of existing off-the-shelf technology to provide low cost effective weapon systems and the Navy will use the additional funds to initiate this development during fiscal year 1976. The conferees agreed that the funds authorized for this program may not be used for any other purpose. The Senate recedes.

SURFACE NAVAL GUNNERY

Last year the conferees added restrictive language to the Authorization Act (PL 93-365) to prevent funds authorized for naval gunnery from being reprogrammed to other accounts.

The conferees still remain concerned over the status of the surface fleet's gun systems and expressed dissatisfaction over the Navy's failure to carry out the guidance provided last year. The Navy was encouraged, for example, to develop the extended range 8-inch guided projectile but chose to reprogram the funds for this project to other elements.

On a comparative basis, the funds requested by the Navy this year for surface naval gunnery are over ten percent less than those requested for fiscal year 1975. The Navy should reassess its gun programs and initiate developments that will provide a significant increase in the effectiveness of naval gunnery. This will be a major consideration in the review of the fiscal year 1977 request for authorization in the area of both missiles and gun systems.

Again, the conferees request the Navy to take a more systems orientated approach toward enhancing the effectiveness of the surface fleet. *The conferees expect that the funds requested for naval gunnery will be used only for that purpose.* The programs include:

- Long Range Surface Weapon System (5-inch and 8-inch guided projectiles);
- Surface Launched Munitions;
- Fire Control Systems (Advanced);
- Gun Systems, including the Lightweight Modular Gun System;
- and
- Fire Control Systems (Engineering), including the MK-68, the MK-86 and the 8-inch Major Caliber Lightweight Gun.

TRIDENT MISSILE SYSTEM

The House bill resulted in a reduction of \$45.0 million from the Navy's request of \$735.5 million for fiscal year 1976 and \$10.0 million from the \$172.510 million requested for fiscal year 1977T. The reduction was intended to terminate all effort on the MaRV Evader prototype program. The Senate amendment authorized full funding for the MaRV effort but deleted \$3.0 million for the Trident II missile in fiscal year 1976.

The conferees were advised that the Evader prototype program could be completed by the end of fiscal year 1977T. In view of the high termination costs for this program, coupled with the fact that it could be completed in a relatively short timeframe, the conferees agreed to restore \$35.0 million in fiscal year 1976 and \$3.0 million in 1977T to continue and conclude this program. The House receded on the Trident II missile funding.

The Evader prototype is not a high accuracy MaRV. The Senate amendment offered in its general provisions, Title VIII, language that would preclude testing of both type MaRVs. The Senate receded on this amendment which is described in the general provisions section of this report.

ADVANCED ICBM TECHNOLOGY

The House bill authorized the full amounts of \$41.2 million and \$15.3 million requested for fiscal year 1976 and 1977T respectively. The Senate amendment provided \$40.1 million and \$14.3 million for these two periods. The Senate reductions reflected the determination that studies will not be conducted for a new fixed base ICBM because of its questionable survivability. The House recedes.

ADVANCED FIGHTER PROTECTIVE SYSTEMS

The House bill deleted \$2.8 million from the \$18.8 million requested for fiscal year 1976 and \$1.6 million from the \$3.6 million requested for fiscal year 1977T. The Senate amendment authorized the full amounts requested.

The House's concerns centered on the Air Force's request which amounted to a 20 percent increase over the fiscal year 1975 funds, without a commensurate increase in the amount of work planned for the coming period.

In the Department of Defense reclama additional funds were requested for work not fully described earlier by the Air Force. Therefore, the Conferees agreed to increase the funding for this program and authorize \$17.4 million for fiscal year 1976 and \$2.8 million for fiscal year 1977T.

B-1

The House bill authorized the entire amount of \$672.2 million and \$168.3 million requested by the Air Force for the B-1 research and development program for fiscal years 1976 and 1977T respectively. The House bill also authorized the full requests for \$77.0 million and \$31.0 million for the procurement of long-lead items for these periods. The Senate amendment reduced the R&D program by \$75.0 million and \$39.3 million for fiscal years 1976 and 1977T respectively. The Senate amendment also deleted the entire amount requested for procurement.

The following table summarizes the action of the conferees:

	[Dollars in millions]	
	Fiscal year 1976	Fiscal year 1977
R. & D.:		
DOD request.....	\$672.2	\$168.3
Conference.....	642.0	158.0
Procurement:		
DOD request.....	77.0	31.0
Conference.....	64.0	23.0

The conferees emphasized that the authorization of long-lead funding in no way commits nor obligates the United States Government to place the B-1 aircraft in production. Indeed, the conferees agreed to prohibit the Defense Department, as a matter of law, from entering into any production contract or any other contractual agreement for the production of the B-1 bomber aircraft unless subsequently au-

thorized by law. This prohibition, however, is not meant to apply to the acquisition of the long-lead items for the first three follow-on air vehicles.

The authorization of long-lead items is completely independent of the production decision. Authorization for the long-lead items for the B-1 was strongly supported by the House conferees who believe that future production cost savings will be realized which would otherwise be precluded in the event that actual production of the B-1 is subsequently authorized. The Senate conferees did not necessarily agree with the estimated magnitude of the savings.

The research and development funds authorized provide for fabrication of a fourth prototype aircraft.

B-52 SQUADRONS

The House bill deleted the entire Air Force request of \$10.329 million and \$7.329 million for fiscal years 1976 and 1977 respectively. The Senate amendment reduced the request by \$3.0 million and \$4.3 million for fiscal years 1976 and 1977 respectively.

The purpose of this program is to integrate the Harpoon missile on the Air Force B-52 strategic bomber. The House reduction was based on Navy testimony indicating that augmentation of the fleet with this capability was not essential. In addition, the House was not convinced that Harpoon is the optimum choice since its guidance system limits its applications. The Senate conferees concur with the House position and agreed to defer this program until the above concerns are adequately addressed by the Air Force and Navy.

The Services will prepare a joint study that indicates the need for fleet augmentation, the tradeoffs concerning the various choices of available missiles and the potential savings that could be realized with this capability.

The conferees agreed to restore \$5.0 million for fiscal year 1976 for the purpose of the study and the B-52 simulator effort that was a part of this program element. The funds are not to be used for any Harpoon/B-52 integration or development effort.

TECHNICAL SUPPORT TO OSD/JCS

The House bill authorized \$5.7 million of the \$22.8 million requested by the Department of Defense for fiscal year 1976 and \$1.425 million of the \$5.7 million requested for fiscal year 1977. The Senate amendment authorized \$19.8 million for fiscal year 1976 and \$5.0 million for fiscal year 1977.

The rationale for the substantial reduction in the House bill was based on the extremely poor testimony presented in support of this entire program. The primary concern related to the utility of the studies conducted, especially in the House of International Security Affairs, Manpower, and Net Technical Assessment. The House Committee had every reason to believe that a number of these studies are also being conducted elsewhere in the Defense establishment.

The House Conferees very reluctantly receded and agreed to restore \$11.8 million and \$2.825 for fiscal year 1976 and 1977 respectively, on the basis of a stated requirement for these funds by the Secretary of

Defense during the deliberations of the Conference Committee. The House conferees, however, are still concerned over the utility and effectiveness of these studies. A report will be provided to the Committees on Armed Services of the House and Senate that covers the fiscal year 1975 period and includes the following information: the title of the study; the principal investigators; the cost of the study; the number of man-years expended; the purpose of the study; a brief summary of what the study encompasses; the utility of the study; and a brief statement of impact, if any, that the study has on on-going programs and/or the defense posture. This report is to be submitted prior to submission of the fiscal year 1977 authorization request.

IN-HOUSE LABORATORIES

The Director of Defense Research and Engineering indicated before both Committees on Armed Services his intention to effect a draw-down of some 6,000 civilian employees from the Defense Research and Development organization. The House, in its report number 94-199, directed that any proposed drawdown be deferred until the Committee had an opportunity to conduct hearings to assess the near and long-term effects of such action. The Senate, in its report number 94-146, expressed concurrence with the proposed drawdown.

The Department of Defense reclama requested that the House recede in its position during the deliberations of the Conference Committee.

Subsequently, staff members of the House and Senate Armed Services Committees met with representatives of the Office of the Director of Defense Research and Engineering and determined that the proposed drawdown of the planned magnitude over a one or two year period, under established procedures, could disrupt and demoralize the laboratories and could reduce them in size without renewing and strengthening their staffs.

The Conferees understand that the military departments and many, if not all, of the laboratories concur in the need for a properly structured reduction in manpower and that this would result in improved efficiency and effectiveness. The difference of opinion relates to the schedule for implementation of the reduction coupled with a hiring policy that would preclude renewing and strengthening of the staffs. The concern of the conferees is based on the potential loss of vitally important manpower and capabilities that currently exists in the in-house laboratory system. The Conferees would agree that the Department of Defense should proceed with a drawdown provided that it is phased over a longer period of time than two years and permits concurrent staff renewal to ensure the retention of needed in-house capability in the various areas of the research and development organization.

The Conferees, however, direct that prior to the implementation of any drawdown, the Director of Defense Research and Engineering presents to both Committees on Armed Services a plan for the service laboratory drawdowns consistent with this guidance to ensure the vitality and integrity of the in-house laboratory system. In the interim, the House Conferees agreed to defer further inquiry pending a review of the Director of Defense Research and Engineering plan.

TITLE III AND VII—ACTIVE FORCES

Title III and VII of the bill contain the authorization for the end strength of the active duty component of the armed forces for FY 1976 and the transition period.

For both FY 1976 and the transition period, the House bill authorized the strengths requested by the military departments.

The Senate amendment had reduced the total authorization by 18,300 personnel in the following manner:

For fiscal year 1976:	
Army	779,300
Navy	524,100
Marine Corps	195,900
Air Force	582,400
For fiscal year 197T:	
Army	787,300
Navy	531,300
Marine Corps	196,100
Air Force	582,400

The Senate contended that its reductions could be implemented without affecting combat capabilities. The House asserted that in light of the evidence that the management of defense manpower is showing real progress, reductions at this time would frustrate such efforts.

After extensive discussions, the conferees agreed on a compromise total reduction of 9,000 in active forces to be allocated by the Secretary of Defense as he deems appropriate. The conferees suggest that these reductions be made in the general areas recommended in the Senate committee report.

The conferees request that the Secretary of Defense report to the House and Senate Armed Services Committees within 60 days on the allocation of the reduction to the military services, and functional areas therein.

TITLE IV AND VII—RESERVE FORCES

Titles IV and VII of the bill contains the annual authorization for the strength of the selected Reserve of each Reserve component of the Armed Forces for fiscal year 1976 and the transition period.

The House and Senate positions differed on the strengths for the Army Reserve and the Navy Reserve. There were no differences in the authorizations for any other Reserve components.

For the Army Reserve, the Senate had authorized 212,400 for both fiscal year 1976 and the transition period; while the House authorized 226,000 for each of the periods.

The conferees agreed on 219,000.

For the Naval Reserve, the Senate authorized 92,000 for fiscal year 1976 and the transition period; while the House authorized 112,000 for each of these periods.

The conferees agreed on 106,000.

The House yielded reluctantly in the case of the Naval Reserve. It was agreed by the conferees that the 106,000 strength does not require reductions in the current strength of Reserve Naval Construction Battalions (SeaBee units).

The Senate and House also differed on the method of authorizing Reserve strength. The Senate conferees defended their authorization

of Reserve strengths in terms of end strength and a minimum average strength, and stated this would provide a firm mission planning basis for the Selected Reserve components. House conferees, however, were adamant that the previous average strength method of authorization be continued as provided in the House bill.

The Senate reluctantly recedes.

TITLE V AND VII—CIVILIAN PERSONNEL

The Senate Armed Services Committee approved civilian personnel end strengths by services and the Defense agencies as follows:

Fiscal year 1976:	
Army	329,000
Navy	310,300
Air Force	251,300
Defense Agencies	71,400
Fiscal year 197T:	
Army	332,700
Navy	311,100
Air Force	253,200
Defense Agencies	71,400

The total of these authorizations represent a 23,000 reduction from the strengths requested by the Department of Defense. The Senate as a whole imposed a further reduction of 17,000 to be allocated by the Secretary of Defense.

The House authorized a single Department of Defense-wide authorization for civilian personnel for each period. The House bill also excluded from this authorized end strength the civilian personnel engaged in industrially-funded activities of the Department of Defense. The end strengths authorized by the House were the strengths requested by the Department of Defense for each period less the employees of industrially-funded activities (985,000 minus 286,662 for FY 1976; 991,441 minus 285,128 for FY 197T).

The House bill provided for a separate authorization of 96,000 for indirect hire foreign national civilian employees in both fiscal year 1976 and the transition period.

The conference agreed to provide for an overall Department of Defense-wide authorization for civilian personnel with the Secretary of Defense given the authority to allocate the personnel to the military departments and Defense agencies as he deems appropriate.

The conference agreed to a total reduction of 23,000, for fiscal year 1976 and the transition period, from the number requested by the Department of Defense. The conferees suggest that these reductions be made in the general areas recommended in the Senate committee report.

After extensive discussion, the House reluctantly recedes on the exclusion for civilian employees of industrially-funded activities.

The conferees expressed the belief that the Armed Services and Appropriations Committees of the House and Senate should jointly study the manner of authorizing and appropriating for industrially-funded civilians, with a recommendation to be ready for Congressional action next year.

The conferees are cognizant of and emphasized the fact that no industrially-funded civilians were included in the reductions made in the areas specified in the Senate Committee report.

The House recedes on the provision which would have changed permanent authorizing legislation regarding the authorization of civilian personnel on a Department of Defense-wide basis as its intent is met otherwise.

The Senate recedes as to the exclusion of indirect hire employees from the civilian personnel authorization; however, the conferees agreed to include their number within the overall civilian end strength. Since the indirect hire employees are included in the overall authorization and thus within the one-half percent escalatory authority of the Secretary of Defense, the House intent in providing flexibility is met.

The conferees request that the Secretary of Defense report to the House and Senate Armed Services Committees within 60 days on the allocation of the reduction to the military services, and functional areas therein.

TITLE VI AND VII—MILITARY TRAINING STUDENT LOADS

Both the Senate and House authorized the Military Training Student Loads as requested by the Department of Defense and the numbers, therefore, were not subject to conference.

The Senate amendment to the bill however, incorporated a provision which would require the Secretary of Defense to adjust the Military Training Student Loads consistent with the manpower strengths in Titles III, IV, V, and VII.

TITLE VII

The discussion of issues relating to the transition period can be found within prior discussions of the specific subject matters in earlier titles.

TITLE VIII—GENERAL PROVISION

Authorization of repair, maintenance and overhaul of naval vessels and certain element of military construction

The House bill contained a provision, section 701 (a) (1) (b), amending section 138 of title 10 United States Code so as to subject appropriations for repair, maintenance and overhaul of naval vessels to the annual authorization process. The Senate bill contained no such language.

The Senate Conferees objected to this provision because they questioned the need for the additional oversight requirement and the resulting new workload placed upon the Department and the legislative Committees.

Section 701 of the House bill also contained a provision which adds a new paragraph (a) (6) on military construction, as defined in new subsection (e) to section 138 of title 10, United States Code, which precludes the provision of funds for any fiscal year for military construction unless funds therefor have been specifically authorized by law. Subsection (e) defines the term "military con-

struction" to include any construction, development, conversion, or extension of any kind which is carried out with respect to any military facility or installation (including any Government-owned or Government-leased industrial facility used for the production of defense articles and any facility to which section 2353 of this title applies) but excludes any activity to which section 2673 or 2674, or chapter 133 of this title apply, or to which section 406(a) of Public Law 85-241 (71 Stat. 556) applies.

The conferees agree that there is a need for the DoD to maintain single management control of construction authorized with the procurement and RDT&E accounts. There is also a need for the Congress to have full visibility of all construction projects regardless of the method of funding. As currently practiced, military construction associated with either RDT&E or production of weapons systems is authorized along with those weapons systems. Therefore, it is pointed out that this addition to section 138 of title 10, United States Code, is not intended to incorporate an additional review of construction associated with weapons systems, which will continue to be reviewed and authorized along with the weapons systems themselves. However, all other military construction as indicated above not associated with RDT&E or production of weapons systems must be authorized in an annual military construction authorization bill.

The Senate recedes with an amendment striking the language referring to the authorization of repair, maintenance and overhaul of naval vessels.

Four Months Training

The House bill included language intended to alter certain requirements in the law which govern the amount of training necessary before an active duty serviceman can be assigned overseas, and governing the period of initial active duty for training for reservists. The Senate version of the bill had no such language.

The House position was motivated by evidence that substantial periods of time are being used inefficiently due to the current mandated periods for training which do not, in many cases, correspond to the actual time necessary for training servicemen in many skills.

The Senate conferees concern was to insure that adequate safeguards against the use of insufficiently trained personnel remained in the law.

The conferees agreed on new language which alters the current statutory time period of "four months", at various points in the law, to a period of twelve weeks so as to avoid these inefficiencies, yet continue the statutory safeguard. This language, with its constraints, should be uniformly interpreted within the Department of Defense.

Admission of Women to the Service Academies

Both the House and the Senate have voted unequivocally to admit women to the Nation's three military service academies. Both House and Senate have also supported the principle that admission, training, graduation and commissioning of students should be essentially equal.

The conferees believe that this mandate can and should be carried out promptly, with a minimum of changes or adjustments in curriculum or facilities and with first admissions to begin with the class

entering in calendar year 1976. However, no changes should be made that would lead to separate training systems for men and women in the academies.

In implementing the admission of women to the academies, the conferees believe that the Secretary of Defense should be provided the discretion to phase in such changes or adjustments as may be necessary using as a guide the experience gained in the introduction of women into officer training in the various services' ROTC programs, Officer Candidate Schools and the U.S. Merchant Marine Academy.

Section 707: Contracting Authority for Naval Vessels

Section 707 of the House bill contained language which would authorize contracts for the construction, conversion, overhaul and repair of naval vessels, not in excess of unobligated balances. The Senate Amendments did not contain similar language.

The House Conferees urged that this provision was desirable in order to remove any doubt concerning the legal authority of the Department of Defense to enter into contracts where funds were appropriated in an amount sufficient for the target contract price, but where the Congress had not appropriated funds for contract escalation payments which might occur in the future due to economic inflation.

The House reluctantly recedes.

Emergency and Extraordinary Expenses

Included as Section 907 of the Senate bill was a provision, recommended by the Department of Defense, to specifically authorize for appropriations to the individual Service Secretaries, such funds as would be necessary for emergency and extraordinary purposes.

The House had not included a similar provision, since it was of the view that such new statutory language was unnecessary.

After considerable discussion, the conferees agreed to the Senate provision with some minor modifications.

The House recedes with an amendment.

Authority to Settle Shipbuilder Claims Subject to Appropriations

The House bill contained a provision, section 708, authorizing the Secretary of the Navy to settle claims arising out of ship construction and conversion contracts, entered into prior to July 1, 1974, notwithstanding the availability of appropriations for that purpose, subject to appropriations subsequently authorized and appropriated by Congress. The Senate bill contained no such language.

The Senate recedes.

Compliance With Congressional Budget Act

The House bill contained a provision, Section 709, which would bring any new spending authority, as defined by the Congressional Budget Act of 1974, involved in the House Sections 707 and 708 into compliance with Section 401 of the Congressional Budget Act of 1974. The Senate bill contained no such language.

House Section 707 was dropped and House Section 707 was modified to include requirements of House Section 709. Consequently, the House receded.

Five-Year Naval Shipbuilding Program

Section 710 of the House bill contained language directing the Secretary of Defense to submit a five-year naval ship new construction and conversion program for each fiscal year. The Senate bill contained no similar language.

This provision was fully supported by the Department of Defense.

Extensive hearings in the House during 1974 and again this year clearly showed the need for a longer range shipbuilding plan in order to eliminate some of the upheavals and uncertainties in the shipbuilding industry which have contributed to increased costs.

The Senate Conferees expressed concern that this provision would affect the annual authorization process. The Conferees agreed to make a technical amendment to this section and the language of this section does not, in any way, change existing law with respect to the annual authorization of the construction and conversion of naval vessels.

The Senate recedes with an amendment.

Restriction on Multi-Year Contracts

The House bill contained language which prohibits multi-year contracts with cancellation ceilings in excess of \$5 million, unless such contracts are approved in advance by the Congress. The Senate bill had no similar language.

The Senate recedes.

Requirement To Procure Technical Data Packages

The House bill contained a provision, Section 712, to require the Department of Defense to purchase all designs and data required to manufacture major weapon systems which cost \$100 million or more to develop and/or procure, subject to waiver with approval of both the House and Senate Armed Services Committees. The purpose of the House provision is to standardize DoD contractual relations which have been different for each of the three military services.

The Senate conferees consider that there is merit to the proposed language but, because it is a highly complicated matter with profound implications involving both the Department of Defense and industry, there should be a period of time to enable the Department to conduct a complete study and report to the Congress on findings and appropriate recommendations for statutory language if warranted.

The conferee's prime concern is the ever increasing cost of weapons systems which necessitates the Services having the greatest flexibility in procuring these systems. The conferees believe that it is more cost effective for the Services to have complete detailed design and manufacturing data in so far as weapons can be procured, when economical from multiple sources. Further, the conferees believe that it is imperative that the Department of Defense retain greater flexibility in having the information required to independently modify and maintain their weapons systems.

The House conferees agreed to delete Section 712 of the House bill. The conferees direct the Department of Defense, with GAO participation, to conduct a study on this subject to determine what policies and procedures should be established throughout the Department which

can be implemented uniformly by the various military departments and Defense Agencies.

The results of this study, including proposed policies and procedures, will be submitted to the Congress in conjunction with the submission of the fiscal year 1977 authorization request.

The Department of Defense will submit a report for fiscal year 1976 to the Congress covering all contracts awarded for development of weapon systems having a total value of \$100 million or more, and indicating what provision was included for procurement of manufacturing data. Included in the report will be a complete discussion of the provisions included in the contracts which were used to ensure that the data obtained could be used by independent manufacturers for the production of the weapon systems. If the provisions used did not ensure that complete and useful data would be provided, then suggested provisions which would require that such data be supplied are to be included in the report.

REQUIREMENTS FOR NOTIFICATION OF TRANSFERS OF FUNDS FROM RDT&E ACCOUNTS

The House bill contained a provision, Section 713, which required prior approval by the House and Senate Armed Services Committees of any transfer to other accounts of funds authorized for appropriations for Research, Development, Test and Evaluation.

The Senate conferees did not object to the purpose of the House language but questioned the need for statutory language. It also would severely restrict the limited management flexibility that the Department of Defense has in dealing with funding problems, particularly in view of the reluctance of the Congress to consider requests for supplemental appropriations.

The House conferees recede and agree to delete the statutory language recognizing that adequate controls by the Congress may be exercised through established reprogramming procedures.

The conferees agree that the policy is hereby established whereby the transfer of any funds from the Department of Defense appropriations for Research, Development, Test and Evaluation, to other appropriations of the Department of Defense requires prior approval of the Armed Services Committees of the Congress in accordance with established reprogramming procedures.

The Department of Defense will comply with this policy and will implement its provisions beginning with fiscal year 1976.

5-percent pay cap

The House bill contained a provision (section 714) providing for a 5-percent cap on military active-duty pay increases throughout FY 76 subject to a similar cap being placed on civil service classified pay increases and providing that no change is made in the surcharge of military commissaries during the period the cap is enforced. The Senate amendment contained no such provision.

The Senate conferees convinced the House conferees that the inclusion of military commissaries in the language was not appropriate to the provision of a 5-percent cap; and, therefore, the Senate receded with an amendment deleting all reference to the surcharge in military

commissaries. It should be understood that the language of the section will provide for a 5-percent cap on military active-duty pay only if a similar cap is placed on classified civil service pay.

Submission of Selected Acquisition Reports to Congress

The House bill contained a provision which would require the Secretary of Defense to submit to Congress within thirty days after the end of each quarter, beginning with the quarter ending December 31, 1975, all selected acquisition reports on major defense systems which are estimated to require a total cumulative financing for research, development, test, and evaluation in excess of \$50,000,000 or a cumulative production investment in excess of \$200,000,000. The Senate amendment contained no similar provision.

The Senate conferees concurred in the need for timely submission of these reports to Congress; however, the conferees being advised by the Department of Defense that final reports might not in all cases be finalized for submission to Congress within thirty days after the end of a quarter agreed to extend the period for submission of final reports to forty-five days. The conferees did insist, though, that selected acquisition reports covering the previous quarter be submitted to Congress within thirty days after the end of the quarter and strongly urge that they be the final approved reports. All reports whether final or not are to contain all information required in final selected acquisition reports.

Military Force Structure and Foreign Policy Report

The Senate bill included in section 914 a provision adopted as a Floor amendment which required an annual report to the Congress explaining the relationship of our military force structure to our foreign policy for the forthcoming fiscal year.

The House bill contained no similar provision.

The House conferees were of the view that this proposed annual report was unnecessary and redundant. However, the Senate conferees were adamant in their position that an annual report of this kind was necessary to provide the Congress a better comprehension of the actual need for our military force structure required to support our current and projected foreign policy.

The House conferees reluctantly recede with an amendment.

Petroleum Supply Discrimination: Remedy for Department of Defense

Title VIII of the Senate amendment contained language prohibiting "discrimination" by United States citizens, by firms or organizations controlled by United States citizens, or by corporations organized or operating within the United States, in the supply of petroleum products for the use of United States armed forces. This title would prohibit such firms from refusing to supply petroleum products to the armed forces of the United States at fair and reasonable prices which do not exceed prices charged other foreign or domestic customers in similar commercial circumstances. The title also provides for injunctive relief and for criminal penalties.

The language of this title was prompted by concern of the Senate over the failure of some oversea suppliers to provide petroleum products to our armed forces during the Arab embargo. A related concern was the allegation that some U.S. petroleum companies have explicitly

or implicitly threatened to reduce or eliminate supplies of petroleum products to the Department of Defense overseas unless the Department of Defense agreed to contract terms which met the particular views of the company concerned, terms however, that were incompatible with laws or regulations governing Defense contracts. Although no supply failure has been experienced because of such disagreements, unnecessary delays in reaching agreement on contract terms did threaten timely supply support.

The Senate provisions, as approved by the Senate were designed to overcome these problems.

The House Conferees objected to this provision since it appeared to be non-germane to the subject of the House bill, was vague in its terms and, as drafted, was objectionable on Constitutional grounds.

As a result of the House Conferee's objections, Senate Title VIII was redrafted to provide a more concise procedure for obtaining records and furnishing records and information, protecting the Constitutional rights of individuals and for safeguarding confidential information. The responsibility for conducting investigations of discrimination (as defined by this provision) is shifted from the Secretary of Defense to the Attorney General of the United States. In addition the amended provision contains a more concise definition of "discrimination", adds a new definition of the term "supplier", and provides that this provision will expire two years after enactment.

The House therefore recedes and agrees to the Senate amendment, with an amendment.

Sale or Transfer of Defense Articles From the U.S. Active Forces Inventory

The Senate amendment provided that in the case of any letter of offer to sell or any proposal to transfer defense articles from U.S. active forces' inventory in the amount of \$25,000,000 or more, the Secretary of Defense shall submit a report to the Congress setting forth the impact of the transaction on the U.S. readiness posture and the adequacy of reimbursement to cover the full replacement cost of said items.

The House bill included a provision which was similar to the language of the Senate amendment, but not as broad in scope. The conferees agreed on a modification of the language of the Senate provision which satisfied the purposes of both Houses.

Accordingly, the House recedes with an amendment.

Readiness Report

The Senate amendment contained a provision requiring an annual report detailing U.S. readiness in an additional, separate format. The House bill has no similar language.

The Senate recedes.

Binary Chemical Munitions

The House bill authorized the entire amount of \$5.167 million requested by the Army for fiscal year 1976 and \$2.578 million requested for fiscal year 1977 for the continued research, development, test, and evaluation of binary chemical munitions. The House bill also authorized the Navy's request of \$1.599 million and \$348 thousand for fiscal year 1976 and 1977 for the "Big Eye" bomb program. The Senate amendment deleted the entire Army and Navy requests for fiscal years 1976 and 1977 and further adopted statutory language to prohibit

the research, development, test, and evaluation, preproduction and production of lethal binary chemical munitions until the President certifies to the Congress that it is essential to the national interest.

The House conferees could not concur with the Senate amendment in consideration of the expanding effort of the Soviets to advance virtually every aspect of offensive chemical warfare technology.

The Senate receded to the House position to restore all RDT&E funds.

In light of the current negotiations concerning the ban of chemical munitions, the House conferees agreed to accept the Senate position and provide statutory language prohibiting the production of lethal binary chemical munitions unless the President certifies to the House and Senate that it is in the national interest to do so.

All of the conferees expressed serious concern over the inadequacy of our chemical warfare defensive programs. The conferees believe that the Department of Defense is not putting forth an acceptable level of effort in this area and strongly urges the Department to advance our military posture in this area.

NATO Standardization

The Senate amendment contained language intended to provide impetus for further standardization of military equipment in NATO by declaring it to be United States policy that equipment procured for U.S. forces stationed in Europe be standardized or at least interoperable with the equipment of our NATO allies. The Secretary of Defense was also directed to implement procurement policies to this effect, and report to the Congress whenever this policy could not be complied with.

The House conferees, although in agreement with the goal of standardization particularly in the area of communication and other similarly suitable equipment, expressed grave concerns that the import of this language as presently constituted could be misconstrued and possibly used to our disadvantage.

After lengthy discussion of this matter, the House recedes with amendments. The section in the Senate amendment concerning the "Buy America" Act and its relationship to the Secretary of Defense's authority to procure articles manufactured outside the United States was deleted and the reporting requirement was modified. The Senate conferees strongly believe that whenever the Secretary of Defense determines that it is necessary, in order to carry out the policy expressed in this section, to procure equipment manufactured outside the United States, he is authorized to determine, for the purposes of section 2 of title III of the Act of March 3, 1933 (47 Stat. 1520; 41 U.S.C. 10a), that the acquisition of such equipment manufactured in the United States is inconsistent with the public interest.

The conferees stressed that while the reporting requirement only covers non-compliance on major systems, the amendment also urges standardization of procedures, logistics and support equipment.

Suggestions from retiring personnel

The Senate amendment contained a provision (section 906) which would direct the Secretary of Defense to request suggestions for improvements in procurement of policies from retiring military officers

and civilian personnel of a grade GS-13 or above who are employed in military procurement. The House bill contained no such provision.

The Senate recesses.

Study on Training Establishment

The Senate amendment contained a provision, Section 911, which expressed the sense of Congress that training programs in the Department of Defense should be restructured so as to increase the ratio of students to staff. This provision also mandated a study of the training establishment intended to result in a student to staff and overhead ratio of three to one. This study was to contain a detailed plan for achieving this three to one ratio with the conversion of these excess training authorizations into combat units. The House bill contained no comparable provision, however a study of the composition of the training establishment was directed in its report.

The conferees agree that a comprehensive study of the entire training establishment is necessary. It is apparent that substantial and valid concerns exist within both bodies as to the current structure of the training establishment with its consequent costs. Therefore, it was agreed that while the bill itself should not contain this requirement, a study of this nature should be expeditiously initiated by the Department of Defense. This study, in addition to examining the underlying policy and basic validity of the current training structure, its qualities unique from a civilian education institution, and the possibility of duplication therein, should carefully delineate the character of personnel currently assigned in the area of training, by function, using the manpower categories contained in the Manpower Requirements Report. Further, the study should examine in some depth the appropriate character which the training establishment would assume when structured for a substantially higher proportion of students to staff and overhead personnel than is currently existent.

The results of this study should be submitted to the Congress as an independent segment of the annual report recommending average student loads required by section 604 of Public Law 92-436.

The Senate recesses.

Enlisted Aides

Section 912 of the Senate amendment contained a provision specifying that enlisted aides could only be assigned to four and three star general and flag officers of the armed forces in the following allocation: three aides for the Chairman of the Joint Chiefs of Staff, the Chiefs of Staff of the Armed Forces, and the Commandant of the Marine Corps; two for other officers in the rank of general or admiral; and one for officers in the rank of lieutenant general or vice admiral. This would result in a total of approximately 204 aides compared to the current number of 500.

The House bill contains no such provision.

The conferees agreed that a provision in the law controlling the number of enlisted personnel assigned to officers staffs as aides was ap-

propriate. However, the conferees consider the assignment of these aides should be based not on the rank of the particular officer, but rather on the officer's position and its incumbent responsibilities. While the number of aides is to be determined by a formula based upon the total number of four star officers (four for each), and three star officers (two for each), the Secretary of Defense is given the authority to allocate these aides as he deems appropriate. The assigned duties of the officers should be the controlling factor.

This formula for determining the number of aides will result in 396 aides for fiscal year 1976. Generals of the Army and admirals of the Fleet are not considered in this formula; however this omission is not intended to alter the current practice of assigning aides to these officers.

Extension of Authority for Credit Sales to Israel

The bill, as passed by the Senate, included a floor amendment which would extend to December 31, 1977, the provisions of the Defense Procurement Act of 1970 (84 Stat. 909) authorizing the President "to transfer to Israel by sale, credit sale, or guaranty, such aircraft, and equipment appropriate to use, maintain, and protect such aircraft, as may be necessary to counteract any past, present, or future increased military assistance provided to other countries of the Middle East. Any such sale, credit sale, or guaranty shall be made on terms and conditions not less favorable than those extended to other countries which receive the same or similar types of aircraft and equipment."

The authority of this provision was previously extended in 1972 and 1973 and is now due to expire on December 31, 1975.

The Senate Conferees urged approval of the Senate-passed provision since, in their view, failure to do so might be construed as an unwillingness of the Congress to maintain the "status-quo" in the Middle East. The House Conferees, on other hand, expressed serious reservations concerning the germaneness of the Senate-passed provision, but in view of Senate adamant position reluctantly recessed.

Military retired-pay inversion

The Senate amendment contained a provision which would amend title 10, United States Code, to prevent military personnel who retire from receiving less retired pay than if they had retired at an earlier date, but after January 1, 1971. The Senate provision was designed to correct the so-called "retired-pay inversion" problem which was caused by the fact that retired pay has been increasing at a faster rate than active-duty pay in recent years. The House conferees concurred that the present pay situation, based on an interpretation by the Comptroller General, was creating individual inequities and was working against the retention of highly qualified personnel.

The House recesses.

Law Training for Officers Formerly in a Missing Status

The Senate amendment contained language to permit commissioned officers who were in a missing status during the Vietnam era to be de-

tailed as students at law school notwithstanding eligibility limitations in section 2004, Title 10, U.S. Code, that would render them ineligible. The House bill contained no such provision. However, the House Armed Services Committee had approved separate legislation to achieve the same objective.

The House, therefore, recesses.

Food and Forage

The Senate amendment contained a provision to repeal the so-called "Food and Forage" section of the revised statutes. This is contained in section 11 of title 41, U.S. Code, and provides authority for the military departments to contract for clothing, assistance, forage, fuel, quarters and transportation during the "current year" without regard to prior authorization and appropriation.

The Senate acted to effect repeal because the provisions of the so-called Food and Forage Act were designed to allow for emergency needs of the military departments at a time when rapid response from the Congress may not have been available in emergencies, and the Senate conferees maintained that the provisions are no longer required in law. The House conferees stated that they have not had an opportunity to study the matter and were not sure of the present uses of the law and what the ramifications of repeal would be.

The House conferees proposed, therefore, that the Senate language be deleted with the understanding that the House Armed Services Committee would hold hearings on the matter.

The Senate recesses.

Life Cycle Costing

The Senate amendment contained a provision which, if adopted, would have required the Secretary of Defense to submit a report estimating the life cycle costs of operating all major weapons systems procured since FY 1975 at the same time as the President presents his budget to the Congress for fiscal year 1977.

The House bill contained no similar provision.

Although the House conferees recognize the meritorious objective of the provision, they considered the proposed statutory requirement unnecessarily broad and requiring a response from the Department of Defense that could possibly not be met, within this time frame, in a meaningful manner.

After considerable discussion, the conferees agreed to delete this provision with the explicit understanding that the Department of Defense was to be placed on notice that each of the Committees on Armed Services, from time to time, expect to request life cycle costs on individual major weapons systems rather than on all weapons systems. Therefore, these requests for life cycle costs on individual weapons systems must elicit a timely and meaningful report from the departments.

The Senate recesses.

Maneuvering Reentry Vehicle Testing

The Senate amendment provided language in section 917, general provisions, that would preclude any testing of Maneuvering Reentry Vehicles (MaRV) unless the President certified that such testing was

conducted by our potential adversaries or the President certified that it would be in the national interest of the United States to conduct MaRV tests.

The House bill contained no similar provision.

The House conferees strongly opposed such restrictive language since it could result in unilateral U.S. termination of MaRV testing.

The Senate conferees reluctantly agreed to recede, but only after they determined that no MaRV testing, with the exception of the Evader prototype, would be conducted during the period of fiscal year 1976 and 1977. Since the Navy plans to flight test the Evader only over the ocean, the Senate conferees understand that this could in no way be construed as supporting the development of a high accuracy MaRV.

JOHN C. STENNIS,
STUART SYMINGTON,
(with reservation, right
of opposition on floor),
HENRY M. JACKSON,
HOWARD W. CANNON,
HARRY F. BYRD, Jr.,
SAM NUNN,
STROM THURMOND,
JOHN TOWER,
BARRY GOLDWATER,
WILLIAM L. SCOTT,
ROBERT TAFT, Jr.,

Managers on the Part of the Senate.

MELVIN PRICE,
F. EDWARD HEBERT,
CHARLES BENNETT,
SAMUEL STRATTON,
RICHARD ICHORD,
LUCIEN NEDZI,
WILLIAM RANDALL,
CHARLES WILSON,
ROBERT L. LEGGETT,
BOB WILSON,
WILLIAM DICKINSON,
WILLIAM WHITEHURST,
FLOYD SPENCE,

Managers on the Part of the House.

○

Ninety-fourth Congress of the United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Tuesday, the fourteenth day of January,
one thousand nine hundred and seventy-five*

An Act

To authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$337,500,000; for the Navy and the Marine Corps, \$2,997,800,000; for the Air Force, \$4,119,000,000, of which amount not to exceed \$64,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft. None of the funds authorized by this Act may be obligated or expended for the purpose of entering into any production contract or any other contractual arrangement for production of the B-1 bomber aircraft unless the production of such aircraft is hereafter authorized by law. The funds authorized in this Act for long lead items for the B-1 bomber aircraft do not constitute a production decision or a commitment on the part of Congress for the future production of such aircraft.

MISSILES

For missiles: for the Army, \$431,000,000; for the Navy, \$990,400,000; for the Marine Corps, \$52,900,000; for the Air Force, \$1,765,000,000, of which \$265,800,000 shall be used only for the procurement of Minuteman III missiles.

NAVAL VESSELS

For Naval vessels: for the Navy, \$3,899,400,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$864,000,000, of which \$379,400,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$101,500,000.

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TORPEDOES

For torpedoes and related support equipment: for the Navy, \$189,500,000.

OTHER WEAPONS

For other weapons: for the Army, \$74,300,000; for the Navy, \$17,700,000; for the Marine Corps, \$100,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

- For the Army, \$2,028,933,000;
- For the Navy (including the Marine Corps), \$3,318,649,000;
- For the Air Force, \$3,737,001,000; and
- For the Defense Agencies, \$588,700,000, of which \$25,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

TITLE III—ACTIVE FORCES

SEC. 301. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

- (1) The Army, 785,000;
- (2) The Navy, 528,651;
- (3) The Marine Corps, 196,303;
- (4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and the Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

TITLE IV—RESERVE FORCES

SEC. 401. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than the following:

- (1) The Army National Guard of the United States, 400,000;
- (2) The Army Reserve, 219,000;
- (3) The Naval Reserve, 106,000;
- (4) The Marine Corps Reserve, 32,481;
- (5) The Air National Guard of the United States, 94,879;
- (6) The Air Force Reserve, 51,789;
- (7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units

organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

TITLE V—CIVILIAN PERSONNEL

SEC. 501. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, the Department of Defense is authorized an end strength for civilian personnel of 1,058,000.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section but such additional number may not exceed one-half of one per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

TITLE VI—MILITARY TRAINING STUDENT LOADS

SEC. 601. (a) For the fiscal year beginning July 1, 1975, and ending June 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

- (1) The Army, 83,101;
- (2) The Navy, 69,513;
- (3) The Marine Corps, 26,489;
- (4) The Air Force, 51,225;
- (5) The Army National Guard of the United States, 9,788;
- (6) The Army Reserve, 7,359;
- (7) The Naval Reserve, 1,661;
- (8) The Marine Corps Reserve, 2,769;
- (9) The Air National Guard of the United States, 1,952; and
- (10) The Air Force Reserve, 810.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the fiscal year ending June 30, 1976, shall be adjusted consistent with the manpower strengths provided in titles III, IV, and V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve Components in such manner as the Secretary of Defense shall prescribe.

TITLE VII—AUTHORIZATION FOR THE PERIOD BEGINNING JULY 1, 1976, AND ENDING SEPTEMBER 30, 1976

SEC. 701. PROCUREMENT.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$59,400,000; for the Navy and the Marine Corps, \$585,500,000; for the Air Force, \$858,000,000, of which amount not to exceed \$23,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft.

MISSILES

For missiles: for the Army, \$56,500,000; for the Navy, \$308,600,000; for the Marine Corps, \$10,700,000; for the Air Force, \$252,200,000.

Naval Vessels

For naval vessels: for the Navy, \$474,200,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$245,300,000, of which \$133,000,000 shall be used only for the procurement of M-60 series tanks; for the Marine Corps, \$400,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$19,200,000.

OTHER WEAPONS

For other weapons: for the Army, \$9,700,000; for the Navy, \$1,400,000.

SEC. 702. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—Funds are hereby authorized to be appropriated for the period July 1, 1976, to September 30, 1976, for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$513,326,000;

For the Navy (including the Marine Corps), \$849,746,000;

For the Air Force, \$965,783,000; and

For the Defense Agencies, \$144,768,000, of which \$5,000,000 is authorized for the activities of the Director of Test and Evaluation Defense.

SEC. 703. ACTIVE FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

- (1) The Army, 793,000;
- (2) The Navy, 535,860;
- (3) The Marine Corps, 196,498;
- (4) The Air Force, 590,000.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section shall be reduced by 9,000. Such reduction shall be apportioned among the Army, Navy, including the Marine Corps, and Air Force in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the Armed Forces and shall include the rationale for each reduction.

SEC. 704. RESERVE FORCES.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than the following:

- (1) The Army National Guard of the United States, 400,000;
- (2) The Army Reserve, 219,000;
- (3) The Naval Reserve, 106,000;
- (4) The Marine Corps Reserve, 33,013;
- (5) The Air National Guard of the United States, 94,543;
- (6) The Air Force Reserve, 53,642;
- (7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the period; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the period. Whenever such units or such individual members are released from active duty during the period, the average strength for such period for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 705. CIVILIAN PERSONNEL.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, the Department of

Defense is authorized an end strength for civilian personnel of 1,064,400.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section shall be apportioned among the Department of the Army, the Department of the Navy, including the Marine Corps, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which the allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section, but such additional number may not exceed one-half of 1 per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

SEC. 706. MILITARY TRAINING STUDENT LOADS.—(a) For the period beginning July 1, 1976, and ending September 30, 1976, each component of the Armed Forces is authorized an average military training student load as follows:

- (1) The Army, 75,185;
- (2) The Navy, 70,571;
- (3) The Marine Corps, 26,788;
- (4) The Air Force, 52,280;
- (5) The Army National Guard of the United States, 9,481;
- (6) The Army Reserve, 5,518;
- (7) The Naval Reserve, 2,106;
- (8) The Marine Corps Reserve, 4,088;
- (9) The Air National Guard of the United States, 2,180; and
- (10) The Air Force Reserve, 836.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the period beginning July 1, 1976, and ending September 30, 1976, shall be adjusted consistent with the manpower strengths provided in sections

703, 704, and 705 of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components in such manner as the Secretary of Defense shall prescribe.

TITLE VIII—GENERAL PROVISIONS

SEC. 801. (a) Section 138 of title 10, United States Code, is amended as follows:

- (1) Subsection (a) of such section is amended—
 - (A) by striking out “or” at the end of paragraph (4);
 - (B) by inserting “or” after the semicolon at the end of paragraph (5); and
 - (C) by inserting immediately after paragraph (5) the following new paragraph:

“(6) military construction (as defined in subsection (e) of this section);”.

(2) Such section is amended by adding at the end thereof the following new subsection:

“(e) For purposes of subsection (a) (6) of this section, the term ‘military construction’ includes any construction, development, conversion, or extension of any kind which is carried out with respect to any military facility or installation (including any Government-owned or Government-leased industrial facility used for the production of defense articles and any facility to which section 2353 of this title applies) but excludes any activity to which section 2673 or 2674, or chapter 133, of this title apply, or to which section 406(a) of Public Law 85-241 (71 Stat. 556) applies.”.

(b) The amendment provided by paragraph (2) of subsection (a) above with respect to funds not heretofore required to be authorized shall only apply to funds authorized for appropriation for fiscal year 1977 and thereafter.

SEC. 802. (a) The second sentence of section 511(d) of title 10, United States Code, is amended by striking out “four months” and inserting in lieu thereof “twelve weeks”.

(b) Section 671 of title 10, United States Code, is amended by striking out “four months” and inserting in lieu thereof “twelve weeks”.

(c) The sixth paragraph of section 4(a) of the Military Selective Service Act (50 U.S.C. App. 454(a)) is amended by striking out “four months” each time it appears in such paragraph and inserting in lieu thereof in each case “twelve weeks”.

(d) The third sentence of section 6(c) (2) (A) of the Military Selective Service Act (50 U.S.C. App. 456(c) (2) (A)) is amended by striking out “four consecutive months” and inserting in lieu thereof “twelve consecutive weeks”.

SEC. 803. (a) Notwithstanding any other provision of law, in the administration of chapter 403 of title 10, United States Code (relating to the United States Military Academy), chapter 603 of such title (relating to the United States Naval Academy), and chapter 903 of such title (relating to the United States Air Force Academy), the Secretary of the military department concerned shall take such action as may be necessary and appropriate to insure that (1) female individuals shall be eligible for appointment and admission to the service academy concerned, beginning with appointments to such academy for the class beginning in calendar year 1976, and (2) the academic and other relevant standards required for appointment, admission, train-

ing, graduation, and commissioning of female individuals shall be the same as those required for male individuals, except for those minimum essential adjustments in such standards required because of physiological differences between male and female individuals.

(b) Title 10, United States Code, is amended as follows:

(1) Sections 4342, 6954, and 9342 are each amended by striking out the word "sons" wherever it appears therein and inserting in place thereof in each instance the word "children".

(2) Section 6956(d) is amended by striking out the word "men" wherever it appears therein and inserting in place thereof in each instance the word "members".

(c) It is the sense of Congress that, subject to the provisions of subsection (a), the Secretaries of the military departments shall, under the direction of the Secretary of Defense, continue to exercise the authority granted them in chapters 403, 603 and 903 of title 10, United States Code, but such authority must be exercised within a program providing for the orderly and expeditious admission of women to the academies, consistent with the needs of the services, with the implementation of such program upon enactment of this Act.

SEC. 804. (a) Chapter 4 of title 10, United States Code, is amended by adding the following new section after section 139 and inserting a corresponding item in the chapter analysis:

"§ 140. Emergencies and extraordinary expenses

"(a) Subject to the limitations of subsection (c) of this section, and within the limitation of appropriations made for the purpose, the Secretary of Defense and the Secretary of a military department within his department, may provide for any emergency or extraordinary expense which cannot be anticipated or classified. When it is so provided in such an appropriation, the funds may be spent on approval or authority of the Secretary concerned for any purpose he determines to be proper, and such a determination is final and conclusive upon the accounting officers of the United States. The Secretary concerned may certify the amount of any such expenditure authorized by him that he considers advisable not to specify, and his certificate is sufficient voucher for the expenditure of that amount.

"(b) The authority conferred by this section may be delegated by the Secretary of Defense to any person in the Department of Defense or by the Secretary of a military department to any person within his department, with or without the authority to make successive redelegations.

"(c) In any case in which funds are expended under the authority of subsections (a) and (b) of this section, the Secretary of Defense shall submit a report of such expenditures on a quarterly basis to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives."

(b) Section 7202 of title 10, United States Code, and the corresponding item in the analysis of such chapter are repealed.

SEC. 805. Section 139(b) of title 10, United States Code, is amended by deleting the word "sixty" and inserting in lieu thereof the word "ninety".

SEC. 806. Section 1401a of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(f) Notwithstanding any other provision of law, the monthly retired or retainer pay of a member or a former member of an armed force who initially became entitled to that pay on or after January 1, 1971, may not be less than the monthly retired or retainer pay to which he would be entitled if he had become entitled to retired or retainer

pay at an earlier date, adjusted to reflect any applicable increases in such pay under this section. In computing the amount of retired or retainer pay to which such a member would have been entitled on that earlier date, the computation shall, subject to subsection (e) of this section, be based on his grade, length of service, and the rate of basic pay applicable to him at that time. This subsection does not authorize any increase in the monthly retired or retainer pay to which a member was entitled for any period prior to the effective date of this subsection."

SEC. 807. In any case in which funds are unavailable for the payment of a claim arising under a contract entered into prior to July 1, 1974, for the construction or conversion of any naval vessel, the Secretary of the Navy is authorized to settle such claim, but the settlement thereof shall be made subject to the authorization and appropriation of funds therefor. The Secretary of the Navy shall promptly forward to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives copies of all claim settlements made under this section.

SEC. 808. Concurrent with the submission of the President's budget for the fiscal year commencing October 1, 1976, the Secretary of Defense shall submit a five-year naval ship new construction and conversion program. Thereafter, concurrent with the annual submission of the President's budget, the Secretary of Defense shall report to the Committees on Armed Services of the Senate and the House of Representatives any changes to such a five-year program as he deems necessary for the current year, and for the succeeding years, based upon, but not limited to, alterations in the defense strategy of the United States and advances in defense technology. This section does not in any way change existing law with respect to the annual authorization of the construction and conversion of naval vessels.

SEC. 809. The restrictive language contained in section 101 of the Department of Defense Appropriations Authorization Act, 1975 (Public Law 93-365), and in section 101 of the Department of Defense Appropriations Authorization Act, 1974 (Public Law 93-155), under the heading "Naval Vessels", which relates to the use of funds for the DLGN nuclear guided missile frigate program, shall not apply with respect to \$101,000,000 of long lead funding provided for in such Acts for the DLGN-42 nuclear guided missile frigate.

SEC. 810. No funds authorized for appropriation to the Department of Defense shall be obligated under a contract for any multiyear procurement as defined in section I-322 of the Armed Services Procurement Regulations (as in effect on September 26, 1972) where the cancellation ceiling for such procurement is in excess of \$5,000,000 unless the Congress, in advance, approves such cancellation ceiling by statute.

SEC. 811. (a) Beginning with the quarter ending December 31, 1975, the Secretary of Defense shall submit to the Congress within 30 days after the end of each quarter of each fiscal year, written selected acquisition reports for those major defense systems which are estimated to require the total cumulative financing for research, development, test, and evaluation in excess of \$50,000,000 or a cumulative production investment in excess of \$200,000,000. If the reports received are preliminary then final reports are to be submitted to the Congress within 45 days after the end of each quarter.

(b) Any report required to be submitted under subsection (a) shall include, but not be limited to, the detailed and summarized information included in reports required by section 139 of title 10, United States Code.

SEC. 812. The Secretary of Defense, after consultation with the Secretary of State, shall prepare and submit to the Committees on Armed Services of the Senate and the House of Representatives a written annual report on the foreign policy and military force structure of the United States for the next fiscal year, how such policy and force structure relate to each other, and the justification for each. Such report shall be submitted not later than January 31 of each year.

SEC. 813. In the case of any letter of offer to sell or any proposal to transfer defense articles which are valued at \$25,000,000 or more from the United States active forces' inventories, the Secretary of Defense shall submit a report to the Congress setting forth—

(1) the impact of such sales or transfers on the current readiness of United States forces; and

(2) the adequacy of reimbursements to cover, at the time of replenishment to United States' inventories, the full replacement costs of those items sold or transferred.

SEC. 814. (a) It is the sense of the Congress that equipment, procedures, ammunition, fuel and other military impedimenta for land, air and naval forces of the United States stationed in Europe under the terms of the North Atlantic Treaty should be standardized or made interoperable with that of other members of the North Atlantic Treaty Organization to the maximum extent feasible. In carrying out such policy the Secretary of Defense shall, to the maximum feasible extent, initiate and carry out procurement procedures that provide for the acquisition of equipment which is standardized or interoperable with equipment of other members of the North Atlantic Treaty Organization whenever such equipment is designed primarily to be used by personnel of the Armed Forces of the United States stationed in Europe under the terms of the North Atlantic Treaty.

(b) The report required under section 302(c) of Public Law 93-365 shall include a listing of the initiation of procurement action on any new major system not in compliance with the policy set forth in section (a).

(c) Section 302(c) of Public Law 93-365 is amended by deleting the last two sentences and inserting in lieu thereof the following: "The Secretary of Defense shall report annually, not later than January 31 of each year, to the Congress on the specific assessments and evaluations made under the above provisions as well as the results achieved with the North Atlantic Treaty Organization allies."

SEC. 815. Notwithstanding any other provision of law, the authority provided in section 501 of Public Law 91-441 (84 Stat. 909) is hereby extended until June 30, 1977; but no transfer of aircraft or other equipment may be made under the authority of such section 501 unless funds have been previously appropriated for such transfer.

SEC. 816. (a) The Armed Forces of the United States operate worldwide in maintaining international peace and in protecting the interests of the United States. It is essential to the effective operation of the Armed Forces that they receive adequate supplies of petroleum products. Citizens and nationals of the United States and corporations organized or operating within the United States enjoy the benefits of the United States flag and the protection of the Armed Forces and owe allegiance to the United States. It is the purpose of this section to provide a remedy for discrimination by citizens or nationals of the United States or corporations organized or operating within the United States, and by organizations controlled by them, against the Department of Defense in the supply of petroleum products.

(b) (1) No supplier shall engage in discrimination (as defined in subsection (e) (2) of this section) in the supply, either within or outside the United States, of petroleum products for the Armed Forces of the United States.

(2) The Secretary of Defense, whenever he has reason to believe that there has been discrimination, shall immediately refer the matter to the Attorney General of the United States who shall immediately institute an investigation.

(c) (1) The several district courts of the United States are invested with jurisdiction to prevent and restrain discrimination prohibited by subsection (b) (1) of this section; and it shall be the duty of the several United States attorneys, in their respective districts, under the direction of the Attorney General, to institute proceedings to prevent and restrain such discrimination. Such proceedings may be by way of petitions setting forth the case and requesting that the discrimination be enjoined or otherwise prohibited. Pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as it determines appropriate under the circumstances of the case.

(2) Whenever it shall appear to the court before which any proceeding under paragraph (1) of this subsection may be pending, that the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpoenas to that end may be served in any district by the marshal thereof.

(3) Any proceeding under paragraph (1) of this subsection against any corporation may be brought not only in the judicial district in which it is incorporated, but also in any district in which it may be found or transacts business; and all process in such cases may be served in the district in which it is incorporated, or wherever it may be found.

(4) In any proceeding brought in any district court of the United States pursuant to this section, the Attorney General may file with the clerk of such court a certificate of the Secretary of Defense that, in his opinion, the proceeding is of critical importance to the effective operation of the Armed Forces of the United States and that immediate relief from the discrimination is necessary, a copy of which shall be immediately furnished by such clerk to the chief judge of the circuit (or, in his absence, the presiding circuit judge) in which the proceeding is pending. Upon receipt of the copy of such certificate, it shall be the duty of the chief judge of the circuit or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge, to hear and determine such proceeding. Except as to causes which the court considers to be of greater urgency, proceedings before any district court under this section shall take precedence over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

(5) In every proceeding brought in any district court of the United States under this section, an appeal from the final order of the district court will be only to the Supreme Court.

(d) (1) For the purpose of any investigation instituted by the Attorney General pursuant to subsection (b) of this section, he, or his designee, shall at all reasonable times (A) have access to the premises or property of, (B) have access to and the right to copy the books, records, and other writings of, (C) have the right to take the sworn testimony of, and (D) have the right to administer oaths and affirmations to, any person as may be necessary or appropriate, in his discre-

tion, to the enforcement of this section and the regulations or orders issued thereunder.

(2) The Attorney General shall issue rules and regulations insuring that the authority of paragraph (1) of this subsection will be utilized only after the scope and purpose of the investigation, inspection, or inquiry to be made have been defined by competent authority, and it is assured that no adequate and authoritative data are available from any Federal or other responsible agency. In case of contumacy by, or refusal to obey a subpoena served upon, any person with respect to any action taken by the Attorney General under paragraph (1) of this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the Attorney General, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The production of any person's books, records, or other documentary evidence shall not be required at any place other than the place where such person usually keeps them, if, prior to the return date specified in the regulations, subpoena, or other document issued with respect thereto, such person furnishes the Attorney General with a true copy of such books, records, or other documentary evidence (certified by such person under oath to be a true and correct copy) or enters into a stipulation with the Attorney General as to the information contained in such books, records, or other documentary evidence. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(4) Any person who willfully performs any act prohibited, or willfully fails to perform any act required, by paragraph (1) of this subsection, or any rule, regulation, or order issued under paragraph (2) of this subsection, shall upon conviction be fined not more than \$1,000 or imprisoned for not more than one year or both.

(5) Information obtained under this section which the Attorney General deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information shall not be published or disclosed unless the Attorney General determines that the withholding thereof is contrary to the interest of the national defense. Any person who willfully violates this subsection shall, upon conviction, be fined not more than \$10,000, or imprisoned for not more than one year, or both. All information obtained by the Attorney General under this section and which he deems confidential shall not be published or disclosed, either to the public or to another Federal agency, not including the Congress or any duly authorized committee thereof in the performance of its functions, unless the Attorney General determines that the withholding thereof is contrary to the interests of the national defense, and any person willfully violating this provision shall, upon conviction, be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(6) Any person subpoenaed under this section shall have the right to make a record of his testimony and to be represented by counsel.

(7) No individual who, having claimed his privilege against self-incrimination, is compelled to testify or produce evidence, documentary or otherwise, under the provision of this section, may be prosecuted in any criminal proceeding of the offense of discrimination established by this section.

(e) As used in this section—

(1) The term "United States" when used in a geographical sense includes the several States, the possessions of the United States, the Canal Zone, and the District of Columbia.

(2) The term "discrimination" means the willful refusal or failure of a supplier, when requested by the Secretary of Defense or his designee, to supply petroleum products for the use of the Armed Forces of the United States under the terms of any contract or under the authority of the Defense Production Act, as amended (64 Stat. 798, 50 U.S.C. App. 2061-2166), the Emergency Petroleum Allocation Act, as amended (Public Law 93-159); or under the provisions of any other authority, on terms not inconsistent with the applicable Armed Services Procurement Regulations, as amended from time to time, and at prices which are fair and reasonable and do not exceed prices received for similar products and quantities from other domestic or foreign customers. Disagreements as to price or other terms or conditions shall be disputes as to questions of fact to be resolved in the manner prescribed by the applicable Armed Services Procurement Regulations, as amended from time to time, for the settlement of disputes arising out of contracts and shall not be a basis for delay or refusal to supply petroleum products.

(3) The term "supplier" means any citizen or national of the United States, any corporation organized or operating within the United States, or any organization controlled by any United States citizen, national, or corporation organized or operating within the United States, engaged in producing, refining or marketing of petroleum or petroleum products.

(f) Any supplier who willfully discriminates as prohibited by subsection (b) (1) of this section shall, upon conviction, be fined not more than \$100,000 or imprisoned for not more than two years, or both.

(g) If any provision of this section or the application thereof to any person or circumstances is held invalid, the validity of the remaining provisions of this section and the application of such provision to other persons and circumstances shall not be affected thereby.

(h) The provisions of this section shall expire two years after the date of enactment of this Act, except that—

(1) any supplier who, before the date of the expiration of this section, willfully violated any provision of this section shall be punished in accordance with the provisions of such section as in effect on the date the violation occurred;

(2) any proceeding relating to any provision of this section which is pending at the time this section expires shall be continued by the Attorney General as if this subsection had not been enacted, and orders issued in any such proceeding shall continue in effect as if they had been effectively issued under this section before the expiration thereof or until otherwise terminated by appropriate action;

(3) the expiration of this section shall not affect any suit, action, or other proceeding lawfully commenced before the expiration of this section, and all such suits, actions, and proceedings shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if this section had not expired; and

(4) the provisions of this section relating to the improper publication or disclosure of information shall continue in effect, in the same manner and with the same effect as if this section had not expired, with respect to any publication or disclosure (prohibited by such section before the expiration thereof) made after the expiration of such section if the information published or disclosed was obtained under authority of this section before the expiration of this section.

SEC. 817. The Secretary of Defense shall provide to the Committees on Armed Services of the Senate and the House of Representatives a plan that identifies the platform and funding for AEGIS fleet implementation.

SEC. 818. (a) Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this or any other Act shall be used for the purpose of production of lethal binary chemical munitions unless the President certifies to Congress that the production of such munitions is essential to the national interest and submits a full report thereon to the President of the Senate and the Speaker of the House of Representatives as far in advance of the production of such munitions as is practicable.

(b) For purposes of this section the term "lethal binary chemical munitions" means (1) any toxic chemical (solid, liquid, or gas) which, through its chemical properties, is intended to be used to produce injury or death to human beings, and (2) any unique device, instrument, apparatus, or contrivance, including any components or accessories thereof, intended to be used to disperse or otherwise disseminate any such toxic chemical.

SEC. 819. (a) Notwithstanding any other provision of law, the aggregate amount of any upward adjustments in certain elements of compensation of members of the uniformed services required by section 1009 of title 37, United States Code, may not exceed 5 per centum during the period from January 1, 1975, through June 30, 1976, except that no such restriction shall apply unless a 5 per centum restriction on the aggregate amount of upward adjustments of the General Schedule of compensation for Federal classified employees as contained in section 5332 of title 5, United States Code, is also required during that period.

(b) No reduction in compensation is required under subsection (a) of any upward adjustment that may have been put into effect under section 1009 of title 37, United States Code, between January 1, 1975, and the date of enactment of this section.

(c) Any upward adjustment in compensation which has been limited by subsection (a) of this section to an amount or amounts less than otherwise would have been in effect shall not be increased subsequent to June 30, 1976—

(1) in order to compensate a member for the difference between the amounts he has received under the provisions of subsection (a) and the amounts he would have otherwise received; or

(2) except in accordance with the normal procedures and timing which would have been in effect for any such pay increase subsequent to June 30, 1976, without regard to any limitation under subsection (a) of this section.

SEC. 820. (a) Notwithstanding any other provision of law, the total number of enlisted members of the Armed Forces of the United States that may be assigned or otherwise detailed to duty as enlisted aides on the personal staffs of officers of the Army, Navy, Marine Corps, Air Force, and Coast Guard (when operating as a service of the Navy) during any fiscal year shall be a number determined by (1) multiplying 4 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-10, (2) multiplying 2 times the number of officers serving on full-time active duty at the end of the fiscal year in the pay grade of O-9, and (3) adding the products obtained under clauses (1) and (2).

(b) The Secretary of Defense shall allocate the aides authorized by subsection (a) of this section among officers of the Armed Forces, in such numbers as he determines appropriate, on the basis of the duties of such officers.

(c) This section shall not apply with respect to the number of aides assigned to generals of the Army or admirals of the Fleet.

Sec. 821. Notwithstanding any provision of section 2004 of title 10, United States Code, an officer in any pay grade who was in a missing status (as defined in section 551(2) of title 37, United States Code) after August 4, 1964, and before May 8, 1975, may be selected for detail for legal training under that section 2004 on other than a competitive basis and, if selected for that training, is not counted in computing, for the purpose of subsection (a) of that section 2004, the number of officers who may commence that training in any single fiscal year. For the purposes of determining eligibility under that section 2004, the period of time during which an officer was in that missing status may be disregarded in computing the period he has served on active duty.

Sec. 822. This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1976".

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

September 29, 1975

Dear Mr. Director:

The following bill was received at the White House on September 29th:

H.R. 6674

Please let the President have reports and recommendations as to the approval of this bill as soon as possible.

Sincerely,

Robert D. Linder
Chief Executive Clerk

The Honorable James T. Lynn
Director
Office of Management and Budget
Washington, D. C.