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APPROVED

FEB 9 - 1976
Statement Issued
2/19/76

Signed
2/9/76

ACTION

LAST DAY: February 9

THE WHITE HOUSE
WASHINGTON
February 9, 1976

MEMORANDUM FOR **THE PRESIDENT**
FROM: **JIM CANNON**
SUBJECT: **H.R. 9861 - Department of Defense Appropriation Act, 1976**

To Archives
2/10

Attached for your consideration is H.R. 9861, sponsored by Representative Mahon, which:

- Appropriates \$90,466,961,000 for the activities of the Department of Defense for FY 76, exclusive of regular military assistance, military construction and civil defense. This includes \$1,300,000 for the Defense Manpower Commission.
- Appropriates \$21,860,723,000 for the transition quarter.

In addition to containing a prohibition against spending for Angola, the enrolled bill contains the following provision in the account for "Procurement of Ammunition, Army".

"Provided, That none of the funds provided in this Act may be obligated for construction or modernization of Government-owned contractor-operated Army Ammunition Plants for the production of 105 mm artillery projectile metal parts until a new study is made of such requirements by the Department of the Army; the Secretary of Army certifies to Congress that such obligations are essential to national defense; and until approval is received from the Appropriations and Armed Services Committees of the House and Senate, \$637,200,000."

A detailed discussion of the provisions of the enrolled bill is provided in OMB's enrolled bill report at Tab A.



Although OMB and Defense recommend that you sign the enrolled bill, both agencies believe the provision detailed above is unconstitutional and recommend that you issue a signing statement.

Counsel's Office (Lazarus) recommends the signing statement contain the following language:

"However, I intend to treat the unconstitutional provision in the appropriation, 'Procurement of Ammunition, Army' to the extent it requires further congressional committee approval, as a complete nullity."

OMB (O'Neill), Defense (General Counsel Wiley), Justice (Scalia), Jack Marsh, Bob Hartmann, NSC, Max Friedersdorf and I recommend approval of the proposed signing statement which contains the above language.

RECOMMENDATION

That you sign H.R. 9861 at Tab C.

That you approve the signing statement at Tab B.





EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

FEB 4 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 9861 -- Department of Defense Appropriation Act, 1976
Sponsor -- Representative Mahon (D), Texas

Last Day for Action

February 9, 1976

Purpose

This bill appropriates the following amounts:

	Budget Authority	
	1976	Transition Period
. Activities of the Department of Defense exclusive of regular military assistance, military construction, and civil defense	\$90,465,661,000	\$21,860,723,000
. Defense Manpower Commission	1,300,000	0
Total	\$90,466,961,000	\$21,860,723,000

Agency Recommendations

Office of Management and Budget

Approve and issue statement.

Department of Defense

Approve and issue statement. (Informally)

Discussion

The request and appropriations for the activities of the Department of Defense are compared in the following table:

	Budget Authority (\$ thousands)	
	1976	Trans. Period
Request, as amended	96,400,335	23,117,645
(Jan. 1975 Request	97,633,335	23,117,645)
(June 1975 Amendment (nuclear strike cruiser)	+60,000	0)
(Oct. 1975 Amendment (South Vietnam Assistance)	-1,293,000	0)

	Budget Authority	
	1976	Transition Period
Appropriations	90,465,661	21,860,723
Congressional Action	-5,934,674	-1,256,922
% reduction by Congress	6.1%	5.4%

The Department of Defense views the reductions as substantial, but acceptable without serious degradation to our capability to meet national defense requirements.

The Congressional reductions to the 1976 request, by appropriation category, are shown in the following table:

	(\$ thousands) Budget Authority		
	Budget as Amended	Congressional Change	% Change
Military personnel	25,077,700	-310,868	-1.2%
Retired military personnel	6,885,200	--	0
Operations and maintenance	29,776,367	-1,578,985	-5.3%
Procurement	24,479,500	-3,273,800	-13.4%
Research, development, test and evaluation	10,178,900	-771,021	-7.6%
Special Foreign Currency	2,668	--	0
Budget Authority	96,400,335	-5,934,674	-6.1%

Reductions to the transition period request are essentially continuations of the reductions made in 1976. The following paragraphs identify the major dollar reductions and the Congressional additions.

Military Personnel

These appropriations are reduced by \$311 million in 1976 and \$128 million in the transition period. Reductions are primarily for permanent change of station moves, and pay-related items such as bonuses, separation pay, and clothing. Active duty military manyears and end strength were reduced less than 1%. Two million dollars was added to create Navy Reserve Readiness Commands and \$31 million was added for additional Army and Navy Reserve personnel.

The Department was directed to receive full reimbursement for military personnel working for other organizations and to use the collections to offset personnel costs. A reduction of \$32 million was made to provide the Department with some incentive to move ahead on this.

Operation and Maintenance

These accounts are reduced by \$1,579 million for 1976. 66% of the reduction is attributed to four items:

- . -\$560 million to cover future inflation in stock fund purchases.
- . -\$342 million for the purchase of war reserve stocks.
- . -\$87 million for civilian personnel reductions (about 2%).
- . -\$62 million for recruiting and advertising.

The additions are:

- . +\$109 million for commissary subsidies.
- . +\$9 million for protective clothing for binary chemical training.

This bill also continues the practice of recent years in providing authority for the Secretary of Defense, with OMB approval, to transfer \$750 million in 1976 (and \$185 million in the transition period) between appropriations or funds. The purpose is to lessen the requirement for supplementals.

Procurement

This bill reduces budget authority by \$3,274 million. Some of the more significant dollar changes are:

- . \$1,713 million for shipbuilding and conversion programs.
 - Five ships were not funded (-\$558 million).
 - Long lead nuclear components of a nuclear cruiser were not funded (-\$60 million).
 - Other reductions including cost growth and escalation (-\$1,095 million).
- . -\$252 million for war reserves of spare parts for aircraft.
- . -\$187 million for war reserves of ammunition and munitions for allies.
- . -\$214 million for 4 rather than 6 AWACS, warning and control aircraft.
- . -\$59 million for 24 A-4 attack aircraft.
- . -\$22 million for modifying Civil Reserve Air Fleet aircraft.
- . -\$165 million for intelligence programs.
- . +\$14 million to keep open the grumman A-6E aircraft production line.



Research and Development

This bill reduces these appropriations by \$771 million. Some of the more significant dollar reductions are:

- . -\$40 million for Army site defense activities.
- . -\$75 million for B-1 bomber development.
- . -\$57 million for Air Force air combat fighter development.
- . -\$112 million for general reductions in intelligence and communications activities.
- . -\$77 million in management and support activities.

Special Provisions

Two problems exist with language in the appropriation. One involves a prohibition against spending for Angola, the other requires congressional approval before any funds can be spent for construction of facilities for 105 millimeter artillery projectiles. While both provisions are objectionable, they should not cause you to veto the appropriation bill. Rather, a signing statement is proposed (see attachment).

- a. Angola. The appropriation "Procurement, Defense Agencies" contains the following language: "... none of which, nor any other funds appropriated in this Act may be used for any activities involving Angola other than intelligence gathering"
- b. 105 mm artillery projectiles.

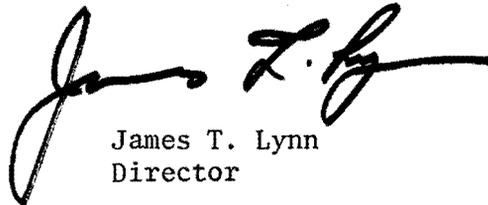
Language of a type that has been objected to in the past as being unconstitutional was added to the appropriation "Procurement of Ammunition, Army," as follows:

"Provided, That none of the funds provided in this Act may be obligated for construction or modernization of Government-owned contractor-operated Army Ammunition Plants for the production of 105 mm artillery projectile metal parts until a new study is made of such requirements by the Department of the Army; the Secretary of the Army certifies to Congress that such obligations are essential to national defense; and until approval is received from the Appropriations and Armed Services Committees of the House and Senate, \$637,200,000."



This provision restricts the authority of the executive branch to obligate funds for certain purposes without specific approval of Congressional Committees. It has been the position of the Presidents since Woodrow Wilson that such language would require executive power to be shared by the President and the Committees of Congress and consequently that such a requirement is unconstitutional.

While the Department of Defense believes that this provision is unconstitutional, it does not recommend a veto. Some Presidents have used such objections as the basis for vetoes (e.g., Truman veto message on H.R. 3096, May 15, 1951; Eisenhower veto message on H.R. 7512, May 26, 1954). On other occasions Presidents have indicated in their signing statement that they would not follow the unconstitutional provision (e.g., President Eisenhower's signing statement with respect to H.R. 6042, July 13, 1955), that they would undertake no projects requiring the use of the unconstitutional provision (e.g., President Eisenhower's signing statement with respect to H.R. 5881, August 6, 1956), that the provision would simply be treated as a "notification requirement" (e.g., President Johnson's signing statement with respect to H.R. 9140, December 31, 1963) or that the provisions would be treated as a requirement for "consultation" with Congress (e.g., President Johnson's signing statement with respect to H.R. 8427, October 14, 1964).



James T. Lynn
Director

Attachment



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 275

Date: February 4

Time: 7:00pm

FOR ACTION: Robert Hartmann *oh*
Max Friedersdorf *oh* cc (for information): Jack Marsh
Ken Lazarus Jim Cavanaugh
Bill Seidman *oh*
NSC/S

FROM THE STAFF SECRETARY

DUE: Date: February 5

Time: noon

SUBJECT:

H.R. 9861 - Department of Defense Appropriation Act, 1976

and signing statement

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Jim Cavanaugh
for the President

NOTE TO FILE RE REVISED STATEMENT

Ken Lazarus cleared the revised language with Scalia at Justice and Wiley, General Counsel at Defense.

I secured clearances from Paul O'Neill and Bill Nichols of OMB, Max Friedersdorf, Jack Marsh ~~and~~ Bob Hartmann. and Les Janka of NSC.

Judy Johnston 2/9

Date: February 4

Time: 4:00pm

FOR ACTION: Robert Hartmann
Max Friedersdorf
Ken Lazarus
Bill Seidman

cc (for information): Jack Marsh
Jim Cavanaugh

FROM THE STAFF SECRETARY

DUE: Date: February 5

Time: noon

SUBJECT:

H.R. 9861 - Department of Defense Appropriation
Act, 1976

ACTION REQUESTED:

 For Necessary Action For Your Recommendations Prepare Agenda and Brief Draft Reply For Your Comments Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

Rather than treating the legislative encroachment as a "notification requirement", I would suggest the President challenge the provision directly as noted in my proposed change in the signing statement.

- Ken Lazarus



Scalia (ok w/ change)

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James H. Cavanaugh
For the President

Proposed Language for H.R. 9861 Signing Statement

Although I am signing this bill, I believe it is necessary for me to comment upon certain provisions. One, added by the conference committee, violates the fundamental doctrine of separation of powers. The other would severely limit our effectiveness in international affairs.

The appropriation, "Procurement of Ammunition, Army," in title IV of the bill restricts the obligation of funds for certain purposes "until approval is received from the Appropriations and Armed Services Committees of the House and Senate."

The exercise of an otherwise valid Executive power cannot be limited by a discretionary act of a Committee of Congress nor can a Committee give the Executive a power which it otherwise would not have. The legislative branch cannot inject itself into the Executive functions, and opposition to attempts of the kind embodied in this bill has been expressed by Presidents for more than 50 years.

In addition, I am deeply disappointed that the Congress has acted in this bill to deprive the people of Angola of the assistance needed to resist Soviet and Cuban military intervention in their country. I believe this provision is an extremely undesirable precedent that could limit severely our ability to play a positive and effective role in international affairs.

1. substitute for part of A

Because of the importance of the programs which are funded by appropriations contained in this bill and the problems which would be caused by a further delay of this legislation, I shall not veto the bill. However, I intend to treat the unconstitutional provision in the appropriation "Procurement of Ammunition, Army", to the extent it requires further Congressional committee approval, as a ^{complete} nullity. I cannot concur in this legislative encroachment upon the constitutional powers of the Executive Branch. "

THE WHITE HOUSE
WASHINGTON

February 9, 1976

*If O.K. with
Mr. Marsh, it's
O.K. with me **
RJA

MEMORANDUM FOR DOUG SMITH
FROM: JUDY JOHNSTON
SUBJECT: Signing Statement - H.R. 9861
Department of Defense Appropriation
Act, 1976

Ken Lazarus has recommended a substantial change be made to the signing statement which was cleared by Mr. Hartmann.

The last paragraph of the signing statement would be changed to read:

"Because of the importance of the programs which are funded by appropriations contained in this bill and the problems which would be caused by a further delay of this legislation, I shall not veto the bill. However, I intend to treat the unconstitutional provision in the appropriation "Procurement of Ammunition, Army", to the extent it requires further Congressional committee approval, as a complete nullity. I cannot concur in this legislative encroachment upon the constitutional powers of the Executive Branch."

This change would indicate that the Administration will commit funds to this project without further authority from or notice to any Congressional committee.

Ken has cleared this change with Justice (Scalia) and Defense (Wiley). I have checked it with Max Friedersdorf and am waiting for NSC and OMB. Could you please get clearance from Mr. Hartmann.

I would suggest if you need any detailed information as to what this change would mean, that you contact Ken Lazarus.

Today is the last day for the bill and I need to get it up to the President as soon as possible, hopefully as close to noon as possible.

Thanks.

STATEMENT BY THE PRESIDENT

Although I am signing H.R. 9861, the Department of Defense Appropriation Act, 1976, I believe it is necessary for me to comment upon certain provisions. One, added by the conference committee, violates the fundamental doctrine of separation of powers. The other would severely limit our effectiveness in international affairs.

The appropriation, "Procurement of Ammunition, Army," in title IV of the bill restricts the obligation of funds for certain purposes "until approval is received from the Appropriations and Armed Services Committees of the House and Senate."

The exercise of an otherwise valid Executive power cannot be limited by a discretionary act of a Committee of Congress nor can a Committee give the Executive a power which it otherwise would not have. The legislative branch cannot inject itself into the Executive functions, and opposition to attempts of the kind embodied in this bill has been expressed by Presidents for more than 50 years.

In addition, I am deeply disappointed that the Congress has acted in this bill to deprive the people of Angola of the assistance needed to resist Soviet and Cuban military intervention in their country. I believe this provision is an extremely undesirable precedent that could limit severely our ability to play a positive and effective role in international affairs.

Because of the importance of the programs which are funded by appropriations contained in this bill and the problems which would be caused by a further delay of this legislation, I shall not veto the bill. However, I

intend to treat the unconstitutional provision in the appropriation "Procurement of Ammunition, Army", to the extent it requires further Congressional committee approval, as a complete nullity. I cannot concur in this legislative encroachment upon the constitutional powers of the Executive Branch.

Ronald R. Ford

Proposed Language for H.R. 9861 Signing Statement

Although I am signing this bill, I believe it is necessary for me to comment upon certain provisions. One, added by the conference committee, violates the fundamental doctrine of separation of powers. The other would severely limit our effectiveness in international affairs.

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*Substitute
for A*

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Date: February 4

Time: 4:00pm

FOR ACTION: Robert Hartmann
Max Friedersdorf
Ken Lazarus
Bill Seidman

cc (for information): Jack Marsh
Jim Cavanaugh

FROM THE STAFF SECRETARY

DUE: Date: February 5

Time: noon

SUBJECT:

2/4/76 - 5:05 pm

H.R. 9861 - Department of Defense Appropriation Act, 1976

and proposed signing statement

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

OR

idk

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James H. Cavanaugh
For the President

THE WHITE HOUSE

WASHINGTON

February 5, 1976

MEMORANDUM FOR: JIM CAVANAUGH
FROM: MAX L. FRIEDERSDORF *M. L.*
SUBJECT: H. R. 9861 - Department of Defense Appropriation
Act, 1976

The Office of Legislative Affairs concurs with the agencies
that the subject bill be signed.

Attachments

Date: February 4

Time: 4:00pm

FOR ACTION: Robert Hartmann
 Max Friedersdorf
 Ken Lazarus
 Bill Seidman

cc (for information): Jack Marsh
 Jim Cavanaugh

FROM THE STAFF SECRETARY

DUE: Date:

February 5

Time:

noon

SUBJECT:

H.R. 9861 - Department of Defense Appropriation
 Act, 1976

ACTION REQUESTED.

 For Necessary Action For Your Recommendations Prepare Agenda and Brief Draft Reply For Your Comments Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

*Approve
 Log B. Lott
 for LWS*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James H. Cavanaugh
 For the President

NATIONAL SECURITY COUNCIL

February 5, 1976

MEMORANDUM FOR: JAMES CAVANAUGH
FROM: Jeanne W. Davis 
SUBJECT: H. R. 9861

The NSC Staff concurs in H. R. 9861 - Department of Defense
Appropriation Act, 1976.

Statement

Proposed Language for H.R. 9861 Signing Statement

Although I am signing this bill, I believe it is necessary for me to comment upon certain provisions. One, added by the conference committee, violates the fundamental doctrine of separation of powers. The other would severely limit our effectiveness in international affairs.

The appropriation, "Procurement of Ammunition, Army," in title IV of the bill restricts the obligation of funds for certain purposes "until approval is received from the Appropriations and Armed Services Committees of the House and Senate."

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Handwritten notes:
1.
Because of the importance of the programs which are funded by appropriations contained in this bill and the problems which would be caused by a further delay of this legislation, I shall not veto the bill. However, I intend to treat the unconstitutional provision in the appropriation "Procurement of Ammunition, Army", to the extent it requires further Congressional committee approval, as a ^{complete} nullity. I cannot concur in this legislative encroachment upon the constitutional powers of the Executive Branch.

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Although I am signing H.R. 9861,
the Department of Defense Appropriation
Act, 1976, I believe,...

Handwritten notes:
the
E O, 1976

STATEMENT BY THE PRESIDENT

Although I am signing H.R. 9861, the Department of Defense Appropriation Act, 1976, I believe it is necessary for me to comment upon certain provisions. One, added by the conference committee, violates the fundamental doctrine of separation of powers. The other would severely limit our effectiveness in international affairs.

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Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

Although I have signed H.R. 9861, the Department of Defense Appropriation Act, 1976, I believe it is necessary for me to comment upon certain provisions. One, added by the conference committee, violates the fundamental doctrine of separation of powers. The other would severely limit our effectiveness in international affairs.

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DEPARTMENT OF DEFENSE APPROPRIATIONS,
FISCAL YEAR 1976

DECEMBER 10, 1975.—Ordered to be printed

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

CONFERENCE REPORT

[To accompany H.R. 9861]

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9861) "making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and the period beginning July 1, 1976, and ending September 30, 1976, 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 Senate recede from its amendments numbered 15, 16, 24, 36, 48, 55, 70, 76, 81, 87, 88, 89, 91, 92, 93, 94, 96, 99, and 100.

That the House recede from its disagreement to the amendments of the Senate numbered 17, 18, 22, 26, 30, 32, 33, 37, 39, 44, 46, 47, 50, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 68, 90, and 95, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$8,180,347,000; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$2,064,635,000; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,722,300,000; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,451,668,000; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,806,377,000; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$460,117,000; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$7,251,524,000; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,776,677,000; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$468,879,000; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$165,299,000; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$200,035,000; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$59,525,000; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$70,652,000; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$28,082,000; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,779,000,000; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$8,069,400,000; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$497,110,000; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$7,498,697,000; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

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

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department

of Defense (other than the military departments and the Defense Civil Preparedness Agency), as authorized by law; as follows: for the Secretary of Defense activities, \$787,753,000, of which \$515,041,000 shall be available only for the Civilian Health and Medical Program of the Uniformed Services, and \$211,391,000 shall be available only for Overseas Dependents Education; for the organization of the Joint Chiefs of Staff, \$11,599,000; for the Office of Information for the Armed Forces, \$16,242,000; for the Defense Contract Audit Agency, \$68,123,000; for the Defense Investigative Service, \$25,397,000; for the Defense Mapping Agency, \$185,032,000; for the Defense Nuclear Agency, \$22,509,000; for the Uniformed Services University of the Health Sciences, \$3,981,000; for the Defense Supply Agency, \$789,654,000; and for intelligence and communications activities, \$565,141,000; in all: \$2,475,431,000. Provided, That of the total amount of this appropriation, not to exceed \$9,208,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: Provided further, That not less than \$26,000,000 of the total amount of this appropriation shall be available only for the maintenance of real property facilities: Provided further, That the Secretary of Defense may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

For "Operation and maintenance, Defense agencies" for the period July 1, 1976, through September 30, 1976, as follows: for the Secretary of Defense activities, \$195,365,000, of which \$130,358,000 shall be available only for the Civilian Health and Medical Program of the Uniformed Services, and \$50,018,000 shall be available only for Overseas Dependents Education; for the organization of the Joint Chiefs of Staff, \$3,057,000; for the Office of Information for the Armed Forces, \$4,097,000; for the Defense Contract Audit Agency, \$17,342,000; for the Defense Investigative Service, \$6,144,000; for the Defense Mapping Agency, \$16,160,000; for the Defense Nuclear Agency, \$5,603,000; for the Uniformed Services University of the Health Sciences, \$1,254,000; for the Defense Supply Agency, \$201,555,000; for intelligence and communications activities, \$147,148,000; in all: \$627,725,000, of which not to exceed \$1,964,500 can be used for emergencies and extraordinary expenses: Provided, That the Secretary of Defense may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority;

And the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$310,710,000; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$20,000,000; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$284,425,000; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$322,430,000; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$81,190,000; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$697,100,000; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

ARMY STOCK FUND

For the Army stock fund, \$20,000,000.

And the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

NAVY STOCK FUND

For the Navy stock fund, \$10,000,000.

And the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

MARINE CORPS STOCK FUND

For the Marine Corps stock fund, \$2,000,000.

And the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

AIR FORCE STOCK FUND

For the Air Force stock fund, \$15,000,000.

And the Senate agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows:

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

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

For the necessary expenses, in accordance with law, for construction, equipment, and maintenance of rifle ranges; the instruction of citizens in marksmanship; the promotion of rifle practice; and the travel of rifle teams, military personnel, and individuals attending regional, national, and international competitions; \$233,000, of which amount not to exceed \$7,500 shall be available for incidental expenses of the National Board; and from other funds provided in this Act, not to exceed \$280,000 worth of ammunition may be issued under authority of title 10, United States Code, section 4311.

And the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$912,300,000; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,172,600,000; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$321,700,000; and the Senate agree to the same.

Amendment numbered 66:

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,829,700,000; and the Senate agree to the same.

Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$464,500,000; and the Senate agree to the same.

Amendment numbered 69:

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: \$3,933,700,000, of which \$251,200,000 shall be available to fully fund Only four E-3A Airborne Warning and Control System (AWACS) aircraft

And the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,723,900,000; and the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$233,000,000; and the Senate agree to the same.

Amendment numbered 73:

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$2,046,400,000; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$353,000,000; and the Senate agree to the same.

Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,948,823,000; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$504,452,000; and the Senate agree to the same.

Amendment numbered 79:

That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,238,390,000; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$818,722,000; and the Senate agree to the same.

Amendment numbered 82:

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$901,014,000; and the Senate agree to the same.

Amendment numbered 84:

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$146,550,000; and the Senate agree to the same.

Amendment numbered 85:

That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$211,391,000; and the Senate agree to the same.

Amendment numbered 86:

That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$50,018,000; and the Senate agree to the same.

Amendment numbered 97:

That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment as follows:

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

40-mile.

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 19, 49, 53, 75, 83, 98, and 101.

GEORGE MAHON,
ROBERT L. F. SIKES,
DANIEL J. FLOOD,
JOSEPH P. ADDABBO (except
as to amendments Nos. 49,
50, 69, 79, 81)

JOHN J. McFALL,
JOHN J. FLYNT JR.,
BILL CHAPPELL,
BILL D. BURLISON,
JACK EDWARDS,
J. K. ROBINSON,
JACK F. KEMP,
E. A. CEDERBERG,

Managers on the Part of the House.

JOHN L. McCLELLAN,
JOHN C. STENNIS,
JOHN O. PASTORE,
WARREN G. MAGNUSON,
GALE W. MCGEE,
JOSEPH M. MONTOYA,
DANIEL K. INOUYE,
STUART SYMINGTON,
MILTON R. YOUNG,
ROMAN L. HRUSKA,
CLIFFORD P. CASE,
HIRAM L. FONG,
TED STEVENS,
RICHARD S. SCHWEIKER,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON 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 amendments of the Senate to the bill (H.R. 9861), making appropriations for the Department of Defense for the fiscal year ending June 30, 1976 and the period beginning July 1, 1976, and ending September 30, 1976, 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:

TITLE I—MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY, 1976

Amendment No. 1: Appropriates \$8,180,347,000 instead of \$8,162,738,000 as proposed by the House and \$8,185,666,000 as proposed by the Senate.

The Conferees are in agreement that the specific changes to the request made by the House and agreed to by the Senate are to be accomplished by the Department of the Army. In addition, the conferees reached agreement with respect to the following areas of difference as explained below:

1. *Recruiting*.—The conferees agreed to restore \$5,500,000 to the \$68.4 million provided by the House for pay of military personnel. This agreement provides a total of \$73.9 million for pay of military personnel assigned to the Army Recruiting Command exclusive of fiscal year 1976 pay raises. Personnel assigned to unit of choice recruiting, Armed Forces Entrance and Examining Stations and medical recruiting programs are not included in the estimate. This is an item of special interest to the Committees.

2. *Enlistment Bonus*.—The House receded to the Senate on this matter restoring \$3,000,000. The conferees also agreed that the \$53,000,000 provided should not be considered a ceiling and the Army may, if it becomes necessary, apply additional funds from within total enacted resources. However, the appropriate Committees will be notified if it is necessary to increase these bonuses beyond \$53,000,000.

3. *Enlisted Separation Pay*.—The Senate receded to the House, restoring \$6,140,000 to the request.

4. *Enlisted Grade Enhancement*.—The conferees agreed to a reduction of \$6,233,000 instead of a reduction of \$3,233,000 as proposed by the Senate and \$9,233,000 as proposed by the House. The bill provides approximately \$12.3 million to increase the average grade level of Army enlisted personnel.

5. *Counselors*.—The conferees agreed to the reduction of \$2,917,000 as proposed by the Senate instead of a reduction of \$3,500,000 as pro-

posed by the House. The Army is directed to provide a report by February 1, 1976 detailing the position that will be eliminated to comply with the reduction.

6. *Telecommunications Staffing*.—The conferees agreed to restore the \$2,470,000 deleted by the House.

7. *Subsistence*.—The conferees agreed to the reduction of \$6,122,000 as proposed by the House. A ceiling of \$226.4 million has been established for procurement of subsistence in kind.

8. *Enlisted Clothing Allowance*.—The conferees agreed to a reduction of \$7,055,000 instead of a reduction of \$9,708,000 as proposed by the House and \$4,400,000 as proposed by the Senate. A total of \$119.8 million has been provided for enlisted clothing allowance.

9. *Permanent Change of Station Travel*.—The conferees agreed to a reduction of \$12,500,000 instead of a reduction of \$16,000,000 as proposed by the House and \$9,000,000 as proposed by the Senate. A total of \$520 million has been provided for permanent change of station travel, which is considered an item of special interest to the Committees.

10. *Safeguard ABM System*.—The conferees agreed to restore the \$590,000 deleted by the House. The conferees are in agreement that military personnel assigned to the program, with the exception of those needed to operate the Perimeter Acquisition Radar and associated equipments, will be reassigned at the earliest possible opportunity. Other details regarding the termination of this program are addressed in Title III, Operation and Maintenance, Army.

11. *Postal Services*.—The conferees agreed to the Senate reduction of \$1,067,000 for postal services. The conferees are in agreement that the Department of Defense should transfer stateside military postal operations to the United States Postal Service at the earliest practical time, with a view toward completing such transfer by July 1, 1976.

12. *Strength Reduction*.—The conferees agreed to a reduction of \$2,625,000 instead of \$5,250,000 as proposed by the Senate. This reduction is to be applied against total Army strength in such a manner so as not to disrupt the orderly transition to the new 16 division force structure.

MILITARY PERSONNEL, ARMY, 1977

Amendment No. 2: Appropriates \$2,064,635,000 instead of \$2,062,994,000 as proposed by the House and \$2,064,644,000 as proposed by the Senate.

1. *Recruiting*.—The conferees agreed to restore \$1,156,000 to the \$17.1 million provided by the House for pay of recruiting personnel. The \$18.2 million provided in the bill is \$600,000 less than the amount proposed by the Senate.

2. *Enlistment Bonus*.—The House conferees receded, providing a total of \$15,700,000 for enlistment bonuses.

3. *Enlisted Separation Pay*.—The conferees agreed to a reduction of \$7,000,000 instead of a reduction of \$3,000,000 as proposed by the House and \$10,000,000 as proposed by the Senate.

4. *Enlisted Grade Enhancement*.—The conferees agreed to a reduction of \$1,036,000 as proposed by the Senate.

5. *Subsistence*.—The conferees agreed to a reduction of \$1,535,000 as proposed by the House. A total of \$57.3 million is included in the bill for subsistence in kind.

6. *Enlisted Clothing Allowance*.—The conferees agreed to a reduction of \$1,635,000 as proposed by the House. A total of \$33.2 million is included in the bill for enlisted clothing allowances.

7. *Permanent Change of Station Travel*.—The conferees agreed to a reduction of \$11,000,000 instead of a reduction of \$14,000,000 as proposed by the House and \$8,000,000 as proposed by the Senate. The bill provides a total of \$153,600,000 for PCS travel during the transition quarter.

8. *Safeguard ABM System*.—The conferees agreed to restore the \$504,000 deleted by the House.

9. *Postal Services*.—The conferees agreed to a reduction of \$534,000 as proposed by the Senate.

10. *Strength Reduction*.—The conferees agreed to a general strength reduction of \$1,985,000 instead of the \$3,970,000 reduction proposed by the Senate.

MILITARY PERSONNEL, NAVY, 1976

Amendment No. 3: Appropriates \$5,722,300,000 instead of \$5,721,114,000 as proposed by the House and \$5,722,484,000 as proposed by the Senate.

The conferees are in agreement that the specific changes to the request made by the House and agreed to by the Senate are to be accomplished by the Navy Department. In addition, the conferees reached agreement with respect to the following areas of difference as explained below:

1. *Recruiting*.—The conferees agreed to a reduction of \$5,475,000 instead of \$8,200,000 as proposed by the House and \$2,750,000 as proposed by the Senate. This agreement provides a total of \$48 million for pay of military personnel assigned to the Navy Recruiting Command exclusive of fiscal year 1976 pay raises. This is an item of special interest to the Committee.

2. *Graduate Training*.—The conferees agreed to a reduction of \$1,232,000 as proposed by the Senate instead of a reduction of \$2,310,000 as proposed by the House.

3. *Enlisted Separation Pay*.—The conferees agreed to a reduction of \$7,990,000 instead of a reduction of \$6,000,000 as proposed by the House and a reduction of \$11,990,000 as proposed by the Senate.

4. *Counselors*.—The conferees agreed to a reduction of \$2,043,000 instead of a reduction of \$3,500,000 as proposed by the House and \$583,000 as proposed by the Senate. The Navy is directed to provide a report by February 1, 1976 detailing the positions that will be eliminated to comply with the reduction.

5. *Telecommunications Staffing*.—The conferees agreed to restore the \$1,970,000 deleted by the House.

6. *Subsistence*.—The conferees agreed to a reduction of \$5,270,000 as proposed by the House instead of a reduction of \$3,261,000 as proposed by the Senate. A ceiling of \$201.1 million has been established for procurement of subsistence in kind.

7. *Enlisted Grade Enhancement.*—The conferees agreed to a reduction of \$3,500,000 as proposed by the Senate instead of a reduction of \$5,500,000 as proposed by the House.

8. *Postal Services.*—The conferees agreed to the Senate reduction of \$54,000. The conferees are in agreement that the Department of Defense should transfer stateside military postal operations to the United States Postal Service at the earliest practical time, with a view toward completing such transfer by July 1, 1976.

9. *Bachelor Officer Quarters and Messes.*—The conferees agreed to a reduction of \$6,000,000 instead of a reduction of \$8,010,000 as proposed by the Senate. The conferees have also agreed that the changeover from appropriated funding to reimbursement for enlisted services at BOQ's and Commissioned Officer Messes (closed) dining facilities need not take place by January 1, 1976 as proposed by the Senate. A schedule for the changeover has not been established, but the conferees expect the Navy to proceed as rapidly as good management practices will permit.

MILITARY PERSONNEL, NAVY, 1977

Amendment No. 4: Appropriates \$1,451,668,000 instead of \$1,451,568,000 as proposed by the House and \$1,451,878,000 as proposed by the Senate.

1. *Recruiting.*—The conferees agreed to restore \$600,000 to the \$11.6 million provided by the House for pay of recruiter personnel. The \$12.2 million provided in the bill is \$622,000 less than the amount proposed by the Senate.

2. *Reenlistment Bonus.*—The conferees agreed to a reduction of \$2,000,000 as proposed by the Senate. This will provide a total of \$18.0 million for reenlistment bonuses during the transition period.

3. *Graduate Training.*—The conferees agreed to a reduction of \$416,000 as proposed by the Senate instead of a reduction of \$866,000 as proposed by the House.

4. *Full-time Enlisted Training.*—The conferees agreed to a reduction of \$364,000 as proposed by the Senate instead of a reduction of \$714,000 as proposed by the House. The conferees also agreed that new entrance into full-time precommissioning education programs will be permitted so long as the Navy is fully utilizing all available ROTC graduates, is not forcing officers in the grades of O-3 or below to leave the service, nor asking these officers to volunteer for early release. New entrance into full-time degree completion programs will be limited to personnel training to fill positions which require a college degree. The conferees also agreed that tuition subsidies will no longer be provided as proposed by the Senate.

5. *Enlisted Separation Pay.*—The conferees agreed to a reduction of \$2,500,000 instead of a reduction of \$1,500,000 as proposed by the House and a reduction of \$4,000,000 as proposed by the Senate.

6. *Enlisted Grade Enhancement.*—The conferees agreed to a reduction of \$138,000 as proposed by the Senate instead of a reduction of \$263,000 as proposed by the House.

7. *Counselors.*—The conferees agreed to a reduction of \$900,000 instead of a reduction of \$1,500,000 as proposed by the House and \$300,000 as proposed by the Senate.

8. *Telecommunications Staffing.*—The conferees agreed to restore the \$985,000 deleted by the House.

9. *Subsistence.*—The conferees agreed to a reduction of \$1,325,000 proposed by the House instead of a reduction of \$815,000 as proposed by the Senate. A total of \$50.2 million is provided for subsistence in kind.

10. *Bachelor Officer Quarters and Messes.*—The conferees agreed to the reduction of \$4,005,000 as proposed by the Senate.

11. *Postal Services.*—The conferees agreed to the reduction of \$27,000 as proposed by the Senate.

MILITARY PERSONNEL, MARINE CORP, 1976

Amendment No. 5: Appropriates \$1,806,377,000 instead of \$1,802,843,000 as proposed by the House and \$1,810,335,000 as proposed by the Senate.

The conferees are in agreement that the specific changes to the request made by the House and agreed to by the Senate are to be accomplished by the Marine Corps. In addition, the conferees reached agreement with respect to the following differences as explained below:

1. *Recruiting.*—The conferees agreed to a reduction of \$2,100,000 instead of a reduction of \$3,700,000 as proposed by the House and \$1,237,000 as proposed by the Senate. This agreement provides a total of \$22.8 million for pay of military personnel assigned to Marine Corps recruiting activities exclusive of fiscal year 1976 pay raises.

2. *Enlistment Bonus.*—The conferees agreed to a reduction of \$1,000,000 as proposed by the Senate instead of a reduction of \$1,700,000 as proposed by the House. The agreement provides a total of \$6.2 million for enlistment bonuses during fiscal year 1976. The Marine Corps can utilize additional funds for this purpose from within total available resources.

3. *Full-Time Enlisted Training.*—The conferees agreed to restore the \$200,000 reduction proposed by the House. The conferees also agreed that new entrance into full-time precommissioning education programs will be permitted so long as the Marine Corps is fully utilizing all available ROTC graduates, is not forcing officers in the grades of O-3 or below to leave the service, nor asking these officers to volunteer for early release. New entrance to full-time degree completion programs will be limited to personnel training to fill positions which require a college degree. The conferees also agreed that tuition subsidies will no longer be provided as proposed by the Senate.

4. *Enlisted Separation Pay.*—The conferees agreed to a reduction of \$3,000,000 as proposed by the House instead of a reduction of \$2,650,000 as proposed by the Senate.

5. *Telecommunications Staffing.*—The conferees agreed to restore the \$478,000 deleted by the House.

6. *Subsistence.*—The conferees agreed to a reduction of \$1,595,000 as proposed by the House instead of a reduction of \$1,025,000 as proposed by the Senate. A ceiling of \$56.3 million has been established for procurement of subsistence in kind.

7. *Marginal Performer Discharges.*—The conferees agreed that a reduction of \$2,500,000, instead of a reduction of \$4,500,000 as proposed by the House, is appropriate.

8. *Postal Service*.—The conferees agreed to the Senate reduction of \$1,119,000. The conferees are in agreement that the Department of Defense should transfer stateside military postal operations to the United States Postal Service at the earliest practical time, with a view toward completing such transfer by July 1, 1976.

9. *Bachelor Officer Quarters and Messes*.—The conferees agreed to a reduction of \$325,000 instead of a reduction of \$650,000 as proposed by the Senate. The conferees are also in agreement that the change-over from appropriated funding to reimbursement for enlisted services at BOQ's and Commissioned Officer Messes (closed) dining facilities need not take place by January 1, 1976, as proposed by the Senate. A schedule for the changeover has not been established, but the conferees expect the Marine Corps to proceed as rapidly as good management practices will permit.

MILITARY PERSONNEL, MARINE CORPS, 1977

Amendment No. 6: Appropriates \$460,117,000 instead of \$459,863,000 as proposed by the House and \$460,190,000 as proposed by the Senate.

1. *Recruiting*.—The conferees agreed to a reduction of \$608,000 instead of a reduction of \$925,000 as proposed by the House and \$315,000 as proposed by the Senate. This agreement provides a total of \$5.6 million for pay of military personnel assigned to Marine Corps recruiting activities, exclusive of future pay raises. This item is of special interest to the Committees.

2. *Enlistment Bonus*.—The conferees agreed to a reduction of \$200,000 as proposed by the Senate instead of a reduction of \$500,000 as proposed by the House.

3. *Reenlistment Bonus*.—The conferees agreed to a reduction of \$600,000 as proposed by the Senate instead of a reduction of \$1,200,000 as proposed by the House.

4. *Full-Time Enlisted Training*.—The conferees agreed to restore \$80,000 as proposed by the Senate.

5. *Enlisted Separation Pay*.—The conferees agreed to a reduction of \$1,144,000 instead of reduction of \$750,000 as proposed by the House and \$1,544,000 as proposed by the Senate.

6. *Telecommunications Staffing*.—The conferees agreed to restore the \$239,000 deleted by the House.

7. *Subsistence*.—The conferees agreed to a reduction of \$436,000 as proposed by the House instead of a reduction of \$256,000 as proposed by the Senate. A total of \$18.1 million is provided in the bill for subsistence in kind.

8. *Bachelor Officer Quarters and Messes*.—The conferees agreed to the reduction of \$325,000 as proposed by the Senate.

9. *Postal Services*.—The conferees agreed to the reduction of \$563,000 as proposed by the Senate.

MILITARY PERSONNEL, AIR FORCE, 1976

Amendment No. 7: Appropriates \$7,251,524,000 instead of \$7,262,661,000 as proposed by the House, and \$7,244,884,000 as proposed by the Senate.

The conferees are in agreement that the specific changes to the request made by the House and agreed to by the Senate are to be accomplished by the Department of the Air Force. In addition, the conferees reached agreement with respect to the following areas of difference as explained below:

1. *Recruiting*.—The conferees agreed to a reduction of \$3,700,000 instead of a reduction of \$5,500,000 as proposed by the House and a reduction of \$2,000,000 as proposed by the Senate. This item is of special interest to the Committees.

2. *Reimbursable Collections (Foreign Pilot Training)*.—The conferees agreed that the Air Force should collect \$18,750,000 in this appropriation from foreign governments for the training of their pilots. The Senate had assumed collection of only \$11,050,000.

3. *Graduate Training*.—The conferees agreed to a reduction of \$1,750,000 as proposed by the Senate instead of a reduction of \$2,790,000 as proposed by the House.

4. *Full-Time Enlisted Training*.—The conferees agreed to a reduction of \$3,000,000 as proposed by the House instead of a reduction of \$1,500,000 as proposed by the Senate. The conferees are in agreement that the Air Force should not allow additional personnel to enter so long as it is forcing officers in the grade of O-3 and below to leave the service, or asking them to volunteer for early release, or is not fully utilizing available ROTC graduates.

5. *Enlisted Separation Pay*.—The conferees agreed to a reduction of \$25,000,000 as proposed by the House instead of a reduction of \$27,740,000 as proposed by the Senate.

6. *Counselors*.—The conferees agreed to a reduction of \$2,100,000 instead of a reduction of \$3,500,000 as proposed by the House and \$700,000 as proposed by the Senate. The Air Force is directed to provide a report by February 1, 1976 detailing the positions that will be eliminated to comply with the reduction.

7. *Telecommunications Staffing*.—The conferees agreed to restore the \$303,000 deleted by the House.

8. *Subsistence*.—The conferees agreed to a reduction of \$2,126,000 as proposed by the House instead of a reduction of \$1,326,000 as proposed by the Senate. A ceiling of \$78.5 million has been established for procurement of subsistence in kind.

9. *Postal Services*.—The conferees agreed to a reduction of \$1,935,000 as proposed by the Senate. The conferees are in agreement that the Department of Defense should transfer stateside military postal operations to the United States Postal Service at the earliest practical time, with a view toward completing such transfer by July 1, 1976.

10. *Aerial Port Staffing*.—The conferees agreed to the reduction of \$7,272,000 as proposed by the Senate.

11. *Strategic Airlift Crew Ratios*.—The conferees agreed to the reduction of \$1,056,000 as proposed by the Senate.

12. *Tactical Fighter Crew Ratios*.—The conferees agreed to a reduction of \$5,000,000 instead of a reduction of \$22,000,000 as proposed by the Senate.

13. *Civilian Substitution*.—The conferees agreed to a reduction of \$417,000 as proposed by the Senate.

MILITARY PERSONNEL, AIR FORCE, 1977

Amendment No. 8: Appropriates \$1,776,677,000 instead of \$1,777,928,000 as proposed by the House and \$1,764,481,000 as proposed by the Senate.

1. *Recruiting*.—The conferees agreed to a reduction of \$875,000 instead of a reduction of \$1,375,000 as proposed by the House and \$475,000 as proposed by the Senate. This agreement provides a total of \$7.5 million for pay of military personnel assigned to Air Force recruiting activities during the transition period.

2. *Reenlistment Bonus*.—The conferees agreed to a reduction of \$1,800,000 as proposed by the Senate instead of a reduction of \$4,500,000 as proposed by the House.

3. *Reimbursable Collections (Foreign Pilot Training)*.—The conferees agreed to a reduction of \$4,700,000 as proposed by the House instead of a reduction of \$3,100,000 as proposed by the Senate.

4. *Graduate Training*.—The conferees agreed to a reduction of \$492,000 as proposed by the Senate instead of a reduction of \$1,046,000 as proposed by the House.

5. *Full-Time Enlisted Training*.—The conferees agreed to a reduction of \$750,000 as proposed by the House instead of a reduction of \$380,000 as proposed by the Senate.

6. *Enlisted Separation Pay*.—The conferees agreed to a reduction of \$5,000,000 as proposed by the House instead of a reduction of \$15,556,000 as proposed by the Senate.

7. *Enlisted Grade Levels*.—The conferees agreed to a reduction of \$1,210,000 as proposed by the Senate instead of a reduction of \$1,910,000 as proposed by the House.

8. *Counselors*.—The conferees agreed to a reduction of \$600,000 as proposed by the Senate instead of a reduction of \$1,500,000 as proposed by the House.

9. *Telecommunications Staffing*.—The conferees agreed to restore the \$76,000 deleted by the House.

10. *Subsistence*.—The conferees agreed to a reduction of \$521,000 as proposed by the House instead of a reduction of \$331,000 as proposed by the Senate. A total of \$19 million is provided for subsistence in kind.

11. *Postal Services*.—The conferees agreed to a reduction of \$972,000 as proposed by the Senate.

12. *Aerial Port Staffing*.—The conferees agreed to a reduction of \$3,636,000 as proposed by the Senate.

13. *Strategic Airlift Crew Ratios*.—The conferees agreed to a reduction of \$528,000 as proposed by the Senate.

14. *Tactical Fighter Crew Ratios*.—The conferees agreed to a reduction of \$1,300,000 instead of a reduction of \$5,500,000 as proposed by the Senate.

15. *Civilian Substitution*.—The conferees agreed to the reduction of \$245,000 as proposed by the Senate.

RESERVE PERSONNEL, ARMY, 1976

Amendment No. 9: Appropriates \$468,879,000 instead of \$468,700,000 as proposed by the House and \$469,357,000 as proposed by the Senate.

1. *Commercial Air Transportation*.—The conferees agreed to a reduction of \$1,550,000 instead of a reduction of \$3,100,000 as proposed by the House. The amount provided is not to be considered a ceiling. Resources otherwise available may be utilized for commercial air transportation if adequate support cannot be obtained from the Military Airlift Command.

2. *Pay Group D*.—The conferees agreed to a reduction of \$500,000 as proposed by the House instead of a reduction of \$200,000 as proposed by the Senate. House guidance with respect to using only volunteers to fill Pay Group D positions will be adhered to by the Army Reserve.

3. *Conversion Pay Group A to B*.—The conferees agreed to a reduction of \$1,371,000 instead of a reduction of \$2,743,000 as proposed by the Senate. The conferees are also in agreement that instead of converting 10 percent of Pay Group A positions to Pay Group B or its equivalent, a goal of 5 percent is appropriate. It is agreed that a smaller number (less than 5 percent) could be placed in even lower pay groups or that certain low skill positions could be deleted from the Ready Reserve to provide the required savings.

RESERVE PERSONNEL, ARMY, 1977

Amendment No. 10: Appropriates \$165,299,000 instead of \$168,120,000 as proposed by the House and \$164,527,000 as proposed by the Senate.

1. *Authorized Strength Increases*.—The conferees agreed not to add additional funds for authorized strength increases as proposed by the House. Accordingly, the \$3,000,000 addition made by the House has been deleted.

2. *Commercial Air Transportation*.—The conferees agreed to a reduction of \$600,000 instead of a reduction of \$1,000,000 as proposed by the House and \$200,000 as proposed by the Senate. The conferees are also in agreement that the funds provided for commercial air transportation are not to be considered a ceiling but that additional funds can be used from within the total available if the Reserve Component finds that the Military Airlift Command cannot totally fulfill its transportation requirements.

3. *School Training*.—The conferees agreed to a reduction of \$900,000 as proposed by the Senate instead of a reduction of \$1,700,000 as proposed by the House.

4. *Special Training*.—The conferees agreed to a reduction of \$430,000 as proposed by the Senate instead of a reduction of \$780,000 as proposed by the House.

5. *Pay Group D*.—The conferees agreed to the reduction of \$200,000 as proposed by the House.

6. *Conversion Pay Group A to B*.—The conferees agreed to a reduction of \$1,371,000 instead of a reduction of \$2,743,000 as proposed by the Senate.

RESERVE PERSONNEL, NAVY, 1976

Amendment No. 11: Appropriates \$200,035,000 instead of \$204,390,000 as proposed by the House and \$189,450,000 as proposed by the Senate.

1. *Authorized Strength Increases.*—The conferees agreed to provide funding for an average strength of 102,000 personnel. The amount provided is \$10,000,000 more than the level provided by the Senate, but \$4,000,000 less than that proposed by the House.

2. *Coastal and River Squadrons.*—The conferees agreed to restore the \$230,000 deleted by the House.

3. *Commercial Air Transportation.*—The conferees agreed to a reduction of \$200,000 instead of a reduction of \$300,000 as proposed by the House and \$100,000 as proposed by the Senate. The amount provided for commercial air transportation is not to be considered a ceiling. However, the conferees expect the Reserve Components to obtain the maximum transportation augmentation possible from the Military Airlift Command.

4. *Conversion Pay Group A to B.*—The conferees agreed to a reduction of \$685,000 instead of a reduction of \$1,370,000 as proposed by the Senate. The conferees also agreed that instead of converting 10 percent of Pay Group A positions to Pay Group B or its equivalent as proposed by the Senate, a 5 percent goal is appropriate. It is agreed that a smaller number (less than 5 percent) could be placed in even lower pay groups, or that certain low-skill positions could be deleted from the Navy Ready Reserve to provide the required savings. The conferees further agreed that Senate references to Naval Reserve Construction Battalions converting from pay group A to B should not be considered a specific direction, and that these units should be subject to drill reduction only to the extent deemed appropriate by the Department.

RESERVE PERSONNEL, NAVY, 1977

Amendment No. 12: Appropriates \$59,525,000 instead of \$61,935,000 as proposed by the House and \$54,715,000 as proposed by the Senate.

1. *Authorized Strength Increases.*—The conferees agreed to provide an additional \$4,200,000 instead of \$6,000,000 as proposed by the House.

2. *Commercial Air Transportation.*—The conferees agreed to a reduction of \$225,000 instead of a reduction of \$300,000 as proposed by the House and \$150,000 as proposed by the Senate.

3. *Conversion Pay Group A to B.*—The conferees agreed to a reduction of \$685,000 instead of a reduction of \$1,370,000 as proposed by the Senate.

RESERVE PERSONNEL, MARINE CORPS, 1976

Amendment No. 13: Appropriates \$70,652,000 instead of \$69,320,000 as proposed by the House and \$71,983,000 as proposed by the Senate.

1. *Commercial Air Transportation.*—The conferees agreed to a reduction of \$1,500,000 instead of a reduction of \$3,000,000 as proposed by the House. The amount provided for commercial air transportation is not to be considered a ceiling, and additional resources can be used for this purpose if adequate transportation support cannot be obtained from the Military Airlift Command.

2. *Conversion Pay Group A to B.*—The conferees agreed to a reduction of \$168,000 instead of a reduction of \$337,000 as proposed by the Senate. The conferees also agreed that instead of converting 10 per-

cent of Pay Group A positions to Pay Group B or its equivalent, a 5 percent goal is appropriate. It is also agreed that a smaller number (less than five percent) could be placed in even lower pay groups or that certain low-skill positions could be deleted from the Ready Reserve to provide the required savings.

RESERVE PERSONNEL, MARINE CORPS, 1977

Amendment No. 14: Appropriates \$28,082,000 instead of \$27,850,000 as proposed by the House and \$28,313,000 as proposed by the Senate.

1. *Commercial Air Transportation.*—The conferees agreed to a reduction of \$600,000 instead of a reduction of \$1,000,000 as proposed by the House, and a reduction of \$200,000 as proposed by the Senate.

2. *Conversion Pay Group A to B.*—The conferees agreed to a reduction of \$168,000 instead of a reduction of \$337,000, as proposed by the Senate.

RESERVE PERSONNEL, AIR FORCE, 1976

Amendment No. 15: Appropriates \$157,500,000 as proposed by the House instead of \$152,700,000 as proposed by the Senate.

1. *Special Training.*—The conferees agreed to a reduction of \$2,000,000 instead of a reduction of \$2,500,000 as proposed by the House and \$1,500,000 as proposed by the Senate.

2. *Undergraduate Pilot Training.*—The conferees agreed to a reduction of \$200,000 instead of a reduction of \$400,000 as proposed by the House.

3. *Strategic Airlift Crew Ratios.*—The conferees agreed to a reduction of \$700,000 instead of a reduction of \$6,200,000 as proposed by the Senate.

RESERVE PERSONNEL, AIR FORCE, 1977

Amendment No. 16: Appropriates \$48,260,000 as proposed by the House instead of \$47,160,000 as proposed by the Senate.

1. *Special Training.*—The conferees agreed to a reduction of \$500,000 as proposed by the Senate instead of a reduction of \$1,000,000 as proposed by the House.

2. *Undergraduate Pilot Training.*—The conferees agreed to restore \$100,000 deleted by the House.

3. *Strategic Airlift Crew Ratios.*—The conferees agreed to a reduction of \$600,000 instead of the reduction of \$1,700,000 as proposed by the Senate.

NATIONAL GUARD PERSONNEL, AIR FORCE, 1976

Amendment No. 17: Appropriates \$212,318,000 as proposed by the Senate instead of \$211,318,000 as proposed by the House.

1. *New Mission Programs.*—The conferees agreed to restore the \$1,000,000 deleted by the House.

OTHER MATTERS RELATED TO AMENDMENTS 1-17

The following matters concern report language differences which were agreed to by the conferees as explained below:

Use of All Advertising Media.—The Senate conferees agreed with the House direction that all advertising media be used in the most cost-

effective manner from within the funds available for recruit advertising.

Examining.—The Senate conferees agreed with House direction that all pre-induction testing be done at the Armed Forces Entrance and Examining Stations (AFEES) rather than in recruiter's offices. The Senate conferees also agreed with a House recommendation that the Army study the feasibility of separating AFEES management from the Army Recruiting Command.

Flight Training and the Use of Flight Simulators.—The Committee on Conference discussed various differences in each report relating to matters of flight training and the use of simulators in flight training. The conferees are in agreement that the Department of Defense should pursue the following course of action: (a) attempt to procure one new multi-engine trainer to meet both Air Force and Navy requirements; (b) study and revise requirements for personnel, bases, and aircraft in view of latest pilot training needs and application of modern simulator technology; (c) integrate flight simulators into the training programs through the establishment of formal requirements and standards for the certification of flight training devices, and (d) award credit for simulator time in a manner similar to the recording of actual flight time on pilot records. In addition, the conferees are in agreement that the Department of Defense should not initiate any action to proceed with the consolidation of the services' pilot training programs without the approval of the Appropriations and Armed Services Committees of the Congress.

Civil Air Patrol.—The Senate directed that the Department of Defense issue new directives stressing the value of the Civil Air Patrol (CAP) and directed implementation of methods by which CAP needs could be met with equipment of the best condition and of recent manufacture. The House did not address this item. The conferees agreed that the Civil Air Patrol should be provided support consistent with its vital role, although it appears that present directives and the degree of such support are based upon currently applicable law. It is understood, however, that legislation has been introduced which would permit wider availability of equipments and facility use for the Civil Air Patrol. The conferees believe that whenever deemed in the best interests of the Air Force, the Civil Air Patrol should be provided serviceable materiel and support levels allowed under prevailing statutes. The Air Force should continue to emphasize to all commanders the need for support of the Civil Air Patrol at the installation and individual unit level.

Legislative Affairs Activities.—The House conferees agreed to the Senate direction to revise Department of Defense accounting for personnel and costs associated with legislative activities.

Undergraduate Full-Time Education for Officers.—The House conferees receded to the Senate on this matter, recommending continuation of undergraduate full-time study so long as such study is limited to 18 months and no tuition or other educational subsidy is provided.

U.S. Forces in Korea.—The conferees agreed that the Department of Defense should develop plans for a phasedown of U.S. forces in Korea. However, it was also agreed that these plans should be developed without initial Congressional specification as to numbers of personnel involved or time phasing. The House had recommended

planning for a deployment of about 20,000 personnel by the end of fiscal year 1978.

Nonsponsored Dependents in the Far East.—The conferees are in agreement that each military department shall have the option of deciding whether or not to extend the tour of a person who brings into the command, or obtains while in the command, nonsponsored dependents. The House report recommended the automatic extension of tours when nonsponsored dependents were brought into Far East commands. However, in no case will nonsponsored dependents be permitted to use support services when the sponsors' tour remains the short "all others" or without-dependents tour. Those services (benefits) which are clearly authorized by law will be continued. A review of these services indicates that only medical care is required by law. The conferees are also in agreement that marriage to a local national should not in and of itself be considered a reason for not permitting a serviceman to extend his tour.

Far East Tour Lengths.—The conferees agreed that the normal tour lengths for accompanied personnel in the Far East should be increased to 36 months, with an exception allowed in areas where full support services are not available. The House receded from its recommendation that unaccompanied personnel serve an 18-month tour. The conferees agreed that the 12-month unaccompanied tour should remain in effect. However, the conferees agree with the House direction with respect to developing a personnel management system which will enable the military services to notify a serviceman of his next duty location prior to his leaving on a short tour.

Postal Training.—The conferees are in agreement that the Department of Defense should study the feasibility of eliminating separate postal training courses.

Chaplain Schools.—The Senate receded with respect to the House direction that the three chaplain schools currently operated within the Department of Defense should be consolidated into a single school. The Senate report had recommended more study with a view toward eliminating all chaplain schools and using regular officer candidate schools and similar training courses in their place.

Overseas Unaccompanied Baggage.—The Senate recommended utilization of U.S. Postal Service (space available mail) for shipment of overseas unaccompanied baggage. The conferees agreed that additional information is needed before such a system could be placed into general operation. Accordingly, the conferees are agreed that the Department of Defense should develop plans for and proceed with a feasibility test of this method prior to implementation. The area selected should represent a typical application if this method were to be used. It is suggested that Korea be considered for such a test.

Navy Reserve Headquarters.—The conferees are in agreement that the Navy Reserve should proceed with its plans to establish a readiness command structure. The conferees also agreed that House direction with respect to the shift of reserve manpower assets from the Navy District Commandants to the Readiness Commands will be undertaken. This changeover will take place as rapidly as good management procedures will permit.

Coastal River Division 21.—The House conferees receded to the Senate on this matter with regard to specifying that Coastal River

Division 21 be phased out. However, the conferees are in agreement that the Naval Reserve has too high a proportion of its manpower devoted to these tasks in view of the fact that the Coast Guard and Coast Guard Reserve have similar missions. Accordingly, the Navy Reserve is directed to reduce overall manpower devoted to this and similar functions either by the phaseout of Coastal River Division 21, some other coastal and river division, or a general reduction among these units.

Pay Group L.—Personnel in Pay Group L are awaiting basic training (active duty for training) in a reserve unit but are being paid for attending drill sessions, although they have no military skills. In reviewing this program, both the House and Senate reported that the various reserve components had obligated funds far in excess of the amount requested in the fiscal year 1976 budget. Accordingly, the Senate directed that new input into this program be terminated effective January 1, 1976 until such time as requirements have been validated to the satisfaction of that Committee. The House receded to the Senate on this matter with the proviso that the Department of Defense is to submit necessary reprogramming actions at the earliest opportunity in order to enable the Congress to address in detail the need for this particular form of payment. The conferees believe that more information is needed on the future cost of this pay, the reasons for the large number of delays in calls to active duty for training, and the need for this category of pay as a recruiting incentive. The individual reprogramming actions should separately identify costs already incurred from costs to be incurred from new input after January 1, 1976, assuming the individual Reserve Components desire to continue this category of pay.

TITLE III—OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY, 1976

Amendment No. 18: Appropriates \$7,052,000,000 as proposed by the Senate, instead of \$6,984,830,000 as proposed by the House.

Civilian Personnel Strength

The budget requested \$2,389,213,000 for Army civilian personnel. The House reduced this amount by \$87,250,000. The Senate restored \$48,700,000 on the basis of an adjustment made to the Army's overall personnel strength and a repricing of average civilian personnel salary cost. The conferees agreed that a restoration of \$30,000,000 is adequate based upon the Senate adjustments.

The total civilian personnel end strength requested by the Department of Defense for the fifteen month period ending September 30, 1976, was 1,087,937. The Defense Appropriation Authorization Act for fiscal year 1976 and the transition period reduced the budget request by 23,537 positions, establishing an authorized strength of 1,064,400. The House applied the total reduction of 23,537 to specific activities or operations of the Department. The Senate applied specific reductions of 19,629 and the remaining 3,908 were unallocated and were to be applied by the Secretary of Defense as he desired. The conferees have

agreed to specific reductions of 20,334 to the various Service requests and the remaining 3,203 are unallocated and are to be applied by the Secretary of Defense.

Regarding the Army, the request was for an end strength of 406,447 at September 30, 1976. The House reduced this request by 12,806. The Senate agreed to specific reductions of 8,800 made by the House. The conferees agreed to a specific Army reduction of 8,904. The conferees agreed to restore 3,571 positions for Army depot operations, 227 for additional personnel at Walter Reed Hospital, and 104 in Army recruiting operations.

Military Personnel Strength

Based upon reductions in the authorized military personnel strength of the Army, the House reduced operation and maintenance funds used in support of these personnel by \$6,800,000. The Senate restored \$600,000 of the House reduction. The conferees agreed to the House reduction and the Senate receded.

Stock Fund Surcharge

The Army had requested \$141,400,000 associated with a Department of Defense stock fund surcharge increase. The House denied this increase; however, the Senate restored \$61,900,000. The conferees agreed that a restoration of \$30,000,000 is adequate.

For fiscal year 1976 the Department of Defense requested a total of \$788,200,000 to implement a surcharge increase of 15 percent of all commodities sold by each stock fund operated by the Department. The request for the transition period amounted to \$197,600,000. The House denied both the \$788,200,000 requested for fiscal year 1976 and the \$197,600,000 requested for the transition period. The Senate, although agreeing with the House in principle that the surcharge should not be implemented, believed that a portion of the funds requested for fiscal year 1976 should be provided because the surcharge had been in effect on some stock funded commodities since the beginning of the fiscal year and on others since September 1975. The Senate agreed that no funds should be provided for the transition period.

The conferees agreed that the amount provided by the Senate for fiscal year 1976 exceeded the requirements for the period for which the surcharge has been in effect and that generally only one-half of the amounts provided will be needed to cover the additional cost incurred by the Services. The conferees' position is based upon the fact that the surcharge should have been terminated by the Department upon reporting of the Defense Appropriation Bill by the Senate on November 6, 1975. The conferees also agreed that the stock fund will have adequate cash balances if the Department implements procedures to collect overdue fund bills expeditiously.

GSA Leasing Program

The Army's budget request for reimbursement to the General Services Administration for the rental of leased space amounted to \$102,335,000. The House provided \$86,985,000. The Senate further reduced

the request by \$2,900,000, providing \$84,085,000. The conferees agreed to the Senate position.

Maintenance of Real Property

The House reduced the Army's budget request for the maintenance of real property by \$18,000,000, providing \$428,300,000. The Senate restored \$4,500,000 of the House reduction. The conferees agreed to the House reduction and the Senate receded.

Travel Funds

For fiscal year 1976 the Army requested \$201,796,000 for the temporary duty travel of civilian and military personnel. The House reduced the request by \$17,000,000, allowing \$184,796,000. The Senate restored \$3,600,000 of the House reduction. The conferees agreed to the House position.

Recruiting Support

For the support of recruiting operations in fiscal year 1976 the Army requested \$79,435,000. The House reduced the Army's request by \$12,700,000. The Senate restored \$11,000,000 of the House reduction. The conferees agreed that a restoration of \$6,000,000 is sufficient for this operation, which provides a total amount of \$72,735,000.

Recruit Advertising

For its recruit advertising program for fiscal year 1976 the Army requested \$49,150,000. The House reduced the request by \$17,800,000 and the Senate restored \$8,100,000. The conferees agreed that the House allowance of \$31,350,000 is sufficient for fiscal year 1976.

Safeguard Operations

The Army requested \$85,252,000 for operation of the Safeguard anti-ballistic missile (ABM) system during fiscal year 1976. The House reduced the request by \$40,000,000. The conferees agreed that the full request of \$85,252,000 should be appropriated but that certain other actions should be taken as stated under Amendment No. 19 discussed subsequently.

Depot Operations

The budget request for depot operations for fiscal year 1976 amounted to \$489,993,000. The House reduced the request by \$30,000,000 in addition to the request for additional civilian personnel. The Senate restored \$20,000,000 of the House reduction. The conferees agreed to the restoration of these funds and are convinced that the funds provided for Army depot operations, which represent an increase of 40 percent above the fiscal year 1975 funding level, will, if properly managed by the Army, result in a sizeable decrease in the backlog of items requiring overhaul. In addition, the conferees agreed that because of this substantial increase, no depot personnel reductions in force will be required if the Army manages its civilian personnel resources properly. The small reduction of personnel strength in

depot employment in fiscal year 1976 is less than half of the normal annual turnover in the Army depots from retirement, resignations, and other personnel adjustments.

Camouflage Screens

The budget request for fiscal year 1976 was \$28,100,000 to purchase 40,000 camouflage screens. The House reduced this request by \$11,600,000. The Senate restored this reduction. The conferees agreed that these funds should be restored.

Chemical Warfare Clothing

The House included \$8,800,000 for the purchase of protective clothing for chemical warfare training. The Senate denied these funds. The conferees agreed that these funds should be provided the Army.

Reserve Equipment Overhaul

On the basis of testimony supporting the premise that equipment transferred to the Army Reserve was not being provided in ready-for-issue condition the House transferred \$6,800,000 from the request for Operation and Maintenance, Army Reserve to the Army's depot operation account in order that such equipment be properly reconditioned before transfer to the Reserves. The Senate was subsequently advised that \$400,000 would be sufficient to properly overhaul all equipment in ready-for-issue condition before transfer. Therefore, the Senate reduced the House transfer by \$6,400,000 and the conferees agreed to the Senate position on this matter. An equivalent increase is included in the Army Reserve appropriation (see Amendment No. 28).

Inflation Factoring

The Army included in its budget request \$513,000,000 for the cost of inflation which occurred during fiscal year 1974 and up to the time of the preparation of the budget request for fiscal year 1976. The Senate determined that the inflationary factors used by the Army were overstated and reduced the appropriation request by \$50,000,000. The conferees agreed with the Senate position and the House receded.

Joint Chiefs of Staff Exercises

For fiscal year 1976 the Army requested \$23,775,000 for Joint Chiefs of Staff exercises. The House funded the full amount. The Senate reduced the request by \$4,400,000. Based upon the Senate position the conferees agreed that a reduction of \$2,430,000 is appropriate.

Proficiency Flying

For proficiency flying of air crews during fiscal year 1976 the Army requested \$16,501,000. The House allowed the total request. The Senate reduced the request by \$12,700,000. The conferees agreed that an appropriation of \$7,801,000 is sufficient funding for the Army proficiency flying program and therefore agreed upon a reduction of \$8,700,000.

Commissary Store Operations

The Army requested \$59,700,000 for the support of commissary store operations during fiscal year 1976. The Army request was based upon the Department of Defense proposal that all commissary operations become fifty percent self-supporting on October 1, 1975, and fully self-supporting on October 1, 1976. The House rejected this proposal and fully funded this operation for fiscal year 1976 and the transition period, thus increasing the Army's request by \$38,700,000 and \$12,900,000 for fiscal year 1976 and the transition period, respectively. The Senate disagreed with the House position and reduced the Army's request for fiscal year 1976 by \$57,630,000. The Senate also directed that all commissary support be phased out in five years. The conferees agreed, first, that the Army could not sustain such a funding reduction without curtailing commissary operations for the remainder of the fiscal year and, second, that appropriation support for commissary operations should not be phased out at this time. The Senate, therefore, receded on both the fund reduction and the appropriation support phaseout requirement.

Amendment No. 19.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment that provides that the Operation and Maintenance funds included in this Act for the operation and maintenance of the Safeguard system, other than the funds provided for operation and maintenance of the Perimeter Acquisition Radar (PAR), can be used only for the expeditious termination and deactivation of all operations of the Safeguard facility. The House had no similar language.

The Senate amendment follows:

Provided further, That funds provided in this Act for the operation and the maintenance of the antiballistic-missile facility (other than funds provided for operation and maintenance of the Perimeter Acquisition Radar) may be used only for the purpose of the expeditious termination and deactivation of all operations of that facility.

As discussed under Amendment No. 18, the conferees agreed to restore the House reduction of \$40,000,000 for operation of the Safeguard system and provide the total of \$85,252,000 requested for fiscal year 1976. The conferees agreed that the funds provided for Safeguard be used to perform expeditiously (1) any and all actions required so that the site can be completely abandoned, except for the Perimeter Acquisition Radar and related facilities needed to support the radar for the attack characterization mission, and (2) operate and maintain the Perimeter Acquisition Radar. The intent is to close the site, except for the Perimeter Acquisition Radar and related equipment, in such a manner that no future funding, unless related to completion of dismantlement and disposal of Safeguard facilities, will be required.

The conferees expect that the interceptor missiles and warheads will be expeditiously evacuated. The remaining facilities and equipment will be disposed of consistent with established procedures. In those cases, if any, where procedures are non-existent the interest of the

government and country must be protected. The non-tactical facilities at the site—hospital, chapel, community center, gym and similar permanent structures—should not be dismantled. These facilities should be used to fill other federal requirements, if any; sold; or given to the local communities.

The conferees direct the Defense Department to provide the Committees on Appropriations of the House and Senate a report of the plans to deactivate and terminate the site at Grand Forks, North Dakota. The report should be submitted by February 1, 1976, however, initiation of closure actions should not be delayed because of this report requirement.

The conferees also understand that approximately \$2,500,000 of Community Impact funds remain from prior year appropriations. Such funds can be used to provide assistance qualifying under the provisions of Section 610 of the Military Construction Authorization Act, 1971 (84 Stat. 1224) which are a direct result of the negative community impact caused by the termination and deactivation of the Safeguard ABM site (other than the Perimeter Acquisition Radar) near Grand Forks, North Dakota. For example, the conferees are aware that the Safeguard-affected community supporting service activities such as telephone and electrical utilities which have incurred obligations including indebtedness will now be left without anticipated revenues from taxes or customers. The Defense Department is expected to provide the maximum assistance possible to these problems within the \$2,500,000 which remains available.

OPERATION AND MAINTENANCE, ARMY, 197T

Amendment No. 20: Appropriates \$1,779,000,000 instead of \$1,752,542,000 as proposed by the House, and \$1,781,442,000 as proposed by the Senate.

For the transition period from July 1 through September 30, 1976, the conferees generally agreed to the same positions on the items in conference which were included in the agreements on the request for fiscal year 1976. The conferees' position is shown in the following schedule:

[Amounts in thousands]				
Item	Budget request	House allowance	Senate allowance	Conference agreement
Civilian personnel strength.....	\$581,596	\$530,496	\$565,496	\$551,096
GSA leasing program.....	25,583	21,733	19,033	19,033
Maintenance of real property.....	107,887	102,887	103,887	102,887
Travel funds.....	46,293	43,293	42,893	43,293
Recruiting support.....	19,090	15,915	18,715	17,315
Recruit advertising.....	17,150	11,150	13,150	11,150
Safeguard operations.....	19,500	0	19,500	19,500
Depot operations.....	137,914	128,914	134,714	134,714
Camouflage screens.....	7,000	4,500	7,000	7,000
Reserve equipment overhaul.....	2,400	100	100
Inflation factoring.....	149,000	149,000	136,500	136,500
JCS exercises.....	4,788	4,788	3,688	4,188
Proficiency flying.....	4,126	4,126	0	984
Commissary store operations.....	11,800	24,700	10,700	24,700

Unit Station of Choice

For the transition period the Army requested \$4,325,000 for unit station of choice support. The House allowed \$2,100,000. The Senate

disallowed the total request. The conferees agreed with the Senate position because the program is to be terminated during fiscal year 1976 as previously discussed.

OPERATION AND MAINTENANCE, NAVY, 1976

Amendment No. 21: Appropriates \$8,069,400,000 instead of \$7,974,615,000 as proposed by the House, and \$8,108,615,000 as proposed by the Senate.

Civilian Personnel Strength

The Navy requested \$3,235,000,000 for civilian personnel during fiscal year 1976. The House reduced the request by \$17,250,000. The Senate restored \$5,000,000. The conferees agreed that a restoration of \$2,500,000 is sufficient based on various adjustments in personnel strength. The Navy requested an end strength of 334,589 for the period ending September 30, 1976. The House reduced the request by 6,168. The Senate agreed to specific House reductions of 5,473. The conferees agreed to restore 35 positions for supervisors of shipyards operations, 300 shipyard employees, and 10 additional personnel for recruiting support.

Military Personnel Strength

The House reduced the Navy request by \$2,000,000 because of authorization reductions in military personnel strength. The Senate restored \$1,000,000 of the House reduction. The conferees agreed to the House reduction and the Senate receded.

Stock Fund Surcharge

The Navy requested \$221,800,000 for the increased stock fund surcharge in fiscal year 1976. The House disallowed the total request and the Senate restored \$96,900,000. The conferees agreed to restore \$50,000,000 for the reasons previously discussed.

GSA Leasing Program

For support of the GSA leasing program in fiscal year 1976 the Navy requested \$42,847,000. The House reduced the request by \$7,125,000. The Senate made a further reduction of \$1,400,000 to which the conferees agreed. Total funds provided amount to \$34,322,000.

Recruiting Support

For recruiting support for fiscal year 1976 the Navy requested \$37,495,000. The House provided \$31,995,000, reducing the request by \$5,500,000. The Senate restored \$2,200,000. The conferees agreed to the restoration of only \$1,000,000 and total funding of \$32,995,000.

Recruit Advertising

For fiscal year 1976 the Navy requested \$27,589,000 for recruit advertising. The House allowed \$17,889,000, reducing the request by

\$9,700,000. The Senate restored \$2,800,000. The conferees agreed that the funds should not be restored and the Senate receded.

Aircraft Depot Operations

The Navy requested \$642,144,000 for aircraft depot overhaul and repair operations for fiscal year 1976. The House reduced the request by \$34,000,000, allowing \$608,144,000. The Senate allowed \$638,144,000, restoring \$30,000,000 of the House reduction. The conferees agreed to the Senate restoration and the House receded.

The conferees are in agreement that the funds included in the bill for Navy aircraft depot operations which represent an increase of about 11 percent above the fiscal year 1975 level, if properly managed by the Navy, will result in a decrease in the backlog of items requiring overhaul and an increase in the number of aircraft available for operations. In addition, the conferees agreed that no personnel reductions in force will be required if the Navy properly manages its civilian personnel working in aircraft depot operations.

Alteration, Overhaul, and Repair of Naval Vessels

The Navy requested \$1,882,595,000 for the alteration, overhaul, and repair of Naval vessels in fiscal year 1976. The House provided \$1,857,595,000 amounting to a reduction of \$25,000,000. The Senate restored the House reduction. The conferees agreed to the Senate position and the House receded. Furthermore, the House had directed that all 85 overhauls programmed for fiscal year 1975 be performed within the funds provided. The Senate directed that the Navy perform as many overhauls as possible within the funds provided in the bill and the conferees agreed.

Calibration Program

For fiscal year 1976 the Navy requested \$43,800,000 for its calibration program. The House provided \$35,500,000, a reduction of \$8,300,000. The Senate restored \$4,100,000. The conferees agreed that a restoration of \$2,000,000 is sufficient, providing a funding level of \$37,500,000.

Proficiency Flying

The Navy requested \$10,575,000 for proficiency flying in fiscal year 1976. The House allowed the full amount. The Senate reduced the request by \$2,400,000. The conferees agreed to a reduction of \$1,200,000 and a program level of \$9,375,000.

Flying Hour Program

For its flying hour program for fiscal year 1976 the Navy requested \$454,599,000. The House funded the full amount. The Senate reduced the program by \$26,200,000. The conferees agreed to a reduction of \$13,115,000, reducing the program to \$441,484,000.

Operation of Closed Messes

To operate its closed messes during fiscal year 1976 the Navy requested \$4,800,000. The House allowed the full amount. The Senate

reduced the request to \$1,800,000. The conferees agreed with the Senate reduction and directed that this type of support funding be phased out as soon as possible, as previously discussed in this report.

OPERATION AND MAINTENANCE, NAVY, 1977

Amendment No. 22: Appropriates \$2,133,557,000 as proposed by the Senate, instead of \$2,121,157,000 as proposed by the House.

For the transition period the conferees agreed to the funding of items in disagreement as shown in the following schedule:

[Amounts in thousands]				
Item	Budget request	House allowance	Senate allowance	Conference agreement
Civilian personnel strength.....	\$809,000	\$800,000	\$802,500	\$801,000
Reduced military strength.....	84,264	83,764	84,064	83,764
GSA leasing program.....	10,746	8,966	7,666	7,666
Recruiting support.....	9,421	8,046	8,546	8,246
Recruit advertising.....	5,993	3,893	4,593	3,893
Aircraft depot operations.....	163,413	153,413	160,913	160,913
Calibration program.....	9,812	6,312	7,212	6,712
Overhaul program.....	646,281	636,281	646,281	646,812
Proficiency flying.....	2,659	2,659	2,059	2,359
Flying hour program.....	113,429	113,429	106,829	109,829
Closed messes.....	1,500	1,500	0	0

OPERATION AND MAINTENANCE, MARINE CORPS, 1976

Amendment No. 23: Appropriates \$497,110,000 instead of \$492,910,00 as proposed by the House, and \$499,210,000 as proposed by the Senate.

Military Personnel Strength

The House reduced the Marine Corps request by \$900,000 because of authorization reductions in military personnel strength. The Senate restored \$500,000 of the House reduction. The conferees agreed with the Senate restoration and the House receded.

Stock Fund Surcharge

For fiscal year 1976 the Marine Corps requested \$8,900,000 to implement the new stock fund surcharge. The House disallowed the full amount. The Senate restored \$3,900,000. The conferees agreed that \$2,000,000 is sufficient for the Marine Corps costs incurred under this program.

GSA Leasing Program

The Marine Corps requested \$4,125,000 to support the GSA leasing program in fiscal year 1976. The House reduced the request by \$660,000. The Senate made a further reduction of \$100,000. The conferees agreed to the additional reduction of the Senate which provides a total of \$3,365,000.

Travel Funds

For the travel of civilian and military personnel in fiscal year 1976 the Marine Corps requested \$18,267,000. The House reduced this request by \$1,000,000 and the Senate restored \$700,000. The conferees agreed to the Senate restoration and total funding of \$17,967,000.

Recruiting Support

For fiscal year 1976 the Marine Corps requested \$12,435,000 to support its recruiting activities. The House reduced this request by \$1,900,000. The Senate restored \$1,100,000. The conferees agreed to the restoration of funds by the Senate and total funding of \$11,635,000.

Recruit Advertising

The Marine Corps requested \$12,235,000 for its recruit advertising program for fiscal year 1976. The House reduced this request by \$4,500,000. The Senate restored \$1,200,000. The conferees agreed to the House reduction and total funding of \$7,735,000.

Bachelor Officer Quarters

In support of bachelor officer quarters for fiscal year 1976 the Marine Corps requested \$2,022,000. The House provided the total amount requested. The Senate reduced the request by \$450,000. The conferees agreed to provide the Marine Corps request but directed that this type of support funding be phased out as soon as possible, as previously discussed.

Operation of Closed Messes

The Marine Corps requested \$1,100,000 for support of its closed mess operations during fiscal year 1976. The House provided the full amount. The Senate reduced the request by \$550,000. The conferees agreed to fully fund this operation during fiscal year 1976 but directed that this type of support funding be phased out as soon as possible.

OPERATION AND MAINTENANCE, MARINE CORPS, 1977

Amendment No. 24: Appropriates \$125,506,000 as proposed by the House, instead of \$125,856,000 as proposed by the Senate.

For the transition period the conferees agreed to the funding of items in disagreement as shown in the following schedule:

[Amounts in thousands]				
Item	Budget request	House allowance	Senate allowance	Conference agreement
Reduced military strength.....	\$29,441	\$29,191	\$29,341	\$29,291
GSA leasing program.....	1,031	866	766	766
Travel funds.....	4,509	4,009	4,409	4,409
Recruiting support.....	3,286	2,811	3,111	3,111
Recruit advertising.....	2,966	1,916	2,216	1,916
Bachelor officer quarters.....	700	700	0	0

OPERATION AND MAINTENANCE, AIR FORCE, 1976

Amendment No. 25: Appropriates \$7,498,679,000 instead of \$7,437,079,000 as proposed by the House, and \$7,586,479,000 as proposed by the Senate.

Civilian Personnel Strength

Both the House and Senate agreed to reduce the Air Force request for civilian personnel funds by \$8,100,000. However, there were differences in the number of civilian personnel to be reduced. The House reduced civilian personnel by 1,080 and the Senate made reductions of 2,439. The conferees agreed to a total reduction of 2,450 in the civilian personnel strength of the Air Force. Both the House and Senate agreed on specific reductions of 1,050. In addition, the House reduced civilian personnel associated with recruiting activities by 30 positions. The Senate restored 23 of these positions. The conference agreed that only 12 should be restored. The Senate made other specific reductions of 1,382. The conferees agreed to these reductions.

Military Personnel Strength

The House reduced the Air Force request by \$3,300,000 because of authorization reductions in military personnel strength. The Senate restored \$1,200,000 of the House reduction. The conferees agreed with the House reduction and the Senate receded.

Stock Fund Surcharge

For fiscal year 1976 the Air Force requested \$344,900,000 for stock fund surcharge. The House disallowed the total request. The Senate restored \$150,800,000 of the House reduction. The conferees agreed that a restoration of \$75,000,000 is sufficient to fund the surcharge for the period it has been in effect.

GSA Leasing Program

The Air Force requested \$16,200,000 to pay the cost of the GSA leasing program for fiscal year 1976. The House allowed \$13,660,000, reducing the request by \$2,540,000. The Senate made a further reduction of \$500,000. The conferees agreed to the additional Senate reduction and the House receded.

Travel Funds

The Air Force requested \$199,189,000 for travel during fiscal year 1976. The House reduced this request by \$10,000,000. The Senate made a further reduction of \$2,200,000. The conferees agreed to the further Senate reduction and the appropriation of \$186,989,000.

Recruiting Support

For recruiting support for fiscal year 1976 the Air Force requested \$15,500,000. The House reduced the request by \$2,500,000. The Senate restored \$1,900,000 of the House reduction. The conferees agreed to the House reduction and the appropriation of \$13,000,000.

Recruit Advertising

To support its recruit advertising program during fiscal year 1976 the Air Force requested \$15,000,000. The House reduced the request

by \$5,000,000. The Senate restored \$1,200,000 of the House reduction. The conferees agreed to the House reduction and the appropriation of \$10,000,000.

Foreign National Pilot Training

The House reduced the Air Force Operation and Maintenance budget request by \$56,250,000 on the basis that the correct amount was not being charged foreign governments for the training of their pilots. The Senate agreed with the House position on this subject but believed that the reduction made by the House exceeded anticipated reimbursements. The Senate restored \$36,700,000 of the House reduction. The conferees agreed that \$25,000,000 should be restored and the appropriation reduced by \$31,250,000.

The conferees agreed that applicable Defense regulations should be revised to require that Foreign Military Sales charges for pilot training include realistic estimates of the full and proportionate cost of training support, base operations support, and training organization overhead.

Unsubscribed Airlift

For fiscal year 1976 the Air Force requested \$82,300,000 for Military Airlift Command training flights without carrying cargo. The House reduced this request by \$43,000,000. The Senate restored the full amount. The conferees agreed that \$25,000,000 should be restored.

Commercial Cargo Augmentation

For fiscal year 1976 the Air Force requested \$8,200,000 for commercial cargo augmentation on scheduled air carrier operations. The House disapproved the request on the basis that sufficient cargo is unavailable to operate the Air Force's own fleet of cargo aircraft efficiently and funds were being requested for unsubscribed airlift. The Senate restored \$4,100,000 of the House reduction because the program should first be tested on an experimental basis. The conferees agreed that the program should not be funded and the Senate receded.

Advanced Logistic System

The Air Force requested \$58,831,000 for support of its data Processing Advanced Logistic System (ALS), during fiscal year 1976. The House reduced the request by \$33,831,000 and directed that the program be terminated. The Senate restored \$23,800,000 and agreed to the proposed Air Force redirection of ALS with certain modifications, such as the deferral of the leasing of certain ancillary equipment.

The conferees agreed to an increase of \$12,000,000 over the House allowance, a total appropriation of \$37,000,000. The conferees further agreed that the Air Force should terminate ALS and design and develop a new automated logistic system based upon the latest computer technology to satisfy its long-term logistical information needs. The conferees also agreed that a thorough review of Air Force logistic requirements be made before any new system is developed. Funds are provided only for mission-essential ADP support of the Air Force Logistic Command until a complete assessment of all ADP support re-

quirements has been completed and a comprehensive support plan approved by the Secretary of Defense.

To meet this objective various steps must be taken by the Air Force. Existing real-time computers should be operated until a new system can be designed, tested, and implemented. These computers can be augmented if necessary. The Air Force must restudy its logistical information requirements before initiating any new design effort. Specifically, the Air Force must determine the data elements and management information required to provide improved logistical support for its mission responsibilities. This information must be used as the basis for the new design effort. In the interim any new logistic system developed should use machine transferable data management software which can effectively operate on the equipment of two or more vendors, to insure competition.

The Secretary of the Air Force is directed to review the functional application proposed in the interim plan on the basis of mission-essentiality, and approve only those applications which cannot be deferred until completion of the comprehensive ADP support plan. The Committees should be kept advised of all systems being implemented in the interim plan.

Under the current ALS contract the Air Force has earned \$55 million of lease/purchase credits toward the procurement of the new equipment installed. The conferees have been advised that about an additional \$11 million is required for outright purchase of this equipment. In order to avoid the loss of the \$55 million in credits already earned, the Air Force is directed to complete the purchase of this equipment from the \$35 million appropriated for this purpose in fiscal year 1975. The remaining procurement funds should be returned to the Treasury as directed by the House.

The conferees direct that all automated system design, development or procurement, software maintenance, and equipment evaluation and selection required by any Air Force element will be accomplished by the Air Force Data Automation Agency using organic resources or commercial contract. Support commands will be restricted to definition and justification of functional requirements, participation in acceptance tests, operation of accepted systems and maintenance of accepted hardware.

Joint Chiefs of Staff Exercises

The Air Force requested \$73,085,000 for Joint Chiefs of Staff exercises in fiscal year 1976. The House appropriated the full amount. The Senate reduced the request by \$15,600,000. The conferees agreed to a reduction of \$7,000,000 and an appropriation of \$66,085,000.

Proficiency Flying

For fiscal year 1976 the Air Force requested \$13,155,000 for proficiency flying. The House allowed the full amount. The Senate reduced the request by \$13,000,000. The conferees agreed to a reduction of \$5,000,000 and an appropriation of \$8,155,000.

The Senate directed the termination of the Air Force low cost aircraft program unless the Air Force reduced the annual flying hours to

be flown by pilots in mission aircraft by an amount equal to the hours flown in low cost aircraft. The conferees agreed to the Senate position on this matter.

Increased C-5/C-141 Crew Ratio

The Air Force requested \$36,200,000 to increase its C-5/C-141 aircraft crew ratio. This increase was discussed in both the House and Senate reports on the Defense Appropriation bill. The House, while objecting to the increase, did not make any reduction in the budget request. The Senate deleted the full amount. The conferees agreed with the Senate reduction and direct that the increase in crew ratio for these aircraft not be implemented.

Tactical Fighter Crew Ratio

The Air Force requested in its budget for fiscal year 1976 \$61,100,000 to increase its tactical fighter crew ratio from 1.1 to 1.25 per aircraft. The House funded the full amount requested. The Senate reduced the request by \$37,900,000 and recommended that the tactical fighter aircrew augmentation proceed at a more modest rate, pending further analysis. The conferees agreed to fund the program at \$41,100,000, making a reduction of \$20,000,000 and agreed to the Senate position on proceeding more slowly than the Air Force had planned.

MAC Aerial Ports

The Senate reduced the Air Force request by \$3,000,000 to eliminate overstaffing and excess luxuries at Military Airlift Command (MAC) aerial ports. The House did not address this subject. The conferees agreed to the Senate reduction and position on this matter.

Foreign Military Sales Personnel

The Air Force requested \$600,000 to employ additional foreign military sales personnel. The House funded this request. The Senate denied the total amount. The conferees agreed to the Senate reduction.

Reimbursement to Postal Service

For fiscal year 1976 the Air Force requested \$30,502,000 for reimbursement to the United States Postal Service. The House provided the full amount. The Senate increased the amount provided by \$1,000,000 on the basis that the Postal Service should provide, and be reimbursed for services now being performed by Air Force military personnel. The conferees agreed that the additional services could not be provided during fiscal year 1976 and therefore did not increase the budget request. However, the conferees agreed that the Air Force should arrange for these services to be provided by the end of fiscal year 1976.

Special Projects

The Senate reduced the Air Force request for special projects by \$2,000,000. The conferees agreed to this reduction.

OPERATION AND MAINTENANCE, AIR FORCE, 1977

Amendment No. 26: Appropriates \$1,897,495,000 as proposed by the Senate, instead of \$1,906,245,000 as proposed by the House.

For the transition period the conferees agreed to the funding of items in disagreement as shown in the following schedule:

(Amounts in thousands)

Item	Budget request	House allowance	Senate allowance	Conference agreement
Reduced military strength.....	\$140,125	\$139,275	\$138,725	\$139,275
GSA leasing program.....	4,000	3,365	2,865	2,865
Travel funds.....	52,599	50,599	49,499	50,099
Recruiting support.....	3,200	2,575	2,975	2,575
Recruit advertising.....	4,000	3,370	3,670	3,370
Foreign national pilot training.....		-14,050	-5,350	-8,300
Unsubscribed airlift.....	16,700	6,700	16,700	12,500
Commercial cargo augmentation.....	1,900	0	900	0
Advanced logistic (ADP) system.....	12,129	5,000	10,100	7,600
JCS exercises.....	18,204	18,204	14,304	16,204
Proficiency flying.....	7,250	7,251	251	4,551
C-5/C-141 crew ratio.....	9,500	9,500	0	0
Tactical fighter crew ratio.....	18,800	18,800	8,700	12,600
MAC aerial ports.....			-1,500	-1,500
Foreign military sales personnel.....	300	300	0	0
Reimbursement to Postal Service.....	7,650	7,650	7,950	7,950

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

Amendment No. 27: The House provided specific appropriations for the various Defense Agencies and/or activities included in this budget request. The Senate deleted in total the House language and provided in lieu thereof a lump sum appropriation for all Defense Agencies and/or activities. The conferees agreed that specific appropriations as provided by the House should be continued and the Senate receded.

Fiscal Year 1976

Appropriates, in all, \$2,475,531,000 instead of \$2,460,631,000 as proposed by the House and \$2,497,876,000 as proposed by the Senate.

Secretary of Defense Activities

For Secretary of Defense Activities the budget requested \$818,023,000. The House reduced the request by \$34,370,000, recommending an appropriation of \$783,653,000. The conferees agreed to provide \$787,753,000.

The House provided \$515,041,000 for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). The Senate increased the House allowance by \$12,700,000. The conferees agreed that the additional funds should not be provided. The reasoning for disallowance is associated with various changes in CHAMPUS benefits proposed by the House, with amendments thereto as proposed by the Senate, and the conference agreement thereon as discussed subsequently in conjunction with Amendments 97 and 98.

For Overseas Dependents Education the House provided \$206,791,000. The Senate increased the House amount by \$7,975,000. The con-

ferees agreed that the program should be increased by \$4,600,000 for a total appropriation of \$211,391,000.

Regarding Overseas Dependents Education the House directed that the geographical managers concept be discontinued and all management be placed under the Office of Overseas Dependents Education (OODE). The reasons therefore are explained on page 167 of the House report (94-517). The Senate disagreed with the House position and recommended that the geographical managers concept be continued and that precise management relationships between the field commanders and OODE be resolved without further delay. The conferees agreed with the House directive that the geographical managers concept be discontinued immediately and that full responsibility for the management of the Overseas Dependents Education program be vested in OODE so that there will be only one educational program for the dependents of military personnel overseas rather than the three now in existence.

Manpower and Research Data Analysis Center

The Senate reduced the request for the Manpower and Research Data Analysis Center (MARDAC) by \$800,000 and directed that it be disestablished. The conferees agreed to restore the Senate reduction in funds on the basis that the organization will be consolidated into the Office of the Secretary of Defense and made more effective, less costly, and have a lower personnel end strength. The Department advised the conferees that civilian personnel end strength at September 30, 1976, will be reduced to 28 positions. The conference agreement will reduce MARDAC's authorized strength by 24 positions.

Assistant Secretary (Health and Environment)

The budget requested \$812,000 for operation of the Office of the Assistant of Defense for Health and Environment. The House provided the full amount. The Senate reduced the request by \$30,000 associated with the reduction of 3 civilian positions. The conferees agreed to restore these funds and positions.

Assistant Secretary (Program Analysis and Evaluation)

For the operations of the Office of the Assistant Secretary of Defense for Program Analysis and Evaluation and Department requested \$2,749,000 for fiscal year 1976. The House allowed the full request. The Senate reduced the request by \$200,000 and denied 20 civilian positions. The Senate was also of the opinion that the functions of this Office could be better performed if it were integrated into the Office of the Assistant Secretary of Defense (Comptroller). The conferees agreed with the Senate on all its actions.

Review of Management, Organization, and Responsibilities

The conferees direct the Department to examine its headquarters organizations, giving serious consideration to a substantial consolidation of functions with the objectives of improving management effec-

tiveness and use of resources, fixing management responsibilities, and reducing the size of the headquarters and their supporting activities. This review should concentrate on the Office of the Secretary of Defense and the Organization of the Joint Chiefs, but should also include the Service Secretariats and Military Staffs. Day-to-day management responsibility should be delegated to the greatest extent possible to the Services, but with accountability clearly established. The Congress will be prepared to consider proposals which implement such changes when submitted.

Organization of the Joint Chiefs of Staff

For the Organization of the Joint Chiefs of Staff the Department requested \$12,084,000 for fiscal year 1976. The House reduced this request by \$385,000. The Senate further reduced the request by \$100,000 for travel funds. The conferees agreed to the Senate reduction and the appropriation of \$11,599,000.

Defense Contract Audit Agency

The Department requested \$68,653,000 for the Defense Contract Audit Agency for fiscal year 1976. The House reduced this request by \$230,000. The Senate made a further reduction of \$300,000 for travel funds. The conferees agreed with the Senate reduction and an appropriation of \$68,123,000.

Defense Investigative Service

For fiscal year 1976 the Department requested \$28,437,000 for support of the Defense Investigative Service (DIS). The House reduced the request by \$6,440,000. The Senate restored \$4,400,000 of the House reduction in two separate actions. It restored \$4,500,000 of a House reduction in personnel and reduced the request for travel funds by \$100,000. The conferees agreed to restore \$3,500,000 of the personnel reduction for a total appropriation of \$25,397,000.

The House had reduced the DIS civilian personnel strength by 765 positions. The Senate restored 665 of these positions and directed the civilianization of an additional 100 military positions. The conferees agreed to restore 400 positions and also agreed to the civilianization program.

Defense Mapping Agency

The budget request for the Defense Mapping Agency amounted to \$189,112,000 for fiscal year 1976. The House reduced the request by \$15,780,000. The Senate restored \$11,700,000 of the House reduction in two separate actions. It restored \$12,000,000 of the House general reduction of \$15,000,000 and made a further reduction of \$300,000 in travel funds. The conferees agreed to both Senate actions and to an appropriation of \$185,032,000.

Defense Nuclear Agency

The Department requested \$24,548,000 for support of the Defense Nuclear Agency for fiscal year 1976. The House reduced the request

by \$1,939,000. The Senate made a further reduction of \$100,000 in the travel fund request of the Agency. The conferees agreed to the additional Senate reduction and an appropriation of \$22,509,000.

Defense Supply Agency

For the Defense Supply Agency (DSA) for fiscal year 1976 the Department requested \$820,914,000. The House reduced the request by \$29,160,000. The Senate restored \$4,100,000 of the House reduction in four separate actions. The Senate restored \$1,200,000 for additional logistic support and \$5,000,000 of the House general reduction. It reduced DSA's request for travel funds by \$1,000,000 and made a further reduction of \$1,100,000 in the GSA leasing program. The conferees agreed that the Senate should recede on the restoration of the House reductions and that the Senate reductions should be made. The total appropriation agreed to by the conferees is \$789,654,000.

Intelligence and Communications

The Department requested \$586,266,000 for intelligence and communications activities for fiscal year 1976. The House reduced the request by \$19,325,000. The Senate further reduced the request by \$1,800,000. The Defense Communications Agency was reduced \$400,000 for computer support, \$200,000 for 20 new civilian position associated with increased automatic data processing support for the World Wide Military Command and Control System, and \$300,000 for travel funds. Also, the travel fund requests of the National Security Agency and the Defense Intelligence Agency were reduced \$700,000 and \$200,000, respectively. The conferees agreed to the further reduction of the Senate for an appropriation of \$565,141,000.

Transition Period

Appropriates, in all, \$627,725,000 instead of \$623,925,000 as proposed by the House, and \$631,855,000 as proposed by the Senate.

The agreement of the conferees to items in conference is shown in the following table:

[Amounts in thousands]

Item	House allowance	Senate allowance	Conference agreement
CHAMPUS.....	\$130,358	\$131,558	\$130,358
Overseas dependents education.....	47,618	51,368	50,118
MARDAC.....	400	0	400
Assistant Secretary, H. & E.....	205	185	205
Assistant Secretary, P. A. & E.....	699	599	599
Defense Investigative Service.....	5,444	6,544	6,144
Defense Mapping Agency.....	43,230	46,230	46,230
Defense Supply Agency:			
Additional logistic support.....	0	300	0
GSA leasing program.....		-1,100	-1,100
Intelligence and communications.....	147,738	147,438	147,438
Additional Senate travel reductions:			
Office of the Secretary of Defense.....		-70	-70
Overseas dependents education.....		-100	-100
Defense Contract Audit Agency.....		-70	-70
Defense Communications Agency.....		-70	-70
Defense Supply Agency.....		-300	-300
Defense Intelligence Agency.....		-20	-20
National Security Agency.....		-200	-200
Defense Mapping Agency.....		-70	-70

The conferees agree to the following amounts for the various sub-appropriations included in this appropriation:

<i>Agency and/or activity</i>	<i>Amount</i>
Secretary of Defense activities.....	\$195,385,000
CHAMPUS.....	(130,358,000)
Overseas Dependents Education.....	(50,018,000)
Organization of the Joint Chiefs of Staff.....	3,057,000
Office of Information for the Armed Forces.....	4,097,000
Defense Contract Audit Agency.....	17,342,000
Defense Investigative Service.....	6,144,000
Defense Mapping Agency.....	46,160,000
Defense Nuclear Agency.....	5,603,000
Uniformed Services University of the Health Sciences.....	1,254,000
Defense Supply Agency.....	201,555,000
Intelligence and communications activities.....	147,148,000

OPERATION AND MAINTENANCE, ARMY RESERVE, 1976

Amendment No. 28: Appropriates \$310,710,000 instead of \$305,760,000, as proposed by the House and \$311,460,000 as proposed by the Senate.

As discussed earlier under Amendment No. 18, the conferees agreed to provide the same amount recommended by the Senate for overhaul of reserve equipment. Therefore, the conferees agreed to restore \$6,400,000 to the Army Reserve appropriation and the House recedes.

The conferees agreed to provide \$19,811,000 for temporary duty travel. This is the same amount as provided in the Senate bill, and is \$2,200,000 less than provided in the House bill.

The budget request included \$3,400,000 for the stock fund surcharge. The House disallowed the total request, while the Senate provided \$1,500,000. The conferees agreed to provide \$750,000 for reasons previously discussed.

FLOOR ON MAINTENANCE OF REAL PROPERTY

Amendment No. 29: Provides that \$20,000,000 shall be available only for the maintenance of real property, instead of \$25,500,000 as proposed by the House and \$15,500,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, ARMY RESERVE, 1977

Amendment No. 30: Appropriates \$91,100,000 as proposed by the Senate, instead of \$91,400,000 as proposed by the House.

The Senate recommended \$9,500,000 for overhaul of reserve equipment, while the House had provided \$7,200,000 for this purpose. For reasons discussed earlier, the conferees agreed to provide \$9,500,000.

The conferees agreed to provide \$4,764,000 for temporary duty travel as proposed by the Senate in lieu of the \$7,364,000 as proposed by the House.

OPERATION AND MAINTENANCE, NAVY RESERVE, 1976

Amendment No. 31: Appropriates \$284,425,000 instead of \$281,525,000 as proposed by the House, and \$288,125,000 as proposed by the Senate.

The budget request included \$16,600,000 for the stock fund surcharge. The House disallowed the total request, while the senate pro-

vided \$7,300,000 for this item. The conferees agreed to provide \$3,600,000 for the reasons previously discussed.

The conferees agreed to provide \$2,112,000 for temporary duty travel. This is the same amount as provided in the Senate bill, and \$700,000 less than provided in the House bill.

OPERATION AND MAINTENANCE, NAVY RESERVE, 1977

Amendment No. 32: Appropriates \$73,250,000 as proposed by the Senate, instead of \$73,500,000 as proposed by the House.

The conferees agreed to provide \$453,000 for temporary duty travel. This is the same amount as provided by the Senate bill, and \$300,000 less than provided in the House bill.

OPERATION AND MAINTENANCE, MARINE CORPS BRESERVE, 1976

Amendment No. 33: Appropriates \$12,000,000 as proposed by the Senate, instead of \$11,900,000 as proposed by the House.

The budget requested \$200,000 for the stock fund surcharge. The House provided no funds for this item, while the Senate recommended that \$100,000 be provided. The conferees agreed with the Senate restoration.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE, 1976

Amendment No. 34: Appropriates \$322,430,000 of \$327,330,000 as proposed by the House, and \$318,530,000 as proposed by the Senate.

The budget requested \$9,500,000 for the stock fund surcharge. The House disallowed the total request, while the Senate provided \$4,200,000. The conferees agreed to provide \$2,100,000.

The conferees agreed to provide \$3,376,000 for temporary duty travel. This is the same amount provided by the Senate, and is \$300,000 less than proposed by the House.

The budget request included \$12,750,000 for increased C-5C-141 crew ratios in the Air Force Reserve. The House provided the total amount requested, while the Senate provided none of these funds. The conferees agreed to provide \$6,000,000 for the additional crew ratios.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE, 1977

Amendment No. 35: Appropriates \$81,190,000 instead of \$83,190,000 as proposed by the House and \$79,590,000 as proposed by the Senate.

The conferees agreed to provide \$763,000 for temporary duty travel funds, the same amount proposed by the Senate and \$300,000 less than the amount provided by the House.

The budget request included \$3,300,000 for increased C-5/C-141 crew ratios. The House provided the full amount requested, while the Senate provided none of these funds. The conferees agreed to provide \$1,600,000 for the additional crew ratios.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD, 1976

Amendment No. 36: Appropriates \$649,930,000 as proposed by the House, instead of \$650,330,000 as proposed by the Senate.

The budget request included \$12,700,000 for the stock fund surcharge. The House disallowed the total request, while the Senate provided \$5,500,000. The conferees agreed to provide \$5,100,000 for for this item.

The conferees agreed to provide \$10,436,000 for temporary duty travel. This is the same amount as provided in the Senate bill, and is \$5,100,000 less than the amount provided in the House bill. The House recedes.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD, 1977

Amendment No. 37: Appropriates \$173,285,000 as proposed by the Senate instead of \$174,385,000 as proposed by the House.

The conferees agreed to provide \$2,621,000 for temporary duty travel as proposed by the Senate, instead of \$3,721,000 as proposed by the House. The House recedes.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD, 1976

Amendment No. 38: Appropriates \$697,100,000 instead of \$690,100,000 as proposed by the House and \$703,400,000 as proposed by the Senate.

The budget request included \$9,200,000 for new mission flying hours. The House provided \$6,000,000 for this item, while the Senate provided \$7,800,000. The conferees agreed to provide the \$7,800,000 allowed by the Senate.

The budget request included \$28,800,000 for the stock fund surcharge. The House disallowed the total request, while the Senate provided \$12,600,000. The conferees agreed to provide \$6,300,000.

The conferees agreed to provide \$5,700,000 for temporary duty travel funds as proposed by the Senate instead of \$6,800,000 as proposed by the House.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD, 1977

Amendment No. 39: Appropriates \$181,200,000 as proposed by the Senate instead of \$181,500,000 as proposed by the House.

The conferees agreed to provide \$1,400,000 for temporary duty travel as proposed by the Senate instead of \$1,700,000 as proposed by the House.

ARMY STOCK FUND, 1976

Amendment No. 40: Appropriates \$20,000,000 instead of \$94,000,000 as proposed by the House. The Senate denied this request.

For fiscal year 1976, the Defense Department requested \$476,800,000 for procurement of war reserve material to increase the stockpile of secondary items and bulk petroleum. No funds were requested in the transition period. The House provided the amount requested. The Senate denied the request, since a majority of the war reserve items are readily available from commercial sources, and additional petroleum procurement is not warranted in view of existing stockpiles and the ease of diverting civilian fuel supplies in wartime or in case of a national emergency.

The conferees agreed that the Defense Department has not justified the large increase requested this year for war reserve material procurement. However, the conferees agreed to provide an appropriation that is generally at the same level as provided from available stock fund cash in recent years for these items. Accordingly, the conferees agreed to provide \$20,000,000 for procurement of war reserve materiel in the Army Stock Fund.

The conferees agreed that future requests for procurement of these items should be accompanied by detailed requirements analysis and justification along the lines required in the Senate report.

NAVY STOCK FUND, 1976

Amendment No. 41: Appropriates \$10,000,000 instead of \$42,000,000 as proposed by the House. The Senate denied this request.

The conference agreed to provide \$10,000,000 for the procurement of war reserve stocks as explained earlier under Amendment No. 40.

MARINE CORPS STOCK FUND, 1976

Amendment No. 42: Appropriates \$2,000,000 instead of \$8,700,000 as proposed by the House. The Senate denied this request.

The conferees agreed to provide \$2,000,000 for the procurement of war reserve stocks as explained earlier under Amendment No. 40.

AIR FORCE STOCK FUND, 1976

Amendment No. 43: Appropriates \$15,000,000 instead of \$82,100,000 as proposed by the House. The Senate denied this request.

The conferees agreed to provide \$15,000,000 for the procurement of war reserve stocks as explained earlier under Amendment No. 40.

DEFENSE STOCK FUND, 1976

Amendment No. 44: Appropriates \$88,000,000 as proposed by the Senate instead of \$250,000,000 as proposed by the House.

In this appropriation, the House provided the full \$250,000,000 requested for procurement of war reserve stocks, including petroleum. The Senate provided no funds for war reserve stocks, but provided \$88,000,000 in the form of a direct appropriation to protect cash balances of the Defense stock fund. The conferees agreed to provide \$88,000,000 as recommended by the Senate.

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY, 1976

Amendment No. 45: Appropriates \$233,000 as proposed by the Senate.

The conferees agreed to provide the full amount requested in the budget, \$233,000, for the National Board for the Promotion of Rifle Practice, Army, the same amount as in the Senate bill. The House had denied this request.

In addition to restoring funds for Board operations, Senate language also provided for the issue of \$280,000 of ammunition without charge to this appropriation. The conferees agreed to modify the language

so that the ammunition is to be provided from funds made available elsewhere in this Act.

TITLE IV—PROCUREMENT

MISSILE PROCUREMENT, ARMY, 1976

Amendment No. 46: Appropriates \$422,600,000 as proposed by the Senate instead of \$385,100,000 as proposed by the House.

The conferees agreed to provide \$37,500,000 for 52 Chaparral missile launchers as proposed by the Senate. The House had denied the funds requested for the launchers.

MISSILE PROCUREMENT, ARMY, 1977

Amendment No. 47: Appropriates \$42,600,000 as proposed by the Senate instead of \$41,600,000 as proposed by the House.

The conferees agreed to provide \$1,000,000 for support of the fiscal year 1976 Chaparral missile launcher procurement as proposed by the Senate. The House had denied the funds for that purpose.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY, 1976

Amendment No. 48: Appropriates \$881,400,000 as proposed by the House instead of \$918,700,000 as proposed by the Senate.

The conferees agreed to the House reduction of \$37,300,000 and 475 M113A1 armored personnel carriers. The conference agreement provides \$66,300,000 for 845 armored personnel carriers instead of the \$103,600,000 budgeted for 1,320 such vehicles.

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment appropriating \$637,200,000 with an amendment that prohibits the use of funds in this Act for the construction or modernization of Government-owned, contractor-operated (GOCO) Army ammunition plants for the production of 105mm artillery projectile metal parts until a new study is made of such requirements by the Army; the Secretary of the Army certifies to Congress that such obligations are essential to national defense; and until approval is received from the House and Senate Appropriations and Armed Services Committees. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Army budgeted \$21,700,000 in fiscal year 1976 and \$88,700,000 in the transition quarter to initiate construction of a 105mm artillery projectile metal parts plant at the Lone Star Army Ammunition Plant in Texarkana, Texas. The House denied the funds and the Senate restored the House reduction. The bill language will require a new Army study of the requirements, a certification as to the essentiality of those requirements, and approval of the Army decision by the House and Senate Appropriations and Armed Services Committees. The language in effect precludes the use of any funds in this Act for the establishment of 105mm artillery projectile metal parts production capability at the Lone Star Army Ammunition Plant, Texarkana,

Texas, the St. Louis Army Ammunition Plant, St. Louis, Missouri, or any other GOCO facility until approval is received from the Appropriations and Armed Services Committees of the House and Senate.

The text of the bill language agreed to by the conferees follows:

Provided, That none of the funds provided in this Act may be obligated for construction or modernization of Government-owned contractor-operated Army Ammunition Plants for the production of 105mm artillery projectile metal parts until a new study is made of such requirements by the Department of the Army; the Secretary of the Army certifies to Congress that such obligations are essential to national defense; and until approval is received from the Appropriations and Armed Services Committees of the House and the Senate, \$637,200,000.

PROCUREMENT OF AMMUNITION, ARMY, 1977

Amendment No. 50: Appropriates \$252,800,000 as proposed by the Senate instead of \$164,100,000 as proposed by the House.

The conferees agreed to provide \$88,700,000 for a 105mm artillery projectile metal parts facility. The limitation on the fiscal year 1976 funds for this facility also applies to the funds provided for the transition quarter.

OTHER PROCUREMENT, ARMY, 1976

Amendment No. 51: Appropriates \$912,300,000 instead of \$898,400,000 as proposed by the House and \$930,500,000 as proposed by the Senate.

The conference agreement includes \$5,500,000 for 400 AN/PSN-6 LORAN back-packed locator units; \$3,200,000 for 825 AN/TVS-5 crew-served weapon night vision sights; and \$3,200,000 for 870 AN/PVS-4 individual night vision sights as proposed by the Senate. The House had denied funds for all three equipments.

The House had recommended a general reduction of \$31,000,000 in communications equipment and the Senate restored \$10,000,000 of the House reduction. The conferees agreed to a general reduction of \$29,000,000.

The conferees agreed to the House reduction of \$10,200,000 in intelligence.

WEAPONS PROCUREMENT, NAVY, 1976

Amendment No. 52: Appropriates \$1,172,600,000 instead of \$1,155,100,000 as proposed by the House and \$1,190,100,000 as proposed by the Senate.

The House denied \$35,000,000 of the \$120,300,000 budgeted for the UGM-96A Trident I (C-4) missile. The Senate restored the House reduction. The conference agreement provides \$102,800,000 for the Trident I missile, a reduction of \$17,500,000.

Amendment No. 53: Reported in technical disagreement. The Senate version of the bill contained language limiting the funding available for the AGM-53A Condor missile program to \$10,000,000 until the Secretary of Defense determines and advises Congress that the Condor

missile system has successfully completed testing and can be released for production. The House bill contained no such limitation.

The Managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which would increase the limitation to \$15,000,000, rather than the \$10,000,000 proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The total amount made available in the bill by both Houses for 205 Condor missiles is \$85,600,000. The text of the amendment follows:

of which no more than \$15,000,000 shall be available for the Condor missile program until the Secretary of Defense determines and advises the Congress that the Condor missile system has successfully completed testing and can be released for production,

WEAPONS PROCUREMENT, NAVY, 1977

Amendment No. 54: Appropriates \$321,700,000 instead of \$314,200,000 as proposed by the House and \$329,200,000 as proposed by the Senate.

The House denied \$15,000,000 of the \$99,200,000 budgeted for the UGM-96A Trident I (C-4) missile. The Senate restored the House reduction. The conference agreement provides \$91,700,000 for the Trident missile during the transition quarter, a reduction of \$7,500,000 from the request.

Amendment No. 55: The conferees agreed to delete the Senate language prohibiting the use of the \$10,400,000 appropriated to buy 38 additional Condor missiles until the Secretary of Defense determines and advises the Congress that the Condor missile system has successfully completed testing and can be released for production. The Senate receded. The language was considered unnecessary because the required testing should be completed prior to July 1, 1976, when the transition quarter begins.

SHIPBUILDING AND CONVERSION, NAVY, 1976

Amendment No 56: Appropriates \$641,300,000 for a Trident ballistic missile submarine, as proposed by the Senate, instead of \$602,600,000 as proposed by the House. The Senate increased the amount budgeted for the Trident submarine by \$38,700,000 to fund known cost increases in the proposed construction of the submarine.

Amendment No. 57: The conferees agreed to change the language to reflect *one* AD destroyer tender as proposed by the Senate instead of *two* AD destroyer tenders as proposed by the House.

Amendment No. 58: The conferees agreed to language changing the word *tenders* to *tender* as proposed by the Senate.

Amendment No. 59: Appropriates \$201,900,000 for one AD destroyer tender as proposed by the Senate instead of \$364,500,000 for two AD destroyer tenders as proposed by the House.

Amendment No. 60: The conferees agreed to the Senate deletion of House language transferring \$9,500,000 from "Shipbuilding and Con-

version, Navy, 1975/1979" to the fiscal year 1976 AD destroyer tender program.

Amendment No. 61: Appropriates \$239,400,000 for two AO fleet oilers as proposed by the Senate instead of \$212,100,000 as proposed by the House. The Senate included \$27,300,000 above the budget to fund known cost increases in the construction of these two AO fleet oilers.

Amendment No. 62: Appropriates \$36,200,000 for outfitting as proposed by the Senate instead of \$25,400,000 as proposed by the House.

Amendment No. 63: Appropriates \$932,400,000 for cost growth as proposed by the Senate instead of \$826,300,000 as proposed by the House.

Amendment No. 64: Appropriates \$3,853,000,000 in total for the fiscal year 1976 Shipbuilding and Conversion, Navy program, as proposed by the Senate instead of \$3,832,700,000 as proposed by the House.

Amendment No. 65: The conferees agreed to Senate language transferring a total of \$75,000,000 of prior year balances to the fiscal year 1976 Shipbuilding and Conversion, Navy program, instead of \$84,500,000 as proposed by the House. The conference agreement recognizes the Senate deletion by Amendment No. 60 of \$9,500,000 transferred by the House to the AD destroyer tender program.

OTHER PROCUREMENT, NAVY, 1976

Amendment No. 66: Appropriates \$1,829,700,000 instead of \$1,872,700,000 as proposed by the Senate and \$1,810,100,000 as proposed by the House.

The conference agreement includes \$73,700,000 for communications equipment, instead of \$68,700,000 as proposed by the House. The Senate version of the bill had provided \$96,800,000, the budgeted amount.

The conferees agreed to provide \$4,800,000 to buy 2,000 deep passive sonobuoys as proposed by the Senate. The House had deleted all the funds for these sonobuoys.

The conference agreement provides \$29,900,000 for the Harpoon missile system as proposed by the Senate. The House had deleted \$3,800,000 from the request for the encapsulated Harpoon missile system.

The conferees agreed to a reduction of \$19,900,000 in intelligence activities instead of a reduction of \$25,900,000 as proposed by the House. The Senate version of the bill restored all of the House reduction.

OTHER PROCUREMENT, NAVY, 1977

Amendment No. 67: Appropriates \$464,500,000 instead of \$460,100,000 as proposed by the House and \$469,900,000 as proposed by the Senate.

The conferees agreed to a reduction of \$5,400,000 in intelligence activities instead of a reduction of \$9,800,000 as proposed by the House. The Senate version of the bill restored all of the House reduction.

PROCUREMENT, MARINE CORPS, 1976

Amendment No. 68: Appropriates \$281,000,000 as proposed by the Senate instead of \$275,900,000 as proposed by the House.

The conferees agreed to restore the House reduction of \$5,100,000 for the AN/UGC-74 teletypewriter as proposed by the Senate.

AIRCRAFT PROCUREMENT, AIR FORCE, 1976

Amendment No. 69: Appropriates \$3,933,700,000 as proposed by the Senate instead of \$3,933,200,000 as proposed by the House.

The conferees agreed to provide \$64,000,000 in advance procurement funding for the B-1 bomber as proposed by the House. The Senate had deleted the amount.

The conferees are in agreement that provision of the B-1 advance procurement funds implies no commitment on the part of the Congress to production of B-1 aircraft. Obligation of funds for the B-1 program in fiscal year 1977 under a continuing resolution must be strictly limited to a rate not more than the amount provided for fiscal year 1976.

The conference agreement includes \$1,378,300,000 for the production of 108 F/TF-15 aircraft as proposed by the House. The Senate had proposed \$1,316,200,000 for the production of 96 such aircraft.

The conferees agreed to provide \$251,200,000 to fully fund only four E-3A Airborne Warning and Control System (AWACS) aircraft. The House had provided \$260,000,000 for two AWACS aircraft while the Senate had proposed \$335,500,000 for six such aircraft. Language has been provided in the bill that reads as follows:

"\$3,933,700,000, of which \$251,200,000 shall be available to fully fund only four E-3A Airborne Warning and Control System (AWACS) aircraft".

The conference agreement includes \$15,000,000 for AWACS advance procurement funding.

The conferees agreed to provide \$11,800,000 for sixteen C-12 (CX-X) aircraft as proposed by the Senate instead of \$10,300,000 for fourteen such aircraft as proposed by the House.

The conferees agreed to provide \$799,500,000 for spares and repair parts as proposed by the House instead of \$805,300,000 as proposed by the Senate. The conference agreement includes \$151,900,000 for F/TF-15 spares as proposed by the House instead of \$141,900,000 as proposed by the Senate, and \$10,000,000 for AWACS initial spares as proposed by the House instead of \$30,000,000 as proposed by the Senate.

Included in the conference agreement is a reduction of \$4,200,000 for pilot training, Foreign Military Sales, as proposed by the Senate.

The conferees agreed to a reduction of \$31,800,000 for intelligence activities as proposed by the House and a reduction of \$3,000,000 in Other Production Charges as proposed by the Senate.

AIRCRAFT PROCUREMENT, AIR FORCE, 1977

Amendment No. 70: Appropriates \$818,400,000 as proposed by the House instead of \$803,100,000 as proposed by the Senate.

The conferees agreed to provide \$23,000,000 in advance procurement funding for the B-1 bomber as proposed by the House. The Senate had deleted the funds.

As in the case of the fiscal year 1976 funds, the conferees are in agreement that provision of the B-1 advance procurement funds implies no commitment on the part of the Congress to production of B-1

aircraft. Obligation of funds for the B-1 program in fiscal year 1977 under a continuing resolution must be strictly limited to a rate not more than the amount provided for the fiscal year 1977 transition quarter.

The conference agreement includes \$291,400,000 for the F/TF-15 aircraft as proposed by the Senate instead of \$319,500,000 as proposed by the House, and \$30,000,000 in advance procurement funding for the E-3A AWACS aircraft as proposed by the Senate.

The conferees agreed to \$177,400,000 for aircraft spares and repair parts instead of \$179,300,000 as proposed by the House and \$175,500,000 as proposed by the Senate. The agreement includes \$35,900,000 for F/TF-15 aircraft spares and repair parts instead of \$36,600,000 as proposed by the House and \$34,000,000 as proposed by the Senate.

The conferees agreed to a reduction of \$1,200,000 for pilot training, Foreign Military Sales, as proposed by the Senate.

The conference agreement also includes a general reduction of \$9,600,000 in intelligence activities as proposed by the House. The Senate had restored the House reduction.

MISSILE PROCUREMENT, AIR FORCE, 1976

Amendment No. 71: Appropriates \$1,723,900,000 instead of \$1,694,600,000 as proposed by the House and \$1,739,500,000 as proposed by the Senate.

The conferees agreed to a reduction of \$39,100,000 in intelligence activities, instead of a reduction of \$68,400,000 as proposed by the House and a reduction of \$23,500,000 as proposed by the Senate.

MISSILE PROCUREMENT, AIR FORCE, 1977

Amendment No. 72: Appropriates \$233,000,000 instead of \$232,000,000 as proposed by the House and \$245,900,000 as proposed by the Senate.

The conferees agreed to a reduction of \$19,200,000 in intelligence activities instead of a reduction of \$20,200,000 as proposed by the House and a reduction of \$6,300,000 as proposed by the Senate.

OTHER PROCUREMENT, AIR FORCE, 1976

Amendment No. 73: Appropriates \$2,046,400,000 instead of \$2,010,400,000 as proposed by the House and \$2,133,800,000 as proposed by the Senate.

The conferees agreed to provide \$18,700,000 for air traffic control and landing systems as proposed by the House instead of \$58,700,000 as proposed by the Senate. The conference agreement includes deletion of \$40,000,000 to buy 11 AN/TPN-19 radars as proposed by the House.

The conference agreement provided \$2,800,000 for the System to Automate Logistics as proposed by the Senate. The House had deleted the funds.

The conferees agreed to provide \$478,600,000 for communications equipment instead of \$475,600,000 as proposed by the House and \$490,600,000 as proposed by the Senate.

The conferees also agreed to a reduction of \$64,300,000 in intelligence activities instead of a reduction of \$94,500,000 as proposed by the House and a reduction of \$28,900,000 as proposed by the Senate.

MISSILE PROCUREMENT, AIR FORCE, 1977

Amendment No. 74: Appropriates \$353,000,000 instead of \$345,700,000 as proposed by the House and \$358,000,000 as proposed by the Senate.

The conference agreement reduces intelligence activities by \$12,100,000 instead of a reduction of \$19,400,000 as proposed by the House and a reduction of \$7,100,000 as proposed by the Senate.

PROCUREMENT, DEFENSE AGENCIES, 1976

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate \$205,600,000 instead of \$203,100,000 as proposed by the House and \$120,100,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to increase intelligence activities a net total of \$84,400,000. The House had proposed an increase of \$81,900,000 and the Senate had proposed a decrease of \$1,100,000. The conference agreement includes \$2,000,000 for a high priority special communications project not considered by the House.

PROCUREMENT, DEFENSE AGENCIES, 1977

Amendment No. 76: Appropriates \$39,600,000 as proposed by the House instead of \$20,900,000 as proposed by the Senate.

The conferees agreed to increase intelligence activities by \$18,700,000 as proposed by the House. The Senate had deleted the increase proposed by the House.

REPORT LANGUAGE

The conferees agreed to House report language on the following items:

- Flight simulators;
- Shipbuilding claims;
- RIM-67A Standard II ER Missile;
- PHM Patrol Hydrofoil Missile Ships;
- Army Tank program;
- Navy gunfire support;
- Test and evaluation of commercial equipment;
- A-6E aircraft production.

The conferees agreed to Senate report language on the following items:

- Worldwide Military Command and Control System;
- Civil Reserve Airlift Fleet;
- Bid and Proposal/Independent Research and Development Costs.

Overobligation of Army Procurement Appropriations

The Congress has recently been advised by the Army that four procurement appropriations are now overexpended, and payments from these appropriations were suspended on November 11, 1975. The Army reported the basic cause of the problems to be poor accounting controls over the customer order program. The conferees are greatly concerned about the Army's inability to maintain adequate records and controls over funds for which the Army has statutory accounting responsibility. It therefore directs that a complete and full report of all violations of the Anti-Deficiency Act be made as soon as possible and the corrective actions be taken to re-establish required records and controls. The Secretary of Defense is directed to monitor and assure that the corrective actions taken by the Army are adequate and timely.

TITLE V—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY, 1976

Amendment No. 77: Appropriates \$1,948,823,000 instead of \$1,922,833,000 as proposed by the House and \$1,995,596,000 as proposed by the Senate.

The conference agreement includes \$67,250,000 for the Defense Research Sciences program as proposed by the House instead of \$69,250,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$3,840,000 for the Advanced Forward Area Air Defense System as proposed by the House instead of \$9,940,000 as proposed by the Senate.

The conference agreement appropriates \$4,000,000 for the Heliborne missile—Hellfire program instead of \$3,000,000 as proposed by the House and \$4,500,000 as proposed by the Senate.

The conference agreement includes \$2,800,000 for the non-nuclear warhead program as proposed by the Senate instead of no funds as proposed by the House. The funds provided will enable the Army to liquidate existing obligations.

The conferees agreed on the appropriation of \$54,965,000 for the Short Range Air Defense Missile System instead of \$44,965,000 as proposed by the House and \$64,965,000 as proposed by the Senate.

The conference agreement appropriates \$77,827,000 for the Kwajalein Missile Range as proposed by the House instead of \$80,000,000 as proposed by the Senate.

The conferees agreed upon the appropriation of \$5,339,000 for the Weapons and Ammunition program as proposed by the House instead of \$7,339,000 as proposed by the Senate. Development of the XM-762 8-inch projectile, is to be terminated.

The conference agreement appropriates \$51,760,000 for the XM-1 Tank program as proposed by the Senate instead of \$43,760,000 as proposed by the House.

The conference agreement includes \$5,460,000 for the Manpower and Human Resources Technology program as proposed by the Senate instead of \$3,640,000 as proposed by the House.

The conference agreement includes \$7,110,000 for the Manpower and Human Resources Development program as proposed by the Senate instead of \$4,740,000 as proposed by the House.

The conferees agreed upon a general reduction of \$6,800,000 in communications systems as proposed by the House instead of no reduction as proposed by the Senate.

The conferees agreed upon a general reduction of \$17,200,000 in intelligence activities as proposed by the House instead of no reduction as proposed by the Senate.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY 1977

Amendment No. 78: Appropriates \$504,452,000 instead of \$464,774,000 as proposed by the House and \$512,451,000 as proposed by the Senate.

The conference agreement includes \$16,800,000 for the Defense Research Sciences program as proposed by the House instead of \$18,419,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$525,000 for the Advanced Forward Area Air Defense System as proposed by the House instead of \$2,025,000 as proposed by the Senate.

The conference agreement appropriates \$40,000,000 for the SAM-D Missile System as proposed by the Senate instead of \$25,400,000 as proposed by the House.

The conferees agreed on the appropriation of \$11,510,000 for the Short Range Air Defense Missile System instead of \$10,000,000 as proposed by the House and \$13,020,000 as proposed by the Senate.

The conferees agreed upon the appropriation of \$1,795,000 for the Weapons and Ammunition program as proposed by the House instead of \$2,665,000 as proposed by the Senate. Development of the XM-762 8-inch projectile is to be terminated.

The conference agreement appropriates \$38,953,000 for the XM-1 Tank program as proposed by the Senate instead of \$5,953,000 as proposed by the House.

The conference agreement includes \$1,371,000 for the Manpower and Human Resources Technology program as proposed by the Senate instead of \$914,000 as proposed by the House.

The conference agreement includes \$1,833,000 for the Manpower and Human Resources Development program as proposed by the Senate instead of \$1,222,000 as proposed by the House.

The conferees agreed upon a general reduction of \$10,500,000 as proposed by the Senate instead of no reduction as proposed by the House.

The conferees agreed upon a general reduction of \$2,500,000 in intelligence activities as proposed by the House instead of no reduction as proposed by the Senate.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY, 1976

Amendment No. 79: Appropriates \$3,238,390,000 instead of \$3,146,050,000 as proposed by the House and \$3,265,950,000 as proposed by the Senate.

The Managers are in agreement on the appropriation of \$115,135,000 for the Defense Research Sciences Program as proposed by the House instead of \$117,067,000 as proposed by the Senate.

The conference agreement includes \$2,000,000 for the F-401 engine program as proposed by the Senate instead of no funds as proposed by the House.

The conferees agreed on the appropriation of \$1,750,000 for the Aircraft Survivability/Vulnerability program instead of \$1,500,000 as proposed by the House and \$2,033,000 as proposed by the Senate.

The conference agreement includes \$20,150,000 for the SSBN Security program instead of \$18,800,000 as proposed by the House and \$21,500,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$15,000,000 for the Close-in Weapon System as proposed by the Senate instead of no funds as proposed by the House.

The conference agreement provides \$725,500,000 for the Trident missile system as proposed by the Senate instead of \$686,900,000 as proposed by the House. This continues the maneuvering Re-entry Vehicle (MARV) program.

The conferees agreed to the appropriation of \$38,000,000 for the Surface Effects Ship as proposed by the Senate instead of \$20,110,000 as proposed by the House.

The conference agreement includes \$6,000,000 for the Advanced Design Submarine Nuclear Propulsion Plant instead of \$9,975,000 as proposed by the Senate and no funds as proposed by the House.

The conferees agreed to the appropriation of \$1,000,000 for the Naval Inshore Warfare Craft Program as proposed by the Senate instead of no funds as proposed by the House. The funds provided will enable the Navy to liquidate outstanding obligations.

The conferees agreed to the appropriation of \$1,800,000 for the Advanced Marine Corps Weapon Systems program as proposed by the House instead of \$2,000,000 as proposed by the Senate. The funds denied were requested for the purpose of defining a new surface-to-air missile system to replace the Improved Hawk system. The Marine Corps should use Army developed air defense systems rather than develop additional new weapons.

The conference agreement includes \$13,770,000 for the Materials Technology program instead of \$12,520,000 as proposed by the House and \$15,020,000 as proposed by the Senate.

The conferees agreed to the appropriation of \$8,469,000 for the Human Resources program as proposed by the Senate instead of \$5,469,000 as proposed by the House.

The conferees agreed to the appropriation of \$3,254,000 for the Manpower Effectiveness program as proposed by the Senate instead of \$2,254,000 as proposed by the House.

The conferees agreed upon a general reduction of \$9,000,000 in communications systems as proposed by the House instead of no reduction as proposed by the Senate.

The conferees agreed upon a general reduction of \$31,800,000 in intelligence activities instead of a \$40,300,000 reduction as proposed by the House and a \$18,730,000 reduction as proposed by the Senate.

The conferees agreed upon a general reduction of \$3,500,000 in the funds for Navy Federal Contract Research Centers instead of a \$7,000,000 reduction as proposed by the Senate and no reduction as proposed by the House.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY, 197T

Amendment No. 80: Appropriates \$818,722,000 instead of \$801,419,000 as proposed by the House and \$824,899,000 as proposed by the Senate.

The Managers are in agreement on the appropriation of \$28,783,000 for the Defense Research Sciences Program as proposed by the House instead of \$30,081,000 as proposed by the Senate.

The conference agreement includes \$1,045,000 for the Airborne Mine Countermeasures program as proposed by the House instead of \$1,145,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$1,248,000 for the Aircraft Survivability/Vulnerability program instead of \$400,000 as proposed by the House and \$2,096,000 as proposed by the Senate.

The conference agreement includes \$5,345,000 for the SSBN Security program instead of \$4,500,000 as proposed by the House and \$6,190,000 as proposed by the Senate.

The conference agreement provides \$165,510,000 for the TRIDENT missile system as proposed by the Senate instead of \$165,100,000 as proposed by the House.

The conferees agreed to the appropriation of \$17,000,000 for the Surface Effects as proposed by the Senate instead of \$8,400,000 as proposed by the House.

The conference agreement includes \$2,000,000 for the Advanced Design Submarine Nuclear Propulsion Plant instead of \$2,886,000 as proposed by the Senate and no funds as proposed by the House.

The conferees agreed to the appropriation of \$296,000 for the Advanced Marine Corps Weapon System program as proposed by the House instead of \$396,000 as proposed by the Senate. The funds denied were requested for the purpose of defining a new surface-to-air missile system to replace the Improved Hawk system. The Marine Corps should use Army developed air defense systems rather than develop additional new weapons.

The conferees agreed to the appropriation of \$2,222,000 for the Human Resources program as proposed by the Senate instead of \$1,422,000 as proposed by the House.

The conferees agreed upon a general reduction of \$7,100,000 in intelligence activities instead of a \$11,900,000 reduction as proposed by the House and a \$4,000,000 reduction as proposed by the Senate.

The conferees agreed upon a general reduction of \$1,000,000 in the funds for Navy Federal Contract Research Centers instead of a \$2,000,000 reduction as proposed by the Senate and no reduction as proposed by the House.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE, 1976

Amendment No. 81: Appropriates \$3,591,266,000 as proposed by the House instead of \$3,584,406,000 as proposed by the Senate.

The managers are in agreement on the appropriation of \$78,240,000 for the Defense Research Sciences program as proposed by the House instead of \$81,800,000 as proposed by the Senate.

The conference agreement includes \$5,630,000 for the Advanced Aerial Target Technology program as proposed by the Senate instead of \$2,530,000 as proposed by the House.

The conferees agreed on the appropriation of \$597,200,000 for the B-1 bomber as proposed by the Senate instead of \$642,000,000 as proposed by the House.

The conference agreement appropriates \$216,050,000 for the Air Combat Fighter (F-16) program instead of \$221,050,000 as proposed by the House and \$146,050,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$38,000,000 for the Advanced ICBM Technology program as proposed by the House instead of \$40,100,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$51,000,000 for the Air Launched Cruise Missile as proposed by the Senate instead of no funds as proposed by the House.

The conferees agreed on the appropriation of \$21,920,000 for the Close Air Support Weapon System as proposed by the House instead of \$24,000,000 as proposed by the Senate. The Air Force may continue development of the imaging infrared seeker.

The conference agreement includes \$5,961,000 for the Human Resources program as proposed by the Senate instead of \$3,961,000 as proposed by the House.

The conferees agreed upon a general reduction of \$15,000,000 in communications systems as proposed by the House instead of no reduction as proposed by the Senate.

The conferees agreed upon a general reduction of \$29,900,000 in intelligence activities instead of a \$54,100,000 reduction as proposed by the House and a \$5,000,000 reduction as proposed by the Senate.

The conferees agreed upon a general reduction of \$7,500,000 in the funds for Air Force Federal Contract Research Centers instead of a \$15,000,000 reduction as proposed by the Senate and no reduction as proposed by the House.

The conferees agreed upon a general reduction of \$23,000,000 to be applied by the Secretary of Defense. No general reduction of this nature was proposed by either the House or Senate.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE, 197T

Amendment No. 82: Appropriates \$901,014,000 instead of \$900,014,000 as proposed by the Senate and \$906,946,000 as proposed by the House.

The managers are in agreement on the appropriation of \$19,560,000 for the Defense Research Sciences program as proposed by the House instead of \$20,500,000 as proposed by the Senate.

The conference agreement includes \$1,980,000 for the Advanced Aerial Target Technology program as proposed by the Senate instead of \$880,000 as proposed by the House.

The conferees agreed to an appropriation of \$129,000,000 for the B-1 bomber as proposed by the Senate instead of \$158,000,000 as proposed by the House.

The conference agreement appropriates \$69,704,000 for the Air Combat Fighter (F-16) program as proposed by the House instead of \$40,704,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$1,000,000 for A-10 aircraft as proposed by the House instead of no funds as proposed by the Senate.

The conference agreement includes \$35,114,000 for the Airborne Warning and Control System (AWACS) instead of \$33,674,000 as proposed by the House and \$54,474,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$12,900,000 for the Advanced ICBM Technology program as proposed by the House instead of \$14,300,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$13,000,000 for the Air Launched Cruise Missile as proposed by the Senate instead of no funds as proposed by the House.

The conference agreement includes \$2,056,000 for the Human Resources program as proposed by the Senate instead of \$1,028,000 as proposed by the House.

The conferees agreed upon a general reduction of \$10,800,000 in intelligence activities instead of a \$20,800,000 reduction as proposed by the House and no reduction by the Senate.

The conferees agreed upon a general reduction of \$3,500,000 in the funds for Air Force Federal Contract Research Centers instead of a \$7,000,000 reduction as proposed by the Senate and no reduction as proposed by the House.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES, 1976

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating \$604,400,000 instead of \$599,100,000 as proposed by the House and \$557,200,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to an increase of \$24,700,000 for intelligence activities instead of an increase of \$26,400,000 as proposed by the House and a general reduction of \$13,500,000 as proposed by the Senate.

The conferees agreed upon a general reduction of \$1,000,000 in the funds for Federal Contract Research Centers instead of a \$2,000,000 reduction as proposed by the Senate and no general reduction as proposed by the House.

The conferees agreed to the appropriation of an additional \$8,000,000 for communications activities. The additional funds are for a special high priority project.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES, 1977

Amendment No. 84: Appropriates \$146,550,000 instead of \$147,000,000 as proposed by the House and \$138,700,000 as proposed by the Senate.

The conferees agreed to an increase of \$2,100,000 for intelligence activities instead of an increase of \$2,300,000 as proposed by the House and a reduction of \$5,500,000 as proposed by the Senate.

The conferees agreed upon a general reduction of \$250,000 in the funds for Federal Contract Research Centers instead of a \$500,000 general reduction as proposed by the Senate and no general reduction as proposed by the House.

OTHER MATTERS RELATED TO AMENDMENT 77 THROUGH 84

The Senate report required that \$15,000,000 be allocated to each of the component elements of the Army Site Defense program, to include interceptor missile development. The House had no similar language. The Senate agreed to recede.

The managers agreed that the general reductions made to the Federal Contract Research Centers are made without prejudice to particular organizations. While it applies to all Federal Contract Research Centers (FCRC's), the managers are particularly concerned about the "think tanks". In the study of FCRC's being prepared for the Congress, the Director of Defense Research and Engineering is directed to give particular attention to this class of FCRC's and to the need, if any, for their continued retention.

The Senate managers agreed with the House report language directing that none of the funds appropriated for Ship Development (Advanced) be used for designing the Advanced Amphibious Landing Craft.

The managers agreed that development effort on future blocks or improvement phases of the Advanced Airborne Command Post should be delayed until the basic communications, command and control system for the Command Post has been developed. The Air Force, however, may use appropriated funds for the Advanced Airborne Command Post to liquidate any obligations incurred under the continuing resolution.

The House managers agreed with the Senate report language requiring that \$40,000,000 of the reduction in Defense Research, Development, Test and Evaluation appropriations be applied to in-house laboratories.

Amendments Nos. 85 and 86: Section 707—Provides a limitation on the Overseas Dependents Education program of \$211,391,000 in fiscal year 1976 instead of \$206,791,000 as proposed by the House and \$214,766,000 as proposed by the Senate and provides a limitation of \$50,018,000 in the transition quarter instead of \$47,618,000 as proposed by the House and \$51,268,000 as proposed by the Senate.

The conferees agreed to adjust the limitation in accordance with their agreement on funds provided for Overseas Dependents Education in the appropriation "Operation and Maintenance, Defense Agencies" (Amendment No. 27).

Amendments Nos. 87 and 88: Section 723—inserts House language "including stainless steel flatware" in Section 723. This section, which is known as the "Buy American" provision, lists a number of items which must be procured by the Department of Defense within the

The conference agreement appropriates \$69,704,000 for the Air Combat Fighter (F-16) program as proposed by the House instead of \$40,704,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$1,000,000 for A-10 aircraft as proposed by the House instead of no funds as proposed by the Senate.

The conference agreement includes \$35,114,000 for the Airborne Warning and Control System (AWACS) instead of \$33,674,000 as proposed by the House and \$54,474,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$12,900,000 for the Advanced ICBM Technology program as proposed by the House instead of \$14,300,000 as proposed by the Senate.

The conferees agreed on the appropriation of \$13,000,000 for the Air Launched Cruise Missile as proposed by the Senate instead of no funds as proposed by the House.

The conference agreement includes \$2,056,000 for the Human Resources program as proposed by the Senate instead of \$1,028,000 as proposed by the House.

The conferees agreed upon a general reduction of \$10,800,000 in intelligence activities instead of a \$20,800,000 reduction as proposed by the House and no reduction by the Senate.

The conferees agreed upon a general reduction of \$3,500,000 in the funds for Air Force Federal Contract Research Centers instead of a \$7,000,000 reduction as proposed by the Senate and no reduction as proposed by the House.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES, 1976

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating \$604,400,000 instead of \$599,100,000 as proposed by the House and \$557,200,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to an increase of \$24,700,000 for intelligence activities instead of an increase of \$26,400,000 as proposed by the House and a general reduction of \$13,500,000 as proposed by the Senate.

The conferees agreed upon a general reduction of \$1,000,000 in the funds for Federal Contract Research Centers instead of a \$2,000,000 reduction as proposed by the Senate and no general reduction as proposed by the House.

The conferees agreed to the appropriation of an additional \$8,000,000 for communications activities. The additional funds are for a special high priority project.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES, 1977

Amendment No. 84: Appropriates \$146,550,000 instead of \$147,000,000 as proposed by the House and \$138,700,000 as proposed by the Senate.

The conferees agreed to an increase of \$2,100,000 for intelligence activities instead of an increase of \$2,300,000 as proposed by the House and a reduction of \$5,500,000 as proposed by the Senate.

The conferees agreed upon a general reduction of \$250,000 in the funds for Federal Contract Research Centers instead of a \$500,000 general reduction as proposed by the Senate and no general reduction as proposed by the House.

OTHER MATTERS RELATED TO AMENDMENT 77 THROUGH 84

The Senate report required that \$15,000,000 be allocated to each of the component elements of the Army Site Defense program, to include interceptor missile development. The House had no similar language. The Senate agreed to recede.

The managers agreed that the general reductions made to the Federal Contract Research Centers are made without prejudice to particular organizations. While it applies to all Federal Contract Research Centers (FCRC's), the managers are particularly concerned about the "think tanks". In the study of FCRC's being prepared for the Congress, the Director of Defense Research and Engineering is directed to give particular attention to this class of FCRC's and to the need, if any, for their continued retention.

The Senate managers agreed with the House report language directing that none of the funds appropriated for Ship Development (Advanced) be used for designing the Advanced Amphibious Landing Craft.

The managers agreed that development effort on future blocks or improvement phases of the Advanced Airborne Command Post should be delayed until the basic communications, command and control system for the Command Post has been developed. The Air Force, however, may use appropriated funds for the Advanced Airborne Command Post to liquidate any obligations incurred under the continuing resolution.

The House managers agreed with the Senate report language requiring that \$40,000,000 of the reduction in Defense Research, Development, Test and Evaluation appropriations be applied to in-house laboratories.

Amendments Nos. 85 and 86: Section 707—Provides a limitation on the Overseas Dependents Education program of \$211,391,000 in fiscal year 1976 instead of \$206,791,000 as proposed by the House and \$214,766,000 as proposed by the Senate and provides a limitation of \$50,018,000 in the transition quarter instead of \$47,618,000 as proposed by the House and \$51,268,000 as proposed by the Senate.

The conferees agreed to adjust the limitation in accordance with their agreement on funds provided for Overseas Dependents Education in the appropriation "Operation and Maintenance, Defense Agencies" (Amendment No. 27).

Amendments Nos. 87 and 88: Section 723—inserts House language "including stainless steel flatware" in Section 723. This section, which is known as the "Buy American" provision, lists a number of items which must be procured by the Department of Defense within the

United States. The provision has prohibited overseas procurement of specialty metals for several years. Some uncertainty existed as to whether or not stainless steel flatware was included in the term "specialty metals." The inclusion of the words in the provision will remove any uncertainty.

Amendment No. 89: Section 723—The conferees agreed to delete a provision proposed by the Senate which would have permitted the payment of a price differential on contracts made for the purpose of relieving economic dislocations except when the Secretary of Defense has specifically determined that sufficient price competition exists to insure a reasonable price to the government.

Amendment No. 90: Section 732—As proposed by the Senate, the conferees agreed to increase to \$75,000 the limitation on funds in the Act that is available for acquisition of new facilities, or alternation, expansion, extension, or addition of existing facilities, in accordance with Department of Defense Directive 7040.2, dated January 18, 1961. The House had proposed a limitation of \$50,000.

Amendment No. 91: Section 745—The Senate receded to the House language which provides a total of 396 enlisted aides. The Senate language had reduced the number to 250. The House language was in conformance with that approved in the fiscal year 1976 Defense Authorization Act.

Amendment No. 92: Section 747—The Senate receded to the House and agreed to the language as contained in the House bill which will permit the payment of a monetary allowance to personnel who, under regulations prescribed by the Secretary of the military department concerned, participate in a program in which his baggage and household effects are moved by privately owned or rental vehicle. The conferees are in agreement that this provision of law would not preclude the military services from contracting directly with a rental company for the vehicle and other items which the serviceman needs to move his household goods, while also permitting an allowance to the serviceman, in effect, for his time and labor. Thus, this permanent provision would permit the continuation of programs like the existing Navy program, plus a payment to the serviceman, to ease the transition. The conferees, however, believe that it would be most desirable for the Department of Defense to develop a system whereby servicemen would receive an allowance which would permit them to accomplish the entire transaction themselves.

Amendments Nos. 93 and 94: Restore House section numbers.

Amendment No. 95: Section 749—The conferees agreed to a provision proposed by the Senate that increases the maximum amount of the Standard Level User Charges that the Department may reimburse the General Services Administration to 90 per centum, instead of 85 per centum as proposed by the House.

Amendment No. 96: Restores House section number.

Amendment No. 97: Section 750—The conferees agreed to a 40-mile radius, instead of the 50-mile radius proposed by the House and the 30-mile radius proposed by the Senate, for the issuance of certificates of non-availability under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS).

Amendment No. 98: Section 751—Reported in technical disagreement. This section relates to the restriction on the use of appropriated funds for the payment of claims under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). The House had included in this section a prohibition against the payment for the services of pastoral counselors, family and child counselors, and marital counselors. The Senate deleted this restriction. The conferees agreed to reinstate the House prohibition with an amendment providing that such payments can be made only when it is certified that these services are not available on the military base to which the member is assigned, or when the recipient resides within 40 miles of a military medical facility which certifies that these services are not available.

The House had also included in this section a prohibition against the payment by CHAMPUS for perceptual or visual training. The Senate deleted this prohibition. The conferees agreed to the Senate deletion.

The Senate also modified the House language by prohibiting payments for any other service or supply not psychologically necessary to diagnose and treat an illness as diagnosed by a dentist, or clinical psychologist. The conferees agreed to the Senate amendment.

The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment, as discussed above. The amended language agreed to by the conferees follows:

Sec. 751. None of the funds contained in this Act available for the Civilian Health and Medical Program of the Uniformed Services under the provisions of section 1079(a) of title 10, United States Code, shall be available for (a) services of pastoral counselors, or family and child counselors, or marital counselors, except when these services are certified as not being available on the military base to which the member is assigned, or when the recipient resides within 40 miles of a military medical facility which certifies that these services are not available; (b) special education, except when provided as secondary to the active psychiatric treatment on an institutional inpatient basis; (c) therapy or counseling for sexual dysfunctions or sexual inadequacies; (d) treatment of obesity when obesity is the sole or major condition treated; (e) reconstructive surgery justified solely on psychiatric needs including, but not limited to, mammary augmentation, face lifts, and sex gender changes; or (f) any other service or supply which is not medically or psychologically necessary to diagnose and treat a mental or physical illness, injury, or bodily malfunction as diagnosed by a physician, dentist, or a clinical psychologist.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendments Nos. 99 and 100: Section 752—Restore House limitation stricken by the Senate and later restored by Senate Floor amendment. The matter was in conference only because of a technical prob-

lem, not because of a substantive difference in the House and Senate bills. The provision limits the expenditure of funds for Army ammunition plants to areas where existing plants are being closed, placed in layaway, or at which production has been curtailed.

Amendment No. 101: Section 753—Reported in technical disagreement. The Managers on the part of the House will offer a motion to insert Senate language which would enable South Vietnamese refugees to be employed by the Government of the United States. The motion amends the Senate language to change the section number. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The language is as follows:

SEC. 753. Unless otherwise specified and during the current fiscal year, and the period July 1, 1976, through September 30, 1976, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese refugees paroled into the United States between January 1, 1975, and the date of enactment of this Act: *Provided*, That, for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined not more than \$4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal-clause shall be in addition to, and not in substitution for, any other provision of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1976 and the transition period recommended by the Committee of

Conference with comparisons to the fiscal year 1975 amount, the 1976 and transition period budget estimates, and the House and Senate bills for 1976 and the transition period follow:

New budget (obligational) authority, fiscal year 1975.....	\$80,439,035,000
Transfer from other accounts, fiscal year 1975.....	648,694,000
Total funding available, 1975.....	84,087,729,000
Budget estimates of new (obligational) authority (as amended), fiscal year 1976.....	97,857,849,000
Transition period.....	23,117,645,000
Total budget estimates, 1976 and transition period.....	120,975,494,000
House bill, new (obligational) authority, fiscal year 1976.....	90,219,045,000
Transfer from other accounts.....	108,800,000
Transition period.....	21,674,571,000
Total funding available, 1976 and transition period.....	112,002,416,000
Senate bill, new (obligational) authority, fiscal year 1976.....	90,721,789,000
Transfer from other accounts.....	99,300,000
Transition period.....	21,849,816,000
Total funding available, 1976 and transition period.....	112,670,905,000
Conference agreement, new (obligational) authority, fiscal year 1976.....	90,466,961,000
Transfer from other accounts.....	99,300,000
Transition period.....	21,860,723,000
Total funding available, 1976 and transition period.....	112,426,984,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1975.....	+7,027,926,000
Transfer from other accounts.....	-549,394,000
Total funding available, 1975.....	+6,478,532,000
Budget estimates of new (obligational) authority (as amended) fiscal year 1976.....	-7,390,888,000
Transfer from other accounts.....	+99,300,000
Transition period.....	-1,256,922,000
Total funding available, 1976 and transition period.....	-8,548,510,000
House bill, new (obligational) authority, fiscal year 1976.....	+247,916,000
Transfer from other accounts.....	-9,500,000
Transition period.....	+186,152,000
Total funding available, 1976 and transition period.....	+424,568,000
Senate bill, new (obligational) authority, fiscal year 1976.....	-254,828,000
Transfer from other accounts.....	
Transition period.....	+10,907,000
Total funding available, 1976 and transition period.....	-243,921,000

BULK MILK DISPENSERS

The Senate report directed the Department of Defense to discontinue the purchase of bulk milk dispensers and continue the leasing program. The House did not address this item. The conferees agreed

that the Department of Defense should use the most economical and appropriate approach to the issue of purchase or lease of bulk milk dispensers.

GEORGE MAHON,
 ROBERT L. F. SIKES,
 DANIEL J. FLOOD,
 JOSEPH P. ADDABBO,
 (except as to amendments
 Nos. 49, 50, 69, 79, and 81).

JOHN J. McFALL,
 JOHN J. FLYNT, JR.,
 BILL CHAPPELL,
 BILL D. BURLISON,
 JACK EDWARDS,
 J. K. ROBINSON,
 JACK KEMP,
 E. A. CEDERBERG,

Managers on the Part of the House.

JOHN L. McCLELLAN,
 JOHN C. STENNIS,
 JOHN O. PASTORE,
 WARREN G. MAGNUSON,
 GALE W. MCGEE,
 JOSEPH M. MONTOYA,
 DANIEL K. INOUE,
 STUART SYMINGTON,
 MILTON R. YOUNG,
 ROMAN L. HRUSKA,
 CLIFFORD P. CASE,
 HIRAM L. FONG,
 TED STEVENS,
 RICHARD S. SCHWEIKER,

Managers on the Part of the Senate.

