

OCTOBER 9, 1974

## Office of the White House Press Secretary

NOTICE TO THE PRESS

The President has signed H. R. 16243--Department of Defense Appropriation Act, 1975--which appropriates \$82,052,141,000 for activities of the Department of Defense for fiscal year 1975 exclusive of the regular military assistance, military construction, and civil defense programs; \$43,356,000 for liquidation of prior year deficiencies in military personnel, Navy; and \$800,000 for the Defense Manpower Commission.

This bill will appropriate \$4,961 million less than the amended budget request. This reduction is offset, however, by authorized transfers and financial adjustments of \$611 million, for a net program reduction of \$4,351 million. All but \$300 thousand of these reductions apply to the Defense Department. This \$300 thousand reduction applies to the Defense Manpower Commission. The Department of Defense views these reductions as substantial, but acceptable without serious degradation to our capability to meet national defense requirements.

The following table shows the Congressional reductions to Department of Defense appropriations by appropriation category.

	<u>Budget as amended</u>	<u>Congressional changes</u>
Military personnel	\$24,723,442	-\$ 552,690
Retired military personnel	6,040,600	---
Operation and maintenance	27,049,343	-1,719,240
Procurement	19,866,617	-2,635,501
Research, development, test and evaluation	9,322,469	- 745,799
Special foreign currency	2,900	---
Military assistance South Vietnam forces	---	+700,000
1975 Budget authority	\$87,005,371	-\$4,953,230
Liquidation of prior year deficiencies	51,026	- 7,670
Total Budget authority	\$87,056,397	\$4,960,900
Financing adjustments	---	+ 610,673
Total program	\$87,056,397	-\$4,350,227

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