FY98 FUNDING & LANGUAGE TRACK FOR BALLISTIC MISSILE DEFENSE PROGRAMS

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November 1997

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FY98 BALLISTIC MISSILE DEFENSE FUNDING AND LANGUAGE TRACK

General Information

This funding and language track is arranged by subject and presented in the following order:

House and Senate Committee Language
House and Senate Committee Report Language
House/Senate Conference Language

Bill language is *italicized.* The bills accompanying the conference reports were signed by the president to become the public law and are considered statutory

All dollar amounts are in millions.

Conference language is final; however, committee report language remains in effect unless issues are specifically addressed in the conference report.

Accession Number: 6312

Publication Date: Nov 01, 1997

Title: FY98 Funding & Language Track for Ballistic Missile Defense Programs

Corporate Author Or Publisher: BMDO, Office of External Affairs, The Pentagon, Washington, DC 20301

Abstract: This funding and language track is arranged by subject and presented in the following order: House and Senate Committee Language; House and Senate Committee Report Language; House/Senate Conference Language.

Descriptors, Keywords: FY98 Budget Funding Language Track Ballistic Missile Defense programs External Affairs appropriations authorization DoD

Pages: 337

Cataloged Date: Dec 04, 1997

Copyrighted or Not: N

Document Type: HC

Number of Copies In Library: 000001

Record ID: 45959

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FY 98 AUTHORIZATION FUNDING TRACK
TY $ IN MILLIONS

Authorization	Program Element	FY 97 Authorization	FY 98 Budget Request	HNSC Full Committee	Delta	House Floor	SASC Full Committee	Delta	Senate Floor	Authorization Conference	Delta Compared To Budget Request
Date Of Event			6 FEB 97	16 JUN 97		25 JUN 97	17 JUN 97		11 JUL 97	23 OCT 97	
RDT&E											
• TMD		2,216.103	1,828.364	2,136.879		2,136.879	1,744.664		1,744.664	1,892.864	+64.500
- THAAD System Dem / Val	0603861C	344.000	294.647	294.647		294.647	353.427	+58.780	353.427	406.127	+111.480
- HAWK Dem / Val	0603863C	0.000	0.000	-		-	0.000		0.000	0.000	0.000
- TMD BM/C^3 - Dem / Val	0603864C	0.000	0.000	-		-	0.000		0.000	0.000	0.000
- Navy Area Wide - Dem / Val	0603867C	60.000	0.000	-		-	0.000		0.000	0.000	0.000
- Navy Theater Wide - Dem / Val	0603868C	304.171	194.898	344.898	+150.000	344.898	274.898	+80.000	274.898	344.898	+150.000
- MEADS - Dem / Val	0603869C	56.232	47.956	47.956		47.956	47.956		47.956	47.956	0.000
- Boost Phase Intercept - Dem / Val	0603870C	24.300	12.885	-	-12.885	-	17.885	+5.000	17.885	16.385	+3.500
- Joint Theater Missile Defense - Dem / Val	0603872C	526.511	542.619	523.919	-18.700	523.919	576.619	+34.000	576.619	581.619	+39.000
- THAAD System EMD	0604861C	277.798	261.480	306.480	+45.000	306.480	0.000	-261.480	0.000	0.000	-261.480
- TMD BM/C^3 EMD	0604864C	0.000	0.000	-		-	0.000		0.000	0.000	0.000
- PAC-3 EMD	0604865C	381.509	206.057	206.057		206.057	206.057		206.057	206.057	0.000
- PAC-3 Risk EMD	0604866C	0.000	0.000	-		-	0.000		0.000	0.000	0.000
- Navy Area Wide EMD	0604867C	241.582	267.822	289.822	+22.000	289.822	267.822		267.822	289.822	+22.000
• NMD Dem / Val	0603871C	858.437	504.091	978.091	+474.000	978.091	978.091	+474.000	978.091	978.091	+474.000
• Support Technology / Applied Research	0602173C	104.023	101.932	111.932	+10.000	111.932	115.932	+14.000	115.932	113.932	+12.000
• Support Technology / Advanced Development	0603173C	269.819	147.557	****172.557	+25.000	****172.557	****321.957	+174.400	****321.957	306.557	+159.000
• Cooperative Programs		0.000	0.000	***123.100	+123.100	***123.100	0.000		0.000	0.000	
Total RDT&E		3,448.382	2,581.944	3,399.459	+817.515	3,399.459	3,160.644	+578.700	3,160.644	3,291.444	+709.500
MILCON											
• National Missile Defense	0603871C	0.000	0.540	0.540	0.000	0.540	0.540		0.540	0.540	0.000
• Joint Theater Missile Defense	0603872C	1.404	1.965	1.965	0.000	1.965	1.965		1.965	1.965	0.000
• THAAD System	0604861C	0.000	4.565	4.565	0.000	4.565	4.565		4.565	0.000	-4.565
Total MILCON		1.404	7.070	7.070	0.000	7.070	7.070		7.070	2.505	-4.565
Total		3,449.786	2,589.014	3,406.529	+817.515	3,406.529	3,167.714	+578.700	3,167.714	3,293.949	+704.935
Other BMD Related Funding											
• BMD Procurement											
- PAC-3		215.378	349.100	349.100	+349.100	349.100	349.100	+349.100	349.100	349.109	+349.109
- Navy Area Wide		9.160	15.400	15.400	+15.400	15.400	15.400	+15.400	15.400	15.400	+15.400
- TMD BMC^{4}I (Other Programs)		19.256	20.100	20.100	+20.100	20.100	20.100	+20.100	20.100	20.100	+20.100
Total Procurement		*243.794	384.600	**384.600	+384.600	**384.600	**384.600	+384.600	**384.600	**384.609	+384.609
Total BMDO Program			2,589.014	3,791.129	+1,202.115	3,791.129	3,552.314	+963.300	3,552.314	3,678.558	+1,089.544
• Air Force SBIR (SMTS) Dem / Val	0603441F	249.151	222.401	222.401	0.000	222.401	222.401	0.000	222.401	217.401	-5.000
• Air Force ABL	0603319F	54.227	157.136	157.136	0.000	157.136	157.136	0.000	157.136	157.136	0.000
Total BMD		4,016.337	3,353.151	4,170.666	+1,202.120	4,170.666	3,931.851	+963.300	3,931.851	4,053.095	+1,084.544

* FY 97 BMD Procurement Was Included In BMDO Budget. In FY 98, Procurement Was Transferred To The Services

** The HNSC, SASC, And Conference Transferred BMD Procurement Back Into The BMDO Budget. Therefore, The Total BMDO Funding For HNSC / SASC Includes Procurement

*** Committee Directs The Director Of BMDO To Provide An Additional $6.7 Million For The THEL Program From BMDO Administrative Accounts

**** HNSC Recommended That The Scorplus Program And Funding Be Transferred To The Air Force. ("0" Funding In FY 98); SASC Recommended An Increase Of $10 Million To The BMDO Support Technology PE For Scorplus

mj-70763 / 102997

FY 98 APPROPRIATION FUNDING TRACK
TY $ IN MILLIONS

Appropriation	Program Element	FY 97 Appropriation	FY 98 Budget Request	HAC Full Committee	Delta Compared To Budget Request	House Floor	SAC Full Committee	Delta Compared To Budget Request	Senate Floor	Appropriation Conference	Delta Compared To Budget Request
Date Of Event			6 FEB 97	22 JUL 97		30 JUL 97	10 JUL 97		15 JUL 97	23 SEP 97	
RDT&E											
• TMD		2,188.871	1,828.364	2,031.479	+203.115	2,031.479	1,780.664	-47.700	1,780.664	1,981.664	+153.300
- THAAD System - Dem / Val	0603861C	344.000	294.647	238.647	-56.000	238.647	353.427	+58.780	353.427	406.127	+111.480
- HAWK - Dem / Val	0603863C	0.000	0.000	0.000		0.000	0.000		0.000	0.000	0.000
- TMD BM/C^3 - Dem / Val	0603864C	0.000	0.000	0.000		0.000	0.000		0.000	0.000	0.000
- Navy Area Wide - Dem / Val	0603867C	60.000	0.000	0.000		0.000	0.000		0.000	0.000	0.000
- Navy Theater Wide - Dem / Val	0603868C	304.171	194.898	444.898	+250.000	444.898	274.898	+80.000	274.898	409.898	+215.000
- MEADS - Dem / Val	0603869C	30.000	47.956	47.956		47.956	47.956		47.956	47.956	0.000
- Boost Phase Intercept - Dem / Val	0603870C	24.300	12.885	0.000	-12.885	0.000	17.885	+5.000	17.885	16.385	+3.500
- Joint Theater Missile Defense - Dem / Val	0603872C	525.511	542.619	542.619		542.619	612.619	+70.000	612.619	605.419	+62.800
- THAAD System EMD	0604861C	277.798	261.480	261.480		261.480	0.000	-261.480	0.000	0.000	-261.480
- TMD BM/C^3 EMD	0604864C	0.000	0.000	0.000		0.000	0.000		0.000	0.000	0.000
- PAC-3 EMD	0604865C	381.509	206.057	206.057		206.057	206.057		206.057	206.057	0.000
- PAC-3 Risk EMD	0604866C	0.000	0.000	0.000		0.000	0.000		0.000	0.000	0.000
- Navy Area Wide EMD	0604867C	241.582	267.822	289.822	+22.000	289.822	267.822		267.822	289.822	+22.000
• NMD Dem / Val	0603871C	833.437	504.091	978.091	+474.000	978.091	978.091	+474.000	978.091	978.091	+474.000
• Support Technology / Applied Research	0602173C	104.023	101.932	141.932	+40.000	141.932	115.932	+14.000	115.932	113.932	+12.000
• Support Technology / Advanced Development	0603173C	262.319	147.557	147.557		147.557	351.957	+204.400	351.957	311.557	+164.000
Total RDT&E		3,388.650	2,581.944	3,299.059	+717.115	3,299.059	3,226.644	+644.700	3,226.644	3,385.244	+803.300
MILCON											
• National Missile Defense	0603871C	0.000	0.540	0.540		0.540	0.540		0.540	0.540	0.000
• Joint Theater Missile Defense	0603872C	1.404	1.965	1.965		1.965	1.965		1.965	1.965	0.000
• THAAD System	0604861C	0.000	4.565	4.565		4.565	4.565		4.565	0.000	-4.565
Total MILCON		1.404	7.070	7.070		7.070	7.070		7.070	2.505	-4.565
Total		*3,390.054	2,589.014	3,306.129	+717.115	3,306.129	3,233.714	+644.700	3,233.714	3,387.749	+798.735
Other BMD Related Funding											
• BMD Procurement											
- PAC-3		215.378	349.100	349.109	+349.109	349.109	349.100	+349.100	349.100	349.109	+349.109
- Navy Area Wide		9.160	15.400	15.400	+15.400	15.400	15.400	+15.400	15.400	15.400	+15.400
- TMD BM/C^{4}I (Other Programs)		19.256	20.100	20.100	+20.100	20.100	20.100	+20.100	20.100	20.100	+20.100
Total Procurement		243.794	384.600	**384.609	**384.609	**384.609	**384.600	**384.600	**384.600	**384.609	**+384.609
Total BMDO Program		3,390.054	2,589.014	3,690.738	+1,101.724	3,690.738	3,618.314	+1,029.300	3,618.314	3,772.358	+1,183.344
• Air Force SBIR (SMTS) - Dem / Val	0603441F	249.151	222.401	217.401		217.401	222.401		222.401	217.401	-5.000
• Air Force ABL	0603319F	54.227	157.136	157.136		157.136	157.136		157.136	157.136	0.000

* FY 97 BMD Procurement Was Included In BMDO Budget. In FY 98, Procurement Was Transferred To The Services
** The HAC, SAC And Conference Bill Supported The Transfer Of Procurement Back Into The BMDO Budget

mj-70762 / 102897

FY98 BMDO PROGRAM

Program	Admin	HNSC	Delta	SASC	Delta	Conf	Delta	HAC.	Delta	SAC	Delta	Conf	Delta (Approp vs. Auth)
Overall Program	2,589.014	3,791.129	+1,202.115	3,552.314	+963.300	3,678.558	+1,089.544	3,690.738	+1,101.724	3,618.314	+1,029.300	3,772,358	+93.800
Overall TMD	**1,828.364**	**2,136.879**	**+308.515**	**1,744.664**	**-83.700**	**1,892.864**	**+64.500**	**2,031.479**	**+203.115**	**1780.664**	**-47.700**	**1,981.664**	**+88.800**
-THAAD (Dem/Val)	**294.647**	**294.647**		**353.427**	**+58.780**	**406.127**	**+111.480**	**238.647**	**-56.000**	**353.427**	**+58.780**	**406.127**	**0.000**
-THAAD (EMD)	**261.480**	**306.480**	**+45.000**	**000**	**-261.480**	**.000**	**-261.480**	**261.480**		**000**	**-261.480**	**0.000**	**0.000**
-Navy Theater Wide	**194.898**	**344.898**	**+150,000**	**274.898**	**+80.000**	**344.898**	**+150.000**	**444.898**	**+250.000**	**274.898**	**+80.000**	**409.898**	**+65.000**
-MEADS	**47.956**	**47.956**		**47.956**		**47.956**		**47.956**		**47.956**		**47.956**	**0.000**
-Boost Phase Intercept	**12.885**	***.000	**-12.885**	**17.885**	**+5.000**	**16.385**	**+3.500**	**.000**	**-12.885**	**17.885**	**+5.000**	**16.385**	**0.000**
-Joint TMD	**542.619**	**523.919**	**-18.700**	**576.619**	**+34.000**	**581.619**	**+39.000**	**542.619**		**612.619**	**+70.000**	**605.419**	**+23.800**
--Arrow	38.700	***48.700	+10.000	53.700	+15.000	50.700	+12.000	38.700		53.700	+15.000	50.700	0.000
--ExtAir Def Testbed	10.800									9.600	+9.600	7.800	+7.800
--Adv Res Center	7.907									14.907	+7.000	14.907	+7.000
--Kauai Test Facility	0.000									5.000	+5.000	5.000	+5.000
--Upgrades for TMD (PMRF)	0.000					20.000	+20.000			33.400	+33.400	31.000	+11.000
-PAC-3	**206.057**	**206.057**		**206.057**		**206.057**		**206.057**		**206.057**		**206.057**	**0.000**
-Navy Area Wide	**267.822**	**289.822**	**+22.000**	**267.822**		**289.822**	**+22.000**	**289.822**	**+22.000**	**267.822**		**289.822**	**0.000**
NMD	**504.091**	**978.091**	**+474.000**	**978.091**	**+474.000**	**978.091**	**+474.000**	**978.091**	**+474.000**	**978.091**	**+474.000**	**978.091**	**0.000**
Support Tech-Applied	**101.932**	**111.932**	**+10.000**	**115.932**	**+14.000**	**113.932**	**+12.000**	**141.932**	**+40.000**	**115.932**	**+14.000**	**113.932**	0.000
--Wide bandgap	000	10.000	+10.000	14.000	+14.000	12.000	+12.000		+10.000	14.000	+14.000	12.000	0.000
--AIT	4.900							34.900	+30.000				
Support Tech - Adv	**147.557**	**172.557**	**+25.000**	**321.957**	**+174.000**	**306.557**	**+159.000**	**147.557**		**351.957**	**+204.400**	**311.557**	**+5.000**
--AIT	4.900	29.900	+25.000	44.900	+40.000	34.900	+30.000			44.900	+40.000	34.900	0.000
--SBL	29.000	29.000		147.000	+118.000	127.000	+98.000			147.000	+118.000	127.000	0.000
--MSX	4.502	000		10.902	+6.400	9.502	+5.000			000		9.502	0.000
--Scorpius	000	15.000	*+15.000	10.000	+10.000	5.000	+5.000	****.000		10.000	+10.000	****5.000	0.000
--APEX	.000					8.000	+8.000			10.000	+10.000	8.000	0.000
--Pixel Sensor Tech	.000									5.000	+5.000	5.000	+5.000
--RAMOS	.000	30.000	+30.000			13.000	+13.000			15.000	+15.000	13.000	0.000
--THEL (ARMY)	****16.500**	**38.200**	**+21.700**	**51.500**	**+35.000**	**51.000**	**+34.500**	**57.500**	**+41.000**	**68.000**	**+51.500**	**44.500**	**+10.000**
BMDO Procurement	**0.000**	**384.600**	**+384.600**	**384.600**	**+384.600**	**384.609**	**+384.609**	**384.609**	**+384.609**	**384.600**	**+384.600**	**384.609**	0.000
--PAC-3	0.000	349.100	+349.100	349.100	+349.100	349.109	+349.109	349.109	+349.109	349.100	+349.100	349.109	0.000
--Navy Area Wide	0.000	15.400	+15.400	15.400	+15.400	15.400	+15.400	15.400	+15.400	15.400	+15.400	15.400	0.000
--TMD BM/C4	0.000	20.100	+20.100	20.100	+20.100	20.100	+20.100	20.100	+20.100	20.100	+20.100	20.100	0.000
MILCON	**7.070**	**7.070**	**0.000**	**7.070**	**0.000**	**2.505**	**-4.565**	**7.070**	**0.000**	**7.070**	**0.000**	**2.505**	**0.000**

*HNSC recommended transferring Scorpius to the Air Force

**The HNSC transferred THEL from the Army to the new Cooperative Programs PE along with Arrow, BPI, and RAMOS/APEX—(Authorization Conference approved new Cooperative PE for FY99)

***HNSC transferred Arrow and BPI to the new Cooperative Programs PE (Authorization Conference approved new Cooperative PE for FY99)

****The HAC increased the Scorpius by $10 million. The language appears in the Air Force RDT&E under "Space & Missile Rocket Propulsion".
In addition to the increase for Scorpius in the BMDO Advanced Technologies line, the conferees allocated $5 million to Scorpius in Air Force RDT&E

11/12/97

REPORTS REQUIRED

FY98 REPORTING REQUIREMENTS
FY98 DOD AUTHORIZATION CONFERENCE

Name	*Reference*	*Date Due*
Secretary of Defense shall submit a plan for the development and deployment of a NMD system that could achieve initial operational capability in fiscal year 2003. The plan shall include a detailed description of the system architecture selected for development; a discussion of the justification for the selection of that particular architecture; The Secretary's estimate of the amounts of appropriations that would be necessary for RDT&E and for procurement for each of fiscal years 1999 through 2003 in order to achieve an IOC capability of the system architecture in FY2003.	Section 231 House Report 105-340 Page 36	February 15, 1998
The Secretary of Defense shall submit a report on the threats posed to the U.S. and allies of the U.S. (1) by weapons of mass destruction, ballistic missiles, and cruise missiles, and (2) by the proliferation of weapons of mass destruction, ballistic missiles and cruise missiles. The report should be prepared in consultation with the Director of Central Intelligence.	Section 234 House Report 105-340 Page 38	January 30 of each year
The President shall submit a report concerning detargeting of Russian strategic missiles.	Section 1301 House Report 105-340 Page 330	January 1, 1998
The Secretary of Defense shall submit a report describing the structure and objectives of the Clementine 2 micro-satellite technology development program and how the program can benefit existing or future space systems or architectures.	Section 215 House Report 105-340 Page 33	Feb. 15, 1998
The Secretary of Defense shall submit a report on the results of a review of the full range of cost control options applicable to the EMD phase of the THAAD program, including, but not limited to, options involving competition and leader-follower.	House Report 105-340 Page 656	March 15, 1998

FY98 REPORTING REQUIREMENTS
FY98 DOD AUTHORIZATION CONFERENCE (CONTINUED)

The Secretary of Defense shall submit a report on the cost and technical feasibility of options for a more robust Navy Upper Tier flight test program, the earliest technically feasible deployment date, and costs associated with such a deployment date.	House Report 105-340 Page 657	February 15, 1998
Secretary of Defense shall submit a report providing a detailed accounting of how NMD funds have been spent since the beginning of fiscal year 1996 and a detailed plan for the allocation of NMD funding in the FYDP. Also, the Secretary of Defense shall provide a detailed description of the cost estimating and cost control mechanisms in place within DOD for the NMD program, and an assessment of whether they are adequate.	House Report 105-340 Page 657-658	February 15, 1998
Director, BMDO shall submit a report describing whether and how the Navy Upper Tier program can be upgraded in the future to provide a limited NMD capability. The report should address the technical issues associated with a sea-based NMD option as well as costs associated with such a concept. The report should also address whether and, if so, how a sea-based NMD system could be integrated into and supplement a ground-based NMD system, whether and, if so, how a sea-based system would provide needed additional capabilities in support of the requirements for the existing NMD program, and whether such a system would comply with the ABM Treaty.	House Report 105-340 Page 658	February 15, 1998
Secretary of Defense shall submit a report on the status of the SBL-RD baseline, and related issues.	House Report 105-340 Page 660	March 1, 1998

AUTHORIZATION COMMITTEE REPORTS STILL REQUIRED

The Secretary of Defense shall develop a plan for U.S.-Russian cooperative projects, identifying the costs and benefits associated with each project.	House Report 105-132, Page 229	Feb. 1, 1998
Director BMDO shall submit a report on the specific steps that are being taken, and those that should be taken but are not, to mitigate schedule risks and the potential for single point failures resulting from inadequate test assets.	House Report 105-132 Page 232	Feb. 1, 1998
Director, BMDO shall provide a report detailing how the Battle Integration Center (BIC) is integrated into overall U.S. missile defense programs and efforts.	Senate Report. 105-29 Page 139	Feb 1, 1998

FY98 REPORTING REQUIREMENTS
DOD APPROPRIATIONS CONFERENCE

Name	*Reference*	*Date Due*
Under Secretary of Defense (Comptroller) shall submit a report listing the specific funding reductions allocated to each category for a $474 million reduction to be provided to NMD.	Page 30, House Report 105-265	60 days after date of enactment

COMMITTEE REPORTS
REQUIRED

Name	*Reference*	*Date Due*
Secretary of Defense shall submit a report discussing whether the ABL program is or is not more properly budgeted within BMDO.	Page 200, House Report 105-206	Nov. 15, 1998
Air Force shall submit a report on its efforts to establish an independent system engineer for the Space-Based Infrared Program (SBIRS).	Page 201, House Report 105-206	Jan. 15, 1998
Under Secretary of Defense (Comptroller) shall submit a detailed report identify, by amount and by separate budget activity, activity group, subactivity group, line item, program element, program, project subproject, and activity, any activity for which the fiscal year 1999 budget request was reduced because Congress appropriated funds above the President's budget request for that specific activity for fiscal year 1998	Page 86, House Bill H.R. 2266	Feb. 1, 1998

Note: None of the above reports are specific requirements of BMDO; however, BMDO may be required to coordinate on the reports.

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BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
3,712.959	2,589.014	3,791.129	3,791.129	3,552.314	3,552.314	3,678.558

House FY98 DOD Authorization Bill
H.R 1119; H. Rept. 105-132 (6/16/97)

Bill Language
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SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1998 for Defense-wide procurement in the amount of $1,836,989,000.

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,752,913,000.
(2) For the Navy, $7,946,996,000.
(3) For the Air Force, $14,659,736,000.
(4) For Defense-wide activities, $9,914,080,000, of which--
(A) $279,683,000 is authorized for the activities of the Director, Test and Evaluation; and
(B) $23,384,000 is authorized for the Director of Operational Test and Evaluation.

Senate FY98 DOD Authorization Bill
S. 936; S. Rept. 105-29 (6/17/97)

Bill Language
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SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,750,462,000.

(2) For the Navy, $7,812,972,000.

(3) For the Air Force, $14,302,264,000.

(4) For Defense-wide activities, $10,072,347,000, of which--

(A) $268,183,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $31,384,000 is authorized for the Director of Operational Test and Evaluation.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 34 & 35** *SEC. 231. BUDGETARY TREATMENT OF AMOUNTS REQUESTED FOR PROCUREMENT FOR BALLISTIC MISSILE DEFENSE PROGRAMS.* *(a) Requirement for Inclusion in Budget of BMDO.--(1) Chapter 9 of title 10, United States Code, is amended by inserting after section 222 the following new section:* *"Sec. 224. Ballistic missile defense programs: amounts for procurement* *"(a) Requirement.--Any amount in the budget submitted to Congress under section 1105 of title 31 for any fiscal year for procurement for the National Missile Defense program or for any system that is part of the core theater missile defense program shall be set forth under the account of the Department of Defense for Defense-wide procurement and, within that account, under the subaccount (or other budget activity level) for the Ballistic Missile Defense Organization.* *"(b) Core Theater Ballistic Missile Defense Program.--For purposes of this section, the core theater missile defense program consists of the systems specified in section 234 of the Ballistic Missile Defense Act of 1995 (10 U.S.C. 2431 note).".*	**Bill Language** **Page 49** *SEC. 222. REVERSAL OF DECISION TO TRANSFER PROCUREMENT FUNDS FROM THE BALLISTIC MISSILE DEFENSE ORGANIZATION.* *(a) Transfers Required.--The Secretary of Defense shall--* *(1) transfer to appropriations available to the Ballistic Missile Defense Organization for procurement for fiscal year 1998 the amounts that were transferred to accounts of the Army, Navy, Air Force, and Marine Corps pursuant to Program Budget Decision 224C3, signed by the Under Secretary of Defense (Comptroller) on December 23, 1996; and* *(2) ensure that, in the future-years defense program, the procurement funding covered by that program budget decision is programmed for appropriations accounts of the Ballistic Missile Defense Organization rather than appropriations accounts of the Armed Forces.* *(b) Relationship to Other Transfer Authority.--The transfer authority provided in subsection (a) is in addition to the transfer authority provided in section 1001.*

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 34 & 35** *(b) Clerical Amendment.--The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 222 the following new item:* *"224. Ballistic missile defense programs: amounts for procurement.".*	

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

House FY98 DOD Authorization Bill
H.R 1119; H. Rept. 105-132 (6/16/97)

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The budget request contained $2,589.1 million for research, development, test, and evaluation (RDT&E), procurement, and military construction of ballistic missile defense (BMD) systems within the Ballistic Missile Defense Organization (BMDO). The committee recommends changes to the request as summarized below:

[In millions of dollars]

Support technologies(PE63173C)	$25.0
Navy Theater Wide (PE63868C)	150.0
Navy Area Theater (PE64867C)	22.0
THAAD (PE64861C).	45.0
National Missile Defense (PE63871C)	474.0
Cooperative Programs (PE63XXXC)	123.1
Joint Theater Missile Defense (PE63872C)	(18.7)
UAV BPI (PE63870C)	(12.9)
Theater Missile Defense procurement	384.6

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Section 231--Budgetary Treatment of Amount Requested for Procurement for Ballistic Missile Defense Programs

The budget request incorporated a major change in funding policy for BMD programs by transferring all procurement for TMD programs from the

Senate FY98 DOD Authorization Bill
S. 936; S. Rept. 105-29 (6/17/97)

Report Language
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Ballistic Missile Defense Organization funding

The fiscal year 1998 budget request included approximately $2.6 billion for the Ballistic Missile Defense Organization (BMDO), including funds for research, development, test, and evaluation (RDT&E), and military construction. The budget request also included $386.4 million in procurement funds formerly managed by BMDO that were transferred to the military services. As addressed elsewhere in this report, the committee recommends that these procurement funds be transferred back to BMDO. Consistent with this recommendation, the committee will address these fiscal year 1998 procurement funds as part of the budget request for BMDO.

The committee's recommended funding allocations for BMDO in fiscal year 1998 are summarized in the following table. Additional programmatic and funding guidance are also provided below.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258** centralized BMD account to the separate service procurement accounts. The committee is convinced that the Department, through this action, has placed its professed highest priority missile defense initiatives at risk by forcing them to compete with underfunded modernization programs of higher priority for each individual service. Additionally, in transferring fiscal year 1998 TMD procurement funding to the services, the Department did not issue any specific guidance that outyear funding for these programs was to be sustained or that TMD programs were to be considered as a service priority. Without such guidance, the committee believes that TMD procurement would suffer the same fate as other service modernization programs which continue to be restructured and have their schedules stretched due to funding shortfalls. Finally, despite testimony from the Department on the importance of TMD programs, the committee is disappointed to note that funding for all TMD programs is significantly reduced from the levels provided in fiscal year 1997. The committee is opposed to the proposed change in the TMD funding policy. This provision would direct the Secretary of Defense to transfer all fiscal year 1998 TMD program procurement funds back to the BMD procurement account. The provision would also require that all National Missile Defense program procurement funds be included in the BMDO procurement account. The committee considers procurement and fielding of TMD systems to be a priority congressional interest item and directs the Secretary to retain procurement for these programs within BMDO.	**Report Language** **Page 128** Section 222. Reversal of decision to transfer procurement funds from the Ballistic Missile Defense Organization. On December 23, 1996, Program Budget Decision 224C3, signed by the Under Secretary of Defense (Comptroller), transferred all procurement funds for ballistic missile defense programs from the Ballistic Missile Defense Organization (BMDO) to the military services. The committee strongly opposes this decision and recommends a provision that would reverse it. The committee has concluded that, for purposes of continuity and management coherence, BMDO should continue to manage the program procurement funds in cases where BMDO already manages the program research, development, test, and evaluation funds. This is a basic principle dating back to the creation of the Strategic Defense Initiative Organization. The committee is concerned that transferring procurement funds from BMDO to the military services will force unhealthy and unnecessary tension between missile defense programs and already under funded service modernization programs. This tension will be particularly acute in the years beyond the Future Years Defense Program when the services would be required to identify and dedicate the needed ballistic missile defense procurement funds from within service accounts that are likely to be under funded.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
	Report Language **Page 190**

BMDO FUNDING ALLOCATION
[In millions of dollars]

Program	Request	Change	Recommendation
Support Technology	249.5	+188.4	437.9
THAAD /3/	560.7	202.7	358.0
TMD-BM/C3 /1		20.2	20.2
Navy Lower Tier /2/	283.3	----------	83.3
Navy Upper Tier	194.9	+80.0	274.9
MEADS	48.0		48.0
BPI	12.9	+5.0	17.9
NMD /3/	504.6	+474.0	978.6
Joint TMD /3	544.6	+34.0	578.6
PAC-3 /2/	556.8		556.8
BMDO total	2,975.5	+578.7	3,554.2

/1/ Procurement only.
/2/ Procurement and RDT&E.
/3/ RDT&E and Military Construction.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 19** *SEC. 104. DEFENSE-WIDE ACTIVITIES.* *Funds are hereby authorized to be appropriated for fiscal year 1998 for Defense-wide procurement in the amount of $2,057,150,000.* **Page 28** *SEC. 201. AUTHORIZATION OF APPROPRIATIONS.* *Funds are hereby authorized to be appropriated for fiscal year 1998 for the use of the Department of Defense for research, development, test, and evaluation as follows:* *(1) For the Army, $4,633,495,000.* *(2) For the Navy, $7,774,877,000.* *(3) For the Air Force, $14,338,934,000.* ***(4) For Defense-wide activities, $9,831,646,000, of which--*** ***(A) $258,183,000 is authorized for the activities of the Director, Test and Evaluation; and*** ***(B) $27,384,000 is authorized for the Director of Operational Test and Evaluation.***	**Report Language** **No report language exists on Sec. 104.** **No report language exists on Sec. 201**

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 36-37** *SEC. 232. BUDGETARY TREATMENT OF AMOUNTS FOR PROCUREMENT FOR BALLISTIC MISSILE DEFENSE PROGRAMS.* *(a) Requirement for Inclusion in Budget of BMDO.--(1) Chapter 9 of title 10, United States Code, is amended by inserting after section 222 the following new section:* *"Sec. 224. Ballistic missile defense programs: display of amounts for procurement* *"(a) Requirement.--Any amount in the budget submitted to Congress under section 1105 of title 31 for any fiscal year for procurement for a Department of Defense missile defense program described in subsection (b) shall be set forth under the account of the Department of Defense for Defense-wide procurement and, within that account, under the subaccount (or other budget activity level) for the Ballistic Missile Defense Organization.* *"(b) Covered Programs.--Subsection (a) applies to the following missile defense programs of the Department of Defense:* *"(1) The National Missile Defense program.* *"(2) Any system that is part of the core theater missile defense program.*	**Report Language** **Page 671** Budgetary treatment of amounts for procurement for ballistic missile defense programs (sec. 232) The House bill contained a provision (sec. 231) that would require future budget requests for procurement of the National Missile Defense program and for core theater missile defense programs to be within the accounts of the Ballistic Missile Defense Organization (BMDO) rather than in the accounts of the military services. The Senate amendment contained a provision (sec. 226) that would direct the Secretary of Defense to transfer ballistic missile defense program procurement funds previously managed by the Ballistic Missile Defense Organization from military service accounts back to their original BMDO procurement accounts. The Senate recedes with an amendment that combines the House and the Senate provisions.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 36-37** *"(3) Any other ballistic missile defense program that enters production after the date of the enactment of this section and for which research, development, test, and evaluation was carried out by the Ballistic Missile Defense Organization.* *"(c) Core Theater Ballistic Missile Defense Program.--For purposes of this section, the core theater missile defense program consists of the systems specified in section 234 of the Ballistic Missile Defense Act of 1995 (10 U.S.C. 2431 note).".* *(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 222 the following new item:* *"224. Ballistic missile defense programs: display of amounts for procurement.".* *(b) Fiscal Year 1998 Funds.--(1) The Secretary of Defense shall transfer to appropriations available to the Ballistic Missile Defense Organization for procurement for fiscal year 1998 any amounts that are appropriated for procurement for that fiscal year for any of the Armed Forces by reason of the transference of certain programs to accounts of the Army, Navy, Air Force, and Marine Corps pursuant to Program Budget Decision 224C3, signed by the Under Secretary of Defense (Comptroller) on December 23, 1996.* *(2) Any transfer pursuant to paragraph (1) shall not be counted for purposes of section 1001.*	**Report Language** **Page 655** Ballistic Missile Defense Organization funding The budget request included approximately $2.6 billion for the Ballistic Missile Defense Organization (BMDO) for research, development, test, and evaluation (RDT&E). The budget request also included $386.4 million in procurement funds formerly managed by BMDO that were transferred to the military services. As addressed elsewhere in this report, the conferees have agreed to include a legislative provision requiring that these procurement funds be transferred back to BMDO. In addition, the conferees have agreed to specifically authorize these procurement funds in their original BMDO program elements. Consistent with these changes, the following direction addresses these fiscal year 1998 procurement funds as part of the budget request for BMDO. Funding direction regarding BMDO military construction is located elsewhere in this report. Specific programmatic and funding guidance is provided below.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 249** *SEC. 1003. AUTHORITY FOR OBLIGATION OF UNAUTHORIZED FISCAL YEAR 1997 DEFENSE APPROPRIATIONS.* *(a) Authority.--The amounts described in subsection (b) may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1997 defense appropriations.* *(b) Covered Amounts.--The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1997 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1997 defense authorizations.* *(c) Definitions.--For the purposes of this section:* *(1) Fiscal year 1997 defense appropriations.--The term "fiscal year 1997 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1997 in the Department of Defense Appropriations Act, 1997 (as contained in section 101(b) of Public Law 104-208).* *(2) Fiscal year 1997 defense authorizations.--The term "fiscal year 1997 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1997 in the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201).*	**Report Language** **Page 791** Authority for obligation of unauthorized fiscal year 1997 defense appropriations (sec. 1003) The House bill contained a provision (sec. 1003) that would authorize fiscal year 1997 programs that received appropriations but no authorization. Senate amendment contained a similar provision (sec. 1002). The Senate recedes.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Authorization Conference
H.R. 1119; H. Rept. 105-340 (10/23/97)

FY98 DOD Authorization Conference
H.R. 1119; H. Rept. 105-340 (10/23/97)

Report Language
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BMDO FUNDING ALLOCATION
[In millions of dollars]

Program Element	Budget Req	SASC Change	HNSC Change	Conf Change	Total Auth
RDT&E					
Support Technology	249.5	+188.4	+ 35.0	+171.0	420.5
THAAD [1]	556.1	- 202.7	+ 45.0	- 150.0	406.1
Navy Lower Tier	267.8	--	+ 22.0	+ 22.0	289.8
Navy Upper Tier	194.9	+ 80.0	+150.0	+150.0	344.9
MEADS	48.0	--	--	--	48.0
BPI	12.9	+ 5.0	- 12.9 [2]	+ 3.5	16.4
NMD	504.1	+474.0	+474.0	+474.0	978.1
Joint TMD	542.6	+ 34.0	- 18.7[2]	+ 39.0	581.6
PAC-3 EMD	206.1	--	--	--	206.1
Cooperative BMD	--	--	+123.1	--	--
Procurement					
TMD-BMC3	20.1	--	--	--	20.1
Navy Lower Tier	15.4	--	--	--	15.4
PAC-3	349.1	--	--	--	349.1
BMDO Total	2,966.6	+578.7	+817.5	+709.5	3,676.1

/1/ Following submission of the budget request, the Department of Defense submitted a revised fiscal year 1998 budget request for THAAD of $353.4 million for Dem/Val and no funds for EMD.

/2/ Transfer to Cooperative BMD.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
3,633.848	2,589.014	3,690.729	3,690.729	3,618.314	3,618.314	3,772.358

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)

Bill Language
Page 32 & 33

Research, Development, Test and Evaluation, Defense-Wide

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment; $9,494,337,000, to remain available for obligation until September 30, 1999: ***Provided, That not less than $444,898,000 of the funds appropriated in this paragraph shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program****: Provided further, That funds appropriated for the Dual-Use Applications Program under section 5803 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law 104-208), shall remain available for obligation until September 30, 1998.*

Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)

Bill Language
Page 33

Research, Development, Test, and Evaluation, Defense-Wide

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment; $9,608,689,000, to remain available for obligation until September 30, 1999.

Page 55

Sec. 8027. No more than $500,000 of the funds appropriated or made available in this Act shall be used during a single fiscal year for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the congressional defense committees that such a relocation is required in the best interest of the Government.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **Page 86-87** *Sec. 8079. The Under Secretary of Defense (Comptroller) shall submit to the congressional defense committees by February 1, 1998 a detailed report identifying, by amount and by separate budget activity, activity group, subactivity group, line item, program element, program, project, subproject, and activity, any activity for which the fiscal year 1999 budget request was reduced because Congress appropriated funds above the President's budget request for that specific activity for fiscal year 1998.* **Page 95** *Sec. 8100. None of the funds appropriated in title IV of this Act may be used to procure end-items for delivery to military forces for operational training, operational use or inventory requirements: Provided, That this restriction does not apply to end-items used in development and test activities preceding and leading to acceptance for operational use: Provided further, That this restriction does not apply to programs funded within the National Foreign Intelligence Program: Provided further, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.*	**Bill Language** **Page 75** *Sec. 8064. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts in the specified amounts:* ***"Research, Development, Test and Evaluation, Defense-Wide, 1997/1998", $29,700,000***

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Report Language **Page 8** Missile defense: The Committee recommends total funding of $3,673,659,000, a net increase of $707,115,000, for the Ballistic Missile Defense Organization. The Committee bill includes a total of $978,090,000 ($474,000,000 over the budget request) for national missile defense and $2,695,568,000 (a net increase of $233,115,000 over the budget request) for theater systems. The Committee has fully funded the budget request for the joint U.S.-Israel ARROW missile defense program, and has added $41,500,000 over the budget request for the joint U.S.-Israel "Nautilus" Tactical High-Energy Laser program. The Committee has also fully funded the Air Force's Airborne Laser program at the requested amount ($157,136,000). **Page 20** The Committee recommends $45,515,962,000 in new obligational authority for Procurement, an increase of $3,930,784,000 over the fiscal year 1998 budget request. Major programs funded in the bill include: ...$384,600,000 for Ballistic Missile Defense	**Report Language** **Page 5** REVISED ECONOMIC ASSUMPTIONS The following table reflects the reestimation of inflation undertaken by the Office of Management and Budget in June. The Committee recommends reductions to the specific appropriations identified in the table in those amounts, for a total of -$697,000,000. The Committee expects the Department to distribute these reductions against each program and activity in each account reduced on the basis of these revised economic assumptions. Procurement, defense-wide-..... -12,000 Title IV--Research, development, test and evaluation: Research, development, test, and evaluation: Defense-wide..... -49,000 **Page 124-125** Ballistic Missile Defense Organization [BMDO].--The Committee has provided $3,226,644,000 for research, development, test, and evaluation [RDT&E] efforts on national and theater ballistic missile defense systems and technologies. This appropriation represents an overall increase of $644,700,000 to the Ballistic Missile Defense Organization [BMDO] RDT&E budget request. The Committee has also approved the budget request amount

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

House FY98 DOD Appropriations Bill
H.R. 2266; H. Rept. 105-206 (7/25/97)

Report Language
Page 21

The Committee recommends $36,704,924,000 in new obligational authority for Research, Development, Test and Evaluation, an increase of $770,433,000 from the fiscal year 1998 budget request. Major programs funded in the bill include the following:

...$3,289,059,000 for Ballistic Missile Defense

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The Army requested $349,109,000 for Patriot. The Committee recommends transferring this amount to the Ballistic Missile Defense Organization in the "Procurement, Defense-Wide" appropriation, as proposed in the House-passed Defense Authorization bill.

Page 111

The Navy requested $196,492,000 for Standard Missile. The Committee recommends $181,092,000, a decrease of $15,400,000. The funds for the Navy Lower Tier program have been transferred to the Ballistic Missile Defense Organization, in the "Procurement, Defense-Wide" appropriation as proposed in the House-passed Defense Authorization bill.

Senate FY98 DOD Appropriations Bill
S. 1005; S. Rept. 105-45 (7/10/97)

Report Language
Page 124-125

for procurement of missile defense systems, $386,400,000, in the respective military service procurement accounts. Thus, the total appropriation for ballistic missile defense programs in this bill is $3,613,044,000, consistent with the Senate-reported bill authorizing DOD programs for fiscal year 1998. The Committee has made a number of adjustments to individual RDT&E accounts.

Item	1998 Budget Estimate	Committee Recomm	Change from Budget Est.
Support Technologies—Applied Research	101,932	115,932	+14,000
Wide bandgap electronic		+14,000	+14,000
Support Technologies—Advanced Tech	147,557	351,957	+204,400
Advanced Intercept Tech		+40,000	+40,000
Space Based Laser		+118,000	+118,000
Midcourse space experiment		+6,400	+6,400
APEX Program		+10,000	+10,000
Russian American Observational Satellites (RAMOS)		+15,000	+15,000
Photo Conduction on active pixel Sensor Technolgy		+5,000	+5,000
Scorpius		+10,000	+10,000
Theater high-altitude area defense system Dem/Val	294,647	353,427	+58,780
Navy Theater wide Missile Defense Dem/Val	194,898	274,898	+80,000
Boost Phase Intercept Theater Missile: Defense Acquisition—Dem/Val	12,885	17,885	+5,000
National Missile Defense—Dem/Val	504,091	978,091	+474,000

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

House FY98 DOD Appropriations Bill
H.R. 2266; H. Rept. 105-206 (7/25/97)

Report Language
Page 149

The Department requested no funds in Procurement, Defense-wide for Patriot PAC-3, Navy Lower Tier and Battle Management and Control. The Committee recommends that funds provided for these programs in other Service accounts be transferred to BMDO, as proposed in the House-passed Defense Authorization bill.

Page 220-221

The Department requested $2,581,944,000 for Ballistic Missile Defense in the Research, Development, Test and Evaluation title of the bill. The Committee recommends $3,289,059,000 for the Ballistic Missile Defense Organization's (BMDO) research and development programs, an increase of $707,115,000. The Committee recommends specific changes in Ballistic Missile Defense Organization programs as detailed in the table below.

Item	Budget Request	Committee Recomm	Change from Request.
National Missile Defense	504,091	978,091	+474,000
Navy Upper Tier	194,898	444,898	+250,000
MEADS/Corps SAM	47,956	47,956	
Boost Phase Intercept	12,885	0	-12,885
Theater High Altitude Area Defense Dem/Val	294,647	238,647	-56,000
Theater High Altitude Area Defense EMD	261,480	261,480	
AIT			+30,000
Navy Lower Tier EMD	267,822	289,822	+22,000

Senate FY98 DOD Appropriations Bill
S. 1005; S. Rept. 105-45 (7/10/97)

Report Language
Page 124-125

Joint Theater Missile Defense—Dem/Val	542,619	612,619	+70,000
Extended Air Defesne Test Bed (EADTB)		+9,600	+9,600
Advanced Research Center		+7,000	+7,000
ARROW		+15,000	+15,000
Kauai Test Facility (KTF)		+5,000	+5,000
Pacific Missile Range Facility (PMRF)	--	--	--
Upgrades for Theater Missile Defense		+33,400	+33,400
Theater High Altitude Area Defense System	261,480	--	-261,480

Page 148

Sec. 8027. Relocation to the National Capital region.--Retains a provision and makes a modification requested by the administration.

Page 150

Sec. 8064. Rescissions.--The Committee recommends a general provision rescinding funds from three programs as displayed below.

Fiscal year 1997

Research, development, test, and evaluation, Defense-wide/ follow-on TMD--airborne sensors for ballistic missile tracking..... 9,700,000

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Report Language **Page 252** Language has also been amended to change the amount of funds earmarked for the Navy Upper Tier program. **Page 254** Section 8079 has been amended to require a specific date for the Defense Department Comptroller to submit a report to the congressional defense committees detailing programs whose budget request was reduced because Congress appropriated funds above the budget request in the previous fiscal year. **Page 255** Section 8100 has been added which restricts the use of Research and Development funding for the procurement of end-items.	

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **Page 15** *Provided, That not less than $409,898,000 of the funds appropriated in this paragraph shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program:* **Page 24** *Sec. 8022. No more than $500,000 of the funds appropriated or made available in this Act shall be used during a single fiscal year for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the congressional defense committees that such a relocation is required in the best interest of the Government.*	**Report Language** **No language exists.**

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **Page 28-29** *Sec. 8041. The total amounts appropriated in titles II, III, and IV of this Act are hereby reduced by $300,000,000 to reflect savings from the use of advisory and assistance services by the Department of Defense: Provided, That the savings shall be applied to the following titles in the following amounts:* *Title II, Operation and Maintenance, $112,000,000;* *Title III, Procurement, $62,000,000; and* ***Title IV, Research, Development, Test and Evaluation, $126,000,000:*** *Provided further, That the savings specified shall be applied only to funds budgeted to purchase advisory and assistance services: Provided further, That the savings shall be applied on a pro-rata basis to each program, project and activity which included budget funds for advisory and assistance services.* **Page 29** *Sec. 8043. Notwithstanding any other provision of this Act, the amounts provided in all appropriation accounts in titles III and IV of this Act are reduced by 1.5 percent: Provided, That these reductions shall be applied on a pro-rata basis to each line item, program element, program, project, subproject, and activity within each appropriation account: Provided further, That not later than 60 days after the enactment of this Act, the Undersecretary of Defense (Comptroller) shall submit a report to the congressional defense committees listing the specific funding reductions allocated to each category listed in the preceding proviso pursuant to this section.*	**Report Language** **Page 142** The conferees included a general provision (Section 8043) which amends a Senate provision offsetting funds provided to meet flying hour shortfalls. The conference agreement contains significant increases over the budget request to meet shortfalls in flying hour and spare parts funding, depot maintenance, and other readiness requirements of both the Active and Reserve components. Section 8043 provides offsets for these critical readiness programs through reductions, on a pro-rata basis, to each activity funded in titles III and IV of the conference agreement.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)

Statutory Language
Page 30

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

Page 32

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

"Shipbuilding and Conversion, Navy, 1996/2000", $35,600,000;
"Other Procurement, Navy, 1996/1998", $3,300,000;
"Aircraft Procurement, Army, 1997/1999", $5,000,000;
"Procurement of Ammunition, Army, 1997/1999", $5,000,000;
"Other Procurement, Army, 1997/1999", $6,000,000;
"Other Procurement, Navy, 1997/1999", $2,200,000;
"Aircraft Procurement, Navy, 1997/1999", $24,000,000;

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)

Report Language
Page 142

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

Page 143-144

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

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

	House	Senate	Conference
Follow-on-TMD Airborne sensors for ballistic missile tracking	0	-9,700.000	-4,000.000

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **Page 32** *"Research, Development, Test and Evaluation, Army, 1997/1998", $6,000,000;* *"Research, Development, Test and Evaluation, Navy, 1997/1998", $40,000,000;* *"Research, Development, Test and Evaluation, Air Force, 1997/1998", $25,000,000;* ***"Research, Development, Test and Evaluation, Defense-Wide, 1997/1998", $24,000,000.*** **Page 43** *Sec. 8106. Notwithstanding any other provision in this Act, the total amount appropriated in title III of this Act is hereby reduced by $75,000,000 to reflect savings from repeal of section 2403 of title 10, United States Code.*	**Report Language** **Page 143-144** The conferees have rescinded a portion of the fiscal year 1997 funds provided for the Airborne Sensors for Ballistic Missile Tracking project. The conferees direct that the first priority for the remaining funds shall be to accomplish any valid technology transfer to Airborne Laser (ABL) program. **Page 144-145** The conferees included a general provision (Section 8106) which amends House language concerning savings from changes to law proposed by the House National Security Committee and the Senate Armed Services Committees on warranties in contracts for the acquisition of defense weapon systems. The conferees agree to a reduction of $75,000,000 rather than $50,000,000 as proposed by the House.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **Page 44** *Sec. 8114. None of the funds appropriated in title IV of this Act may be used to procure end-items for delivery to military forces for operational training, operational use or inventory requirements: Provided, That this restriction does not apply to end-items used in development, prototyping, and test activities preceding and leading to acceptance for operational use: Provided further, That this restriction does not apply to programs funded within the National Foreign Intelligence Program: Provided further, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.*	**Report Language** **Page 145** The conferees included a general provision (Section 8114) which amends House language restricting the use of Research and Development funding for the procurement of end-items.
Page 47 *Sec. 8127. Of the funds provided in title III of the Department of Defense Appropriations Act, 1996 (Public Law 104-61), $62,000,000 are rescinded, and of the funds provided in title IV of the Department of Defense Appropriations Act, 1997 (as contained in section 101(b) of Public Law 104-208), $38,000,000 are rescinded: Provided, That such rescissions shall not be made before July 1, 1998: Provided further, That not later than June 1, 1998, the Undersecretary of Defense (Comptroller) shall submit a report to the congressional defense committees listing the specific programs, projects and activities proposed for rescission subject to the provisions of this section.*	**Page 145** The conferees included a new general provision (Section 8127) which rescinds $100,000,000 from funds appropriated in previous Defense Department Appropriations Acts which are expected to expire at the end of fiscal year 1998.

BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language	**Report Language** **Page 131**

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Support Tech – Applied Research				
Wide bandgap electronic		+10.000	+14.000	+12.000
AIT		+30.000	----------	----------
Support Tech—Adv Tech Devel				
AIT			+40.000	+30.000
SBL			+118.000	+98.000
Midcourse Space Experiment			+6.400	+5.000
APEX Program			+10.000	+8.000
RAMOS			+15.000	+13.000
Photo Conduction on Active Pixel Sensor Tech			+5.000	+5.000
Scorpius			+10.000	+5.000
Joint Theater Missile Defense				
Extended Air Defense Testbed			+9.600	+7.800
Advanced Research Center (ARC)			+7.000	+7.000
ARROW			+15.000	+12.000
Kauai Test Facility			+5.000	+5.000
Upgrades for TMD (PMRF)			+33.400	+31.000

OVERALL THEATER MISSILE DEFENSE

OVERALL THEATER MISSILE DEFENSE

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
2,461.301	1,834.894	2,528.009	2,528.009	2,135.794	2,135.794	2,279.438

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 36 & 37** *SEC. 233. DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *(a) Change in Deployment Dates.--Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3)--*	**Bill Language** **No language exists.**

OVERALL THEATER MISSILE DEFENSE (CONT)	
House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	**Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 36 &37** *(A) by striking out "with a" and inserting in lieu thereof "to be carried out so as to achieve a"; and* *(B) by striking out "fiscal year 1998" and "fiscal year 2000" and inserting in lieu thereof "fiscal year 2000" and "fiscal year 2004", respectively; and* *(5) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system, with" and inserting in lieu thereof "Navy Theater Wide system, to be carried out so as to achieve".* *(b) Conforming Amendments for Program Element Name Changes.— Section 251(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 233; 10 U.S.C. 221 note) is amended--* *(1) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and inserting in lieu thereof "Navy Area Defense system"; and* *(2) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system" and inserting in lieu thereof "Navy Theater Wide system".*	

OVERALL THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 34 &35** *SEC. 231. BUDGETARY TREATMENT OF AMOUNTS REQUESTED FOR PROCUREMENT FOR BALLISTIC MISSILE DEFENSE PROGRAMS.* *(a) Requirement for Inclusion in Budget of BMDO.--(1) Chapter 9 of title 10, United States Code, is amended by inserting after section 222 the following new section:* *"Sec. 224. Ballistic missile defense programs: amounts for procurement* *"(a) Requirement.--Any amount in the budget submitted to Congress under section 1105 of title 31 for any fiscal year for procurement for the National Missile Defense program or for any system that is part of the core theater missile defense program shall be set forth under the account of the Department of Defense for Defense-wide procurement and, within that account, under the subaccount (or other budget activity level) for the Ballistic Missile Defense Organization.* *"(b) Core Theater Ballistic Missile Defense Program.--For purposes of this section, the core theater missile defense program consists of the systems specified in section 234 of the Ballistic Missile Defense Act of 1995 (10 U.S.C. 2431 note).".*	**Bill Language** **Page 49** *SEC. 222. REVERSAL OF DECISION TO TRANSFER PROCUREMENT FUNDS FROM THE BALLISTIC MISSILE DEFENSE ORGANIZATION.* *(a) Transfers Required.--The Secretary of Defense shall--* *(1) transfer to appropriations available to the Ballistic Missile Defense Organization for procurement for fiscal year 1998 the amounts that were transferred to accounts of the Army, Navy, Air Force, and Marine Corps pursuant to Program Budget Decision 224C3, signed by the Under Secretary of Defense (Comptroller) on December 23, 1996; and* *(2) ensure that, in the future-years defense program, the procurement funding covered by that program budget decision is programmed for appropriations accounts of the Ballistic Missile Defense Organization rather than appropriations accounts of the Armed Forces.* *(b) Relationship to Other Transfer Authority.--The transfer authority provided in subsection (a) is in addition to the transfer authority provided in section 1001.*

OVERALL THEATER MISSILE DEFENSE (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 34 & 35** *(b) Clerical Amendment.--The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 222 the following new item:* *"224. Ballistic missile defense programs: amounts for procurement.".*	

OVERALL THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258** Section 231--Budgetary Treatment of Amount Requested for Procurement for Ballistic Missile Defense Programs The budget request incorporated a major change in funding policy for BMD programs by transferring all procurement for TMD programs from the centralized BMD account to the separate service procurement accounts. The committee is convinced that the Department, through this action, has placed its professed highest priority missile defense initiatives at risk by forcing them to compete with underfunded modernization programs of higher priority for each individual service. Additionally, in transferring fiscal year 1998 TMD procurement funding to the services, the Department did not issue any specific guidance that outyear funding for these programs was to be sustained or that TMD programs were to be considered as a service priority. Without such guidance, the committee believes that TMD procurement would suffer the same fate as other service modernization programs which continue to be restructured and have their schedules stretched due to funding shortfalls. Finally, despite testimony from the Department on the importance of TMD programs, the committee is disappointed to note that funding for all TMD programs is significantly reduced from the levels provided in fiscal year 1997. The committee is opposed to the proposed change in the TMD funding policy. This provision would direct the Secretary of Defense to transfer all fiscal year 1998 TMD program procurement funds back to the BMD procurement account. The provision would also require that all National Missile Defense program procurement funds be included in the BMDO procurement account. The committee considers procurement and fielding of TMD systems to be a priority congressional interest item and directs the Secretary to retain procurement for these programs within BMDO.	**Report Language** **Page 128** Section 222. Reversal of decision to transfer procurement funds from the Ballistic Missile Defense Organization. On December 23, 1996, Program Budget Decision 224C3, signed by the Under Secretary of Defense (Comptroller), transferred all procurement funds for ballistic missile defense programs from the Ballistic Missile Defense Organization (BMDO) to the military services. The committee strongly opposes this decision and recommends a provision that would reverse it. The committee has concluded that, for purposes of continuity and management coherence, BMDO should continue to manage the program procurement funds in cases where BMDO already manages the program research, development, test, and evaluation funds. This is a basic principle dating back to the creation of the Strategic Defense Initiative Organization. The committee is concerned that transferring procurement funds from BMDO to the military services will force unhealthy and unnecessary tension between missile defense programs and already under funded service modernization programs. This tension will be particularly acute in the years beyond the Future Years Defense Program when the services would be required to identify and dedicate the needed ballistic missile defense procurement funds from within service accounts that are likely to be under funded.

OVERALL THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** Sec. 233. Deployment Dates For Core Theater Missile Defense Programs. The committee is disappointed by the Administration's lack of commitment to the timely deployment of theater missile defenses. While the Administration concedes that theater ballistic missiles constitute a clear and present danger to U.S. forces deployed abroad, Congressional efforts on behalf of the rapid development and deployment of TMD systems to meet this threat have been slowed by both Administration action and inaction. In the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106), Congress established first unit equipped (FUE) dates of fiscal year 2000 for Theater High Altitude Area Defense system (THAAD), fiscal year 2001 for the Navy Theater Wide system, fiscal year 1998 for Patriot Advanced Capability Configuration 3 (PAC-3), and fiscal year 1999 for the Navy Area Defense system. These dates were based on Congressional support for the early deployment of a TMD capability, but they were also based on the assumption of aggressive and streamlined management as well as robust funding. However, within weeks of the dates being approved by Congress and signed into law by the President, the Administration took budgetary and programmatic actions that had the effect of delaying each of these programs and their deployment dates. Compared to the legally directed dates, the Administration's plan delayed the THAAD deployment date by six years, the Navy Theater Wide system date by at least four years, PAC-3 by one year, and the Navy Area Defense system by two years. In presenting the fiscal year 1998 funding request earlier this year, the Department asserted that all TMD programs had been accelerated. Yet in the case of each of these TMD systems, the fiscal year 1998 request is lower than	**Report Language** **Page 4** ...Finally, the committee sought to accelerate the development and deployment of theater missile defense systems and to provide adequate funding for a national missile defense system to preserve the option to deploy such a system in fiscal year 2003. This bill also supports expeditious deployment of land and sea-based theater missile defense systems to protect U.S. and allied forces against the growing threat of cruise and ballistic missiles.

OVERALL THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** the amount Congress appropriated for fiscal year 1997. Despite the requirements of Public Law 106-104, the Administration target FUE dates for PAC-3 and Navy Area Defense remained fiscal year 1999 and 2001, respectively, the dates the Administration unilaterally established in 1996 contrary to the law. As noted elsewhere in this report, the Department has still not reviewed the Navy Theater Wide program to determine if accelerating the program from its currently anticipated deployment date of 2008 is feasible. And while Department of Defense announced in January that the THAAD FUE would be accelerated to 2004, the program's FUE was immediately slipped back to 2006 following a test failure. The committee continues to believe that a THAAD user operational evaluation system (UOES) can and should be deployed by fiscal year 2000 and FUE achieved by fiscal year 2004 at an acceptable risk given the high-value payoff associated with deployment of an operational THAAD capability. The committee also understands that BMDO is considering steps that could provide a more robust THAAD UOES capability, thus providing greater capability in the field at an earlier date, and strongly supports any such initiatives. Accordingly, this provision would require the Secretary of Defense to structure the THAAD program to achieve a THAAD UOES capability by fiscal year 2000 and FUE by fiscal year 2004. The committee reiterates its concern that the Department still has not defined the Navy Theater Wide program nor established a program schedule. The committee finds this lack of focus and commitment unacceptable and elsewhere in this report has directed the Secretary of Defense to report to the	

OVERALL THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** Congressional defense committees on the earliest feasible Navy Theater Wide deployment date. The committee reminds the Secretary of Defense of his obligation under current law and urges that the Navy Theater Wide program be structured to come as close as possible to achieving a UOES capability in fiscal year 1999 and FUE in fiscal year 2001. Congressional funding increases have helped to accelerate the Navy Area Defense system into engineering and manufacturing development and the PAC-3 program into procurement. The committee also notes the budget request does not propose to slip the deployment dates of these two systems further into the future. Given both programs' advanced state of development and the increasing likelihood that the currently programmed deployment dates will be met, this section would also repeal the dates specified in section 234 of the Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) for PAC-3 and the Navy Area Defense System. The committee remains committed to fielding effective TMD systems at the earliest feasible date and once again urges the Administration to support full funding and aggressive goal-oriented management for all of these critical systems.	

OVERALL THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 235-236** Theater missile defense demarcation The committee notes that the presidents of the United States and Russia, at the recent Helsinki summit, signed a joint statement concerning the 1972 Anti-Ballistic Missile (ABM) Treaty and the relationship of TMD systems to that treaty. The joint statement outlined the agreement reached last year between both sides at the Standing Consultative Commission (SCC) regarding lower-velocity TMD systems, which Russia refused to sign, and established parameters to be used as the basis for further negotiations on higher-velocity TMD systems. The committee is concerned with several elements of the joint Helsinki statement. First, it establishes limitations on TMD systems in the context of the ABM Treaty. The ABM Treaty, which prohibits a defense of U.S. national territory against strategic ballistic missiles, was never intended to apply to theater missile defense systems. Second, the Administration asserts that it has sought to negotiate an agreement with Russia that would "clarify" the distinction between permitted and prohibited missile defense capabilities. The agreement fails to achieve this clarification. The committee continues to accept the "demonstrated standard" identified in section 325 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106), which makes no reference to interceptor speeds. Specifically, this provision established the principle that TMD interceptors could not be tested against a ballistic missile traveling farther than 3,500	

OVERALL THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 235-236** kilometers or with a velocity greater than five kilometers per second. Interceptors tested against ballistic targets exceeding these parameters would be considered ABM-capable. This "demonstrated standard" was the only criterion supported by Congress for judging whether TMD interceptors were captured by the ABM Treaty. The U.S.-Russian Helsinki agreement would establish the "demonstrated standard" as the sole measure of treaty compliance for lower-velocity TMD systems, those with speeds of three kilometers a second or less. However, no agreement was reached on higher-velocity TMD systems. While the Administration has issued public assurances that no U.S. TMD systems now under development will be restricted by the Helsinki agreement, it has also committed to negotiate with Russia on the higher-velocity systems. The Russian perspective on these impending negotiations is that limits on interceptor speed must be introduced, the U.S. cannot unilaterally declare its higher-velocity TMD programs to be in compliance with the ABM Treaty, and that compliance can only be established through negotiation Far from clarifying the distinction between permitted and prohibited systems, the Administration has apparently accepted an artificial distinction between lower- and higher-velocity TMD and has agreed to negotiations that may limit the performance of U.S. TMD systems. The committee opposes restrictions on higher velocity U.S. TMD systems, as well as negotiations that would compel any degradation of the capabilities embodied in U.S. TMD systems, present or future. Third, the agreement reached in Helsinki went beyond even the Administration's stated objective of clarifying ambiguities in the ABM Treaty.	

OVERALL THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 235-236** For instance, the joint statement notes that TMD deployments should be limited in "number and geographic scope." Such a restriction could impose for the first time unacceptable restraints on where and how TMD systems might be deployed. Fourth, the joint statement notes U.S.-Russian agreement that no TMD deployment will be directed against the other party. This prohibition could deny new NATO members an important defensive benefit under Article V of the North Atlantic Treaty. Under such a restriction, Russia may object to U.S. TMD systems deployed in Western Europe or Asia intended to protect U.S. forces and allies. Such a restriction is likely to make it more difficult to build an allied consensus on the need for TMD. Finally, the language of the joint statement committing the sides to "exchange detailed information annually on TMD plans and programs" has the potential to provide Russia with sensitive information regarding U.S. TMD programs, as well as an opportunity to challenge U.S. TMD programs early in their development. Such exchanges must be carefully thought through and implemented only to the extent that they do not undermine U.S. national security objectives. The committee notes the Administration has stated that the Helsinki agreement on theater missile defense demarcation represents a substantive change to the ABM Treaty and its intention to submit the agreement to the Senate for its advice and consent. The committee believes that a full and thorough debate over the implications of the TMD demarcation agreement for U.S. security is long overdue.	

OVERALL THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 235-236** Theater missile defense of U.S. territories The committee supports highly effective theater missile defenses for the territories of the United States and urges the Secretary of Defense to take all appropriate steps to ensure that U.S. ballistic missile defense planning continues to be responsive to evolving threats to these territories.	

OVERALL THEATER MISSILE DEFENSE (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 36-37** *SEC. 232. BUDGETARY TREATMENT OF AMOUNTS FOR PROCUREMENT FOR BALLISTIC MISSILE DEFENSE PROGRAMS.* *(a) Requirement for Inclusion in Budget of BMDO.--(1) Chapter 9 of title 10, United States Code, is amended by inserting after section 222 the following new section:* *"Sec. 224. Ballistic missile defense programs: display of amounts for procurement* *"(a) Requirement.--Any amount in the budget submitted to Congress under section 1105 of title 31 for any fiscal year for procurement for a Department of Defense missile defense program described in subsection (b) shall be set forth under the account of the Department of Defense for Defense-wide procurement and, within that account, under the subaccount (or other budget activity level) for the Ballistic Missile Defense Organization.* *"(b) Covered Programs.--Subsection (a) applies to the following missile defense programs of the Department of Defense:* *"(1) The National Missile Defense program.* *"(2) Any system that is part of the core theater missile defense program.*	**Report Language** **Page 671** Budgetary treatment of amounts for procurement for ballistic missile defense programs (sec. 232) The House bill contained a provision (sec. 231) that would require future budget requests for procurement of the National Missile Defense program and for core theater missile defense programs to be within the accounts of the Ballistic Missile Defense Organization (BMDO) rather than in the accounts of the military services. The Senate amendment contained a provision (sec. 226) that would direct the Secretary of Defense to transfer ballistic missile defense program procurement funds previously managed by the Ballistic Missile Defense Organization from military service accounts back to their original BMDO procurement accounts. The Senate recedes with an amendment that combines the House and the Senate provisions.

OVERALL THEATER MISSILE DEFENSE (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **Page 36-37** *"(3) Any other ballistic missile defense program that enters production after the date of the enactment of this section and for which research, development, test, and evaluation was carried out by the Ballistic Missile Defense Organization.* *"(c) Core Theater Ballistic Missile Defense Program.--For purposes of this section, the core theater missile defense program consists of the systems specified in section 234 of the Ballistic Missile Defense Act of 1995 (10 U.S.C. 2431 note).".* *(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 222 the following new item:* *"224. Ballistic missile defense programs: display of amounts for procurement.".* *(b) Fiscal Year 1998 Funds.--(1) The Secretary of Defense shall transfer to appropriations available to the Ballistic Missile Defense Organization for procurement for fiscal year 1998 any amounts that are appropriated for procurement for that fiscal year for any of the Armed Forces by reason of the transference of certain programs to accounts of the Army, Navy, Air Force, and Marine Corps pursuant to Program Budget Decision 224C3, signed by the Under Secretary of Defense (Comptroller) on December 23, 1996.* *(2) Any transfer pursuant to paragraph (1) shall not be counted for purposes of section 1001.*	

OVERALL THEATER MISSILE DEFENSE (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 39** *SEC. 236. REPEAL OF REQUIRED DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3), by striking out ", with a" and all that follows through "fiscal year 2000"; and* *(5) in paragraph (4), by striking out "Navy Upper Tier" and all that follows through "fiscal year 2001" and inserting in lieu thereof "Navy Theater Wide system".*	**Report Language** **Page 672-673** Repeal of required deployment dates for core theater missile defense programs (sec. 236) The House bill contained a provision (sec. 233) that would amend section 234(a) of the Ballistic Missile Defense Act of 1995 by eliminating deployment dates for certain core theater missile defense (TMD) programs and modifying the deployment date for the Theater High Altitude Area Defense (THAAD) program. The provision also made technical and conforming changes to section 234(a). The Senate amendment contained no similar provision. The Senate recedes with an amendment that would eliminate all deployment dates for core TMD programs from section 234(a) of the Ballistic Missile Defense Act of 1995. The conferees continue to support the earliest possible deployment of effective theater missile defenses, consistent with acceptable program risk, as a matter of high national priority. The conferees believe that the mandated deployment dates made clear the high priority attached by Congress to all four core theater missile defense programs. These dates and congressional funding increases have propelled the Navy Area Theater Ballistic Missile Defense program into engineering and manufacturing development and the Patriot Advanced Capability-3 (PAC-3) program into procurement. Congressionally mandated deployment dates were also motivated by the Department of

OVERALL THEATER MISSILE DEFENSE (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
	Report Language **Page 672-673** Defense's failure to commit firmly to a deployment schedule for the Navy Theater Wide and THAAD programs that would result in deployment of these vital capabilities at the earliest opportunity consistent with acceptable technical and program risk. Henceforth, the conferees anticipate that a statement of congressional intent concerning the management of the core TMD programs will be issued annually. The conferees believe that the flexibility of annual statements will allow for rigorous and effective congressional oversight.

OVERALL THEATER MISSILE DEFENSE (CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
2,188.871	1,828.364	2,031.479	2,031.479	1,780.664	1,780.664	1,981.664

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **Page 15** With respect to the abuse of RDT&E appropriations, the Committee is concerned about what appears to be an increasing lack of discipline within the Department of Defense in budgeting programs in the proper appropriations, especially among acquisition programs. The Committee is aware of desires within the DOD acquisition community to merge development and procurement funding into a single appropriation as a convenience to program managers. Such a change to fundamental budget practices would severely impede oversight by both senior managers in the Department as well as Congress. The Department has declined to make any such formal recommendations to the Congress; however, the Committee has become convinced the Department has instead placated its acquisition community by allowing program managers, under the guise of acquisition reform, to blur distinctions between appropriations. The Committee has identified a number of instances in this	**Bill Language** **No language exists.** **Report Language** **No language exists.**

OVERALL THEATER MISSILE DEFENSE (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Report Language **Page 15** report in which the Department has requested funding in the research and development accounts to initiate production, and production funding to initiate development. Most notable are the cases of EFOG-M, LOSAT, WCMD, WRAP initiatives, and F-22 discussed at length elsewhere in this report. **The Committee is particularly disturbed over a trend in missile programs to initiate production to provide an "interim warfighting capability" using research and development funding, contrary to Committee direction and DOD policy on the use of such funding.**	

OVERALL THEATER MISSILE DEFENSE (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

NAVY AREA DEFENSE

NAVY AREA DEFENSE

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
310.742	283.222	305.222	305.222	283.222	283.822	305.222

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 36-37** *SEC. 233. DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *(a) Change in Deployment Dates.--Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3)--*	**Bill Language** **No bill language exists.**

NAVY AREA DEFENSE (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 36-37** *(A) by striking out "with a" and inserting in lieu thereof "to be carried out so as to achieve a"; and* *(B) by striking out "fiscal year 1998" and "fiscal year 2000" and inserting in lieu thereof "fiscal year 2000" and "fiscal year 2004", respectively; and* *(5) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system, with" and inserting in lieu thereof "Navy Theater Wide system, to be carried out so as to achieve".* *(b) Conforming Amendments for Program Element Name Changes.— Section 251(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 233; 10 U.S.C. 221 note) is amended--* *(1) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and inserting in lieu thereof "Navy Area Defense system"; and* *(2) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system" and inserting in lieu thereof "Navy Theater Wide system".*	

NAVY AREA DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** The committee is disappointed by the Administration's lack of commitment to the timely deployment of theater missile defenses. While the Administration concedes that theater ballistic missiles constitute a clear and present danger to U.S. forces deployed abroad, Congressional efforts on behalf of the rapid development and deployment of TMD systems to meet this threat have been slowed by both Administration action and inaction. In the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106), Congress established first unit equipped (FUE) dates of fiscal year 2000 for Theater High Altitude Area Defense system (THAAD), fiscal year 2001 for the Navy Theater Wide system, fiscal year 1998 for Patriot Advanced Capability Configuration 3 (PAC-3), and fiscal year 1999 for the Navy Area Defense system. These dates were based on Congressional support for the early deployment of a TMD capability, but they were also based on the assumption of aggressive and streamlined management as well as robust funding. However, within weeks of the dates being approved by Congress and signed into law by the President, the Administration took budgetary and programmatic actions that had the effect of delaying each of these programs and their deployment dates. Compared to the legally directed dates, the Administration's plan delayed the THAAD deployment date by six years, the Navy Theater Wide system date by at least four years, PAC-3 by one year, and the Navy Area Defense system by two years. In presenting the fiscal year 1998 funding request earlier this year, the Department asserted that all TMD programs had been accelerated. Yet in the case of each of these TMD systems, the fiscal year 1998 request is lower than	**Report Language** **No report language exists.**

NAVY AREA DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** the amount Congress appropriated for fiscal year 1997. Despite the requirements of Public Law 106-104, the Administration target FUE dates for PAC-3 and Navy Area Defense remained fiscal year 1999 and 2001, respectively, the dates the Administration unilaterally established in 1996 contrary to the law. As noted elsewhere in this report, the Department has still not reviewed the Navy Theater Wide program to determine if accelerating the program from its currently anticipated deployment date of 2008 is feasible. And while Department of Defense announced in January that the THAAD FUE would be accelerated to 2004, the program's FUE was immediately slipped back to 2006 following a test failure. The committee continues to believe that a THAAD user operational evaluation system (UOES) can and should be deployed by fiscal year 2000 and FUE achieved by fiscal year 2004 at an acceptable risk given the high-value payoff associated with deployment of an operational THAAD capability. The committee also understands that BMDO is considering steps that could provide a more robust THAAD UOES capability, thus providing greater capability in the field at an earlier date, and strongly supports any such initiatives. Accordingly, this provision would require the Secretary of Defense to structure the THAAD program to achieve a THAAD UOES capability by fiscal year 2000 and FUE by fiscal year 2004. The committee reiterates its concern that the Department still has not defined the Navy Theater Wide program nor established a program schedule. The committee finds this lack of focus and commitment unacceptable and elsewhere in this report has directed the Secretary of Defense to report to the	

NAVY AREA DEFENSE (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 258-260** Congressional defense committees on the earliest feasible Navy Theater Wide deployment date. The committee reminds the Secretary of Defense of his obligation under current law and urges that the Navy Theater Wide program be structured to come as close as possible to achieving a UOES capability in fiscal year 1999 and FUE in fiscal year 2001. Congressional funding increases have helped to accelerate the Navy Area Defense system into engineering and manufacturing development and the PAC-3 program into procurement. The committee also notes the budget request does not propose to slip the deployment dates of these two systems further into the future. Given both programs' advanced state of development and the increasing likelihood that the currently programmed deployment dates will be met, this section would also repeal the dates specified in section 234 of the Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) for PAC-3 and the Navy Area Defense System. The committee remains committed to fielding effective TMD systems at the earliest feasible date and once again urges the Administration to support full funding and aggressive goal-oriented management for all of these critical systems.	

NAVY AREA DEFENSE(CONT)	
House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	**Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 233** The budget request contained $267.8 million in PE 64867C for Navy Area Theater Ballistic Missile Defense (TBMD). The committee notes the program's recent missile intercept testing successes and supports Department efforts to accelerate this program. As with all current TMD programs, the committee believes that the Navy Area TBMD test program could be more effectively accelerated if sufficient threat representative missile targets and test component spares were available. Accordingly, the committee recommends $289.8 million, an increase of $22.0 million to provide additional test support.	

NAVY AREA DEFENSE(CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 39** *SEC. 236. REPEAL OF REQUIRED DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3), by striking out ", with a" and all that follows through "fiscal year 2000"; and* *(5) in paragraph (4), by striking out "Navy Upper Tier" and all that follows through "fiscal year 2001" and inserting in lieu thereof "Navy Theater Wide system".*	**Report Language** **Page 672-673** Repeal of required deployment dates for core theater missile defense programs (sec. 236) The House bill contained a provision (sec. 233) that would amend section 234(a) of the Ballistic Missile Defense Act of 1995 by eliminating deployment dates for certain core theater missile defense (TMD) programs and modifying the deployment date for the Theater High Altitude Area Defense (THAAD) program. The provision also made technical and conforming changes to section 234(a). The Senate amendment contained no similar provision. The Senate recedes with an amendment that would eliminate all deployment dates for core TMD programs from section 234(a) of the Ballistic Missile Defense Act of 1995. The conferees continue to support the earliest possible deployment of effective theater missile defenses, consistent with acceptable program risk, as a matter of high national priority. The conferees believe that the mandated deployment dates made clear the high priority attached by Congress to all four core theater missile defense programs. These dates and congressional funding increases have propelled the Navy Area Theater Ballistic Missile Defense program into engineering and manufacturing development and the Patriot Advanced Capability-3 (PAC-3) program into procurement. Congressionally mandated deployment dates were also motivated by the Department of

NAVY AREA DEFENSE(CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
	Report Language **Page 672-673** Defense's failure to commit firmly to a deployment schedule for the Navy Theater Wide and THAAD programs that would result in deployment of these vital capabilities at the earliest opportunity consistent with acceptable technical and program risk. Henceforth, the conferees anticipate that a statement of congressional intent concerning the management of the core TMD programs will be issued annually. The conferees believe that the flexibility of annual statements will allow for rigorous and effective congressional oversight.

NAVY AREA DEFENSE (CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
301.582	267.822	289.822	289.822	267.822	267.822	289.822

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists** **Report Language** **Page 111** The Navy requested $196,492,000 for Standard Missile. The Committee recommends $181,092,000, a decrease of $15,400,000. The funds for the Navy Lower Tier program have been transferred to the Ballistic Missile Defense Organization, in the "Procurement, Defense-Wide" appropriation as proposed in the House-passed Defense Authorization bill. **Page 221** The Department requested $267,822,000 for the Navy Lower Tier program. The Committee recommends $289,822,000, an increase of $22,000,000 as proposed in the House-passed Defense Authorization bill. The Committee was pleased with the recent successful test of the Navy Lower Tier system and has provided funds for additional targets to reduce program risk.	**Bill Language** **No language exists** **Report Language** **No language exists.**

NAVY AREA DEFENSE (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

PATRIOT

PATRIOT

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
596.887	206.057	555.157	555.157	555.157	555.157	555.157

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 36-37** *SEC. 233. DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *(a) Change in Deployment Dates.--Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3)--*	**Bill Language** **No bill language exists.**

PATRIOT (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
<u>Bill Language</u> **<u>Page 36-37</u>** *(A) by striking out "with a" and inserting in lieu thereof "to be carried out so as to achieve a"; and* *(B) by striking out "fiscal year 1998" and "fiscal year 2000" and inserting in lieu thereof "fiscal year 2000" and "fiscal year 2004", respectively; and* *(5) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system, with" and inserting in lieu thereof "Navy Theater Wide system, to be carried out so as to achieve".* *(b) Conforming Amendments for Program Element Name Changes.— Section 251(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 233; 10 U.S.C. 221 note) is amended--* *(1) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and inserting in lieu thereof "Navy Area Defense system"; and* *(2) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system" and inserting in lieu thereof "Navy Theater Wide system".*	

PATRIOT (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** The committee is disappointed by the Administration's lack of commitment to the timely deployment of theater missile defenses. While the Administration concedes that theater ballistic missiles constitute a clear and present danger to U.S. forces deployed abroad, Congressional efforts on behalf of the rapid development and deployment of TMD systems to meet this threat have been slowed by both Administration action and inaction. In the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106), Congress established first unit equipped (FUE) dates of fiscal year 2000 for Theater High Altitude Area Defense system (THAAD), fiscal year 2001 for the Navy Theater Wide system, fiscal year 1998 for Patriot Advanced Capability Configuration 3 (PAC-3), and fiscal year 1999 for the Navy Area Defense system. These dates were based on Congressional support for the early deployment of a TMD capability, but they were also based on the assumption of aggressive and streamlined management as well as robust funding. However, within weeks of the dates being approved by Congress and signed into law by the President, the Administration took budgetary and programmatic actions that had the effect of delaying each of these programs and their deployment dates. Compared to the legally directed dates, the Administration's plan delayed the THAAD deployment date by six years, the Navy Theater Wide system date by at least four years, PAC-3 by one year, and the Navy Area Defense system by two years. In presenting the fiscal year 1998 funding request earlier this year, the Department asserted that all TMD programs had been accelerated. Yet in the case of each of these TMD systems, the fiscal year 1998 request is lower than	**Report Language (Army)** **Page 143** Missile/air defense product improvement program The budget request included $17.4 million for missile modification/product improvement programs. The committee recommends an increase of $10.0 million in PE 23801A to complete work on the advanced cruise missile seeker for the Patriot system. The committee continues to support Army efforts to improve capabilities in the missile defense arena. The committee recognizes a growing cruise missile threat and the limited capabilities that ground forces have to defend against these threats. Ongoing efforts to develop an improved seeker capable of detecting and engaging cruise missiles are near completion and require an additional $10.0 million to complete work and provide the Army with a viable option for cruise missile defense.

PATRIOT (CONT)	
House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	**Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)**
Report Language Page 258-260 the amount Congress appropriated for fiscal year 1997. Despite the requirements of Public Law 106-104, the Administration target FUE dates for PAC-3 and Navy Area Defense remained fiscal year 1999 and 2001, respectively, the dates the Administration unilaterally established in 1996 contrary to the law. As noted elsewhere in this report, the Department has still not reviewed the Navy Theater Wide program to determine if accelerating the program from its currently anticipated deployment date of 2008 is feasible. And while Department of Defense announced in January that the THAAD FUE would be accelerated to 2004, the program's FUE was immediately slipped back to 2006 following a test failure. The committee continues to believe that a THAAD user operational evaluation system (UOES) can and should be deployed by fiscal year 2000 and FUE achieved by fiscal year 2004 at an acceptable risk given the high-value payoff associated with deployment of an operational THAAD capability. The committee also understands that BMDO is considering steps that could provide a more robust THAAD UOES capability, thus providing greater capability in the field at an earlier date, and strongly supports any such initiatives. Accordingly, this provision would require the Secretary of Defense to structure the THAAD program to achieve a THAAD UOES capability by fiscal year 2000 and FUE by fiscal year 2004. The committee reiterates its concern that the Department still has not defined the Navy Theater Wide program nor established a program schedule. The committee finds this lack of focus and commitment unacceptable and elsewhere in this report has directed the Secretary of Defense to report to the	

PATRIOT (CONT)	
House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	**Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)**
Report Language Page 258-260 Congressional defense committees on the earliest feasible Navy Theater Wide deployment date. The committee reminds the Secretary of Defense of his obligation under current law and urges that the Navy Theater Wide program be structured to come as close as possible to achieving a UOES capability in fiscal year 1999 and FUE in fiscal year 2001. Congressional funding increases have helped to accelerate the Navy Area Defense system into engineering and manufacturing development and the PAC-3 program into procurement. The committee also notes the budget request does not propose to slip the deployment dates of these two systems further into the future. Given both programs' advanced state of development and the increasing likelihood that the currently programmed deployment dates will be met, this section would also repeal the dates specified in section 234 of the Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) for PAC-3 and the Navy Area Defense System. The committee remains committed to fielding effective TMD systems at the earliest feasible date and once again urges the Administration to support full funding and aggressive goal-oriented management for all of these critical systems.	

PATRIOT (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Report Language (Army) **Page 160** The budget request contained $17.4 million for missile/air defense product improvement within PE 23801A. The Patriot system, which provided vital air defense during Operation Desert Storm, is being upgraded through enhanced communications and other system improvements to respond to the evolving air and cruise missile threat. The committee is also aware of efforts to develop block II modifications to the Stinger Missile to provide enhanced performance. The committee supports continuation of these initiatives and recommends $34.1 million, an increase of $10.0 million for Patriot PAC-3 missile upgrades and an increase of $6.7 million for Stinger block II modifications. The Secretary of the Army may use existing PAC-3 missiles from inventory to support development of a cruise missile defense capability.	

PATRIOT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 39** *SEC. 236. REPEAL OF REQUIRED DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3), by striking out ", with a" and all that follows through "fiscal year 2000"; and* *(5) in paragraph (4), by striking out "Navy Upper Tier" and all that follows through "fiscal year 2001" and inserting in lieu thereof "Navy Theater Wide system".*	**Report Language** **Page 672-673** Repeal of required deployment dates for core theater missile defense programs (sec. 236) The House bill contained a provision (sec. 233) that would amend section 234(a) of the Ballistic Missile Defense Act of 1995 by eliminating deployment dates for certain core theater missile defense (TMD) programs and modifying the deployment date for the Theater High Altitude Area Defense (THAAD) program. The provision also made technical and conforming changes to section 234(a). The Senate amendment contained no similar provision. The Senate recedes with an amendment that would eliminate all deployment dates for core TMD programs from section 234(a) of the Ballistic Missile Defense Act of 1995. The conferees continue to support the earliest possible deployment of effective theater missile defenses, consistent with acceptable program risk, as a matter of high national priority. The conferees believe that the mandated deployment dates made clear the high priority attached by Congress to all four core theater missile defense programs. These dates and congressional funding increases have propelled the Navy Area Theater Ballistic Missile Defense program into engineering and manufacturing development and the Patriot Advanced Capability-3 (PAC-3) program into procurement. Congressionally mandated deployment dates were also motivated by the Department of

PATRIOT (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
	Report Language **Page 672-673** Defense's failure to commit firmly to a deployment schedule for the Navy Theater Wide and THAAD programs that would result in deployment of these vital capabilities at the earliest opportunity consistent with acceptable technical and program risk. Henceforth, the conferees anticipate that a statement of congressional intent concerning the management of the core TMD programs will be issued annually. The conferees believe that the flexibility of annual statements will allow for rigorous and effective congressional oversight. **Page 589 (Army)** Missile/air defense product improvement program The budget request included $17.4 million to support improvements to existing air defense systems. The House bill would authorize an increase of $16.7 million, $10.0 million for Patriot PAC-3 development and $6.7 million for the Stinger Block II development effort. The Senate amendment would authorize an increase of $10.0 million for Patriot anti-cruise missile (PACM) development. The conferees agree to authorize $31.4 million, an increase of $14.0 million in PE 23801A, $10.0 million for the completion of the PACM development effort and $4.0 million for the Stinger Block II program.

PATRIOT (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language (Army)** **Page 89** The Army requested $349,109,000 for Patriot. The Committee recommends transferring this amount to the Ballistic Missile Defense Organization in the "Procurement, Defense-Wide" appropriation, as proposed in the House-passed Defense Authorization bill. **Page 90** The budget requests $20,825,000 for modifications to the Patriot missile. The Committee recommends $30,825,000, an increase of $10,000,000 only for procurement of additional GEM +/- upgrades. **Page 175** The Army requested $17,412,000 for air defense missile improvements. The Committee recommends $27,412,000, an increase of $10,000,000 only for the Patriot Anti-Cruise Missile program.	**Bill Language** **No language exists.** **Report Language** **No language exists.**

PATRIOT (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

THEATER HIGH ALTITUDE AREA DEFENSE (THAAD)

THEATER HIGH ALTITUDE AREA DEFENSE (THAAD)

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
621.798	560.692	605.692	605.692	357.992	357.992	406.127

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 36-37** *SEC. 233. DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *(a) Change in Deployment Dates.--Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3)--*	**Bill Language** **No bill language exists.**

THEATER HIGH ALTITUDE AREA DEFENSE (THAAD) (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 36-37** *(A) by striking out "with a" and inserting in lieu thereof "to be carried out so as to achieve a"; and* *(B) by striking out "fiscal year 1998" and "fiscal year 2000" and inserting in lieu thereof "fiscal year 2000" and "fiscal year 2004", respectively; and* *(5) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system, with" and inserting in lieu thereof "Navy Theater Wide system, to be carried out so as to achieve".* *(b) Conforming Amendments for Program Element Name Changes.— Section 251(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 233; 10 U.S.C. 221 note) is amended--* *(1) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and inserting in lieu thereof "Navy Area Defense system"; and* *(2) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system" and inserting in lieu thereof "Navy Theater Wide system".*	

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** The committee is disappointed by the Administration's lack of commitment to the timely deployment of theater missile defenses. While the Administration concedes that theater ballistic missiles constitute a clear and present danger to U.S. forces deployed abroad, Congressional efforts on behalf of the rapid development and deployment of TMD systems to meet this threat have been slowed by both Administration action and inaction. In the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106), Congress established first unit equipped (FUE) dates of fiscal year 2000 for Theater High Altitude Area Defense system (THAAD), fiscal year 2001 for the Navy Theater Wide system, fiscal year 1998 for Patriot Advanced Capability Configuration 3 (PAC-3), and fiscal year 1999 for the Navy Area Defense system. These dates were based on Congressional support for the early deployment of a TMD capability, but they were also based on the assumption of aggressive and streamlined management as well as robust funding. However, within weeks of the dates being approved by Congress and signed into law by the President, the Administration took budgetary and programmatic actions that had the effect of delaying each of these programs and their deployment dates. Compared to the legally directed dates, the Administration's plan delayed the THAAD deployment date by six years, the Navy Theater Wide system date by at least four years, PAC-3 by one year, and the Navy Area Defense system by two years. In presenting the fiscal year 1998 funding request earlier this year, the Department asserted that all TMD programs had been accelerated. Yet in the case of each of these TMD systems, the fiscal year 1998 request is lower than	**Report Language** **Page 191-192** The committee continues to support the development, production, and fielding of Theater High Altitude Area Defense (THAAD) as a matter of highest priority. The committee notes that, notwithstanding recent failures to achieve an intercept of a target, the THAAD system has accomplished virtually all other test objectives to date. The committee is encouraged by the recent findings of the two review teams that have evaluated the THAAD design and development program: specifically, that the THAAD system design and operational requirements are fundamentally sound. The committee understands that, due to delays in the THAAD flight schedule, funds appropriated in fiscal year 1997 and funds contained in the budget request for fiscal year 1998 for THAAD are currently excess to the THAAD program in those specific fiscal years. The committee, therefore, recommends a reduction of $202.7 million in fiscal year 1998 and directs BMDO to use excess fiscal year 1997 funds to cover necessary fiscal year 1998 requirements, as requested by the Secretary of Defense. This reduction is made without prejudice to the THAAD program and with the expectation that DOD will make up these funds in the outyears. The committee also recommends the transfer of the remaining $58.8 million fiscal year 1998 THAAD Engineering and Manufacturing Development (EMD) funds to the THAAD Demonstration and Validation (Dem/Val) account, for a total authorization of $353.4 in PE 63861C. The committee understands that approximately $340.0 million will need to be added to the THAAD program in

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** the amount Congress appropriated for fiscal year 1997. Despite the requirements of Public Law 106-104, the Administration target FUE dates for PAC-3 and Navy Area Defense remained fiscal year 1999 and 2001, respectively, the dates the Administration unilaterally established in 1996 contrary to the law. As noted elsewhere in this report, the Department has still not reviewed the Navy Theater Wide program to determine if accelerating the program from its currently anticipated deployment date of 2008 is feasible. And while Department of Defense announced in January that the THAAD FUE would be accelerated to 2004, the program's FUE was immediately slipped back to 2006 following a test failure. The committee continues to believe that a THAAD user operational evaluation system (UOES) can and should be deployed by fiscal year 2000 and FUE achieved by fiscal year 2004 at an acceptable risk given the high-value payoff associated with deployment of an operational THAAD capability. The committee also understands that BMDO is considering steps that could provide a more robust THAAD UOES capability, thus providing greater capability in the field at an earlier date, and strongly supports any such initiatives. Accordingly, this provision would require the Secretary of Defense to structure the THAAD program to achieve a THAAD UOES capability by fiscal year 2000 and FUE by fiscal year 2004. The committee reiterates its concern that the Department still has not defined the Navy Theater Wide program nor established a program schedule. The committee finds this lack of focus and commitment unacceptable and elsewhere in this report has directed the Secretary of Defense to report to the	**Report Language** **Page 191-192** fiscal years 1999 and 2000 to properly realign THAAD funding. The committee expects the Department of Defense to add such funds in the Future Years Defense Program, and to take such measures as may be possible to accelerate fielding of the THAAD first unit equipped (FUE), consistent with a moderate risk program.

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** Congressional defense committees on the earliest feasible Navy Theater Wide deployment date. The committee reminds the Secretary of Defense of his obligation under current law and urges that the Navy Theater Wide program be structured to come as close as possible to achieving a UOES capability in fiscal year 1999 and FUE in fiscal year 2001. Congressional funding increases have helped to accelerate the Navy Area Defense system into engineering and manufacturing development and the PAC-3 program into procurement. The committee also notes the budget request does not propose to slip the deployment dates of these two systems further into the future. Given both programs' advanced state of development and the increasing likelihood that the currently programmed deployment dates will be met, this section would also repeal the dates specified in section 234 of the Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) for PAC-3 and the Navy Area Defense System. The committee remains committed to fielding effective TMD systems at the earliest feasible date and once again urges the Administration to support full funding and aggressive goal-oriented management for all of these critical systems.	

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 234** Theater high altitude air defense The budget request contained $556.1 million for demonstration/validation and engineering and manufacturing development for the Theater High Altitude Air Defense (THAAD) system. The committee supports the THAAD program, believes it will provide U.S. military forces with critically needed protection against ballistic missile attack, and restates its support of THAAD as a core TMD system. Although the THAAD program has met numerous test objectives to date, the committee is concerned by recent test failures and supports the Department's prompt and comprehensive program reviews. However, the committee is disturbed by indications that the Department nonetheless plans to reduce prior year and fiscal year 1998 THAAD funding in order to use the funds for other purposes. Although identification of the causes of test failures is necessary before further testing, the committee believes that both the Administration's currently planned fielding date of 2006 may be indicative of a program constrained by funding and insufficient test opportunities. Independent reviews of THAAD have reaffirmed the program's planned design, operational requirement, and the successful completion of 28 of the 30 THAAD program objectives to date. In addition to the on-going review of THAAD, the committee believes that the test program will benefit from additional funding to provide reserve interceptor, missile, and target assets, as well as other back-up resources. A more robust test program will help to lower the risk of delays and lost opportunities resulting for unexpected anomalies and single- point failures.	

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 234** The committee recommends $601.1 million, an increase of $45.0 million in PE 64861C, to provide funds necessary for additional THAAD testing and to further mitigate risk in the flight test program. The committee strongly urges the Department not to reduce funding for THAAD in order to address shortfalls elsewhere in the FYDP and to use any prior or fiscal year 1998 THAAD funds deemed unavailable for obligation for their original purpose for further risk reduction in the test program.	

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 39** *SEC. 236. REPEAL OF REQUIRED DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3), by striking out ", with a" and all that follows through "fiscal year 2000"; and* *(5) in paragraph (4), by striking out "Navy Upper Tier" and all that follows through "fiscal year 2001" and inserting in lieu thereof "Navy Theater Wide system".*	**Report Language** **Page 672-673** Repeal of required deployment dates for core theater missile defense programs (sec. 236) The House bill contained a provision (sec. 233) that would amend section 234(a) of the Ballistic Missile Defense Act of 1995 by eliminating deployment dates for certain core theater missile defense (TMD) programs and modifying the deployment date for the Theater High Altitude Area Defense (THAAD) program. The provision also made technical and conforming changes to section 234(a). The Senate amendment contained no similar provision. The Senate recedes with an amendment that would eliminate all deployment dates for core TMD programs from section 234(a) of the Ballistic Missile Defense Act of 1995. The conferees continue to support the earliest possible deployment of effective theater missile defenses, consistent with acceptable program risk, as a matter of high national priority. The conferees believe that the mandated deployment dates made clear the high priority attached by Congress to all four core theater missile defense programs. These dates and congressional funding increases have propelled the Navy Area Theater Ballistic Missile Defense program into engineering and manufacturing development and the Patriot Advanced Capability-3 (PAC-3) program into procurement. Congressionally mandated deployment dates were also motivated by the Department of

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 672-673** Defense's failure to commit firmly to a deployment schedule for the Navy Theater Wide and THAAD programs that would result in deployment of these vital capabilities at the earliest opportunity consistent with acceptable technical and program risk. Henceforth, the conferees anticipate that a statement of congressional intent concerning the management of the core TMD programs will be issued annually. The conferees believe that the flexibility of annual statements will allow for rigorous and effective congressional oversight.

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 656-657** The budget request included $556.1 million for the Theater High Altitude Area Defense (THAAD) program, of which $294.6 million was included in PE 63861C and $261.5 million was included in PE 64861C. The Department of Defense, after an analysis of the THAAD program by the Quadrennial Defense Review, submitted an amended budget request of $353.4 million in PE 63861C and no funding in PE 64861C. The House bill would authorize the original budget request in PE 63861C and $306.5 million in PE 64861C. The Senate amendment would authorize $353.4 million in PE 63861C and no funds for THAAD in PE 64861C. The conferees agree to authorize $406.1 million in PE 63861C for THAAD and no funds in PE 64861C. The conferees express their continued strong support for THAAD and believe that fielding THAAD as expeditiously as possible is a matter of highest priority. The conferees understand that the funding added for THAAD demonstration and validation will be used for extensive risk reduction activities to put the program on sounder technical and programmatic footing when it enters engineering and manufacturing development (EMD) in fiscal year 1999.

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 656-657** The conferees also support DOD efforts to contain program cost growth that could result from schedule delays and technical complications. The conferees expect the Secretary of Defense to review the full range of cost control options applicable to the EMD phase of the program, including, but not limited to, options involving competition and leader-follower. The conferees direct the Secretary of Defense to submit a report on the results of this review to the congressional defense committees by March 15, 1998. The conferees continue to note their concern over long delays in the THAAD program. In the wake of the Gulf War, Congress directed the deployment of effective theater missile defenses at the earliest possible date. The THAAD program was initiated in calendar year 1992 and deployment originally planned for the mid-1990s. Yet BMDO now supports a 14-year development program, with a first unit equipped (FUE) in calendar year 2006, arguing that a 12-year development program entails excessive programmatic and schedule risks. The conferees understand that the most recent THAAD schedule supported by BMDO includes a number of opportunities to accelerate the program, depending on the technical progress. The conferees continue to believe that rapid deployment is critical to meet well understood warfighter requirements, and that every reasonable effort should be made to achieve an FUE in calendar year 2004. The conferees direct the Secretary of Defense to take all appropriate budgetary and programmatic steps for fiscal year 1998 to ensure that the program can be accelerated if opportunities arise to do so.

THEATER HIGH ALTITUDE AIR DEFENSE (THAAD) (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
	Report Language **Page 656-657** The conferees are also concerned that a delay in the program will adversely affect THAAD EMD and procurement funding in the FYDP. The conferees direct the Secretary of Defense to submit a FYDP that fully funds a THAAD program oriented toward the earliest possible deployment, consistent with moderate program risk.

THEATER HIGH ALTITUDE AREA DEFENSE (THAAD) (CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
621.798	556.127	500.127	500.127	353.427	353.427	406.127

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)

Bill Language

No language exists.

Report Language
Page 221

The Department requested $294,647,000 for Theater High Altitude Area Defense (THAAD) Demonstration and Validation and $261,480,000 for Theater High Altitude Area Defense Engineering and Manufacturing. The Committee recommends $238,647,000 for Demonstration and Validation, a reduction of $56,000,000.

Due to the slip in the THAAD schedule, associated with flight test failures, fiscal year 1998 funds that were budgeted as the second increment for a contract to acquire 40 User Operational Evaluation System (UOES) missiles are no longer required. The Committee understands that the flight test schedule for THAAD has been restructured and that should an intercept occur in 1998, prior year funds would be available for the UOES contract.

Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)

Bill Language

No language exists.

Report Language

No language exists.

THEATER HIGH ALTITUDE AREA DEFENSE (THAAD) (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Report Language **Page 221** The Committee is very concerned about the Theater High Altitude Area Defense (THAAD) program and the four consecutive test failures which did not achieve an intercept. This type of error points to the need for greater quality control on the part of the contractor and tighter management on the part of the program manager. Despite these concerns, the Committee supports the objectives of the THAAD program and believes the system should be deployed at the soonest possible date.	

THEATER HIGH ALTITUDE AREA DEFENSE (THAAD) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

NAVY THEATER WIDE

NAVY THEATER WIDE

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
304.171	194.898	344.898	344.898	274.898	274.898	344.898

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 36-37** *SEC. 233. DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *(a) Change in Deployment Dates.--Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3)--*	**Bill Language** **No bill language exists.**

NAVY THEATER WIDE (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 36-37** *(A) by striking out "with a" and inserting in lieu thereof "to be carried out so as to achieve a"; and* *(B) by striking out "fiscal year 1998" and "fiscal year 2000" and inserting in lieu thereof "fiscal year 2000" and "fiscal year 2004", respectively; and* *(5) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system, with" and inserting in lieu thereof "Navy Theater Wide system, to be carried out so as to achieve".* *(b) Conforming Amendments for Program Element Name Changes.— Section 251(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 233; 10 U.S.C. 221 note) is amended--* *(1) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and inserting in lieu thereof "Navy Area Defense system"; and* *(2) in paragraph (4), by striking out "Navy Upper Tier (Theater Wide) system" and inserting in lieu thereof "Navy Theater Wide system".*	

NAVY THEATER WIDE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** The committee is disappointed by the Administration's lack of commitment to the timely deployment of theater missile defenses. While the Administration concedes that theater ballistic missiles constitute a clear and present danger to U.S. forces deployed abroad, Congressional efforts on behalf of the rapid development and deployment of TMD systems to meet this threat have been slowed by both Administration action and inaction. In the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106), Congress established first unit equipped (FUE) dates of fiscal year 2000 for Theater High Altitude Area Defense system (THAAD), fiscal year 2001 for the Navy Theater Wide system, fiscal year 1998 for Patriot Advanced Capability Configuration 3 (PAC-3), and fiscal year 1999 for the Navy Area Defense system. These dates were based on Congressional support for the early deployment of a TMD capability, but they were also based on the assumption of aggressive and streamlined management as well as robust funding. However, within weeks of the dates being approved by Congress and signed into law by the President, the Administration took budgetary and programmatic actions that had the effect of delaying each of these programs and their deployment dates. Compared to the legally directed dates, the Administration's plan delayed the THAAD deployment date by six years, the Navy Theater Wide system date by at least four years, PAC-3 by one year, and the Navy Area Defense system by two years. In presenting the fiscal year 1998 funding request earlier this year, the Department asserted that all TMD programs had been accelerated. Yet in the case of each of these TMD systems, the fiscal year 1998 request is lower than	**Report Language** **Page 192** Navy Upper Tier (Theater Wide) The committee continues to strongly support the Navy Upper Tier program. The committee welcomes the administration's decision to increase funding for this program and to position it to become a major defense acquisition program. The committee, however, does not believe that sufficient funding has been added or sufficient priority attached to this program. The committee notes that the Chief of Naval Operations has recommended an increase of $80.0 million for this program in fiscal year 1998. Such an increase would enable acceleration of the AEGIS/Lightweight Exo-Atmospheric Projectile (LEAP) intercept test to the maximum extent now achievable. The committee supports this acceleration and recommends an increase of $80.0 million in PE 63868C.

NAVY THEATER WIDE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 258-260** the amount Congress appropriated for fiscal year 1997. Despite the requirements of Public Law 106-104, the Administration target FUE dates for PAC-3 and Navy Area Defense remained fiscal year 1999 and 2001, respectively, the dates the Administration unilaterally established in 1996 contrary to the law. As noted elsewhere in this report, the Department has still not reviewed the Navy Theater Wide program to determine if accelerating the program from its currently anticipated deployment date of 2008 is feasible. And while Department of Defense announced in January that the THAAD FUE would be accelerated to 2004, the program's FUE was immediately slipped back to 2006 following a test failure. The committee continues to believe that a THAAD user operational evaluation system (UOES) can and should be deployed by fiscal year 2000 and FUE achieved by fiscal year 2004 at an acceptable risk given the high-value payoff associated with deployment of an operational THAAD capability. The committee also understands that BMDO is considering steps that could provide a more robust THAAD UOES capability, thus providing greater capability in the field at an earlier date, and strongly supports any such initiatives. Accordingly, this provision would require the Secretary of Defense to structure the THAAD program to achieve a THAAD UOES capability by fiscal year 2000 and FUE by fiscal year 2004. The committee reiterates its concern that the Department still has not defined the Navy Theater Wide program nor established a program schedule. The committee finds this lack of focus and commitment unacceptable and elsewhere in this report has directed the Secretary of Defense to report to the	

NAVY THEATER WIDE (CONT)	
House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	**Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 258-260** Congressional defense committees on the earliest feasible Navy Theater Wide deployment date. The committee reminds the Secretary of Defense of his obligation under current law and urges that the Navy Theater Wide program be structured to come as close as possible to achieving a UOES capability in fiscal year 1999 and FUE in fiscal year 2001. Congressional funding increases have helped to accelerate the Navy Area Defense system into engineering and manufacturing development and the PAC-3 program into procurement. The committee also notes the budget request does not propose to slip the deployment dates of these two systems further into the future. Given both programs' advanced state of development and the increasing likelihood that the currently programmed deployment dates will be met, this section would also repeal the dates specified in section 234 of the Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) for PAC-3 and the Navy Area Defense System. The committee remains committed to fielding effective TMD systems at the earliest feasible date and once again urges the Administration to support full funding and aggressive goal-oriented management for all of these critical systems.	

NAVY THEATER WIDE (CONT)	
House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	**Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 233** Navy theater-wide missile defense The budget request contained $194.9 million in PE 63868C for the Navy theater-wide missile defense system. The unfunded requirements list from the Chief of Naval Operations and communications from other offices in the Navy indicate that the theater-wide program is inadequately funded to support an accelerated development test plan. Moreover, there is a growing concern that the Department still has not thoroughly assessed the feasibility of accelerating the currently planned Navy theater-wide missile defense deployment date of fiscal year 2008. Noting numerous Administration statements attaching high priority to TMD programs, the committee directs the Secretary of Defense to report to the Congressional defense committees no later than February 15, 1998, on the cost and technical feasibility of options for a more robust Navy theater-wide flight test program, the earliest technically feasible deployment date, and costs associated with such a deployment date. The committee recommends an increase of $344.9 million, an increase of $150.0 million, to support a more robust program schedule.	

NAVY THEATER WIDE (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 39** *SEC. 236. REPEAL OF REQUIRED DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.* *Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104-106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended--* *(1) in the matter preceding paragraph (1), by striking out ", to be carried out so as to achieve the specified capabilities";* *(2) in paragraph (1), by striking out ", with a first unit equipped (FUE) during fiscal year 1998";* *(3) in paragraph (2), by striking out "Navy Lower Tier (Area) system" and all that follows through "fiscal year 1999" and inserting in lieu thereof "Navy Area Defense system";* *(4) in paragraph (3), by striking out ", with a" and all that follows through "fiscal year 2000"; and* *(5) in paragraph (4), by striking out "Navy Upper Tier" and all that follows through "fiscal year 2001" and inserting in lieu thereof "Navy Theater Wide system".*	**Report Language** **Page 672-673** Repeal of required deployment dates for core theater missile defense programs (sec. 236) The House bill contained a provision (sec. 233) that would amend section 234(a) of the Ballistic Missile Defense Act of 1995 by eliminating deployment dates for certain core theater missile defense (TMD) programs and modifying the deployment date for the Theater High Altitude Area Defense (THAAD) program. The provision also made technical and conforming changes to section 234(a). The Senate amendment contained no similar provision. The Senate recedes with an amendment that would eliminate all deployment dates for core TMD programs from section 234(a) of the Ballistic Missile Defense Act of 1995. The conferees continue to support the earliest possible deployment of effective theater missile defenses, consistent with acceptable program risk, as a matter of high national priority. The conferees believe that the mandated deployment dates made clear the high priority attached by Congress to all four core theater missile defense programs. These dates and congressional funding increases have propelled the Navy Area Theater Ballistic Missile Defense program into engineering and manufacturing development and the Patriot Advanced Capability-3 (PAC-3) program into procurement. Congressionally mandated deployment dates were also motivated by the Department of

NAVY THEATER WIDE (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
	Report Language **Page 672-673** Defense's failure to commit firmly to a deployment schedule for the Navy Theater Wide and THAAD programs that would result in deployment of these vital capabilities at the earliest opportunity consistent with acceptable technical and program risk. Henceforth, the conferees anticipate that a statement of congressional intent concerning the management of the core TMD programs will be issued annually. The conferees believe that the flexibility of annual statements will allow for rigorous and effective congressional oversight.

NAVY THEATER WIDE (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
	Report Language **Page 657** NAVY UPPER TIER (THEATER WIDE) The budget request included $194.9 million in PE 63868C for the Navy Upper Tier theater missile defense system. The House bill would authorize an increase of $150.0 million for the Navy Upper Tier program. The Senate amendment would authorize an increase of $80.0 million for the Navy Upper Tier program. The Senate recedes. The conferees are concerned that the Department of Defense still has not thoroughly assessed the feasibility of accelerating the currently planned Navy Upper Tier deployment date of fiscal year 2008. Noting numerous administration statements attaching high priority to TMD programs, the conferees direct the Secretary of Defense to report to the congressional defense committees no later than February 15, 1998, on the cost and technical feasibility of options for a more robust Navy Upper Tier flight test program, the earliest technically feasible deployment date, and costs associated with such a deployment date.

NAVY THEATER WIDE (CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
304.171	194.898	444.898	444.898	274.898	274.898	409.898

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **Page 33** *Provided, That not less than $444,898,000 of the funds appropriated in this paragraph shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program:* **Report Language** **Page 221** The Department requested $194,898,000 for Navy Upper Tier. The Committee recommends $444,898,000, an increase of $250,000,000. The Committee believes that the Navy Upper Tier program will provide a substantial defense capability and is concerned that the Administration's proposed plan does not include deployment of the Navy Upper Tier system. Additional funds will enable the Navy to plan for 12 flight tests, to include an intercept in 1999 using the Lightweight Exoatmospheric Projectile (LEAP) and a modified SM-3 Standard Missile. In addition, additional funds will permit engineering and kinetic kill vehicle work needed for system deployment. The current plan only provides for a flight demonstration program and does not plan for deployment.	**Bill Language** **No language exists.** **Report Language** **No language exists.**

NAVY THEATER WIDE (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Report Language **Page 252** Language has also been amended to change the amount of funds earmarked for the Navy Upper Tier program.	

NAVY THEATER WIDE (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **Page 15** *Provided, That not less than $409,898,000 of the funds appropriated in this paragraph shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program:*	**Report Language** **No language exists.**

COOPERATIVE PROGRAMS

COOPERATIVE PROGRAMS

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
.000	.000	123.1	123.1	.000	.000	.000

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 35** *SEC. 232. COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAM.* *(a) Requirement for New Program Element.--The Secretary of Defense shall establish a program element for the Ballistic Missile Defense Organization, to be referred to as the "Cooperative Ballistic Missile Defense Program", to support technical and analytical cooperative efforts between the United States and other nations that contribute to United States ballistic missile defense capabilities. All international cooperative ballistic missile defense programs of the Department of Defense shall be budgeted and administered through that program element.* *(b) Relationship to Other Program Elements.--The program element established pursuant to subsection (a) is in addition to the program elements for activities of the Ballistic Missile Defense Organization required under section 251 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 233; 10 U.S.C. 221 note).*	**Bill Language** **No bill language exists.**

COOPERATIVE PROGRAMS (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 42** *SEC. 236. TACTICAL HIGH ENERGY LASER PROGRAM.* *(a) Transfer of Program.--The Secretary of Defense shall transfer the Tactical High Energy Laser program from the Secretary of the Army to the Director of the Ballistic Missile Defense Organization, to be carried out under the Cooperative Ballistic Missile Defense Program established pursuant to section 232(a).* *(b) Authorization.--Of the amount authorized to be appropriated in section 201, $38,200,000 is authorized for the Tactical High Energy Laser program.*	

COOPERATIVE PROGRAMS (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 228-230** Cooperative programs The budget request did not contain a separate program element (PE) for cooperative ballistic missile defense (BMD) programs. The committee continues to support cooperative ballistic missile defense programs with U.S. allies. The budget request for cooperative BMD programs with Israel contained $38.7 million for the Arrow Continuation Experiments/Arrow Deployability project (ACES/ADP) in PE 63872C, and $12.9 million for the Unmanned Aerial Vehicle Boost Phase Intercept (UAV BPI) program in PE 63870C. The Israeli commitment to cooperative BMD development remains strong. The committee notes the accomplishments achieved to date by the U.S.-Israeli ACES/ADP project and recommends $48.7 million for the program, an increase of $10.0 million. The committee believes that additional funding will support efforts to deploy an Israeli ballistic missile defense capability while also providing valuable technological benefits to on-going U.S. TMD programs. The budget request contained $16.5 million within PE 63308A for the Tactical High Energy Laser (THEL) program. The committee is aware that the threat from tactical rockets and missiles is growing, as such systems proliferate world-wide. The U.S. and Israel are cooperating in an effort to respond to this threat by developing a high energy laser that can destroy tactical missiles in flight. The committee recommends a legislative provision (sec. 236) that would transfer the THEL program from the Secretary of the Army to the director of BMDO, and would authorize a total of $38.2 million for the THEL program.	**Report Language** **No report language exists.**

COOPERATIVE PROGRAMS (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 228-230** The committee directs the transfer of $16.5 million from PE 63308A to PE 63XXXC, a new program element that would consolidate cooperative ballistic missile defense programs under BMDO management. The committee also recommends an increase of $15.0 million to ensure completion of the first phase of the program to design, build, integrate and test the THEL advanced concept technology demonstrator and to begin developmental testing to validate THEL capabilities. The committee further directs the director of BMDO to provide the remaining $6.7 million required for the THEL program from BMDO administrative accounts. The budget request did not contain funding for two cooperative projects with Russia, the Russian-American Observation Satellite (RAMOS) and the Active Plasma Experiment (APEX). The committee recommends $30.0 million for the RAMOS and APEX projects. Recent events indicate some Russian interest in exploring the possibility of greater cooperation in this area. For example, at the recent Helsinki summit, Presidents Clinton and Yeltsin declared that they are prepared to explore integrated cooperative defense efforts in the area of early warning support for TMD activities, technology cooperation in areas related to TMD, and expansion of the ongoing program of cooperation in TMD exercises. The committee notes that expanded cooperation with Russia in the area of ballistic missile defense must be carefully considered and implemented only in a manner that does not jeopardize U.S. technological advantages or the development and deployment of U.S. BMD systems. The committee directs the Secretary of Defense to develop a plan for U.S.-Russian cooperative	

COOPERATIVE PROGRAMS (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 228-230** projects--identifying the costs and benefits associated with each project--and to submit this plan to the Congressional defense committees no later than February 1, 1998. The committee believes that the effective management of cooperative BMD programs requires their consolidation in a separate program element. Therefore, the committee recommends a legislative provision (Sec. 232) that would establish the "Cooperative Ballistic Missile Program" as a separate program element within BMDO to support technical and analytical cooperative missile defense efforts between the U.S. and other nations. The committee recommends $123.1 million to support the cooperative programs in the new PE63XXXC. This amount includes the transfers of $38.7 million from PE 63872C, $12.9 million from PE 63870C, $16.5 million from PE 63308A, and an increase of $55.0 million over the amounts requested. **Page 258** Section 232--Cooperative Ballistic Missile Defense Programs This section would establish the "Cooperative Ballistic Missile Defense Program" within the Ballistic Missile Defense Organization, to support on-going and future technical and analytical cooperative efforts between the U.S. and other nations that contribute to U.S. missile defense capabilities.	

COOPERATIVE PROGRAMS (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 228-230** projects--identifying the costs and benefits associated with each project--and to submit this plan to the Congressional defense committees no later than February 1, 1998. The committee believes that the effective management of cooperative BMD programs requires their consolidation in a separate program element. Therefore, the committee recommends a legislative provision (Sec. 232) that would establish the "Cooperative Ballistic Missile Program" as a separate program element within BMDO to support technical and analytical cooperative missile defense efforts between the U.S. and other nations. The committee recommends $123.1 million to support the cooperative programs in the new PE63XXXC. This amount includes the transfers of $38.7 million from PE 63872C, $12.9 million from PE 63870C, $16.5 million from PE 63308A, and an increase of $55.0 million over the amounts requested. **Page 258** Section 232--Cooperative Ballistic Missile Defense Programs This section would establish the "Cooperative Ballistic Missile Defense Program" within the Ballistic Missile Defense Organization, to support on-going and future technical and analytical cooperative efforts between the U.S. and other nations that contribute to U.S. missile defense capabilities.	

COOPERATIVE PROGRAMS (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 261** Section 236--Tactical High Energy Laser Program (THEL) This section would transfer the THEL program from PE 63308A to an new PE 63XXXC that would consolidate cooperative ballistic missile defense programs under Ballistic Missile Defense Organization management and would authorize $38.2 million for THEL.	

COOPERATIVE PROGRAMS (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 37** *SEC. 233. COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAM.* *(a) Requirement for New Program Element.--The Secretary of Defense shall establish a program element for the Ballistic Missile Defense Organization, to be referred to as the "Cooperative Ballistic Missile Defense Program", to support technical and analytical cooperative efforts between the United States and other nations that contribute to United States ballistic missile defense capabilities. Except as provided in subsection (b), all international cooperative ballistic missile defense programs of the Department of Defense shall be budgeted and administered through that program element.* *(b) Authority for Exceptions.--The Secretary of Defense may exclude from the program element established pursuant to subsection (a) any international cooperative ballistic missile defense program of the Department of Defense that after the date of the enactment of this Act is designated by the Secretary of Defense (pursuant to applicable Department of Defense acquisition regulations and policy) to be managed as a separate acquisition program.* *(c) Relationship to Other Program Elements.--The program element established pursuant to subsection (a) is in addition to the program elements for activities of the Ballistic Missile Defense Organization required under section 251 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 233; 10 U.S.C. 221 note).*	**Report Language** **Page 671** Cooperative Ballistic Missile Defense program (sec. 233) The House bill contained a provision (sec. 232) that would establish a Cooperative Ballistic Missile Defense Program within the Ballistic Missile Defense Organization (BMDO), to support on-going and future technical and analytical cooperative efforts between the United States and other nations that contribute to U.S. missile defense capabilities. The Senate amendment contained no similar provision. The Senate recedes with an amendment that would provide the Secretary of Defense discretion to exclude certain ballistic missile defense acquisition programs from the cooperative ballistic missile defense program element. The conferees understand that BMDO has developed plans for the creation of a dedicated cooperative ballistic missile defense program element and look forward to this new program element in the fiscal year 1999 budget request. **Page 658-659** COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAM The budget request included $38.7 million for the Arrow Continuation Experiments/Arrow Deployability (ACES/ADP) program (PE 63872C), $12.9 million for the Unmanned Aerial Vehicle Boost Phase

COOPERATIVE PROGRAMS (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 658-659** Intercept (UAV BPI) program (PE 63870C), and $16.5 million for the Tactical High Energy Laser (THEL) program (PE 63308A), all of which are U.S.-Israeli cooperative missile defense programs. The budget request included no funding for the Russian American Observation Satellite (RAMOS) program and the Active Plasma Experiment (APEX) program, both of which are cooperative Russian-American programs. The House bill would authorize $123.1 million in a new BMDO program element (63XXXC) for cooperative international BMD programs, including $48.7 million for the Arrow program, an increase of $10. million; the budget request for the UAV BPI program; $38.2 million for THEL, of which $15.0 million was a funding increase and another $6.7 million was to be funded by BMDO administrative accounts; and $30.0 million for RAMOS and APEX. The Senate amendment would authorize $53.7 million for Arrow in PE 63872C, an increase of $15.0 million; $17.9 million for UAV BPI in PE 63870C, an increase of $5.0 million; $51.5 million for THEL in PE 63308A, an increase of $35.0 million; and no funding for RAMOS or APEX. The conferees agree to authorize $50.7 million for Arrow in PE 63872C, an increase of $10.0 million; $16.4 million for UAV BPI in PE 63870C, an increase of $3.5 million; $51.0 million for THEL in PE 63308A, an increase of $34.5 million; $13.0 million for RAMOS in PE 63173C; and $8.0 million for APEX in PE 63173C.

COOPERATIVE PROGRAMS (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 658-659** The House recedes on its initiative to create a new cooperative BMD PE for fiscal year 1998. A legislative provision to create a new cooperative BMD program element for fiscal year 1999 is described elsewhere in this report. The conferees expect that these programs and other appropriate programs will be managed through this new cooperative BMD program element.

COOPERATIVE PROGRAMS (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists**

COOPERATIVE PROGRAMS (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS)

MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS)

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
56.232	47.956	47.956	47.956	47.956	47.956	47.956

House FY98 DOD Authorization Bill
H.R 1119; H.Rept. 105-132 (6/16/97)

Bill Language

No bill language exists.

Report Language
Page 230

The budget request contained $47.9 million in PE 63869C for the Medium Extended Air Defense System (MEADS).

The Administration has identified the MEADS as a high priority Theater Missile Defense (TMD) initiative and as an important international cooperative development effort. While the committee supports MEADS, it does so with some reluctance since the Administration currently has no funding in fiscal year 1998 or the Future Years Defense Plan (FYDP) to continue MEADS development beyond the current project definition-validation phase. The Administration's apparent lack of long-term commitment to MEADS threatens both program stability and perceptions of U.S. reliability as a partner in current and future international cooperative programs. The committee's support for MEADS is dependent on the Administration's willingness to fund its continued development and the Secretary of Defense is urged to provide adequate funding for this development in the FYDP and to designate strongly MEADS as a core TMD program.

Senate FY98 DOD Authorization Bill
S. 936; S. Rept. 105-29 (6/17/97)

Bill Language

No bill language exists.

Report Language

No report language exists.

MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS) (CONT)	
FY98 DOD Authorization Conference **H.R. 1119; H. Rept. 105-340 (10/23/97)**	**FY98 DOD Authorization Conference** **H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.** **(SEE BMDO FUNDING SECTION FOR FY98 FUNDING)**

MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS)(CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
30.000	47.956	47.956	47.956	47.956	47.956	47.956

House FY98 DOD Appropriations Bill
H.R. 2266; H. Rept. 105-206 (7/25/97)

Bill Language

No language exists.

Report Language
Page 222

The Committee is concerned about the lack of focus in the Medium Extended Area Defense System (MEADS) program, formerly Corps SAM, and the Boost Phase Interceptor (BPI) program. While the Committee supports the general concept underlying both programs, it believes that neither program is affordable. Due to the international commitment involved with the MEADS program, the Committee recommends a completion of the Preliminary Design and Review program but remains concerned about the future funding of this expensive program. Furthermore, the Committee sees the Air Force Airborne Laser (ABL) program as the prime program for pursuing a boost phase capability. Therefore, the Committee recommends no appropriation for BPI as proposed in the House-passed Defense Authorization bill.

Senate FY98 DOD Appropriations Bill
S. 1005; S. Rept. 105-45 (7/10/97)

Bill Language

No language exists.

Report Language

No language exists.

MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

JOINT THEATER MISSILE DEFENSE

JOINT THEATER MISSILE DEFENSE

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
527.915	544.584	525.884	525.884	578.584	578.584	583.584

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)

Bill Language

No language exists.

Report Language

Page 228

The budget request did not contain a separate program element (PE) for cooperative ballistic missile defense (BMD) programs. The committee continues to support cooperative ballistic missile defense programs with U.S. allies.

The budget request for cooperative BMD programs with Israel contained $38.7 million for the Arrow Continuation Experiments/Arrow Deployability project (ACES/ADP) in PE 63872C, and $12.9 million for the Unmanned Aerial Vehicle Boost Phase Intercept (UAV BPI) program in PE 63870C. The Israeli commitment to cooperative BMD development remains strong. The committee notes the accomplishments achieved to date by the U.S.-Israeli ACES/ADP project and recommends $48.7 million for the program, an increase of $10.0 million. The committee believes that additional funding will

Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)

Bill Language

No language exists

Report Language

Page 193-194

The committee supports the efforts being performed at the Army Space and Strategic Defense Command's Advanced Research Center (ARC). The ARC continues to be a valuable tool in support of the Army's development of both theater and national missile defense systems. Therefore, the committee recommends an increase of $7.0 million in PE 63872C for support of the ARC. The budget request includes $38.7 million for BMDO's Israeli Cooperative Project, which includes funding for the Arrow ballistic missile defense system. The committee recommends an increase of $15.0 million in PE 63872C to support interoperability design so the Arrow can operate alongside forward deployed U.S. missile defense systems. The committee urges BMDO to identify additional funds in the outyears to continue this important cooperative effort to ensure that U.S. systems are fully complemented by the Arrow system.

The committee notes that the Secretary of Defense has requested that an additional $12.0 million be added to the budget request to support the Department's efforts to develop a theater air and missile defense integrated systems architecture. The committee supports this request and recommends an increase of $12.0 million in PE 63872C for this purpose.

JOINT THEATER MISSILE DEFENSE (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 230** support efforts to deploy an Israeli ballistic missile defense capability while also providing valuable technological benefits to on-going U.S. TMD programs. Joint theater missile defense The budget request contained $542.6 million for the Joint Theater Missile Defense (JTMD) in PE 63872C. The Pacific Missile Range Facility (PMRF) provides an essential test range capability for Navy and other TMD programs. PMRF enhancements are needed to ensure that the range can support the full scope of TMD testing required in the future. The committee recommends an increase of $20.0 million for the purpose of upgrading the PMRF. The committee also directs the transfer of $38.7 million from PE 63872C to the new cooperative BMD PE 63XXXC to support the Israeli-U.S. effort to develop the Arrow ballistic missile defense system (project 2259). The details of this transfer are discussed elsewhere in this report. The committee recommends $523.9 million for the JTMD program.	

JOINT THEATER MISSILE DEFENSE (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **No language exists.**	**Report Language** **Page 658-659** COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAM The budget request included $38.7 million for the Arrow Continuation Experiments/Arrow Deployability (ACES/ADP) program (PE 63872C), $12.9 million for the Unmanned Aerial Vehicle Boost Phase Intercept (UAV BPI) program (PE 63870C), and $16.5 million for the Tactical High Energy Laser (THEL) program (PE 63308A), all of which are U.S.-Israeli cooperative missile defense programs. The budget request included no funding for the Russian American Observation Satellite (RAMOS) program and the Active Plasma Experiment (APEX) program, both of which are cooperative Russian-American programs. The House bill would authorize $123.1 million in a new BMDO program element (63XXXC) for cooperative international BMD programs, including $48.7 million for the Arrow program, an increase of $10. million; the budget request for the UAV BPI program; $38.2 million for THEL, of which $15.0 million was a funding increase and another $6.7 million was to be funded by BMDO administrative accounts; and $30.0 million for RAMOS and APEX. The Senate amendment would authorize $53.7 million for Arrow in PE 63872C, an increase of $15.0 million; $17.9 million for UAV BPI in PE 63870C, an increase of $5.0 million; $51.5 million for THEL in PE 63308A, an increase of $35.0 million; and no funding for RAMOS or APEX.

JOINT THEATER MISSILE DEFENSE (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 658-659** The conferees agree to authorize $50.7 million for Arrow in PE 63872C, an increase of $10.0 million; $16.4 million for UAV BPI in PE 63870C, an increase of $3.5 million; $51.0 million for THEL in PE 63308A, an increase of $34.5 million; $13.0 million for RAMOS in PE 63173C; and $8.0 million for APEX in PE 63173C. The House recedes on its initiative to create a new cooperative BMD PE for fiscal year 1998. A legislative provision to create a new cooperative BMD program element for fiscal year 1999 is described elsewhere in this report. The conferees expect that these programs and other appropriate programs will be managed through this new cooperative BMD program element.

JOINT THEATER MISSILE DEFENSE (CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
525.511	542.619	542.619	542.619	612.619	612.619	605.419

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language No language exists **Report Language** No language exists	**Bill Language** No language exists **Report Language** **Page 126** Joint theater missile defense.--The Committee recommendation provides $612,619,000 for joint theater missile defense, an increase of $70,000,000 to the budget request. Of the additional funds, $33,400,000 is provided only to satisfy congressionally mandated multiple simultaneous engagement requirements. The Committee directs that this increase shall be used only to support upgrade of the Pacific Missile Range Facility as required to meet its role as the test and evaluation range for the Navy's tactical ballistic missile defense programs. Advanced research center.--The Committee supports the efforts being performed at the Space and Strategic Defense Command's Advanced Research Center [ARC]. The ARC continues to be a valuable tool in support of the Army's development of both theater and national missile defense systems. Therefore, the Committee recommends an increase of $7,000,000, providing a total of at least $18,000,000 to fund the SSDC's ARC.

JOINT THEATER MISSILE DEFENSE (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.** **(See BMDO funding section for funding chart on Joint TMD programs.)**

BOOST PHASE INTERCEPT

BOOST PHASE INTERCEPT

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
24.300	12.885	.000 (Transferred to Cooperative PE)	.000 Transferred to Cooperative PE)	17.885	17.885	16.385

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)

Bill Language

No bill language exists.

Report Language
Page 228

The budget request did not contain a separate program element (PE) for cooperative ballistic missile defense (BMD) programs. The committee continues to support cooperative ballistic missile defense programs with U.S. allies.

The budget request for cooperative BMD programs with Israel contained $38.7 million for the Arrow Continuation Experiments/Arrow Deployability project (ACES/ADP) in PE 63872C, and $12.9 million for the Unmanned Aerial Vehicle Boost Phase Intercept (UAV BPI) program in PE 63870C. The Israeli commitment to cooperative BMD development remains strong. The committee notes the accomplishments achieved to date by the U.S.-Israeli ACES/ADP project and recommends $48.7 million for the program, an increase of $10.0 million. The committee believes that additional funding will support efforts to deploy an Israeli ballistic missile defense capability while also providing valuable technological benefits to on-going U.S. TMD programs.

Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)

Bill Language

No bill language exists.

Report Language
Page 192

Boost phase interceptor

The budget request includes $12.9 million for the U.S.-Israeli boost phase intercept system based on an unmanned aerial vehicle (UAV). This level of funding, however, is insufficient to adequately support necessary risk reduction efforts. Therefore, the committee recommends an increase of $5.0 million in PE 63870C to support such efforts.

BOOST PHASE INTERCEPT (CONT)	
House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	**Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 228** The budget request contained $16.5 million within PE 63308A for the Tactical High Energy Laser (THEL) program. The committee is aware that the threat from tactical rockets and missiles is growing, as such systems proliferate world-wide. The U.S. and Israel are cooperating in an effort to respond to this threat by developing a high energy laser that can destroy tactical missiles in flight. The committee recommends a legislative provision (sec. 236) that would transfer the THEL program from the Secretary of the Army to the director of BMDO, and would authorize a total of $38.2 million for the THEL program. The committee directs the transfer of $16.5 million from PE 63308A to PE 63XXXC, a new program element that would consolidate cooperative ballistic missile defense programs under BMDO management. The committee also recommends an increase of $15.0 million to ensure completion of the first phase of the program to design, build, integrate and test the THEL advanced concept technology demonstrator and to begin developmental testing to validate THEL capabilities. The committee further directs the director of BMDO to provide the remaining $6.7 million required for the THEL program from BMDO administrative accounts. ...The committee recommends $123.1 million to support the cooperative programs in the new PE63XXXC. This amount includes the transfers of $38.7 million from PE 63872C, $12.9 million from PE 63870C, $16.5 million from PE 63308A, and an increase of $55.0 million over the amounts requested.	

BOOST PHASE INTERCEPT (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.** **(SEE BMDO FUNDING SECTION FOR FY98 FUNDING)**

BOOST PHASE INTERCEPT (BPI) (CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
24.300	12.885	0.000	0.000	17.885	17.885	16.385

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **Page 222** The Committee is concerned about the lack of focus in the Medium Extended Area Defense System (MEADS) program, formerly Corps SAM, and the Boost Phase Interceptor (BPI) program. While the Committee supports the general concept underlying both programs, it believes that neither program is affordable. Due to the international commitment involved with the MEADS program, the Committee recommends a completion of the Preliminary Design and Review program but remains concerned about the future funding of this expensive program. Furthermore, the Committee sees the Air Force Airborne Laser (ABL) program as the prime program for pursuing a boost phase capability. Therefore, the Committee recommends no appropriation for BPI as proposed in the House-passed Defense Authorization bill.	**Bill Language** **No language exists.** **Report Language** **No language exists.**

BOOST PHASE INTERCEPT (BPI) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

CRUISE MISSILE DEFENSE

CRUISE MISSILE DEFENSE

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 37-40** *SEC. 234. ANNUAL REPORT ON THREAT POSED TO THE UNITED STATES BY WEAPONS OF MASS DESTRUCTION, BALLISTIC MISSILES, AND CRUISE MISSILES.* *(a) Annual Report.--The Secretary of Defense shall submit to Congress by January 30 of each year a report on the threats posed to the United States and allies of the United States--* *(1) by weapons of mass destruction, ballistic missiles, and cruise missiles; and* *(2) by the proliferation of weapons of mass destruction, ballistic missiles, and cruise missiles.* *(b) Consultation.--Each report submitted under subsection (a) shall be prepared in consultation with the Director of Central Intelligence.* *(c) Matters To Be Included.--Each report submitted under subsection (a) shall include the following:*	**Bill Language** **No bill language exists.**

CRUISE MISSILE DEFENSE(CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 37-40** *(1) Identification of each foreign country and non-State organization that possesses weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.* *(2) A description of the means by which any foreign country and non-State organization that has achieved capability with respect to weapons of mass destruction, ballistic missiles, or cruise missiles has achieved that capability, including a description of the international network of foreign countries and private entities that provide assistance to foreign countries and non-State organizations in achieving that capability.* *(3) An examination of the doctrines that guide the use of weapons of mass destruction in each foreign country that possesses such weapons.* *(4) An examination of the existence and implementation of the control mechanisms that exist with respect to nuclear weapons in each foreign country that possesses such weapons.*	

CRUISE MISSILE DEFENSE(CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 37-40** *(5) Identification of each foreign country and non-State organization that seeks to acquire or develop (indigenously or with foreign assistance) weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.* *(6) An assessment of various possible timelines for the achievement by foreign countries and non-State organizations of capability with respect to weapons of mass destruction, ballistic missiles, and cruise missiles, taking into account the probability of whether the Russian Federation and the People's Republic of China will comply with the Missile Technology Control Regime, the potential availability of assistance from foreign technical specialists, and the potential for independent sales by foreign private entities without authorization from their national Governments.* *(7) For each foreign country or non-State organization that has not achieved the capability to target the United States or its territories with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.*	

CRUISE MISSILE DEFENSE(CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 37-40** *(8) For each foreign country or non-State organization that has not achieved the capability to target members of the United States Armed Forces deployed abroad with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.* *(d) Classification.--Each report under subsection (a) shall be submitted in classified and unclassified form.*	

CRUISE MISSILE DEFENSE(CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 260** Section 234--Annual Report on Threat Posed to the United States by Weapons of Mass Destruction, Ballistic Missiles, and Cruise Missiles The committee believes that awareness of information and assessments concerning evolving threats to U.S. national security is essential to informed congressional debate and decision-making. To that end, the committee believes that a comprehensive description and assessment of the threats posed by weapons of mass destruction (WMD) and ballistic and cruise missiles to the U.S. and its allies would be an essential informational for Congress and the public. Therefore, this provision would direct the Secretary of Defense, in consultation with the Director of Central Intelligence, to prepare and submit to Congress by January 30, 1998, and January 30 of each subsequent year, a report on threats posed to the U.S. and its allies by cruise missiles, ballistic missiles, and weapons of mass destruction, and the proliferation of such technologies. The report should be prepared in classified and unclassified form, to assure the most complete information and widest distribution possible.	**Report Language** **Page 179** Conventional Air-Launched Cruise Missile Block II upgrade The budget request did not include funds for Conventional Air-Launched Cruise Missile (CALCM) research and development or production funding for fiscal year 1998. However, the committee has been informed that the Air Force intends to use fiscal year 1997 funds for CALCM Block II development and two other related CALCM projects. By combining the CALCM Precision Strike Demonstration technology with a new warhead concept, the Air Force hopes to be able to attack hard and buried targets from long range. Accordingly, the committee recommends an increase of $3.5 million to the budget request to complete Block II engineering and manufacturing development. Moreover, the committee encourages the Air Force to reprogram funds as necessary to procure Block II CALCM should development efforts prove successful. Theater battle management system The budget request included $24.0 million for theater battle management command and control research and development. Theater battle management system (TBM) is designed to integrate air support for ground forces through the air support operations center (ASOC). The committee understands that an additional $4.0 million would accelerate TBM development in fiscal year 1998, especially the prototyping of connectivity to provide improved

CRUISE MISSILE DEFENSE(CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
	information flow between Army corps elements and the ASOC, including flow of Air Force information to support targeting and resource allocation decisions. Accordingly, the committee recommends an increase of $4.0 million to the budget request for TBM. **Report Language** **Page 179** Cruise missile defense Given the growing threat posed by cruise missiles, the committee continues to support development of a comprehensive cruise missile defense architecture, integrated into DOD's overall air and theater missile defense efforts. Because counter cruise missile technologies have matured at the Defense Advanced Research Projects Agency (DARPA), and because DARPA funding to support key sensor technologies ends in fiscal year 1998, the committee strongly urges the Air Force to begin to integrate these technologies into operational platforms. Specifically, the committee recommends an increase of $10.0 million in PE 27417F to begin the necessary upgrades to the Airborne Warning and Control System (AWACS), and an increase of $10.0 million in PE 27581F to begin necessary upgrades to the Joint Surveillance and Target Attack Radar System (JSTARS). The committee expects the Air Force to continue these two important initiatives in the future.

CRUISE MISSILE DEFENSE(CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 38-39** *SEC. 234. ANNUAL REPORT ON THREAT POSED TO THE UNITED STATES BY WEAPONS OF MASS DESTRUCTION, BALLISTIC MISSILES, AND CRUISE MISSILES.* *(a) Annual Report.--The Secretary of Defense shall submit to Congress by January 30 of each year a report on the threats posed to the United States and allies of the United States--* *(1) by weapons of mass destruction, ballistic missiles, and cruise missiles; and* *(2) by the proliferation of weapons of mass destruction, ballistic missiles, and cruise missiles.* *(b) Consultation.--Each report submitted under subsection (a) shall be prepared in consultation with the Director of Central Intelligence.* *(c) Matters To Be Included.--Each report submitted under subsection (a) shall include the following:* *(1) Identification of each foreign country and non-State organization that possesses weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.*	**Report Language** **Page 671-672** Annual report on the threat posed to the United States by weapons of mass destruction, ballistic missiles, and cruise missiles (sec. 234) The House bill contained a provision (sec. 234) that would direct the Secretary of Defense, in consultation with the Director of Central Intelligence, to prepare and submit to Congress by January 30 of each year, a report on threats posed to the United States and its allies by cruise missiles, ballistic missiles, and weapons of mass destruction, and the proliferation of such technologies. The Senate amendment contained no similar provision. The Senate recedes. **Page 633-634 (Air Force)** Cruise missile defense The budget request included no funds to begin transitioning sensor technology from the Defense Advanced Research Projects Agency (DARPA) to the Air Force for insertion into the Airborne Warning and Control System (AWACS) or the Joint Surveillance Target Attack Radar System (JSTARS) for cruise missile defense. The House bill would authorize the budget request. The Senate amendment would authorize increases of $10.0 million to PE 27417F to begin the necessary upgrades to AWACS, and $10.0 million to PE 27581F to begin necessary upgrades to JSTARS.

CRUISE MISSILE DEFENSE(CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 38-39** *(2) A description of the means by which any foreign country and non-State organization that has achieved capability with respect to weapons of mass destruction, ballistic missiles, or cruise missiles has achieved that capability, including a description of the international network of foreign countries and private entities that provide assistance to foreign countries and non-State organizations in achieving that capability.* *(3) An examination of the doctrines that guide the use of weapons of mass destruction in each foreign country that possesses such weapons.* *(4) An examination of the existence and implementation of the control mechanisms that exist with respect to nuclear weapons in each foreign country that possesses such weapons.* *(5) Identification of each foreign country and non-State organization that seeks to acquire or develop (indigenously or with foreign assistance) weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.*	**Report Language (Air Force)** **Page 633-634** The conferees agree to authorize an increase of $3.0 million in PE 27581F to begin necessary upgrades to JSTARS for cruise missile defense. Given the growing threat posed by cruise missiles, the conferees continue to support development of a comprehensive cruise missile defense architecture, integrated into DOD's overall air and theater missile defense efforts. Because counter cruise missile technologies have matured at DARPA, and because DARPA funding to support key sensor technologies ends in fiscal year 1998, the conferees strongly urge the Air Force to begin to integrate these technologies into operational platforms, specifically into the AWACS and JSTARS platforms. The conferees expect the Air Force to assume these two important initiatives. To support these efforts, the conferees encourage the Air Force to prepare expeditiously the report on cruise missile defense directed in the statement of managers accompanying the conference report on H.R. 2266 (H. Rept. 105-265). The conferees understand that the Air Force's report could conclude that the Air Force should apply additional funds to cruise missile defense upgrades to the AWACS or JSTARS programs during fiscal year 1998 beyond those approved in this Act. If that is the conclusion of the report, the conferees would be willing to entertain a request to reallocate funds within the AWACS or JSTARS programs, or to reprogram funds from other activities.

CRUISE MISSILE DEFENSE(CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 38-39** *(6) An assessment of various possible timelines for the achievement by foreign countries and non-State organizations of capability with respect to weapons of mass destruction, ballistic missiles, and cruise missiles, taking into account the probability of whether the Russian Federation and the People's Republic of China will comply with the Missile Technology Control Regime, the potential availability of assistance from foreign technical specialists, and the potential for independent sales by foreign private entities without authorization from their national Governments.* *(7) For each foreign country or non-State organization that has not achieved the capability to target the United States or its territories with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.* *(8) For each foreign country or non-State organization that has not achieved the capability to target members of the United States Armed Forces deployed abroad with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.* *(d) Classification.--Each report under subsection (a) shall be submitted in classified and unclassified form.*	

CRUISE MISSILE DEFENSE (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

CRUISE MISSILE DEFENSE (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **No language exists.**	**Report Language (Air Force)** **Page 129** CRUISE MISSILE DEFENSE The conferees are concerned about the growing threat posed by advanced air-launched and surface-launched cruise missiles and urge the Department to pursue an enhanced capability on the AWACS to detect, track, and identify cruise missiles. The conferees direct the Air Force to provide a report on their specific schedule and funding plans for continued development of this needed capability.

NATIONAL MISSILE DEFENSE

NATIONAL MISSILE DEFENSE (NMD)

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
858.437	504.631	978.631	978.631	978.631	978.631	978.631

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **No language exists.**	**Bill Language** **Page 46-49** *Section 221. National Missile Defense Program* *(a) Program Structure.--To preserve the option of achieving an initial operational capability in fiscal year 2003, the Secretary of Defense shall ensure that the National Missile Defense Program is structured and programmed for funding so as to support a test, in fiscal year 1999, of an integrated national missile defense system that is representative of the national missile defense system architecture that could achieve initial operational capability in fiscal year 2003.* *(b) Elements of NMD System.--The national missile defense system architecture specified in subsection (a) shall consist of the following elements:* *(1) An interceptor system that optimizes defensive coverage of the continental United States, Alaska, and Hawaii against limited ballistic missile attack (whether accidental, unauthorized, or deliberate).* *(2) Ground-based radars.* *(3) Space-based sensors.* *(4) Battle management, command, control, and communications (BM/C3).*

NATIONAL MISSILE DEFENSE (NMD) (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
	<u>Bill Language</u> **<u>Page 46-49</u>** *(c) Plan for NMD System Development and Deployment.--Not later than February 15, 1998, the Secretary of Defense shall submit to the congressional defense committees a plan for the development and deployment of a national missile defense system that could achieve initial operational capability in fiscal year 2003. The plan shall include the following matters:* *(1) A detailed description of the system architecture selected for development.* *(2) A discussion of the justification for the selection of that particular architecture.* *(3) The Secretary's estimate of the amounts of the appropriations that would be necessary for research, development, test, evaluation, and for procurement for each of fiscal years 1999 through 2003 in order to achieve an initial operational capability of the system architecture in fiscal year 2003.* *(4) For each activity necessary for the development and deployment of the national missile defense system architecture selected by the Secretary that would at some point conflict with the terms of the ABM Treaty, if any--* *(A) a description of the activity;* *(B) a description of the point at which the activity would conflict with the terms of the ABM Treaty;*

NATIONAL MISSILE DEFENSE (NMD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
	Bill Language **Page 46-49** *(C) the legal analysis justifying the Secretary's determination regarding the point at which the activity would conflict with the terms of the ABM Treaty; and* *(D) an estimate of the time at which such point would be reached in order to achieve a test of an integrated missile defense system in fiscal year 1999 and initial operational capability of such a system in fiscal year 2003.* (d) Funding for Fiscal Year 1998.--Of the funds authorized to be appropriated under section 201(4), $978,091,000 shall be available for the national missile defense program. *(e) ABM Treaty Defined.--In this section, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, signed at Moscow on May 26, 1972, and includes the Protocol to that treaty, signed at Moscow on July 3, 1974*

NATIONAL MISSILE DEFENSE (NMD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 231-233** National missile defense The budget request contained $504.1 million for National Missile Defense (NMD) in PE 63871C, $324.7 million less than appropriated for fiscal year 1997. The Secretary of Defense recently informed the committee that NMD funding in the Future Years Defense Plan (FYDP) is inadequate to support the program and identified a fiscal year 1998 shortfall of $474.0 million, part of a total shortfall of at least $2.3 billion over the FYDP. The committee has consistently believed that proposed NMD budgets were inadequate to support the Administration's "three plus three" deployment readiness program. As early as 1994, the committee was informed by the BMDO that annual NMD funding of $600 million was required for a viable technology readiness program. BMDO reported then that annual funding in the range of only $450 million "could seriously damage our NMD readiness strategy and would likely permit projected third world threats to the homeland to materialize prior to any viable NMD deployment capability." In 1995, BMDO informed the committee that a "three plus three" deployment readiness program would require annual development funding of $800 million to $850 million. However, the Administration's annual funding requests have consistently fallen hundreds of millions of dollars short of the levels needed for a viable program. Even after the Administration provides additional outyear funding for NMD, the program schedule will be challenging and the committee is concerned that several factors may undermine the viability of even the Administration's option to deploy an NMD by 2003.	**Report Language** **Page 127** Section 221. National Missile Defense program. The committee continues to support a focused effort to develop and deploy a National Missile Defense (NMD) system to defend the United States against limited ballistic missile attacks. The committee acknowledges that the Secretary of Defense has recently reiterated his commitment to preserving the option of deploying such a system in fiscal year 2003. Recognizing the continuing controversy over NMD deployment policy, the committee recommends a provision that would strengthen the option to deploy an NMD system in fiscal year 2003 without specifically establishing an overarching deployment policy. This provision would require the Secretary of Defense to structure and fund the NMD program so as to support an integrated NMD system test in fiscal year 1999. The provision would also require the Secretary of Defense to prepare a plan for the development and deployment of an NMD system that could achieve initial operational capability in fiscal year 2003. Finally, the provision recommends an authorization of $978.1 million for NMD in fiscal year 1998.

NATIONAL MISSILE DEFENSE (NMD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 231-233** First, the previous Under Secretary for Acquisition and Technology testified to the committee that no long lead procurement funding for NMD had been budgeted anywhere in the FYDP because no deployment decision had been made. The committee remains concerned that unless appropriate funds for long lead procurement, military construction, and deployment planning are programmed in fiscal year 1999, the option to deploy an NMD by 2003 will be unavailable. Accordingly, the committee directs the Director of BMDO to provide a report to the Congressional defense committees by February 1, 1998, detailing long lead procurement, military construction, and deployment planning, and any other acquisition activity that must be funded prior to a decision to deploy an NMD in order to ensure that deployment by 2003 could be achieved; the cost of these activities; and how BMDO intends to preserve a 2003 deployment option if these activities are not funded in the fiscal year 1999 budget request. Second, the committee is concerned with persistent NMD program organizational difficulties, particularly the delays in establishing the NMD joint program office and awarding the lead system integrator contracts. The committee urges the Secretary to ensure that all management and contract difficulties are identified and addressed in an expedited manner in an effort to provide some long overdue stability to the program. Third, the committee notes that inadequate investments in test assets has increased technical and schedule risk for BMD programs, including NMD. A recent test failure, due to human error in the launch sequence of a NMD test vehicle, resulted in delays to the program because another booster and	**Report Language** **Page 192-193** National Missile Defense The budget request for the National Missile Defense (NMD) program was $504.1 million. The committee has maintained for the last several years that the NMD program is severely underfunded. In the context of the Quadrennial Defense Review, the Department of Defense has acknowledged this funding shortfall and recommended an increase of $474.0 million for NMD in fiscal year 1998, and approximately $2.3 billion over the years of the Future Years Defense Program (FYDP). The committee notes that this does not include any funding for the actual deployment of an NMD system. Although the committee is pleased that the Secretary of Defense has sought to clarify actual NMD funding requirements, it is disappointed that it has taken so long. Even with significant congressional increases over the last two years, the NMD program remains high risk, largely due to the Department's failure to adequately fund robust testing activities. Unfortunately, the addition of $474.0 million in fiscal year 1998 will do little in the near- term to compensate for this neglect. The committee is concerned by the lack of detail accompanying the Secretary of Defense's request to increase the NMD program budget by $2.3 billion over the FYDP. In addition, the committee is not satisfied with the degree of information provided to date on how past NMD funding increases have been spent. Therefore, the committee directs the Secretary of Defense to submit a report to the congressional defense committees, not later than November 1, 1997, providing a detailed accounting of how NMD funds have been spent since the beginning of fiscal year 1996

NATIONAL MISSILE DEFENSE (NMD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 231-233** additional test targets were not available. The committee finds this kind of delay unacceptable for such a high priority program. Accordingly, the committee directs the Director of BMDO to report to the Congressional defense committees by February 1, 1998, on the specific steps that are being taken, and those that should be taken but are not, to mitigate schedule risks and the potential for single point failures resulting from inadequate test assets. Finally, the committee notes that NMD battle management/command, control, and communications (BM/C3) funding has declined dramatically in each of the last two fiscal years. Effective BM/C3 is of central importance to the success of all ballistic missile defense efforts. While the committee is encouraged that reuse of theater missile defense BM/C3 software is being emphasized by BMDO as a means of speeding development and reducing risk and cost, NMD software development remains a significant challenge. The committee believes that BM/C3 development and risk reduction efforts deserve priority attention and urges DOD to establish reuse of TMD BM/C3 as a significant evaluation criterion in future NMD system contract awards, consistent with system requirements. The committee believes that deployment of a national missile defense remains a national priority and recommends $978.1 million, an increase of $474.0 million.	**Report Language** **Page 192-193** and a detailed plan for the allocation of NMD funding in the FYDP. In addition, the Secretary shall provide a detailed description of the cost estimating and cost control mechanisms in place within DOD for the NMD program, and an assessment of whether they are adequate. The committee supports the NMD Joint Program Office and the decision to award a contract for a lead system integrator (LSI). The committee urges BMDO to proceed expeditiously with selection of an LSI contractor and the overall NMD program. Therefore, the committee recommends an increase of $474.0 million in PE 63871C. The committee believes that BMDO should continue to explore sea-based NMD options. The committee is aware of analysis that shows that a version of the Navy Upper Tier theater missile defense (TMD) system could be employed in an NMD role. Therefore, the committee directs the Director of BMDO to submit a report to the congressional defense committees by February 15, 1998, describing whether and how the Navy Upper Tier program could be upgraded in the future to provide a limited NMD capability. The report should address the technical issues associated with a sea-based NMD option as well as costs associated with such a concept. The report should also address whether and how a sea-based NMD system could be integrated into and supplement a ground- based NMD system, and whether and how a sea-based system could provide additional capabilities in support of the requirements for the existing NMD program

NATIONAL MISSILE DEFENSE (NMD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 230-231** Multilateralization of the Anti-Ballistic Missile Treaty The committee notes the Administration's decision to seek to expand beyond Russia the number of states party to the 1972 U.S.-Soviet Anti-Ballistic Missile (ABM) Treaty to include three former republics of the Soviet Union. The committee is concerned with the Administration's contention that multilateralizing the ABM Treaty is not a substantive change to the treaty's terms and, therefore, Congressional approval is not required. In a report to Congress in November 1996, the Administration asserted that "the resolution of succession questions has long been regarded as a function of the Executive Branch" and that the notion of Congressional approval of any succession agreement "would cast doubt on well-established principles of treaty succession." The committee believes that the issue of whether or not multilateralization involves substantive changes to ABM Treaty has less to do with the question of which states are appropriate successors than with the rights accorded those states under the agreement reached. For example, the treaty allows the parties to deploy up to 100 ABM interceptors. However, the administration has stated that Russia will be granted exclusive rights to deploy the full complement of 100 interceptors on its side. In other words, although the former Soviet states of Ukraine, Belarus, and Kazakhstan might become parties to the treaty, they would not be allowed to deploy ABM interceptors on their national territory. In the committee's view, this represents a modification to the rights of the states party to the ABM Treaty, and, therefore a substantive change to the treaty.	

NATIONAL MISSILE DEFENSE (NMD) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 230-231** Furthermore, the committee believes that the addition of multiple coequal parties to the ABM Treaty would substantively change the process by which treaty revisions to might be negotiated. Four parties, each of equal legal standing but with varying rights accorded under the treaty, would presumably have to agree unanimously to amend the treaty if the U.S. pursues such amendments. Such a process is substantively different than negotiating with one equal party. Deployment of an effective national missile defense capable of defending all fifty states, even against a limited ballistic missile threat, will likely require amendment of the treaty. With five parties where there were once only two, the treaty amendment process would be rendered much more difficult, and perhaps impossible. Thus, even while the Administration purports to be committed to an NMD deployment option, it simultaneously supports a change to the ABM Treaty that could render any such deployment option, short of abrogating the treaty, implausible. The committee believes that multilateralization represents a substantive change to the ABM Treaty, and, as such, that the Administration is required to submit any such proposal to Congress for appropriate review and approval.	

NATIONAL MISSILE DEFENSE (NMD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 36-37** *SEC. 232. BUDGETARY TREATMENT OF AMOUNTS FOR PROCUREMENT FOR BALLISTIC MISSILE DEFENSE PROGRAMS.* *(a) Requirement for Inclusion in Budget of BMDO.--(1) Chapter 9 of title 10, United States Code, is amended by inserting after section 222 the following new section:* *"Sec. 224. Ballistic missile defense programs: display of amounts for procurement* *"(a) Requirement.--Any amount in the budget submitted to Congress under section 1105 of title 31 for any fiscal year for procurement for a Department of Defense missile defense program described in subsection (b) shall be set forth under the account of the Department of Defense for Defense-wide procurement and, within that account, under the subaccount (or other budget activity level) for the Ballistic Missile Defense Organization.* *"(b) Covered Programs.--Subsection (a) applies to the following missile defense programs of the Department of Defense:* ***"(1) The National Missile Defense program.*** *"(2) Any system that is part of the core theater missile defense program.*	**Report Language** **Page 671** Budgetary treatment of amounts for procurement for ballistic missile defense programs (sec. 232) The House bill contained a provision (sec. 231) that would require future budget requests for procurement of the National Missile Defense program and for core theater missile defense programs to be within the accounts of the Ballistic Missile Defense Organization (BMDO) rather than in the accounts of the military services. The Senate amendment contained a provision (sec. 226) that would direct the Secretary of Defense to transfer ballistic missile defense program procurement funds previously managed by the Ballistic Missile Defense Organization from military service accounts back to their original BMDO procurement accounts. The Senate recedes with an amendment that combines the House and the Senate provisions.

NATIONAL MISSILE DEFENSE (NMD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 35-36** *Subtitle C--Ballistic Missile Defense Programs* *SEC. 231. NATIONAL MISSILE DEFENSE PROGRAM.* *(a) Program Structure.--To preserve the option of achieving an initial operational capability in fiscal year 2003, the Secretary of Defense shall ensure that the National Missile Defense Program is structured and programmed for funding so as to support a test, in fiscal year 1999, of an integrated national missile defense system that is representative of the national missile defense system architecture that could achieve initial operational capability in fiscal year 2003.* *(b) Elements of NMD System.--The national missile defense system architecture specified in subsection (a) shall consist of the following elements:* *(1) An interceptor system that optimizes defensive coverage of the continental United States, Alaska, and Hawaii against limited ballistic missile attack (whether accidental, unauthorized, or deliberate).* *(2) Ground-based radars.* *(3) Space-based sensors.* *(4) Battle management, command, control, and communications (BM/C3).*	**Report Language** **Page 671** National Missile Defense Program (sec. 231) The Senate amendment contained a provision (sec. 225) that would require the Secretary of Defense to structure the National Missile Defense (NMD) program to support an integrated NMD system test in fiscal year 1999. The provision would also require the Secretary of Defense to prepare a plan for the development and deployment of an NMD system that could achieve initial operational capability in fiscal year 2003. Finally, the provision would authorize $978.1 million for NMD in fiscal year 1998. The House bill contained no similar provision. The House recedes.

NATIONAL MISSILE DEFENSE (NMD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 35-36** *(c) Plan for NMD System Development and Deployment.--Not later than February 15, 1998, the Secretary of Defense shall submit to the congressional defense committees a plan for the development and deployment of a national missile defense system that could achieve initial operational capability in fiscal year 2003. The plan shall include the following matters:* *(1) A detailed description of the system architecture selected for development.* *(2) A discussion of the justification for the selection of that particular architecture.* *(3) The Secretary's estimate of the amounts of the appropriations that would be necessary for research, development, test, evaluation, and for procurement for each of fiscal years 1999 through 2003 in order to achieve an initial operational capability of the system architecture in fiscal year 2003.* *(4) For each activity necessary for the development and deployment of the national missile defense system architecture selected by the Secretary that would at some point conflict with the terms of the ABM Treaty, if any—* *(A) a description of the activity;* *(B) a description of the point at which the activity would conflict with the terms of the ABM Treaty;*	**Report Language** **Page 657-658** NATIONAL MISSILE DEFENSE The budget request included $504.1 million in PE 63871C for the National Missile Defense (NMD) program. Following the budget submission, and pursuant to the Quadrennial Defense Review, the Secretary of Defense requested that the NMD budget request be increased by $474.0 million for fiscal year 1998. The House bill and Senate amendment would authorize an increase of $474.0 million for the NMD program. The conferees agree to authorize an increase of $474.0 million for the NMD program. The conferees have expressed concern for some time that the NMD program has been underfunded. The Department of Defense has acknowledged this funding shortfall and recommended an increase of $474.0 million in fiscal year 1998, and approximately $2.3 billion over the years of the Future Years Defense Program (FYDP). The conferees note that this does not include any funding for the actual deployment of an NMD system. Although the conferees are pleased that the Secretary of Defense has sought to rectify NMD funding shortfalls, they are disappointed that it has taken so long. Even with significant congressional increases over the last two years, the NMD program remains high risk, largely due to the administration's failure to adequately fund robust testing activities.

NATIONAL MISSILE DEFENSE (NMD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 35-36** *(C) the legal analysis justifying the Secretary's determination regarding the point at which the activity would conflict with the terms of the ABM Treaty; and* *(D) an estimate of the time at which such point would be reached in order to achieve a test of an integrated missile defense system in fiscal year 1999 and initial operational capability of such a system in fiscal year 2003.* *(d) Funding for Fiscal Year 1998.--Of the funds authorized to be appropriated under section 201(4), $978,091,000 shall be available for the National Missile Defense Program.* *(e) ABM Treaty Defined.--In this section, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, signed at Moscow on May 26, 1972, and includes the Protocol to that treaty, signed at Moscow on July 3, 1974.*	**Report Language** **Page 657-658** Unfortunately, the addition of $474.0 million in fiscal year 1998 will do little in the near-term to compensate for this problem. The conferees are concerned by the lack of detail accompanying the Secretary of Defense's request to increase the NMD program budget by $2.3 billion over the FYDP. In addition, the conferees are not satisfied with the degree of information provided to date on how past NMD funding increases have been spent. Therefore, the conferees direct the Secretary of Defense to submit a report to the congressional defense committees by February 15, 1998, providing a detailed accounting of how NMD funds have been spent since the beginning of fiscal year 1996 and a detailed plan for the allocation of NMD funding in the FYDP. In addition, the Secretary shall provide a detailed description of the cost estimating and cost control mechanisms in place within DOD for the NMD program, and an assessment of whether they are adequate. The conferees believe that BMDO should continue to understand issues associated with sea-based NMD options. The conferees are aware of analysis that shows that a version of the Navy Upper Tier TMD system could be employed in an NMD role. Therefore, the conferees direct the Director of BMDO to submit a report to the congressional defense committees by February 15, 1998, describing whether and how the Navy Upper Tier program could be upgraded in the future to provide a limited NMD capability. The report should address the technical issues associated with a sea-based NMD option as well as costs associated with such a concept. The report should also

NATIONAL MISSILE DEFENSE (NMD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 330** *SEC. 1301. PRESIDENTIAL REPORT CONCERNING DETARGETING OF RUSSIAN STRATEGICMISSILES.* *(a) Required Report.--Not later than January 1, 1998, the President shall submit to Congress a report concerning detargeting of Russian strategic missiles. The report shall address each of the following:* *(1) Whether a Russian ICBM that was formerly, but is no longer, targeted at a site in the United States would be automatically retargeted at a site in the United States in the event of the accidental launch of the missile.* *(2) Whether missile detargeting would prevent or significantly reduce the possibility of an unauthorized missile launch carried out by the Russian General Staff and prevent or significantly reduce the consequences to the United States of such a launch.* *(3) Whether missile detargeting would pose a significant obstacle to an unauthorized launch carried out by an operational level below the Russian General Staff if missile operators at such an operational level acquired missile launch codes or had the technical expertise to override missile launch codes.* *(4) The plausibility of an accidental launch of a Russian ICBM, compared to the possibility of a deliberate missile launch, authorized or unauthorized, resulting from Russian miscalculation, overreaction, or aggression.*	**Report Language** **Page 657-658** address whether and, if so, how a sea-based NMD system could be integrated into and supplement a ground-based NMD system, whether and, if so, how a sea-based system would provide needed additional capabilities in support of the requirements for the existing NMD program, and whether such a system would comply with the ABM Treaty. **Page 822** Presidential report concerning detargeting of Russian strategic missiles (sec. 1301) The House bill contained a provision (sec. 1206) that would require the President to certify to Congress by January 1, 1998 whether the United States is able to verify by technical means that Russian intercontinental ballistic missiles (ICBMs) are not targeted at the United States; the length of time it would take for a detargeted Russian ICBM to be retargeted against a site in the United States; and whether a detargeted Russian ICBM would be automatically retargeted against a site in the United States in the event of an accidental launch. The Senate amendment contained no similar provision.

NATIONAL MISSILE DEFENSE (NMD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 330** *(5) The national security benefits derived from detargeting United States and Russian ICBMs.* *(6) The relative consequences to the United States of an unauthorized or accidental launch of a Russian ICBM that has been detargeted and one that has not been detargeted.* *(b) Definitions.--For purposes of subsection (a):* *(1) The term "Russian ICBM" means an intercontinental ballistic missile of the Russian Federation.* *(2) The term "accidental launch" means a missile launch resulting from mechanical failure.*	**Report Language** **Page 822** The conferees note that the Secretary of Defense was directed in the House report on H.R. 3230 (H. Rept. 104-563), the National Defense Authorization Act for Fiscal Year 1997, to provide a report on the verifiability and military significance of the Moscow Declaration of January 14, 1994. On May 16, 1997, the Secretary submitted a report to Congress which stated that the United States could not independently verify that Russian intercontinental ballistic missiles were no longer targeted at the United States and that detargeted Russian ICBMs could be quickly retargeted within minutes. With regard to detargeted U.S. ICBMs, the report stated that these missiles could be retargeted in a short time. The conferees believe that efforts between the United States and the Russian Federation to lower the threat of a massive nuclear exchange are laudable goals and encourage measures that would make a substantive contribution toward enhancing strategic stability. The conferees agree that it is important to have a full understanding of what particular agreements mean relative to achieving those goals. The conferees support a careful analysis of the advantages and limitations of the missile detargeting agreement. Therefore, the conferees agree to a provision that would require the President to submit a report to Congress that addresses issues regarding the detargeting of Russian strategic missiles

NATIONAL MISSILE DEFENSE (NMD) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 337** *SEC. 1306. RECONSTITUTION OF COMMISSION TO ASSESS THE BALLISTIC MISSILE THREAT TO THE UNITED STATES.* *(a) Initial Organization Requirements.--Section 1321(g) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201; 110 Stat. 2712) is amended--* *(1) in paragraph (1), by striking out "not later than 45 days after the date of the enactment of this Act" and inserting in lieu thereof "not later than 30 days after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998"; and* *(2) in paragraph (2)--* *(A) by striking out "30 days" and inserting in lieu thereof "60 days"; and* *(B) by striking out ", but not earlier than October 15, 1996".* *(b) Funding.--Section 1328 of such Act (110 Stat. 2714) is amended by inserting "and fiscal year 1998" after "for fiscal year 1997".*	**Report Language** **Page 824** Reconstitution of Commission to Assess the Ballistic Missile Threat to the United States (sec. 1306) The conferees agree to include a provision that would extend by one year the time for the Commission to Assess the Ballistic Missile Threat to the United States, established pursuant to Subtitle B of Title XIII of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201), to complete its original charter.

NATIONAL MISSILE DEFENSE (CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
833.437	504.631	978.091	978.091	978.091	978.091	978.091

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)

Bill Language

No language exists.

Report Language
Page222

The Committee believes that National Missile Defense (NMD) is one of the highest national security priorities. The Committee is concerned about the proliferation of weapons of mass destruction and the possible emergence of a ballistic missile threat from a rogue nation.

The Department requested $504,091,000 for National Missile Defense (NMD). The Committee recommends $978,091,000, an increase of $474,000,000, as proposed in both the House and Senate Authorization bills. The Committee concurs with the recommendations of the Quadrennnial Defense Review and recommends additional funds to significantly reduce the cost, schedule and technical risk associated with the current NMD program. The Committee is pleased with the recent successful NMD flight test which demonstrated the ability of an Exoatmospheric Kill Vehicle (EKV) optical seeker to identify and track a set of threat targets and discriminate between warheads and decoys. However, the Committee remains concerned about the

Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)

Bill Language

No language exists.

Report Language
Page 125

National missile defense.--The Committee has provided an increase of $474,000,000 to the budget request for national missile defense, recommending a total appropriation of $978,091,000 for this important national priority.

The increase reflects the Committee's stated support for timely development and thorough testing of the national missile defense system concept. The Defense Department is currently holding a competition for NMD system concepts. Following this competition, the Defense Department will be in a better position to assess the cost and schedule plans for NMD development.

The Committee believes that the military services and the Ballistic Missile Defense Organization must work closely together in order to develop the most cost effective national missile defense system. The Committee believes that existing assets should be considered wherever possible in order to develop the

NATIONAL MISSILE DEFENSE (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Report Language **Page 222** six month delay in the program which was caused because of an earlier flight test malfunction that was attributed to human error. The Committee believes, as with the THAAD program, that quality control and close management are critical to timely deployment of this system.	**Report Language** **Page 125** most cost-effective initial capability to defend the Nation against intercontinental ballistic missiles. With this goal in mind, the Committee endorses a careful and thorough assessment of the Minuteman booster and other existing infrastructure to support the most cost effective and expeditious development, testing, deployment, and initial operating capability.

NATIONAL MISSILE DEFENSE (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **Page 30** *Sec. 8048. Notwithstanding any other provision of this Act, the total amount appropriated in title IV of this Act is hereby reduced by $474,000,000: Provided, That each program element, program, project, subproject, and activity funded in title IV of this Act shall be allocated a pro-rata share of any of the reductions made by this section: Provided further, That not later than 60 days after the enactment of this Act, the Undersecretary of Defense (Comptroller) shall submit a report to the congressional defense committees listing the specific funding reductions allocated to each category listed in the preceding proviso pursuant to this section.*	**Report Language** **Page 142** The conferees included a new general provision (Section 8048) which offsets funding provided for National Missile Defense (NMD). In title IV, the conference agreement includes an additional $474,000,000 over the President's request for NMD, responding to a request from the Secretary of Defense after significant shortfalls were discovered in programmed funding. Section 8048 offsets the additional funds provided in the conference agreement for NMD by a like reduction, on a pro-rata basis, to each activity funded in title IV. **Page 134** MISSILE FEASIBILITY ASSESSMENTS The conferees note the past success achieved by the Countermeasures Hands-On Program (CHOP) and Hands-On Threat Demonstration (HTD) programs in assessing the feasibility of countermeasures to ballistic missile defense programs and cruise missile threats to the United States. The conferees believe a similar program to assess the feasibility of the development of long-range ballistic missile capabilities by rogue or other states will be useful in assessing potential missile threats to the United States. Accordingly, the conferees provide $2,400,000 to the CHOP program from the amount provided for National Missile Defense for the initiation of an effort to demonstrate the feasibility of building and testing a long-range ballistic

NATIONAL MISSILE DEFENSE (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
	Report Language **Page 134** missile using open source literature and materials likely to be available to potential rogue nations. The effort shall be conducted using the same approach employed by the CHOP and HTD programs. Furthermore, of the amount provided for National Missile Defense Demonstration and Validation (Program Element 0603871C), not less than $150,000 shall be provided to the HTD Program for completion of cruise missile flight testing.

ABM TREATY

ABM TREATY

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **No Language exists.** **Report Language** **Page 230-231** Multilateralization of the Anti-Ballistic Missile Treaty The committee notes the Administration's decision to seek to expand beyond Russia the number of states party to the 1972 U.S.-Soviet Anti-Ballistic Missile (ABM) Treaty to include three former republics of the Soviet Union. The committee is concerned with the Administration's contention that multilateralizing the ABM Treaty is not a substantive change to the treaty's terms and, therefore, Congressional approval is not required. In a report to Congress in November 1996, the Administration asserted that "the resolution of succession questions has long been regarded as a function of the Executive Branch" and that the notion of Congressional approval of any succession agreement "would cast doubt on well-established principles of treaty succession."	**Bill Language** **No language exists.** **Report Language** **No language exists.**

ABM TREATY (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 230-231** The committee believes that the issue of whether or not multilateralization involves substantive changes to ABM Treaty has less to do with the question of which states are appropriate successors than with the rights accorded those states under the agreement reached. For example, the treaty allows the parties to deploy up to 100 ABM interceptors. However, the administration has stated that Russia will be granted exclusive rights to deploy the full complement of 100 interceptors on its side. In other words, although the former Soviet states of Ukraine, Belarus, and Kazakhstan might become parties to the treaty, they would not be allowed to deploy ABM interceptors on their national territory. In the committee's view, this represents a modification to the rights of the states party to the ABM Treaty, and, therefore a substantive change to the treaty. Furthermore, the committee believes that the addition of multiple coequal parties to the ABM Treaty would substantively change the process by which treaty revisions to might be negotiated. Four parties, each of equal legal standing but with varying rights accorded under the treaty, would presumably have to agree unanimously to amend the treaty if the U.S. pursues such amendments. Such a process is substantively different than negotiating with one equal party. Deployment of an effective national missile defense capable of defending all fifty states, even against a limited ballistic missile threat, will likely require amendment of the treaty. With five parties where there were once only two, the treaty amendment process would be rendered much more difficult, and perhaps impossible. Thus, even while the Administration purports to be committed to	

ABM TREATY (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 230-231** an NMD deployment option, it simultaneously supports a change to the ABM Treaty that could render any such deployment option, short of abrogating the treaty, implausible. The committee believes that multilateralization represents a substantive change to the ABM Treaty, and, as such, that the Administration is required to submit any such proposal to Congress for appropriate review and approval. **Page 235-236** Theater missile defense demarcation The committee notes that the presidents of the United States and Russia, at the recent Helsinki summit, signed a joint statement concerning the 1972 Anti-Ballistic Missile (ABM) Treaty and the relationship of TMD systems to that treaty. The joint statement outlined the agreement reached last year between both sides at the Standing Consultative Commission (SCC) regarding lower-velocity TMD systems, which Russia refused to sign, and established parameters to be used as the basis for further negotiations on higher-velocity TMD systems. The committee is concerned with several elements of the joint Helsinki statement. First, it establishes limitations on TMD systems in the context of the ABM Treaty. The ABM Treaty, which prohibits a defense of U.S. national territory against strategic ballistic missiles, was never intended to apply to theater missile defense systems.	

ABM TREATY (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 235-236** Second, the Administration asserts that it has sought to negotiate an agreement with Russia that would "clarify" the distinction between permitted and prohibited missile defense capabilities. The agreement fails to achieve this clarification. The committee continues to accept the "demonstrated standard" identified in section 325 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106), which makes no reference to interceptor speeds. Specifically, this provision established the principle that TMD interceptors could not be tested against a ballistic missile traveling farther than 3,500 kilometers or with a velocity greater than five kilometers per second. Interceptors tested against ballistic targets exceeding these parameters would be considered ABM-capable. This "demonstrated standard" was the only criterion supported by Congress for judging whether TMD interceptors were captured by the ABM Treaty. The U.S.-Russian Helsinki agreement would establish the "demonstrated standard" as the sole measure of treaty compliance for lower-velocity TMD systems, those with speeds of three kilometers a second or less. However, no agreement was reached on higher-velocity TMD systems. While the Administration has issued public assurances that no U.S. TMD systems now under development will be restricted by the Helsinki agreement, it has also committed to negotiate with Russia on the higher-velocity systems. The Russian perspective on these impending negotiations is that limits on interceptor speed must be introduced, the U.S. cannot unilaterally declare its	

ABM TREATY (CONT)	
House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	**Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)**
Report Language Page 235-236 higher-velocity TMD programs to be in compliance with the ABM Treaty, and that compliance can only be established through negotiation. Far from clarifying the distinction between permitted and prohibited systems, the Administration has apparently accepted an artificial distinction between lower- and higher-velocity TMD and has agreed to negotiations that may limit the performance of U.S. TMD systems. The committee opposes restrictions on higher velocity U.S. TMD systems, as well as negotiations that would compel any degradation of the capabilities embodied in U.S. TMD systems, present or future. Third, the agreement reached in Helsinki went beyond even the Administration's stated objective of clarifying ambiguities in the ABM Treaty For instance, the joint statement notes that TMD deployments should be limited in "number and geographic scope." Such a restriction could impose for the first time unacceptable restraints on where and how TMD systems might be deployed. Fourth, the joint statement notes U.S.-Russian agreement that no TMD deployment will be directed against the other party. This prohibition could deny new NATO members an important defensive benefit under Article V of the North Atlantic Treaty. Under such a restriction, Russia may object to U.S. TMD systems deployed in Western Europe or Asia intended to protect U.S. forces and allies. Such a restriction is likely to make it more difficult to build an allied consensus on the need for TMD.	

ABM TREATY (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 235-236** Finally, the language of the joint statement committing the sides to "exchange detailed information annually on TMD plans and programs" has the potential to provide Russia with sensitive information regarding U.S. TMD programs, as well as an opportunity to challenge U.S. TMD programs early in their development. Such exchanges must be carefully thought through and implemented only to the extent that they do not undermine U.S. national security objectives. The committee notes the Administration has stated that the Helsinki agreement on theater missile defense demarcation represents a substantive change to the ABM Treaty and its intention to submit the agreement to the Senate for its advice and consent. The committee believes that a full and thorough debate over the implications of the TMD demarcation agreement for U.S. security is long overdue.	

ABM TREATY (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.** **(SEE AUTHORIZATION CONFERENCE LANGUAGE FOR NMD.)**	**Report Language** **No language exists.** **(SEE AUTHORIZATION CONFERENCE LANGUAGE FOR NMD.)**

ABM TREATY (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

ABM TREATY (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

SUPPORT TECHNOLOGIES

SUPPORT TECHNOLOGIES

FY97 Authorization		FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
App	104.023	101.932	111.932	111.932	115.932	115.932	113.932
Adv	269.819	147.557	172.557	172.557	321.957	321.957	306.557

House FY98 DOD Authorization Bill
H.R 1119; H.Rept. 105-132 (6/16/97)

Bill Language

No bill language exists.

Senate FY98 DOD Authorization Bill
S. 936; S. Rept. 105-29 (6/17/97)

Bill Language

No language exists.

SUPPORT TECHNOLOGIES (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 229** The budget request did not contain funding for two cooperative projects with Russia, the Russian-American Observation Satellite (RAMOS) and the Active Plasma Experiment (APEX). The committee recommends $30.0 million for the RAMOS and APEX projects. Recent events indicate some Russian interest in exploring the possibility of greater cooperation in this area. For example, at the recent Helsinki summit, Presidents Clinton and Yeltsin declared that they are prepared to explore integrated cooperative defense efforts in the area of early warning support for TMD activities, technology cooperation in areas related to TMD, and expansion of the ongoing program of cooperation in TMD exercises. The committee notes that expanded cooperation with Russia in the area of ballistic missile defense must be carefully considered and implemented only in a manner that does not jeopardize U.S. technological advantages or the development and deployment of U.S. BMD systems. The committee directs the Secretary of Defense to develop a plan for U.S.-Russian cooperative projects--identifying the costs and benefits associated with each project--and to submit this plan to the Congressional defense committees no later than February 1, 1998. The committee believes that the effective management of cooperative BMD programs requires their consolidation in a separate program element. Therefore, the committee recommends a legislative provision (Sec. 232) that would establish the "Cooperative Ballistic Missile Program" as a separate program element within BMDO to support technical and analytical cooperative missile defense efforts between the U.S. and other nations.	**Report Language** **Page 190-191** Support technology The committee continues to support BMDO's wide bandgap electronic material development program. Higher speed and higher temperature operation afforded by wide bandgap electronic materials could enhance the miniaturization and functionality of advanced sensors and processing systems for space-based ballistic missile defense (BMD) sensors and ground-based radar systems. The committee recommends an increase of $14.0 million in PE 62173C to support this important activity. The committee continues to support the Atmospheric Interceptor Technology (AIT) program to develop and flight test advanced kill interceptors with potential applications for a wide range of theater missile defense (TMD) programs. The committee recommends an increase of $40.0 million in PE 63173C to continue the AIT program. The committee supports the efforts of the U.S. Air Force and BMDO to develop a joint program for proceeding toward a space-based laser (SBL) flight demonstrator. The committee notes that the Director of BMDO commissioned an independent review team (IRT) to study the space-based laser program and recommend a preferred course of development. According to the SBL-IRT, the most prudent course for the SBL is to proceed on a low risk program that could lead to a launch of an ABM Treaty compliant space demonstrator in fiscal year 2005. To achieve this goal, the SBL-IRT recommended a funding level of $148.0 million for the SBL program in fiscal year 1998. The committee endorses the SBL-IRT recommendations and

SUPPORT TECHNOLOGIES (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 214** The budget request contained $8.0 million in PE 65860F for the rocket system launch program (RSLP). The RSLP provides research, development, test, and evaluation support to the Department of Defense and other government agencies using excess ballistic missile assets. The committee continues to support the atmospheric interceptor technology (AIT) program, a primary technology base program within the Ballistic Missile Defense Office for advanced hit-to-kill interceptor technologies. Flight tests are needed in fiscal year 1998 for the AIT program to move ahead, but funding for these tests was not included in the AIT or RSLP budget requests. The committee understands that these flight tests may use experimental Advanced Solid Axial Stages boosters, the testing of which will help the RSLP program better meet future requirements. The committee recommends $33.0 million for RSLP, an increase of $25.0 million, to support AIT flight tests in fiscal year 1998. **Page 233-234** The budget request contained a total of $147.6 million in PE 63173C for BMD support technologies. The Atmoshperic Interceptor Technology (AIT) program is an ongoing effort that addresses technological challenges common to several BMD programs, including THAAD, the Navy theater-wide program, and the national missile defense effort by examining advanced hit-to-kill warhead technologies. The budget request included only $4.9 million for AIT, a	**Report Language** **Page 190-191** recommends an increase of. $118.0 million in PE 63173C to begin implementing them. The committee believes that such an SBL readiness demonstrator can be conducted without violating the ABM Treaty. In addition, proceeding with a readiness demonstrator will not commit the United States to development or deployment of an operational SBL program, but will preserve this option for future consideration. The committee is concerned that, following an investment of approximately $800.0 million to develop and launch the Midcourse Space Experiment (MSX) satellite, BMDO and the Air Force now have not allocated funding to continue operation of this system following the failure of the cryo-cooler system. The committee notes that the Air Force has developed a proposal for an advanced concept technology demonstrator (ACTD) to continue MSX operation to exploit the sensors that remain operational. The Air Force has estimated that such an ACTD would require $6.4 million in fiscal year 1998. The committee is disappointed that these funds were not identified by the Department of Defense. Given the degree of useful life remaining in the MSX system and the amount of valuable data it could still collect, the committee recommends an increase of $6.4 million in PE 63173C to continue operations of the MSX satellite. However, the committee expects the Department of Defense to request the necessary funding to continue MSX operations in fiscal year 1999 and beyond. The committee has supported BMDO's efforts to evaluate innovative launch concepts, especially those utilizing pressure-fed rocket engine technology. The committee recommends an increase of $10.0 million in PE 63173C to support low cost launch concepts, including the Scorpius concept.

SUPPORT TECHNOLOGIES (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 233-234** reduction from $43.0 million appropriated for fiscal year 1997. The committee supports AIT and recommends an increase of $25.0 million to continue more robust AIT development. The committee is concerned by a funding reduction of over $100.0 million for BMD support technologies from the fiscal year 1997 level. Reductions of this magnitude slow the development of critical and innovative technologies and are inconsistent with the Administration's assertion that the budget request supports an acceleration of theater missile defense programs. They also undermine the comprehensive technology effort needed to stay ahead of the evolving ballistic missile threat. The committee urges the Secretary of Defense to provide adequate funding for BMD support technologies and recommends $172.6 million, an increase of $25.0 million.	

SUPPORT TECHNOLOGIES (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 254** Wide bandgap semiconductors The budget request contained $101.9 million in PE 62173C for applied research for ballistic missile defense programs. The committee recognizes the potential of wide bandgap semi-conductors that operate at higher power, higher frequency and higher temperature and have the ability to operate in high radiation environments. The committee recommends an increase of $10.0 million in PE 62173C to continue the wide bandgap semi-conductor program for which funds were authorized and appropriated for fiscal year 1997. The committee directs that the program continue to involve industry and academia in applied research in gallium nitride and silicon carbide material growth, characterization, surface behavior and device development. **Page 215 (Air Force)** Space and Missile Rocket Propulsion The budget request contained $16.2 million within PE 63302F for Space and Missile Rocket Propulsion. The committee remains concerned that the nation's space launch system is too unreliable and expensive and believes that exploration of potentially revolutionary launch technologies is fully justified. Improving the efficiency and responsiveness of U.S. launch capabilities is important to a wide range of military activities and to reducing infrastructure costs.	

SUPPORT TECHNOLOGIES (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 215** The Scorpius space launch technology demonstration program embodies one promising approach to robust, inexpensive, scalable launch capabilities. It has been funded through seven small business innovative research awards by BMDO and Phillips Laboratory. The committee recommends an increase of $15.0 million for continuation of the Scorpius program and that the funding for the Scorpius program be transferred from BMDO (PE 63173C) to the Air Force (PE 63302F). The committee believes that military single-stage-to-orbit (SSTO) vehicles could also be important to future defense missions and could provide assured and very flexible access to space. The committee notes that the budget request contained no funding for the military spaceplane, however, the Air Force has expressed support for this program and indicates that it will be funded in fiscal year 1999. The committee recommends an increase of $15.0 million in PE 63302F to continue this program.	

SUPPORT TECHNOLOGIES (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **No language exists.**	**Report Language (Air Force)** **Page 633** Rocket Systems Launch Program The budget request included $8.0 million in PE 65860F for the Rocket Systems Launch Program (RSLP). The House bill would authorize an increase of $25.0 million for RSLP to support the launch of an Atmospheric Intercept Technology (AIT) demonstration payload. The Senate amendment would authorize the budget request. The conferees agree to authorize an increase of $20.0 million for RSLP in support of the AIT program. The conferees direct the Ballistic Missile Defense Organization and the Air Force to develop a coordinated implementation plan for executing the RSLP and AIT budgets in order to maximize the benefit to the AIT program.

SUPPORT TECHNOLOGIES (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 655** LOW COST LAUNCH TECHNOLOGY The budget request included no funds to support low cost launch technologies, such as pressure fed engine technology. The House bill would authorize an increase of $15.0 million in PE 63302F for development of the Scorpius low cost launch concept. The Senate amendment would authorize an increase of $10.0 million in PE 63173C for low cost launch technology development, including the Scorpius concept. The conferees agree to authorize an increase of $5.0 million in PE 63173C and an increase of $5.0 million in PE 63401F for low cost launch technology, including the Scorpius and Excalibur concepts. **Page 658-659** COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAM The budget request included $38.7 million for the Arrow Continuation Experiments/Arrow Deployability (ACES/ADP) program (PE 63872C), $12.9 million for the Unmanned Aerial Vehicle Boost Phase Intercept (UAV BPI) program (PE 63870C), and $16.5 million for the Tactical High Energy Laser (THEL) program (PE 63308A), all of which are U.S.-Israeli cooperative missile defense programs. The budget request

SUPPORT TECHNOLOGIES (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 658-659** included no funding for the Russian American Observation Satellite (RAMOS) program and the Active Plasma Experiment (APEX) program, both of which are cooperative Russian-American programs. The House bill would authorize $123.1 million in a new BMDO program element (63XXXC) for cooperative international BMD programs, including $48.7 million for the Arrow program, an increase of $10. million; the budget request for the UAV BPI program; $38.2 million for THEL, of which $15.0 million was a funding increase and another $6.7 million was to be funded by BMDO administrative accounts; and $30.0 million for RAMOS and APEX. The Senate amendment would authorize $53.7 million for Arrow in PE 63872C, an increase of $15.0 million; $17.9 million for UAV BPI in PE 63870C, an increase of $5.0 million; $51.5 million for THEL in PE 63308A, an increase of $35.0 million; and no funding for RAMOS or APEX. The conferees agree to authorize $50.7 million for Arrow in PE 63872C, an increase of $10.0 million; $16.4 million for UAV BPI in PE 63870C, an increase of $3.5 million; $51.0 million for THEL in PE 63308A, an increase of $34.5 million; $13.0 million for RAMOS in PE 63173C; and $8.0 million for APEX in PE 63173C. The House recedes on its initiative to create a new cooperative BMD PE for fiscal year 1998. A legislative provision to create a new cooperative BMD program element for fiscal year 1999 is described elsewhere in this report. The conferees expect that these programs and other appropriate programs will be managed through this new cooperative BMD program element.

SUPPORT TECHNOLOGIES (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 659-670** SPACE-BASED LASER The budget request included $28.9 million in PE 63173C for the Space Based Laser (SBL) program. The House bill would authorize the budget request for the SBL program. The Senate amendment would authorize an increase of $118.0 million for the SBL program. The conferees agree to authorize an increase of $98.0 million for the SBL program, for a total of $126.9 million in fiscal year 1998. The conferees strongly endorse the recommendation of BMDO's SBL Independent Review Team (IRT) to proceed on a low risk path leading to the launch of an ABM Treaty compliant Readiness Demonstrator (RD) in fiscal year 2005. In a letter of August 15, 1997 to the Senate Majority Leader, the Secretary of Defense confirmed that SBL technology "has reached a level of maturity enabling us to focus on integration issues that could lead to a future space demonstration of a sub-scale vehicle." The conferees believe that such an SBL-RD can be developed and launched without violating the ABM Treaty. Proceeding with an SBL-RD will not commit the United States to development or deployment of an operational SBL system, but will preserve this option for future consideration.

SUPPORT TECHNOLOGIES (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 659-670** The conferees support the management structure that has been established for the SBL program, with the Air Force acting as the executive agent for BMDO, but believe that the Air Force must program a share of the funding needed to develop and launch the SBL-RD. The conferees understand that the Air Force leadership is committed to such a cost-sharing arrangement and look forward to this commitment being reflected in the fiscal year 1999 budget request and in future Air Force Program Objective Memorandum (POM) submissions. The conferees also understand that the Secretary of Defense is considering options for increasing funding for the SBL program in the BMDO budget. The conferees recognize that full funding of the SBL-RD program will allow a much more efficient and lower risk program. Therefore, the conferees strongly urge the Secretary of Defense to explore all possible means of including the full SBL-IRT recommended funding profile for a fiscal year 2005 launch in the combined BMDO and Air Force Future Years Defense Program (FYDP), starting with the fiscal year 1999 budget request. The conferees direct that all funds authorized to be appropriated for the SBL program in fiscal year 1998 be managed with the principal objective of developing an SBL-RD capable of being launched in fiscal year 2005. The conferees further direct that all funds authorized to be appropriated in fiscal year 1998 for the SBL program be directly executed by the Commander of the Air Force Space and Missile Systems Center (SMC).

SUPPORT TECHNOLOGIES (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 658-659** The conferees recognize that the Commander of SMC may recommend that some limited amount of critical and potentially high payoff SBL technology research and development be continued even if it does not directly support the SBL-RD. However, due to the overarching priority of launching the SBL-RD in fiscal year 2005, the conferees direct that obligation of SBL funds for such activities be limited, and only occur following consultation with the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives. The conferees direct the Commander of SMC to establish promptly an SBL-RD baseline, to include a set of technical objectives and requirements, a contracting strategy, a system design, a program schedule, and a funding profile that would support a launch in fiscal year 2005. The conferees understand that the SBL-IRT focused primarily on a single SBL-RD design. However, the conferees support the steps taken by the Commander of SMC to rapidly assess technical and contractual options that may allow a treaty compliant SBL-RD to be developed and launched more rapidly and affordably. To ensure that the focus of the program remains on a fiscal year 2005 launch, the conferees expect to be consulted prior to the adoption of any excursions from the SBL-IRT recommended baseline. The conferees note that the SBL-IRT concluded that a new integrated test facility is an essential and relatively long-lead element of the SBL-RD effort. Therefore, the conferees direct the Commander of SMC to proceed

SUPPORT TECHNOLOGIES (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 658-659** expeditiously in fiscal year 1998 with the selection of a site for such a facility. The Commander of SMC shall include the requirements, costs, and schedule for this facility in the SBL-RD baseline, as well as an assessment of the cost effectiveness of continuing to operate other SBL test facilities such as the one at Capistrano, California. The conferees direct the Secretary of Defense to submit a report on the status of the SBL-RD baseline, and related issues, to the congressional defense committees by March 1, 1998. **(SEE BMDO FUNDING SECTION FOR SPECIFIC EARMARKS ON TECHNOLOGY PROGRAMS.)**

SUPPORT TECHNOLOGIES (CONT)

FY97 Appropriations	FY98 Budget Request	HAC Full Committee	House Floor	SAC Full Committee	Senate Floor	Appropriations Conference
104.023 (App.) 262.319 (Adv.)	101.923 (App.) 147.557 (Adv.)	141.932 (App.) 147.557 (Adv.)	141.932 (App.) 147.557 (Adv.)	115.932 (App.) 351.957 (Adv.)	115.932 (App.) 351.957 (Adv.)	113.932 (App.) 311.557 (Adv.)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **Page 214** The Department requested $101,932,000 for Support Technologies. The Committee recommends $141,932,000, an increase of $40,000,000. Within this increase, $30,000,000 is only for Atmospheric Interceptor Technology (AIT) to develop new capabilities for current theater missile defense interceptors. In addition, the Committee recommends $10,000,000 only for wide band gap technologies, as proposed in the House-passed Defense Authorization bill.	**Bill Language** **No language exists.** **Report Language** **No language exists.**

SUPPORT TECHNOLOGIES (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutuory Language **No language exists.**	**Report Language** **Page 135** ATMOSPHERIC RESEARCH The conferees understand that the Ballistic Missile Defense Organization has expressed interest in the development of a pan-oceanic environmental and atmospheric research laboratory. The conferees would encourage the Defense Department to allocate funding within BMDO to initiate this program during fiscal year 1998. The conferees expect to address additional funding for this program in fiscal year 1999. SUPPORT TECHNOLOGIES--BMDO The conferees direct that the $13,000,000 provided for the Russian-American Observational Satellites (RAMOS) program shall be available only for the RAMOS program. **(See BMDO funding for chart on Support Technology projects.)**

TACTICAL HIGH ENERGY LASER PROGRAM (THEL)

TACTICAL HIGH ENERGY LASER PROGRAM (THEL) (ARMY)

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
	16.500	38.200	38.200	61.500	61.500	51.000

House FY98 DOD Authorization Bill H.R 1119; H.Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 42** *SEC. 236. TACTICAL HIGH ENERGY LASER PROGRAM.* *(a) Transfer of Program.--The Secretary of Defense shall transfer the Tactical High Energy Laser program from the Secretary of the Army to the Director of the Ballistic Missile Defense Organization, to be carried out under the Cooperative Ballistic Missile Defense Program established pursuant to section 232(a).* *(b) Authorization.--Of the amount authorized to be appropriated in section 201, $38,200,000 is authorized for the Tactical High Energy Laser program.*	**Bill Language** **No bill language exists.**

TACTICAL HIGH ENERGY LASER PROGRAM (THEL) (ARMY) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 229** The budget request contained $16.5 million within PE 63308A for the Tactical High Energy Laser (THEL) program. The committee is aware that the threat from tactical rockets and missiles is growing, as such systems proliferate world-wide. The U.S. and Israel are cooperating in an effort to respond to this threat by developing a high energy laser that can destroy tactical missiles in flight. The committee recommends a legislative provision (sec. 236) that would transfer the THEL program from the Secretary of the Army to the director of BMDO, and would authorize a total of $38.2 million for the THEL program. The committee directs the transfer of $16.5 million from PE 63308A to PE 63XXXC, a new program element that would consolidate cooperative ballistic missile defense programs under BMDO management. The committee also recommends an increase of $15.0 million to ensure completion of the first phase of the program to design, build, integrate and test the THEL advanced concept technology demonstrator and to begin developmental testing to validate THEL capabilities. The committee further directs the director of BMDO to provide the remaining $6.7 million required for the THEL program from BMDO administrative accounts.	**Report Language** **Page 140** Tactical high energy laser program The committee recommends an increase of $10.0 million in PE 65605A and an increase of $35.0 million in PE 63308A to fully support efforts in the tactical high energy laser (THEL) program for follow-up testing and the provision of software upgrades necessary for designing a self-defense capability for the system.

TACTICAL HIGH ENERGY LASER PROGRAM (THEL) (ARMY) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 261** Section 236--Tactical High Energy Laser Program (THEL) This section would transfer the THEL program from PE 63308A to an new PE 63XXXC that would consolidate cooperative ballistic missile defense programs under Ballistic Missile Defense Organization management and would authorize $38.2 million for THEL.	

TACTICAL HIGH ENERGY LASER PROGRAM (THEL) (ARMY) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **No language exists.**	**Report Language** **Page 658-659** COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAM The budget request included $38.7 million for the Arrow Continuation Experiments/Arrow Deployability (ACES/ADP) program (PE 63872C), $12.9 million for the Unmanned Aerial Vehicle Boost Phase Intercept (UAV BPI) program (PE 63870C), and $16.5 million for the Tactical High Energy Laser (THEL) program (PE 63308A), all of which are U.S.-Israeli cooperative missile defense programs. The budget request included no funding for the Russian American Observation Satellite (RAMOS) program and the Active Plasma Experiment (APEX) program, both of which are cooperative Russian-American programs. The House bill would authorize $123.1 million in a new BMDO program element (63XXXC) for cooperative international BMD programs, including $48.7 million for the Arrow program, an increase of $10. million; the budget request for the UAV BPI program; $38.2 million for THEL, of which $15.0 million was a funding increase and another $6.7 million was to be funded by BMDO administrative accounts; and $30.0 million for RAMOS and APEX. The Senate amendment would authorize $53.7 million for Arrow in PE 63872C, an increase of $15.0 million; $17.9 million for UAV BPI in PE 63870C, an increase of $5.0 million; $51.5 million for THEL in PE 63308A, an increase of $35.0 million; and no funding for RAMOS or APEX.

TACTICAL HIGH ENERGY LASER PROGRAM (THEL) (ARMY) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 658-659** The conferees agree to authorize $50.7 million for Arrow in PE 63872C, an increase of $10.0 million; $16.4 million for UAV BPI in PE 63870C, an increase of $3.5 million; $51.0 million for THEL in PE 63308A, an increase of $34.5 million; $13.0 million for RAMOS in PE 63173C; and $8.0 million for APEX in PE 63173C. The House recedes on its initiative to create a new cooperative BMD PE for fiscal year 1998. A legislative provision to create a new cooperative BMD program element for fiscal year 1999 is described elsewhere in this report. The conferees expect that these programs and other appropriate programs will be managed through this new cooperative BMD program element. **Page 676** LEGISLATIVE PROVISIONS NOT ADOPTED Tactical High Energy Laser program The House bill contained a provision (sec. 236) that would transfer the Tactical High Energy Laser (THEL) program from the Department of the Army to the Ballistic Missile Defense Organization, and authorize $38.2 million for THEL in fiscal year 1998. The Senate amendment contained no similar provision. The House recedes. Fiscal year 1998 funding for THEL is addressed elsewhere in this report.

TACTICAL HIGH ENERGY LASER (THEL)(ARMY) (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **Page 169** The Army requested $24,138,000 for Army missile defense systems integration. The Committee recommends $55,638,000, an increase of $31,500,000 only to test the Tactical High Energy Laser (THEL) demonstrator. Subsequent to the budget submission, the Secretary of Defense and Israel agreed the THEL demonstrator should undergo U.S. government developmental testing. The government developmental test would be the first opportunity to validate the capability of the demonstrator to shoot down rockets in flight before it is given to Israel. The Secretary of Defense proposed that the U.S. provide two-thirds and the Israeli government one-third of the funds required to complete the government developmental test. However, no funds are included in the fiscal year 1998 budget request for the government developmental test. The recommended increase will pay the two-thirds share for THEL testing as proposed by the Secretary of Defense. The Committee notes that the fiscal year 1998 budget includes $16,500,000 for THEL development and contractor testing. The Committee has also recommended an additional $10,000,000 in program element 0605605A, High Energy Laser Systems Test Facility, for test site preparation.	**Bill Language** **No language exists.** **Report Language** **No language exists.**

TACTICAL HIGH ENERGY LASER (THEL)(ARMY) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

BATTLE INTEGRATION CENTER (BIC)

BATTLE INTEGRATION CENTER (BIC) (ARMY)

FY97 Authorization	FY98 Budget Request	HNSC Full Committee	House Floor	SASC Full Committee	Senate Floor	Authorization Conference
	5.000	19.000	19.000	27.000	27.000	22.000

House FY98 DOD Authorization Bill
H.R 1119; H.Rept. 105-132 (6/16/97)

Bill Language

No bill language exists.

Report Language
Page 161

Missile defense battle integration center

The budget request contained $5.0 million for the battle integration center (BIC). The Army is building a flexible distributed interactive simulation-based architecture which can operate in regimes of training, exercises and military operations, as well as providing support to advanced concept development. The committee understands that this effort has been identified as an Army priority, yet it is insufficiently funded. The committee recommends an increase of $14.0 million in PE 63308A to continue development of the BIC as an integrated battlelab with the capability to provide high fidelity representation of the modern battlefield.

Senate FY98 DOD Authorization Bill
S. 936; S. Rept. 105-29 (6/17/97)

Bill Language

No bill language exists.

Report Language
Page 139

Missile defense Battle Integration Center

The committee has supported the missile defense Battle Integration Center (BIC) at the Army's Space and Strategic Defense Command for integrating missile defense and space capabilities for the warfighter through synthetic battlefield environments. The role of the BIC has expanded to numerous exercises, experiments, demonstrations, and training activities. To continue this important capability, the committee recommends an increase of $22.0 million in PE 63308A. The committee directs the Director of the Ballistic Missile Defense Organization to provide a report to the committee by February 1, 1998, detailing how the BIC is integrated into overall U.S. missile defense programs and efforts.

BATTLE INTEGRATION CENTER (BIC) (ARMY)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

BATTLE INTEGRATION CENTER (BIC) (ARMY) (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

BATTLE INTEGRATION CENTER (BIC) (ARMY) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

DIRECTOR BALLISTIC MISSLE DEFENSE ORGANIZATION

DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 41-42** *SEC. 235. DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION.* *(a) In General.--Subchapter II of chapter 8 of title 10, United States Code, is amended by adding at the end the following new section:* *"Sec. 203. Director of Ballistic Missile Defense Organization* *"(a) Grade.--The position of Director of the Ballistic Missile Defense Organization--* *"(1) may only be held by an officer of the armed forces on the active-duty list; and* *"(2) shall be designated under section 601 of this title as a position of importance and responsibility to carry the grade of general or admiral or lieutenant general or vice admiral.* *"(b) Line of Authority to Secretary of Defense.--The Director of the Ballistic Missile Defense Organization reports directly to the Secretary of Defense and (if so directed by the Secretary) the Deputy Secretary of Defense, without intervening review or approval by any other officer of the Department of Defense, with respect to all matters pertaining to the management of ballistic missile defense programs for which the Director has responsibility (including matters pertaining to the status of those programs and the budgets for those programs).".*	**Bill Language** **No bill language exists.**

DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 41-42** *(b) Clerical Amendment.--The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:* *"203. Director of Ballistic Missile Defense Organization.".*	

DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 260** Section 235--Director of Ballistic Missile Defense Organization (BMDO) The committee believes that without appropriate senior leadership and a streamlined reporting chain, BMDO's ability to efficiently develop and deploy BMD systems is at risk. Therefore, this provision would requiring that the position of director of BMDO be filled by an officer of the armed forces of the United States with a rank of at least Lieutenant General or Vice Admiral. The committee believes that three star rank is essential to provide the BMDO director the stature within the Department of Defense commensurate with the job's responsibilities. The committee notes that the current director of BMDO is a Lieutenant General, and expects that the requirement established by this section will continue to be filled from within existing statutory authorizations for general and flag officers. The committee also recommends establishing a requirement that the director of BMDO report directly to the Secretary of Defense concerning all matters pertaining to the management of BMDO programs. Such streamlining will help overcome bureaucratic obstacles and allow issues to be promptly and definitively resolved.	**Report Language** **No report language exists.**

DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 39** *SEC. 235. DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION.* *(a) In General.--Subchapter II of chapter 8 of title 10, United States Code, is amended by adding at the end the following new section:* *"Sec. 203. Director of Ballistic Missile Defense Organization* *"If an officer of the armed forces on active duty is appointed to the position of Director of the Ballistic Missile Defense Organization, the position shall be treated as having been designated by the President as a position of importance and responsibility for purposes of section 601 of this title and shall carry the grade of lieutenant general or general or, in the case of an officer of the Navy, vice admiral or admiral.".* *(b) Clerical Amendment.--The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:* *"203. Director of Ballistic Missile Defense Organization.".*	**Report Language** **Page 672** Director of Ballistic Missile Defense Organization (sec. 235) The House bill contained a provision (sec. 235) that would require that the Director of the Ballistic Missile Defense Organization (BMDO) carry the grade of lieutenant general or general or, in the case of an officer of the Navy, vice admiral or admiral. It would also require that the Director of BMDO report directly to the Secretary of Defense. The Senate amendment contained no similar provision. The Senate recedes with an amendment that would permit the appointment of a civilian official of equivalent grade as Director of BMDO and eliminate the requirement that the Director report directly to the Secretary of Defense. The conferees direct the Secretary of Defense to ensure that the director of BMDO is accorded full access to the Secretary and all other senior Department of Defense officials on matters pertaining to the management of ballistic missile defense programs for which the director has responsibility.

DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

WEAPONS OF MASS DESTRUCTION

WEAPONS OF MASS DESTRUCTION

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 37-40** *SEC. 234. ANNUAL REPORT ON THREAT POSED TO THE UNITED STATES BY WEAPONS OF MASS DESTRUCTION, BALLISTIC MISSILES, AND CRUISE MISSILES.* *(a) Annual Report.--The Secretary of Defense shall submit to Congress by January 30 of each year a report on the threats posed to the United States and allies of the United States--* *(1) by weapons of mass destruction, ballistic missiles, and cruise missiles; and* *(2) by the proliferation of weapons of mass destruction, ballistic missiles, and cruise missiles.* *(b) Consultation.--Each report submitted under subsection (a) shall be prepared in consultation with the Director of Central Intelligence.*	**Bill Language** **No language exists.**

WEAPONS OF MASS DESTRUCTION (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
<u>Bill Language</u> **<u>Page 37-40</u>** *(c) Matters To Be Included.--Each report submitted under subsection (a) shall include the following:* *(1) Identification of each foreign country and non-State organization that possesses weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.* *(2) A description of the means by which any foreign country and non-State organization that has achieved capability with respect to weapons of mass destruction, ballistic missiles, or cruise missiles has achieved that capability, including a description of the international network of foreign countries and private entities that provide assistance to foreign countries and non-State organizations in achieving that capability.* *(3) An examination of the doctrines that guide the use of weapons of mass destruction in each foreign country that possesses such weapons.* *(4) An examination of the existence and implementation of the control mechanisms that exist with respect to nuclear weapons in each foreign country that possesses such weapons.*	

WEAPONS OF MASS DESTRUCTION (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 37-40** *(5) Identification of each foreign country and non-State organization that seeks to acquire or develop (indigenously or with foreign assistance) weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.* *(6) An assessment of various possible timelines for the achievement by foreign countries and non-State organizations of capability with respect to weapons of mass destruction, ballistic missiles, and cruise missiles, taking into account the probability of whether the Russian Federation and the People's Republic of China will comply with the Missile Technology Control Regime, the potential availability of assistance from foreign technical specialists, and the potential for independent sales by foreign private entities without authorization from their national Governments.* *(7) For each foreign country or non-State organization that has not achieved the capability to target the United States or its territories with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.*	

WEAPONS OF MASS DESTRUCTION (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 37-40** *(8) For each foreign country or non-State organization that has not achieved the capability to target members of the United States Armed Forces deployed abroad with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.* *(d) Classification.--Each report under subsection (a) shall be submitted in classified and unclassified form.*	

WEAPONS OF MASS DESTRUCTION (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 260** Section 234--Annual Report on Threat Posed to the United States by Weapons of Mass Destruction, Ballistic Missiles, and Cruise Missiles The committee believes that awareness of information and assessments concerning evolving threats to U.S. national security is essential to informed congressional debate and decision-making. To that end, the committee believes that a comprehensive description and assessment of the threats posed by weapons of mass destruction (WMD) and ballistic and cruise missiles to the U.S. and its allies would be an essential informational for Congress and the public. Therefore, this provision would direct the Secretary of Defense, in consultation with the Director of Central Intelligence, to prepare and submit to Congress by January 30, 1998, and January 30 of each subsequent year, a report on threats posed to the U.S. and its allies by cruise missiles, ballistic missiles, and weapons of mass destruction, and the proliferation of such technologies. The report should be prepared in classified and unclassified form, to assure the most complete information and widest distribution possible.	**Report Language** **No report language exists.**

WEAPONS OF MASS DESTRUCTION (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 38-39** *SEC. 234. ANNUAL REPORT ON THREAT POSED TO THE UNITED STATES BY WEAPONS OF MASS DESTRUCTION, BALLISTIC MISSILES, AND CRUISE MISSILES.* *(a) Annual Report.--The Secretary of Defense shall submit to Congress by January 30 of each year a report on the threats posed to the United States and allies of the United States--* *(1) by weapons of mass destruction, ballistic missiles, and cruise missiles; and* *(2) by the proliferation of weapons of mass destruction, ballistic missiles, and cruise missiles.* *(b) Consultation.--Each report submitted under subsection (a) shall be prepared in consultation with the Director of Central Intelligence.* *(c) Matters To Be Included.--Each report submitted under subsection (a) shall include the following:* *(1) Identification of each foreign country and non-State organization that possesses weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.*	**Report Language** **Page 671-672** Annual report on the threat posed to the United States by weapons of mass destruction, ballistic missiles, and cruise missiles (sec. 234) The House bill contained a provision (sec. 234) that would direct the Secretary of Defense, in consultation with the Director of Central Intelligence, to prepare and submit to Congress by January 30 of each year, a report on threats posed to the United States and its allies by cruise missiles, ballistic missiles, and weapons of mass destruction, and the proliferation of such technologies. The Senate amendment contained no similar provision. The Senate recedes.

WEAPONS OF MASS DESTRUCTION (CONT)	
FY98 DOD Authorization Conference **H.R. 1119; H. Rept. 105-340 (10/23/97)**	**FY98 DOD Authorization Conference** **H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **Page 38-39** *(2) A description of the means by which any foreign country and non-State organization that has achieved capability with respect to weapons of mass destruction, ballistic missiles, or cruise missiles has achieved that capability, including a description of the international network of foreign countries and private entities that provide assistance to foreign countries and non-State organizations in achieving that capability.* *(3) An examination of the doctrines that guide the use of weapons of mass destruction in each foreign country that possesses such weapons.* *(4) An examination of the existence and implementation of the control mechanisms that exist with respect to nuclear weapons in each foreign country that possesses such weapons.* *(5) Identification of each foreign country and non-State organization that seeks to acquire or develop (indigenously or with foreign assistance) weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.*	

WEAPONS OF MASS DESTRUCTION (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 38-39** *(6) An assessment of various possible timelines for the achievement by foreign countries and non-State organizations of capability with respect to weapons of mass destruction, ballistic missiles, and cruise missiles, taking into account the probability of whether the Russian Federation and the People's Republic of China will comply with the Missile Technology Control Regime, the potential availability of assistance from foreign technical specialists, and the potential for independent sales by foreign private entities without authorization from their national Governments.* *(7) For each foreign country or non-State organization that has not achieved the capability to target the United States or its territories with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.* *(8) For each foreign country or non-State organization that has not achieved the capability to target members of the United States Armed Forces deployed abroad with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.* *(d) Classification.--Each report under subsection (a) shall be submitted in classified and unclassified form.*	

WEAPONS OF MASS DESTRUCTION (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 38-39** *(2) A description of the means by which any foreign country and non-State organization that has achieved capability with respect to weapons of mass destruction, ballistic missiles, or cruise missiles has achieved that capability, including a description of the international network of foreign countries and private entities that provide assistance to foreign countries and non-State organizations in achieving that capability.* *(3) An examination of the doctrines that guide the use of weapons of mass destruction in each foreign country that possesses such weapons.* *(4) An examination of the existence and implementation of the control mechanisms that exist with respect to nuclear weapons in each foreign country that possesses such weapons.* *(5) Identification of each foreign country and non-State organization that seeks to acquire or develop (indigenously or with foreign assistance) weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.*	

WEAPONS OF MASS DESTRUCTION (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 38-39** *(6) An assessment of various possible timelines for the achievement by foreign countries and non-State organizations of capability with respect to weapons of mass destruction, ballistic missiles, and cruise missiles, taking into account the probability of whether the Russian Federation and the People's Republic of China will comply with the Missile Technology Control Regime, the potential availability of assistance from foreign technical specialists, and the potential for independent sales by foreign private entities without authorization from their national Governments.* *(7) For each foreign country or non-State organization that has not achieved the capability to target the United States or its territories with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.* *(8) For each foreign country or non-State organization that has not achieved the capability to target members of the United States Armed Forces deployed abroad with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.* *(d) Classification.--Each report under subsection (a) shall be submitted in classified and unclassified form.*	

WEAPONS OF MASS DESTRUCTION (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

WEAPONS OF MASS DESTRUCTION (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

COOPERATIVE ENGAGEMENT CAPABILITY (CEC)

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **No bill language exists.** **Report Language** **Page 92** Cooperative engagement capability (CEC) The budget request did not contain funding for CEC. The CEC significantly improves anti-air warfare (AAW) capability by integrating all battle group component AAW sensor information into a single, real-time depiction that allows one platform to target and engage a hostile air threat with information from another. CEC distributes sensor data from any ship or aircraft in the battle group to all others through a real-time, line-of-sight, high-data-rate distribution network. The committee notes that the Chief of Naval Operations has identified CEC as one of the top three fiscal year 1998 unfunded procurement priorities. Therefore, the committee recommends $114.8 million to restore the Navy's CEC fielding plan by procuring and installing CEC shipsets for two aircraft carrier battle groups.	**Bill Language** **No bill language exists.**

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY) (CONT))

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 180** Cooperative engagement capability The budget request contained $139.2 million in PE 63658N for the cooperative engagement capability (CEC). As reflected in the House report (H. Rept. 104-563) on H.R. 3230 and the statement of managers accompanying the conference report on H.R. 3230 (H. Rept. 104-724), the Congress has recognized the CEC program as among the highest priority programs in the Navy and the Department of Defense. In testimony during the defense posture hearing on the fiscal year 1997 budget request, the Secretary of Defense singled out the CEC as a program of high priority that he had chosen to accelerate because of its great potential for linking units from more than one service together and greatly increasing their warfighting capability. The Congressional defense committees agreed with the priority established by the Secretary and recommended significant increases to the CEC program to accelerate the fielding of the capability to the fleet and to accelerate and expand joint service integration efforts. The committee notes that the Navy's fiscal year 1998 budget request for the CEC program is significantly less than projected in the fiscal year 1997 Future Years Defense Plan and budget justification, and results in a slip of over one year in the fielding of the capability to fleet units. The committee does not understand the Navy's failure to provide the funding required to maintain the accelerated fielding schedule for a program that has received such a high priority from the Secretary of Defense and from the Congress. The committee believes that the Navy has overemphasized programs for new naval	**Report Language** **Page 78-79** Cooperative engagement capability The cooperative engagement capability (CEC) has been developed to provide a major improvement in the Navy's battle force anti-air warfare (AAW) capability by coordinating information from all air and ship sensors into a single, real time, composite track picture that possesses fire control quality. CEC entered the engineering and manufacturing phase of development in May 1995. It achieved initial operational capability (IOC) in September 1996 and was approved for limited rate initial production beginning in fiscal year 1998. The Department of Defense has accorded high priority to development and fielding of CEC. In testimony to the committee in support of the fiscal year 1997 budget request, the Secretary of Defense singled it out as an important program with great potential for widespread joint application, particularly in satisfying requirements for theater ballistic missile defense. The budget request does not satisfy the previous timeline for CEC development and procurement, nor does it reflect the elevated priority accorded it by the Secretary of Defense. Despite the successful performance of CEC during IOC evaluation, there is no procurement funding for it in the budget request. The consequence will be at least a one year delay in providing the fleet with a very important operational capability. This importance has been emphasized by the Chief of Naval Operations in correspondence addressed to the committee.

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 180** "platforms", at the expense of the warfighting weapons systems that would make existing platforms more effective. The committee recommends a total increase of $50.0 million in PE 63658N for the CEC program: $15.0 million to continue the accelerated development of the low cost common equipment set, $5.0 million to support transfer of the CEC design and development agent to industry, $20.0 million to accelerate integration of the CEC into Navy E-2C and P-3 aircraft, $5.0 million to initiate development of an integrated capability between CEC and the ship self defense program, and $5.0 million to accelerate joint service integration and demonstration of CEC with the Army's Patriot and the Marine Corps' Hawk air defense missile systems. **Page 252-253** Transfer of cooperative engagement capability operating frequency band Title VI of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66) requires the federal government to provide a span of radio frequencies aggregating not less than 200 Mhz for allocation to the public. To minimize negative impact on the federal government, the act requires that the spectrum to be reallocated must not be "required for the present or identifiable future needs of the Federal Government" and should not result in costs to the federal government that exceed the benefits gained. In February 1995, the National Telecommunications and Information Administration, U.S. Department of	**Report Language** **Page 78-79** As an additional item for consideration, the committee received a report from the Secretary of the Navy on spectrum interference between CEC and other fleet weapons systems and data links. Among other matters, this report provided proposed options for resolving interference between CEC and the data link used by the SH-60B helicopter. The report concluded that the most effective method for eliminating this interference would be to shift the SH-60B data link to an alternate frequency band. The committee's review has determined that the Navy's decision to omit funding in the budget request was not caused by any emerging technical problems that could have increased the risk associated with production or performance. Rather, it appears that the elimination of procurement funding predicted in the fiscal year 1997 Future Years Defense Program occurred as the result of a diversion to satisfy the resource demands of contingency operations. The committee believes this budgeting approach is short-sighted, particularly when high priority programs with urgent operational requirements are decimated as a result. Accordingly, the committee recommends an increase of $114.8 million to restore the funds needed to keep CEC on schedule. The committee also recommends an increase of $14.5 million in PE 63658N to: (1) $5.0 million to initiate development of a Ku-band data link kit for the SH-60B helicopter; (2) $5.0 million to continue the transition of design responsibility from its developer to the CEC procurement contractor; and (3) $4.5 million to continue integration of CEC into the Marine Corps Hawk missile system.

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 252-253** Commerce, recommended reallocation of 50 MHz from within the operating frequency band of the Navy's cooperative engagement capability (CEC) system. In the statement of managers accompanying the conference report on H.R. 3230 (H. Rept. 104-724), the conferees directed the Secretary of the Navy to prepare a detailed report on: (1) progress being made to resolve spectrum interference that would result from the reallocation of the CEC operating band, and (2) steps being taken to resolve interference between CEC and other fleet weapon systems and data links. According to the Department of Defense (DOD) and the General Accounting Office (GAO), this transfer could result in the loss of a total of 200 MHz (one-third of the CEC's usable operating frequencies) and could severely affect the operational capability of the CEC. DOD officials have also indicated to the GAO that current and future spectrum reallocations could significantly degrade the capabilities of many major weapons systems in addition to the CEC and could cost the Department hundreds of millions of dollars to modify systems and/or rent frequencies from the private sector or foreign governments. The committee is informed, however, that the full implications of the 1993 act are not yet known and that the Department is conducting a comprehensive analysis of spectrum requirements for critical systems in order to determine the extent that operational effectiveness of these systems could be affected by loss of the frequency spectrum. The committee also understands that a recent DOD study indicates that the Department's top level spectrum management for planning, policy, and oversight is diffused and weak and that there is no single high-level DOD point of contact for spectrum management.	

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 252-253** In response to H. Rept. 104-724, the Secretary of the Navy has reported that the Navy is working with the Federal Communications Commission (FCC) to minimize interference with civilian applications in the reallocated frequency band and the effect of the reallocation on CEC performance. The Secretary's report also states that the Navy's preferred technical option for resolution of interference between CEC and the LAMPS Mk III data link is moving the LAMPS data link to the Ku-band. Should the Navy choose this option for resolution of the problem, the committee expects that the funding required for the transfer will be included in the fiscal year 1999 defense budget request. The committee concurs with the steps taken by the Navy to address the issues raised in the House report, but believes that the problem should be addressed in a more comprehensive manner by the Secretary of Defense. The committee encourages the Secretary to assign responsibility for overall radio frequency spectrum management to a specific organization within the Department. The committee directs the Secretary to prepare a report to the Congress, in coordination with the Chairman of the FCC and the Secretary of Commerce, which addresses: (1) agreements on measures being taken to resolve the impact of the transfer of 50 Mhz from the radio frequency operating band of the cooperative engagement capability (CEC); (2) the impact of transfers of the federal radio frequency spectrum on other critical military systems; (3) how the DOD plans to modify the CEC and other critical systems, including estimated costs and schedule, to compensate for any operational degradation that might be caused by losses of the radio frequency spectrum due to such transfers; and (4) any unresolved issues in joint frequency spectrum management and impediments to the resolutions of these issues. The report shall be submitted to the Congress by March 31, 1998.	

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **No language exists.**	**Report Language** **Page 501-502** Cooperative engagement capability The budget request included no funds for procurement of cooperative engagement capability (CEC) equipment. The House bill would authorize $114.8 million to restore the Navy's CEC fielding plan by procuring and installing CEC shipsets for two aircraft carrier battle groups. The Senate amendment would authorize $74.8 million to procure and install CEC battle group equipment. The conferees agree to authorize an increase of $75.0 million for procurement and installation of CEC battle group equipment. **Page 610-611** Cooperative engagement capability The budget request included $139.2 million in PE 63658N for the cooperative engagement capability (CEC). The House bill would authorize a total increase of $50.0 million in E 63658N for the CEC program: $15.0 million to continue the accelerated

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 610-611** development of the low cost common equipment set; $5.0 million to support transfer of the CEC design and development agent to industry; $20.0 million to accelerate integration of the CEC into Navy E-2C and P-3 aircraft; $5.0 million to initiate development of an integrated capability between CEC and the ship self defense program (SSDS); and $5.0 million to accelerate joint service integration and demonstration of CEC with the Army's Patriot and the Marine Corps' Hawk air defense missile systems. The Senate amendment would authorize an increase of $9.5 million in PE 63658N to: (1) $5.0 million to continue the transition of design responsibility from its developer to the CEC procurement contractor; and (2) $4.5 million to continue integration of CEC into the Marine Corps Hawk missile system. The Senate amendment would also authorize $5.0 million in PE 64212N to initiate development of a Ku-band data link kit for the SH-60B helicopter to avoid CEC interference. The conferees agree to authorize an increase of $33.0 million in PE 63658N as follows:

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 610-611** (1) $15.0 million for low cost common equipment sets; (2) $10.0 million for P-3 and E-2C integration; (3) $5.0 million for CEC-SSDS integration; and (4) $3.0 million for CEC-Hawk missile system integration. The conferees agree not to authorize an increase in PE 64212N for the SH-60B Ku-band data link.

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY) (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **Page 8** Ship Self-Defense/Cooperative Engagement: Mindful of the growing threat to U.S. forces posed by both theater ballistic and cruise missiles, the Committee has continued its long-standing emphasis on ship self-defense and "cooperative engagement" (the sharing of tracking and targeting information among many different platforms), and has added $401,800,000 over the budget for these efforts. **Page 186** The Navy requested $139,229,000 for development of cooperative engagement capability. The Committee recommends $223,229,000, an increase of $84,000,000. Within this amount $20,000,000 is for E-2/CEC integration, $15,000,000 is for CEC/TBMD development efforts, $15,000,000 is for development of a low cost common equipment set, $13,000,000 is for reduced schedule risk and integrated logistics support, $5,000,000 is for CEC/SSDS integration, $5,000,000 is for Hawk/CEC integration, $5,000,000 is for design agent transfer, $3,000,000 is for fleet CEC exercises, and $3,000,000 is for LAMPS data link interference. The Navy may allocate these funds within the CEC program to best meet overall program objectives.	**Bill Language** **No language exists.** **Report Language** **Page 107** Cooperative engagement capability.--The Committee continues to support the U.S. Navy Cooperative Engagement Capability [CEC] Program. In particular, the Committee supports the use of space-based assets to provide range extension and enhanced sensor capability for CEC. Accordingly, the Committee recommends an increase of $10,000,000 in funding for CEC in fiscal year 1998 to build on earlier studies and begin preliminary engineering work associated with incorporating satellite range extension and space-based sensors in CEC.

COOPERATIVE ENGAGEMENT CAPABILITY (CEC) (NAVY) (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **No language exists.**	**Report Language** **Page 98** DDG-51 The conferees agree to provide $3,411,200,000 for 4 ships. This includes: increases of $720,000,000 for another ship, $15,233,000 for acceleration of baseline 6 hardware and software for theater ballistic missile defense, and $14,000,000 only for installation of cooperative engagement capability on 1 ship; and a decrease of $3,800,000 resulting from saving due to foreign military sale of Aegis equipment. The conferees do not agree to bill language proposed by the House concerning theater ballistic missile defense, but direct the Navy to include cooperative engagement capability and theater ballistic missile defense capability on a significant number of the DDG-51 ships to be procured under a 14 ship multiyear contract.

FREE ELECTRON LASER

FREE ELECTRON LASER (NAVY)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **No bill language exists.** **Report Language** **Page 184** Free electron laser The budget request contained $32.3 million in PE 62111N for technologies applicable to surface and aerospace surveillance and weapons. The committee has supported the Navy's technology program for design, fabrication, and activation of a one kilowatt average power free electron laser that operates in the infrared spectrum, and the evaluation of the technology for potential ship self-defense applications. The committee recommends an increase of $9.0 million to continue the Navy's free electron laser program. The increase will support the next phase in the development of superconducting accelerator free electron laser technology to achieve higher power levels and to evaluate the utility of a high energy laser weapon for naval applications.	**Bill Language** **No bill language exists.** **Report Language** **No report language exists.**

FREE ELECTRON LASER (NAVY) (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

FREE ELECTRON LASER (NAVY) (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

FREE ELECTRON LASER (NAVY) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

SHIP SELF DEFENSE

SHIP SELF DEFENSE (NAVY)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **No language exists.** **Report Language** **Page 186-187** Integrated ship self defense test site The budget request contained $132.3 million in PE 64755N for the ship self defense program and $33.2 million in PE 64759N, Major Test & Evaluation Investment. No funds were requested in either program element for the ship self defense set and support equipment required to activate the Navy's Integrated Ship Self Defense Engineering Center (ISDEC). In 1991, the Navy received approval to construct a land-based test facility at Wallops Island to integrate and test the ship self defense system (SSDS) and its related equipment. The decision was made after a comprehensive review of available test sites and their ability to support the engineering development, in-service engineering, training, testing, and other initiatives associated with the SSDS. Construction of the facility was completed in 1995. A December 1996 letter from the Office of the Chief of Naval Operations advised that "program reductions have resulted in delays of two or more years for the procurement and installation of systems intended for ships and insufficient funding to operate and maintain the Wallops Island facility." In view of the priority assigned to the cooperative engagement capability (CEC) and ship self defense	**Bill Language** **No language exists.** **Report Language** **Page 165** Ship self-defense system The budget request included $31.3 million for continued development of the ship self-defense system (SSDS). This system introduces a distributed processing, open architecture combat system based on a local area network. It uses commercial off-the-shelf equipment and reuses a substantial amount of software that was developed for the cooperative engagement capability (CEC). The committee has been informed that additional funding for SSDS could be used to fully integrate SSDS, the advanced combat direction system (ACDS), and CEC in the Navy's mission critical ships. Current funding allows only an elementary degree of integration via simple interfaces. The committee recommends an increase of $19.0 million in PE 64755N to pursue the system integration needed to integrate CEC, ACDS, and SSDS local area networks to create a single tactical picture and a central integrated combat direction system.

SHIP SELF DEFENSE (NAVY) (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 186-187** programs, the committee does not understand the inability of the Department of the Navy to fund the installation of the required SSDS equipment set and related equipment required to activate the integrated SSDS test site. Such funding should have been an integral part of the program plan when approval for construction of the site was sought and given in 1991. The Navy's inability to provide the required funding is even more incomprehensible in view of the fact that the ship self defense and CEC programs that will use the site have been among the Navy's highest priority programs. These programs have been funded at an average funding level of approximately $400.0 million annually since 1990, and have received significant annual funding increases from Congress. By failing to budget for the activation and operation of the ISDEC, the Navy has severely restricted its ability to perform testing and lifetime engineering support, in-service engineering, and engineering initiatives related to the CEC and SSDS systems. Accordingly the committee recommends an increase of $8.6 million in PE 64759N to purchase the SSDS and related equipment required to activate the integrated land based test site at Wallops Island. The Secretary of the Navy is also directed to provide from available funds the $6.0 million that is required to refurbish and install an AN/SPS-48E air search radar at the site.	

SHIP SELF DEFENSE (NAVY) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **No language exists.**	**Reportl Language** **Page 617-618** Ship self-defense system The budget request included $132.3 million in PE 64755N for the Navy's ship self defense program including $8.2 million for continued development of the NULKA active countermeasures decoy. The House bill would authorize an increase of $8.6 million to activate the integrated ship self-defense test site at Wallops Island, and would direct the Secretary of the Navy to provide $6.0 million from available funds to refurbish and install an AN/SPS-48E air search radar at the test site. The House bill would direct the Secretary of the Navy to reassess the requirement for close-in defense of Navy surface ships and report the results of the assessment and the plan for meeting the requirement to the congressional defense committees by February 28, 1998. Fiscal year 1998 funds would not be authorized to be obligated for the rolling airframe missile (RAM) upgrade program until 30 days after the congressional defense committees receive the Secretary's report. The Senate amendment would authorize an increase of $34.0 million in PE 64755N, including: (1) $19.0 to pursue the system integration needed to integrate the cooperative engagement capability (CEC), the advanced combat direction system (ACDS), and the ship self-defense system (SSDS) local area networks to create a single tactical picture and a central integrated combat direction system;

SHIP SELF DEFENSE (NAVY) (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
	Reportl Language **Page 617-618** (2) $2.0 million for continued development of the NULKA decoy; and (3) $13.0 million for accelerating the infrared search and track program (IRST). The conferees agree to authorize the following ship self-defense increases to PE 64755N: (1) $10.0 million to pursue the system integration needed to integrate the cooperative engagement capability (CEC), the advanced combat direction system (ACDS), and the ship self-defense system (SSDS) local area networks to create a single tactical picture and a central integrated combat direction for a quick reaction combat capability (QRCC); (2) $4.0 million to activate the integrated ship self-defense test site at Wallops Island; (3) $2.0 million for continued NULKA development; and (4) $4.0 million to accelerate the IRST program. The conferees direct the Secretary of the Navy to assess the requirement for close-in defense of Navy surface ships as discussed in the House report (H. Rept. 105-132), and to report the results of that assessment and the plans for meeting the requirement to the congressional defense committees by February 28, 1998.

SHIP SELF-DEFENSE (NAVY) (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **Page 8** Ship Self-Defense/Cooperative Engagement: Mindful of the growing threat to U.S. forces posed by both theater ballistic and cruise missiles, the Committee has continued its long-standing emphasis on ship self-defense and "cooperative engagement" (the sharing of tracking and targeting information among many different platforms), and has added $401,800,000 over the budget for these efforts. **Page 16-17** In fiscal year 1992, the Committee discovered that the Navy's ship self-defense programs were in disarray and it began an initiative to fix the problem. In every fiscal year since 1992, the Committee has recommended significant funding increases for ship self-defense programs. The Committee was vindicated when former Secretary of Defense William Perry witnessed at sea tests of the cooperative engagement capability, a main target of the Committee's interest. He called cooperative engagement "the most significant technological development since stealth" and directed that the program be accelerated. In the most recent tests using cooperative engagement, 17 of 19 missile shots were direct hits, at much farther distances than can be achieved	**Bill Language** **No language exists.** **Report Language** **No language exists.**

SHIP SELF-DEFENSE (NAVY) (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Report Language **Page 16-17** by Aegis ships today, and in one case the ship firing its missiles in self-defense could not even see the target due to radar jamming. In hearings during the past few years, the Committee has commended Navy officials for their attention to committee direction on ship self defense programs. In the fiscal year 1998 budget, something went awry. The Assistant Secretary of the Navy for Research, Development and Acquisition testified to the Committee this year that the Navy's budget continues "an all out effort to protect our Sailors and Marines serving aboard ships against missile attack". Yet, the Navy's budget is a considerable step backward in terms of achieving this objective. Many ship defense programs that have longstanding yet unfulfilled warfighting requirements and which have successfully completed R&D have no funds requested in the fiscal year 1998 budget ostensibly due to lack of funds. Among those are installation of cooperative engagement capability on two surface battle groups, ship self defense upgrades on two amphibious assault ships, and CIWS surface mode gun upgrades on 8 combatant ships to protect them against the terrorist patrol boat threat identified in the early 1990s. The Committee wonders how the Navy can rationalize no production funds for a system declared to be "the most significant technological development since stealth", after the system successfully reached initial operating capability and whose fielding was directed by the Secretary of Defense to be accelerated. The Navy also proposes to overhaul the U.S.S. Nimitz aircraft carrier without including $120,000,000 of necessary equipment that directly contributes to the ability of the ship to perform its mission and to defend thousands of her sailors against cruise	

SHIP SELF-DEFENSE (NAVY) (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Report Language **Page 16-17** missile attack, ostensibly due to lack of funds. The Navy also proposes a multiyear contract for 12 new DDG-51 destroyers which would be delivered to the fleet as late as 2006 without either cooperative engagement or theater ballistic missile defense capability, again ostensibly due to lack of funds. It is apparent to the Committee that ship self-defense and theater ballistic missile defense programs were given short shrift in the Navy's fiscal year 1998 budget due to the propensity of the Navy to request budget growth in (1) lower priority programs such as basic research, NATO R&D, studies, and (2) R&D for new platforms for every Naval community. The Committee's bill rectifies this misallocation of resources by providing an increase of $401,800,000 in R&D and procurement appropriations for ship self-defense and DDG-51 theater ballistic missile defense related programs, with attendant reductions to lower priority programs requested by the Navy. **Page 124** The Navy requested $5,841,000 for the ship-self defense system. The Committee recommends $17,841,000, an increase of $12,000,000 only for installation of the SSDS on two LSD-41 class ships with rolling airframe missile launchers to be allocated from assets procured in 1998 or earlier fiscal years.	

SHIP SELF-DEFENSE (NAVY) (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Report Language **Page 190** The Navy requested $132,270,000 for ship self-defense. The Committee recommends $190,870,000, an increase of $58,600,000. Within this amount, $19,000,000 is for the Quick Reaction Combat Capability, $12,000,000 is for the ship self-defense test ship, $8,600,000 is only to refurbish an AN/SPS-48E for the Wallops Island ship defense test facility, $9,000,000 is only for the development of the SPQ-9B radar, and $10,000,000 is only for Infrared Search and Track.	

SHIP SELF-DEFENSE (NAVY) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 303-304** *SEC. 901. LIMITATION ON OPERATION AND SUPPORT FUNDS FOR THE OFFICE OF THE SECRETARY OF DEFENSE.* *(a) Reduction in Funds.--The amount of funds appropriated pursuant to section 301 that are available for operation and support activities of the Office of the Secretary of Defense may not exceed the amount equal to 80 percent of the amount of funds requested for such purpose in the budget submitted by the President to Congress under section 1105 of title 31, United States Code, for fiscal year 1998.* *(b) Limitation Pending Receipt of Previously Required Reports.--Of the amount available for fiscal year 1998 for operation and support activities of the Office of the Secretary of Defense (as limited pursuant to subsection (a)), not more than 90 percent may be obligated until each of the following reports has been submitted to the congressional defense committees:* *(1) The report required by section 901(c) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 401).* *(2) The report required by section 904(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201; 110 Stat. 2619).*	**Bill Language** **No bill language exists.**

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 392** Defense Acquisition Workforce In the 104th Congress, the committee addressed specific concerns with the size and number of acquisition organizations and positions relative to the declining Department of Defense (DOD) budget and modernization program. Many of the acquisition reforms initiated by the committee were intended to ultimately reduce costs both to the private sector as well as the federal government. Full implementation of acquisition reforms can, and should, also result in fundamental changes and reductions in the structure of the Department's acquisition organizations. Specifically, it was the intent of the committee in relieving the Department from the burden of administering various antiquated and restrictive federal procurement laws that substantially fewer acquisition personnel would be required. In seeking to establish a balance between the Department's diminished modernization program and the Department's acquisition bureaucracy, the committee supported moderate reductions in acquisition personnel in section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) and section 902 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201). The committee understands that in implementing these reductions, the Department exceeded the Congressional mandates in fiscal year 1996 and plans to do so again in fiscal year 1997. In addition to seeking overall reductions in personnel, the committee sought to engage the Department in determining the appropriate structure and organization of its future acquisition system. Section 906 of the National	**Report Language** **No report language exists.**

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 392** Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) required the Department to examine consolidation and reorganization options and report to Congress on its recommendations. Unfortunately, the report provided by the Department demonstrated no real effort to consider the various organizational and management options identified by the law and, not surprisingly, failed to propose any significant alterations to the current acquisition structure. The committee notes the 1995 Commission on Roles and Missions (CORM) sharply criticized the Department's acquisition organizations for maintaining redundant staffs and facilities for many types of common acquisition support activities. Therefore, the committee rejects the Department's conclusion in its report to Congress pursuant to section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) that it has adequately assessed and implemented options for restructuring its acquisition organizations for the purposes of improved efficiency. The committee strongly disagrees with the Department's assertion that increased downsizing of the workforce would place at risk the ability of the Department to equip combat forces and modernize against future threats. Rather, the committee regards the disproportionate size of the defense acquisition personnel workforce and infrastructure relative to the dramatically reduced procurement accounts as a serious drain upon current and future resources. The committee believes that the Department's continued refusal to restructure and streamline acquisition infrastructure will result in the squandering of resources urgently needed to offset modernization, readiness and quality of life shortfalls.	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 394** Defense Reorganization The post Cold War global security environment has witnessed dramatic reductions in the size and capability of the U.S. military force structure while the organizational composition of the Department of Defense, especially at the management level, has remained largely unchanged. Since 1987, the Army has lost eight active divisions, the Navy has decommissioned three carriers and over 200 ships, and the Air Force has cut 12 active and five reserve tactical wings. Notably, 1997 active duty personnel levels are equivalent to 1950 pre-Korean War levels. Meanwhile, from 1985 to 1996, the Office of the Secretary increased its staff 40 percent, military department headquarters continue to maintain redundant staffs, and, in spite of a 70 percent drop in procurement accounts since 1985, the Department's acquisition infrastructure has remained largely static. The committee maintains that the Department currently has sufficient authority to reorganize and restructure itself but has demonstrated little willingness to pursue such reforms. Not since the passage of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433) has the defense establishment undergone significant scrutiny and reform. To address these disturbing trends, the committee undertook a number of initiatives during the 104th Congress to encourage and compel the Department to focus on these matters and arrive at its own options and solutions. The committee deliberately chose not to legislate specific prescriptive remedies on	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 394** the belief that the Department was better suited to develop such detail on its own. Therefore, the committee provided the Department with broad guidance and, where possible, relief from existing statutory limitations and dictates on organizational matters. To the committee's continuing disappointment, the Department's response to these efforts has ranged from passive resistance to outright defiance of statutory direction. After two years of attempting a preferred approach of cooperation and collaboration, the committee finds itself no further along in effecting the necessary change in the Department's management and organizational structure. The committee reaffirms its commitment to pursuing meaningful management reform of the Department of Defense and intends to make this goal a principal focus of its oversight and legislative activities for the remainder of this Congress. Management Headquarters and Headquarters Support Personnel The committee continues to be concerned with the size and cost of the Department's management headquarters and headquarters support activities. The committee believes the Department needs to further examine the structure and size of its management headquarters and headquarters support activities to eliminate unnecessary duplication, outdated modes of organization, and wasteful inefficiencies. The committee notes with concern that the Department has yet to submit the report and recommendations required by section 904 of the National	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 394** Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201). While the Quadrennial Defense Review (QDR) has cited reducing and streamlining management headquarters and headquarters support activities as a priority, it has postponed implementation of reductions until another internal study reviews the issue and makes recommendations to the Secretary of Defense by August 29, 1997. The committee is encouraged with the QDR's assertion that the reduction of layers of oversight at headquarters and operational commands and elimination of management and support personnel will yield 10,000 military and 14,000 civilian positions. The committee concurs with the need to drawdown unnecessary infrastructure and supports the Department in this regard. The committee is aware of several organizations that have not been reported by DOD as management headquarters or headquarters support, but appear to be performing those functions. These organizations include the Air Force Studies and Analyses Agency, U.S. Army's Forces Command Field Support Activity, Air Combat Command's Studies and Analyses Squadron, and the U.S. Atlantic Command's Information Systems Support Group. Furthermore, the committee understands only a portion of the headquarters staffs of the DOD Inspector General and some Defense Agencies are reported by DOD as being management headquarters or headquarters support. For example, none of the headquarters of the numbered air forces are currently reported (although they were in the past), and the Navy's Program Executive Offices apparently have not been reported in spite of the DOD directive requiring their inclusion.	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 394-395** The committee understands the Department will address the inadequacies of the current definition of management headquarters and headquarters support activities in its August 29, 1997 report to the Secretary. Accordingly, the committee expects the aforementioned inconsistencies will be addressed in the August report. Section 901--Limitation on Operation and Support Funds for the Office of the Secretary of Defense The committee in the 104th Congress passed a series of measures designed to improve the organization of the Office of the Secretary of Defense (OSD). The basis of the committee's action was concern with the expanding and evolving scope of OSD staff responsibilities at the expense of the primary role of enhancing the Secretary's decision making ability. While active duty forces were cut 33 percent over the last ten years and have been required to adapt innovative resource management techniques, OSD increased its size by 40 percent. The committee continues to be concerned with OSD's unwillingness to modify its excessive management structure in spite of the overwhelming fiscal pressures facing the rest of the Department. The committee believes OSD has deliberately avoided any downsizing effort and has elected not to lead the Department by example. The committee notes with concern the Department's non-compliance with section 901 of the National Defense Authorization Act for Fiscal Year 1996	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 395** (Public Law 104-106) requiring a report on specific plans for improving organizational efficiency and effectiveness of the Office of the Secretary. The committee was disappointed to learn the Quadrennial Defense Review (QDR) postponed consideration of OSD reorganization pending an internal review panel. The committee believes the Department has been provided ample time to comply with section 901 and fails to support the rationale behind delaying these important issues. Specifically, the QDR states the Task Force on Reform will commence its examination of OSD in the spring of 1997 and will report its findings by November 30, 1997, almost two years after the law required. The committee strongly believes OSD should reduce its size and report to Congress pursuant to section 901 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106). The committee recognizes OSD is not implementing personnel reductions at a rate sufficient to achieve the statutory requirement by October 1, 1997, as specified in section 903 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201). Accordingly, the committee recommends a provision (sec. 901) that would reduce the funding associated with the operation and support activities of the Office of the Secretary of Defense by 20 percent, as reflected within section 301 of this bill, and would restrict the obligation of 10 percent of authorized funding until the Department conforms to the statutory requirement to provide reports as required by section 901 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) and section 904 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201).	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 230** *SEC. 851. CONFORMANCE OF POLICY ON PERFORMANCE BASED MANAGEMENT OF CIVILIAN ACQUISITION PROGRAMS WITH POLICY ESTABLISHED FOR DEFENSE ACQUISITION PROGRAMS.* *(a) Performance Goals.--Section 313(a) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 263(a)) is amended to read as follows:* *"(a) Congressional Policy.--It is the policy of Congress that the head of each executive agency should achieve, on average, 90 percent of the cost, performance, and schedule goals established for major acquisition programs of the agency.".* *(b) Conforming Amendment to Reporting Requirement.--Section 6(k) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(k)) is amended by inserting "regarding major acquisitions that is" in the first sentence after "policy".*	**Report Language** **Page 779** Conformance of policy on performance based management of civilian acquisition programs with policy established for defense acquisition programs (sec. 851) The Senate amendment contained a provision (sec. 845) that would conform the policy on performance based management of civilian acquisition programs with the similar policy applicable to defense acquisition programs under the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355). The House bill contained no similar provision. The House recedes.

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *SEC. 911. REDUCTION IN PERSONNEL ASSIGNED TO MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES.* *(a) In General.--(1) Chapter 3 of title 10, United States Code, is amended by adding at the end the following new section:* *"Sec. 130a. Management headquarters and headquarters support activities personnel: limitation* *"(a) Limitation.--Effective October 1, 2002, the number of management headquarters and headquarters support activities personnel in the Department of Defense may not exceed 75 percent of the baseline number.* *"(b) Phased Reduction.--The number of management headquarters and headquarters support activities personnel in the Department of Defense--* *"(1) as of October 1, 1998, may not exceed 95 percent of the baseline number;* *"(2) as of October 1, 1999, may not exceed 90 percent of the baseline number;* *"(3) as of October 1, 2000, may not exceed 85 percent of the baseline number; and*	**Report Language** **Page 786** Reduction in personnel assigned to management headquarters and headquarters support activities (sec. 911) The House bill contained a provision (sec. 1301) that would require the Secretary of Defense to reduce the number of personnel assigned to management headquarters and headquarters support activities by 25 percent over four years. The Senate amendment contained no similar provision. The Senate recedes with an amendment that would require a 25 percent reduction in the number of personnel assigned to management headquarters and headquarters support activities over five years, would direct a five percent reduction in the number of personnel assigned to management headquarters and headquarters support activities during fiscal year 1998, would direct a five percent reduction in the number of personnel assigned to management headquarters and headquarters support activities within the United States Transportation Command during fiscal year 1998, and would direct the Secretary of Defense to require the Task Force on Defense Reform to include an examination of the missions, functions, and responsibilities of various headquarters activities and management headquarters support activities and to submit a report on the results of the examination by the Task Force on Defense Reform to the Congress not later than March 1, 1998. The conferees intend that the reductions in the United States Transportation Command made during fiscal year 1998 count towards the aggregate Department-wide reduction of five percent.

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *"(4) as of October 1, 2001, may not exceed 80 percent of the baseline number.* *"(c) Baseline Number.--In this section, the term 'baseline number' means the number of management headquarters and headquarters support activities personnel in the Department of Defense as of October 1, 1997.* *"(d) Limitation on Management Headquarters and Headquarters Support Personnel Assigned to the United States Transportation Command.--(1) Effective October 1, 1998, the number of management headquarters activities and management headquarters support activities personnel assigned to, or employed in, the United States Transportation Command may not exceed the number equal to 95 percent of the number of such personnel as of October 1, 1997.* *"(2) For purposes of paragraph (1), the United States Transportation Command shall be considered to include the following:*	

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *"(4) as of October 1, 2001, may not exceed 80 percent of the baseline number.* *"(c) Baseline Number.--In this section, the term 'baseline number' means the number of management headquarters and headquarters support activities personnel in the Department of Defense as of October 1, 1997.* *"(d) Limitation on Management Headquarters and Headquarters Support Personnel Assigned to the United States Transportation Command.--(1) Effective October 1, 1998, the number of management headquarters activities and management headquarters support activities personnel assigned to, or employed in, the United States Transportation Command may not exceed the number equal to 95 percent of the number of such personnel as of October 1, 1997.* *"(2) For purposes of paragraph (1), the United States Transportation Command shall be considered to include the following:* *"(A) The United States Transportation Command Headquarters.* *"(B) The Air Mobility Command of the Air Force.* *"(C) The Military Sealift Command of the Navy.* *"(D) The Military Traffic Management Command of the Army.*	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *"(E) The Defense Courier Service.* *"(F) Any other element of the Department of Defense assigned to the United States Transportation Command.* *"(3) The Secretary of Defense may waive or suspend operation of paragraph (1) in the event of a war or national emergency.* *"(e) Management Headquarters and Headquarters Support Activities Personnel Defined.--In this section:* *"(1) The term 'management headquarters and headquarters support activities personnel' means military and civilian personnel of the Department of Defense who are assigned to, or employed in, functions in management headquarters activities or in management headquarters support activities.* *"(2) The terms 'management headquarters activities' and 'management headquarters support activities' have the meanings given those terms in Department of Defense Directive 5100.73, entitled 'Department of Defense Management Headquarters and Headquarters Support Activities', as in effect on November 12, 1996.*	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *"(f) Limitation on Reassignment of Functions.--In carrying out reductions in the number of personnel assigned to, or employed in, management headquarters and headquarters support activities in order to comply with this section, the Secretary of Defense and the Secretaries of the military departments may not reassign functions in order to evade the requirements of this section.* *"(g) Flexibility.--If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (b) with respect to any fiscal year would adversely affect United States national security, the Secretary may waive the limitation under that subsection with respect to that fiscal year. If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (a) during fiscal year 2001 would adversely affect United States national security, the Secretary may waive the limitation under that subsection with respect to that fiscal year. The authority under this subsection may be used only once, with respect to a single fiscal year.".* *(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:*	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *"130a. Management headquarters and headquarters support activities personnel: limitation.".* *(b) Implementation Report.--Not later than January 15, 1998, the Secretary of Defense shall submit to Congress a report--* *(1) containing a plan to achieve the personnel reductions required by section 130a of title 10, United States Code, as added by subsection (a); and* *(2) including the recommendations of the Secretary regarding--* *(A) the revision, replacement, or augmentation of Department of Defense Directive 5100.73, entitled "Department of Defense Management Headquarters and Headquarters Support Activities", as in effect on November 12, 1996; and* *(B) the revision of the definitions of the terms "management headquarters activities" and "management headquarters support activities" under that Directive so that those terms apply uniformly throughout the Department of Defense.*	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *(c) Duties of Task Force on Defense Reform to Include Consideration Of Management Headquarters Activities.--(1) The Secretary of Defense shall require that the areas of study of the Task Force on Defense Reform (established by the Secretary of Defense on May 14, 1997, and headed by the Deputy Secretary of Defense) include an examination of the missions, functions, and responsibilities of the various management headquarters activities and management headquarters support activities of the Department of Defense. In carrying out that examination of those activities, the Task Force shall identify areas of duplication in those activities and recommend to the Secretary options to streamline, reduce, and eliminate redundancies.* *(2) The examination of the missions, functions, and responsibilities of the various management headquarters activities and management headquarters support activities of the Department of Defense under paragraph (1) shall include the following:* *(A) An assessment of benefits of consolidation or selected elimination of Department of Defense management headquarters activities and management headquarters support activities.*	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *(B) An assessment of the opportunities to streamline the management headquarters and management headquarters support infrastructure that were realized as a result of the enactment of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355) and the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104-106) or as result of other management reform initiatives implemented administratively during the period from 1993 through 1997.* *(C) An assessment of such other options for streamlining or restructuring the management headquarters and management headquarters support infrastructure as the Task Force considers appropriate and as can be carried out under existing provisions of law.* *(3) Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report on the results of the examination by the Task Force under this subsection. The Secretary shall include in the report any report to the Secretary from the Task Force with respect to the matters described in paragraphs (1) and (2).*	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *(B) An assessment of the opportunities to streamline the management headquarters and management headquarters support infrastructure that were realized as a result of the enactment of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355) and the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104-106) or as result of other management reform initiatives implemented administratively during the period from 1993 through 1997.* *(C) An assessment of such other options for streamlining or restructuring the management headquarters and management headquarters support infrastructure as the Task Force considers appropriate and as can be carried out under existing provisions of law.* *(3) Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report on the results of the examination by the Task Force under this subsection. The Secretary shall include in the report any report to the Secretary from the Task Force with respect to the matters described in paragraphs (1) and (2).* *(d) Codification of Prior Permanent Limitation on OSD Personnel.--(1) Chapter 4 of title 10, United States Code, is amended by adding at the end a new section 143 consisting of--*	

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 236-239** *(A) a heading as follows:* *"Sec. 143. Office of the Secretary of Defense personnel: limitation"; and* *(B) a text consisting of the text of subsections (a) through (f) of section 903 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201; 110 Stat. 2617).* *(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:* *"143. Office of the Secretary of Defense personnel: limitation.".* *(3) Section 903 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201; 110 Stat. 2617) is repealed.*	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 239-242** *SEC. 912. DEFENSE ACQUISITION WORKFORCE.* *(a) Reduction of Defense Acquisition Workforce.--(1) The Secretary of Defense shall accomplish reductions in defense acquisition personnel positions during fiscal year 1998 so that the total number of such personnel as of October 1, 1998, is less than the total number of such personnel as of October 1, 1997, by at least the applicable number determined under paragraph (2).* *(2)(A) The applicable number for purposes of paragraph (1) is 25,000. However, the Secretary of Defense may specify a lower number, which may not be less than 10,000, as the applicable number for purposes of paragraph (1) if the Secretary determines, and certifies to Congress not later than June 1, 1998, that an applicable number greater than the number specified by the Secretary would be inconsistent with the cost-effective management of the defense acquisition system to obtain best value equipment and would adversely affect military readiness.* *(B) The Secretary shall include with such a certification a detailed explanation of each of the matters certified.* *(C) The authority of the Secretary under subparagraph (A) may only be delegated to the Deputy Secretary of Defense.*	**Report Language** **Page 786** Additional reduction in defense acquisition workforce (sec. 912) The House bill contained a provision (sec. 1302) that would mandate a reduction in the size of the defense acquisition workforce by 124,000 individuals by October 1, 2001. The provision would require a phased implementation of the reduction and include a requirement to reduce the size of the workforce by 40,000 individuals in fiscal year 1998. The Senate amendment contained no similar provision. The Senate recedes with an amendment that would require a reduction of 25,000 in the number of defense acquisition personnel positions in fiscal year 1998. The provision would provide authority for the Secretary of Defense to waive up to 15,000 of that number based on a determination that a greater reduction would be inconsistent with cost-effective management of the defense acquisition system to obtain best value equipment and would adversely affect military readiness. The provision would also require a report on the reduction in the number of acquisition positions in the Department of Defense since 1989 and a definition of the defense acquisition workforce that can be uniformly applied throughout the Department of Defense. With regard to the definition, the conferees are encouraged by the foundational analysis of the issue recently completed for the Department of Defense by an outside contractor.

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 239-242** *(3) For purposes of this subsection, the term "defense acquisition personnel" means military and civilian personnel (other than civilian personnel who are employed at a maintenance depot) who are assigned to, or employed in, acquisition organizations of the Department of Defense (as specified in Department of Defense Instruction numbered 5000.58 dated January 14, 1992).* *(b) Report on Specific Acquisition Positions Previously Eliminated.--Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on reductions in the defense acquisition workforce made since fiscal year 1989. The report shall show aggregate reductions by fiscal year and shall show for each fiscal year reductions identified by specific job title, classification, or position. The report shall also identify those reductions carried out pursuant to law (and how the Secretary implemented any statutory requirement for such reductions, including definition of the workforce subject to the reduction) and those reductions carried out as a result of base closures and realignments under the so-called BRAC process. The Secretary shall include in the report a definition of the term "defense acquisition workforce" that is to be applied uniformly throughout the Department of Defense.* *(c) Implementation Plan To Streamline and Improve Acquisition Organizations.--(1) Not later than April 1, 1998, the Secretary of Defense shall submit to Congress a report containing a plan to streamline the*	**Report Language** **Page 786** The provision would also require a review of acquisition organizations and functions by both the Secretary of Defense and the Task Force on Defense Reform. The conferees expect that these reviews will be conducted in a thorough manner and that the reports by the Secretary of Defense on these reviews will be submitted to Congress in a timely fashion.

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 239-242** *acquisition organizations, workforce, and infrastructure of the Department of Defense. The Secretary shall include with the report a detailed discussion of the recommendations of the Secretary based on the review under subsection (d) and the assessment of the Task Force on Defense Reform pursuant to subsection (e), together with a request for the enactment of any legislative changes necessary for implementation of the plan. The Secretary shall include in the report the results of the review under subsection (d) and the independent assessment of the Task Force on Defense Reform pursuant to subsection (e).* *(2) In carrying out this subsection and subsection (d), the Secretary of Defense shall formally consult with the Chairman of the Joint Chiefs of Staff, the Director of Program Analysis and Evaluation, the Under Secretary of Defense (Comptroller), and the Under Secretary for Acquisition and Technology.* *(d) Review of Acquisition Organizations and Functions.--The Secretary of Defense shall conduct a review of the organizations and functions of the Department of Defense acquisition activities and of the personnel required to carry out those functions. The review shall identify the following:* *(1) Opportunities for cross-service, cross-functional arrangements within the military services and defense agencies.* *(2) Specific areas of overlap, duplication, and redundancy among the various acquisition organizations.*	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 239-242** *(3) Opportunities to further streamline acquisition processes.* *(4) Benefits of an enhanced Joint Requirements Oversight Council in the acquisition process.* *(5) Alternative consolidation options for acquisition organizations.* *(6) Alternative methods for performing industry oversight and quality assurance.* *(7) Alternative options to shorten the procurement cycle.* *(8) Alternative acquisition infrastructure reduction options within current authorities.* *(9) Alternative organizational arrangements that capitalize on core acquisition competencies among the military services and defense agencies.* *(10) Future acquisition personnel requirements of the Department.* *(11) Adequacy of the Program, Plans, and Budgeting System in fulfilling current and future acquisition needs of the Department.* *(12) Effect of technology and advanced management tools in the future acquisition system.*	

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 376** *SEC. 1203. REPORT ON FUTURE MILITARY CAPABILITIES AND STRATEGY OF THE PEOPLE'S REPUBLIC OF CHINA.* *(a) Report.--The Secretary of Defense shall prepare a report, in both classified and unclassified form, on the future pattern of military modernization of the People's Republic of China. The report shall address the probable course of military-technological development in the People's Liberation Army and the development of Chinese grand strategy, security strategy, and military strategy, and of military organizations and operational concepts, through 2015.* *(b) Matters To Be Included.--The report shall include analyses and forecasts of the following:* *(1) The goals of Chinese grand strategy, security strategy, and military strategy.* *(2) Trends in Chinese political grand strategy meant to establish the People's Republic of China as the leading political power in the Asia-Pacific region and as a political and military presence in other regions of the world, including Central Asia, Southwest Asia, Europe, and Latin America.* *(3) Developments in Chinese military doctrine, focusing on (but not limited to) efforts to exploit the emerging Revolution in Military Affairs or to conduct preemptive strikes.*	**Bill Language** **No bill language exists.**

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **Page 376** *(4) Efforts by the People's Republic of China to develop long-range air-to-air or air defense missiles designed to target special support aircraft such as Airborne Warning and Control System (AWACS) aircraft, Joint Surveillance and Target Attack Radar System (JSTARS) aircraft, or other command and control, intelligence, airborne early warning, or electronic warfare aircraft.* *(5) Efforts by the People's Republic of China to develop a capability to conduct "information warfare" at the strategic, operational, and tactical levels of war.* *(6) Efforts by the People's Republic of China to develop a capability to establish control of space or to deny access and use of military and commercial space systems in times of crisis or war, including programs to place weapons in space or to develop earth-based weapons capable of attacking space-based systems.* *(7) Trends that would lead the People's Republic of China toward the development of advanced intelligence, surveillance, and reconnaissance capabilities, including gaining access to commercial or third-party systems with military significance.* *(8) Efforts by the People's Republic of China to develop highly accurate and stealthy ballistic and cruise missiles, including sea-launched cruise missiles, particularly in numbers sufficient to conduct attacks capable of overwhelming projected defense capabilities in the Asia-Pacific region.*	

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 376** *(9) Development by the People's Republic of China of command and control networks, particularly those capable of battle management of long-range precision strikes.* *(10) Programs of the People's Republic of China involving unmanned aerial vehicles, particularly those with extended ranges or loitering times or potential strike capabilities.* *(11) Exploitation by the People's Republic of China for military purposes of the Global Positioning System or other similar systems (including commercial land surveillance satellites), with such analysis and forecasts focusing particularly on those signs indicative of an attempt to increase accuracy of weapons or situational awareness of operating forces.* *(12) Development by the People's Republic of China of capabilities for denial of sea control, including such systems as advanced sea mines, improved submarine capabilities, or land-based sea-denial systems.* *(13) Continued development by the People's Republic of China of follow-on forces, particularly forces capable of rapid air or amphibious assault.* *(c) Submission of Report.--The report shall be submitted to Congress not later than March 15, 1998.*	

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 429** Section 1203--Report on Future Military Capabilities and Strategy of the People's Republic of China This section would require that the Secretary of Defense prepare a report on the future pattern of military modernization of the People's Republic of China. The report is similar to one directed in the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201), but expands the scope of research and the time period to be considered.	**Report Language** **No report language exists.**

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 323-324** *SEC. 1226. REPORT ON FUTURE MILITARY CAPABILITIES AND STRATEGY OF THE PEOPLE'S REPUBLIC OF CHINA.* *(a) Report.--The Secretary of Defense shall prepare a report, in both classified and unclassified form, on the pattern of military modernization of the People's Republic of China. The report shall address the probable course of military-technological development in the People's Liberation Army and the development of Chinese security strategy and military strategy, and of military organizations and operational concepts, through 2015.* *(b) Matters To Be Included.--The report shall include analyses and forecasts of the following:* *(1) The goals of Chinese security strategy and military strategy.* *(2) Trends in Chinese strategy regarding the political goals of the People's Republic of China in the Asia-Pacific region and its political and military presence in other regions of the world, including Central Asia, Southwest Asia, Europe, and Latin America.* *(3) Developments in Chinese military doctrine, focusing on (but not limited to) efforts to exploit an emerging Revolution in Military Affairs or to conduct preemptive strikes.*	**Report Language** **Page 820** Report on future military capabilities and strategy of the People's Republic of China (sec. 1226) The House bill contained a provision (sec. 1203) that would require the Department of Defense to prepare an assessment of the future military capabilities and strategy of the People's Republic of China. The Senate amendment contained no similar provision. The Senate recedes with a clarifying amendment.

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 323-324** *(4) Efforts by the People's Republic of China to enhance its capabilities in the area of nuclear weapons development.* *(5) Efforts by the People's Republic of China to develop long-range air-to-air or air defense missiles that would provide the capability to target special support aircraft such as Airborne Warning and Control System (AWACS) aircraft, Joint Surveillance and Target Attack Radar System (JSTARS) aircraft, or other command and control, intelligence, airborne early warning, or electronic warfare aircraft.* *(6) Efforts by the People's Republic of China to develop a capability to conduct "information warfare" at the strategic, operational, and tactical levels of war.* *(7) Development by the People's Republic of China of capabilities in the area of electronic warfare.* *(8) Efforts by the People's Republic of China to develop a capability to establish control of space or to deny access and use of military and commercial space systems in times of crisis or war, including programs to place weapons in space or to develop earth-based weapons capable of attacking space-based systems.*	

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 323-324** *(9) Trends that would lead the People's Republic of China toward the development of advanced intelligence, surveillance, and reconnaissance capabilities, including gaining access to commercial or third-party systems with military significance.* *(10) Efforts by the People's Republic of China to develop highly accurate and stealthy ballistic and cruise missiles, including sea-launched cruise missiles, particularly in numbers sufficient to conduct attacks capable of overwhelming projected defense capabilities in the Asia-Pacific region.* *(11) Development by the People's Republic of China of command and control networks, particularly those capable of battle management of long-range precision strikes.* *(12) Efforts by the People's Republic of China in the area of telecommunications, including common channel signaling and synchronous digital hierarchy technologies.* *(13) Development by People's Republic of China of advanced aerospace technologies with military applications (including gas turbine "hot section" technologies).* *(14) Programs of the People's Republic of China involving unmanned aerial vehicles, particularly those with extended ranges or loitering times or potential strike capabilities.*	

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 323-324** *(15) Exploitation by the People's Republic of China for military purposes of the Global Positioning System or other similar systems (including commercial land surveillance satellites), with such analysis and forecasts focusing particularly on indications of an attempt to increase the accuracy of weapons or situational awareness of operating forces.* *(16) Development by the People's Republic of China of capabilities for denial of sea control, including such systems as advanced sea mines, improved submarine capabilities, or land-based sea-denial systems.* *(17) Efforts by the People's Republic of China to develop its anti-submarine warfare capabilities.* *(18) Continued development by the People's Republic of China of follow-on forces, particularly forces capable of rapid air or amphibious assault.* *(19) Efforts by the People's Republic of China to enhance its capabilities in such additional areas of strategic concern as the Secretary identifies.* *(c) Analysis of Implications of Sales of Products and Technologies to Entities in China.--The report under subsection (a) shall include, with respect to each area for analyses and forecasts specified in subsection (b)--*	

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 323-324** *(1) an assessment of the military effects of sales of United States and foreign products and technologies to entities in the People's Republic of China; and* *(2) the potential threat of developments related to such effects to United States strategic interests.* *(d) Submission of Report.--The report shall be submitted to Congress not later than March 15, 1998.*	

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

MILITARY CAPABILITIES OF THE PEOPLE'S REPUBLIC OF CHINA (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM

BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **Page 480** *SEC. 3131. BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM.* *(a) Program.--The Secretary of Energy shall establish a program for purposes of making available to the Secretary of Defense the expertise of the national laboratories for the ballistic missile defense programs of the Department of Defense.* *(b) Task Force.--The Secretary of Energy shall conduct the program through a task force consisting of the directors of the Los Alamos National Laboratory, the Sandia National Laboratories, and the Lawrence Livermore National Laboratory. The chairmanship of the task force shall rotate each year among the directors of the laboratories. The director of the Lawrence Livermore National Laboratory shall serve as the first chairman.* *(c) Activities.--Under the program, the national laboratories shall carry out those activities necessary to respond to requests for assistance from the Secretary of Defense with respect to the ballistic missile defense programs of the Department of Defense. Such activities may include the identification of technical modifications and test techniques, the analysis of physics problems, the consolidation of range and test activities, and the analysis and simulation of theater missile defense deployment problems.* *(d) Funding.--Of the amounts authorized to be appropriated by section 3101(a)(1), $50,000,000 shall be available only for the program authorized by this section.*	**Bill Language** **No bill language exists.**

BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 493** Laboratory Review of Missile Defenses In House Report 104-563 accompanying the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201), the committee required the directors of each of the nuclear weapons laboratories to submit a report that assessed ballistic missile defense expertise and problem solving capabilities within their respective organizations. The laboratories have a long-standing role in nonproliferation, counter-proliferation, and conventional defense activities, and a history of significant contributions to missile defense programs. The committee required this most recent assessment of the laboratories' capabilities to determine if greater laboratory involvement could strengthen the U.S. Ballistic Missile Defense (BMD) program. Options for greater involvement by the nuclear weapons laboratories ranged from the use of supercomputing and modeling capabilities, which can provide simulation tools to support risk reduction in BMD system development and deployment, to the use of the laboratories' Strategic Target System for Theater Missile Defense and National Missile Defense test and evaluation. As a result of this study, the committee recommends, elsewhere in this title, the establishment of a new program office that will integrate the existing BMD weapons laboratory expertise with the Department of Defense Ballistic Missile Defense Organization (BMDO). This new program office would be chaired on a rotating basis by the laboratory directors. Office staff would be assigned specific-problem solving tasks in response to requests for assistance by the BMDO. Of the funds available for core stockpile stewardship in fiscal year	**Report Language** **No report language exists.**

BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **Page 493** 1998, the committee recommends that $50.0 million be made available to implement this program. The committee believes that the laboratories have resources and expertise that can be of great use to the Department of Defense not only in the areas noted above, but also in areas such as metallurgy, acoustics and component analysis. The committee believes that if the laboratories are successful in solving the problems related to the BMD program in a cost effective way, then it is likely that this program will be expanded in future years to such areas as submarine development and component analysis.	

BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 416** *SEC. 3131. MEMORANDUM OF UNDERSTANDING FOR USE OF NATIONAL LABORATORIES FOR BALLISTIC MISSILE DEFENSE PROGRAMS.* *(a) Memorandum of Understanding.--The Secretary of Energy and the Secretary of Defense shall enter into a memorandum of understanding for the purpose of improving and facilitating the use by the Secretary of Defense of the expertise of the national laboratories for the ballistic missile defense programs of the Department of Defense.* *(b) Assistance.--The memorandum of understanding shall provide that the Secretary of Defense shall request such assistance with respect to the ballistic missile defense programs of the Department of Defense as the Secretary of Defense and the Secretary of Energy determine can be provided through the technical skills and experience of the national laboratories, using such financial arrangements as the Secretaries determine are appropriate.* *(c) Activities.--The memorandum of understanding shall provide that the national laboratories shall carry out those activities necessary to respond to requests for assistance from the Secretary of Defense referred to in subsection (b). Such activities may include the identification of technical modifications and test techniques, the analysis of physics problems, the consolidation of range and test activities, and the analysis and simulation of theater missile defense deployment problems.*	**Report Language** **Page 897** Memorandum of understanding for use of national laboratories for Ballistic Missile Defenses programs (sec. 3131) The House bill contained a provision (sec. 3131) that would establish a program within the Department of Energy weapons laboratories for the purpose of assisting the Department of Defense in the testing and development of a ballistic missile defense program. The Senate amendment contained no similar provision. The Senate recedes with an amendment that would direct the Secretary of Energy and the Secretary of Defense to enter into a memorandum of understanding as to how the Department of Energy national laboratories could be utilized more fully to support the ballistic missile defense program.

BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 416** *(d) National Laboratories.--For purposes of this section, the national laboratories are--* *(1) the Lawrence Livermore National Laboratory, Livermore, California;* *(2) the Los Alamos National Laboratory, Los Alamos, New Mexico; and* *(3) the Sandia National Laboratories, Albuquerque, New Mexico.*	

BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

FEDERALLY FUNDED RESEARCH & DEVELOPMENT CENTERS (FFRDCS)

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **No bill language exists.**	**Bill Language** **Page 37** *SEC. 215. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.* *(a) Limitation on Staff Years Funded.--Not more than 6,006 staff years of technical effort (staff years) may be funded for federally funded research and development centers out of the funds authorized to be appropriated for the Department of Defense for fiscal year 1998.* *(b) Allocations Among Centers.--(1) Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report that specifies the number of staff years of technical effort that is to be allocated (for funding as described in subsection (a)) to each defense federally funded research and development center for fiscal year 1998.* *(2) After the submission of the report on allocation of staff years of technical effort under paragraph (1), the Secretary of Defense may not reallocate more than 5 percent of the staff years of technical effort allocated to a federally funded research and development center for fiscal year 1998 from that center to other federally funded research and development centers until 30 days after the date on which the Secretary has submitted a justification for the reallocation to the congressional defense committees.*

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
	Bill Language **Page 37** *(c) Fiscal Year 1999 Allocation.--(1) The Secretary of Defense shall submit to the congressional defense committees a report that specifies the number of staff years of technical effort that is to be allocated to each federally funded research and development center for fiscal year 1999 for funding out of the funds authorized to be appropriated for the Department of Defense for that fiscal year.* *(2) The report shall be submitted at the same time that the President submits the budget for fiscal year 1999 to Congress under section 1105 of title 31, United States Code.* *(c) Staff Year Defined.--In this section, the term "staff year of technical effort" means 1,810 hours of paid effort by direct and consultant labor performing professional-level technical work primarily in the fields of studies and analysis, system engineering and integration, systems planning, program and policy planning and analyses, and basic and applied research.*

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **No report language exists.**	**Report Language** **Page 123** Section 215. Federally funded research and development centers. The committee notes the continued progress of the Department of Defense (DOD) in overseeing the management of the Federally funded research and development centers (FFRDC) by their sponsoring organizations within the department and the military services. As a result of the of the DOD commitment to the five-year plan established in 1995 for the management of such organizations, the committee has recommended a provision that would impose a ceiling on the total staff years of technical effort that may be funded for Defense FFRDC's in fiscal year 1998. This is intended to provide the DOD with a more appropriate and flexible management framework than would a ceiling on total annual funding for DOD work conducted in defense FFRDC's. The committee will continue to monitor this issue closely to ensure that DOD maintains appropriate management controls on the work performed by the Defense FFRDC's. Such organizations should be limited to performing work within their core competencies and should not compete with the private sector. The committee is prepared to consider reimposing annual funding ceilings should past management problems recur.

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 31** *SEC. 204. REDUCTION IN AMOUNT FOR FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.* *The total of the amounts authorized to be appropriated in section 201 that are available for Federally Funded Research and Development Centers (other than amounts for capital equipment investment) is hereby reduced by $42,000,000.*	**Report Language** **No report language on Section 204.** Legislative Provisions Not Adopted Federally funded research and development centers The Senate amendment contained a provision (sec. 215) that would prohibit the Department of Defense (DOD) from funding more than 6,206 staff years of technical effort for federally funded research and development centers (FFRDC's) out of the funds authorized to be appropriated for the DOD for fiscal year 1998. The House bill contained no similar provision. The Senate recedes.

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **Page 57-59** *Sec. 8031. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a separate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.* *(b) Limitation on Compensation.--No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, may be compensated for his or her services as a member of such entity, or as a paid consultant, except under the same conditions, and to the same extent, as members of the Defense Science Board: Provided, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.* *(c) Notwithstanding any other provision of law, none of the funds available to the department from any source during fiscal year 1998 may be used by a defense FFRDC, through a fee or other payment mechanism, for charitable contributions, for construction of new buildings, for payment of cost sharing for projects funded by government grants, or for absorption of contract overruns.*	**Bill Language** **Page 59-62** *Sec. 8037. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a eparate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.* *(b) Limitation on Compensation--Federally Funded Research and Development Center (FFRDC).--No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, may be compensated for his or her services as a member of such entity, or as a paid consultant, except under the same conditions, and to the same extent, as members of the Defense Science Board: Provided, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.*

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **Page 57-59** *(d) Notwithstanding any other provision of law, the Secretary of Defense shall reduce the total amounts appropriated in titles II, III, and IV of this Act by $55,000,000: Provided, That the total amounts appropriated in titles II, III, and IV of this Act are hereby reduced by $55,000,000 to reflect savings from the use of defense FFRDCs by the Department.* *(e) Within 60 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report presenting the specific amounts of staff years of technical effort to be allocated by the department for each defense FFRDC during fiscal year 1998: Provided, That, after the submission of the report required by this subsection, the department may not reallocate more than five percent of an FFRDC's staff years among other defense FFRDCs until 30 days after a detailed justification for any such reallocation is submitted to the congressional defense committees.* *(f) The Secretary of Defense shall, with the submission of the department's fiscal year 1999 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.* *(g) The total amounts appropriated to or for the use of the department in title II of this Act are hereby further reduced by $86,300,000 to reflect savings from the decreased use of non-FFRDC consulting services by the department.* *(h) No part of the reductions contained in subsections (d) and (g) of this section may be applied against any budget activity, activity group, subactivity*	**Bill Language** **Page 59-62** *(c) Notwithstanding any other provision of law, none of the funds available to the department from any source during fiscal year 1998 may be used by a defense FFRDC, through a fee or other payment mechanism, for charitable contributions, for construction of new buildings, for payment of cost sharing for projects funded by government grants, or for absorption of contract overruns.* *(d) Notwithstanding any other provision of law, of the funds available to the department during fiscal year 1998, not more than 6,206 staff years of technical effort (staff years) may be funded for defense FFRDCs: Provided, That of the specific amount referred to previously in this subsection, not more than 1,105 staff years may be funded for the defense studies and analysis FFRDCs.* *(e) Notwithstanding any other provision of law, the Secretary of Defense shall control the total number of staff years to be performed by defense FFRDCs during fiscal year 1998 so as to reduce the total amounts appropriated in titles II, III, and IV of this Act by $71,800,000: Provided, That the total amounts appropriated in titles II, III, and IV of this Act are hereby reduced by $71,800,000 to reflect savings from the use of defense FFRDCs by the department.* *(f) Within 60 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report presenting the*

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **Page 57-59** *group, line item, program element, program, project, subproject or activity which does not fund defense FFRDC activities or non-FFRDC consulting services within each appropriation account.* *(i) Not later than 90 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report listing the specific funding reductions allocated to each category listed in subsection (h) above pursuant to this section.*	**Bill Language** **Page 59-62** *specific amounts of staff years of technical effort to be allocated by the department for each defense FFRDC during fiscal year 1998: Provided, That, after the submission of the report required by this subsection, the department may not reallocate more than five per centum of an FFRDC's staff years among other defense FFRDCs until 30 days after a detailed justification for any such reallocation is submitted to the congressional defense committees.* *(g) The Secretary of Defense shall, with the submission of the department's fiscal year 1999 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.* *(h) The reductions specified in subsection (e) of this section shall be applied only to funds budgeted to purchase defense FFRDC activities and shall be applied on a pro-rata basis to each program, project and activity which included budget funds for defense FFRDC activities.* *(i) Not later than 90 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report listing the specific funding reductions allocated to each category listed in subsection (h) above pursuant to this section.*

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Report Language **Page 161** The Committee notes that the fiscal year 1998 plan for Federally Funded Research and Development Centers (FFRDCs) is well above the level of effort for the prior year. The planned increase of 231 staff technical years of effort (STE) represents almost a seven percent increase in level of effort over the limitation set by Congress in 1996. Also, given the prior year limitation of $1,161,000,000 and the reduction of $52,000,000 taken against FFRDCs in 1997, the Committee fails to understand why the Department is reporting an increase in actual fiscal year 1997 spending. Moreover, it appears the Department now plans to increase fiscal year 1998 FFRDC expenditures by $49,520,953 over 1997 levels. These trends and increases are not consistent with prior Congressional direction nor the recommendation of the Defense Science Board (DSB) in January 1997. The DSB report challenged the Department's use of FFRDCs and concluded that the current FFRDC system "does not provide the best available service at the most reasonable cost." The DSB Task Force recommended that: (1) work done by FFRDCs be "more carefully defined and limited" (2) that competition be introduced and, (3) that management practices be changed at the beginning of 1998 to incorporate these changes. The Committee therefore recommends a funding level that is consistent with the DSB report and prior Congressional direction on FFRDCs and recommends a reduction of $55,000,000 to bring FFRDC spending back in line with the established Congressional funding limitation of $1,100,000,000.	**Report Language** **Page 148** Sec. 8037. Federally funded research and development centers.--Retains a provision carried in previous years.

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Report Language **Page 214** The Department requested $20,474,000 for Lincoln Laboratory innovative research and development (IR&D). The Committee recommends $13,730,000, a reduction of $6,744,000. The Committee notes that the fiscal year 1998 plan for Federally Funded Research and Development Centers (FFRDCs) is well above the level of effort for the prior year. The planned increase of 200 staff technical years of effort (STE) for Lincoln Laboratory represents a 7 percent increase in level of effort and a potential $41,000,000 increase in funding. Furthermore, this increase is not consistent with prior Congressional direction, the Department's FFRDC management plan, nor the recommendation of the Defense Science Board (DSB) Report of January 1997. The DSB report challenged the Department's use of FFRDCs and concluded that the current FFRDC system "does not provide the best available service at the most reasonable cost." The DSB Task Force recommended that: (1) work done by FFRDCs be "more carefully defined and limited" (2) that competition be introduced and, (3) that management practices be changed at the beginning of 1998 to incorporate these changes. The Committee therefore recommends a funding level that is consistent with the DSB report and prior Congressional direction on FFRDCs.	

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Report Language **Page 253** Section 8031 has been amended to delete language which limits the number of staff years of technical effort which may be funded for defense FFRDCs and amends language directing the Secretary of Defense to reduce the number of staff years to be performed by defense FFRDCs and reduces funds for FFRDCs and consultants by $141,300,000 in fiscal year 1998.	

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **Page 26-27** *Sec. 8035. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a separate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.* *(b) Limitation on Compensation--Federally Funded Research and Development Center (FFRDC).--No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, may be compensated for his or her services as a member of such entity, or as a paid consultant, except under the same conditions, and to the same extent, as members of the Defense Science Board: Provided, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.* *(c) Notwithstanding any other provision of law, none of the funds available to the department from any source during fiscal year 1998 may be used by a defense FFRDC, through a fee or other payment mechanism, for charitable contributions, for construction of new buildings, for payment of cost sharing for projects funded by government grants, or for absorption of contract overruns.*	**Report Language** **Page 142** The conferees included a general provision (Section 8035) governing the activities of defense federally funded research and development centers (FFRDCs). The conferees included a general provision (Section 8043) which amends a Senate provision offsetting funds provided to meet flying hour shortfalls. The conference agreement contains significant increases over the budget request to meet shortfalls in flying hour and spare parts funding, depot maintenance, and other readiness requirements of both the Active and Reserve components. Section 8043 provides offsets for these critical readiness programs through reductions, on a pro-rata basis, to each activity funded in titles III and IV of the conference agreement.

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **Page 26-27** *(d) Notwithstanding any other provision of law, of the funds available to the department during fiscal year 1998, not more than 6,206 staff years of technical effort (staff years) may be funded for defense FFRDCs: Provided, That of the specific amount referred to previously in this subsection, not more than 1,105 staff years may be funded for the defense studies and analysis FFRDCs.* *(e) Notwithstanding any other provision of law, the Secretary of Defense shall control the total number of staff years to be performed by defense FFRDCs during fiscal year 1998 so as to reduce the total amounts appropriated in titles II, III, and IV of this Act by $71,800,000: Provided, That the total amounts appropriated in titles II, III, and IV of this Act are hereby reduced by $71,800,000 to reflect savings from the use of defense FFRDCs by the department.* *(f) Within 60 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report presenting the specific amounts of staff years of technical effort to be allocated by the department for each defense FFRDC during fiscal year 1998: Provided, That, after the submission of the report required by this subsection, the department may not reallocate more than five per centum of an FFRDC's staff years among other defense FFRDCs until 30 days after a detailed justification for any such reallocation is submitted to the congressional defense committees.* *(g) The Secretary of Defense shall, with the submission of the department's fiscal year 1999 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.*	

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **Page 26-27** *(h) No part of the reductions contained in subsection (e) of this section may be applied against any budget activity, activity group, subactivity group, line item, program element, program, project, subproject or activity which does not fund defense FFRDC activities within each appropriation account, and the reductions in subsection (e) shall be allocated on a proportional basis.* *(i) Not later than 90 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report listing the specific funding reductions allocated to each category listed in subsection (h) above pursuant to this section.*	

TRANSFER OF TACTICAL INTELLIGENCE AND RELATED ACTIVITIES (TIARA)

TRANSFER OF TACTICAL INTELLIGENCE AND RELATED ACTIVITIES (TIARA)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **No language exists.**	**Bill Language** **Page 268-269** *SEC. 904. TRANSFER OF TIARA PROGRAMS.* *(a) Transfer of Functions.--The Secretary of Defense shall transfer--* *(1) the responsibilities of the Tactical Intelligence and Related Activities (TIARA) aggregation for the conduct of programs referred to in subsection (b) to officials of elements of the military departments not in the intelligence community; and* *(2) the funds available within the Tactical Intelligence and Related Activities aggregation for such programs to accounts of the military departments that are available for non-intelligence programs of the military departments.* *(b) Covered Programs.--Subsection (a) applies to the following programs:* *(1) Targeting or target acquisition programs, including the Joint Surveillance and Target Attack Radar System, and the Advanced Deployable System.* *(2) Tactical Warning and Attack Assessment programs, including the Defense Support Program, the Space-Based Infrared Program, and early warning radars.*

TRANSFER OF TACTICAL INTELLIGENCE AND RELATED ACTIVITIES (TIARA) (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
	Bill Language **Page 268-269** *(3) Tactical communications systems, including the Joint Tactical Terminal.* *(c) Intelligence Community Defined.--In this section, the term "intelligence community" has the meaning given the term in section 3 of the National Security Act of 1947 (50 U.S.C. 401a).*
Report Language **No report language exists.**	**Report Language** **Page 310** Section 904. Transfer of TIARA programs. The committee is concerned that the Tactical Intelligence and Related Activities (TIARA) aggregation includes several programs that are not intelligence programs and would be better managed elsewhere in the military services. In particular, the committee believes that targeting and target acquisition programs, tactical warning and attack assessment programs, and tactical communication programs do not belong in the TIARA aggregation. Therefore, the committee recommends a provision that would transfer such programs from the TIARA aggregation to other accounts of the military services.

TRANSFER OF TACTICAL INTELLIGENCE AND RELATED ACTIVITIES (TIARA) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 243-244** *SEC. 931. TRANSFER OF CERTAIN MILITARY DEPARTMENT PROGRAMS FROM TIARA BUDGET AGGREGATION.* *(a) Transfer.--Effective March 1, 1998, the Secretary of Defense shall, for each program identified by the Secretary under subsection (c)(2), transfer the management and budgeting of funds for that program from the TIARA budget aggregation to a nonintelligence budget activity of the military department responsible for that program.* *(b) Assessment.--The Secretary of Defense shall conduct an assessment of the policy of the Department of Defense that is used for determining the programs of the Department that are included within the TIARA budget aggregation. In conducting the assessment, the Secretary—* *(1) shall consider whether the current policy is in need of revision to reflect changes in technology and battlefield use of TIARA systems;* *(2) shall specifically consider the appropriateness of the continued inclusion in the TIARA budget aggregation of each of the programs described in subsection (e); and* *(3) may consider the appropriateness of the continued inclusion in the TIARA budget aggregation of any other program (in addition to the programs described to in subsection (e)) that as of the date of the enactment of this Act is managed and budgeted as part of the TIARA budget aggregation.*	**Report Language** **Page 787-788** Transfer of certain military department programs from TIARA budget aggregation (sec. 931) The Senate amendment contained a provision (sec. 904) that would transfer specified programs from the Tactical Intelligence and Related Activities (TIARA) aggregation to other accounts of the military services. The House bill contained no similar provision. The House recedes with an amendment that would: (1) retain the directed TIARA program transfers as specified in the original Senate provision; (2) require an assessment by the Secretary of Defense as to the adequacy and currency of current criteria for judging which programs belong in the TIARA aggregation; and (3) provide the Secretary with discretion to defer any directed transfer based on the outcome of his assessment.

TRANSFER OF TACTICAL INTELLIGENCE AND RELATED ACTIVITIES (TIARA) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 243-244** *(c) Report.--Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report on the assessment carried out under section (b). The Secretary shall include in the report--* *(1) a description of any proposed changes to Department of Defense policies for determining which programs are included in the TIARA budget aggregation; and* *(2) identification of each program (among the programs considered pursuant to paragraphs (2) and (3) of subsection (b)) for which the management and budgeting of funds is to be transferred under subsection (a).* *(d) Identification of Programs.--(1) In specifying the programs to be included on the list under subsection (c)(2), the Secretary--* *(A) shall (except as otherwise provided pursuant to a waiver under paragraph (2)) include each program described in subsection (e); and* *(B) may include such additional programs considered in the assessment pursuant to subsection (b)(3) as the Secretary determines appropriate.* *(2) The Secretary, after considering the results of the assessment under subsection (c), may waive the applicability of paragraph (1)(A) to any program described in subsection (e). The Secretary shall include in the report under subsection (c) identification of each such program for which the Secretary has granted such a waiver and supporting rationale for each waiver.*	

TRANSFER OF TACTICAL INTELLIGENCE AND RELATED ACTIVITIES (TIARA) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 243-244** *(e) Covered Programs.--The programs described in this subsection are the following (each of which, as of the date of the enactment of this Act, is managed and budgeted as part of the TIARA budget aggregation):* *(1) Each targeting or target acquisition program of the Department of Defense, including the Joint Surveillance and Target Attack Radar System (JSTARS) and the Advanced Deployable System.* *(2) Each Tactical Warning and Attack Assessment program of the Department of Defense, including the Defense Support Program, the Space-Based Infrared Program, and early warning radars.* *(3) Each tactical communications system of the Department of Defense, including the Joint Tactical Terminal.* *(f) TIARA Budget Aggregation Defined.--For purposes of this section, the term "TIARA budget aggregation" means the aggregation of programs of the Department of Defense for which funds are managed and budgeted through a common designation as Tactical Intelligence and Related Activities (TIARA) of the Department of Defense.*	

TRANSFER OF TACTICAL INTELLIGENCE AND RELATED ACTIVITIES (TIARA) (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

TRANSFER OF TACTICAL INTELLIGENCE AND RELATED ACTIVITIES (TIARA) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

CLEMENTINE

CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT PROGRAM	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **No language exists.**	**Bill Language** **Page 45** *SEC. 219. CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT PROGRAM.* *(a) Funding.--Of the amount authorized to be appropriated under section 201(3), $50,000,000 shall be available for the Clementine 2 micro-satellite near-earth asteroid interception mission.* *(b) Limitation.--Of the funds authorized to be appropriated pursuant to this Act in program element 64480F for the Global Positioning System Block IIF satellite system, not more than $35,000,000 may be obligated until the Secretary of Defense certifies to Congress that the Secretary has made available for obligation the funds appropriated pursuant to subsection (a) for the purpose specified in that subsection.*

CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT PROGRAM (CONT)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Report Language **No report language exists.**	**Report Language** **Page 127** Section 219. Clementine 2 Micro-Satellite development program. The committee has supported the Clementine 2 micro-satellite near-earth asteroid interception mission. In fiscal year 1996, the U.S. Air Force Space Command, in conjunction with the Air Force Phillips Laboratory, initiated the Clementine 2 micro-satellite program as a follow-on to the highly successful Clementine 1 mission. The Clementine 2 program is intended to develop, test, and flight-validate a variety of miniaturized spacecraft technologies with applications to a wide number of military and intelligence space programs. By using near-earth asteroids as sensor demonstration targets, the mission will also provide benefits to the civil science community. The budget request did not include any funds for this program. Therefore, the committee recommends a provision that would increase funding for the Clementine 2 program by $50.0 million (in PE 63401F) to continue this effort under the control of the Space Warfare Center, with execution by the Clementine team (Phillips Laboratory, the Naval Research Laboratory, and the Lawrence Livermore National Laboratory). The provision would also prohibit the obligation of more than $35.0 million of funds authorized in PE 64480F for the Global Positioning System Block IF satellite system until the Secretary of Defense certifies to Congress that the Secretary has made available for obligation funds appropriated for fiscal year 1998 for the Clementine 2 Micro-Satellite program.

CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT PROGRAM (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **Page 33** *SEC. 215. MICRO-SATELLITE TECHNOLOGY DEVELOPMENT PROGRAM.* *(a) Establishment of Micro-Satellite Technology Development Program.--The Secretary of Defense shall restructure the Clementine 2 micro-satellite development program into a micro-satellite technology development program that supports a range of space mission areas.* *(b) Report.--Not later than February 15, 1998, the Secretary of Defense shall submit to the congressional defense committees a report describing the structure and objectives of the micro-satellite technology development program established under subsection (a) and how the program can benefit existing or future space systems or architectures.*	**Report Language** **Page 670** Micro-satellite technology development program (sec. 215) The Senate amendment contained a provision (sec. 219) that would authorize $50.0 million in PE 63401F for the Clementine 2 program. The provision would also prohibit the obligation of more than $35.0 million of funds authorized in PE 64480F for the Global Positioning System Block IIF satellite system until the Secretary of Defense certifies to Congress that the Secretary has made available for obligation funds appropriated for fiscal year 1998 for the Clementine 2 Micro-Satellite program. The House bill contained no similar provision. The House recedes with an amendment that would require: (1) that the Clementine 2 program be restructured into a micro-satellite technology development program that supports a range of space mission areas; and (2) the Secretary of Defense to provide a report on the restructured micro-satellite program to the congressional defense committees. The conferees note that the Air Force and U.S. Space Command have supported micro-satellite development activities and that the Air Force has established and provided a limited amount of funding for such a program in the Future Years Defense Program. The conferees continue to support

CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT PROGRAM (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
	Report Language **Page 670** innovative technology demonstrations designed to test key technologies in space and urge the Secretary of Defense to ensure that the restructured micro-satellite technology program continues such efforts. The conferees note that the Air Force, in conjunction with the office of the Deputy Undersecretary of Defense for Space, has developed a range of options for such a program. The conferees believe that funds appropriated for the Clementine 2 program in prior years should be used to support the restructured micro-satellite program.

CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT PROGRAM (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT PROGRAM (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

STANDARD MISSILE

STANDARD MISSILE (NAVY)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **No bill language exists.** **Report Language** **Page 71** Standard Missile (SM)-2 Block IIIB medium range (MR) modification kits The budget request contained $35.6 million for 80 SM-2 Block IIIB MR modification kits. The SM is the Navy's primary surface-to-air weapon against hostile aircraft and anti-ship cruise missiles. The latest MR version to enter production, SM- 2 Block IIIB, retains the full performance of earlier models and adds improvements against electronic countermeasures. However, the current SM inventory is dominated by older versions that are less capable against modern anti-ship weapons and ineffective against some newer threat missiles. Even though the Navy plans to supplement its new missile production by upgrading older missiles to the Block IIIB configuration, its projected Block IIIB inventories at the turn of the century will still fall significantly short of the quantity required to meet deployment inventories. Accordingly, the committee recommends an increase of $33.0 million to procure an additional 80 SM-2 Block IIIB MR modification kits. This action will allow the Navy to field more of the latest-version missiles and reduce the need to "cross deck" the missiles between deploying and returning ships..	**Bill Language** **No bill language exists.** **Report Language** **Page 74** The budget request included $35.6 million for the modification of 80 Standard SM-2 Block II missiles to the Block IIIB configuration. These missiles are being modified to provide homing improvements for operations in a hostile electromagnetic countermeasures environment. The current shortfall versus inventory objective exceeds 700 missiles. Production of modified missiles began in fiscal year 1997 with an initial production lot of 40. Acceleration of procurement would not only provide the fleet with the capability to counter a threat that is already deployed, but would also produce savings through a more efficient production rate. The committee considered various options for accelerating procurement of Standard missile modification kits using improved operational capability, funding availability, and risk associated with the slope of the production ramp as variables. The committee recommends an increase of $15.3 million for the modification of 40 additional Standard SM-2 Block II missiles to the Block IIIB configuration. This increase would result in a total procurement for fiscal year 1998 of 120 missile modification kits and produce a resulting production increase between fiscal year 1997, the first year of limited rate initial production, and fiscal year 1998 of 80 missiles. The committee believes that this increase represents a prudent balance between production risk and increased operational capability.

STANDARD MISSILE (NAVY) (CONT)	
FY98 DOD Authorization Conference **H.R. 1119; H. Rept. 105-340 (10/23/97)**	**FY98 DOD Authorization Conference** **H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

STANDARD MISSILE (NAVY)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **Page 111** The Navy requested $196,492,000 for Standard Missile. The Committee recommends $181,092,000, a decrease of $15,400,000. The funds for the Navy Lower Tier program have been transferred to the Ballistic Missile Defense Organization, in the "Procurement, Defense-Wide" appropriation as proposed in the House-passed Defense Authorization bill.	**Bill Language** **No language exists.** **Report Language** **No language exists.**

STANDARD MISSILE (NAVY) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

RIVET JOINT

RIVET JOINT (AIR FORCE)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)
Bill Language **No bill language exists.** **Report Language** **Page 110** Theater Airborne Warning System (TAWS) The budget request contained $67.1 million for defense airborne reconnaissance program modifications, but did not contain funding for TAWS, a medium-wave infrared (MWIR) sensor system capable of detecting and calculating the launch points of tactical ballistic missiles. TAWS is currently deployed on the Cobra Ball RC-135 reconnaissance aircraft. In the statement of the managers accompanying the conference report on H.R. 3230 (H. Rept. 104-724), the conferees urged the Air Force to proceed with a program to install TAWS on the Rivet Joint RC-135 aircraft, which is available in greater numbers than the Cobra Ball. Such a program would provide an option for early deployment of TAWS in support of improve theater ballistic missile defenses. However, the Department has opted instead to install this capability on the Airborne Laser (ABL). The committee understands that the ABL is not scheduled to reach initial operational capability until 2003. The long intervening period during which TAWS would remain only on the very few Cobra Ball aircraft would not meet the near-term need for a theater ballistic missile analysis and warning capability. Furthermore, the Air Force plans to acquire no more than seven	**Bill Language** **No bill language exists.** **Report Language** **Page 104** Rivet Joint technology transfer The committee believes that fusion of space and airborne infrared sensor data will significantly improve theater ballistic missile warning as well as active defense and attack operations. This need can be met by transferring operationally proven Cobra Ball infrared sensor system fusion technology to the Rivet Joint fleet. To initiate this effort, the committee recommends an increase of $20.0 million in Air Force Procurement for Rivet Joint modification.

RIVET JOINT (AIR FORCE) (CONT)	
House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	**Senate FY98 DOD Authorization Bill S. 936; S. Rept. 105-29 (6/17/97)**
Report Language **Page 110** ABL aircraft, a force structure too small to assure that TAWS would be available when and where needed. The committee believes this important mission is best satisfied by a reconnaissance aircraft. Therefore, the committee recommends an increase of $20.0 million to migrate the MWIR TAWS technology from the Cobra Ball RC-135 to the Rivet Joint RC-135 to enhance near-term deployment flexibility.	

RIVET JOINT (AIR FORCE) (CONT)

FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)
Statutory Language **No language exists.**	**Report Language** **Page 539** Theater airborne warning system The budget request included no funds for the Theater Airborne Warning System (TAWS) program, which is designed to equip the existing fleet of Rivet Joint aircraft with a medium-wave infrared sensor for ballistic missile detection. The House bill and Senate amendment would authorize an increase of $20.0 million for the TAWS program. The conferees agree to authorize an increase of $5.6 million for the demonstration phase of the TAWS program. If this phase of the program proves to be successful, the conferees would be supportive of moving into the procurement phase in order to equip the Rivet Joint fleet with this capability.

RIVET JOINT (AIR FORCE) (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

RIVET JOINT (AIR FORCE) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

PACIFIC MISSILE RANGE FACILITY (PMRF) (NAVY)

PACIFIC MISSILE RANGE FACILITY (PMRF) (NAVY)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

PACIFIC MISSILE RANGE FACILITY (PMRF) (NAVY) (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

PACIFIC MISSILE RANGE FACILITY (PMRF) (NAVY)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **Page 25** Pacific Missile Range facility [PMRF].--The Committee recommends an increase of $15,000,000 for operations and improvements in utility services at the Pacific Missile Range facility. The Committee notes that severe budget reductions in fiscal year 1997 caused a serious degradation in the ability of the range to meet fleet training requirements and to satisfy the growing demand on the range for testing and evaluation by the Navy and other DOD customers. Therefore, the Committee directs that no general reductions shall be allocated against PMRF without the approval of the Committees on Appropriations of the House and Senate. In addition, the allocation includes $3,000,000 for utility upgrades, including electricity, power lines, water, and wastewater improvements and repairs.

PACIFIC MISSILE RANGE FACILITY (PMRF) (NAVY) (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Report Language **No language exists.**	**Report Language** **No language exists.** **(SEE BMDO FUNDING SECTION FOR PMRF UPGRADES UNDER THE JOINT TMD PE)**

AEGIS

AEGIS (NAVY)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

AEGIS (NAVY) (CONT)	
FY98 DOD Authorization Conference **H.R. 1119; H. Rept. 105-340 (10/23/97)**	**FY98 DOD Authorization Conference** **H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

AEGIS (NAVY) (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **Page 124** The Navy requested $26,813,000 for Aegis support equipment. The Committee recommends $21,113,000, a reduction of $5,700,000 due to reduced requirements because of ship deactivations.	**Bill Language** **No language exists.** **Report Language** **No language exists.**

AEGIS (NAVY) (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

DOD HIGH ENERGY LASER TEST FACILITY (HELSTF) (ARMY)

DOD HIGH ENERGY LASER TEST FACILITY (HELSTF)(ARMY)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

DOD HIGH ENERGY LASER TEST FACILITY (HELSTF)(ARMY) (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

DOD HIGH ENERGY LASER TEST FACILITY (HELSTF)(ARMY) (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **Page 172** The Army requested $14,952,000 for the DoD High Energy Laser Test Facility (HELSTF). The Committee recommends $30,952,000, an increase of $16,000,000 of which $10,000,000 is only to conduct live fire tests of the Tactical High Energy Laser System at HELSTF and $6,000,000 is only for the solid state laser development program.	**Bill Language** **No language exists.** **Report Language** **No language exists**

DOD HIGH ENERGY LASER TEST FACILITY (HELSTF)(ARMY) (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language No language exists.	**Report Language** No language exists.

AIRBORNE LASER

AIRBORNE LASER (AIR FORCE)

House FY98 DOD Authorization Bill H.R 1119; H. Rept. 105-132 (6/16/97)	Senate FY98 DOD Authorization Bill S. 924; S. Rept. 105-29 (6/17/97)
Bill Language **No language exists.** **Report Language** **Page 110** Theater Airborne Warning System (TAWS) The budget request contained $67.1 million for defense airborne reconnaissance program modifications, but did not contain funding for TAWS, a medium-wave infrared (MWIR) sensor system capable of detecting and calculating the launch points of tactical ballistic missiles. TAWS is currently deployed on the Cobra Ball RC-135 reconnaissance aircraft. In the statement of the managers accompanying the conference report on H.R. 3230 (H. Rept. 104-724), the conferees urged the Air Force to proceed with a program to install TAWS on the Rivet Joint RC-135 aircraft, which is available in greater numbers than the Cobra Ball. Such a program would provide an option for early deployment of TAWS in support of improve theater ballistic missile defenses. However, the Department has opted instead to install this capability on the Airborne Laser (ABL). The committee understands that the ABL is not scheduled to reach initial operational capability until 2003. The long intervening period during which TAWS would remain only on the very few Cobra Ball aircraft would not meet the near-term need for a theater ballistic missile analysis and warning capability. Furthermore, the Air Force plans to acquire no more than seven	**Bill Language** **No language exists.** **Report Language** **No language exists.**

AIRBORNE LASER (AIR FORCE) (CONT)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 924; S. Rept. 105-29 (6/17/97)**
Report Language **Page 110** ABL aircraft, a force structure too small to assure that TAWS would be available when and where needed. The committee believes this important mission is best satisfied by a reconnaissance aircraft. Therefore, the committee recommends an increase of $20.0 million to migrate the MWIR TAWS technology from the Cobra Ball RC-135 to the Rivet Joint RC-135 to enhance near-term deployment flexibility	

AIRBORNE LASER (AIR FORCE) (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

AIRBORNE LASER (AIR FORCE) (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No bill language exists.** **Report Language** **Page 199** Though the core mission of the Airborne Laser (ABL) is ballistic missile defense, the program is being funded in the Air Force rather than the Ballistic Missile Defense Organization (BMDO). The Committee believes that ballistic missile defense funding should be centrally managed to ensure all such programs are properly integrated into a common architecture and to ensure resources are applied to programs based on overall ballistic missile defense priorities. Accordingly, the Committee directs the Secretary of Defense to submit a report to the congressional defense committees no later than November 15, 1997 discussing whether the ABL program is or is not more properly budgeted within BMDO.	**Bill Language** **No bill language exists.** **Report Language** **No bill language exists.**

AIRBORNE LASER (AIR FORCE) (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **No language exists.**	**Report Language** **Page 144** The conferees have rescinded a portion of the fiscal year 1997 funds provided for the Airborne Sensors for Ballistic Missile Tracking project. The conferees direct that the first priority for the remaining funds shall be to accomplish any valid technology transfer to Airborne Laser (ABL) program.

	House	Senate	Conference
Follow-on-TMD Airborne sensors for ballistic missile tracking	0	-9,700.000	-4,000.000

SPACE BASED INFRARED ARCHITECTURE DEM/VAL (SBIRS)

SPACE BASED INFRARED ARCHITECTURE DEM/VAL (SBIRS) (AIR FORCE)	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

SPACE BASED INFRARED ARCHITECTURE DEM/VAL (SBIRS) (AIR FORCE) (CONT)	
FY98 DOD Authorization Conference **H.R. 1119; H. Rept. 105-340 (10/23/97)**	**FY98 DOD Authorization Conference** **H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

SPACE BASED INFRARED ARCHITECTURE DEM/VAL (SBIRS) (AIR FORCE) (CONT)	
House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	**Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)**
Bill Language **No language exists.** **Report Language** **Page 200-201** The Air Force requested $222,401,000 for the demonstration/validation phase of the space-based infrared system (SBIRS). The Committee recommends $217,401,000, a decrease of $5,000,000. The Committee recommends this reduction due to unwarranted cost growth in the areas of program management and FFRDC support. The Committee also shares the concern of the Defense Science Board Task Force on the Space and Missile Tracking System (SMTS) which found in its August 1996 report that the current lack of an overall system design plan for both SBIRS high and low segments has added "confusion, time and risk to the program." The Committee is also disturbed that the Air Force has retained the present developer of the SBIRS high component as the overall system of systems engineer for the entire program. As a potential competitor on the SMTS, this arrangement places the SBIRS high component developer in a potential conflict of interest. The Committee, consistent with the recommendations of the Defense Science Board, directs the Department of the Air Force to appoint an independent third party systems engineer for the entire SBIRS system. The Committee believes that by doing so, an objective party	**Bill Language** **No language exists.** **Report Language** **No language exists.**

SPACE BASED INFRARED ARCHITECTURE DEM/VAL (SBIRS) AIR FORCE (CONT)	
House FY98 DOD Appropriations Bill **H.R. 2266; H. Rept. 105-206 (7/25/97)**	**Senate FY98 DOD Appropriations Bill** **S. 1005; S. Rept. 105-45 (7/10/97)**
Report Language **Page 200-201** will be in a position to assess the crucial technical trade-offs needed for a robust SBIRS constellation and ensure deployment at the earliest possible date. The Committee further directs that none of the funds appropriated for the SBIRS program may be used to fund the SBIRS high component developer as the overall system engineer. The Committee also directs the Air Force to report to the Committee on its efforts to establish the independent system engineer no later than January 15, 1998.	

SPACE BASED INFRARED ARCHITECTURE DEM/VAL (SBIRS) AIR FORCE (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
Statutory Language **No language exists.**	**Report Language** **Page 128** SPACE BASED INFRARED SYSTEM (SBIRS) The conferees are concerned that the Air Force has retained the present developer of the SBIRS high component as the overall system of systems engineer for the entire program. The conferees believe that the potential exists for conflict of interest since the SBIRS high component developer will compete for the SBIRS low component of the program. While the Air Force has taken certain measures to attempt to ensure the fairness of the SBIRS low competition, the conferees believe that it would be appropriate for the Under Secretary of Defense for Acquisition and Technology to review any Air Force implementation plan formulated to avoid conflicts of interest in the SBIRS low component competition. The conferees therefore, direct the USD (A&T) to certify to the congressional defense committees that the Air Force's "SBIRS Organizational Conflict of Interest Mitigation Plan for the SBIR Low Component Program" adequately safeguards the objectivity of the competition for the SBIR Low program. If it is determined that the Air Force's risk mitigation plan does not ensure a fair competition, the congressional defense committees shall be notified and provided such recommendations as the USD (A&T) determines are necessary to ensure a fair competition, protect proprietary data, and mitigate potential SBIR high component program developer bias. The certification shall be provided no later than March 31, 1998.

SPACE BASED INFRARED ARCHITECTURE DEM/VAL (SBIRS) AIR FORCE (CONT)

FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)
	Report Language **Page 128** The conferees further direct that the Deputy Under Secretary of Defense for Space, DUSD (Space), review any final allocation of requirements between the SBIRS high and low component to determine whether such allocations are justified on the basis of cost and performance. The conferees direct that the results of this review be provided to the congressional defense committees.

LIVE FIRE TESTING

LIVE FIRE TESTING	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

LIVE FIRE TESTING (CONT)	
FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)	**FY98 DOD Authorization Conference H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

LIVE FIRE TESTING (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **Page 232** The Department requested $10,197,000 for Live Fire Testing. The Committee recommends $19,497,000, an increase of $9,300,000 only for simulation and modeling.	**Bill Language** **No language exists.** **Report Language** **No language exists.**

LIVE FIRE TESTING (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

GOVERNMENT PERFORMANCE AND RESULTS ACT

GOVERNMENT PERFORMANCE AND RESULTS ACT	
House FY98 DOD Authorization Bill **H.R 1119; H. Rept. 105-132 (6/16/97)**	**Senate FY98 DOD Authorization Bill** **S. 936; S. Rept. 105-29 (6/17/97)**
Bill Language **No language exists.** **Report Language** **No language exists.**	**Bill Language** **No language exists.** **Report Language** **No language exists.**

GOVERNMENT PERFORMANCE AND RESULTS ACT (CONT)	
FY98 DOD Authorization Conference **H.R. 1119; H. Rept. 105-340 (10/23/97)**	**FY98 DOD Authorization Conference** **H.R. 1119; H. Rept. 105-340 (10/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**

GOVERNMENT PERFORMANCE AND RESULTS ACT (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Bill Language **No language exists.** **Report Language** **Page 23-24** Government Performance and Results Act The Committee considers the full and effective implementation of the Government Performance and Results Act, P.L. 103-62, to be a priority for all agencies of government. Starting with fiscal year 1999, the Results Act requires each agency to "prepare an annual performance plan covering each program activity set forth in the budget of such agency". Specifically, for each program activity the agency is required to "establish performance goals to define the level of performance to be achieved by a program activity" and "performance indicators to be used in assessing the relevant outputs, service levels, and outcomes of each program activity". The Committee takes this requirement of the Results Act very seriously and plans to carefully examine agency performance goals and measures during the appropriations process. As a result, starting with the fiscal year 1999 appropriations cycle, the Committee will consider agencies progress in articulating clear, definitive, and results-oriented (outcome) goals and measures as it reviews requests for appropriations.	**Bill Language** **No language exists.** **Report Language** **No language exists.**

GOVERNMENT PERFORMANCE AND RESULTS ACT (CONT)

House FY98 DOD Appropriations Bill H.R. 2266; H. Rept. 105-206 (7/25/97)	Senate FY98 DOD Appropriations Bill S. 1005; S. Rept. 105-45 (7/10/97)
Report Language **Page 23-24** The Committee suggests agencies examine their program activities in light of their strategic goals to determine whether any changes or realignments would facilitate a more accurate and informed presentation of budgetary information. Agencies are encouraged to consult with the Committee as they consider such revisions prior to finalizing any requests pursuant to 31 U.S.C. 1104. The Committee will consider any requests with a view toward ensuring that fiscal year 1999 and subsequent budget submissions display amounts requested against program activity structures for which annual performance goals and measures have been established.	

GOVERNMENT PERFORMANCE AND RESULTS ACT (CONT)	
FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)	**FY98 DOD Appropriations Conference H.R 2266; H. Rept. 105-265 (9/23/97)**
Statutory Language **No language exists.**	**Report Language** **No language exists.**