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DEPARTMENT OF DEFENSE AUTHORIZATION FOR
APPROPRIATIONS FOR FISCAL YEAR 1979
DOCUMENTS

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HEARING

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BEFORE THE

COMMITTEE ON ARMED SERVICES

UNITED STATES SENATE

NINETY-FIFTH CONGRESS

SECOND SESSION

ON

S. 3486

TO AUTHORIZE APPROPRIATIONS DURING THE FISCAL YEAR 1979, FOR PROCUREMENT OF AIRCRAFT, MISSILES, NAVAL VESSELS, TRACKED COMBAT VEHICLES, TORPEDOES, AND OTHER WEAPONS, AND RESEARCH, DEVELOPMENT, TEST AND EVALUATION FOR THE ARMED FORCES, AND TO PRESCRIBE THE AUTHORIZED PERSONNEL STRENGTH FOR EACH ACTIVE DUTY COMPONENT AND OF THE SELECTED RESERVE OF EACH RESERVE COMPONENT OF THE ARMED FORCES AND OF CIVILIAN PERSONNEL OF THE DEPARTMENT OF DEFENSE, AUTHORIZE THE MILITARY TRAINING STUDENT LOADS, AND TO AUTHORIZE APPROPRIATIONS FOR CIVIL DEFENSE, AND FOR OTHER PURPOSES

S. 3486 IS A REPLACEMENT FOR H.R. 10929 WHICH IS PREVIOUSLY VETOED BY THE PRESIDENT

SEPTEMBER 14, 1978

Printed for the use of the Committee on Armed Services



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1978

33-769 O

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DEPARTMENT OF DEFENSE AUTHORIZATION FOR
APPROPRIATIONS FOR FISCAL YEAR 1979

THURSDAY, SEPTEMBER 14, 1978

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

The committee met, pursuant to notice, at 11 a.m., in room 212, Russell Senate Office Building, Hon. John C. Stennis, chairman, presiding.

Present: Senators Stennis, McIntyre, Byrd of Virginia, Thurmond, and Garn.

Also present: Francis J. Sullivan, staff director; John C. Roberts, general counsel; John T. Ticer, chief clerk; Rhett B. Dawson, counsel; Phyllis A. Bacon, assistant chief clerk; Charles H. Cromwell, George H. Foster, Edward B. Kenney, James R. Locher, Don L. Lynch, Robert Q. Old, E. George Riedel, James C. Smith, and George F. Travers, professional staff members; Louise R. Hoppe, research assistant; Christine E. Cowart and Fran Frazier, clerical assistants.

Also present: Frank Gaffney, assistant to Senator Jackson; Jeffrey Record, assistant to Senator Nunn; Charles Stevenson, assistant to Senator Culver; Bill Lind, assistant to Senator Hart; John Haynes, assistant to Senator Anderson; Lew Ashley, assistant to Senator Hatfield; Ron Lehman, assistant to Senator Bartlett; and David M. Fitzgerald, assistant to Senator Garn.

Chairman STENNIS. Gentlemen of the committee, we will reconvene our morning session now and proceed with the testimony of Secretary Harold Brown of the Department of Defense. We are glad to have you before us. As always, you are welcome to come in and give us the benefit of your facts and your counsel and judgment.

The proposition before us now is what we are going to do with the authorization bill, S. 3486, that has been introduced. It is a replica of the bill that was vetoed except for the *Nimitz* carrier. We are glad to have our visitors.

[The bill, S. 3486, follows:]

(1)

Calendar No. 1121

95TH CONGRESS
2D SESSION**S. 3486**

[Report No. 95-1197]

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 7 (legislative day, AUGUST 16), 1978

Mr. STENNIS introduced the following bill; which was read twice and referred to the Committee on Armed Services

SEPTEMBER 15 (legislative day, AUGUST 16), 1978

Reported by Mr. STENNIS, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To authorize appropriations for fiscal year 1979 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and for research, development, test and evaluation for the Armed Forces, to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and for civilian personnel of the Department of Defense, to authorize the military training student loads, to authorize appropriations for civil defense, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 That this Act may be cited as the "Department of Defense
2 Appropriation Authorization Act, 1979".

3 TITLE I—PROCUREMENT

4 SEC. 101. Funds are hereby authorized to be appropri-
5 ated for fiscal year 1979 for the use of the Armed Forces of
6 the United States for procurement of aircraft, missiles, naval
7 vessels, tracked combat vehicles, torpedoes, and other weap-
8 ons, as authorized by law, in amounts as follows:

9 AIRCRAFT

10 For aircraft: for the Army, \$972,400,000; for the Navy
11 and Marine Corps, \$4,381,100,000; for the Air Force,
12 \$7,028,200,000.

13 MISSILES

14 For missiles: for the Army, \$738,100,000; for the
15 Navy, \$1,583,700,000; for the Marine Corps, \$23,100,000;
16 for the Air ~~force~~ Force, \$1,626,500,000.

17 NAVAL VESSELS

18 For naval vessels: for the Navy, \$4,261,500,000
19 \$4,470,500,000.

20 TRACKED COMBAT VEHICLES

21 For tracked combat vehicles: for the Army,
22 \$1,419,400,000; for the Marine Corps, \$24,300,000.

23 TORPEDOES

24 For torpedoes and related support equipment: for the
25 Navy, \$366,800,000.

1 OTHER WEAPONS

2 For other weapons: for the Army, \$109,000,000; for
3 the Navy, \$102,000,000; for the Marine Corps,
4 \$30,200,000; for the Air Force, \$300,000.

5 TITLE II—RESEARCH, DEVELOPMENT, TEST,
6 AND EVALUATION

7 SEC. 201. Funds are hereby authorized to be appropri-
8 ated for fiscal year 1979 for the use of the Armed Forces of
9 the United States for research, development, test, and evalu-
10 ation, as authorized by law, in amounts as follows:

11 For the Army, \$2,661,701,000.

12 For the Navy (including the Marine Corps),
13 \$4,504,268,000.

14 For the Air Force, \$4,164,500,000, of which
15 \$10,000,000 may be obligated and expended only for
16 the North Atlantic Treaty Organization Airborne
17 Warning and Control System (AWACS) program, but
18 such \$10,000,000 may not be obligated or expended
19 until at least one member country of the North Atlan-
20 tic Treaty Organization (other than the United States)
21 enters into a contract to purchase the AWACS air-
22 craft.

23 For the Defense Agencies, ~~\$933,400,000~~
24 \$933,400,000, of which \$27,600,000 is authorized for

1 the activities of the Director of Test and Evaluation,
2 Defense.

3 EXTREMELY LOW FREQUENCY (ELF) COMMUNICATION
4 SYSTEM

5 SEC. 202. None of the funds authorized to be appropri-
6 ated by this Act for the development of the Extremely Low
7 Frequency (ELF) communication system may be obligated or
8 expended for the development of such system unless the
9 President certifies to the Congress in writing that the use of
10 funds for such purpose is in the national interest, that a site
11 has been selected for the deployment of such system, and
12 that the President has approved such site for the deployment
13 of such system, and in no event may any of the funds author-
14 ized to be appropriated by this Act be used for full scale
15 development or construction of another test-bed facility for
16 an Extremely Low Frequency (ELF) communication system.

17 REPORT RELATING TO DEVELOPMENT OF SURVIVABLE
18 LAND-BASED INTERCONTINENTAL BALLISTIC MISSILE
19 SYSTEM

20 SEC. 203. The Secretary of Defense shall, not later
21 than September 30, 1978, report to the Committees on
22 Armed Services of the Senate and the House of Representa-
23 tives the decision of the executive branch regarding full scale
24 development of a survivable land-based intercontinental bal-
25 listic missile system. In the event that no final decision re-

1 garding such matter has been reached by the executive
2 branch by such date, the Secretary of Defense shall—

3 (1) notify such committees on or before such date
4 that no final decision has been reached and the reasons
5 why such decision has not been made;

6 (2) inform such committees of the technical, politi-
7 cal, or other considerations necessitating a delay in
8 making such decision;

9 (3) indicate the date the Secretary believes a final
10 decision will have been made with respect to such
11 matter; and

12 (4) submit a report to such committees once every
13 30 days on the status of the decision on such matter
14 (including in each such report information relating to
15 the matters contained in clauses (2) and (3) of this sec-
16 tion) until a final decision by the executive branch has
17 been made and such committees have been informed of
18 such decision.

19 **REPEAL OF FISCAL YEAR 1978 AWACS RESTRICTION**

20 **SEC. 204.** Section 201 of the Department of Defense
21 Appropriation Authorization Act, 1978 (Public Law 95-79,
22 91 Stat. 323), is amended by striking out “, but such
23 \$15,700,000 may not be obligated or expended until at least
24 one member country of the North Atlantic Treaty Organiza-

1 tion (other than the United States) enters into a contract to
2 purchase the AWACS aircraft”.

3 TITLE III—ACTIVE FORCES

4 SEC. 301. For fiscal year 1979, each component of the
5 Armed Forces is authorized an end strength for active duty
6 personnel as follows:

7 (1) The Army, 775,800.

8 (2) The Navy, 523,550.

9 (3) The Marine Corps, 190,000.

10 (4) The Air Force, 566,400.

11 TITLE IV—RESERVE FORCES

12 SEC. 401. (a) For fiscal year 1979, the Selected Re-
13 serve of each Reserve component of the Armed Forces shall
14 be programmed to attain an average strength of not less than
15 the following:

16 (1) The Army National Guard of the United
17 States, 362,200.

18 (2) The Army Reserve, 195,750.

19 (3) The Naval Reserve, 87,000.

20 (4) The Marine Corps Reserve, 33,000.

21 (5) The Air National Guard of the United States,
22 92,150.

23 (6) The Air Force Reserve, 53,075.

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

1 (b) The average strength prescribed by subsection (a) of
2 this section for the Selected Reserve of any Reserve compo-
3 nent shall be proportionately reduced by (1) the total author-
4 ized strength of units organized to serve as units of the Se-
5 lected Reserve of such component which are on active duty
6 (other than for training) at any time during the fiscal year,
7 and (2) the total number of individual members not in units
8 organized to serve as units of the Selected Reserve of such
9 component who are on active duty (other than for training or
10 for unsatisfactory participation in training) without their con-
11 sent at any time during the fiscal year. Whenever such units
12 or such individual members are released from active duty
13 during any fiscal year, the average strength prescribed for
14 such fiscal year for the Selected Reserve of such Reserve
15 component shall be proportionately increased by the total au-
16 thorized strength of such units and by the total number of
17 such individual members.

18 EDUCATIONAL ASSISTANCE PROGRAM FOR ENLISTED
19 RESERVES

20 SEC. 402. (a) Section 2132(b)(1) of title 10, United
21 States Code, relating to eligibility for educational assistance,
22 is amended—

23 (1) by striking out “automatically extended by
24 two years” and inserting in lieu thereof “not less than
25 six years”; and

1 (c) Subsection (g) of such section is amended by striking
2 out "1978" and inserting in lieu thereof "1980".

3 BONUS FOR ENLISTMENTS IN THE SELECTED RESERVE

4 SEC. 404. (a) Chapter 5 of title 37, United States Code,
5 is amended by inserting after section 308b the following new
6 section:

7 "§ 308c. Special pay: bonus for enlistment in the Selected Reserve

8 "(a) Any person who, after September 30, 1978, enlists
9 in the Selected Reserve of the Ready Reserve of an armed
10 force for a term of enlistment of not less than six years, is a
11 graduate of a secondary school, and has never previously
12 served in an armed force may be paid a bonus as provided in
13 subsection (b).

14 "(b) The amount and method of payment of a bonus to
15 be paid under subsection (a) shall be determined in accord-
16 ance with regulations prescribed under subsection (c), except
17 that the amount of such bonus may not exceed \$2,000 and—

18 "(1) one-half of the bonus shall be paid upon com-
19 pletion of the initial active duty for training of such
20 person; and

21 "(2) the remainder of the bonus may be paid in
22 periodic installments or in a lump sum, as determined
23 by the Secretary concerned.

24 "(c) This section shall be administered under regulations
25 prescribed by the Secretary of Defense for the armed forces

1 under his jurisdiction and by the Secretary of Transportation
2 for the Coast Guard when it is not operating as a service in
3 the Navy.

4 “(d) A member who fails to participate satisfactorily in
5 training with his unit during a term of enlistment for which a
6 bonus has been paid to him under this section shall refund an
7 amount which bears the same ratio to the amount of the
8 bonus which has been paid to him as the unexpired part of
9 such term of enlistment bears to the total length of such term
10 of enlistment.

11 “(e) The Secretary of Defense shall submit a report to
12 the Congress every three months stating the number of mem-
13 bers of the Selected Reserve of the Ready Reserve who at
14 the time of such report are serving a term of enlistment for
15 which a bonus has been paid under this section and listing
16 each unit of the Selected Reserve of the Ready Reserve to
17 which any such member is assigned at the time of such
18 report. The first such report shall be made not later than
19 December 31, 1978.

20 “(f) No bonus may be paid under this section to any
21 enlisted member who, after September 30, 1980, enlists in
22 the Selected Reserve of the Ready Reserve of an armed
23 force.”.

1 (b) The table of sections at the beginning of such chap-
 2 ter is amended by inserting after the item relating to section
 3 308b the following new item:

“308c. Special pay: bonus for enlistment in the Selected Reserve.”.

4 RESTRICTION ON TRANSFER ~~FORM~~ FROM READY RESERVE
 5 TO STANDBY RESERVE

6 SEC. 405. (a)(1) Section 269 of title 10, United States
 7 Code, relating to transfers from the Ready Reserve, is
 8 amended—

9 (A) by striking out “eligible to transfer” in sub-
 10 section (a) and inserting in lieu thereof “transferred”;

11 (B) by striking out the colon at the end of the
 12 third sentence in subsection (d) and inserting in lieu
 13 thereof a period;

14 (C) by striking out subsection (e) and inserting in
 15 lieu thereof the following:

16 “(e) Subject to subsection (g) and under regulations pre-
 17 scribed by the Secretary of Defense, and by the Secretary of
 18 Transportation with respect to the Coast Guard when it is
 19 not operating as a service in the Navy, a member in the
 20 Ready Reserve may be transferred to the Standby Reserve.”;
 21 and

22 (D) by striking out subsection (f) and inserting in
 23 lieu thereof the following:

1 “(f) A Reserve who is qualified and so requests may be
2 transferred to the Retired Reserve under regulations pre-
3 scribed by the Secretary concerned and, in the case of the
4 Secretary of a military department, approved by the Secre-
5 tary of Defense.”.

6 (2) The amendments made by paragraph (1) shall not
7 apply with respect to a member of the Ready Reserve of an
8 Armed Force who served on active duty (other than for train-
9 ing) before the date of the enactment of this Act.

10 (b) Section 271 of such title, relating to continuous
11 screening of the Ready Reserve, is amended—

12 (1) by inserting “(a)” before “Under regulations”;

13 (2) by striking out “significance” in clause (1) and
14 inserting in lieu thereof “significant”; and

15 (3) by adding at the end thereof the following new
16 subsection:

17 “(b) Under regulations to be prescribed by the Secretary
18 of Defense, and by the Secretary of Transportation with re-
19 spect to the Coast Guard when it is not operating as a serv-
20 ice in the Navy, any member of the Ready Reserve who is
21 designated as a member not to be retained in the Ready Re-
22 serve as a result of screening under subsection (a) shall, as
23 appropriate, be transferred to the Standby Reserve, dis-
24 charged, or, if such member is eligible and applies therefor,
25 transferred to the Retired Reserve.”.

1 (c)(1) Section 511(b) of such title, relating to terms of
2 enlistments in Reserve components, is amended—

3 (A) in the first sentence—

4 (i) by striking out “the Secretary concerned”
5 and inserting in lieu thereof “the Secretary of De-
6 fense, and by the Secretary of Transportation
7 with respect to the Coast Guard when it is not
8 operating as a service in the Navy”; and

9 (ii) by striking out “sections 451–473 of title
10 50, appendix” and inserting in lieu thereof “the
11 Military Selective Service Act (50 U.S.C. App.
12 451–473)”; and

13 (B) in the second sentence—

14 (i) by inserting “not less than” in clause (1)
15 before “two years” and by adding “and” at the
16 end of such clause;

17 (ii) by striking out clause (2); and

18 (iii) by redesignating clause (3) as clause (2)
19 and striking out “Standby Reserve” in such
20 clause and inserting in lieu thereof “Ready Re-
21 serve”.

22 (2) The amendments made by paragraph (1) shall not
23 apply with respect to a person who enlisted as a Reserve for
24 service in the Armed Forces under section 511(b) of title 10,

1 United States Code, before the date of the enactment of this
2 Act.

3 (d)(1) Chapter 37 of such title, relating to general serv-
4 ice requirements, is amended by adding after section 651 the
5 following new section:

6 “§652. Ready Reserves: requirement of notification of change of
7 status

8 “Under regulations to be prescribed by the Secretary of
9 Defense, and by the Secretary of Transportation with respect
10 to the Coast Guard when it is not operating as a service in
11 the Navy, each member of the Ready Reserve who is not a
12 member of the Selected Reserve shall notify the Secretary
13 concerned of any change in such member’s address, marital
14 status, number of dependents, or civilian employment and of
15 any change in such member’s physical condition which would
16 prevent him from meeting the physical or mental standards
17 prescribed for his armed force.”.

18 (2) The table of sections at the beginning of such chap-
19 ter is amended by adding after the item relating to section
20 651 the following new item:

“652. Ready Reserves: requirement of notification of change of status.”.

21 REPEAL OF REQUIREMENT FOR ANNUAL REPORT ON
22 RESERVE FORCES

23 SEC. 406. (a) Section 264 of title 10, United States
24 Code, is amended by striking out subsection (c).

1 (b)(1) Section 279 of such title is repealed.

2 (2) The table of sections at the beginning of chapter 11
3 of such title is amended by striking out the item relating to
4 section 279.

5 TITLE V—CIVILIAN PERSONNEL

6 SEC. 501. (a) For fiscal year 1979, the Department of
7 Defense is authorized an end strength for civilian personnel
8 of 1,005,500.

9 (b) The end strength for civilian personnel prescribed in
10 subsection (a) of this section shall be apportioned among the
11 Department of the Army, the Department of the Navy (in-
12 cluding the Marine Corps), the Department of the Air Force,
13 and the agencies of the Department of Defense (other than
14 the military departments) in such numbers as the Secretary
15 of Defense shall prescribe. The Secretary of Defense shall
16 report to the Congress within sixty days after the date of the
17 enactment of this Act on the manner in which the initial allo-
18 cation of civilian personnel is made among the military de-
19 partments and the agencies of the Department of Defense
20 (other than the military departments) and shall include the
21 rationale for each allocation.

22 (c) In computing the authorized end strength for civilian
23 personnel there shall be included all direct-hire and indirect-
24 hire civilian personnel employed to perform military functions
25 administered by the Department of Defense (other than those

1 performed by the National Security Agency), whether em-
2 ployed on a full-time, part-time, or intermittent basis, but
3 excluding special employment categories for students and dis-
4 advantaged youth such as the stay-in-school campaign, the
5 temporary summer aid program and the Federal junior fel-
6 lowship program and personnel participating in the worker-
7 trainee opportunity program. Whenever a function, power, or
8 duty, or activity is transferred or assigned to a department or
9 agency of the Department of Defense from a department or
10 agency outside of the Department of Defense, or from an-
11 other department or agency within the Department of De-
12 fense, the civilian personnel end strength authorized for such
13 departments or agencies of the Department of Defense affect-
14 ed shall be adjusted to reflect any increases or decreases in
15 civilian personnel required as a result of such transfer or as-
16 signment.

17 (d) When the Secretary of Defense determines that such
18 action is necessary in the national interest, he may authorize
19 the employment of civilian personnel in excess of the number
20 authorized in subsection (a) of this section, but such addition-
21 al number may not exceed $1\frac{1}{4}$ percent of the total number of
22 civilian personnel authorized for the Department of Defense
23 by subsection (a) of this section. The Secretary of Defense
24 shall promptly notify the Congress of any authorization to

1 increase civilian personnel strength under the authority of
2 this subsection.

3 TITLE VI—MILITARY TRAINING STUDENT LOADS

4 SEC. 601. (a) For fiscal year 1979, each component of
5 the Armed Forces is authorized an average military training
6 student load as follows:

7 (1) The Army, 50,738.

8 (2) The Navy, 57,996.

9 (3) The Marine Corps, 21,324.

10 (4) The Air Force, 44,410.

11 (5) The Army National Guard of the United
12 States, 11,793.

13 (6) The Army Reserve, 5,959.

14 (7) The Naval Reserve, 991.

15 (8) The Marine Corps Reserve, 3,074.

16 (9) The Air National Guard of the United States,
17 2,471.

18 (10) The Air Force Reserve, 1,184.

19 (b) In addition to the number authorized for the Army in
20 subsection (a), the Army is authorized a military training stu-
21 dent load for fiscal year 1979 of not less than 17,205 to be
22 utilized solely for One Station Unit Training.

23 (c) The average military training student loads for the
24 Army, the Navy, the Marine Corps, and the Air Force and
25 the Reserve components authorized in subsection (a) of this

1 section for fiscal year 1979 shall be adjusted consistent with
2 the manpower strengths authorized in titles III, IV, and V of
3 this Act. Such adjustment shall be apportioned among the
4 Army, the Navy, the Marine Corps, and the Air Force and
5 the Reserve components in such manner as the Secretary of
6 Defense shall prescribe.

7 REDUCTION OR REALIGNMENT OF THE TRAINING BASE

8 SEC. 602. (a) Notwithstanding any other provision of
9 law, no action may be taken to effect or implement any sub-
10 stantial reduction of the training base (as defined in subsec-
11 tion (c)) or any substantial force structure realignment of the
12 training base planned as a part of the fiscal year 1979 De-
13 fense manpower program unless and until the provisions of
14 subsection (b) are complied with.

15 (b) No action described in subsection (a) with respect to
16 a substantial reduction or realignment of the training base
17 may be taken unless and until—

18 (1) the Secretary of Defense or the Secretary of
19 the military department concerned notifies the Commit-
20 tees on Armed Services and Appropriations of the
21 Senate and House of Representatives in writing of the
22 specific reduction or realignment proposed;

23 (2) the Secretary of Defense or the Secretary of
24 the military department concerned certifies that such
25 reduction or realignment is in the best interest of the

1 national security and provides for the most cost effec-
2 tive and efficient management of the training base,
3 both in time of peace and in ability to meet mobiliza-
4 tion requirements; and

5 (3) a period of thirty legislative days expires
6 following the date on which the notification and certifi-
7 cation referred to in clauses (1) and (2) have been sub-
8 mitted to such committees, during which period no ir-
9 revocable action may be taken to effect or implement
10 such reduction or realignment.

11 For the purpose of clause (3), a legislative day is a day in
12 which either House of Congress is in session.

13 (c) For the purposes of this section, the term "training
14 base" means the composite of installations, posts, camps, sta-
15 tions, and bases that have as a primary or secondary mission
16 the conduct of formal entry level, advanced individual, or
17 specialty training.

18 TITLE VII—CIVIL DEFENSE

19 AUTHORIZATION FOR DEFENSE CIVIL PREPAREDNESS

20 AGENCY

21 SEC. 701. There is hereby authorized to be appropriated
22 for the programs of the Defense Civil Preparedness Agency
23 for fiscal year 1979 for the purpose of carrying out the provi-
24 sions of the Federal Civil Defense Act of 1950 the sum of
25 \$96,500,000.

1 the potential costs and methods of financing such plans
2 and systems.

3 (5) A detailed analysis of the specific effects of a
4 nuclear attack on each such area.

5 (6) A determination of the need for educating, and
6 the most effective methods of educating, the public in
7 such areas on civil defense matters.

8 (c) The study required by this section shall be complet-
9 ed, and copies shall be filed with the Committees on Armed
10 Services of the Senate and House of Representatives, before
11 April 1, 1979.

12 TITLE VIII—GENERAL PROVISIONS

13 EXTENSION OF AUTHORITY FOR SPECIAL PAY FOR 14 HEALTH PROFESSIONALS

15 SEC. 801. (a) The second sentence of section 2 of the
16 Act entitled "An Act to amend chapter 5 of title 37, United
17 States Code, to revise the special pay structure relating to
18 medical officers of the uniformed services", approved May 6,
19 1974 (88 Stat. 96; 37 U.S.C. 302 note), is amended to read
20 as follows: "The authority for the special pay provided by the
21 amendments made by the first section of this Act shall expire
22 on September 30, 1980."

23 (b) Sections 302a(c) and 303(c) of title 37, United States
24 Code, are each amended by striking out "September 1978"
25 and inserting in lieu thereof "September 1980".

1 AUTHORITY FOR ENLISTMENT AND REENLISTMENT

2 BONUSES

3 SEC. 802. (a)(1) Section 308(a) of title 37, United
4 States Code, is amended—

5 (A) by inserting “(1)” after “(a)” and by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively;

6
7
8 (B) by striking out “designated as having a critical military skill” in paragraph (1)(B) (as redesignated by subparagraph (A)) and inserting in lieu thereof
9
10
11 “qualified in a military skill designated as critical”; and

12 (C) by adding at the end thereof the following
13 new paragraph:

14 “(2) Notwithstanding paragraph (1)(B) of this subsection, a member who agrees to train and reenlist for service in
15
16 a military skill which, at the time of that agreement, is designated as critical, may be paid the bonus approved for that
17
18 skill, at the rate in effect at the time of agreement, upon
19
20 completion of training and qualification in that skill, if otherwise qualified under this subsection and even if that skill is no
21
22 longer designated as critical at the time the member becomes eligible for payment of the bonus.”.

23 (2) The amendments made by paragraph (1) shall take
24 effect on October 1, 1978.

1 (b) Sections 308(f) and 308a(c) of title 37, United States
 2 Code, are each amended by striking out "September 30,
 3 1978" and inserting in lieu thereof "September 30, 1980".

4 EXTENSION OF AUTHORITY FOR SUBSISTENCE
 5 ALLOWANCE FOR MARINE CORPS PLATOON LEADER
 6 CLASSES

7 SEC. 803. The Act entitled "An Act to provide subsist-
 8 ence allowances for members of the Marine Corps officer can-
 9 didate programs", approved November 24, 1971 (85 Stat.
 10 491; 37 U.S.C. 209 note), is amended by striking out "Sep-
 11 tember 30, 1978" and inserting in lieu thereof "September
 12 30, 1980".

13 CAREER SEA PAY

14 SEC. 804. (a)(1) Effective October 1, 1978, chapter 5 of
 15 title 37, United States Code, relating to special and incentive
 16 pays, is amended by inserting after section 305 the following
 17 new section:

18 "§ 305a. Special pay: career sea pay

19 "(a) Under regulations prescribed by the President, an
 20 enlisted member of a uniformed service who is entitled to
 21 basic pay and who (1) is in pay grade E-4 or above, and (2)
 22 has served more than three years of sea duty, is also entitled,
 23 while on sea duty, to special pay at the applicable rate under
 24 subsection (b).

1 “(b)(1) For sea duty performed during fiscal year 1979
2 or 1980, the monthly rates for special pay under subsection
3 (a) are as follows:

“Years of sea duty:	Monthly rate
Over 3	\$25
Over 5	35
Over 12.....	55

4 “(2) For sea duty performed during fiscal year 1981, the
5 monthly rates for special pay under subsection (a) are as fol-
6 lows:

“Years of sea duty:	Monthly rate
Over 3	\$25
Over 5	35
Over 7	45
Over 12.....	55”.

7 (2) Effective October 1, 1981, subsection (b) of section
8 305a of title 37, United States Code (as added by paragraph
9 (1)), is amended to read as follows:

10 “(b) The monthly rates for special pay under subsection
11 (a) are as follows:

“Years of sea duty:	Monthly rate
Over 3	\$25
Over 5	35
Over 7	45
Over 9	55
Over 10.....	65
Over 11.....	75
Over 12.....	100”.

12 (3) In determining the amount of sea duty to be credited
13 to an enlisted member of a uniformed service for purposes of
14 section 305a of title 37, United States Code (as added by
15 paragraph (1)), the Secretary concerned shall credit such
16 member with all periods of service by such member before

1 October 1, 1978, during which such member served in a sea
2 duty status.

3 (b)(1) Section 305 of such chapter is amended—

4 (A) by striking out all of subsection (a) that pre-
5 cedes the table therein and inserting in lieu thereof the
6 following:

7 “(a) Except as provided by subsections (b) and (c) of this
8 section, under regulations prescribed by the President, an en-
9 listed member of a uniformed service who is entitled to basic
10 pay may, while on duty at a designated place outside the 48
11 contiguous States and the District of Columbia, be paid spe-
12 cial pay at the following monthly rates:”;

13 (B) by adding at the end thereof the following
14 new subsection:

15 “(c) A member receiving special pay under section 305a
16 of this title may not be paid special pay under this section for
17 the same period of service.”; and

18 (C) by striking out “sea duty or” in the section
19 heading.

20 (2) The table of sections at the beginning of such chap-
21 ter is amended—

22 (A) by striking out “sea duty or” in the item re-
23 lating to section 305; and

24 (B) by inserting after such item the following new
25 item:

"305a. Special pay: career sea pay."

1 (3) The amendments made by this subsection shall take
2 effect on October 1, 1978.

3 (c) Any individual who on September 30, 1978, is an
4 enlisted member of a uniformed service shall be eligible to
5 receive special pay under section 305(a)(1) of title 37, United
6 States Code, as in effect on September 30, 1978, for any
7 period of sea duty performed by such individual during the
8 period beginning on October 1, 1978, and ending on Septem-
9 ber 30, 1981, for which such individual does not receive spe-
10 cial pay under section 305a of such title (as added by subsec-
11 tion (a)).

12 CHIEF OF ARMY DENTAL CORPS; AIR FORCE ASSISTANT
13 SURGEON GENERAL FOR DENTAL SERVICES

14 SEC. 805. (a) Section 3040(b) of title 10, United States
15 Code, is amended by inserting after the first sentence thereof
16 the following new sentence: "The Assistant Surgeon General
17 is Chief of the Dental Corps and is responsible for making
18 recommendations to the Surgeon General and through the
19 Surgeon General to the Chief of Staff on all matters concern-
20 ing dentistry and the dental health of the Army."

21 (b) (1) Chapter 307 of title 10, United States Code, is
22 amended by adding at the end thereof the following new sec-
23 tion:

1 “§ 3081. Dental Corps: Chief, functions

2 “(a) The Chief of the Dental Corps shall be an officer of
3 that corps appointed as prescribed in section 3040 of this
4 title.

5 “(b) Under such regulations as the Secretary of the
6 Army may prescribe, all dental functions of the Army shall
7 be under the direction of the Chief of the Dental Corps. All
8 matters relating to dentistry shall be referred to the Chief of
9 the Dental Corps.

10 “(c) The Chief of the Dental Corps shall—

11 “(1) establish professional standards and policies
12 for dental practice;

13 “(2) initiate and recommend action pertaining to
14 organization requirements and utilization of the Dental
15 Corps and dental auxiliary strength, appointments, ad-
16 vancement, training assignment, and transfer of dental
17 personnel; and

18 “(3) serve as the advisor to the Office of the Sur-
19 geon General on all matters relating directly to den-
20 tistry.

21 “(d) Under such regulations as the Secretary of the
22 Army may prescribe, dental and dental auxiliary personnel
23 throughout the Army shall be organized into units command-
24 ed by a designated Dental Corps officer. Such officer will be
25 directly responsible to the commander of installations, organi-
26 zations, and activities for all professional and technical mat-

1 ters and such administrative matters as may be prescribed by
2 regulation.”.

3 (2) The table of sections at the beginning of chapter 307
4 of title 10, United States Code, is amended by adding at the
5 end thereof the following new item:

“3081. Dental Corps: Chief, functions.”.

6 (c)(1) Chapter 807 of title 10, United States Code, is
7 amended by adding at the end thereof the following new sec-
8 tion:

9 “§ 8081. Assistant Surgeon General for Dental Services

10 “There is an Assistant Surgeon General for Dental Ser-
11 vices in the Air Force who is appointed by the Secretary of
12 the Air Force upon the recommendation of the Surgeon Gen-
13 eral from officers of the Air Force above the grade of major
14 who are designated as dental officers under section 8067(b) of
15 this title. The term of office of the Assistant Surgeon General
16 for Dental Services is four years but may be increased or
17 decreased by the Secretary of the Air Force.”.

18 (2) The table of sections at the beginning of chapter 807
19 of title 10, United States Code, is amended by adding at the
20 end thereof the following new item:

“8081. Assistant Surgeon General for Dental Services.”.

1 CEILING FOR PAYMENTS TO PHYSICIANS UNDER CHAMPUS
2 SEC. 806. (a)(1) Section 1079 of title 10, United States
3 Code, is amended by adding at the end thereof the following
4 new subsection:

5 “(h) Payment of a charge for physician services for
6 which a claim is submitted under a plan contracted for under
7 subsection (a) may be denied because the charge is in excess
8 of a predetermined charge level based upon customary
9 charges made for similar services in the same locality only to
10 the extent that such charge is in excess of the charge level
11 that, on the basis of statistical data and methodology accept-
12 able to the Secretary of Defense, in consultation with the
13 Secretary of Health, Education, and Welfare, is equivalent to
14 the 90th percentile of the customary charges made for similar
15 services in the same locality during the last preceding calen-
16 dar year elapsing before the start of the twelve-month period
17 (beginning July 1 of each year) in which the claim for the
18 payment is submitted.”

19 (2) Section 1086 of such title is amended by adding at
20 the end thereof the following new subsection:

21 “(f) The provisions of section 1079(h) of this title shall
22 apply to payments for physician services under a plan con-
23 tracted for under subsection (a).”

24 (b) The amendments made by subsection (a) shall apply
25 with respect to claims submitted for payment for services

1 provided on or after the first day of the first calendar year
2 beginning after the date of enactment of this Act.

3 MARINE CORPS COMMANDANT—MEMBER OF JOINT CHIEFS
4 OF STAFF

5 SEC. 807. Section 141 of title 10, United States Code,
6 is amended by—

7 (1) striking out “and” at the end of subsection
8 (a)(3);

9 (2) striking out the period at the end of subsection
10 (a)(4) and inserting in lieu thereof a semicolon and the
11 word “and”;

12 (3) adding after subsection (a)(4) a new clause (5)
13 as follows:

14 “(5) the Commandant of the Marine Corps.”;

15 (4) striking out subsection (c); and

16 (5) redesignating subsections (d) and (e) as subsec-
17 tions (c) and (d), respectively.

18 ASSIGNMENT OF WOMEN TO NAVAL VESSELS

19 SEC. 808. The last sentence of section 6015 of title 10,
20 United States Code, relating to restrictions on the assign-
21 ment of women members of the Navy, is amended to read as
22 follows: “However, women may not be assigned to duty on
23 vessels or in aircraft that are engaged in combat missions nor
24 may they be assigned to other than temporary duty on ves-
25 sels of the Navy except hospital ships, transports, and vessels

1 States against enemy attack and to carry out such other mis-
2 sions as may be assigned to the Navy by law. In order to
3 achieve such policy, the Navy should develop plans and pro-
4 grams for the construction and deployment of weapon sys-
5 tems, including naval aviation platforms, that are more
6 survivable, less costly, and more effective than those present-
7 ly in the Navy.

8 (b) In order that the Congress may be kept currently
9 informed regarding compliance with the policy expressed in
10 subsection (a), the President shall include in all requests
11 made to the Congress for the authorization of any ship for the
12 combatant forces, including any aircraft carrier, (1) his con-
13 clusions with respect to the survivability, cost effectiveness,
14 and combat effectiveness of such ship, (2) a recommendation
15 whether such ship should be nuclear or conventionally
16 powered, and (3) the reasons for such conclusions and recom-
17 mendations.

18 (c) Title VIII of the Department of Defense Appropri-
19 ation Authorization Act, 1975 (88 Stat. 408), is repealed.

20 CARRIER SERVICE LIFE EXTENSION PROGRAM AND DDG-2

21 DESTROYER CONVERSION

22 SEC. 811. (a) Notwithstanding any other provision of
23 law and except as provided in subsection (b), the Secretary of
24 the Navy may not take any action with respect to the use of
25 either public shipyards or private shipyards for conversion,

1 overhaul, or repair work under the Service Life Extension
2 Program (SLEP) or under the program for the modernization
3 of DDG-2 class guided missile destroyers, or for the employ-
4 ment of additional personnel for, or the transfer of additional
5 personnel to, any public shipyard as a part of the necessary
6 buildup of manpower for carrying out either such program,
7 until—

8 (1) the Secretary of the Navy conducts a compre-
9 hensive least-cost approach study (A) comparing the
10 costs of carrying out such programs at public shipyards
11 with the costs of carrying out such programs at private
12 shipyards, and (B) evaluating such other factors as the
13 Secretary of the Navy considers should be taken into
14 account in assigning work in connection with the con-
15 version, overhaul, repair, or modernization of vessels to
16 public or private shipyards;

17 (2) a written report containing the results of such
18 study is submitted, after the date of the enactment of
19 this Act, to the Committees on Armed Services and on
20 Appropriations of the Senate and the House of Repre-
21 sentatives; and

22 (3) a period of sixty days of continuous session of
23 Congress expires following the date on which such
24 report is submitted to such committees.

1 (b) Nothing in this section shall prevent the Navy from
2 conducting advanced planning or purchasing long lead items
3 in connection with either program described in subsection (a)
4 so long as such planning or purchasing is not related to the
5 performance of work in connection with either such program
6 at any particular shipyard.

7 (c) For purposes of subsection (a)(3), the continuity of a
8 session of Congress is broken only by an adjournment of the
9 Congress sine die, and days on which either House is not in
10 session because of an adjournment of more than three days to
11 a day certain are excluded in the computation of such sixty-
12 day period.

13 SEA-BASED AIRCRAFT PLATFORM STUDY FUNDS

14 SEC. 812. The unobligated balance of \$40,000,000 au-
15 thorized to be appropriated in section 201 of the Department
16 of Defense Appropriation Authorization Act, 1978 (Public
17 Law 95-79; 91 Stat. 323), for conducting comprehensive
18 evaluation studies of sea-based aircraft platforms shall after
19 the date of the enactment of this Act be available and primar-
20 ily applied toward performing any design work related to any
21 such sea-based aircraft platform authorized by this Act.

22 CERTIFICATION OF CLAIMS

23 SEC. 813. Notwithstanding any other provision of law,
24 none of the funds authorized to be appropriated for the De-
25 partment of Defense by this or any other Act shall be used

1 for the purpose of paying any contract claim, request for
2 equitable adjustment to contract terms, request for relief
3 under Public Law 85-804, or other similar request, which
4 exceeds \$100,000 unless a senior company official in charge
5 at the plant or location involved has certified at the time of
6 submission of such contract claim, request for equitable ad-
7 justment to contract terms, request for relief under Public
8 Law 85-804, or other similar request, that such claim or
9 request is made in good faith and that the supporting data are
10 accurate and complete to the best of such official's knowledge
11 and belief. The requirements of this section shall not apply to
12 claims, requests for equitable adjustment to contract terms,
13 requests for relief under Public Law 85-804, or other similar
14 requests submitted before the date of enactment of this Act.

15 RESTRICTION ON CONTRACTING OUT COMMERCIAL AND
16 INDUSTRIAL TYPE FUNCTIONS

17 SEC. 814. (a) The Secretary of Defense shall submit a
18 report to the Committees on Armed Services of the Senate
19 and House ~~and~~ of Representatives providing the details of
20 any proposed change in policy or regulations, from those in
21 effect before June 30, 1976, regarding the determination of
22 whether commercial or industrial type functions at Depart-
23 ment of Defense installations located in any State, the Dis-
24 trict of Columbia, the Commonwealth of Puerto Rico, and
25 Guam should be performed by Department of Defense per-

1 sonnel or by private contractors during the period beginning
2 on October 1, 1978, and ending on September 30, 1979.

3 (b) No commercial or industrial type function at any De-
4 partment of Defense installation referred to in subsection (a)
5 shall be performed by private contractors unless such con-
6 tractor performance began before the date of the enactment
7 of this Act or performance would have been allowed by the
8 policy and regulations in effect before June 30, 1976. The
9 prohibition in the preceding sentence shall apply until the end
10 of the sixty-day period beginning on the date the report re-
11 quired by subsection (a) is received by the Committees on
12 Armed Services of the Senate and House of Representatives.

13 PROHIBITION ON SALE OF CERTAIN DEFENSE ARTICLES
14 FROM DEPARTMENT OF DEFENSE STOCKS

15 SEC. 815. (a) Chapter 49 of title 10, United States
16 Code, is amended by adding at the end thereof the following
17 new section:

18 "§975. Prohibition on the sale of certain defense articles from the
19 stocks of the Department of Defense

20 "(a)(1) Except as provided in subsections (b) and (c), the
21 sale outside the Department of Defense of any defense article
22 designated or otherwise classified as Prepositioned Material
23 Configured to Unit Sets, as decrement stock, or as Preposi-
24 tioned War Reserve Stocks for United States Forces is pro-
25 hibited.

1 “(2) In this section, ‘decrement stock’ means such stock
2 as is needed to bring the armed forces from a peacetime level
3 of readiness to a combat level of readiness.

4 “(b) The President may authorize the sale outside the
5 Department of Defense of a defense article described in sub-
6 section (a) if—

7 “(1) he determines that there is an international
8 crisis affecting the national security of the United
9 States and the sale of such article is in the best inter-
10 ests of the United States; and

11 “(2) he reports to the Congress not later than 60
12 days after the transfer of such article a plan for the
13 prompt replenishment of the stocks of such article and
14 the planned budget request to begin implementation of
15 that plan.

16 “(c)(1) Nothing in this section shall preclude the sale of
17 stocks which have been designated for replacement, substitu-
18 tion, or elimination or which have been designated for sale to
19 provide funds to procure higher priority stocks.

20 “(2) Nothing in this section shall preclude the transfer
21 or sale of equipment to other members of the North Atlantic
22 Treaty Organization.”.

23 (b) The table of sections at the beginning of chapter 49
24 of title 10, United States Code, is amended by adding at the
25 end thereof the following new item:

"975. Prohibition on the sale of certain defense articles from the stocks of the Department of Defense."

1 ASSISTANCE TO 1980 OLYMPIC WINTER GAMES

2 SEC. 816. (a) Notwithstanding any other provision of
3 law, the Secretary of Defense is authorized—

4 (1) to provide logistical support and personnel
5 services to the XIII Olympic winter games;

6 (2) to lend and provide equipment to officials of
7 the Lake Placid Olympic Organizing Committee; and

8 (3) to provide such other services as the Lake
9 Placid Olympic Organizing Committee may consider
10 necessary and the Secretary may consider advisable.

11 (b) There is authorized to be appropriated to the Secre-
12 tary of Defense for fiscal year 1979 an amount not to exceed
13 \$2,000,000 for the purpose of carrying out subsection (a). No
14 funds may be obligated or expended for such purpose unless
15 specifically appropriated for such purpose.

16 REALIGNMENT OF MILITARY INSTALLATIONS IN THE
17 CANAL ZONE

18 SEC. 817. None of the funds authorized to be appropri-
19 ated by this Act shall be used for the realignment of any
20 military installation in the Canal Zone unless such use is
21 consistent with the responsibility of, and necessity for, the
22 United States to defend the Panama Canal or with legislation
23 which may be enacted to implement the Panama Canal Trea-
24 ties of 1977.

1 TECHNICAL AMENDMENT RELATING TO THE LIMITATION
2 ON NUMBER OF ADMIRALS AND VICE ADMIRALS IN THE
3 NAVY AND GENERALS AND LIEUTENANT GENERALS IN
4 THE MARINE CORPS

5 SEC. 818. (a) The first sentence of section 5231(b) of
6 title 10, United States Code, is amended by striking out "the
7 active list of the Navy" and inserting in lieu thereof "active
8 duty".

9 (b) Section 5232(b) of such title is amended by striking
10 out "the active list of the Marine Corps" and inserting in lieu
11 thereof "active duty".

12 COMMISSARY BAGGERS

13 SEC. 819. Notwithstanding any other provision of law,
14 an individual who performs bagger or carryout service for
15 patrons of a commissary of a military department may not be
16 considered to be an employee for purposes of the Fair Labor
17 Standards Act of 1938 by virtue of such service if the sole
18 compensation of such individual for such service is derived
19 from tips.

STATEMENT OF HON. HAROLD BROWN, SECRETARY OF DEFENSE

Secretary BROWN. Mr. Chairman and members of the committee, one of my most important responsibilities since being appointed Secretary of Defense—and frequently one of my greatest satisfactions—has been in working with Chairman Stennis and the members of this committee toward the common goal of strengthening our national defense. There is no question in my mind, and there never has been any question, that this committee and its members recognize as their most important goal providing the military forces needed for our national security.

Realizing that, and seeking your counsel and help, I am here this morning to outline defense programs which the President is asking be included in this year's legislation for defense for fiscal year 1979, up to the level of approximately \$2 billion.

These programs would substitute for a like amount which previously was earmarked for a nuclear-powered aircraft carrier. I shall discuss in particular some specific programs included in the portion of that \$2 billion of defense programs which requires authorization action and, therefore, are the only items within the purview of this committee as such.

As you know the defense program which the President submitted in January requested approval of a total defense budget of \$126 billion for fiscal year 1979. Funding at or very near that level is in my view essential for the security of our country.

Neither you, I believe, nor I, would want a defense budget for fiscal year 1979 which was smaller in constant dollars than that enacted for fiscal year 1978. I would like to work with the chairman and with the committee toward providing the needed amount.

There has been no wavering on the part of the Congress or the President in fulfilling our commitment to provide whatever is needed for the country's defense. Our actions should not provide any possibility for misinterpretation on this now. The Soviets now spend substantially more on military forces each year than do we.

In view of the steady and longstanding military buildup on the part of the Soviet Union, resulting from their increase in defense spending of 4 to 5 percent each year for nearly 20 years, we must bolster our own defenses and those of the NATO Alliance. We must reassure the American public and our allies and make it clear to the Soviets that we will not falter in the competition. For these reasons I believe we share the conclusion that we should reach a defense total of \$126 billion for fiscal year 1979.

I have appended to the text of this statement a copy of a listing which I provided the chairman earlier this week. It contains programs totaling slightly over \$2.2 billion, for which we seek inclusion in the final appropriation measure up to a level of about \$2 billion. Somewhat more than \$500 million of the programs on the list would require authorizing legislation in order to be included.

I shall mention only a few of those this morning. Many of the items listed are small when measured in dollars. Many when considered in isolation may appear not to be of great impact, just as do the nuts and bolts that hold together a structure, or an individual ingredient in the recipe for a cake.

I know that the committee understands, however, that one cannot assume that just because items are small they are not important. In the

aggregate, the inclusion of these defense programs will enhance our capability at a time when we need to do just that.

Here are some examples: First, to buy 70 more M-60 tanks, \$39 million. That amount will fully equip one additional armored battalion. In view of the large disparity in numbers of tanks between NATO and the Warsaw Pact, we must increase our tank inventory. This increase also will insure an efficient M-60 production base during the buildup of the XM-1 tank production line.

Second, for procurement of the Roland air defense missile, \$35 million, making a total of \$200 million in 1979. This amount will buy 15 fire units and 314 missiles. The Roland missile is needed to provide low-altitude defense of rear area targets, particularly air bases.

Since the system was developed by a joint French and German consortium, it also is an important component of our plans for increasing interoperability with the systems of our allies in Europe and of the two-way street in NATO procurement which is important to us and to our NATO allies.

Third, for added military airlift capabilities through modifications of aircraft in the Civil Reserve Air Fleet, \$40 million. This will permit modifications of the next commercial production round of civilian wide-bodied aircraft, so that they will be able to accommodate military forces in time of emergency. This is the most efficient way of providing the airlift we need to deploy rapidly to Europe, or to other potential trouble spots.

We need to proceed now. Otherwise we would miss making these changes in the recent orders of additional wide-bodied aircraft that the commercial airlines now have made. The full \$40 million addition can be used in fiscal year 1979.

For air-launched cruise missiles, \$18 million. This amount will restore 12 air-launched cruise missiles to the initial production run and thereby provide the initial deployment of B-52's equipped with these missiles in December 1982 rather than later. This program has extremely high priority since it provides the means of modernizing our bomber force to maintain its effectiveness against Soviet air defenses—\$20 million is included for full funding of tooling, startup costs, and long-lead procurement for the ground-launched cruise missile. This funding is needed to maintain a 1982 initial deployment date for the system. The ground-launched cruise missile, for deployment in Europe, provides what is probably the best response to the rapid Soviet buildup of long-range theater nuclear forces.

I have in mind particularly the Soviet Backfire bomber and the SS-20 missile deployments. Our NATO allies recognize the importance of this system to the maintenance of an adequate theater nuclear posture in Europe. We need to proceed rapidly with it.

Included is \$28 million to maintain a prudent production leadtime for the Phalanx close-in weapon system. This system is needed to defend our surface ships against missile attacks and funding for this program should not be reduced—\$40 million is for procurement of ALQ-131 electronic countermeasure pods for tactical aircraft in Europe. The air defense network opposing NATO in Europe is formidable. We need to provide our tactical aircraft with this system to counteract the Soviet electronic warfare measures they would en-

counter. Minor past delays in the program do not warrant delaying procurement by 1 full year and at least \$40 million of the \$61.5 million which was originally requested still is needed in 1979.

Let me mention also some research and development programs. The Soviets maintain a defense research and development effort substantially larger than ours. We shall have to increase our efforts if we are to maintain our eroding advantage in technology.

I want to say at this point that the efforts of the Research and Development Subcommittee of this committee chaired by Senator McIntyre have been very helpful in that regard. As I see the appropriations finally emerging, however, it is likely to be substantially less than what the administration asked for and may turn out to be less even in constant dollars than was the program in fiscal year 1978.

And for that reason I particularly appeal to the committee because as I say, its efforts to keep our defense research and development efforts at an increased level have been so useful in the past, again to address this subject and to consider restoring a number of these items.

For example, we already have a number of cooperative programs with NATO that will improve our and our allies' weapons capability. We need additions totaling \$28.8 million for such programs as the general support rocket system for countering the Warsaw Pact artillery buildup, the advanced heavy antiarmor missile system, tests of the Norwegian-developed Penguin missile on our special warfare naval craft, the common NATO munitions, air-to-ground, program and the foreign weapons evaluation program.

Efforts are underway to increase the precision and effectiveness of our air-delivered ordnance against enemy armor in defense of Central Europe—\$16.9 million will support research and development on the low-level laser-guided bomb, the advanced attack weapons system, which would permit attack of several individual tanks from a single round, and an important enhancement of our ability to fight at night.

I also support strongly the restoration of \$26 million for the Trident II missile to preserve the option for a mideighties deployment and for missile surveillance technology to improve our ballistic missile warning capability in the mideighties. That will be a time at which we will be particularly dependent on our SLBM's and on reliable and precise tactical warning information so that our bombers could survive a surprise attack.

We also need \$80.2 million for the technology base on which research and development on field weapons systems depend.

Finally, \$18 million is shown under ship development for the design of the modern conventionally powered aircraft carrier that the President plans to request in the 1980 budget.

I should note the Secretary of Navy and Chief of Naval Operations the day before yesterday came to see me and said they regarded the restoral of that money as particularly important in view of the deletion of the nuclear carrier.

These programs are examples. Taken together with others, they will provide needed defense capability. The complete list, as I noted, is attached.

I would like to speak to you for a moment on a personal note. The President, we all know, vetoed the earlier Defense authorization bill,

a bill on which every member of the committee, as well as your professional staff members, had worked very hard.

He took that action as a result of a firm disagreement over a priority within the defense program. He never had the slightest doubt, nor did I, that the original bill reflected the sincere views of the committee as to the way to serve our national defense. Those views were considered with great respect. The veto action was not lightly taken.

The President's veto was directed to a single item in the bill. It was an issue on which he and I agreed and deemed of importance to our country and about which he had deliberated at length. Therefore, as provided by the Constitution in such a situation, he asked the Congress to reconsider its action.

I hope that now we can put that difference in views behind us and work together for a program best designed to meet defense needs which I believe are urgent. It is in a spirit of cooperation, and one respectful of your counsel that I offer this list of programs. I have considered them and I believe they will help our military capability in the areas it is most needed today.

You have my personal support toward our common goal of a strong defense. I hope I shall have your understanding. I know that our defense will continue to have your support.

Thank you. I shall be pleased to respond to any questions.

Chairman STENNIS. Mr. Secretary, we want to thank you and you do not have anything to explain, not to me, and I do not think to any member here, about the President's veto. I was sitting there around the table with some other members of this committee when he told us he was going to veto it that day.

He looked at me first. I said: "You certainly have a constitutional right and a duty to exercise, if you think you should, that is right." And we have a constitutional duty too, to pass judgment, so that was it and I started making what plans I could toward the situation and told him that I favored to override the veto because I had faith in the bill. It represented years of work, and I was not going to drop it so quickly, but that is all past.

We are trying to get a bill here now and I notice you emphasize that that was the reason and the only reason that the President vetoed the bill. He did not veto it because these items you are asking for now were not in it.

Secretary BROWN. No, Sir. He did not veto it for that reason nor did he veto it because of other disagreements with what Congress did although there are other disagreements.

Chairman STENNIS. What we are trying to do is get you a bill that you can operate under. I favor the idea of getting it down before the beginning of the next fiscal year so you know exactly where you are.

All these items are in limbo until they become final. You cannot make your plans until you know what ships, what tanks, you are going to have. I have seen a lot of trouble come from your not knowing, your predecessors. There are just 2 weeks now until the beginning of that fiscal year.

Frankly, I do not want to rehear all the arguments. I say that with all deference to you and some of my colleagues here. All these matters have been through our constitutional process in subcommittees,

full committees and on to the floor, and to Congress. The authorization bill came back to the floor of the Senate, back to the floor of the House and then the appropriations bill has been passed on by the House and not the Senate.

We have to get along with that work too. I mentioned this morning if you have anything that is a real emergency, I would still favor going on and wrapping this bill up for you. Once you get it signed, you come back and talk to us about a supplemental bill.

I do not think there is a chance now to go through this again time-wise. We have Senator McIntyre here. You are one who worked hard on this bill. No one contributed more to it than you have.

Senator McINTYRE. Mr. Secretary, I regret, too, a number of these items that you are back seeking some assistance on. Twenty-four items are in the research and development field. I think what was authorized in H.R. 10929 for about a dozen of those items was due to the position of the Senate. And I cannot help but reminisce when you mention the cruise missile carrier.

Secretary BROWN. Cruise missile carrier. It is not mentioned here but the cruise missile was mentioned and I wanted 12 more cruise missiles. I know how hard you worked to get the cruise missile carrier in.

Senator McINTYRE. We did everything we could. The chairman led the battle on that.

Secretary BROWN. I am aware of that. I do not mention cruise missile carrier because I am so pleased with what you already accomplish on that.

Senator McINTYRE. You mentioned ELF. It is not a concern in H.R. 10929 but while I have the Secretary here, Mr. Chairman, I want to call his attention to the fact we do not want to see any more of this until the President makes a decision.

You are taking a lot of our time, and the President is sitting there not making a decision. Good luck to you on the H.R. 16635, the appropriations bill, but we do not want to see it over here again unless the President has made a decision. I think we need it.

Secretary BROWN. He thinks so too. I think so.

Senator McINTYRE. I notice Trident II missile—in this case we had a figure of \$15 million; the House had a position of \$5 million, and we receded to the House. The program as we see it in the future will cost billions of dollars just to develop.

The reason you did not get too much money is, in our so-called wisdom, we felt that you ought to have a clearer idea of where you are going. I wish you jolly good luck.

Secretary BROWN. Thank you and again, I want to express my appreciation to you, Senator McIntyre, for your devotion to a strong defense and the accomplishments that have been to your credit in getting some of these R. & D. programs approved.

Senator McINTYRE. Thank you, Mr. Chairman.

Chairman STENNIS. Senator Nunn.

Senator NUNN. Just a couple of questions. Mr. Secretary, on page 3 of your statement, as your first example of add-backs for the authorization bill, you state you want to buy 70 more M-60 tanks for \$39 million. That amount would equip one additional armored batallion.

I agree with you in your following statement saying: "In view of the large disparity in numbers of tanks between NATO and the Warsaw pact, we must increase our tank inventory." It is my understanding that what our committee did and what the Congress did, and what was in the vetoed bill was basically to take the administration request of 488 A-3's, a conversion of 220 A-1's and we changed that to 410 A-3's and 380 conversions of A-1's with the net result of adding 90 more new tanks to the bill than the administration requested, if you add together both the new tanks and the conversions.

We have a two-page letter from the Army dated July 18. I will show it to you but the heart of it is that the Army says, and I quote:

Production problems have developed at Hughes Aircraft which have caused them to slip considerably from their contractual schedule.

This slippage will cause delay in efforts to initiate production. As a result of the viability of fire control components has become pressing in both M-60 production and conversion programs.

The next page, again skipping some, it says:

It is no longer possible to deliver enough power control component sets to meet the current Army M-60 tank program schedule. It is our understanding that now we have in this bill as many A-3's as the Army can produce in this fiscal year.

That is our understanding but you are requesting 70 more than the Army says it can produce, according to our information. Can you clarify that?

Secretary BROWN. I think I can. I am not sure. Perhaps what I say will need to be supplemented but there was indeed a 1-month delay during fiscal year 1978 which will put the Army 175 tanks behind in production delivery as of the end of this month.

That results from two things: production and quality control problem with the computer. You mentioned the first control system. That is now believed solved and it is also believed that Hughes' transition from handmade electronic boards to automatic insertion computer boards will solve the problem in the timing.

Second, there were national gas shortages and labor strikes in fiscal year 1977, but that production shortfall can be recovered within the planned 1979 program. In other words, these tanks can be added back during the fiscal 1979 program because the plant has a one-shift capacity of 110 tanks a month and actually achieved 108 tanks a month for fiscal 1978 through August.

The delivery rate for the requested buy, including the additional 70 tanks, would be 92 tanks a month during fiscal 1979. So it would make up the 1978 shortfall of 175 tanks and still have a production rate lower than we know the factory can do.

Now, clearly that is different information than the Army provided you with in July, but it is, I believe, the most current information.

Senator NUNN. Would you provide some detail for the record so we would have that?

Secretary BROWN. I will.

[The information follows:]

The information furnished in July is consistent with the current M60 Tank production situation. The fiscal year 1978 program will be complete by the end of April 1980, and the requested fiscal year 1979 production program will be

on schedule. The problems previously encountered on the production of M60A3 fire control systems have been overcome and Hughes Aircraft along with Kollsman Instrument Company will reach a capacity of 115 sets per month beginning April 1980. This fire control capacity will support both the fiscal year 1979 production of 480 M60A3 tanks and the purchase of 380 M60A1 to M60A3 conversion kits. The application of the conversion kits is currently scheduled to begin in fiscal year 1980 at Anniston Army Depot, Alabama. The conversion rate at Anniston depends on the generation of M60A1 tanks for conversion, the development of an adequate conversion technical data package and the amount of other work scheduled at Anniston. The Project Manager M60 is currently formulating an accelerated conversion program with Anniston Depot.

Senator NUNN. I share the chairman's view that it is going to be impossible to open this bill back up at this late stage and add these items without getting into continuing resolutions. I think this is one of the things I was so concerned about, the details.

I am not one of those who is adamant on the question of the carrier. I just felt the nuclear carrier, if you are going to have to have another carrier, is much better than the conventional carrier. I still believe that.

What bothers me now is that we will end up, as I see it, having a shipbuilding program which is \$2 billion less than the fiscal year 1978 shipbuilding program. In your opening statement, you say no one would want a Defense budget for fiscal 1979 which "was smaller in constant dollars than that enacted in fiscal 1978."

Now, if we do as it appears we are going to have to do, without adding back anything else, we are going to have a very strong downward turn in shipbuilding in the next year to 18 months. My question is: Does that concern you in light of your statement about the Soviet moves and necessity of increasing our overall military capability?

Secretary BROWN. It does concern me but my concern is not confined to the shipbuilding program.

Senator NUNN. Nor is mine.

Secretary BROWN. I think we both look, first of all, at the total defense program. I think the shipbuilding program is an important part of that. But it is true, that if the only change that is made is deletion of the carrier and there are no restorals, depending upon the details of how the appropriation process works, the constant dollar fiscal 1979 program will be less than the fiscal 1978 program.

The President and I are both very concerned about this and for that reason, as you have heard him say, he is prepared to consider favorably sending up a supplemental to strengthen the defense program. The programs that I presented to you today are ones that we had already decided in the executive branch are important.

Congress had reached a different conclusion. We offer them again for congressional consideration. There may, as you say, not be time for Congress to act before the end of the fiscal year. I certainly defer to your and the chairman's superior wisdom and judgment on that matter.

Senator NUNN. I do not think there is any doubt about it. If we tried to add these items back we would never get an authorization bill in time to have an appropriation bill. We would end up with continuing authorization, continuing appropriation and almost all the initiatives, many of which I applaud the administration for taking in NATO, would really be down the drain.

And the other uncomfortable fact about what we face in reality now is that even with a supplemental, Mr. Secretary, the chances of getting that through before spring of 1979 are very remote, so what we are facing here is, in my view, an overall decrease in what we would all like to have in military capability which has been brought about by the veto and the sustaining of that veto.

I think it is a very regrettable end result, perhaps unavoidable but, nevertheless, that is where we are going to be. We are going to end up with less Navy money than fiscal 1978. We are going to end up with supplemental that at best will pass as the fiscal year is almost half way over. And we are going to end up with the message going out that neither the Congress nor the administration are able to put together the kind of initiatives necessary to correct some of the deficiencies now in national security. That will be the end result.

Whatever the intentions were, I find that very regrettable.

Secretary BROWN. Senator NUNN, I thank you and I agree that that is not the end result that we want. Rather than try to apportion that end result, I believe that we should, however possible, join together to prevent it from happening.

Senator NUNN. I do too, but how would you look for us to do it? Do you want us to postpone the elections? That is the only way you are going to prevent it from happening, Mr. Secretary.

Secretary BROWN. I have presented the administration's position as to how to prevent it from happening. You are saying that will not work.

Senator NUNN. I think you know it will not too. You have been around here quite awhile; you know it is not going to work either. I know this is your theoretical position, but the practical reality and your theoretical position are gulfs apart.

Secretary BROWN. Let's talk about some of the other things we suggested. To the extent that committees and the Congress could decline to restore some of these items, a supplemental covering them or other items is quite likely in order. I would say there is nothing that could convince the Congress to take until next spring to act on that.

Senator NUNN. Are you suggesting a lameduck session?

Secretary BROWN. I am just saying even if it does not begin consideration until January, if these things that we could agree upon, they could be done rather quickly. But the executive branch cannot do that by itself.

So, again what I am saying is that we ought to bend every effort to assuring that our defense program in fiscal 1979 is adequate and take every occasion to do that.

Senator NUNN. Well, I certainly agree with that. I plan to do everything I can in that regard. I do not think we ought to labor over the past and I do not see any need at all in trying to apportion respective responsibilities for the dilemma we find ourselves in now.

But we are in a very bad position when everyone agrees at the beginning of this year—and it has been the greatest consensus I have seen since I have been in Congress—that we need to move ahead rigorously to respond to Soviet challenges in NATO and respond to our shipbuilding problems and to move out in a different direction as far as the Navy is concerned.

We are in the regrettable position that every theory has been converted to a very bleak reality, and your theoretical position is—I agree with you in theory on many of these requests you are making, but the practical reality is just not there, and we are in a very unfortunate position in a year where for the first time we had the chance of coming up with a defense budget that did begin to build for the future and to respond to past Soviet moves.

But that is not where we are going to end up in reality and it is regrettable. I do not have any further questions.

Chairman STENNIS. Thank you very much. Senator Thurmond.

Senator THURMOND. Mr. Secretary, if your recommendation to restate \$2.2 billion to this new bill is not favorably considered by the committee, do you plan to request a supplemental?

Secretary BROWN. I cannot commit the President to that, Senator Thurmond, but the President has indicated that he would favorably consider a supplemental.

Senator THURMOND. Would this supplemental include most of the items you are requesting today?

Secretary BROWN. We would have to take another look. I think it would certainly include some of them but 8 months have gone by since we sent up the budget originally, and I believe that we would want to consider some new ideas as well.

Senator THURMOND. When would such a supplemental be forthcoming?

Secretary BROWN. I cannot say. I think no later than next January but I do not rule out the possibility of it being submitted before the end of this session, although I am aware that there would not be time to act on it.

Senator THURMOND. Mr. Secretary, in view of President Carter's position that the nuclear carrier should be deleted for the purpose of applying these extra funds for more Navy ships, I would like to know how much money you expect to save by this deletion of the nuclear carrier?

Secretary BROWN. I do not know how to formulate an answer to that question, Senator Thurmond. If you mean how much less expensive will conventional carriers be.

Senator THURMOND. I understand you want more ships and you want to delete the nuclear carrier to get these ships. How much would you save in the deal?

Secretary BROWN. In the first place, I should point out that deleting the nuclear carrier was not solely for the purpose of getting more ships. It is to restore a better balance to the defense budget. We believe, however, that an important component of that is that you can buy more ships if you do not make the individual ships as expensive.

And to that end, we believe that there is a \$1 billion difference between what a nuclear carrier costs and what a new, smaller conventional carrier would cost.

Senator THURMOND. My point is this: The carrier is deleted. Now, do you want to just save the cost of the carrier or do you want to invest that money in more ships? If so, how many more ships and at what cost?

Secretary BROWN. We want to spend that money on defense, Senator Thurmond, but we are not committed and do not intend to spend all \$2

billion of it on other ships. Over a period of years, we would expect to build more naval ships as a result of not having built a nuclear, but having built a smaller, nonnuclear carrier, and what I said is the cost savings would amount to \$1 billion and some of that would go into other ships. I am not prepared to say how much.

Senator THURMOND. Are you asking the conventional carrier be built and other ships too?

Secretary BROWN. Yes.

Senator THURMOND. In other words, you save \$1 billion on the conventional carrier.

Secretary BROWN. Yes, and we would put some of that into other ships.

Senator THURMOND. How much of the rest?

Secretary BROWN. That is not a decision we have made because that is not a decision for this year.

Senator THURMOND. Mr. Secretary, I would presume that you now plan to increase the 5-year shipbuilding plan which was announced earlier this year and was about one-half the number of ships President Ford was considering for the Navy. Is that correct?

Secretary BROWN. Our shipbuilding plan will have to be rephased now because you see we did not have a carrier in fiscal 1979. We showed a carrier in fiscal 1980 and we still show one, so that is not a change. The only change in the ship construction program that has been made, aside from that, is the deletion of a Trident submarine and that one we will want to restore during the outyears.

Senator THURMOND. I believe the previous plan was to build 158 ships between 1978 and 1982.

Secretary BROWN. Yes.

Senator THURMOND. But earlier this year you proposed around 100 ships for this period, about one-third less. Since the veto was based upon saving money from the nuclear carrier program for application to other ships, when do you expect to reveal how these savings will be applied?

Secretary BROWN. Again, let me go back to the beginning. The administration's 5-year ship program, which was a shipbuilding program which was included in the fiscal year 1979 budget that we presented to the Congress, remains approximately the administration's shipbuilding program. The money that is being saved is based on what the Congress would have spent on the nuclear carrier. We believe we will spend less on a nonnuclear carrier and that that makes the money available for the shipbuilding program we had.

If you put more money into a nuclear carrier, my belief is—and this is based on past experience—you produce fewer other ships than you would plan to do.

Senator THURMOND. Mr. Secretary, can you assure us today, then, that the previously planned ship program for the Navy will be increased either in the supplemental or the fiscal year 1980 budget?

Secretary BROWN. What I can assure you is we will not decrease it as we would have had to in order to account for the extra costs of a nuclear carrier.

Senator THURMOND. Now, Mr. Secretary, if this bill remains the same as the conference report without the nuclear carrier and the Trident submarine, will it not be well below the DOD request for the Navy for fiscal year 1979?

Secretary BROWN. It will not because the Congress has added a good deal of money to the Navy's program outside of the shipbuilding program.

Senator THURMOND. Mr. Secretary, since your request today does not include any new ships, why have you not seized this opportunity to build these extra ships the administration now says we need?

Secretary BROWN. As both the chairman and Senator Nunn have pointed out, they do not think there is time to get through the Congress things that have already been thoroughly debated and examined and balanced both by the administration and then examined by the Congress.

I do not think there is any chance of getting through the Congress something that we have not looked at ourselves and they would have even less time to look at.

Senator THURMOND. Based on that reason rather than the need for the ships?

Secretary BROWN. Well, new ships need to be thought carefully through before they are begun, and there has not been time for that. We have a program and we stick with that program.

Senator THURMOND. I believe you mentioned these new ships.

Secretary BROWN. We are going to build new ships at a reasonable rate.

Senator THURMOND. You must have studied the program if you have decided already that you need new ships.

Secretary BROWN. That is right and we will be asking for new ships next year.

Senator THURMOND. As I understand it, President Carter has directed that the projected fiscal year budget be greatly reduced in an effort to bring the deficit under control and reduce Federal spending. How do you expect this policy to have any impact on the fiscal year 1980 defense budget?

Secretary BROWN. I have not been told that the fiscal 1980 budget will be less than previously planned.

Senator THURMOND. Mr. Secretary, I believe the fiscal year 1979 defense budget allowed for a real growth of about 2.5 percent based on current inflation estimates. In view of the fiscal restraints now being imposed, do you feel the fiscal year 1980 budget will be below that modest growth level?

Secretary BROWN. I believe that there will be real growth in the fiscal year 1980 budget and I would expect it to be comparable. Whether it would be slightly more, slightly less, I do not know yet.

Senator THURMOND. Mr. Secretary, I believe the request in your fiscal year 1979 budget for the Trident ballistic missile and nuclear submarine is for \$911.9 million. Is that correct?

Secretary BROWN. That is correct.

Senator THURMOND. I believe we had previously approved \$175.5 million for advanced procurement. I presume you still support this request in the fiscal year 1979 budget?

Secretary BROWN. Yes. I have not changed my view on that. The ship as a whole could not be made ready and that is why we agreed to the deletion of the overall funds.

Senator THURMOND. As you know, the committee deleted this request because of construction delays. However, it is a part of your request

and it is further supported by the Congress to the best of my knowledge. Would it not be feasible to go ahead and fund the Trident request to avoid having to fund it next year when other programs will be coming on and you will be under budget constraints?

Secretary BROWN. My answer to that, Senator Thurmond is, of course, you can always put in the money for something you cannot do and then carry it over to the next year. But I do not think that is good fiscal practice so I could not support doing that.

Senator THURMOND. Mr. Secretary, is there any doubt in your mind that we will need this submarine to maintain our strategic posture?

Secretary BROWN. No. We have a program for building more than one additional Trident submarine. But I repeat what I said: It is not good fiscal practice to fund something that you cannot build or even contract for on the basis that if you do not fund for it this year, you will have to fund for it next year.

Senator THURMOND. So, you no longer support that this year?

Secretary BROWN. I do not believe it would be good fiscal practice to fully fund that submarine in fiscal 1979.

Senator THURMOND. Mr. Secretary, are you really concerned deeply and do you feel deeply about the progress the Soviet Union is making in their full military establishment that has been building and is still building?

Secretary BROWN. I spend most of my waking hours with that on my mind, Senator Thurmond, and a good deal of what should be my sleeping hours. So, I am indeed very concerned. It is my greatest concern.

Senator THURMOND. Do you feel that we are doing what is necessary and what we should do to protect this country?

Secretary BROWN. I believe we have made a good start. I am not satisfied with what we have managed to accomplish so far and I think we need to do more.

Senator THURMOND. I believe my time is up. Thank you very much.

Chairman STENNIS. Thank you, Senator.

Mr. Secretary, one word here. In the first place, we are concerned of course about fiscal 1980, but we have to bear in mind we have not finished fiscal 1979 yet. That is what we are arguing about, and 1979 starts in just 2 weeks.

I had not conferred with you or anyone about a supplemental bill. I want to say this to the membership; I used that term here this morning, saying that if there were a real emergency or any urgency of magnitude that we always had open the supplemental route. That has been the record before the Department of Defense, and we have always heard you bring items on about the ships and everything.

I am certainly interested in the ships but let me review—this goes way back before your time—we need something more to deal with before us with reference to building up the Navy and modernizing the Navy than we have had. I remember here one year I said we had five navies roaming around in our committee room. The Taft navy was one. Senator Taft was here then. He was a very good member on it. He knew a lot about it, and we had the Rickover navy and we had the Holloway navy. He was Chief of Naval Operations.

We had the Ford navy and then former Admiral Zumwalt navy. I think he was running for the Senate then himself. He had a proposal that I thought would end up with a committee name.

We need your help, and we want to know before there is any supplemental or regular—we want to know exactly what the judgment is, your judgment, the President's judgment, Chief of Naval Operations, and all of those that we have a right to look to.

We get all kinds of conflicting opinions, but you are good at boiling them down and coming in with something concrete. Let's have it understood that if we do go for a supplemental it will be only after you have settled all these things if you have something concrete and definite which the Chief of Naval Operations will back up.

Secretary BROWN. That would certainly be the case for any supplemental that involved substantial ship construction money, Mr. Chairman, but there could well be supplemental that was not primarily in that direction.

Chairman STENNIS. Not primarily. That is what I was talking about, ships. Because this thing has been pushed around, and everyone is honest but we are down now to the fiscal year. You are entitled to a bill and entitled to the money.

Secretary BROWN. I agree with you, Mr. Chairman, and I agree that there has been a great deal of controversy and confusion over what the naval program should be like among experts and I have been trying to pin it down and I have gotten a certain distance in that regard.

Chairman STENNIS. I know you worked at it, and you have done some good, too.

Is there anything else you want to cover?

Secretary BROWN. No, sir.

Chairman STENNIS. Senator Nunn, do you have anything?

Senator NUNN. No, sir.

Chairman STENNIS. Senator Thurmond?

Senator THURMOND. That is all.

Chairman STENNIS. Do you want to cover any other point?

Secretary BROWN. I think not, Mr. Chairman. I have tried to select in my testimony the items I thought were most important of the list I gave you. I recognize the time constraints under which the Congress is operating and I agree that it is important to get a defense authorization and appropriation bill passed.

Chairman STENNIS. That is your toughest priority now, to get a bill and get the money.

Secretary BROWN. Yes.

Chairman STENNIS. I have certain questions here from Senator Tower and also from Senator Goldwater. Without objection those will be placed in the record.

[The questions follow:]

QUESTIONS SUBMITTED BY SENATOR JOHN TOWER, ANSWERS SUPPLIED BY HAROLD BROWN, SECRETARY OF DEFENSE

M-60 SERIES TANK PROGRAM

Senator TOWER. Mr. Secretary, in the vetoed authorization bill, the Congress had authorized 410 M-60A3 tanks, while the request of the Administration was for 480. You are now urging that the new bill authorize the originally requested number. However, I would point out that our old bill, while authorizing 410 new M-630A3's, also authorized funds to modify 380 M-60A1's to the A3 configuration. Our bill, therefore, would have provided 790 M-60's of the A3 configuration, which is more than you are now requesting. Why do you object to that approach?

ANSWER. The original President's budget provided for procurement of 480 M-60A3 tanks as well as modification of 220 M-60 series tanks to the M-60A3

configuration for a total M-60A3 program of 700 in fiscal year 1979. As you point out, the program originally authorized would provide for a total of 790 M-60A3 tanks in fiscal year 1979. The authorized program however would provide for an increase in the number of tanks on hand by only 410. The President's budget would provide an increase to the inventory of 480 tanks. With the M-60 production line scheduled to close after the fiscal year 1980 program and based on the significant shortage of U.S. tanks to the Authorized Acquisition Objective, the higher increase of number of tanks to the inventory is a more desirable program at this time. The M-60A3 modification program can still be funded and accomplished subsequent to the closing of the M-60 tank production line.

ROLAND

Senator TOWER. Mr. Secretary, referring to the Roland missile system, the vetoed bill contained authorization for three fire units and 75 missiles for \$165 million, while the original request and now your reclama is for 15 fire units and 314 missiles for \$200 million. Our reduced authorization from your request was to insure that all test corrections had been validated before extensive production began. I would also point out that during our conference, Army advised that the \$200 million you are requesting would procure only 7 fire units and 157 missiles, apparently due to cost increases in this program. It seems to me this provides additional support to the position of the Congress that we should proceed slowly and cautiously with this new program. What are your comments?

ANSWER. The Roland program has been restructured subsequent to the President's Budget submission based on the Contractors proposal and subsequent contract negotiations. Based on these actions the revised fiscal year 1979 program did experience cost increases in the Initial Production Facilities and Engineering Services area. As a result, the fiscal year 1979 restructured program funded at the \$200.1 million would provide for procurement of 6 fire units, 155 missiles, Initial Production Facilities, and Engineering Services. The program is proceeding slowly and cautiously. The proposed program will provide for procurement of even fewer fire units and missiles and could result in an overall increase in unit costs. The \$200.1 million program will provide for a realistic low rate production start on the Roland system.

CRAF MODIFICATION

Senator TOWER. Mr. Secretary, you are requesting an additional \$40 million, for a total of \$68.5 million, be included in the new bill for the CRAF modification program. However, during our conference you sent us a reclama stating that \$28.5 million plus \$7.5 million approved in fiscal year 1978 would fully fund a pilot program of four aircraft. As a result, the conferees agreed on \$28.5 million. Why are you now requesting these additional funds after telling us a lesser amount would be adequate just last July?

ANSWER. You are correct Senator in your recollection that the appeal to the conferees contained a statement on a \$28.5 million CRAF program. The appeal however was for the full \$68.5 million. The \$28.5 million program was a fall back position prefaced by the words "If the Congress is unwilling to fund the program at this level [\$68.5 million], a level which the Department believes fully justified, a reasonable minimum is \$28.5 million."

PHALANX CLOSE-IN WEAPONS SYSTEM

Senator TOWER. Mr. Secretary, referring to your remarks on the Phalanx close-in weapons system for the Navy, you are requesting an additional \$28 million to maintain a prudent production lead time. However, our bill authorized \$71 million for 32 systems and the conferees, noting that there should be no interference with the production line of these systems, indicated that as much of the \$71 million as may be needed could be used for long lead items for next year's planned production. What are your objections to that approach?

ANSWER. Senator Tower, our best judgment is that the \$71 million the conferees approved for the CIWS will procure not the 32 systems as intended but only 28 systems, due to the reduced scope of the fiscal year 1979 program. The funding of long lead time items as suggested by the conferees would further reduce this quantity.

We should note that there is little in the way of long lead items which can be procured to lessen production lead time. What we would be doing in actuality

is incrementally funding the production of the 20 or so units deleted from the fiscal year 1979 program to permit early delivery from fiscal year 1980 funds.

If the Navy is in a position to sign a reasonable fiscal year 1980 contract on October 1, 1979, deliveries can be scheduled to start about 19 months later, versus the Navy's requested lead time of 24 months. However, a minor delay in the manufacturing process such as a strike at a vendor's plant would cause an actual break between fiscal year 1979 and fiscal year 1980 production deliveries and missed shipboard installations.

The unit cost increase caused by the reduced fiscal year 1979 quantity also affects the cost of CIWS systems being procured for new construction ships under the Shipbuilding and Conversion, Navy appropriation. Thus the end cost of new construction ships will be adversely affected.

In summary, DOD requested that 24 months production lead time be allowed for fiscal year 1980 by funding 12 months of production deliveries in fiscal year 1979. The proposed one time draw-down in production lead time of five months could continually disrupt the orderly production of the 335 or so additional CIWS units to be procured through fiscal year 1986.

COST GROWTH CLAIMS

Senator TOWER. Mr. Secretary, I noted earlier that the Department forwarded an intended budget amendment to the Congress which would have dropped one SSN-688 Attack Submarine at \$325.6 million and transferred those funds to Navy's Cost Growth (claims) account. Is that still the way you would prefer to fund the ship claims shortfall?

Why did you not request the additional required authorization in your reclama to handle the ship settlement shortfall?

ANSWER. Senator, DOD recommended the deletion of a submarine to fund the high priority claims settlement without exceeding the \$126.0 billion level of the President's budget for defense. In view of the recent events and the prospect for a lower defense appropriation than requested by the President, we believe the addition of \$209.0 million is desirable.

DOD did not request the additional authorization for claims because I made that request on the assumption that funds would be transferred from the submarine to the claims requirement.

QUESTIONS SUBMITTED BY SENATOR BARRY GOLDWATER, ANSWERS SUPPLIED BY HAROLD BROWN, SECRETARY OF DEFENSE

SPECIFIC EXAMPLES OF ITEM REDUCTIONS

Senator GOLDWATER. Mr. Secretary, the President inferred in his veto message that reductions were made in the authorization bill to help fund the nuclear aircraft carrier. I was opposed to the addition of the carrier to the bill and I support the President's veto for that reason. But I would like to have some specific examples of what programs we cut in the authorization bill to help "pay" for this CVN?

ANSWER. Senator, in practical terms the effect of the addition of the \$2 billion nuclear-powered aircraft carrier cannot be meaningfully addressed in terms of the Authorization Bill alone. One must consider its effect on the Defense budget as finally enacted. Some of the items cut to make room for the carrier require authorization and some do not. We shall deal with cuts in both categories, since their total effect is what would be felt by our forces. Those which are of particular concern to me and of particular impact on NATO-oriented forces, including naval forces in the Mediterranean, are:

- Reductions in M60A3 tanks.
- Reductions in M113A1 armored personnel carriers.
- Reductions in 105mm tank ammunition.
- Reductions in the electronic time fuze.
- Reductions in production base support projects.
- Reductions in communications and electronics and support equipment.
- Reductions in naval ship steaming hours.
- Reductions in naval ship maintenance.
- Reductions in Air Force and Navy capability to lift forces from the United States to Europe.
- Elimination of a site for equipment prepositioned in Europe.

Reductions in procurement of the Roland missile, an important element of our two-way street in defense procurement.

Reductions in research and development on NATO initiatives.

Reductions in ALQ-131 electronic countermeasure Pods for the Air Force.

Reductions of proposed modifications to add capability to the Civil Reserve Air Fleet.

Reductions in Army CH-47C and AH-1S helicopters.

Reductions in TOW missiles for the Army.

Reductions in Army ammunition.

Reductions in Navy antisubmarine systems.

Reductions in Navy ammunition.

Reductions of combat engineer equipment for Army airborne and air mobile units.

Reductions in AIM-7F Sparrow Missiles.

Reductions in the Position Azimuth Determining System for artillery counter-fire radars.

Reductions in training devices for Maverick missiles.

Reduction of funds for production of the Gator mine system.

Reductions in the Army's AN/PAQ-1 Laser Target Designator.

Reduction of funds for field hospital components.

STATUS OF RECLAMATION

Senator GOLDWATER. Mr. Secretary, if the CVN had not been in the authorization bill and our authorization of other programs had been exactly the same, would this reclama be any different? In other words, I look at your list as a rather routine reclama expected after each House does its work on the annual authorization bill. What are your comments on this?

ANSWER. The list of items the President has requested to be restored is not a routine reclama. These are items that the Department feels should be restored in order to provide a well balanced program for the DOD in fiscal year 1979. If the CVN had not been in the authorization bill, the President's and Secretary's position on these items would not have been any different than they are now. However, based on the mechanics of the budget process certain items that were agreed upon by both the House and Senate Authorization Committees would not normally have been appealed had it not been for the veto. The Department continually has stated in letters to the Chairmen of the Authorization and Appropriations Committees, that we felt all along these items should remain in the fiscal year 1979 program and that the Department supported the President's budget as submitted.

NATO ORIENTED FORCES

Senator GOLDWATER. Mr. Secretary, I noted in the President's veto message that our bill as structured would impact on our efforts to strengthen our NATO oriented forces. He said that the nuclear powered aircraft carrier means eliminating \$800 million of that increase. Could you please indicate where in our authorization bill that \$800 million figure came from?

ANSWER. The President was referring to the greatest number of reductions reflected in H.R. 10929 which applied to the general purpose forces, most of which are NATO-oriented. These authorization adjustments had the effect of forcing cuts in the appropriations process. The \$800 million figure referred to by the President in his veto message is the net of \$790.5 million in reductions to the five Army procurement appropriations. Aircraft, weapons and missiles appropriations require authorization, as you are well aware, while ammunition and other procurement do not. It is in these Army appropriations that initiatives for strengthening NATO-oriented general purpose forces are funded.

AIR FORCE WEAPONS AND EQUIPMENT

Senator GOLDWATER. I also note that the President said adding the nuclear powered aircraft carrier means eliminating \$200 million for weapons and equipment for the Air Force. Could you point out how the \$200 million figure is derived from the authorization bill and where in your reclama that amount will be made up?

ANSWER. Here again the President was referring to the net effect of authorization reductions forced upon the appropriations actions. His reference to \$200

million in costs to Air Force weapons and equipment is based on the \$233.6 million total cut applied to the three Air Force procurement appropriations, some of which require authorization and some of which do not.

READINESS FUNDS

Senator GOLDWATER. I note that the President in his veto message indicated that the addition of the nuclear powered aircraft carrier meant eliminating about \$500 million from readiness funds. Could you please point out how that \$500 million figure was derived from our authorization bill?

ANSWER. The figures in the President's veto message were illustrative and in fact understated the total effect of changes required to accommodate the \$2 billion nuclear carrier. These net changes were reflected in additions and reductions in both the authorization and corresponding appropriations actions. His reference to cuts of \$500 million in readiness funds was based on the reductions of \$531.1 million made in the on-going appropriation process in the operation and maintenance funds he had requested.

Chairman STENNIS. We especially thank you for coming on such short notice. Gentlemen, we will take a recess now, subject to approval of the committee, until 2:30 in this room.

[Whereupon, at 11:50 a.m., the committee was recessed until 2:30 p.m. the same day.]











