

**DEPARTMENT OF DEFENSE****Office of the Secretary**

[Transmittal No. 98-50]

**36(b)(1) Arms Sales Notification****AGENCY:** Department of Defense, Defense Security Assistance Agency.**ACTION:** Notice.

---

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Pub. L. 104-164 dated 21 July 1996.**FOR FURTHER INFORMATION CONTACT:** Ms. J. Hurd, DSAA/COMPT/RM, (703) 604-6575

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 98-50, with attached transmittal and policy justification.

Dated: July 22, 1998.

**L.M. Bynum,***Alternative OSD Federal Register Liaison Officer, Department of Defense.***BILLING CODE 5000-04-M**



## DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, DC 20301-2800

16 JUL 1998  
In reply refer to:  
I-69994/98

Honorable Newt Gingrich  
Speaker of the House of  
Representatives  
Washington, D.C. 20515-6501

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 98-50, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Saudi Arabia for defense articles and services estimated to cost \$831 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Davison".

MICHAEL S. DAVISON, JR  
LIEUTENANT GENERAL, USA  
DIRECTOR

**Attachments**

Same ltr to: House Committee on International Relations  
Senate Committee on Appropriations  
Senate Committee on Foreign Relations  
House Committee on National Security  
Senate Committee on Armed Services  
House Committee on Appropriations

## Transmittal No. 98-50

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act

- (i) Prospective Purchaser: Saudi Arabia
- (ii) Total Estimated Value:
- |                          |                       |
|--------------------------|-----------------------|
| Major Defense Equipment* | \$ 0 million          |
| Other                    | \$ <u>831 million</u> |
| TOTAL                    | \$ 831 million        |
- (iii) Description of Articles or Services Offered:  
Continuation of the U.S. supported effort to modernize the Saudi Arabian National Guard (SANG) by providing training and support services to include spare parts for sustainment of systems acquired under the SANG modernization program for the period 1 Jan 99 through 31 Dec 03.
- (iv) Military Department: Army (ZAC, amendment 28)
- (v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: none
- (vi) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:  
none
- (vii) Date Report Delivered to Congress: 16 JUL 1998

\* as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Saudi Arabia - Continued Modernization of the Saudi Arabia National Guard

The Government of Saudi Arabia has requested a possible sale of services for the continuation of the U.S. supported effort to modernize the Saudi Arabian National Guard (SANG) by providing training and support services to include spare parts for sustainment of systems acquired under the SANG modernization program for the period 1 Jan 99 through 31 Dec 03. The estimated cost is \$831 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping the security of a friendly country which is and continues to be an important force for stability and economic progress in the Middle East.

In a continuing effort to assist the SANG modernization program, U.S. Government and contractor personnel will provide services of management, training and logistics. These services will remain the cornerstone of an effort to upgrade and enhance the infrastructure of the SANG organization. There is no significant military equipment included in this sale. The continuation of services under the SANG Modernization Program is an evolution of the SANG as an effective defensive force with the advise, assistance, and training of the U.S. Army. The SANG continues to expand and modernize their force in the post Desert Shield/Desert Storm period. The Modernization Program ensures necessary training, logistics support, doctrine development, and force integration for the continuing expansion and use of these weapons systems.

The proposed sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be Vinnell Corporation, Fairfax, Virginia. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Saudi Arabia. At present, there are approximately 280 U.S. Government personnel and 1,400 contractor representatives in-country supporting the SANG modernization program.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

[FR Doc. 98-20424 Filed 7-30-98; 8:45 am]  
 BILLING CODE 5000-04-C

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**Revised Non-Foreign Overseas Per Diem Rates**

**AGENCY:** DoD, Per Diem, Travel and Transportation Allowance Committee.

**ACTION:** Notice of Revised Non-Foreign Overseas Per Diem Rates.

**SUMMARY:** The Per Diem, Travel and Transportation Allowance Committee is publishing Civilian Personnel Per Diem

Bulletin Number 202. This bulletin lists revisions in the per diem rates prescribed for U.S. Government employees for travel in Alaska, Hawaii, Puerto Rico, the Northern Mariana Islands and Possessions of the United States. AEA changes announced in Bulletin Number 194 remain in effect. Bulletin Number 202 is being published in the **Federal Register** to assure that travelers are paid per diem at the most current rates.

**EFFECTIVE DATE:** August 1, 1998.

**SUPPLEMENTARY INFORMATION:** This document gives notice of revisions in per diem rates prescribed by the Per Diem Travel and Transportation Allowance Committee for non-foreign

areas outside the continental United States. It supersedes Civilian Personnel Per Diem Bulletin Number 201. Distribution of Civilian Personnel Per Diem Bulletins by mail was discounted. Per Diem Bulletins published periodically in the **Federal Register** now constitute the only notification of revisions in per diem rates to agencies and establishments outside the Department of Defense. For more information or questions about per diem rates, please contact your local travel office. The text of the Bulletin follows:

Dated: July 27, 1998.

**L.M. Bynum,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

**MAXIMUM PER DIEM RATES FOR OFFICIAL TRAVEL IN ALASKA, HAWAII, THE COMMONWEALTHS OF PUERTO RICO AND THE NORTHERN MARIANA ISLANDS AND POSSESSIONS OF THE UNITED STATES BY FEDERAL GOVERNMENT CIVILIAN EMPLOYEES**

Locality	Maximum lodging amount		M&IE rate		Maximum per diem rate	Effective date
	(A)	+	(B)	=		
<b>ALASKA:</b>						
<b>ANCHORAGE [INCL NAV RES]:</b>						
05/01-09/30 .....	151		62		213	06/01/98
10/01-04/30 .....	86		56		142	03/01/98
<b>BARROW</b> .....	110		70		180	06/01/98
<b>BETHEL</b> .....	103		65		168	03/01/98
<b>CORDOVA</b> .....	85		62		147	03/01/98
<b>CRAIG:</b>						
05/01-08/31 .....	95		66		161	05/01/97
09/01-04/30 .....	79		64		143	05/01/97
<b>DENALI NATIONAL PARK:</b>						
06/01-08/31 .....	115		52		167	03/01/98
09/01-05/31 .....	90		50		140	03/01/98
<b>DILLINGHAM</b> .....	95		59		154	08/01/98
<b>DUTCH HARBOR-UNALASKA</b> .....	110		69		179	03/01/98
<b>EARECKSON AIR STATION</b> .....	72		55		127	03/01/98
<b>EIELSON AFB:</b>						
05/15-09/15 .....	121		60		181	03/01/98
09/16-05/14 .....	75		56		131	03/01/98
<b>ELMENDORF AFB:</b>						
05/01-09/30 .....	151		62		213	06/01/98
10/01-04/30 .....	86		56		142	03/01/98
<b>FAIRBANKS:</b>						
05/15-09/15 .....	121		60		181	03/01/98
09/16-05/14 .....	75		56		131	03/01/98
<b>FT. RICHARDSON:</b>						
05/01-09/30 .....	151		62		213	06/01/98
10/01-04/30 .....	86		56		142	03/01/98
<b>FT. WAINWRIGHT:</b>						
05/15-09/15 .....	121		60		181	03/01/98
09/16-05/14 .....	75		56		131	03/01/98
<b>GLENNALLEN</b> .....	86		53		139	08/01/97
<b>HEALY:</b>						
06/01-08/31 .....	115		52		167	03/01/98
09/01-05/31 .....	90		50		140	03/01/98
<b>HOMER:</b>						
05/01-09/30 .....	116		66		182	03/01/98
10/01-04/30 .....	87		64		151	03/01/98
<b>JUNEAU</b> .....	89		72		161	03/01/98
<b>KENAI-SOLDOTNA:</b>						
04/01-09/30 .....	109		61		170	03/01/98
10/01-03/31 .....	74		59		133	03/01/98
<b>KENNICOTT</b> .....	149		84		233	08/01/97