

**COMMITTEE LANGUAGE FOR FISCAL YEAR 2000**

**TOMAHAWK MISSILE**

**ACCOUNT: WPN**

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
(148)50,894	(148)50,894	(148)50,894	(148)50,894	(-148)50,894	(148)50,894	(148)50,894

**TOMAHAWK & TOMAHAWK MISSION PLANNING CENTER (TMPC)**

**ACCOUNT: RDT&E**

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
147,223	147,223	147,223	147,223	142,223	147,223	142,223

**SURFACE TOMAHAWK SUPPORT EQUIPMENT**

**ACCOUNT: OPN**

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
85,782	85,782	85,782	85,782	85,782	85,782	85,782

**HASC LANGUAGE (Rpt. 106-162)**

*Page 73, Weapons Procurement, Navy*

004	TOMAHAWK	148	50,894	300,000	148	350,894
005	ESSM	-	11,668	(1,100)	-	10,568
152	AEGIS SUPPORT EQUIPMENT	-	85,668	8,000	-	94,668
153	SURFACE TOMAHAWK SUPPORT EQUIPMENT	-	85,782	-	-	85,782
154	SUBMARINE TOMAHAWK SUPPORT EQUIP	-	2,075	-	-	2,075

*Page 186, RDT&E, Navy*

0204163N	156	FLEET TELECOMMUNICATIONS (TACTICAL)	9,947	9,947
0204229N	157	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	147,223	147,223
0204311N	158	INTEGRATED SURVEILLANCE SYSTEM	18,025	18,025

*Page 13 – Procurement Overview*

**DIVISION A—DEPARTMENT OF DEFENSE**

**AUTHORIZATION TITLE I—PROCUREMENT OVERVIEW**

The President's \$53.0 billion procurement budget request for fiscal year 2000 represents a decrease of \$1.1 billion below the amount forecast in fiscal year 1999, \$9.3 billion below the amount first forecast in fiscal year 1996, and continues the Department of Defense's delay in achieving the Joint Chiefs of Staff goal of a \$60.0 billion procurement budget by three years (from fiscal year 1998 to fiscal year 2001). Even before the initiation of Operation Allied Force the service chiefs of staff were lamenting a budget that leaves them far short of attaining their modernization requirements, despite Congress' having added over \$15.0 billion to the procurement accounts in the past four years. The ongoing campaign in the Balkans has only exacerbated this situation. For example, the Army Chief of Staff testified to the committee that "modernization is still underfunded. What I don't think will be fixed out of

this [referring to the funding he expects to receive in fiscal year 2000] will be the modernization. We'll have to defer that . . . further." Commenting on his inability to recapitalize the fleets of naval ships and aircraft, the Chief of Naval Operations noted, "We continue to compensate [for readiness and personnel needs] by shifting resources from modernization and recapitalization accounts to operations and support accounts." Even more critical of the current predicament, he was the Commandant of the Marine Corps, who testified that, "As I've said for years [our problem] is long term procurement. I have got very great concerns about the cancer of modernization that I must address." And the Air Force Chief of Staff declared that "if we don't modernize by replacing aircraft that are beyond their useful life and revitalize those with life left in them, we can expect significant additional maintenance requirements, reduced reliability, and increased costs as these aircraft deteriorate." In order to bring the modernization problem into focus, the committee held a hearing on the Department's fleet of aging equipment. The Department clearly acknowledged that reduced modernization budgets, combined with increased deployments, have taken their toll. Its inventory of weapons is not only aging chronologically but also technologically, as older and overworked weapons systems continue to drain resources because of more frequent and more expensive maintenance. Equipment expected to leave the inventory years ago is still operational and, in some cases, approaching nearly double expected service lives. Yet, despite this situation, the procurement budget continues to receive low priority. Although much has been touted by the Department concerning a major increase in its budget in the next six fiscal years, the procurement accounts are not the beneficiaries of any largesse. As noted above, the fiscal year 2000 procurement request actually declines from the amount forecast only one year ago. The cumulative addition to these accounts over the next four years is projected to be only \$4.1 billion hardly a significant part of a proposed six year \$84.0 billion overall increase. Unfortunately, unless a sustained increase in procurement funding is forthcoming, the aging equipment situation will only get worse, as the impact of Operation Allied Force is felt. With the United States shouldering the largest share of the burden in the North Atlantic Treaty Organization's air campaign against Yugoslavia, inventories of key precision weapons are being depleted at much faster rates than ever anticipated; units deployed for combat are stripping vital supplies from U.S. based units, contributing to a dramatic drop in their readiness ratings; and cannibalization rates are climbing rapidly within deployed units because of spare parts shortages. Even with the substantial amount of additional funding provided by the Congress in fiscal year 1999 supplemental appropriations, the process of "getting well" from this ongoing operation will be slow and likely require substantial additional funding in the future. Against this backdrop, the committee successfully argued for an increase to the funds allocated for national defense in the fiscal year 2000 budget resolution and has applied much of this additional money to procurement. This marks the fifth consecutive year the committee has added funds to modernize the Department's weaponry, including:

[In millions of dollars]

Army:	
UH-60L helicopters .....	27.0
CH-47F upgrades .....	56.0
AH-64D upgrades .....	45.0
MLRS rocket launchers .....	56.0
Bradley fighting vehicles upgrades .....	72.0
M113A3 carrier mods .....	25.0
Small arms .....	48.0
Ammunition .....	55.0
Night vision devices .....	33.0
Shortstop .....	40.0
Communications equipment .....	92.0
Combat support equipment .....	63.0
Construction equipment .....	33.0
Navy/Marine Corps:	
KC-130J .....	252.0
MV-22 .....	60.0
CH-60S .....	38.0
UC-35 .....	18.0
E/A-6B upgrades .....	45.0
F/A-18 series modifications .....	63.0
P-3 series modifications .....	75.0
Tomahawk missiles .....	300.0
Joint stand-off weapon .....	75.0
Hellfire missiles .....	52.0
Joint direct attack munition .....	48.0
Maritime prepositioning ship-advance procurement .....	80.0
Base telecommunications upgrades .....	50.0
Improve & recovery vehicle .....	49.0
AH-1/UH-1 upgrades .....	27.0
Ammunition .....	75.0
Air Force:	
E-8C-advance procurement .....	46.0
B-2 upgrades .....	187.0
F-15 upgrades .....	50.0
F-16 upgrades .....	47.0
C-135 upgrades .....	68.0
Defense airborne reconnaissance program .....	40.0
Joint stand-off weapon .....	35.0

Minuteman III upgrades .....	40.0
AGM-65D Maverick upgrades .....	10.0
Joint direct attack munition .....	66.0
Ammunition .....	75.0
Theater deployable communications .....	35.0
Defense-Wide:	
National guard/reserve miscellaneous equipment .....	60.0

*Page 78, Weapons Procurement, Navy*

Tomahawk missiles

The budget request contained \$50.9 million for the remanufacture of 148 Block II Tomahawk land attack missiles (TLAM) to the Block III configuration, but included no funds to remanufacture Tomahawk anti-ship missiles (TASM) to the TLAM Block III configuration or to re-start TLAM Block III missile production. The Tomahawk missile is a long range, precision strike cruise missile launched from surface ships or submarines and is produced in both TASM or TLAM versions for conventional warfare. The TLAM Block III, the most current and the most sought-after version by theater commanders-in-chief, has increased range and accuracy and involves decreased planning time compared to the earlier TLAM block II configuration. In the first half of fiscal year 1999, over 500 TLAMs have been expended in Southwest Asia and European combat operations, substantially reducing the TLAM inventory below required levels. As a result of the TLAM shortage, the Department requested \$421.2 million in fiscal year 1999 emergency supplemental appropriations for the remanufacture of 424 Block II TLAMs and 200 TASM to the Block III configuration. Despite this increase, the committee has learned that Tomahawk inventory requirements will still not be met in the Future Years Defense Program. Consequently, the committee recommends \$350.9 million, an in-crease of \$300.0 million. Of this amount, \$260.8 million is for the remanufacture of 326 TASM to the TLAM Block III configuration, \$40.0 million is for non-recurring costs to re-start the TLAM Block III production line, and \$50.1 million is for the procurement of new production TLAM Block III missiles.

*Page 215, RDT&E, Navy*

Tactical Tomahawk

The budget request contained \$147.2 million in PE 24229N for Tomahawk and Theater Mission Planning Center operational systems development, including \$145.3 million for the Tactical Tomahawk program. The committee has supported the Navy's initiation of the Tactical Tomahawk program. However, the committee report on H.R. 3116 (H. Rept. 105-532) expressed particular concern about the Navy's ability to establish a competitive environment for future Tactical Tomahawk procurement and directed the Secretary of the Navy to report to the Congressional defense committees the Navy's plan for ensuring competitiveness in the production phase of the program. The Secretary's letter report, dated September 25, 1998, noted the Navy's decision to continue with the current Tomahawk manufacturer for both the Tactical Tomahawk development contract and the full rate production program that would commence in fiscal year 2003. The report also asserted that the cost to the Navy associated with acquisition of a comprehensive technical data package for the missile and facilitating a second source would be prohibitive and that the delay in bringing on a second source would not support the required schedule for the delivery of missiles to the fleet. The committee notes that the justification and approval (J&A) on which the sole-source decision for the Tactical Tomahawk program was based stated that the engineering and manufacturing development (EMD) contract would require the contractor to develop and maintain a complete technical data package to support EMD and future missile production. The committee also notes that since the approval of the J&A and award of the EMD contract for Tactical Tomahawk, the Navy has determined that it does not have the ability to provide a technical data package to firms that would wish to compete in related warhead programs because the "EMD contract does not include a requirement for a technical data package." The committee believes that the Navy's decision not to acquire a technical data package for the Tactical Tomahawk denies the ability to establish a second production source for the missile, should that be required in the future, and the ability of the Navy to compete any future procurement of the missile. In view of the operational expenditures of the Tomahawk missile as a weapon of choice in current operations and the imminent need to replace those expenditures, the committee considers such a policy short-sighted. The committee also notes that the estimated cost of the Tactical Tomahawk program dictate that any procurement decision should be made only after a formal defense acquisition program milestone decision review at an appropriate time in the development program. The committee believes that such a milestone decision re-view should consider measures for establishing competitiveness in the production phase of the program. The committee recommends the budget request of \$147.2 million for continuation of the Tomahawk development program. The committee directs the Undersecretary of Defense (Acquisition and Technology) to review the Tactical Tomahawk program and the decision not to acquire a technical data package for the missile. The Secretary shall report to the Congressional defense committees by December 31, 1999, on measures that will be taken to insure competition in future Tactical Tomahawk procurement and related programs.

**SASC LANGUAGE (Rpt. 106-50)**

Contains no language

Page 65, Weapons Procurement, Navy

4	TOMAHAWK	148	50,894	-	-	148	50,894
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Page 80, Weapons Procurement, Navy

U.		Qty	Cost	Qty	Cost	Qty	Cost
153	SURFACE TOMAHAWK SUPPORT EQUIPMENT	-	85,782	-	-	-	85,782
154	SUBMARINE TOMAHAWK SUPPORT EQUIP	-	2,075	-	-	-	2,075

Page 178, RDT&E, Navy

0204163N	156	FLEET TELECOMMUNICATIONS (FACTICAL)		7,747	-	7,747
0204229N	157	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	147,223	-	147,223	
0204211N	158	INTEGRATED SURVEILLANCE SYSTEM	18,025	-	18,025	

**CASC LANGUAGE (Rpt. 106-301)**

Page 529, Weapons Procurement, Navy

STRATEGIC MISSILES											
4	TOMAHAWK	148	50,894	148	50,894	148	50,894	-	-	148	50,894
5	ESSM	-	11,668	-	11,668	-	11,668	-	-	-	11,668

Page 622, RDT&E, Navy

0204165N	156	FLEET TELECOMMUNICATIONS (TACTICAL)		9,947		9,947		9,947	-	9,947
0204229N	157	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)		147,223		147,223		147,223	-	147,223
0204311N	158	INTEGRATED SURVEILLANCE SYSTEM		18,075		18,075		18,075	-	18,075

Page 545, Other Procurement, Navy

152	ARCS SUPPORT EQUIPMENT	-	88,000	-	74,000	-	80,000	-	2,000	-	88,000
153	SURFACE TOMAHAWK SUPPORT EQUIPMENT	-	85,782	-	85,782	-	85,782	-	-	-	85,782
154	SUBMARINE TOMAHAWK SUPPORT EQUIP	-	2,075	-	2,075	-	2,075	-	-	-	2,075

Pages 208 and 209, Subtitle B – Other Matters

**SEC. 820. REPORT ON OPTIONS FOR ACCELERATED ACQUISITION OF PRECISION MUNITIONS.**

(a) *FINDINGS.* Congress finds the following:

(1) Current Department of Defense inventories of many types of precision munitions do not meet the requirements for such munitions under the National Military Strategy that the Department of Defense have the capability to conduct two nearly simultaneous Major Theater Wars, and with respect to some types of precision munitions, those requirements will not be met even after planned acquisitions are complete.

(2) Production lines for certain types of critical precision munitions have been shut down, and the start-up production of replacement precision munitions leaves a critical gap in acquisition of follow-on precision munitions.

(3) Shortages of conventional air-launched cruise missiles during Operation Allied Force (conducted against the Federal Republic of Yugoslavia in the spring of 1999) and the necessity to replenish inventories of land-attack Tomahawk cruise missiles following that operation indicate the critical need to maintain sufficient inventories of precision munitions.

(b) *REPORT.* Not later than February 15, 2000, the Secretary of Defense shall submit to the congressional defense committees a report on the requirements of the Department of Defense for precision munitions under the National Military Strategy that the Department of Defense have the capability to conduct two nearly simultaneous Major Theater Wars. The report shall include the following:

(1) The effect of recent conflicts on the shift to precision munitions of targets previously allocated to nonprecision munitions in the inventory requirements process.

(2) The required inventories of precision munitions, by type, including existing or planned munitions or such munitions with appropriate upgrades, to meet the requirement that the Department of Defense have the capability to conduct two nearly simultaneous Major Theater Wars.

(3) Current inventories of those precision munitions.

(4) The year when required inventories for each of those types of precision munitions will be achieved within the acquisition plans set forth in the budget of the President for fiscal year 2001.

(5) The year those inventories would be achieved within existing or planned production capacity if produced at—

(A) the minimum sustained production rate;

(B) the most economic production rate; and

(C) the maximum production rate.

(6) The required level of funding to support production for each of those types of munitions at each of the production rates specified in paragraph (5), compared to the funding programmed for each type of munition in the future-years defense program using the acquisition plans specified in paragraph (4).

(7) With respect to each existing or planned munitions for which the inventory is not expected to meet the two Major Theater War requirement by October 1, 2005, the Secretary's assessment of the risk associated with not having met such requirement by that date.

Page 626 and 627, RDT&E, Navy

### *Trident SSGN design*

The budget request included no funding for the design of a conversion to modify some of the *Ohio* class Trident ballistic missile submarines (SSBN) to a nuclear-powered guided-missile submarine (SSGN) configuration.

The Senate bill would authorize an increase of \$13.0 million in PE 63563N to begin design activity for converting some Trident SSBNs to an SSGN-configuration.

The House amendment would authorize the budget request.

The conferees note that section 1302 of the National Defense Authorization Act for 1998 (Public Law 105–85), as amended by section 1501 of the National Defense Authorization Act for Fiscal Year 2000, limits the expenditure of funds for the retirement of any of the 18 Trident SSBNs and other strategic nuclear systems unless START II enters into force, or the President makes certain certifications regarding these systems. The conferees further note the statement of managers accompanying the Strom Thurmond National Defense Authorization Act for 1999 (H. Rept. 105–736) required the Department of Defense (DOD) to submit a report on the potential SSBN-to-SSGN conversion no later than March 1, 1999.

Both the Senate report accompanying S.1059 (S. Rept 106–50) and the House report accompanying H.140 (H. Rept. 106–162) noted that the Department had been negligent in meeting the required reporting deadline.

The conferees agree to authorize an increase of \$13.0 million in PE 63563N to preserve the option for converting four SSBNs. Subsequent to passage of both the Senate bill and the House amendment, the Office of the Secretary of Defense (OSD) submitted the SSBN-to-SSGN report, which noted the following:

(1) A force of 14 *Ohio* class SSBN is sufficient to meet U.S. national security requirements under START II, and four of the 18 SSBNs now operating will not be needed to support operational strategic nuclear missions. Therefore, current DOD plans include inactivating the four oldest Trident SSBNs in fiscal years 2003 and 2004, when they would otherwise have been scheduled for refueling and overhaul.

(2) The Department has not budgeted nor programmed any funds for conversion of SSBNs to SSGNs.

(3) A comprehensive analysis of any potential additional contribution that SSGNs could provide relative to current and programmed capabilities is necessary to reach definitive conclusions regarding the SSGNs' cost and operational effectiveness.

(4) The net cost of converting four SSBNs to SSGN configuration is estimated at \$1.6 billion, exclusive of reactor core cost.

Compliance with START I Conversion or Elimination

(C/E) protocols would increase the cost to between \$2.7 billion and \$3.2 billion, exclusive of reactor core costs.

(5) Preliminary design work on a conversion must commence three years in advance of a conversion start date, and detail design and pre-conversion fabrication must commence two years in advance of a conversion start date.

(6) Conversion must be consistent with U.S. obligations under the current START I Treaty, the pending START II Treaty, and a planned future START III Treaty.

(7) Areas that require additional study or analysis to better understand the implications and benefits of the SSBN-to-SSGN conversion include: arms control issues (including the cost of compliance with START I C/E protocols, and the effects of SSGN conversion on nuclear force structure under future nuclear arms control treaties), attack of time critical targets, in-theater SSGN configuration changes, Special Operations Forces call-for-fire support, and Tomahawk inventory requirements. If the decision is made to retire SSBN submarines as a result of arms control agreements, the conferees believe that DOD should consider the one time, near-term opportunity Trident SSBN-to-SSGN conversion presents to the United States. The conferees believe, however, that DOD needs to complete the studies and analysis identified in items (3) and (7) above before committing to a full conversion program. The conferees direct the Secretary of Defense to initiate the arms control studies and cost and operational effectiveness analysis required to provide the basis for a defense acquisition milestone decision to proceed with an SSBN-to-SSGN conversion program.

Because preliminary design work must begin three years before the start of any conversion program as noted in the Department's report, the conferees agree to authorize an increase of \$13.0 million in PE 63563N to preserve the option for converting the four SSBNs. The conferees emphasize these actions should be consistent with the requirements in this Act and should not detract in anyway from the overall U.S. deterrent posture.

In a related matter, the Defense Department has been stating to Congress that it would conclude a review of requirements for attack submarine forces since last year. The conferees direct the Secretary of Defense to report to the congressional defense committees not later than February 1, 2000, the results of this ongoing study/review of attack submarine force structure established by the Quadrennial Defense Review. The conferees note that a Trident submarine converted to SSGN configuration could be capable of supporting the attack submarine force in performing a number of missions for the regional commanders in chief. The conferees direct the Secretary to include in his report the implications for meeting attack submarine requirements of converting 4 SSBNs to the SSGN configuration.

**HAC LANGUAGE (Rpt. 106-244)**

*Page 149, Weapons Procurement, Navy*

Tomahawk .....	50,894	50,894	0
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Note: Funds provided only to convert Anti-Ship Tomahawks to the block III C variant.

Page 150, Weapons Procurement, Navy

STRATEGIC MISSILES						
TOMAHAWK .....	148	50,894	--	50,894	-148	---
ESSR .....	--	11,668	--	11,668	--	---

Page 161, Other Procurement, Navy

AEGIS SUPPORT EQUIPMENT .....	--	85,782	--	85,782	--	---
SURFACE TOMAHAWK SUPPORT EQUIPMENT .....	--	2,075	--	2,075	--	---
SUBMARINE TOMAHAWK SUPPORT EQUIP. ....	--	7,218	--	7,218	--	---
VERTICAL LAUNCH SYSTEMS .....	--		--		--	---

Page 226, RDT&E, Navy

SATELLITE COMMUNICATIONS .....						+15,000
Tomahawk and Tomahawk Mission Planning Center (TMPC) .....		147,223		142,223		-5,000
Tactical Tomahawk schedule delay .....						-5,000

Page 206, RDT&E, Special Items of Interest

JOINT MISSION PLANNING SYSTEM

The Committee is concerned that several DOD programs are continuing to develop separate, "stove-piped" mission planning systems rather than taking full advantage of the joint mission planning system architecture currently under development by the Air Force and Navy. The Committee notes that efforts are underway to develop new or upgraded planning systems for Tomahawk, CALCM, and Air Mobility Command's Advanced Computer Flight Plan System. The Committee directs the Secretary of Defense to review these programs and make recommendations on the merits, cost, and timetable of migrating these systems to the joint mission planning system architecture. The Committee directs that this report be provided to the congressional defense committees no later than February 1, 2000.

Pages 228 and 229, RDT&E, Navy

JSOW

The Navy requested \$30,567,000 for JSOW. The Committee recommends \$15,000,000, a net decrease of \$15,567,000. This amount includes a decrease of \$30,567,000 for the JSOW unitary variant and an increase of \$15,000,000 only for GPS anti-spoofing. Last year, the Committee recommended termination of the Navy-unique JSOW unitary variant based on its high cost and low performance relative to other DoD stand-off munitions. Despite the Committee's

recommendation last year, the Navy has requested additional funds in fiscal year 2000 for development of a new, cheaper unitary variant. As a cost saving measure, the new variant no longer includes "man-in-the-loop" which severely limits the weapon's capability against moving targets. However, the GAO has learned that the Navy's JSOW unitary inventory requirement is based almost completely on the use of the weapon against just this class of targets. The small number of fixed targets that drive the inventory requirement hardly justifies development of another service-unique weapon system, given the acquisition plans for such other service-unique systems as SLAM-ER, Tactical Tomahawk, and JASSM which can more effectively attack the same targets. Accordingly, the Committee once again recommends termination of the JSOW unitary program.

**SAC LANGUAGE (Rpt. 106-53)**

Contains no language.

*Page 64, Weapons Procurement, Navy*

OTHER MISSILES:					
STRATEGIC MISSILES:					
TOMAHAWK .....	148	50,894	148	50,894	.....
ESSM .....		11,668		11,668	.....
TACTICAL MISSILES:					

*Page 71, Weapons Procurement, Navy*

AEGIS SUPPORT EQUIPMENT .....	86,668		86,668	
SURFACE TOMAHAWK SUPPORT EQUIPMENT ..	85,782		85,782	
SUBMARINE TOMAHAWK SUPPORT EQUIP .....	2,075		2,075	
VERTICAL LAUNCH SYSTEMS .....	7,218		7,218	

*Page 107, RDT&E, Navy*

FLEET TELECOMMUNICATIONS (TACTICAL) .....	9,947	9,947
TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC) ...	147,223	147,223

**CAC LANGUAGE (Rpt. 106-371)**

*Page 218, RDT&E, Navy*

E-2 SQUADRONS .....	16,132	55,132	16,132	36,532
TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC) ..	147,223	142,223	147,223	142,223

*Page 265, Title VIII, General Provisions*

The conferees included a new general provision (Section 8172) which reduces funding for various accounts in the title III of the conference report for procurement of munitions, taking into account various munitions procurements which will be accomplished with funds provided in title II, chapter 3 of Public Law 106-31. These reductions are to be allocated as follows, consistent with the increased funding for these items which was provided in Public Law 106-31 and since has been designated as emergency appropriations by the President:

Weapons Procurement, Navy—Tomahawk  
 Procurement of Ammunition, Navy and Marine Corps—Gen-