

**COMMITTEE LANGUAGE FOR FISCAL YEAR 1997**

**P-3 MODERNIZATION PROGRAM  
ACCOUNT: RDT&E**

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
2,074	2,074	2,074	2,074	14,074	2,074	8,074

**P-3 SERIES  
ACCOUNT: APN**

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
128,560	110,960	197,960	174,760	201,960	200,760	180,760

**EP-3 SERIES  
ACCOUNT: APN**

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
35,429	45,429	35,429	36,429	45,429	36,429	36,429

**P-3 MODERNIZATION  
ACCOUNT: NGRE**

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
				72,000		72,000

**P-3 SQUADRON  
ACCOUNT: O&M,N**

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
					10,600	10,600

**P-3 SQUADRON OPERATIONS  
ACCOUNT: O&M, NAVY RESERVE**

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
						5,500

**HNSC LANGUAGE (Rpt. 104-563)**

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*SENIOR SCOUT*

The budget request included \$1.3 million for operations of the SENIOR SCOUT intelligence support system.

The committee recognizes the capability provided by the SENIOR SCOUT system, and also recognizes that this system could be effectively used to backfill systems such as the RC-135 and EP-3 that are being pressed into crisis and contingency areas. The committee therefore recommends an additional \$600,000 be provided for the National Guard CINC's "initiative fund" to pay for C-130 transport flying hours to carry the SENIOR SCOUT package.

**SASC LANGUAGE (Rpt. 104-267)**

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*P-3 intelligence support*

The budget request included \$17.6 million within the P-3 aircraft modifications line to procure non-developmental, commercial off-the-shelf (COTS), roll-on/roll-off signals intelligence (SIGINT) sensors for use aboard P-3C aircraft. While budget documentation provides little information on this concept, it appears that the Navy intends to incorporate this capability as an adjunct to its P-3 anti-surface warfare (ASUW) improvement program (AIP).

The committee is concerned that the Navy has not developed an operational concept for employing the SIGINT capability that it proposes to add to the P-3C aircraft. Nor is it clear that the Navy's proposal relates well to the capability already provided by its existing fleet of EP-3 aircraft. It would appear that the Navy is attempting to expand the scope of the P-3 AIP without first providing a sound rationale for doing so. Important questions that should be answered to address the committee's initial concerns would be:

(1) to what degree would P-3C aircraft equipped with such a COTS SIGINT package be interoperable with other SIGINT platforms?

(2) are sufficient specially trained personnel available to support both existing SIGINT systems and this one as well?

The committee recommends against approving the procurement of COTS SIGINT sensors in fiscal year 1997, and that the budget request for P-3 modifications be reduced by \$17.6 million.

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*P-3C anti-surface warfare improvement program*

The P-3C anti-surface warfare improvement program (AIP) was begun in fiscal year 1994 to provide a commercial off-the-shelf (COTS)/non-developmental item (NDI) upgrade to the Navy's existing fleet of P-3C aircraft to improve its capability to conduct

anti-surface warfare (ASUW), over the horizon (OTH) targeting, and command and control interface with other command centers and fleet units. Prior review of this program by the committee has shown that the P-3C AIP gives the aircraft a much better capability to execute littoral warfare missions at a reasonable price.

Unfortunately, while the nation's operational commanders-in-chief (CINCs) have given the P-3C AIP program strong support, the Navy has consistently short-changed its resources. To meet an operational requirement that calls for the procurement of 68 kits between fiscal year 1996 and fiscal year 2001 at an economical procurement rate of 12 kits per year, the Navy has budgeted resources for only one kit in fiscal year 1997. In fiscal year 1996 the Navy budgeted for only seven.

It appears to the committee that the Navy has come, increasingly, to look to Congress to sustain the P-3C AIP. This was the case in fiscal year 1996 when Congress added five kits. Fiscal year 1997 reflects the same behavior to a much greater degree.

The committee recommends an increase of \$87.0 million for the procurement of 11 additional P-3C AIP kits in fiscal year 1997. Procurement funding at this level would reduce the unit cost of the kits procured by at least 70 percent and satisfy CINC requirements.

Aside from the merits of the P-3C AIP, the Navy should understand that a principal reason the committee has recommended this increase is to give the Navy an opportunity to evaluate the priority of the P-3C AIP, negotiate with the CINCs as to their requirements, and determine whether it will continue to pursue the P-3C AIP in the future. Budget requests at the rate of one kit per year make no sense to the committee.

While the committee believes that the P-3C AIP has merit, there are many other programs in the requirements queue eager to claim resources. Consequently, the committee wants to make it clear that the committee does not intend to take on the P-3C AIP as a permanent future entitlement.

If the Navy chooses not to request 12 P-3C AIP kits in its fiscal year 1998 budget request, the committee directs the Secretary of the Navy to submit a report, to accompany the budget request, that:

- (1) identifies the requirements for the P-3C AIP that the CINCs have provided to the Navy;
- (2) discusses any changes to those requirements that may have occurred in conjunction with preparation of the fiscal year 1998 budget request;
- (3) provides the Navy's plan, as reflected in the fiscal year 1998 future years defense program, of how the Navy intends to satisfy the CINC requirements; and
- (4) provides explicit rationale for any disparity between the Navy plan and the CINC requirements.

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*Active and reserve component P-3 squadrons*

The services of P-3 squadrons have historically been in very high demand by the unified commanders. In recent years, that demand has increased dramatically as the ability of the P-3 aircraft to carry out littoral warfare missions has become more apparent. Simultaneously, however, budget pressures have forced the Navy to cut P-3 force

structure in its budget request. The current maritime patrol aircraft (MPA) force structure consists of 22 squadrons composed of 13 active and 9 reserve squadrons (13/9). The budget request reflected the Navy's resource-constrained plans to reduce MPA force structure to 20 squadrons composed of 12 active and 8 reserve (12/8).

The committee believes MPA make an invaluable contribution to surveillance, antisurface, and antisubmarine warfare missions. The committee also recognizes that MPA are ideally suited to a variety of littoral warfare missions.

Accordingly, the committee recommends an increase of \$45.3 million above the budget request to sustain the MPA force structure at 13/9 in fiscal year 1997.

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*Section 411. End strengths for Selected Reserve.*

The recommended increase in the Naval Reserve end strength reflects the committee's belief that one reserve component P-3 squadron be retained in the force. The increase of 363 in the selected reserve, combined with a recommended increase of 97 in full-time support would permit the Navy to retain one reserve P-3 squadron. The committee recommends increasing the Reserve Personnel, Navy, appropriation by \$6.6 million and the Operation and Maintenance, Navy Reserve, appropriation by \$7.1 million to accommodate this increase.

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*Section 412. End strengths for Reserves on active duty in support of the reserves.*

The committee recommends an increase of 97 in full-time support strength for the Naval Reserve to support retention of one reserve P-3 squadron.

The committee recommends an increase of 249 in full-time support strength that would permit the Air National Guard to maintain the number of general purpose fighter aircraft at 15 in each unit.

The committee recommends an increase of 30 in the full-time support strength of the Air Force Reserve to assist the Air Force Reserve in maintaining readiness while continuing to assist in reducing the OPTEMPO of the active Air Force.

*SUBTITLE C--AUTHORIZATION OF APPROPRIATIONS*

*Section 421. Authorization of appropriations for military personnel.*

The committee recommends a provision that would authorize \$69,878,600,000 to be appropriated to the Department of Defense for military personnel.

This authorization reflects an increase of \$95,600,000 above the budget request. The increase results from the following recommendations:

Maintain one active P-3 Squadron	+18.6
Maintain one reserve P-3 Squadron	+6.6

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*Funding adjustments*

The committee recommends an increase of \$119.0 million for the counterdrug initiatives of the Office of National Control Policy. This increase would provide \$15.0 million for the refurbishment and installation of an TPS-70 radar, \$98.0 million for the retrofitting of two P-3B AEW aircraft to be used in counter narcotics activities, and \$6.0 million for the purchase of non-intrusive inspection systems. The increase in funding for these items would be offset by a reduction in the DOD budget request of \$119.0 million for the Coast Guard. The budget request has not been justified by an explanation as to how these funds will be used by the Coast Guard in support of America's national security.

These increases will support important counter narcotics activities. The retrofitting of the P-3B aircraft will provide the U.S. Customs Service with two additional detection and monitoring aircraft by installing airborne radars on excess Navy P-3 aircraft. This initiative will provide increased pressure against the narcotrafficker air bridge in the source countries. Since these aircraft will assume much of the tracking responsibility, this initiative will also reduce the OPTEMPO, operating costs, and personnel stress that is placed on high-demand USAF E-3 AWACS.

The installation of the TPS-70 radar will assist the Department, and those cooperative governments of the source nations, in efforts to further reduce the amount of drugs that smugglers are moving using aircraft.

The committee has long supported the Department's prototype development plan for non-intrusive inspection of cargo containers for contraband drugs. This effort reached partial fruition last year with a decision by the U.S. Customs Service to deploy 12 fixed-site backscatter x-ray systems along the southwest border for the detection of contraband drugs in empty or lightly loaded trucks and cargo containers. As stated above, the committee recommends an additional \$6.0 million for the purchase of these devices in fiscal year 1997.

Unfortunately, the high energy x-ray system that was developed by DOD and fully tested at Tacoma, Washington for inspection of loaded cargo containers was not economically feasible for use by Customs. The Committee understands that the Pulsed Fast Neutron Activation (PFNA) system, a prototype of which has been successfully tested by DOD, has also been determined by Customs to be economically infeasible for the counter-drug mission because of the expense required to deploy such a system at every major seaport. This year, \$6.5 million has been made available under the Technical Support Working Group (TSWG) program to further develop the PFNA system for explosives detection. However, despite the potential multi-mission use of the PFNA system, its relatively high cost as a fixed-site system may still cause it to be economically infeasible. Accordingly, the committee recommends the addition of \$9.0 million to make the PFNA prototype system relocatable for potential use at high-threat seaports for the detection of contraband drugs and explosives. The committee urges the Secretary of

Defense, through normal reprogramming procedures, to provide any additional funds necessary for this effort.

The committee recognizes that a substantial quantity of the narcotics entering the United States from South America continues to come across the southwest border. Some reports put this quantity as high as 70 percent. The committee urges the Department to increase its efforts in stemming the flow of narcotics across this border and recommends a provision, section 1031, that would grant the Secretary of Defense the authority to provide additional support for counter-drug activities of the Government of Mexico. In addition, the committee recommends an increase of \$8.0 million in fiscal year 1997 to be used for this purpose. The committee directs the Secretary of Defense to notify the Committees on Armed Services and Foreign Relations of the Senate and the Committees on National Security and International Relations of the House of Representatives each time the Department provides such assistance pursuant to the provision. Further, the committee recommends an increase of \$2.0 million for the purchase of signal intelligence equipment to be used for communications intercept activities along the southwest border.

The committee is aware that the Department's request is insufficient to provide full funding of Operation Laser Strike in fiscal year 1997. Laser Strike will build on the success of Operation Green Clover and involves a sustained level of U.S. detection, monitoring and tracking resources, as well as assessments and training, to support expanded interdiction and law enforcement efforts by nations of the source region. The committee supports this important operation and recommends an increase of \$8.0 million in order to provide full funding.

The committee is also aware that drug traffickers are making greater use of the vast river network in the Andean region to transport processed cocaine and pre-cursor materials. Currently, the governments in the source nations are ill-equipped and ill-trained to interdict drug trafficking on their rivers and waterways. Therefore, the committee recommends an increase of \$2.0 million for assistance to the governments of the source nations in their efforts to stem the flow of narcotics moving on these rivers.

The committee has learned that the number of OH-58D helicopters in the Army National Guard will be reduced dramatically under the Army's Aviation Restructure Initiative. These helicopters, with their forward looking infrared radar (FLIR), are particularly useful in the National Guard's detection of illicit marijuana fields. The committee has been advised that the Department of Defense's Office of Drug Enforcement Policy and Support is reviewing this situation with a view towards the retention of additional OH-58D helicopters, as appropriate, within existing funding resources. The committee strongly supports this initiative and directs that Office, in coordination with the Department of the Army and the National Guard Bureau, to ensure the allocation of additional helicopters to those states that have historically used these assets for the detection and destruction of illicit marijuana fields.

#### *Drug Interdiction & Counterdrug Activities, Operations and Maintenance*

Fiscal Year 1997 Drug and Counterdrug Request	\$814,100
Source Nation Support	154,000

Detection and Monitoring	232,100
Disruption of Drug Mafia Organizations	57,100
Law Enforcement Agency	255,000
Demand Reduction	84,000
National Drug Intelligence Center and Throttle Car	32,100
Reductions:	
National Drug Intelligence Center (NFIP)	29,000
Throttle Car (NFIP)	3,100
Increases:	
Throttle Car	3,100
Pulsed Fast Neutron Activation	9,000
Support for Military Counterdrug Units of Mexico	8,000
Laser Strike	8,000
Riverine Operations in South America	2,000
Signal Intelligence Equipment for Southwest Border	2,000
Refurbish and Install TPS-70 Radar	15,000
P-3B AEW Retrofit (2 a/c)	98,000
Non-Intrusive Inspection Systems	6,000
Recommendation	933,100

<b>CASC LANGUAGE (Rpt. 104-724)</b>
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*SEC. 1032. AVAILABILITY OF FUNDS FOR CERTAIN DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.*

*(a) P-3B Aircraft.*--Of the funds authorized to be appropriated under section 301(19) for drug interdiction and counter-drug activities, not more than \$98,000,000 may be used for the purpose of procuring or modifying two P-3B aircraft for use by departments and agencies of the United States outside the Department of Defense for drug interdiction and counter-drug activities. However, funds may not be obligated for such purpose until the Secretary of Defense submits to the congressional defense committees a certification that the procurement or modification of such aircraft and the use of such aircraft by other departments or agencies of the United States will significantly reduce the level of support that would otherwise be required of E-3 AWACS aircraft as part of the drug interdiction and counter-drug mission of the Department of Defense.

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*EP-3 modifications*

The budget request included \$35.4 million for EP-3 modifications.

The House bill would authorize an increase of \$10.0 million to reinstate a level-of-effort upgrade program for those aspects of overall system capabilities not uniquely addressed by centrally-directed, joint development programs. The House bill would also

include a new procurement funding line for procurement of the lightweight environmentally sealed parachute assembly (LESPA) and authorizes agree to authorize an increase of \$61.0 million for the procurement of seven additional P-3C AIP kits and associated equipment and support. Reporting requirements for the P-3C AIP program associated with submission of the fiscal year 1998 budget request are contained in the Senate report (S. Rept. 104-267). The conferees also agree to authorize an increase of \$2.8 million for LESPA procurement.

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*P-3 intelligence support*

The budget request included \$17.6 million within the P-3 aircraft modifications line to procure non-developmental, commercial off-the-shelf (COTS), roll-on/roll-off signals intelligence (SIGINT) sensors for use aboard P-3C aircraft.

The House bill and Senate amendment would not authorize the \$17.6 million included in the budget request for the procurement of COTS SIGINT sensors in fiscal year 1997.

The conferees are concerned that the Navy has not developed a sound operational concept for employing the SIGINT capability that it proposes to add to the P-3C aircraft. Nor is it clear that the Navy's proposal relates well to the capability already provided by the existing fleet of EP-3 aircraft. Important questions that should be answered to address conferees' concerns include:

- (1) To what degree would P-3C aircraft equipped with such a COTS SIGINT package be interoperable with other SIGINT platforms? And
- (2) Are sufficient specially trained personnel available to support both existing SIGINT systems and this one as well?

*P-3C modifications*

The budget request included \$34.7 million for the P-3C anti-surface warfare improvement program (AIP). This amount would procure one P-3C AIP kit and additional training equipment, support equipment, and logistics support for the P-3C AIP program.

The Senate amendment would authorize an increase of \$87.0 million for the procurement of 11 additional P-3C AIP kits and associated equipment and support in order to maintain the acquisition schedule requested by the operational commanders in chief (CINCs) and to procure the kits at a more cost effective rate.

The House bill would authorize the requested amount for P-3 modifications but would include a new procurement funding line for procurement of the lightweight environmentally sealed parachute assembly (LESPA) and authorize an increase of \$3.8 million for LESPA. A portion of this increase would be for support of the P-3C aircraft.

The conferees agree to authorize an increase of \$61.0 million for the procurement of seven additional P-3C AIP kits and associated equipment and support. Reporting requirements for the P-3C AIP program associated with submission of the fiscal year 1998

budget request are contained in the Senate report (S. Rept. 104-267). The conferees also agree to authorize an increase of \$2.8 million for LESPAC procurement.

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*Active and reserve component P-3 squadrons*

The budget request included funding to sustain a maritime patrol aircraft (MPA) force structure of 12 active and 8 reserve P-3 squadrons (12/8), a reduction of one active and one reserve squadron from the fiscal year 1996 force structure.

The Senate amendment would authorize an increase of \$45.3 million to sustain the MPA force structure at 13 active and 9 reserve squadrons (13/9) in fiscal year 1997. The Senate report (S. Rept. 104-267) noted that the operational demands placed on MPA by the unified commanders have been very heavy in recent years because the P-3 has a multi-mission capability that is well-suited to littoral warfare operations. Despite an intense operating tempo, budget pressures have forced the Navy to cut P-3 force structure in its current budget request.

The House bill would authorize the requested amount.

The conferees agree to an increase of \$23.6 million above the budget request to avoid the reductions in P-3 force structure that would be dictated by the budget request. The Senate amendment would authorize an increase of \$5.0 million NDSF to complete necessary repair and refurbishment of U.S.N.S. Tanner prior to its redesignation as a maritime training ship.

The House bill would authorize the requested amount.

The House recedes.

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*NAVY MARITIME PATROL AIRCRAFT*

The conferees authorize the Navy to increase the number of Navy P-3C maritime patrol aircraft squadrons by two (1 active, 1 reserve) above the 12 active and 8 reserve squadrons requested in the President's budget. As a consequence, the conferees authorize the following increases: Navy active personnel accounts (End Strength: 418 personnel, and \$9.0 million); Naval Reserve personnel accounts (End Strength: 97 Training and Administration of the Reserves (TAR) personnel, 266 part-time personnel, and \$4.0 million).

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*Drug Interdiction & Counterdrug Activities Operations and Maintenance*

[IN THOUSANDS OF DOLLARS; MAY NOT ADD DUE TO ROUNDING]

Fiscal Year 1997 Drug and Counterdrug Request	782,200
Source Nation Support	154,000

Detection and Monitoring	232,100
Disruption of Drug Mafia Organizations	57,100
Law Enforcement Agency	255,000
Demand Reduction	84,000
Increases:	
Support for Military Counterdrug Units of Mexico	8,000
Laser Strike	8,000
Riverine Operations in South America	4,000
Signal Intelligence Equipment for Southwest Border	2,500
Southwest Border Fence	5,000
Refurbish and Install TPS-70 Radar	15,000
P-3B AEW Retrofit (2 a/c)	98,000
Non-Intrusive Inspection Systems	6,000
Gulf States Counterdrug Initiative	2,800
Multi-Jurisdictional Task Force	1,000
C-26 Upgrades	3,500
Recommendation	936,000

The increase in funding will enable the Department of Defense and the Federal Government to more rigorously pursue its counter-narcotics efforts including priority programs identified by the Office of National Drug Control Policy.

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*Caribbean and South American Initiative*

The conferees are aware that the Department's request is insufficient to provide full funding of Operation Laser Strike in fiscal year 1997. Laser Strike will build on the success of Operation Green Clover and involves a sustained level of U.S. detection, monitoring and tracking resources, as well as assessments and training, to support expanded interdiction and law enforcement efforts by nations of the source region. The conferees support this important operation and recommend an increase of \$8.0 million in order to provide full funding.

The conferees are also aware that drug traffickers are making greater use of the vast river network in the Andean region to transport processed cocaine and pre-cursor materials. Currently, the governments in the source nations are ill-prepared to interdict drug trafficking on their rivers and waterways. Therefore, the conferees recommend an increase of \$4.0 million for assistance to the governments of the source nations in their efforts to stem the flow of narcotics moving on these rivers.

The conferees are encouraged by the level of success achieved by the Department in reducing the movement of narcotics by air. The conferees recommend an additional \$15.0 million for the installation of a TPS-70 radar which will assist the Department, and those cooperative governments of the source nations, in efforts to further reduce the amount of drugs that smugglers are moving with the use of aircraft. In addition, the conferees recommend an additional \$98.0 million for the retrofitting of two P-3B aircraft

with airborne radars which will provide the U.S. Customs Service with additional detection and monitoring capability.

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*Legislative Provisions (secs. 1031-1032)*

In order to facilitate the Department's ability to carry out these initiatives, the conferees recommend two provisions. The first provision would authorize the transfer of both the non-intrusive inspection devices and 2 P-3B aircraft to the U.S. Customs Service. Prior to the obligation of funds for the P-3B aircraft, the Secretary would have to certify to Congress that the transfer of these aircraft to the U.S. Customs Service will significantly reduce the level of support that would otherwise be requested of the Department's E-3 AWACS aircraft.

<b>HAC LANGUAGE (Rpt. 104-617)</b>
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*Inventory Shortfalls:* In light of existing inventory shortfalls and requirements, the Committee has added funds over the request for Army Kiowa Warrior helicopters (\$233 million added), Navy EA-6B electronic warfare aircraft (\$180 million) Navy E-2C surveillance aircraft (\$155 million), upgrades to P-3 maritime surveillance aircraft for the Navy (\$153 million), and Air Force F-15E fighters (\$319 million), among others.

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*FORCE STRUCTURE ADD-BACKS*

The Committee recommends an increase over the request of \$10,000,000 in "Military Personnel, Navy" and "Reserve Personnel, Navy" for restoral of end strength for two P-3 squadrons, one each in the active Navy and Navy Reserve. In addition, the Committee recommends an increase of \$23,900,000 in "National Guard Personnel, Air Force", and "Operation and Maintenance, Air National Guard" for end strength and operating support to maintain 15 Primary Aircraft Authorized (PAA) for Air National Guard General Purpose Fighters.

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*P-3 SERIES*

The Navy requested \$128,560,000 for P-3 modifications. The Committee recommends \$201,960,000, a net increase of \$73,400,000. The Committee has provided

an additional \$87,000,000 for procurement of 11 additional ASUW Improvement Program (AIP) modifications and an additional \$4,000,000 for procurement of 4 additional Sustained Readiness Program (SRP) modifications. It is the Committee's understanding that reserve P-3 squadrons will be included in the AIP force mix. The Committee denies the request of \$17,600,000 to procure and integrate a roll on/off SIGINT system for the Navy's P-3C aircraft. The Committee believes that such funding would be better used by the specifically designed and designated SIGINT systems such as the EP-3E.

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*P-3 MODERNIZATION PROGRAM*

The Navy requested \$2,074,000 for ongoing P-3 development efforts. The Committee recommends \$14,074,000, an increase of \$12,000,000 only for P-3 Anti-Submarine Warfare (ASUW) Improvement Program (AIP) sensor fusion and crew workload reduction software.

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*Committee Recommendations*

The Department of Defense requested \$642,724,000 for Drug Interdiction and Counter-Drug Activities. The committee recommends \$774,724,000, an increase of \$132,000,000.

In April 1996 the President requested a supplemental appropriation including \$132,000,000 for Defense Drug Interdiction and Counter-Drug Activities. The Committee welcomed this request since the President's Defense Counter-Drug budgets have been in steady decline since fiscal year 1994. Unfortunately, this request arrived too late to be dealt with during conference committee action on supplemental appropriations for fiscal year 1996.

In this bill, the Committee has increased the Drug Interdiction and Counter-Drug Activities account by \$132,000,000. This increase funds all the defense counter-drug programs requested in the fiscal year 1996 supplemental. It does not, however, include funding for the requested retrofit of two P-3 aircraft which were proposed for transfer to the Customs Service. Since these assets would be used by another agency, the Committee does not believe funding should be provided in the Defense Appropriations bill.

Instead the Committee has identified a number of alternative unfunded defense requirements for which it is providing funds over the budget request.

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*PORK BARREL CATALOG*

What is even more troubling is the haphazard way in which this Congress arrived at this \$11 billion increase. There is no overarching Congressional study justifying in any serious academic way the need for this additional \$11 billion. Instead of doing any serious analysis to justify their position, our House National Security Authorizing Committee

spent its time forcing the Services to produce a "Pork Barrel Catalog" listing who the subcontractors were for their potential spending add-ons, in whose Congressional district those subcontractors were located, and how many jobs would be added in each Congressional district by a particular add on.

The Defense Department tells us this is unprecedented. It certainly calls into question whether the authorizing committee made its \$11 billion worth of decisions with any semblance of consideration for the National Defense interest, or if they simply took "pork barreling" to new heights by auctioning off projects by Congressional district.

What's even more striking from this Pork Barrel Catalog is the cost per job that would be created. This catalog seems to confirm the views of many who believe military spending is one of the worst ways to create jobs. It certainly refutes those who have been quoted saying military spending creates 20,000 new jobs for every billion dollars spent (in itself a low number). The data in this catalog would indicate that such claims are exaggerated by a factor of ten.

For instance, compared to domestic investments in highway construction which George Bush told us creates about 50,000 new jobs for every \$1 billion spent (\$20,000 per new job), many of these military projects in the Pork Barrel Catalog cost \$100,000 to over a \$1 million per new job. For instance, according to the Pork Barrel Catalog:

Adding \$61 million for P-3 aircraft upgrades the Defense Department says it doesn't need would save 181 in 8 Congressional districts, or \$337,000 per job.

Adding \$26 million for more AMRAAM missiles for the Air Force would add 21 jobs in 5 Congressional districts, or \$1.2 million a job.

According to the Pork Catalog, adding \$468 million for 9 more C-130J aircraft near the Speaker's district in Marietta, GA would cost about \$175,000 per new job.

I give the Chairman of the National Security Appropriations Subcommittee,

Mr. Young, credit for not using the same criteria as the authorizing committee. But the fact remains, the authorizing committee's views were carefully considered by the Budget Committee and by the House Republican Leadership when they selected this \$11 billion figure and the earmarks in the authorizing bill have been given some deference by this Committee.

**SAC LANGUAGE (Rpt. 104-286)**

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*FORCE STRUCTURE CHANGES*

*P-3 squadrons.*--The Committee recommends an increase in the Navy end strength and funding to sustain the maritime patrol aircraft force structure at 13 active squadrons in fiscal year 1997. An additional 366 end strength and \$15,500,000 in the "Military personnel" appropriation and \$10,600,000 in the "Operations and maintenance" appropriation is associated with this change.

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*Military Personnel, Navy*

Appropriations, 1996	\$17,008,563,000
Budget estimate, 1997	16,942,956,000
Committee recommendation	16,943,581,000

The Committee recommends an appropriation of \$16,943,581,000 for fiscal year 1997. This request is \$625,000 above the budget request. All recommended adjustments to the budget request, including those items discussed elsewhere in this report, are summarized below:

	[In thousands of dollars]
Program	Committee adjustment
Basic allowance for quarters	9,885
P-3 squadron	10,600
Dental officer specialty pay	3,900
PCS reduction	-23,760
Total adjustments	625
Recommended appropriation	16,943,581

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*COMMITTEE ADJUSTMENTS*  
*O&M SUPPORT OF MILITARY FORCES*

*P-3 squadron.*--Additional funds are appropriated in support of the Senate Armed Services Committee's authorization action which retains one additional active duty squadron.

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*Program and project funding adjustments.*--The Committee recommends the addition and subtraction of funds for the following projects and programs to reflect congressional priorities; to rectify shortfalls in the budget request for activities; to implement increases endorsed and/or requested by the Navy to address budget shortfalls; to effect funding transfers recommended by the Committee or the Navy; and to delete excess funds.

	[In thousands of dollars]		
Item	1997 budget estimate	Committee Recommendation	Change from budget estimate
F/A-18C (fighter) Hornet		234,000	+234,000
F/A-18D (fighter) Hornet		255,000	+255,000
F/A-18E/F (fighter) Hornet/ ALR-67(V)3	1,859,856	1,844,756	-15,100
EA-6 series modifications	100,620	263,620	+163,000
USQ-113 communications			

jammer		11,000	+11,000
Band 9/10 transmitter		40,000	+40,000
J-52 engine containment		40,000	+40,000
Center wing sections		50,000	+50,000
Connectivity		22,000	+22,000
F-18 series modifications/ ALR-67(V)3	156,486	154,327	-2,159
S-3 series modifications/6-month contract award delays	36,413	18,207	-18,206
EP-3 series modifications/ lightweight environmentally sealed parachute assembly	35,429	36,429	+1,000
P-3 series modifications	128,560	200,760	+72,200
Antisurface warfare [ASUW] improvement program			87,000
SIGINT capabilities package/ transfer to elsewhere in budget			-17,600
Lightweight environmentally sealed parachute assembly			+2,800
H-1 series modifications/ thermal imaging systems	9,339	22,839	+13,500
Common electronic countermeasures [ECM] equipment	20,069	68,043	+47,974
Airborne self protection jammer			+50,000
ALR-67(V)3			-12,026
APR-39A(V)2 radar warning receiver			+10,000
Passenger safety modifications (common avionics, spares)		14,800	+14,800
Aircraft spares and repair parts/ Magic Lantern	839,987	844,987	+5,000

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*P-3/EP-3 series modifications/parachutes.*--The Committee is aware that the Navy is in the process of qualifying a new lightweight environmentally sealed parachute assembly [LESPA] to replace existing systems in Navy aircraft. In order to begin integration of the LESPA into Navy aircraft, the Committee recommends an addition of \$2,800,000 to the budget request for P-3 series modifications, and an addition of \$1,000,000 to the budget request for EP-3 series modifications, to outfit completely at least 16 aircraft during fiscal year 1997.

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The Committee recommends incorporating the following adjustments to the budget estimate in accordance with Senate authorization committee action, of which \$119,000,000 supports Office of National Drug Control Policy initiatives:

[In thousands of dollars]

Item	1997 budget estimate	Committee recommendation	Change from budget estimate
P-3 AEW retrofit (2 a/c)		98,000	+98,000
Nonintrusive inspection system		6,000	+6,000
Refurbish/install TPS-70 radar		15,000	+15,000
SIGINT equipment for Southwest border		2,000	+2,000
Riverine operations in South America	700	2,700	+2,000
Support for military counterdrug units in Mexico		8,000	+8,000
Laser strike	11,173	19,173	+8,000

**CAC LANGUAGE (Rpt. 104-863)**

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*FORCE STRUCTURE CHANGES*

The fiscal year 1997 budget request included reductions in the size of Primary Aircraft Authorized (PAA) levels for Air Force B-52's, and Air National Guard C-130's and General Purpose fighter units. In addition, the budget reduced the number of both active and reserve P-3 squadrons. The conferees have recommended a total of \$163,600,000 to maintain these units at the fiscal year 1996 levels as follows:

[In thousands of dollars]

	Milpers	O&M	Proc	Total
Navy, P-3's	22,100	16,100		38,200
Air Force, B-52's	4,400	47,900	11,500	63,800
ANG, C-130's	2,000	6,700		8,700
ANG, General Purpose Fighters	8,500	44,400		52,900
Total	37,000	115,100	11,500	163,600

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*Military Personnel, Navy*

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

House	Senate	Conference
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Basic Allowance for Quarters	15,400	9,885	15,400
Variable Housing Allowance	15,200		14,100
Dislocation Allowance	10,900		7,200
Temporary Lodging Expense	4,400		
Permanent Change of Station		-23,760	-11,880
Dental Incentive Pay	5,000	3,900	3,700
P-3 Squadron	7,000	10,600	15,500
Total, Military Personnel, Navy	57,900	625	44,020

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*Reserve Personnel, Navy*

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters	1,100	683	1,100
Variable Housing Allowance	1,300		700
Dislocation Allowance	600		900
Temporary Lodging Expense	100		
P-3 Squadron	3,000		6,600
Contributory Support		10,000	10,000
Total, Reserve Personnel, Navy	6,100	10,683	19,300

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*NATIONAL GUARD AND RESERVE AIRCRAFT*

The conferees agree to provide \$465,000,000 for the acquisition and modernization of aircraft to support Reserve and National Guard missions and agree that the following aircraft shall be purchased and modified:

C-130J for the Air National Guard (4)	\$209,000,000
CH-53E for the Marine Corps Reserve (2)	64,000,000
C-9B replacement for the Navy Reserve (3)	120,000,000
P-3 modernization for the Navy Reserve	72,000,000

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*Drug Interdiction and Counter-Drug Activities, Defense*

The conferees agree to provide \$807,800,000, an increase of \$165,076,000 to the budget request. The conference agreement is summarized as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
P-3 Retrofit for US Customs Service		0	98,000	56,200