

## **COMMITTEE LANGUAGE FOR FISCAL YEAR 1997**

### **V-22 (MEDIUM LIFT)**

**ACCOUNT: APN**

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
500,904	732,904	781,904	732,904	732,904	730,094	620,904

### **V-22 MEDIUM LIFT (AP-CY)**

**ACCOUNT: APN**

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
57,773	67,753	127,753	127,753	127,753	127,753	127,753

### **V-22A**

**ACCOUNT: RDT&E**

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
576,792	613,792	596,792	613,792	613,792	596,792	576,792

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

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*V-22 OSPREY*

The budget request contained \$500.9 million to procure the first four V-22s and \$57.8 million for advance procurement of five aircraft in fiscal year 1998.

The committee remains concerned about the Department's proposed 25-year V-22 production schedule. The Defense Science Board recommended that the Department adopt a more efficient V-22 production schedule, and the Department has stated that a minimum of \$8 billion could be saved by accelerating the planned procurement and achieving a production rate of 36 aircraft per year by the year 2000. In order to increase initial V-22 production rates, the committee recommends an additional \$232.0 million to produce two more aircraft and an additional \$10.0 million in advance procurement to maintain a production rate of six aircraft in fiscal year 1998. The committee recommends that the Department provide funds in the Future Years Defense Program submitted with the fiscal year 1998 budget request to support V-22 accelerated production.

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*CV-22 SPECIAL OPERATIONS TILTROTOR AIRCRAFT*

The budget request included \$576.8 million in PE 64262N for development of the V-22 tiltrotor aircraft to meet the medium lift amphibious/vertical needs of the Marine Corps and the special operations needs of the Special Operations Command (SOCOM). The committee understands that the Navy and the SOCOM have reached agreement on a program that will develop an aircraft capable of meeting the SOCOM's needs for the CV-22. The committee also understands that this program provides for remanufacture of a MV-22 test aircraft to CV-22 standards for test and evaluation, rather than providing a new aircraft off the production line. This represents a significant challenge for the program office to complete the CV-22 program with the agreed on capabilities by the date of the required special operations initial operational capability. Notwithstanding the agreement between the Department of the Navy and SOCOM Acquisition Executives, the committee considers this to be an unacceptable risk to CV-22 program, and recommends an increase to the authorization of \$37.0 million for development of the special operations variant of the V-22. The committee expects the Secretary of the Navy to include the total of \$47.0 million required to complete the CV-22 test and evaluation aircraft in the Navy's budget requests for fiscal years 1998 and 1999.

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*SECTION 212--LIVE-FIRE SURVIVABILITY TESTING OF V-22 AIRCRAFT*

This section would permit the Secretary of Defense to waive the survivability testing requirements of section 2366, title 10, United States Code, notwithstanding the fact that the V-22 tilt-rotor aircraft program has already entered engineering and manufacturing development. The section would also require the Secretary to the report to the Congress on how the Secretary plans to evaluate the survivability of the V-22 aircraft, his assessment of possible alternatives to realistic survivability testing of the aircraft, and alternative survivability test requirements for the conduct of any alternative live-fire test program.

<b>SASC LANGUAGE (Rpt. 104-267)</b>
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*MV-22*

The budget request for the MV-22 Osprey tilt rotor aircraft was \$558.7 million to procure four aircraft and associated support equipment.

While the operational requirements document requires the MV-22 program to achieve a fiscal year 1999 initial operating capability (IOC), the budget request only supports an IOC in fiscal year 2001. The committee understands that an increase of \$302.0 million for MV-22 procurement would accelerate the acquisition of two aircraft from fiscal year 2021 to fiscal year 1997. The program manager believes that this action would result in a cost saving of \$32.0 million from fiscal year 1998 through fiscal 2001.

The committee has further been informed that there are no technical or programmatic impediments to making an acceleration.

The committee is well aware of the funding history for development of the MV-22 in recent fiscal years. It is clear that the program has represented a large block of money that has frequently been used as a source for minor reprogrammings and adjustments to meet new requirements in the Department of Defense. The committee has concluded that these actions have left virtually no margin to the program manager to deal with the normal minor problems that emerge during transition of a major program from the late stages of development into production. A modest increment of additional funding in fiscal year 1997 could well prevent disruptive delays during the first years of low-rate, initial production.

Accordingly, the committee recommends an increase of \$232.0 million for V-22 procurement to acquire an additional two MV-22 aircraft and \$70.0 million for long lead funding to support production in fiscal year 1998 of 12 aircraft. Additionally, the committee recommends an increase of \$20.0 million in PE 64262N for risk mitigation during the first year of low-rate production.

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*Flight simulators*

The committee supports the maximum use of flight simulators that provide required training while eliminating costs associated with range and ammunition usage. The committee recommends an increase of \$60.0 million to procure or upgrade simulators for three systems, as well as to support relocation of fielded systems to collocate them with using units, as follows:

System	Millions
V-22	\$49.0
AV-8B	10.0
CH-53D	1.0

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*Section 242. Live-fire survivability testing of V-22 aircraft*

Section 2366 of title 10, United States Code, requires realistic survivability testing of systems before they proceed beyond low-rate initial production. Such testing may be waived by the Secretary of Defense if a certification is made to Congress that the tests would be unreasonably expensive and impractical.

The V-22 proceeded beyond low-rate initial production before enactment of the legislation requiring live fire testing. Accordingly, the committee recommends a provision to allow the Secretary of Defense retroactive waiver authority for the V-22 program, and also requires alternative survivability test requirements.

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CV-22

The committee is aware of an agreement between the Assistant Secretary of the Navy for Research, Development and Acquisition (RDA) and the U.S. Special Operations Command (USSOCOM) Acquisition Executive of the structure, schedule and content of the engineering and manufacturing development of the Special Operations Forces variant of the V-22, known as the CV-22. The agreement supports USSOCOM mission requirements within the \$550.0 million (then year) cap established by the Navy and is predicated upon the remanufacture of an MV-22 aircraft for CV-22 test and evaluation, rather the purchase of a new V-22. The configuration represents compliance with all key performance parameters and most of the threshold requirements defined in the joint operational requirements document (JORD).

The committee further understands that an additional \$10.0 million will be provided by the Navy to ensure the program meets its initial operating capability (IOC) on time with agreed-on capabilities.

The use of a remanufactured MV-22 flight test article represents an innovative, cost-effective solution to the problem of living within the program's resources. It also represents a challenge for the program office to complete the CV-22 program with the agreed-on capabilities on or before the required IOC. Accordingly, the committee expects the joint program office to release aircraft number nine back to the contractor for remanufacture by August 1, 1999. Should additional testing for the MV-22 program be necessary, the committee directs the program manager to develop and implement the necessary options to complete MV-22 testing without the use of aircraft number nine after August 1, 1999.

<b>CASC LANGUAGE (Rpt. 104-724)</b>
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*SEC. 214. LIVE-FIRE SURVIVABILITY TESTING OF V-22 OSPREY AIRCRAFT.*

(a) Authority for Retroactive Waiver.--The Secretary of Defense may, in accordance with section 2366(c) of title 10, United States Code, waive for the V-22 Osprey aircraft program the survivability tests required by that section, notwithstanding that such program has entered engineering and manufacturing development.

(b) Report to Congress.--In exercising the waiver authority in section 2366(c) of title 10, United States Code, the Secretary shall submit to Congress a report explaining how the Secretary plans to evaluate the survivability of the V-22 Osprey aircraft system and assessing possible alternatives to realistic survivability testing of the system.

(c) Alternative Survivability Test Requirements.--If the Secretary of Defense submits in accordance with section 2366(c)(1) of title 10, United States Code, a certification that live-fire testing of the V-22 Osprey aircraft would be unreasonably expensive and impractical, the Secretary shall require that components critical to the survivability of the V-22 Osprey aircraft be subjected to live-fire testing under an alternative live-fire testing program that, by reason of the number of such components

tested and the realism of the threat environments under which the components are tested, will yield test results that provide a sufficient basis for drawing meaningful conclusions about the survivability of V-22 Osprey aircraft.

(d) Funding.--The funds required to carry out any alternative live-fire testing of the V-22 Osprey aircraft system shall be made available from amounts appropriated for the V-22 Osprey program.

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*Flight simulators*

The budget request included no funding for flight simulators for various Marine Corps aircraft.

The Senate amendment would support the use of flight simulators for Marine Corps training by authorizing an increase of \$60.0 million to procure or upgrade simulators for the V-22, AV-8B, and CH-53D.

The House bill would authorize the requested amount.

The Senate recedes.

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*CV-22 special operations tiltrotor aircraft*

The budget request included \$576.8 million in PE 64262N for development of the V-22 tiltrotor aircraft to meet the medium lift amphibious/vertical lift needs of the Marine Corps (MV-22) and the special operations needs (CV-22) of the Special Operations Command (SOCOM). The Navy and the SOCOM acquisition executives reached agreement on a program that will develop an aircraft capable of meeting the SOCOM's needs for the CV-22. This program provides for remanufacture of a MV-22 test aircraft to CV-22 standards for test and evaluation, rather than providing a new aircraft off the production line.

The House bill would authorize an additional \$37.0 million to procure a new aircraft to support testing and evaluation of the CV-22, notwithstanding the agreement between the Department of the Navy and SOCOM acquisition executives. The House report (H. Rept. 104-563) expressed the opinion that the remanufacturing alternative would represent a significant challenge for the program office to complete the CV-22 program with the desired capabilities by the date of the required special operations initial operational capability (IOC). The report expressed the opinion that the agreed plan would pose an unacceptable risk to CV-22 program. The report indicated that the House expected the Secretary of the Navy to include the total of \$47.0 million required to complete the CV-22 test and evaluation aircraft in the Navy's budget requests for fiscal years 1998 and 1999.

The Senate amendment would authorize an additional \$20.0 million for funding for risk mitigation during the first year of low rate initial production. The Senate report (S. Rept. 104-267) noted that the program agreed upon by the Navy and SOCOM acquisition executives would be predicated on remanufacture of an MV-22 aircraft for CV-22 test and evaluation, and would represent compliance with all key performance parameters and most

of the threshold requirements defined in the joint operational requirements document (JORD). The report noted that using a remanufactured MV-22 flight test article would represent an innovative, cost-effective solution to the problem of living within the program's resources. The report also noted that the remanufacturing approach represents a challenge for the program office to complete the CV-22 program with the agreed-on capabilities on or before the required IOC in 2005. The report also noted that the Senate expected the joint program office to release aircraft number nine back to the contractor for remanufacture by August 1, 1999. Should additional testing for the MV-22 program be necessary, the program manager would be required to develop and implement the necessary options to complete MV-22 testing without the use of aircraft number nine after August 1, 1999.

The conferees understand that, notwithstanding the agreement that the SOCOM acquisition executive signed, the SOCOM would prefer to have a new, rather than a remanufactured aircraft to conduct CV-22 testing. The SOCOM has expressed concern that meeting the established IOC of having 15 aircraft available in fiscal year 2005 is at risk. The conferees also understand that the SOCOM has reservations about accepting an aircraft for the remanufacture program that could have upwards of 200 hours of flight time, based on previous experience with the MH-47 program.

The conferees observe that there are some similarities and some differences between the schedules for the buying and remanufacturing approaches;

(1) The schedule laid out by the Department indicates that the program preferred by the SOCOM would involve building an MV-22 aircraft that would later be converted to CV-22 configuration. Building a CV-22 aircraft, when the CV-22 is itself in development, now would involve too much concurrency.

(2) This MV-22 aircraft would be inducted into a CV-22 conversion program at the same time that an existing test aircraft would enter a remanufacturing program to turn it into a CV-22 test aircraft. According to the current schedule, both programs would deliver a CV-22 aircraft for testing in May, 2000.

(2) Buying a new dedicated test aircraft would reduce schedule risk. Should something happen to one of the test aircraft during MV-22 testing, the whole testing program and making one of the test aircraft available for remanufacturing could be delayed.

The conferees note that such schedule risk could be mitigated by the fact that this bill would add two production MV-22 aircraft that could be made available in lieu of providing a test aircraft for remanufacture. However, having an extra test aircraft available over the life of the MV/CV-22 program would ease the problems of testing schedules.

The conferees agree to provide an additional \$37.0 million, with \$27.0 million for the new MV-22 aircraft that would be converted to CV-22 configuration later, and \$10.0 million provided only for mitigating technical risk in the overall V-22 program.

The conferees have agreed to support the extra dedicated test aircraft because of SOCOM's view that this aircraft is the Command's number one unfunded priority. The conferees are willing to defer to the SOCOM in this case, with the understanding that the SOCOM will budget for the additional funds, beyond those now included in the program plan for remanufacture of an MV-22 to the CV-22 configuration, for: (1) the rest of the costs of the new aircraft; and (2) any CV-22-unique risk mitigation effort that SOCOM

views as important. The conferees expect that these funds would be transferred from SOCOM to the Navy acquisition executive during the years of execution.

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*Live-fire survivability testing of V-22 Osprey aircraft (sec. 214)*

The House bill contained a provision (sec. 212) which would permit the Secretary of Defense to waive the survivability testing requirements of section 2366(c) of title 10, United States Code, notwithstanding the fact that the V-22 tilt-rotor aircraft has already entered engineering and manufacturing development. The provision would require the Secretary to report to the Congress on how the Secretary plans to evaluate the survivability of the V-22 aircraft, his assessment of possible alternatives to realistic survivability testing of the aircraft, and alternative survivability test requirements for the conduct of any alternative live-fire test program. The provision would also require that funds required for alternative live-fire testing of the V-22 shall be made available from amounts appropriated for the V-22 program.

The Senate amendment contained a similar provision (sec. 242), but allowed rather than directed the use of V-22 program funds to carry out the tests.

The Senate recesses.

<b>HAC LANGUAGE (Rpt. 104-617)</b>
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*MODERNIZATION PROGRAMS*

*Major Weapons Programs*

The Committee has recommended substantial additions over the budget for the V-22 advanced tactical transport (\$339 million added), the Marine Corps AV-8B remanufacturing program (\$68 million), the C-17 strategic airlifter (\$315 million), and an additional \$504 million in advance procurement for the second New Attack Submarine. The Committee has fully funded the request for the Army Comanche helicopter (\$288 million), the Navy F/A-18 E/F fighter (\$2.2 billion), the Joint Strike Fighter development program (\$602 million), and the SSN-23 attack submarine (\$699 million), and has provided nearly \$2 billion for the Air Force F-22 fighter development program. The Committee has fully funded the requests associated with the B-1 and B-2 bomber programs and has recommended an additional \$367 million over the budget to accelerate the modification of these aircraft to carry stand-off, precision-guided munitions.

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*HIGH-LEVERAGE "FORCE MULTIPLIERS"*

**Mobility:** In order to address the continuing demand for improved mobility and logistics in support of rapid deployment of U.S. forces, the Committee proposes a comprehensive package of recommendations comprising the addition of nearly \$2.2 billion over the budget request, as shown below.

(1) Ten C-17 transport aircraft, an addition of two aircraft and \$315 million over the request;

(2) Six V-22 advanced tactical transport aircraft, an increase of two aircraft and \$312 million over the request;

(3) Four LMSR strategic sealift ships for the Army, an increase of two ships and \$611 million over the request;

(4) \$250 million over the request for the acquisition of two MPF-E prepositioning ships for the Marine Corps;

(5) \$209 million over the request for four new KC-130T tankers for the Marine Corps;

(6) \$104 million over the request for four reengining kits for Air National Guard KC-135 tankers;

(7) \$650 million for 3,994 Army tactical trucks, an increase of \$128 million and 1,150 vehicles over the request;

(8) \$101 million over the request for facility upgrades at ports, airfields and railheads;

(9) \$80 million over the request for equipment for offloading sealift ships;

(10) \$25 million over the request for capital equipment at ports, airfields and railheads; and

(11) \$23 million over the request for 60K A/C Loaders for air mobility operations.

Munitions: The Committee recommends an additional \$709 million over the request for munitions, of which \$269 million is for precision-guided stand-off munitions, and \$440 million for Army, Navy, Marine Corps and Air Force conventional ammunition accounts.

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### *PROCUREMENT*

The Committee recommends \$43,871,857,000 in new obligational authority for Procurement, an increase of \$5,734,748,000 over the fiscal year 1997 budget request, but a decrease from the current fiscal year when measured in constant dollars. Major programs funded in the bill include the following:

\$732,904,000 for 6 V-22 (Osprey) aircraft

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### *RESEARCH, DEVELOPMENT, TEST AND EVALUATION*

The Committee recommends \$37,611,031,000 in new obligational authority for Research, Development, Test and Evaluation, an increase of \$2,865,359,000 from the budget. Major programs funded in the bill include the following:

\$613,792,000 for the V-22 aircraft

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V-22

The Navy requested \$500,904,000 for procurement of 4 aircraft and \$57,753,000 for advance procurement of 5 aircraft in 1998. The Committee recommends \$732,904,000 for procurement of 6 aircraft, an increase of \$232,000,000; and \$127,753,000 for advance procurement of 12 aircraft in 1998, an increase of \$70,000,000. The Committee is concerned about the current 27-year production schedule of the V-22 aircraft. Given the recommendations of the Defense Science Board for more cost efficient V-22 production, the Committee understands that a minimum of \$8 billion can be saved by producing the V-22 at an efficient rate of 36 aircraft per year. Additionally, \$1.3 billion can be saved through earlier replacement of CH-46s and CH-53Ds currently in the fleet. The Committee directs that the fiscal year 1998 and subsequent budgets to the Congress continue the ramp-up this program to reach an economic rate of 36 aircraft per year not later than fiscal year 2000. The Committee expects DoD to replace all CH-46s and all CH-53Ds currently in the fleet with the MV-22 aircraft by no later than fiscal year 2012.

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*Other Warships*

*DDG-51*

The Navy requested \$3,374,693,000 to procure 4 DDG-51 Aegis ships. The Committee is concerned about continued turbulence in the Navy's DDG-51 Aegis destroyer construction program which originated in the Office of the Secretary of Defense decision over a year ago to remove ships from the Navy's recommended funding profile in fiscal years 1996 and 1998. Rather than sustaining the Navy's recommended stable construction profile of 3 ships per year, the Administration proposes to double the quantity of DDG-51 ships compared to last year, but then ramp the program down again in fiscal year 1998. With only 2 ships planned for construction in fiscal year 1998, the Committee is concerned about the inherent cost penalties associated with the Administration's current 2-4-2 construction plan for fiscal years 1996 to 1998. The Committee also expresses a cautionary note regarding informal proposals to provide authority in fiscal year 1997 for a multiyear procurement of the DDG-51 program, involving a total of 12 ships over the period of fiscal years 1998-2001. While the Committee as a rule is supportive of multiyear contracting, these particular proposals are of concern for a number of reasons. First, a DDG-51 multiyear proposal has not been formally submitted by the Department of Defense and the Committee understands that current outyear budgets do not fully fund such a program, a statutory requirement for multiyear contracting. As a four year DDG-51 multiyear would require making a firm fiscal and contractual commitment of \$12 billion, the Committee believes such a proposal must have the approval of, and be proposed by, the Secretary of Defense. Second, the Committee believes there are other multiyear contracting candidates available to the Navy which, for the commitment of fewer dollars, offer considerable benefits in terms of savings and program stability. These include the V-

22 aircraft program, about which the Commandant of the Marine Corps has testified that if it were produced at more efficient production rates than currently budgeted, up to \$8 billion in savings could accrue. Similarly, a modest investment for multiyear procurement of AV-8B, T-45, and E-2C aircraft would stabilize three production lines simultaneously while perhaps allowing a larger return on investment. Of greatest concern, however, is the effect a DDG-51 multiyear could have on an already underfunded Navy and Marine Corps shipbuilding program. "Locking in" \$12 billion of scarce shipbuilding funds for the DDG-51 over the next four years can only serve to complicate Navy efforts to resolve existing budget shortfalls associated with the next aircraft carrier, the New Attack Submarine program, and the LPD-17 amphibious ship. In the absence of a formal analysis of these and other budget alternatives by the Secretary of Defense, the Committee believes consideration of either increased DDG-51 production or a DDG-51 multiyear is premature at this time. The Committee therefore recommends \$2,624,693,000, a reduction of \$750,000,000 to mitigate the proposed one-time production spike in the destroyer program. The Committee invites the Secretary of Defense to submit funding for a stable DDG-51 construction program in the fiscal year 1998 budget request to Congress.

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*Military Spending Comparisons*

*CBO ESTIMATES*

*DEFENSE SPENDING TOTALS (050)*

[In billions of dollars]

Discretionary budget authority	1997	1998	1999	2000	2001	2002	Total
President Clinton	255.1	259.3	264.5	271.0	280.1	288.4	1,618.4
Republican budget	266.4	269.0	271.5	274.0	276.7	279.5	1,637.1
Republican budget above (+)/below(-) Clinton budget	+11.3	+9.7	+7.0	3.0	-3.4	-8.9	+18.7 (+1.2%)

This "roller coaster" budget ride is exactly backwards from what the Pentagon believes is necessary. Instead of borrowing against future defense budgets to spend extra billions now on items of marginal utility at a time when we have no major threat, the Pentagon's plan is to increase its modernization budget at the turn of the century when major next generation defense technologies now in development will be ready for production.

Under the Republican plan, funds will be far short of what is necessary to buy new systems such as the Joint Strike Fighter, the V-22 advanced tilt-rotor transport aircraft, the stealthy Comanche scout helicopter, long range precision-guided munitions, revolutionary computer/information technology, and unmanned aerial vehicles. It will mean either the added waste of canceling lower priority systems in mid-stream or cutting back further on troop strength to find the necessary funds for these high priority systems.

To add insult to injury, the Defense Department calculates that the new unbudgeted multi-year commitments initiated by Congress with this \$11 billion increase

for 1997 will consume \$25 billion in extra unbudgeted costs through the year 2002. For instance, if Congress is successful in requiring the development of additional models of a New Attack Submarine, nearly \$4 billion will be needed to follow through on this project through 2002.

This so-called "bow wave" effect is especially severe in 2001 and 2002 when an additional \$11.4 billion in unbudgeted costs would be added. The net effect is that the planned \$12.3 billion Republican military spending cut in 2001 and 2002 is really magnified to a \$24 billion cut.

This means that, unless troop strength is cut dramatically, the turn of the century DoD procurement accounts under the Republican budget will be far below the \$60 billion level called for by the Joint Chiefs of Staff and included in the Clinton defense budget.

<b>SAC LANGUAGE (Rpt. 104-286)</b>
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*AIRBORNE RECONNAISSANCE INITIATIVE*

Since the creation of the Defense Airborne Reconnaissance Program [DARP], the Committee has supported its activities. However, the Committee has become increasingly alarmed at the consistent and continuing trend by the program to fund new initiatives at the expense of proven systems that are currently in use and are critical to the national security. In reviewing the fiscal year 1997 request, the Committee has determined that many of the initiatives begun by DARP have been terminated due to developmental problems, were merged with other initiatives that have yet to reach fruition or simply renamed and continued. Concurrently, identified funding shortfalls to upgrade current systems persist, despite their recognized importance. In an effort to strike a more harmonious balance between fulfilling today's requirements and meeting tomorrow's needs, the Committee has determined that programs managed by DARP should be returned to the services.

The Committee expects the services to work together on all joint programs to achieve the successes they have enjoyed with such programs as V-22, JDAM, and AMRAAM. Accordingly, the Committee has realigned the funding of programs that currently passes through DARP to service program offices and has appropriated the funds directly to those offices. The Committee directs that all military personnel and O&M funding associated with DARP activities be returned to the appropriate service. The following table provides a funding breakout and associated transfers:  
(see table on page 43 of SAC language)

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*V-22 (medium lift).*--The Committee recommends additional funds to increase procurement of the MV-22 tilt rotor aircraft from four aircraft in the budget request to six in fiscal year 1997. Additional advance procurement funds are recommended to support an increase from 5 aircraft to 12 aircraft in fiscal year 1998. The Committee also recommends the addition of \$20,000,000 in the "Navy RDT&E" appropriations account for V-22 risk mitigation.

<b>CAC LANGUAGE (Rpt. 104-863)</b>
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*Research, Development, Test and Evaluation, Navy*

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; \$8,208,946,000, to remain available for obligation until September 30, 1998: Provided, That funds appropriated in this paragraph which are available for the V-22 may be used to meet unique requirements of the Special Operations Forces.

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*V-22*

After the Presidents budget was submitted, the Special Operations Command and the Department of the Navy entered into an agreement concerning the SOF variant of the V-22 aircraft. The agreement may require additional funds to maintain the variant aircraft's schedule in fiscal years 1997 and beyond. In formulating the fiscal year 1998 budget, the conferees direct the Undersecretary of Defense (Comptroller) to submit a reprogramming request to the congressional defense committees should additional fiscal year 1997 funds become necessary to implement the agreement, in order to keep the SOF variant's projected initial operating capability date on schedule.