

COMMITTEE LANGUAGE FOR FISCAL YEAR 1999

F/A-18C/D (FIGHTER) HORNET

ACCOUNT: APN

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
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F/A-18E/F (FIGHTER) HORNET

ACCOUNT: APN

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
(30)	(27)	(30)	(30)	(27)	(30)	(30)
2,876,129	2,671,429	2,876,129	2,862,129	2,656,429	2,876,129	2,861,129

F/A-18E/F (FIGHTER) HORNET ADVANCE PROCUREMENT (CY)

ACCOUNT: APN

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
109,438	109,438	109,438	-----	109,438	109,438	-----

F-18 SERIES

ACCOUNT: APN

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
198,049	194,149	198,049	194,149	211,149	198,049	194,149

F/A-18 SQUADRONS

ACCOUNT: RDT&E

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
357,214	357,214	333,814	338,814	288,805	336,314	308,805

HNSC LANGUAGE (Rpt. 105-532)

(Page 59-60 - Aircraft Procurement, Navy)

F/A 18E/F

The budget request contained \$2,787.8 million for 30 F/A 18E/F aircraft and \$109.4 million for advance procurement of 36 aircraft in fiscal year 2000.

Based on the results of the Quadrennial Defense Review (QDR), the committee notes that the Department has reduced the total procurement objective from 1,000 to 548 aircraft and has

also reduced procurement in the future years defense program (FYDP) from 248 to 224. The committee notes that the Department plans to request increases of six aircraft per year for each of the next three fiscal years until its maximum production rate of 48 aircraft per year is attained in fiscal year 2002. However, for fiscal year 1999, the requested increase from fiscal year 1998 is 10 aircraft.

The committee is also aware that the Department has increased the number of low rate initial production (LRIP) aircraft in fiscal years 1997, 1998 and 1999 from 42, as approved in 1992 by the Defense Acquisition Board (DAB), to its current plan of 62 aircraft. The Department's Selected Acquisition Reports indicate that both its initial plan of 42 LRIP aircraft and its current plan of 62 LRIP aircraft were predicated on a procurement objective of 1,000 aircraft. The committee notes that were the Department to comply with the 10 percent LRIP guideline contained in section 2400 of title 10, United States Code, 55 LRIP aircraft should be sufficient. During the past year, the committee has followed the Department's challenges in solving an uncommanded rolling motion problem that occurs at altitudes and angles of attack in that portion of the flight envelope where the F/A 18E/F performs air combat maneuvers. The Department's Director of Operational Test and Evaluation recently testified that the most promising solution to this problem--a porous wing fairing--causes unacceptable airframe buffeting and that the final solution to the problem may include other combinations of aerodynamic alterations to the wing surface. According to the Director, the root cause of the problem and modifications to the porous wing fairing are still being investigated, and the wing fairing configuration flown during developmental testing does not incorporate the production representative wing fold mechanism. Additionally, the Director stated that the Department would not have a complete understanding of the impact of the design fix, including uncertainty over air flow effects around the weapons pylons, until the conclusion of operational testing in 1999. Moreover, the Director also noted other concerns with the aircraft such as deficiencies in the performance of its survivability and radar jamming systems.

In light of the significantly higher increase in production proposed for fiscal year 1999, the apparent excess number of LRIP aircraft, and the development and testing issues yet to be fully resolved, the committee recommends a reduction of \$213.1 million and three aircraft. Of the total \$213.1 million reduction, initial spares is reduced by \$8.4 million. The committee believes that an increase of seven aircraft from the approved fiscal year 1998 level is appropriate and further believes that a total of 59 LRIP aircraft, approximately 11 percent of the total procurement objective, will meet requirements for operational testing and evaluation and will also be sufficient to meet both initial training requirements and the first operational deployment scheduled for fiscal year 2002.

TITLE I - PROCUREMENT

(Dollars in Thousands)

PROGRAM TITLE	FY 1999 AUTHORIZATION -- REQUEST --		FY 1999 CTME CHANGE FROM REQUEST		FY 1999 COMMITTEE RECOMMENDATION	
	QUANTITY	COST	QUANTITY	COST	QUANTITY	COST
NATIONAL GUARD & RESERVE EQUIPMENT						
RESERVE EQUIPMENT						
ARMY RESERVE						
				6,000		6,000
				8,000		8,000
				3,000		3,000
				2,000		2,000
				7,000		7,000
				15,000		15,000
				3,000		3,000
				6,000		6,000
001				-		-
NAVY RESERVE						
				38,000		38,000
				12,000		12,000
002				-		-
MISCELLANEOUS EQUIPMENT						
MARINE CORPS RESERVE						
				35,000		35,000
				5,000		5,000
				7,000		7,000
				2,000		2,000
				1,000		1,000
003				-		-
MISCELLANEOUS EQUIPMENT						
AIR FORCE RESERVE						
				50,000		50,000
004				-		-
MISCELLANEOUS EQUIPMENT						
TOTAL RESERVE EQUIPMENT				200,000		200,000
NATIONAL GUARD EQUIPMENT						

ADVANCED SELF-PROTECTION JAMMER

The committee notes that the AN/ALQ 165, the Advanced Self-Protection Jammer (ASPJ), is one of the most advanced tactical aircraft electronic countermeasures systems in production. Over 530 F/A 18C/D and 50 F 14D aircraft in the Navy and the Marine Corps inventory have been equipped for ASPJ installation, and it is the only electronic countermeasures system installed on these aircraft that can effectively counter the more modern threats encountered worldwide today. However, the committee also notes that out of 131 ASPJ units that have been procured thus far, only 82 systems are currently available for use by the Navy and the Marine Corps. As there is no organic depot capability to maintain the ASPJ systems, all failed systems must be returned to the manufacturer for repairs resulting in the Navy being only able to support approximately four fleet squadrons, or around 48 to 50 aircraft. The committee is also concerned that the lack of a sufficient ASPJ inventory requires that squadrons deploying with the ASPJ must have them installed just prior to deployment or while en route to the deployment areas. This situation precludes sufficient time for either pilot or maintenance personnel to properly train on the ASPJ system to ensure maximum operational proficiency. The committee urges the Secretary of the Navy to fully review all options for improving the availability of the ASPJ system, including the consideration of establishing a logistics support system for ASPJ maintenance and repair. Elsewhere in this report, the committee recommends an increase of \$75.0 million to address unfunded aviation depot maintenance requirements.

ADDITIONAL VIEWS OF JAMES M. TALENT

I write to express my disappointment that the Committee mark included 27 F/A-18E/Fs Super Hornets rather than the 30 aircraft as requested by the Navy for FY 1999. I am confident, however, especially given the outstanding success of this program, that these three aircraft will be restored as we progress through the legislative process.

Over the winter, a handful of print articles attempted to make the case that “wing drop” was a major problem for the E/F. This phenomenon, inherent in swept-wing, high-performance fighter aircraft, occurred at a limited number of known points in the flight envelope. It was caused by an imbalance in lift generated across one wing relative to the other. Software modifications eliminated most, but not all, of this undesirable flight characteristic.

From last fall through early April, the Navy’s flight test team at Patuxent River Naval Air Station, Maryland, followed a systematic, structured test plan that developed a final software/hardware fix to wing drop. During testing as far back as mid December, the Navy was able to report that over a two day period involving 421 at-tempts to actually induce wing drop with hardware applications in place, test pilots noted only two incidents.

During testimony before the House National Security Committee earlier this spring, Secretary Cohen stated that he would not re-lease FY 1998 funding until he was satisfied that wing drop was solved. Leading up to the Secretary’s own review, the Navy’s solution to wing drop was scrutinized by (1) the Overarching Integrated Product Test Team chaired by George Schneider in his capacity as Director, Strategic and Tactical Systems; (2) Phil Coyle III, OSD’s Director of Operational Testing and Evaluation; (3) John Douglass, Assistant Secretary of the Navy for Acquisition; (4) Admiral Jay Johnson, Chief of Naval Operations; (5) John Dalton, Secretary of the Navy; (6) Jacques Gansler, Under Secretary for Acquisition; and (7) Dr. John Hamre, Deputy Secretary of Defense.

On April 3, Secretary Cohen endorsed the Test Team’s solution for wing drop, and on April 15 released funds for the 20 Super Hornets authorized and funded in FY 1998. Despite the attention paid the issue, the solution to wing drop is nothing more than a piece of sheet stainless steel with thousands of little holes drilled in it to energize airflow over that portion of the wing. The production solution, a simple bolt-on composite panel, simply replaces the old one, and involves no hydraulics, electronics, nor structural modifications.

Having said this, it is important to note the significance as of the Navy’s request for 30 aircraft. This issue must be, from the warfighter’s perspective, the program’s key operational milestone. Specifically, the FY 1999 Navy request procures the first Super Hornets destined for operational use in fleet operations, currently scheduled for deployment aboard Harry S. Truman (CVN-75) in the spring of 2002. These aircraft are meant to replace two aging squadrons of 1970s-vintage F-14A Tomcats. Not merely a question of replacing Tomcats with Super Hornets, in 2002 the average age of these A-model F-14s will exceed 21 years.

There are a number of very good reasons why Secretary Dalton and Admiral Johnson identify the Super Hornet as the Navy’s top priority, and why the Navy’s leadership has done so for three consecutive years. The E/F’s operational capabilities are well know. The CNO has summed up the matter quite well: The Super Hornet “will dominate every known and anticipated threat for the next 20 years.” More than any other single weapons program, the Super Hornet, is the key to America’s naval power.

Flight testing is now 72 percent complete, and will be completed in time to begin Operational Evaluation, the next major milestone in May 1999, its scheduled start date. The aircraft is meeting or exceeding its performance in category, and is below weight and under congressional cost caps.

The question before Congress is no longer one of program viability, aircraft performance, or acquisition costs caps. Rather, the issue is one of how best to economically procure E/Fs consistent QDR recommendations and deploy them to the fleet. Given the outstanding success of the program and the close scrutiny—and endorsement—it has received from the Department, we should authorize the Service to begin negotiations towards a multi-year contract—and the approximately two-thirds of a billion dollars this action will save. One need only look at the difficulties involved in other multi-year contract negotiations to understand that we should support this action now.

JIM TALENT.

SASC LANGUAGE (Rpt. 105-189)

(Page 126-127 - Other Items of Interest)

F/A-18E/F configuration mix

The budget request included \$2,876.1 million for the procurement of 30 F/A-18E/F aircraft. Among the 30 aircraft, the Navy would buy 14 single seat aircraft (F/A-18E) and 16 two seat aircraft (F/A-18F).

During the Quadrennial Defense Review (QDR), the Defense Department reduced the planned buy for F/A-18E/F from 1,000 aircraft to a total of 548 785. The new total would vary, depending upon how soon the joint strike fighter (JSF) enters service. Whatever the size of the program for F/A-18E/F, the total program would now include a greater proportion of the two seat F/A-18F aircraft. One explanation for the richer mix has been that the Navy needs more two seat F/A-18s to replace two seat F-14s that will be retiring.

Following a recent hearing, the committee asked the Navy for a definition and rationale for the force mix between single seat F/A-18E aircraft and F/A-18F aircraft. The committee was very disappointed with the answer provided. Perhaps the Department did not understand the question. The question was: "Why does the Navy need a two seat aircraft to replace the F-14, when it is contemplating a two seat aircraft F/A-18F to replace the present day EA-6B?" The EA-6B aircraft is a four seat aircraft.

The committee recognizes the large strides made in human factors design of modern cockpits and simplified controls now available in tactical aircraft. The committee is aware that such improvements as digital displays, data links, and other improvements have decreased cockpit workload. For single seat aircraft, a major improvement has come from the development of hands on throttle and stick (HOTAS) flight management systems. HOTAS systems allow pilots to fly tactical aircraft without removing their hands from the flight controls to operate and fight the aircraft system. In fact, the Navy has represented that these technologies will permit the Navy to perform the EA-6B mission in a two seat aircraft. The committee notes that such technologies might permit the Navy to replace some two seat F-14 aircraft with single seat F-18 aircraft. Therefore, the committee needs to understand more of the reasoning behind the Navy's F/A-

18E/F force mix. Accordingly, the committee directs the Secretary of the Navy to provide a report to the congressional defense committees, no later than February 1, 1999, on the F/A-18E/F mix that includes:

(1) an analysis of crew contribution to mission success in tactical aircraft acquired since 1980, with due consideration given the technology improvements that would allow a single pilot to fly a tactical aircraft and simultaneously operate complex weapons systems;

(2) a comparison of crew workload and mission requirements of single and dual seat tactical aircraft acquired or planned for acquisition from 1980 through 2010; and

(3) a complete description of how a two seat F/A-18F aircraft will be able to perform the missions of the four seat EA 6B;

(4) the planned mix of F/A-18E and F/A-18F aircraft from the fiscal year 1999 budget request through the end of the program;

(5) a complete explanation of why F-14 aircraft must be replaced on a one-for-one basis by F/A-18F aircraft;

(6) a complete analysis of the range differential between the two seat F/A-18F and the single seat F/A-18E that considers reduced fuel for the second seat, increased life cycle costs, and any range degradation associated with wing drop remedies;

(7) an analysis of the intended roles for the single and dual seat F/A-18's highlighting similarities and differences in their roles; and

(8) an analysis of F/A-18 capability shortfalls brought on by network-centered warfare requirements that could require a second crew member.

(Page 171 - RDT&E, Navy)

Integrated defensive electronic countermeasures

The budget request included \$128.6 million for electronic warfare development. The integrated defensive electronic countermeasures (IDECM) system is the next generation radio-frequency countermeasures system (RFCM) intended for the F/A-18C/D/E/F, B-1B, F-15C/E, and other platforms. The committee understands and supports the Department of Defense efforts to apply this joint service technology to as many platforms as possible. The committee is also aware of the evolving nature of the operational requirements, which in many cases are driven by existing operational commitments and technical challenges inherent in the program. Therefore, the committee recommends an increase of \$10.0 million in PE 64270N for the IDECM RFCM.

(Page 174-175 - RDT&E, Navy)

F/A-18E/F reconnaissance development

The budget request included \$1.4 million in research and development and \$43.2 million in procurement to continue the restructured advanced tactical air reconnaissance system (ATARS) program. The ATARS total program of \$464.9 million includes \$216.3 million in development and \$248.6 million in procurement. The ATARS program will field reconnaissance systems on Marine Corps F/A-18D aircraft. The approved ATARS plan calls for fielding a total of 31 ATARS systems. The plan was restructured as part of a congressional cancellation of the original the Air Force follow-on tactical reconnaissance system (FOTRS) program. Congress dropped Air

Force and Navy participation in the ATARS program specifically because of the inadequate support and oversight provided by the two services.

The budget request also included \$2.9 million for fiscal year 1998 and \$43.4 million for fiscal year 1999 to begin an F/A-18E/F tactical reconnaissance development within PE 24136N. This is a new start program to develop a replacement for the F-14 tactical air reconnaissance pod system (TARPS). The Navy intends to spend \$398.9 million (\$112.4 million in research and development and \$286.5 million in procurement) to field 50 pods and eight ground stations.

The committee believes that the budget request for tactical reconnaissance is excessive, particularly in view of other alternatives that may be available to solve the Navy's tactical reconnaissance needs. Therefore, the committee recommends a funding level of \$20.0 million for F/A-18E/F tactical reconnaissance development, a reduction of \$23.4 million.

The committee believes that the Navy must conduct an analysis of alternatives (AOA) before launching upon a program that would spend another \$400.0 million on providing a TARPS replacement, when a direct one-for-one replacement may not be the most effective solution to the problem. The AOA should consider reconnaissance capability to be provided by other planned or existing systems, such as carrier-capable Marine Corps F/A-18D aircraft, various unmanned aerial vehicles (UAVs), and a range of national reconnaissance systems. The committee directs the Navy to obligate no more than 50 percent of these funds until 30 days after the Navy submits the results of the AOA to the congressional defense committees.

CASC LANGUAGE (Rpt. 105-736)

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Title I – Procurement

Subtitle C – Navy Programs

SEC. 124. ANNUAL GAO REVIEW OF F/A-18E/F AIRCRAFT PROGRAM.

(a) REVIEW AND REPORT REQUIRED.—Not later than June 15 of each year, the Comptroller General shall review the F/A-18E/F aircraft program and submit to Congress a report on the results of the review. The Comptroller General shall submit to Congress with each such report a certification as to whether the Comptroller General has had access to sufficient information to make informed judgments on the matters covered by the report.

(b) CONTENT OF REPORT.—The report submitted on the pro-program each year shall include the following:

(1) The extent to which engineering and manufacturing development and operational test and evaluation under the pro-program are meeting the goals established for engineering and manufacturing development and operational test and evaluation under the program, including the performance, cost, and schedule goals.

(2) The status of modifications expected to have a significant effect on the cost or performance of the F/A-18E/F aircraft.

(c) DURATION OF REQUIREMENT.—No report is required under this section after the full-rate production contract is awarded under the program.

(d) REQUIREMENT TO SUPPORT ANNUAL GAO REVIEW.—The Secretary of Defense and the prime contractors under the F/A–18E/F program shall timely provide the Comptroller General with such information on the program, including information on program performance, as the Comptroller General considers necessary to carry out this section.

(Page 409)
F/A–18E/F

The budget request included \$2,876.1 million for the F/A–18E/F.

The House bill would authorize a decrease of \$204.7 million and would reduce the fiscal year 1999 production from 30 aircraft to 27 aircraft.

The Senate amendment would authorize the budget request.

The conferees agree to authorize production of 30 aircraft and to a decrease of \$14.0 million from the budget request.

(Pages 477-478)
National Guard and Reserve Equipment

National Guard and Reserve Equipment

The budget request included \$1.36 billion for National Guard and Reserve equipment, as follows:

	<i>Millions</i>
Aircraft, Army	\$110.2
Missiles, Army	35.3
Weapons and Tracked Combat Vehicles, Army	12.3
Ammunition, Army	182.3
Other Procurement, Army	502.9
Aircraft, Navy	41.8
Ammunition, Navy/USMC	17.3
Other Procurement, Navy	3.6
Procurement, USMC	39.9
Aircraft, USAF	293.3
Ammunition, USAF	30.4
Other Procurement, USAF	85.0
NG&RE, Other Procurement	9.3
Department of Defense Total	1,363.6

This request reflects a net increase of almost \$400.0 million above the funding requested for the reserve component modernization in the fiscal year 1998 budget request. The conferees believe that the increased funding requested by the services for reserve component modernization reflects a recognition of the critical role that these forces provide in Department of Defense operations. The conferees agree that reserve component modernization, as an integral component of overall DOD modernization, should rely on a collaborative budget development process within the Department and not on annual congressional supplemental funding, which would have to come at the expense of other programs funded in the budget request. However, the conferees recognize that there are still significant modernization shortfalls in both the active and reserve components and remain concerned about the readiness implications of declining modernization funding requests.

Accordingly, the conferees agree to authorize increases to support reserve component modernization, as follows:

	<i>Millions</i>
UH-60 Blackhawk	\$66.4
Family of Medium Tactical Vehicles	42.5
Medium Truck Extended Service Program	20.0
Multiple Launch Rocket System Launchers	45.0
R2000 Engine Flush System	5.0
Bradley Upgrades	70.0
SINCGARS family	50.0
AH-64 Vibration Management Enhancement System	3.0
Engagement Skills Trainers	5.0
MIUW van upgrades	12.0
KC-135 Re-engining	46.0
F-16 IAIS	14.0
C-130 (1 WC-130J, 1 EC-130J, 2 C-130J)	276.4
C-130J Simulator	30.0
Total increase	685.3

Additionally, the conferees agree to authorize an increase of \$60.0 million for National Guard and Reserve miscellaneous equipment, as follows:

	<i>Millions</i>
Army Reserve	
Miscellaneous	\$10.0

	<i>Millions</i>
Navy Reserve	
Miscellaneous	10.0
Marine Corps Reserve	
Miscellaneous	10.0
Air Force Reserve	
Miscellaneous	10.0
Army National Guard	
Miscellaneous	10.0
Air National Guard	
Miscellaneous	10.0

The conferees direct that the miscellaneous funding be allocated exclusively by the chiefs of the reserve components, in consultation with service chiefs, and give priority consideration to the following items: 2.5-ton and 5-ton truck extended service program; night vision equipment; high mobility multipurpose wheeled vehicles; CH-47 crashworthy internal fuel cells; heavy expanded mobility tactical truck bridge transportation kits; M915 truck extended service program upgrade kits; rock crush, screen; AVLB 60-70 ton upgrades; high mobility multipurpose wheeled vehicle contact maintenance trucks; 5 kilowatt tactically quiet generator; M915A3 long haul tractor; F/A-18A+ ECP; CH-53e HNVS "B kits"; electronic calibration facility (AN/TSM-198); electronic test measurement and diagnostic equipment facility; D-7 bulldozer; reconfigurable mission simulator; meteorological measuring sets (AN/TMQ41); PATS (F-16); F-16 ALR-56M RWR; F-16 SADL ADP/color; A-10 SADL group A; airborne firefighting equipment; mobile backscatter truck inspection system; the advanced radar warning receiver; and the D-7 product improvement program.

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LEGISLATIVE PROVISIONS ADOPTED

Subtitle C—Navy Programs

Annual General Accounting Office review of F/A-18E/F program (sec. 124)

The Senate amendment contained a provision (sec. 1034) that would require an annual General Accounting Office review of the F/A-18E/F program.

The House bill contained no similar provision.

The House recedes with a technical amendment.

HAC LANGUAGE (Rpt. 105-391)

(Page 16)

PROCUREMENT

The Committee recommends \$48,471,235,000 in obligational authority for programs funded in Title III of the bill, Procurement, a net increase of \$621,689,000 over the fiscal year 1999 budget request. Major programs funded in the bill include the following:

- \$297,320,000 for 30 UH-60 Blackhawk helicopters
- \$570,096,000 for Apache Longbow modifications
- \$313,325,000 for 2,000 Hellfire missiles
- \$319,988,000 for 3,316 Javelin missiles
- \$110,387,000 for 24 MLRS launchers
- \$371,844,000 for Bradley fighting vehicle upgrades
- \$666,603,000 for M1A2 tank upgrades
- \$58,476,000 for 1,000 HMMWV vehicles
- \$51,212,000 for SINCGARS tactical radios
- \$279,513,000 for 12 AV-8B strike aircraft
- \$2,568,083,000 for 27 F-18E/F fighters
- \$144,027,000 for 6 CH-60 helicopters
- \$267,167,000 for 15 T-45 trainers
- \$341,033,000 for P-3 modifications
- \$260,652,000 for 5 Trident II strategic missiles
- \$39,506,000 for 54 SLAM-ER missiles
- \$205,702,000 for 120 Standard missiles
- \$1,498,165,000 for 1 New Attack Submarine
- \$2,662,078,000 for 3 DDG-51 class destroyers
- \$812,618,000 for Marine Corps equipment
- \$525,094,000 for 2 F-22 fighters
- \$2,596,992,000 for 13 C-17 airlift aircraft
- \$463,051,000 for 2 JSTARS aircraft
- \$114,492,000 for 15 Predator UAVs
- \$60,000,000 for 2 F-16 aircraft
- \$341,070,000 for C-135 Modifications
- \$275,869,000 for B-2 modifications
- \$461,382,000 for 8 C-130J airlift aircraft
- \$93,727,000 for 180 AMRAAM missiles
- \$1,961,883,000 for ammunition
- \$303,235,000 for 40 PAC-3 missiles

(Page 121 - Aircraft Procurement, Navy)

COMBAT AIRCRAFT

F/A-18E/F HORNET

The Navy requested \$2,787,783,000 to procure 30 F/A-18E/F Hornet aircraft. The Committee recommends \$2,568,083,000 to procure 27 aircraft, a decrease of \$219,700,000 and 3 aircraft. This includes a decrease of \$204,700,000 for 3 aircraft as recommended in the House-passed authorization bill, and a decrease of \$15,000,000 since the Navy has used the F/A-18 program as a reprogramming source in a number of previous fiscal years.

(Page 123 - Aircraft Procurement, Navy)
F-18 SERIES

The Navy requested \$198,049,000 for F-18 aircraft modifications. The Committee recommends \$211,149,000, an increase of \$13,100,000. This includes an increase of \$17,000,000 only for modification of Naval Reserve aircraft, and a decrease of \$3,900,000 as recommended in the House-passed authorization bill.

(Page 165 - National Guard and Reserve Equipment, Committee Recommendations)

The budget request is still inadequate to provide the National Guard and Reserve components the equipment needed to respond to increasing deployments. Therefore, the Committee further recommends an increase of \$712,500,000 in the procurement accounts of the services for National Guard and Reserve equipment and has specifically identified the following aircraft and aircraft modifications as shown in the table below:

UH-60 Blackhawk (8)	\$78,000,000
CH-60 (2)	38,000,000
F-18 modifications	17,000,000
WC-130J (1)	59,700,000
EC-130J (1)	76,200,000
C-130J (3)	174,000,000
KC-135 Reengining	50,000,000

(Page 204 - RDT&E, Navy)

COOPERATIVE ENGAGEMENT CAPABILITY

The Navy requested \$131,623,000 for cooperative engagement capability. The Committee recommends \$186,123,000, an increase of \$54,500,000. The cooperative engagement capability (or CEC) program should fund only the development of core technologies. Programs for individual weapon system platforms should bear their own unique costs for integration of cooperative engagement capability into their systems. The Committee has therefore transferred \$12,500,000 of funds requested in the cooperative engagement development budget to other programs: \$9,500,000 for integration on DDG-51 ships has been provided in Surface Combatant Combat Systems Engineering and \$3,000,000 for development of a new LAMPS data link has been provided in Other Helo Development. The Committee notes that the LAMPS/CEC datalink interference issue was recognized when cooperative engagement was fielded, but the redesign of the helicopter's datalink is an issue independent from cooperative engagement capability. The Committee directs that future budget submissions to Congress provide Navy weapons cooperative engagement capability integration costs in platform development budgets.

The Committee recommends an additional \$67,000,000 for cooperative engagement capability and related requirements identified by the Navy after the budget was submitted. These additional requirements became known after analysis of at-sea test results conducted in 1997. This includes an additional \$20,000,000 only to conduct additional developmental and operational testing to resolve battlegroup interoperability issues; \$15,000,000 only for design agent transition;

\$13,000,000 only to develop large network capability; \$10,000,000 only to develop a low cost common equipment set; and \$9,000,000 only to establish a land based network.

The Committee notes that the Navy has not used additional funds provided by Congress in this program during the past two years as the Committee intended. The Committee also notes that the Navy has realigned fiscal year 1998 inflation funds from other programs to the benefit of the F/A-18 development program, and believes that the cooperative engagement program is of equal priority. The Committee therefore has included bill language to require that the total amount appropriated for cooperative engagement capability be spent only for that purpose.

(Page 212 - RDT&E, Navy, Operational Systems Development)
F/A-18 SQUADRONS

The Navy requested \$357,214,000 for F/A-18 development. The Committee recommends \$288,805,000, a decrease of \$68,409,000. This includes decreases of \$43,409,000 to transfer the Super Hornet Advanced Reconnaissance Pod from this budget line to Manned Reconnaissance Systems (program element 0305207N) and \$25,000,000 due to excessive budget growth. The budget request for development of the new model F/A-18 is about \$88,000,000 or 68 percent higher than forecast a year ago. The Navy has recently informed the Committee that its estimate to complete the development contract will be revised downward now that the wing-drop issue has been resolved, the contract remains in an underrun status, and additional funds have been made available to the F/A-18 program in fiscal year 1998 due to allocation of inflation savings from other programs after the President's budget was submitted.

(Page 213 - RDT&E, Navy, Operational Systems Development)
MANNED RECONNAISSANCE SYSTEMS

The Navy requested \$342,000 for manned reconnaissance systems. The Committee recommends \$42,751,000, an increase of \$42,409,000 transferred from the funding line for F/A-18 squadrons.

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DISSENTING VIEWS OF HON. DAVE OBEY

The Committee has once again produced a military spending bill directing substantial sums for lower priority items, while short-changing several programs important to our national security. In particular, the Nunn-Lugar reduction program and the Navy's number one budget priority to replace aging F-14's with new F/A-18 E/F aircraft have been cut to make room for other items. This bill is filled with congressional directed spending projects selected more on the basis of whose district the money will be spent in rather than how the product will be used by our fighting forces.

Further, this bill clearly demonstrates that the Republican leadership has not been genuine in its advocacy of strict budget discipline and holding down government spending. They have taken a number of steps that appear to be at variance with the recommendations of the Budget Committee and its chairman, and seem to show that they want to make spending decisions on an ad hoc basis rather than in conformance with an overall budget plan. Ultimately this means that

each spending decision, whether it is for highways, weapons procurement, or some other recently rediscovered priority is made on an ad hoc basis in the same way Congress operated prior to the 1974 Budget Act.

One of the most remarkable aspects of this National Security Appropriations bill is that a selected amount of outlays from certain accounts will be scored on the basis calculated by OMB instead of by CBO (so-called “directed scoring”). What this means is that the House Republican leadership chose to ignore the professional judgment of the CBO on how to account for the spending in this bill. The result is to simply not count billions in military spending that the CBO determined should be counted.

Just two-and-a-half years ago this same Republican leadership even went so far as to shut down the government over its insistence that the President and the Congress use no other spending assumptions than those made by the CBO. What a difference two-and-a-half years have made.

Besides relying on the Speaker’s “directed scoring” order that CBO simply not count billions in military spending, this bill employs two other ways to spend another \$1.93 billion more than would be technically counted against the defense budget caps enacted into law by the Balanced Budget Act. Legislative language has been inserted to shift the accounting of asset sales of surplus Navy ships to allow the Pentagon to re-spend the proceeds, and two appropriations in the bill were designated to be “emergency” items, thereby excluding them from the official bill totals.

When all the accounting gimmicks are pushed aside and the real spending in this bill is added up, we find that it spends nearly \$4.4 billion more for fiscal year 1999 than called for under the Balanced Budget outlay cap (embodied in the 302b outlay allocation) enacted by Congress less than a year ago.

(Page 294-296)

*DISSENTING VIEWS OF HON. DAVE OBEY
C-130 TRANSPORT AIRCRAFT*

...It certainly seems reasonable that with the substantial cost increases for the J model, the continuing development problems, and the substantial number of planes already on order, the \$431 million in this bill for more C-130J aircraft could be put to higher use.

I proposed in full committee an amendment to transfer funds in the bill earmarked for four of the seven C-130J planes and use those funds to

- (1) restore funding for three Navy F/A 18 E/F aircraft the committee had cut out from the budget request to make room for unrequested C-130J aircraft; and
- (2) start a \$35 million C-130X remanufacture program to upgrade existing C-130 planes instead of buy expensive new models.

While this amendment was not agreed to, I was able to secure a promise from subcommittee leaders that they will ensure that the three Navy F/A 18 E/F aircraft are restored in conference.

SAC LANGUAGE (Rpt. 105-200)

(Page 62 - Aircraft Procurement, Navy)

Common ECM equipment.—The Committee understands the acute shortage of ALQ–165 electronic warfare jamming devices has left the Department of the Navy without adequate numbers to support deploying F–14D’s and F/A–18C/D’s. The Marine Corps F/A–18’s have only three suites remaining and some overseas deploying Navy squadrons will remain unprotected against specific threats the ALQ–165 counters for nearly 4 months. Therefore, the Committee has provided an increase of \$10,000,000 for the procurement of 18 ALQ–165 suites. Additionally, the Committee directs the Department of the Navy to develop a program for fiscal year 2000 and beyond which fully satisfies the requirements of its deploying forces during the interim period until IDECM is fully operational.

(Page 115 - RDT&E, Navy, Other Adjustments, Authorization Adjustments)

[In thousands of dollars]

Item	1999 budget estimate	Committee recommendation	Change from budget estimate
F/A–18 E/F tactical reconnaissance development ...		– 23,400	– 23,400
Super Hornet Advanced Reconnaissance Program demonstration pods ¹		+ 2,500	+ 2,500
Consolidated training systems development	28,390	35,390	+ 7,000
Battle force tactical training		7,000	+ 7,000

¹ Increase reflects Committee recommendations as outlined in the “Program and project increases” heading of this report section.

² Program reduction recommended as described under the heading “Program reductions and deferrals.”

CAC LANGUAGE (Rpt. 105-746)

(Page 92-93)

NAS LEMOORE QUALITY OF LIFE PROJECTS

The conferees agree that the Navy must place priority on constructing and upgrading quality of life facilities at Naval Air Station Lemoore. The lack of adequate support facilities at this location is having an adverse impact on F/A–18 pilot retention rates.

The conferees direct the Secretary of the Navy to review the five-year plan for quality of life projects at this location and take appropriate actions to add new projects to the plan and to accelerate implementation of all quality of life projects at this location.

(Page 115 – Aircraft Procurement, Navy)

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
F/A-18E/F (FIGHTER) HORNET	2,787,783	2,568,083	2,787,783	2,772,783
Reduction of aircraft	0	- 204,700	0	0
Program reduction	0	- 15,000	0	- 15,000

Page 116 – Aircraft Procurement, Navy – Explanation of Project Level Adjustments)

[In thousands of dollars]

	Budget	House	Senate	Conference
F-18 SERIES	198,049	211,149	198,049	194,149
Modification of Naval Reserve aircraft	0	17,000	0	0
Authorization reduction, installation costs	0	- 3,900	0	- 3,900

(Page 141 – RDT&E, Navy, Explanation of Project Level Adjustments)

[In thousands of dollars]

	Budget	House	Senate	Conference
F/A-18 SQUADRONS	357,214	288,805	336,314	308,805
Superhornet advanced reconnaissance pod	0	- 43,409	2,500	- 43,409
Excessive budget growth	0	- 25,000	0	- 5,000
Tactical reconnaissance development	0	0	- 23,400	0