

An hourglass-shaped graphic with a globe inside. The top bulb is dark blue, and the bottom bulb is light blue. The globe is a darker shade of blue. The hourglass is centered on the page.

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Report 97-205

Appropriations for FY1998: Defense

Stephen Daggett, Foreign Affairs and National Defense Division

November 26, 1997

Abstract. Early discussion of the FY1998 defense request has focused on whether the FY1998 budget resolution should be adjusted to allow more room for congressional additions to the request and on trade-offs between defense and non-defense discretionary spending. The issue may be especially difficult to resolve because the Congressional Budget Office estimates that the Administration's defense request will entail outlays \$5.6 billion greater than the amount the Office of management and Budget projects.

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Appropriations for FY1998: Defense

Updated November 26, 1997

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Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bounded by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations. In addition, the line item veto takes effect for the first time in 1997.

This report is a guide to one of the 13 regular appropriations bills that Congress passes each year. It is designed to supplement the information provided by the House and Senate Defense Appropriations Subcommittees. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

Since this report was last updated, data related to the FY1998 appropriations may have changed through supplemental appropriations or rescissions, entitlement revisions, or scorekeeping adjustments. These changes will be reflected in a subsequent report.

NOTE: A Web version of this document with active links is available to congressional staff at <http://www.loc.gov/crs/products/apppage.html>

Appropriations for FY1998: Defense

Summary

On October 23, House and Senate conferees announced agreement on a compromise version of the FY1998 defense authorization bill, H.R. 1119. The House approved the conference report on October 28 by a vote of 268-123, and the Senate approved the agreement on November 6 by a vote of 90-10. The President signed the bill into law (P.L. 105-85) on November 18. The issue that had held up agreement in the conference for several weeks was how to allocate work between public Air Force depots in Utah, Oklahoma, and Georgia and two recently privatized facilities in California and Texas. The conference agreement included compromise language that allows competition between the public and private facilities, as the Administration insisted, but with conditions, including a requirement that "core" work essential to major missions be reserved for the public depots. Senators from Texas and California opposed the compromise, however, and Office of Management and Budget Director, Franklyn Raines, threatened a veto of the bill without changes in the compromise language. No changes were made, however, and the President ultimately decided to sign the bill.

Earlier, on September 25, the House and the Senate approved a conference agreement on the FY 1998 defense appropriations bill, H.R. 2266, and the President signed the bill into law (P.L. 105-56) on October 8. The agreement resolved differences between the two houses on a number of contentious issues, including B-2 bomber funding, withdrawal of troops from Bosnia, contractor teaming to produce the New Attack Submarine, some other shipbuilding programs, and funding for tactical aircraft programs. The B-2 and Bosnia compromises avoided a threatened veto by the White House. The authorization conference follows the appropriations on all of these issues. On October 14, the White House announced that the President had exercised his line-item veto authority to delete funding for 13 projects in the appropriations bill totaling \$144 million.

The final version of the defense appropriations bill provides \$247.7 billion in new budget authority for defense programs, a compromise between the House-passed level of \$248.3 billion and the Senate level of \$247.1 billion. The total is \$3.8 billion above the Administration request. The final military construction appropriations bill, H.R. 2016, which was approved in the House on September 16 and in the Senate on September 17, provides an additional \$9.2 billion for the Department of Defense. Several other appropriations bills also provide funds for defense-related activities of other agencies. With action on all of the bills completed, total funding for national defense is close to the level of \$268.2 billion recommended by the FY1998 congressional budget resolution, which is \$2.6 billion above the Administration request. The authorization conference agreement also provides \$268.2 billion.

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Appropriations for FY1998: Defense

Most Recent Developments

On November 18, the President signed H.R. 1119, the FY1998 defense authorization bill into law (P.L. 105-85). The Senate had approved the conference agreement on the bill on November 6 by a vote of 90-10, and the House approved the conference report on October 28 by a vote of 268-123. Earlier, on September 25, the House and the Senate approved a conference agreement on the FY1998 defense appropriations bill, H.R. 2266, and the President signed the measure into law (P.L. 105-56) on October 8. The agreement resolved differences between the two houses on a number of contentious issues, including B-2 bomber funding, withdrawal of troops from Bosnia, contractor teaming to produce the New Attack Submarine, some other shipbuilding programs, and funding for tactical aircraft programs. The B-2 and Bosnia compromises avoided a threatened veto by the White House. On October 14, the White House announced that the President had exercised his line-item veto authority to delete funding for 13 projects totaling \$144 million.

Background: Content of Defense Authorization and Appropriations Bills

The annual defense appropriations bill provides funds for military activities of the Department of Defense (DOD) — including pay and benefits of military personnel, operation and maintenance of weapons and facilities, weapons procurement, and research and development — and for other purposes. Most of the funding in the bill is for programs administered by the Department of Defense, though the bill also provides (1) relatively small, unclassified amounts for the Central Intelligence Agency retirement fund and intelligence community management and (2) classified amounts for national foreign intelligence activities administered by the CIA and by other agencies as well as by DOD. Several other appropriations bills also provide funds for national defense activities of DOD and other agencies, including:

- the military construction appropriations bill, which finances construction of military facilities and construction and operation of military family housing, all administered by DOD;
- the energy and water development appropriations bill, which funds atomic energy defense activities administered by the Department of Energy;
- the VA-HUD-independent agencies appropriations bill, which finances civil defense activities administered by the Federal Emergency Management Agency and activities of the Selective Service System; and

- the Commerce-Justice-State appropriations bill, which funds defense-related activities of the FBI.

The defense appropriations bill is by far the largest of the appropriations measures that provide funding for national defense. In its February budget, the Administration requested \$265.3 billion in new budget authority for the national defense budget function, of which \$243.3 billion was requested in the defense appropriations bill, \$8.4 billion in military construction, \$13.6 billion in energy and water, and the remainder in other appropriations bills.

Along with annual defense-related appropriations, Congress also acts every year on a national defense authorization bill. In recent years, the defense authorization has been an omnibus bill that considers funding in all of the appropriations measures discussed above. The authorization bill addresses defense programs in almost precisely the same level of line item detail as the defense-related appropriations bills. Differences between the authorization and appropriations measures within each House generally concern only a few programs. As a result, congressional debate over major defense policy and funding issues usually occurs mainly in action on the authorization bill. **Because the defense authorization and appropriations bills are so closely related, this report discusses congressional action on both measures, though it focuses on the progress of the appropriations process.**

Status

The status of congressional action on FY1998 defense authorization and appropriations bills is as follows:

- **House authorization:** On June 11, the House National Security Committee completed markup of its version of the FY1998 defense authorization bill, H.R. 1119, and floor consideration began on June 19. On June 19, the House bill was amended to include parts of H.R. 1778, the "Defense Reform Act," that impose reductions in defense overhead activities and make changes in acquisition regulations. The House passed H.R. 1119 on June 25.
- **Senate authorization:** The Senate Armed Services Committee completed markup of its initial version of the authorization bill, S. 924, on June 12. Later, on June 18, the Committee reported a renumbered bill, S. 936, which eliminated provisions regarding workloads at aircraft maintenance depots (see below for a discussion). This version of the bill was taken up on the floor on June 19 and 20, and action resumed on July 7. The Senate passed the bill on July 11. On July 11, the Senate also formally took up the House-passed bill, deleted all after the enacting clause, and inserted its own version, so the conference proceeded on the bill with the House number.
- **House-Senate authorization conference:** On October 23, House and Senate conferees announced agreement on the defense authorization bill. The House approved the conference report on October 28. On October 29, the Senate tabled a motion by Senator Gramm to delay action on the bill until January,

and the Senate approved a motion to close debate on October 31 and approved the conference report on November 6 by a vote of 90-10.

- **Senate appropriations:** On July 8, the Senate Defense Appropriations Subcommittee marked up its version of the FY1998 defense appropriations bill, and the full committee completed markup on July 10 and ordered the bill, S. 1005, to be reported. Floor action began on July 14 and the bill was approved on July 15. On July 29, the Senate formally took up the House-passed version of the bill, H.R. 2266, struck all after the enacting clause, and inserted the text of its own version. Conference action, therefore, proceeded on the bill with the House number.
- **House appropriations:** The House National Security Appropriations Subcommittee marked up its version of the FY1998 defense appropriations bill on July 8 and 9; the full committee completed its markup and ordered the bill reported on July 22; the full House passed the bill, H.R. 2266, on July 29.
- **House-Senate appropriations conference:** Conferees reached agreement on a compromise version of the bill and ordered the agreement reported on September 19; the report was filed on September 23; and the House and Senate approved the conference report on September 25. The President signed the bill into law on October 8 (P.L. 105-56).
- **FY1997 supplemental appropriations and rescissions:** On June 12, both the House and the Senate approved H.R. 1871, a bill making supplemental appropriations and rescissions for FY1997. This bill was passed in place of an earlier measure, H.R. 1469, that the White House had vetoed because of two policy provisions, one to prevent a government shutdown at the end of the fiscal year and another to prohibit the use of sampling in the 2000 census. The new bill was signed into law later on June 12. Along with funding for domestic disaster relief, the bill provides \$1.9 billion for the Department of Defense, mainly to cover costs of contingency operations in Bosnia and Southwest Asia. The bill also rescinds \$1.9 billion of defense funds to offset the supplemental amounts. (For a full discussion of supplemental funding, see CRS Issue Brief 97029, *Supplemental Appropriations and Rescissions for FY1997*, Stephen Daggett, coordinator.)

Status of FY1998 Defense Appropriations

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
July 9	July 8	July 22 (H.Rept. 105-206)	July 29 (322-105)	July 10 (S.Rept. 105-45)	July 15 (94-4)	Sept. 23 (H.Rept. 105-265)	Sept. 25 (356-65)	Sept. 25 (93-5)	Oct. 8 (P.L. 105-56)

Defense Budget Trends

The White House-congressional budget agreement that was finalized on May 19 establishes recommended levels of budget authority and outlays for the national defense budget function for the five years from FY1998 through FY2002 (see below for a discussion of the relationship between budget authority and outlays). Under the agreement, budget authority for national defense will increase slightly in nominal terms, but, when adjusted for inflation, will decline modestly through FY2000 and then essentially level off. By FY2002, budget authority for national defense will be about 38% below its peak in FY1985. **Table 1** shows the trend in current year dollars and in constant FY1998 prices.

Table 1. National Defense Budget Projections Under the White House-Congressional Budget Agreement
(current and constant FY1998 dollars in billions)

Fiscal Year	1985	.....	1997	1998	1999	2000	2001	2002
Budget Authority								
Current year dollars	294.7	.....	264.9	268.2	270.8	274.8	281.3	289.1
Constant FY1998 dollars	425.9	.....	271.8	268.2	264.9	262.8	262.8	263.8
Real growth/decline			-2.8%	-1.3%	-1.2%	-0.8%	+0.0%	+0.4%
Cumulative growth/decline			-36.2%	-37.0%	-37.8%	-38.3%	-38.3%	-38.1%
Outlays								
Current year dollars	252.7	.....	266.6	266.0	265.8	268.4	270.1	272.6
Constant FY1998 dollars	368.9	.....	273.5	266.0	260.1	256.7	252.5	249.0
Real growth/decline			-1.9%	-2.8%	-2.2%	-1.3%	-1.7%	-1.4%

Sources: House and Senate Budget Committees; deflators from DOD Comptroller.

The cuts in the defense budget over the past several years have been achieved mainly by reducing the size of the military force and by slowing the pace of weapons modernization. Active duty military end-strength will decline from about 2.2 million in FY1987 to about 1.45 million by the end of FY1997 under Administration plans, a reduction of about 33%. The number of divisions in the Army and Marine Corps, ships in the Navy, and air wings in the Air Force have fallen accordingly. Under plans established by the Quadrennial Defense Review, released on May 19, the active duty

force will decline to about 1.36 million over the next few years, 36% below the FY1987 level.

Funding for weapons acquisition has declined even more steeply than the force structure. The initial FY1998 budget requested \$42.6 billion for weapons procurement and \$35.9 billion for research, development, test and evaluation (RDT&E). Adjusted for inflation, proposed procurement funding is 69% below the level in FY1985 and the total for procurement plus R&D is down by 57%. The level of procurement funding is a matter of ongoing debate. A key goal of the Quadrennial Defense Review is to increase procurement funding over the next several years, mainly by reducing defense civilian personnel levels and transferring the savings to weapons acquisition. By FY2001, the Administration projects \$60 billion for procurement, and by FY2002, \$68 billion (see Table A2 in the appendix). To reach these levels, however, depends on (1) achieving projected savings through reforms in defense business practices and (2) controlling the growth of operation and maintenance expenses (see below for a further discussion).

Key Budget and Policy Issues

Debate over the level of defense spending has been resolved, at least for the present, by the White House-congressional budget agreement reached in May. The budget agreement also resolves a troubling technical issue concerning the balance between defense budget authority and outlays in FY1998. A substantial imbalance between budget authority and outlays appears to remain in FY2002, however.

With the budget battle at least temporarily in abeyance, the major issues now concern trade-offs within the defense budget and implementation of longer term Administration defense priorities. In action on the FY1996 and FY1997 budgets, Congress added substantial amounts to Administration defense requests. The money went mainly to increase purchases of major weapons requested by each of the military services. Congress had much less room to add to the FY1998 request, however. As a result, increased funding for some programs had to be offset by reductions in others. This led to disputes, both within Congress and between Congress and the Administration, over defense priorities. Missile defense, B-2 bomber procurement, tactical aircraft procurement, Navy shipbuilding, and Department of Energy nuclear weapons activities were among the programs that were the focus of debate.

A related issue remains unresolved -- how Congress will respond to proposals the Administration made in the "Quadrennial Defense Review" (QDR), a review of defense strategy and force planning that the Defense Department released on May 19. The QDR proposed additional rounds of base closures and other reductions in defense infrastructure; substantial reductions in civilian personnel levels through outsourcing and other measures; smaller reductions in active duty and reserve troop levels; and adjustments in a number of weapons programs. Without these changes, the Defense Department says, sufficient funding will not be available to finance needed weapons modernization over the next several years. Congress has not been receptive to a new round of base closures, however. In addition, in the past, Congress has rejected proposals to privatize some support activities, and cuts in force levels have also been

contentious. Congressional action on these issues is a critical test of the fate of the QDR.

Finally, a number of other matters also arise every year in debate over defense legislation. Social issues, such as abortions in military hospitals, gays in the military, and sales of obscene materials on military bases, have been contentious in recent years. This year, debate focused on the role of women in the military, combined sex training, sexual harassment, and the application of rules against adultery. The use of military force abroad is often a matter of contention, and this year, Congress debated whether to set a date for withdrawing U.S. ground forces from Bosnia. Defense burdensharing is often an issue, and this year the debate was compounded by the issue of NATO expansion. Finally, matters affecting the quality of life in the military and benefits for military retirees and dependents often arise. This year, retirees and military dependents were greatly concerned about trends in military health care, and Congress addressed the issue.

The following discussion (1) reviews action on overall funding levels for defense in the annual congressional budget resolution, (2) discusses debate over major weapons programs and other defense priorities, (3) highlights congressional action on aspects of the QDR, and (4) identifies other issues that have been matters of debate.

Budget Resolution Funding Levels for Defense

The first stage in the congressional budget process each year is action on the annual congressional budget resolution. The budget resolution sets ceilings on budget authority and outlays for each major functional category of the budget, including national defense — budget function number 050. The budget resolution includes projections of funding for each budget function for the budget year and at least four more years. This year's resolution extends through FY2002, the target year for balancing the budget.

For the past two years, annual budget resolutions have provided for substantial congressional additions to the Administration's defense budget request, including an increase of about \$7 billion in budget authority for defense in the FY1996 budget and \$11.2 billion in the FY1997 budget. Final congressional appropriations each year added about as much as the budget resolution recommended. Last year's congressional budget resolution, passed in June of 1996, projected that Congress would add another \$9.4 billion in budget authority to the amount that the Administration was then projecting for FY1998. In preparing its FY1998 budget request, however, the Administration added substantially to the amount it had planned for national defense. Specifically, the Administration added (1) \$2.6 billion to the Department of Defense budget, mainly to protect weapons procurement accounts; (2) \$3.6 billion for Department of Energy defense-related activities, partly to provide advance funding for major capital projects and partly to privatize cleanup activities, and (3) \$300 million for defense-related activities of other agencies.

As a result, the difference between Congress and the Administration over the FY1998 defense budget was reduced to \$2.9 billion in budget authority. Congressional Budget Office scoring of the Administration request further eroded the difference to about \$2.6 billion. For future years, the June 1996 congressional budget

resolution proposed funding levels that were below those the Administration was projecting in FY2000-2002. Negotiations between the White House and congressional leaders over a plan to balance the budget by FY2002 ultimately resolved the issue essentially by providing the higher of either congressional or Administration budget authority numbers for defense for each year from FY1998 through FY2002. **Table 2** compares the May 1997 budget agreement with earlier Administration and congressional budget plans.

The budget agreement also resolves a troubling technical issue that had concerned congressional defense committees. As Table 2 notes, the budget compromise provides \$6.6 billion more in outlays for FY1998 than the Administration had projected, and \$3.0 billion more than Congress estimated last year. This eliminates a severe mismatch between budget authority and outlays that arose when the Congressional Budget Office (CBO) provided its estimates of outlays likely to result from the Administration's request. To explain — when Congress appropriates funds for defense or other discretionary programs, it provides budget authority, which allows agencies to hire personnel or sign contracts for goods and services. Outlays, however, occur only when checks are actually issued for salaries or for progress payments on contracts. Outlays in any given year, resulting from new budget authority and from budget authority provided in prior years, must be estimated based on historical experience.

Table 2: Administration and Congressional National Defense Budget Projections
(current year dollars in billions)

	1998	1999	2000	2001	2002	Total 98-02
Administration Projection (February 1997)^a						
Budget Authority	265.3	269.2	275.0	281.5	289.1	1,380.0
Outlays	259.4	261.4	267.2	268.0	273.2	1,329.2
FY1997 Congressional Budget Resolution (June 1996)						
Budget Authority	268.2	270.8	273.3	276.0	278.8	1,367.1
Outlays	263.0	266.3	270.0	269.0	269.0	1,337.3
May 1997 Budget Compromise/FY1998 Congressional Budget Resolution						
Budget Authority	268.2	270.8	274.8	281.3	289.1	1,384.2
Outlays	266.0	265.8	268.4	270.1	272.6	1,342.9
Change to Administration Plan						
Budget Authority	+2.9	+1.6	-0.2	-0.2	+0.0	+4.2
Outlays	+6.6	+4.4	+1.2	+2.1	-0.6	+13.7
Change to FY1997 Congressional Budget Resolution						
Budget Authority	+0.0	+0.0	+1.5	+5.3	+10.3	+17.1
Outlays	+3.0	-0.5	-1.6	+1.1	+3.6	+5.6

Source: Congressional Research Service calculations based on OMB data, the FY1997 Congressional Budget Resolution, and data from the House and Senate Budget Committees.

a. Does not reflect CBO scoring of the Administration request.

The Office of Management and Budget (OMB) estimated that defense outlays in FY1998 would total \$259.4 billion if Congress were to approve the Administration

request for \$265.3 billion in new budget authority for national defense. In its assessment of the Administration plan, initially reported on March 4, CBO estimated that approval of the Administration program would entail defense outlays in FY1998 of \$265.0 billion, \$5.6 billion higher. The budget compromise resolved the issue by providing \$266.0 billion in national defense outlays, enough to accommodate CBO scoring with room for an additional \$2.6 billion in budget authority.

The outlay problem has not disappeared, however. Both CBO and the Defense Department now calculate that the budget compromise will lead to an imbalance between budget authority and outlays in FY2002 — CBO estimates outlays \$4.9 billion above the level in the budget resolution for FY2002, and DOD has calculated a gap of \$5-6 billion. This issue will have to be resolved in the future.

Priorities Within the Defense Budget

For the past two years, Congress added substantial amounts to Administration defense budget requests, mainly to finance additional weapons purchases. Under the budget compromise, however, Congress had only \$2.6 billion to add to the request (using CBO scoring). In action on the defense authorization and appropriations bills, this led the congressional defense committees to reorder priorities within the defense budget substantially.

One source of funding for congressionally supported programs was an Administration request to increase funding for Department of Energy (DOE) weapons-related activities. In its FY1998 request, the Administration proposed two major initiatives that substantially increased the amount of budget authority (though not of outlays) that it wanted for DOE defense programs. First, the Administration requested \$1.5 billion to provide full funding in advance for major DOE construction projects. In the past, DOE had paid for construction incrementally, asking Congress only to provide funds for progress payments on contracts. Full funding would follow the method used to finance most Department of Defense projects. Second, the Administration requested \$1 billion to provide advance funding for environmental cleanup projects for which it wants bids from private industry. Advance funding, officials say, would make the bids more attractive. Neither of these requests had any outlay implications in FY1998. HNSC turned down both requests, freeing up budget authority for other defense programs. This increased the amount available for congressional add-ons to more than \$5 billion. SASC also rejected the Administration's new initiatives, except for \$215 million for cleanup privatization.

Similar priorities were implied by the House Appropriations Committee allocations to the subcommittees under Sections 302(b)/602(b) of the congressional budget act -- the House allocated \$248.3 billion to the defense subcommittee, which was \$4.4 billion above the amount the Administration had requested. The Senate Appropriations Committee, in contrast, allocated \$247.2 billion to the defense subcommittee. The compromise reached in the conference agreement on the defense appropriations bill provides \$247.7 billion for defense, \$3.8 billion above the Administration request.

With the additional money, the congressional defense committees have been able to finance a wide range of high-priority programs. Highlights of congressional action include:

- **Pay raises:** All of the defense bills provide for a 2.8% military pay raise, as the Administration requested. This is equal to the increase in the Employment Cost Index (ECI). HNSC also added a requirement that future pay raises equal the ECI. Current policy calls for Federal pay raises to be one-half percent below the ECI. The Administration opposes the HNSC proposal to treat military service members differently from Federal civilian workers.
- **Military construction:** The House authorization bill provided \$9.1 billion for military construction, \$750 million above the request. Much of the increase was for housing improvements. The House-passed version of the military construction appropriations bill, H.R. 2016, approved on July 8, followed the authorization. The Senate authorization added \$700 million to the request, also with a focus on housing, and the Senate military construction appropriations bill, passed on July 22, followed the Senate authorization. The conference agreement on the appropriations bill, passed in the House on September 16 and in the Senate on September 17, provides \$9.2 billion, and the authorization conference agreement provides the same amount. In the first use of his line-item veto authority, on October 6, the President vetoed \$187 million of projects in the bill (see below for a further discussion).
- **Ballistic Missile Defense:** In February, the Administration requested \$3.0 billion for ballistic missile defense (BMD) programs, including \$504 million for national missile defense (NMD) development. The Quadrennial Defense Review determined that increased funding for NMD was required, and, in May, Secretary of Defense Cohen sent a letter to congressional defense committees requesting an increase of \$474 million in FY1998 for NMD programs. The House-passed authorization bill provided \$3.8 billion for BMD programs, about \$750 million more than the initial Administration request and \$343 million above the revised request. The total included \$978 million for national missile defense (NMD) programs, \$474 million above the initial request, as Cohen had asked in May. The House bill also added selectively to theater missile defense (TMD) programs — the largest increase was for the Navy Theater Wide program, which Congress has long favored. The Senate authorization provided the same amount for NMD and also increased Navy Theater Wide funding. A major difference between the House and the Senate concerned the Theater High-Altitude Area Defense (THAAD) program. The House authorization added money to THAAD, which the Administration had proposed slowing due to technical problems. The Senate authorization reduced THAAD funding by \$200 million below the Administration request. While cutting the FY1998 THAAD budget, SASC instructed DOD to add \$340 million to the program in FY1999-2000. Thus, SASC and HNSC both supported THAAD, but differed on the timing of funds in view of the program's technical difficulties. The House appropriations bill differed from the authorization (it reduced THAAD funding by \$56 million), while the Senate appropriation followed the authorization. The conference agreement on the appropriations bill reduced THAAD funding for FY1998 by

\$150 million, and the authorization conference agreement follows suit. (See **Table A-6**, below, for a summary of congressional action on BMD programs.) The authorization bills also took some action on BMD policy issues. The House and Senate bills both prohibit the transfer of BMD procurement funding to the military services. The House bill revises dates that were established in the FY1996 defense authorization bill for deployment of TMD systems. The Senate bill requires a 1999 test of a national missile defense system. The conference agreement includes the Senate provisions to establish a date for testing an NMD system, but does not include the House provisions to set dates for TMD deployment. In the House, Rep. Weldon has recently proposed a freestanding bill, H.R. 2786, to authorize additional money to accelerate TMD programs.

- **Tactical aircraft:** Three major new tactical aircraft programs are in different stages of the acquisition process — the Navy F/A-18E/F multirole fighter, the Air Force F-22 air superiority fighter, and the multi-service Joint Strike Fighter (JSF) development program. The House and Senate are substantially at odds on fighter aircraft programs, though both have continued to support all three programs for the present. HNSC reduced requested funding for the F-18 and reallocated funding for the JSF to accelerate development of the Navy version of the aircraft. SASC, in contrast, approved the requested F-18 amount, but cut F-22 funding substantially, citing concerns about development costs. The Senate appropriations bill also cut F-22 funding. The House appropriations bill did not go along with the HNSC cut in the F-18, but otherwise followed the authorization. In a significant action on the floor, the Senate rejected an amendment to the authorization bill by Senator Feingold to require DOD to report on which of the programs it would cancel if funds are not sufficient for all three. The Senate approved an amendment by Senator Bumpers, however, to cap the total cost of the F-22 program at \$43 billion, and a similar provision is included in the authorization conference report. The House and Senate also differed on procurement of current generation aircraft — the House bills added funding for 3 unrequested F-16 aircraft, while the Senate bills added funds for 3 additional F-15s. The appropriations conference report resolved the issues as follows: It provides full funding as requested for 20 F/A-18E/F aircraft, which HNSC would cut; it supported continued development of the F-22, though, as the House proposed, \$6 million is shifted from advance procurement to R&D; it provided funding for 5 F-15s, one fewer than the Senate wanted, and also for 3 F-16s, as the House proposed; and it provided about \$15 million more than requested for JSF development, splitting the difference between the House and the Senate. The authorization bill follows the appropriations on all of these issues.
- **B-2 bomber:** The House-passed authorization and appropriations bills added \$331 million to the Administration request to resume production of B-2 bombers — this was intended as a first step toward buying 9 more aircraft over the next several years. In a key floor vote on the authorization bill, the House rejected an amendment by Representatives Kasich and Dellums to eliminate the additional B-2 funds. Later, the House rejected a similar amendment to the appropriations bill by Representative Obey. In contrast, the Senate provided no additional funds for the B-2, and the Senate Armed Services Committee

explicitly rejected procurement of new bombers. The Administration vigorously opposed resuming B-2 production, arguing that the \$21-27 billion cost of 9 more aircraft is not available in future budgets, and the White House threatened a veto over the issue. In the end, the appropriations conference agreement essentially abandoned the cause of new B-2 procurement. It provides a total of \$331 million for B-2 procurement, \$157 million more than the Administration had requested but \$174 million less than the total the House provided, and it permits the Administration to spend the additional funds either on advance procurement of new aircraft or on repairs and upgrades to existing bombers. The appropriations conference agreement also establishes a panel to review bomber requirements. The authorization conference followed the appropriations measure, adding a requirement that the Administration keep open the option of resuming B-2 production until after the panel report is delivered.

- Army helicopters: In the past, Congress has consistently added money to defense requests to keep a number of helicopter production lines going. The House authorization and appropriations bills provided unrequested funding for 21 OH-58D Kiowa scout helicopters and funding for 12 additional Blackhawk utility helicopters (for a total of 30). The Senate authorization and appropriations bills provided funding for 36 Blackhawks, 6 more than the House. The House authorization also added funds to accelerate RAH-66 Comanche helicopter development, though the appropriations bill did not. The appropriations conference agreement does not provide additional funds for the Kiowa program for the first time in several years. It also provides for 28 Blackhawks, fewer than either House, and does not add to Comanche. The authorization conference agreement follows the appropriations.
- New aircraft carrier procurement: The Senate authorization and appropriations bills provided \$345 million in advance procurement funding for CVN-77, the next aircraft carrier, for which the Administration plans to request full funding in FY2001. This supports a contractor proposal, called the "Smart Buy" plan, to reduce total program costs by providing early funding. The House bills did not provide additional funds. The appropriations and authorization conference agreements provide a \$50 million down payment.
- DDG-51 destroyer: The House bills approved the request for \$2.8 billion for three ships — the Senate authorization and appropriations bills added \$720 million for an additional ship. The appropriations and authorization conference agreements provide funding for the fourth destroyer.
- Amphibious ships: The House bills provided \$185 million in partial funding for LPD-18, the second of a new class of amphibious ships. The Senate authorization and appropriations bills did not provide funds. The appropriations and authorization conference agreements provide \$100 million.
- New Attack Submarine (NAS): House and Senate bills all provided requested funding for one boat in FY1998, but the House and Senate authorizing committees differed substantially on the long-term plan for acquiring the NAS. HNSC denied the Administration's request for multi-year procurement of new

submarines under a plan that would allow Newport News Shipbuilding of Virginia and General Dynamics Electric Boat Division of Connecticut to team together on the project. HNSC instead reaffirmed its desire for a competitive prototyping strategy. SASC explicitly endorsed the teaming approach. Though neither appropriations committee had addressed the issue, the appropriations conference report permits the teaming and also allows the Navy to sign a multiyear procurement contract, as requested. The authorization conference agreement follows the appropriations.

- **Arsenal Ship/Maritime Fire Support Demonstrator:** The Maritime Fire Support Demonstrator (MFSD), previously known as the arsenal ship demonstrator, is a large surface ship that the Administration wants to build to conduct at-sea demonstrations of technologies intended for use in the planned Surface Combatant for the 21st Century (SC-21). For FY1998, the Administration requested \$150 million in funding to complete the MFSD's design and begin building it. The House authorization and appropriation bills rejected the proposal to build the MFSD and included no funding for it. The Senate-passed versions supported building the ship, though at differing funding levels: The SASC report on the authorization bill recommended \$175 million, a \$25-million increase over the request, while the SAC report on the appropriation bill recommended \$67 million, an \$83-million decrease. Following committee markups, the Navy and DARPA reportedly asked Congress to approve at least \$85 million in FY1998 funding for the ship. The appropriations and authorization conference reports, however, provide only \$35 million. On October 24, Navy officials announced the Secretary of Defense Cohen had signed off on the Navy's decision to terminate the program.
- **National Guard and Reserve equipment:** The House authorization added \$700 million for guard and reserve equipment, the House appropriations bill added \$800 million, and the Senate authorization and appropriations bills added \$653 million. The appropriations conference report provides \$653 million and the authorization conference report provides \$643 million. Additional funding for equipment designated for the Guard and Reserve is provided in other appropriations accounts — the House National Security Committee reported that a total of about \$2.2 billion is provided for Guard and Reserve equipment from all sources in the defense authorization conference agreement.

Implementing the Quadrennial Defense Review

As in the past couple of years, most of the funding that Congress has added to the Administration's request for FY1998 is for weapons procurement and development. The defense appropriations conference report adds about \$3 billion to the Administration request for new weapons and \$500 million for R&D (note: these figures take account of an across-the-board reduction of 1.5% in procurement and R&D required by Section 8043 of the conference agreement and an additional reduction of \$474 million in R&D required by Section 8048), and the authorization bill provides comparable increases. In the past, the Administration has often criticized congressional additions (1) for adding programs that will have substantial costs in the future when budgets will be tighter and (2) for continuing procurement of current generation weapons when the critical task is to develop the next generation. At the

same time, however, the Defense Department has agreed that funding for weapons procurement, especially, should turn up substantially over the next few years in order to finance needed weapons modernization. The official goal has been to increase procurement to about \$60 billion by the turn of the century — the current Administration program calls for a \$60 billion procurement budget in FY2001. It has, however, proved difficult to increase procurement spending as planned. When it submitted the FY1998 budget request in February, for example, the Administration requested \$42.6 billion for procurement. Just a year earlier, however, DOD had projected a budget of \$45.5 billion for procurement in FY1998. The reason for the decline was that the operation and maintenance budget had grown by \$5.1 billion, partly to finance military operations abroad, and partly because weapons maintenance costs had climbed. The cut in procurement was limited to \$2.9 billion only because the President agreed to add \$2.6 billion to the overall DOD budget.

Such "migration" of funds from O&M to procurement accounts has occurred in each of the past four years, and the problem of protecting planned increases in procurement was a major focus of attention in the Pentagon's Quadrennial Defense Review. In order to allow spending for weapons modernization to turn up adequately in the future, the QDR proposed a number of steps, including modest reductions in the size of the active duty force, significant cuts in Army guard and reserve force levels, substantial cuts in civilian personnel levels, another round of base closures, authority to outsource defense support activities, and other measures to reduce defense overhead. Implementation of the QDR recommendations depends on congressional action. Judging by House and Senate action to date, the congressional reaction is at best mixed.

The House and Senate specifically and pointedly rejected the Administration request to enact legislation implementing another two rounds of military base closures. Indeed, the Senate approved an amendment to the authorization bill by Senator Dorgan requiring improved accounting for base closure costs and savings before another round is proposed. HNSC also rejected an Administration request to repeal a rule that reserves 60 percent of weapons depot maintenance work for publicly owned facilities. SASC, in contrast, endorsed a shift to a 50-50 split between public and private facilities, though it broadened the definition of the depot work to include logistics activities that were earlier open to private industry.

Perhaps most importantly, HNSC rejected proposed cuts in active and reserve troop levels and, instead, reaffirmed a floor on active duty troop levels that had been included in the FY1997 defense authorization bill. The House appropriations bill, however, endorsed cuts in active duty troop levels. SASC agreed to cuts in both active and reserve troop levels. The funding provided in the appropriations conference report implies reduced troop levels. The authorization conference agreement accepts most of the cuts in active and reserve force levels that the Administration has proposed, though it maintains a floor of 495,000 on Army active duty end-strength, which is higher than the QDR proposed.

Instead of following the QDR recommendations, HNSC approved a number of quite different measures to improve defense efficiency, including some that DOD has found difficult to accept. The efficiency measures in the House-passed authorization bill and final conference action are as follows:

- HNSC imposed a 20% cut in funding for operations of the Office of the Secretary of Defense and a requirement that DOD provide previously mandated reports on the functions of OSD. This cut is not included in the authorization conference agreement.
- HNSC required a cut of 25% over five years in military service headquarters and management staffs. The authorization conference agreement imposes a 25% cut over five years in management headquarters and headquarters support personnel.
- HNSC required a 42% reduction over five years in the defense acquisition work force. The authorization conference report requires a cut of 25,000 positions in FY1998 but allows the Secretary of Defense to waive part of the reduction.
- HNSC mandated public-private competition for defense financial services, computer and telecommunications services, printing services, and a number of other activities. The authorization conference agreement mandates competition for a somewhat smaller list of activities.
- HNSC also made a series of other reforms in acquisition rules and regulations, some of which are included in the authorization conference agreement.

In testimony before HNSC on June 17, DOD Comptroller John Hamre complained that the civilian personnel reductions that HNSC was proposing could not be implemented under civil service regulations and that the cuts are too deep in any event. The authorization conference agreement appears more acceptable to the Defense Department. The overall policy issue remains unresolved, however. The QDR has focused attention on efforts to improve efficiency in the Department of Defense as the one means available to finance increased weapons purchases. The Administration and Congress appear substantially at odds, however, over means to achieve savings.

Other Issues

Other issues range across a broad spectrum, from U.S. policy in Bosnia, to combined sex training, to environmental cleanup of defense facilities. This year, matters of debate included —

- Bosnia policy: In action on supplemental funding and rescissions earlier this year, the Senate approved a measure that would have cut off funds for U.S. ground forces in Bosnia after June 30, 1998, the date the Administration had tentatively set for ending the current mission. This provision was dropped from the conference agreement, however. HNSC did not include a measure cutting off funds for Bosnia in its version of the FY1998 defense authorization bill, but instead required various reports on Bosnia costs and policy. On the floor, however, the House approved an amendment by Representative Buyer cutting off funds for U.S. ground forces in Bosnia after of June 30, 1998 — the House rejected a substitute by Representative Hilleary to require withdrawal by December 31, 1997. On July 11, the Senate adopted an

amendment by Senator Levin and others to the authorization bill expressing the sense of the Congress that U.S. ground forces should be withdrawn by June 30, 1998 — the amendment would not cut off funds. The Administration warned that a rigid cutoff of funds will prompt a veto. The House-passed defense appropriations bill included a cutoff of funds identical to the provision in the authorization bill. The issue was resolved in the defense appropriations conference report in a fashion that appears to give the Administration some flexibility to extend the mission in Bosnia, though Congress may have an opportunity to address the issue in debate over supplemental funding. Section 8132 of the bill cuts off funds for troops in Bosnia after June 30, 1998, unless, by May 15, 1998, the President certifies that a continued presence is needed to meet U.S. national security interests. The certification must include a statement of the expected duration of the mission and describe an exit strategy. Along with the certification, the Administration is also required to submit a request for supplemental funding to cover costs of the extended mission. This request could become a vehicle for congressional opposition. The authorization conference agreement included the same requirements.

- Aircraft maintenance depot work loads: The most difficult issue to resolve in this year's defense debate concerns workloads at Air Force aircraft maintenance depots. This issue has important implications for the ongoing debate over base closures. In 1995, the Base Closure Commission recommended shutting down two of five Air Force "Air Logistics Centers" (ALCs). ALCs are large industrial facilities that perform overhauls of aircraft. Although the Administration did not propose eliminating any ALCs, the Commission found that there was not enough work for all of the facilities and recommended closing the ALCs at McClellan Air Force Base in Sacramento, California, and Kelly Air Force Base in San Antonio, Texas. This would concentrate work at remaining ALCs in Utah, Oklahoma, and Georgia. Instead of closing the McClellan and Kelly facilities, however, the Clinton Administration devised a "privatization in place" strategy, which would allow the facilities to operate under private ownership. This plan came under increasingly vocal criticism, among other things, for allegedly politicizing the base closure process. Both HNSC and SASC versions of the authorization bill initially included provisions to protect work loads at the remaining public ALCs before work could go to the privatized facilities. Because of his objections to the SASC provision, Senator Gramm held up Senate action on the bill until the relevant provisions were removed. The House, however, rejected a floor amendment by Representative Everett to remove similar provisions from the HNSC version of the bill. The Administration threatened to veto the final authorization bill if it included a provision that would restrict competition for work by the privatized ALCs. The authorization conference agreement includes a measure that will allow competition between the public facilities and the privatized depots but requires that "core" work, defined as that essential to carry out primary military missions, be reserved for the public facilities. Senators from Texas and California continued to object to the compromise language, however, and, in an October 28 letter to Senate leaders, OMB Director Franklyn Raines said that the President's senior advisors would recommend a veto unless there are changes in the depot provisions. In the end, however, the President decided not to veto the bill over the depot issue

and signed the bill into law on November 18. (For a further discussion, see David Lockwood, *Military Base Closures: Time for Another Round?*, CRS Report 97-674.)

- Combined sex training: Earlier in the year, Representative Roscoe Bartlett (R-MD), a member of the House National Security Committee Personnel Subcommittee, proposed a measure that would limit same sex training in the military. During subcommittee markup, however, he relented and instead proposed a study of the issue. The Senate authorization also establishes a commission to review gender-integrated training and other “practices governing personal relationships” within DOD. The authorization conference agreement establishes a panel to study the issue.
- Abortions in military hospitals: On June 19, the House rejected a floor amendment to the defense authorization bill by Representative Harman to allow privately funded abortions in U.S. military hospitals abroad. On July 10, the Senate rejected an amendment to the authorization by Senator Murray to repeal the prohibition on abortions at DOD facilities. The issue was not, therefore, a matter of dispute in conference negotiations.
- Environmental cleanup: HNSC proposed a very broad series of reforms of environmental regulations governing the Defense Department as part of the committee-passed version of H.R. 1778. Some of these are provisions DOD has supported, including a measure to allow consideration of future land use in establishing cleanup remedies (so that an industrial site need not meet criteria for a day care center, for example). Such steps have been under consideration in Superfund legislation that has been under review in the Commerce Committee for time. As a result, Commerce Committee Chairman Bliley and others strongly objected to consideration of the environmental measures as part of the defense authorization bill, and the environmental provisions were stripped from the amendment that was added to H.R. 1119.
- Military medical programs: The House and Senate versions of the authorization and appropriations bills all agreed to an increase of \$274 million to the Administration’s FY1998 initial request for military health care to cover a shortfall which the DOD Comptroller identified only after the budget was submitted. Military medical costs have frequently exceeded DOD estimates, however, and long-term efforts to control costs are a matter of increasing controversy. Earlier this year, military retirees objected vigorously to a reported plan to require a fee for access to defense medical facilities, which now will treat retirees on a space available basis. No such changes in DOD medical care programs were proposed in the QDR, however, though a commission appointed to study additional cost-cutting measures may address health care issues. On July 8, the Senate approved an amendment to the authorization bill by Senator Cleland that calls for the Administration to protect military retiree access to quality health care. Other military medical care issues abound. DOD plans for relatively low rates of growth in health care costs over time due to a shift to a competitive managed care system known as “Tricare.” The General Accounting Office has projected that if cost growth does not slow as projected, then a shortfall of \$8 billion or more over

the next six years could develop.¹ Also, some military dependents have complained about the quality of service being provided under Tricare. Another health care issue also has to do with provisions for treatment of military retirees — the Defense Department has supported proposals for military medical care “subvention,” in which Medicare would pay DOD facilities for care provided to Medicare-eligible retirees. Congress established a Medicare subvention test program in the Balanced Budget Act of 1997 (H.R. 2015, P.L. 105-33).

- **Burdensharing and NATO expansion:** The House and Senate approved identical amendments to the authorization bill urging increased allied burdensharing contributions. The cost of NATO expansion promises to be a major issue in Congress in coming months, and the House approved an amendment by Representative Frank to the authorization bill to limit U.S. expenditures to no more than \$2 billion or 10 percent of the total. The House also approved an amendment to the defense appropriations bill by Representative Traficant requiring that all funds for NATO expansion be authorized by law. The Senate approved an amendment to the appropriations bill requiring another DOD report on expansion costs. The appropriations conference agreement includes several provisions that would limit U.S. expenditures for NATO expansion and require allies to share the cost.
- **Cooperative Threat Reduction:** HNSC and SASC both reduced funding for the Cooperative Threat Reduction program — also known as the Nunn-Lugar program — which provides demilitarization assistance to former Soviet states. The Senate, however, approved an amendment to the authorization bill by Senator Lugar to restore funds. The House initially approved, but later eliminated, an amendment by Representative Rohrbacher that would cut off all funds for Russia if Russia transfers SS-N-22 cruise missiles to China — the Administration and Nunn-Lugar supporters strongly opposed trying to use the program as leverage over Russian policy on issues not directly related to the purposes of the program. The Senate, however, agreed to a Kyl amendment to the authorization bill limiting the use of funds for chemical weapons demilitarization if Russia fails to meet certain standards regarding chemical weapons programs. The appropriations conference agreement provides the full amount requested, \$382.2 million, for the DOD program. The authorization conference agreement also provides the full \$382.2 million requested and revises the Kyl amendment to prohibit this year's funds from being used to construct a chemical demilitarization facility in Russia — presumably this will provide time to review Russian compliance with chemical weapons agreements.
- **National Guard representation on the Joint Chiefs of Staff:** On July 11, the Senate approved an amendment to the authorization bill by Senator Stevens to establish the position of Senior Representative of the National Guard Bureau on the Joint Chiefs of Staff. This would be a four star level position. The

¹ “GAO Warns of Potential \$8.4 Billion Gap in Defense Health Funding,” *Inside the Pentagon*, February 27, 1997, p. 16.

Defense Department opposed this provision, arguing that it would disrupt established lines of authority. The authorization conference agreement establishes two advisors to the Chairman of the Joint Chiefs at the two-star level, one for the Guard and another for Reserve forces.

The Line Item Veto and Defense

Beginning this year, the President has the authority to cancel particular amounts of spending within appropriations, reconciliation, and tax bills without vetoing the entire bill. The Supreme Court turned down a congressional effort to prevent the use of this authority in advance, though the authority may later be challenged in the courts after it is exercised. On August 11, the President exercised the line item veto to delete one funding measure in the Balanced Budget Act (H.R. 2015, P.L. 105-33) and two tax-related provisions in Revenue Reconciliation Act (H.R. 2014, P.L. 105-34). Congress passed both bills on July 31. On October 6, the President again used the line-item veto authority to delete funding for 38 projects totaling \$287 million in the \$9.2 billion FY1998 Military Construction Appropriations Act (H.R. 2016, P.L. 105-45).

The exercise of the line-item veto authority on the military construction bill was greeted unhappily by many Members of Congress, though a few praised the President for his substantial cuts in funding. The White House explained that it had applied several criteria in deciding which projects to cancel, including whether planning for the projects was far enough along to allow funds to be obligated in FY1998. At a hearing before the Senate Appropriations Committee on October 9, however, several Senators complained that many of the items that were eliminated had approved plans that senior officials in the Defense Department and the Office of Management and Budget apparently were not aware of. On October 22, the Senate Appropriations Committee reported a bill (S. 1292) to reverse most of the military construction vetoes, and the Senate approved the measure on October 30. (For a further discussion, see CRS Report 97-210, *Appropriations for FY1998: Military Construction*, by Mary Tyszkiewicz.)

The firestorm over the military construction vetoes led the Administration to take a more cautious approach in considering line-item vetoes in the defense appropriations bill. Deputy Secretary of Defense John Hamre reportedly made an effort to discuss potential veto candidates extensively with House and Senate appropriations committee members. On October 14, the President announced vetoes of 13 items totaling \$144 million in the defense appropriations act, a relatively modest amount given the size of the bill (see Table A8, below, for a list of the items vetoed). Though several Members of Congress were critical of some of the particular cuts, the strongest criticism came from proponents of the line-item veto authority, who complained that the President had not used his authority aggressively enough to weed out unnecessary spending.

Legislation

H.R. 1119 (Spence)

A bill to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, for defense activities of the Department of Energy, and for other purposes. Referred to the House Committee on National Security, May 19, 1997; full committee markup held and ordered to be reported (H.Rept. 105-132), June 11, 1997; floor consideration begun, June 19, 1997; passed by the House, as amended (304-120), June 25, 1997. The Senate deleted all after the enacting clause, inserted the provisions of S. 936, and adopted the bill by unanimous consent, July 11, 1997. Conference agreement reached and ordered to be reported (H.Rept. 105-340), October 23, 1997. House agreed to the conference report (268-123), October 28, 1997. Senate tabled a motion to delay proceeding to consideration of the conference report (78-20), October 29, 1997, and voted to close debate on the motion to proceed (93-2), October 31, 1997. Senate agreed to the conference report (90-10), November 6, 1997. Signed by the President and became law (P.L. 105-85), November 18, 1997.

S. 924/936 (Thurmond)

A bill to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, and for other purposes. Markup held, June 11-12, 1997, and S. 924 ordered to be reported (S.Rept. 105-29), June 12, 1997; S. 936 ordered to be reported (without written report), June 18, 1997. Considered by the Senate, June 19 and 20 and July 8, 9, 10, and 11, 1997. Passed by the Senate, (94-4), July 11, 1997. The Senate deleted all after the enacting clause, inserted the provisions of S. 936, and approved H.R. 1119, July 11, 1997.

H.R. 2266 (Young)

A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes. Subcommittee markup held, July 8 and 9, 1997; full committee markup held and ordered to be reported (H.Rept. 105-206), July 22, 1997. Considered by the House and passed, as amended, (322-105), July 29, 1997. Under previous agreement, received in the Senate, Senate struck all after the enacting clause and inserted the provisions of S. 1005, and passed in lieu of S. 1005, July 29, 1997. Conference agreement reached and ordered to be reported, September 19, 1997; conference report filed (H.Rept. 105-265), September 23, 1997. Conference reported approved by the House (356-65) and by the Senate (93-5), September 25, 1997. Signed by the President and became law (P.L. 105-56), October 8, 1997.

S. 1005 (Stevens)

A bill to provide appropriations for military activities of the Department of Defense and for other purposes. Subcommittee markup held, July 8, 1997; full committee markup held and ordered to be reported (S.Rept. 105-45), July 10, 1997. Considered by the Senate, July 14 and 15, 1997. Approved by the Senate (94-4), July 15, 1997. Substituted into the text of H.R. 2266 as passed by the House, July 29, 1997.

Summary Tables

Table A1. Defense Appropriations, FY1994 to FY1998
(budget authority in billions of current year dollars)^a

Actual FY1994	Actual FY1995	Actual FY1996	Estimate FY1997	Request FY1998
243.1	244.0 ^b	242.6	242.4	247.7

Sources: FY1997-98 data from FY1998 Defense Appropriations Conference Report, H.Rept. 105-265. FY1996 data from Office of Management and Budget, *Budget of the United States Government, Fiscal Year 1998*, February 1997, p. 319. Prior year data from Department of Defense, *National Defense Budget Estimates for FY1997*, April 1996 and prior years.

Notes

- ^a. These figures represent current year dollars, exclude permanent budget authorities, and reflect rescissions.
- ^b. The FY1995 total excludes \$5.0 billion of contract authority initially projected for the Defense Business Operations Fund.

Table A2: Administration Defense Plan, February 1997
(budget authority, current year dollars in billions)^a

	1997	1998	1999	2000	2001	2002
Military Personnel	69.9	69.5	70.1	71.4	73.3	75.3
Operation and Maintenance	92.9	93.7	91.5	92.2	93.9	92.0
Procurement	44.2	42.6	50.7	57.0	60.7	68.3
RDT&E	36.6	35.9	35.0	33.4	32.9	34.2
Military Construction	5.9	4.7	4.2	4.3	4.2	3.4
Family Housing	4.1	3.7	3.9	3.9	4.0	3.9
Other	-3.6	0.9	0.8	0.6	0.6	0.4
Subtotal, Department of Defense	250.0	251.0	256.3	262.8	269.6	277.5
Atomic energy defense activities	11.3	13.6	11.8	11.1	10.8	10.5
Defense-related activities	1.0	1.0	1.1	1.1	1.1	1.0
Total, National defense	262.3	265.6	269.2	275.0	281.5	289.1

Source: Office of Management and Budget, *Historical Tables: Budget of the United States Government, FY1998*, February 1997; Congressional Budget Office.

Note:

- a. Reflects CBO scoring of the Administration request for FY1998.

**Table A3: Congressional Action on
FY1998 Defense Authorization by Title**
(budget authority in billions of dollars)^a

Title	Request ^b	House		Senate		Conference	
		Amount	Change to Request	Amount	Change to Request	Amount	Change to Request
Military Personnel	69.5	69.5	+0.1	69.3	-0.2	69.5	-0.0
Operation & Maintenance	93.7	93.1	-0.6	93.7	+0.0	94.3	+0.6
Procurement	42.6	46.3	+3.7	46.8	+4.2	45.5	+2.9
RDT&E	35.9	37.3	+1.3	36.9	+1.0	36.5	+0.6
Military Construction	4.7	5.2	+0.5	5.3	+0.6	5.4	+0.6
Family Housing	3.7	3.9	+0.3	3.8	+0.1	3.8	+0.2
Revolving & Mgmt. Funds	1.9	1.9	-0.0	1.2	-0.7	1.8	-0.2
Trust Funds	0.2	0.1	-0.2	0.3	0.1	0.3	+0.1
Receipts/Other	-1.3	-1.1	0.2	-1.2	0.0	-1.3	+0.0
Total DOD	251.0	256.3	+5.3	256.1	+5.1	255.7	+4.8
DOE Defense-Related	13.6	11.0	-2.6	11.2	-2.4	11.5	-2.1
Other Defense-Related	1.0	0.9	-0.0	1.0	-0.0	0.9	-0.0
Total National Defense	265.6	268.2	+2.6	268.2	+2.6	268.2	+2.6

Sources: Department of Defense, *Financial Summary Tables: Department of Defense Budget for Fiscal Year 1998*, Feb. 1997; House National Security Committee, Report on the National Defense Authorization Act for FY1998, H.R. 1119 (H.Rept. 105-132); Senate Armed Services Committee, Report on the National Defense Authorization Act for FY1998, S. 924 (S.Rept. 105-29); Conference Report on the National Defense Authorization Act for FY1998, H.R. 1119 (H.Rept. 105-340).

Note:

a. Reflects CBO scoring of the Administration request.

**Table A4: Congressional Action on
FY1998 Defense Appropriations by Title**
(budget authority in billions of dollars)

Title	Request	House		Senate		Conference	
		Amount	Change to Request	Amount	Change to Request	Amount	Change to Request
Military Personnel /a/	69.4	69.3	-0.1	69.7	+0.3	69.5	+0.1
Operation & Maintenance /a,b/	82.3	82.9	+0.6	82.7	+0.4	82.9	+0.6
Procurement /c/	41.6	45.5	+3.9	45.4	+3.8	45.6	+4.1
RDT&E	35.9	36.7	+0.8	36.6	+0.6	37.9	+2.0
Military Construction	4.7	5.2	+0.5	5.4	+0.7	5.4	+0.7
Family Housing	3.7	3.9	+0.3	3.8	+0.2	3.9	+0.2
Revolving & Mgmt. Funds	2.2	2.2	+0.0	1.4	-0.8	2.0	-0.1
Other Defense Programs /a,d/	11.7	11.8	+0.0	11.8	+0.0	11.8	+0.1
Related Agencies /e/	0.3	0.3	+0.0	0.4	+0.0	0.4	+0.0
General Provisions	0.1	-0.4	-0.5	-0.7	-0.8	-2.4	-2.5
Scorekeeping Adjustments	0.4	0.0	-0.4	0.0	-0.4	0.0	-0.4
Total DOD	252.3	257.5	+5.2	256.4	+4.1	257.0	+4.7
DOE Defense-Related	13.6	11.0	-2.6	11.8	-1.8	11.5	-2.1
Other Defense-Related	0.3	NA	NA	NA	NA	NA	NA
Defense Appropriations Bill	243.9	248.3	+4.4	247.2	+3.3	247.7	+3.8
Military Construction App. Bill	8.4	9.2	+0.8	9.2	+0.8	9.2	+0.8
Energy & Water App. Bill	13.6	11.0	-2.6	11.8	-1.8	11.5	-2.1

Sources: Department of Defense, *Financial Summary Tables: Department of Defense Budget for Fiscal Year 1998*, Feb. 1997; Senate Appropriations Committee reports on the FY1998 Department of Defense Appropriations bill, S. 1005 (S.Rept. 105-45), the FY1998 Military Construction Appropriations bill, H.R. 2016 (S.Rept. 105-52), and the FY1998 Energy and Water Development Appropriations bill, S. 1004 (S.Rept. 105-44); House Appropriations Committee reports on the FY1998 Department of Defense Appropriations bill, H.R. 2266 (H.Rept. 105-206), the FY1998 Military Construction Appropriations bill, H.R. 2016 (H.Rept. 105-150), and the FY1998 Energy and Water Development Appropriations bill, H.R. 2203 (H.Rept. 105-190). Conference reports on the FY1998 Defense Appropriations bill (H.Rept. 105-265), the FY1998 Military Construction Appropriations bill (H.Rept. 105-247), and the FY1998 Energy and Water Development Appropriations bill, (H.Rept. 105-271).

Notes:

- Request reflects a budget amendment that reduces Military Personnel by \$62 million and O&M by \$199 million and that increases the Defense Health Program (in "Other Defense Programs") by \$261 million.
- O&M in the appropriations bills differs from O&M in the authorization bills mainly because the Defense Health Program and Drug Interdiction are included in O&M in the authorization but in "Other Defense Programs" in appropriations. Also O&M levels in the request and in House, Senate, and conference bills do not show \$150 million financed by transfer from working capital funds.
- Procurement in the appropriations bills differs from Procurement in the authorization bills mainly because Chemical Agents and Munitions Destruction is included in Procurement in the authorization but in "Other Defense Programs" in appropriations. Also, the appropriations request does not show \$400 million financed by transfer from working capital funds.
- Includes Defense Health Program, Chemical Agents and Munitions Destruction, Drug Interdiction, and Office of the Inspector General.
- Includes CIA Retirement and Disability System Fund, Intelligence Community Management Account, Payment to Kaho'olawe Island Fund, and National Security Education Trust Fund.

Table A5: Ballistic Missile Defense Funding, FY1998
(millions of dollars)

	Request	House Auth.	Senate Auth.	Auth. Con- ference	Auth. vs. Request	House Approp.	Senate Approp.	Approp. Con- ference	Approp. vs. Request
Procurement									
Patriot PAC-3	349.1	349.1	349.1	349.1	0.0	349.1	349.1	349.1	0.0
Navy Area Theater	15.4	15.4	15.4	15.4	0.0	15.4	15.4	15.4	0.0
Other (Hawk Upgrades)	20.1	20.1	20.1	20.1	0.0	20.1	20.1	20.1	0.0
TOTAL PROCUREMENT	384.6	384.6	384.6	384.6	0.0	384.6	384.6	384.6	0.0
RDT&E									
Applied Research									
62173C Support Technologies	101.9	111.9	115.9	113.9	+12.0	141.9	115.9	113.9	+12.0
Advanced Technology Development									
63173C Support Technologies	147.6	172.6	322.0	306.6	+159.0	147.6	352.0	311.6	+164.0
Demonstration and Validation									
63861C THAAD Dem/Val	294.6	294.6	353.4	406.1	+111.5	238.6	353.4	406.1	+111.5
63868C Navy Theater Wide	194.9	344.9	274.9	344.9	+150.0	444.9	274.9	409.9	+215.0
63869C MEADS Concepts	48.0	48.0	48.0	48.0	0.0	48.0	48.0	48.0	0.0
63870C Boost Phase Intercept	12.9	0.0	17.9	16.4	+3.5	0.0	17.9	16.4	+3.5
63871C National Missile Defense /a/	978.1	978.1	978.1	978.1	0.0	978.1	978.1	978.1	0.0
63872C Joint Theater Missile Defense	542.6	523.9	576.6	581.6	+39.0	542.6	612.6	605.4	+62.8
63XXXC Cooperative Programs	--	123.1	--	0.0	0.0	--	--	--	0.0
Engineering & Manufacturing Development									
64861C THAAD EMD	261.5	306.5	0.0	0.0	-261.5	261.5	0.0	0.0	-261.5
64865C Patriot PAC-3 EMD	206.1	206.1	206.1	206.1	0.0	206.1	206.1	206.1	0.0
64867C Navy Area Defense EMD	267.8	289.6	267.8	289.8	+22.0	289.8	267.8	289.8	+22.0
TOTAL RDT&E	3,055.9	3,399.3	3,160.6	3,291.4	+235.5	3,299.1	3,226.6	3,385.2	+329.3
Military Construction	7.1	7.1	7.1	7.1	0.0	7.1	7.1	7.1	0.0
TOTAL BMD	3,447.6	3,791.0	3,552.3	3,683.1	+235.5	3,690.8	3,618.3	3,776.9	+329.3

a. Reflects revised request -- the original request was for \$504.1 million.

Table A6: Congressional Action on Major Weapons Programs: Authorization
(amounts in millions of dollars)

	Request			House Authorization			Senate Authorization			Conference Authorization		
	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D
Army												
M1A2 Tank Upgrade	120	594.9	33.3	120	594.9	33.3	120	594.9	33.3	120	594.9	33.3
Bradley Base Sustainment	--	186.8	75.3	--	306.8	85.4	--	249.2	75.3	--	281.8	33.3
M109A6 Paladin Howitzer	--	18.7	--	72	111.0	--	--	18.7	--	36	74.7	--
Field Artillery Support Veh.	--	--	--	72	81.1	--	--	--	--	--	40.0	--
OH-58D Kiowa Helicopter	--	38.8	--	21	213.8	--	--	53.8	--	--	53.8	--
AH-64 Apache Longbow	44	511.8	--	--	540.3	--	--	511.8	--	44	511.8	--
UH-60 Blackhawk Helo.	18	208.2	--	30	304.2	--	36	335.5	--	28	297.2	--
RAH-66 Comanche Helo.	--	--	282.0	--	--	322.0	--	--	282.0	--	--	282.0
Navy/Marine Corps												
DDG-51 Destroyer	3	2,823.6	87.9	3	2,823.6	85.1	4	3,543.6	116.4	4	3,543.6	110.1
New Attack Submarine	1	2,599.8	396.5	1	2,599.8	413.5	1	2,614.8	396.5	1	2,599.8	404.5
CVN-77 Carrier	--	--	17.9	--	--	34.9	--	345.0	17.9	--	--	34.9
CV(X) R&D	--	--	90.2	--	--	1.8	--	--	90.2	--	--	12.2
LPD-17 Amphib. Ship	--	--	0.5	--	185.0	0.5	--	--	0.5	--	100.0	0.5
Sealift Fund*	--	1,191.4	--	--	1,181.6	--	--	516.1	--	--	1,059.9	--
Arsenal Ship	--	--	150.2	--	--	0.0	--	--	175.2	--	--	35.0
Trident II Missile	7	336.6	28.7	7	336.6	28.7	7	336.6	28.7	5	274.3	28.7
AV-8B VSTOL Aircraft	11	296.5	11.0	12	329.6	11.0	12	386.2	11.0	12	301.8	11.0
F/A-18E/F Fighter	20	2,191.6	267.5	--	1,438.9	153.3	20	2,191.6	267.5	20	2,191.6	267.5
V-22 Aircraft	5	541.7	529.5	7	731.0	529.5	6	631.7	529.5	7	689.1	529.5
Air Force												
B-2 Bomber	--	174.1	355.8	--	505.3	355.8	--	174.1	377.6	--	331.0	355.8
F-15 Fighter	3	170.0	137.5	3	170.0	137.5	6	270.8	137.5	5	237.3	137.5
F-16 Fighter	--	--	100.2	3	66.0	100.2	--	--	100.2	3	66.0	100.2
F-22 Fighter	--	80.9	2,071.2	--	80.9	2,071.2	--	0.0	1,651.2	--	74.9	2,077.2
C-17 Aircraft	9	2,201.5	113.6	9	2,201.5	113.6	9	2,201.5	113.6	9	2,179.8	110.6
E-8C (JSTARS)	1	336.4	119.2	1	336.4	119.2	1	336.4	119.2	1	334.7	119.2
Space-Based Infrared Sys.	--	--	560.8	--	--	560.8	--	--	560.8	--	--	555.6
Titan Launch Vehicle	--	555.3	82.4	--	473.3	82.4	--	455.3	82.4	--	464.3	82.4
Joint/Defense-Wide												
Joint Strike Fighter	--	--	930.9	--	--	900.0	--	--	958.8	--	--	945.9
Ballistic Missile Defense*	--	384.6	3,063.0	--	384.6	3,406.4	--	384.6	3,167.8	--	384.6	3,676.1
Guard & Reserve Equipment	--	--	--	--	700.4	--	--	653.0	--	--	--	643.0

Sources: H.Rept. 105-132; S.Rept. 105-26; House National Security Committee and Senate Armed Services Committee press releases, October 23, 1997.

***Notes:** Sealift amount includes operating as well as procurement costs. Totals do not include initial spares or military construction, except for the BMD amount, which includes military construction in the R&D total.

Table A7: Congressional Action on Major Weapons Programs: Appropriations
(amounts in millions of dollars)

	Request			House Appropriations			Senate Appropriations			Conference Appropriations*		
	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D	#	Proc.	R&D
Army												
M1A2 Tank Upgrade	120	594.9	33.3	--	594.9	45.3	--	594.9	53.3	--	594.9	51.8
Bradley Upgrade/Mods.	--	186.8	75.3	--	301.8	75.3	--	249.2	90.8	--	281.8	87.3
M109A6 Paladin Howitzer	--	18.7	--	--	74.7	--	--	18.7	--	36	74.7	--
Field Artillery Support Veh.	--	--	--	--	40.0	--	--	--	--	36	40.0	--
OH-58D Kiowa Helicopter	--	38.8	--	--	213.8	--	--	53.8	--	--	53.8	--
AH-64 Apache Longbow	--	511.8	--	--	511.8	--	--	511.8	--	--	511.8	--
UH-60 Blackhawk Helo.	18	208.2	--	30	334.2	--	36	335.5	--	28	297.2	--
RAH-66 Comanche Helo.	--	--	282.0	--	--	282.0	--	--	282.0	--	--	282.0
Navy/Marine Corps												
DDG-51 Destroyer	3	2,823.6	87.9	3	2,853.2	142.1	4	3,543.6	122.9	4	3,569.0	148.1
New Attack Submarine	1	2,599.8	396.5	1	2,599.8	416.5	1	2,599.8	401.5	1	2,599.8	408.5
CVN-77 Carrier	--	--	17.9	--	--	34.9	--	345.0	34.9	--	50.0	34.9
CV(X) R&D	--	--	90.2	--	--	1.8	--	--	90.2	--	--	14.2
LPD-17 Amphib. Ship	--	--	0.5	--	185.0	0.5	--	--	0.5	--	100.0	0.5
Sealift Fund*	--	1,191.4	--	--	1,199.9	--	--	516.1	--	--	1,074.9	--
Arsenal Ship	--	--	150.2	--	--	0.0	--	--	76.0	--	--	35.0
Trident II Missile	7	336.6	28.7	7	324.3	28.7	5	274.3	28.7	5	274.3	28.7
AV-8B VSTOL Aircraft	11	296.5	11.0	12	329.6	11.0	12	302.8	11.0	12	301.8	11.0
F/A-18E/F Fighter	20	2,191.6	267.5	20	2,191.6	158.3	20	2,191.6	241.5	20	2,191.6	244.5
V-22 Aircraft	5	541.7	529.5	7	731.0	529.5	7	689.1	529.5	7	689.1	529.5
Air Force												
B-2 Bomber	--	174.1	355.8	--	505.3	355.8	--	157.8	355.8	--	331.0	355.8
F-15 Fighter	3	170.0	137.5	3	170.0	137.5	6	270.8	137.5	5	237.3	137.5
F-16 Fighter	--	--	100.2	3	82.5	100.2	--	--	115.2	3	82.5	110.2
F-22 Fighter	--	80.9	2,071.2	--	74.9	2,077.2	--	0.0	1,858.2	--	74.9	2,077.2
C-17 Aircraft	9	2,201.5	113.6	9	2,179.8	113.6	11	2,641.5	113.6	9	2,179.8	110.6
E-8C (JSTARS)	1	336.4	119.2	1	340.4	123.2	1	331.7	124.2	1	335.7	126.2
Space-Based Infrared Sys.	--	--	560.8	--	--	555.8	--	--	560.8	--	--	555.8
Titan Launch Vehicle	--	555.3	82.4	--	473.3	67.4	--	455.3	82.4	--	464.3	74.9
Joint/Defense-Wide												
Joint Strike Fighter	--	--	930.9	--	--	930.9	--	--	958.8	--	--	945.8
Ballistic Missile Defense*	--	384.6	3,063.0	--	384.6	3,306.2	--	384.6	3,233.7	--	384.6	3,392.3
Guard & Reserve Equipment	--	--	--	--	850.0	--	--	653.0	--	--	653.0	--

Sources: H.Rept. 105-206; S.Rept. 105-45; H.Rept. 105-265.

*Notes: Sealift amount includes operating as well as procurement costs. Totals do not include initial spares or military construction, except for the BMD amount, which includes military construction in the R&D total. Conference amounts do not reflect across-the-board reductions of 1.5% in procurement and R&D and of an additional \$474 million in R&D.

Table A8: Line-Item Vetoes in the FY1998 Defense Appropriations Act
(amounts in thousands of dollars)

Item	Account	Congressional	
		State/District	Amount
SR-71 Aircraft Operation	Operation & Maintenance, A.F.	CA-21	30,000
SR-71 Aircraft Modifications	Aircraft Procurement, A.F.	CA-25	9,000
Gallo Center	RDT&E, Army	NJ-11	4,000
Molten Carbonate Fuel Cells Technology	RDT&E, Army	Unknown	6,000
Periscopic Minimally-Invasive Surgery	RDT&E, Army	Unknown	3,000
Proton Beam	RDT&E, Army	CA-40	4,000
Terfenol-D	RDT&E, Navy	PA-12	3,000
COTS Air Gun as Acoustic Source	RDT&E, Navy	Unknown	3,000
Military Spaceplane	RDT&E, A.F.	NM-1	10,000
Clementine (Asteroid Interception)	RDT&E, A.F.	NM-1	30,000
Optical Correlator Technology	RDT&E, A.F.	Unknown	1,500
Anti-Satellite Weapon	RDT&E, Defense-wide	CA-23 and/or -24	37,500
Risk-Based Toxic Chemicals Research	RDT&E, Defense-wide	Unknown	2,000
Defense Techlink Rural Technology Transfer	RDT&E, Defense-wide	ID, MT, ND, SD, WY	1,000
Total			144,000

Source: "The Cancellation of the Dollar Amounts of Discretionary Budget Authority Contained in the Defense Appropriations Act of 1998, Pursuant to Pub. L. 104-130," House Document 105-155, Oct. 6, 1997.

For Additional Reading

CRS Issue Briefs

- CRS Issue Brief 93056. *Bosnia: U.S. Military Operations*, by Steve Bowman.
- CRS Issue Brief 96022. *Defense Acquisition Reform: Status and Current Issues*, by Valerie Grasso.
- CRS Issue Brief 87111. *F-22 Aircraft Program*, by Bert Cooper.
- CRS Issue Brief 92035. *F/A-18E/F Aircraft Program*, by Bert Cooper.
- CRS Issue Brief 93103. *Military Medical Care Services: Questions and Answers*, by Richard A. Best, Jr.
- CRS Issue Brief 85159. *Military Retirement: Major Legislative Issues*, by Robert L. Goldich.
- CRS Issue Brief 95076. *NATO: Congress Addresses Expansion of the Alliance*, by Paul Gallis.
- CRS Issue Brief 91098. *Navy Attack Submarine Programs: Issues for Congress*, by Ronald O'Rourke.
- CRS Issue Brief 94040. *Peacekeeping: Issues of U.S. Military Involvement*, by Nina Serafino.
- CRS Issue Brief 92115. *Tactical Aircraft Modernization Issues for Congress*, by Bert Cooper.
- CRS Issue Brief 86103. *V-22 Osprey Tilt-Rotor Aircraft*, by Bert Cooper.

CRS Reports

- CRS Report 97-294. *Defense Budget for FY1998: Data Summary*, by Stephen Daggett and Mary T. Tyszkiewicz.
- CRS Report 96-729. *Defense Policy: Threats, Force Structure, and Budget Issues*, by Robert L. Goldich and Stephen Daggett.
- CRS Report 95-322. *DOD's Dual-Use Strategy*, by John D. Moteff.
- CRS Report 96-980. *Joint Strike Fighter: Background, Status, and Issues*, by Bert H. Cooper.
- CRS Report 97-42. *Key Foreign and Defense Policy Issues in the 105th Congress*, coordinated by Amy F. Woolf.

CRS Report 97-720. *Navy Aircraft Carrier Procurement: CVN-77 "Smart Buy" Proposal*, by Ronald O'Rourke.

CRS Report 97-700. *Navy/DARPA Arsenal Ship Program: Issues and Options for Congress*, by Ronald O'Rourke.

CRS Report 97-803. *Navy Major Shipbuilding Programs in the FY1998 Defense Authorization and Appropriation Conferences*, by Ronald O'Rourke.

Other Resources

Congressional Budget Office, "Preliminary Analysis of the President's Budgetary Proposals for Fiscal Year 1998," March 3, 1997.

Congressional Budget Office, *A Look at Tomorrow's Tactical Air Forces*, by Lane Pierrot and Jo Ann Vines, January 1997.

U.S. General Accounting Office, *Defense Health Care: New Managed Care Plan Progressing, but Cost and Performance Issues Remain*, Report No. HEHS-96-128, June 14, 1996 (20 pages).

U.S. General Accounting Office, *U.S. Combat Air Power: Reassessing Plans to Modernize Interdiction Capabilities Could Save Billions*, Report No. NSIAD-96-72, May 13, 1996 (60 pages).

U.S. General Accounting Office, *Navy Aviation: F/A-18E/F will Provide Marginal Operational Improvement at High Cost* Chapter in Report No. NSIAD-96-98), June 18, 1996.

U.S. General Accounting Office, *Tactical Aircraft: F-15 Replacement Is Premature as Currently Planned*, Letter Report No. NSIAD-94-118, March 25, 1994.

Selected World Wide Web Sites

Information regarding the defense budget, defense programs, and congressional action on defense policy is available at the following web or gopher sites.

Congressional Sites/OMB

House Committee on Appropriations
<http://www.house.gov/appropriations>

Senate Committee on Appropriations
<http://www.senate.gov/committee/appropriations.html>

House National Security Committee
<http://www.house.gov/nsc/welcome.htm>

CRS Appropriations Products Guide

<http://www.loc.gov/crs/products/apppage.html>

Congressional Budget Office

<http://gopher.cbo.gov:7100/>

General Accounting Office

<http://www.gao.gov>

Office of Management & Budget

<http://www.whitehouse.gov/WH/EOP/OMB/html/ombhome.html>

Budget of the United States Government, Fiscal Year 1998

http://www.access.gpo.gov/su_docs/budget/index.html

Defense Department and Related Sites

Defense LINK

<http://www.dtic.dla.mil/defenselink/>

Defense Issues (Indexed major speeches)

http://www.dtic.mil:80/defenselink/pubs/di_index.html

BosniaLINK

<http://www.dtic.dla.mil/bosnia/index.html>

Army Link — The U.S. Army Home Page

<http://www.army.mil/>

Army Comptroller Home Page

<http://www.asafm.army.mil/>

Army Chief of Staff Presentations

<http://www.hqda.army.mil/ocsa/present.htm>

Navy Public Affairs Library

<http://www.navy.mil/navpalib/.www/subject.html>

Navy On-Line Home Page

<http://www.navy.mil/index-real.html>

United States Marine Corps Home Page

<http://www.usmc.mil/>

AirForceLINK

<http://www.dtic.mil:80/airforcelink/>

Air Force Financial Management Home Page

<http://www.saffm.hq.af.mil/SAFFM/graphics.html>