

MILITARY CONSTRUCTION APPROPRIATION FOR
FISCAL YEAR 1974

DECEMBER 4, 1973.—Ordered to be printed

Mr. SIKES, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 11459]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11459) "making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, and 6.

That the House recede from its disagreement to the amendments of the Senate numbered 7 and 8, and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$247,277,000; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 1 and 2.

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JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11459) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1, military construction, Army: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate \$578,120,000 instead of \$551,575,000 as proposed by the House and \$567,735,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This would provide the following changes to the amounts and line items as proposed by the House:

Fort Polk, La.: Commissary-----	+\$1,977,000
Tobyhanna Army Depot, Pa.: Medical equipment maintenance facility-----	+411,000
U.S. Military Academy, West Point, N.Y.: Hospital-----	+20,000,000
U.S. Army Cold Regions Research and Engineering Laboratory, N.H.: Logistics and storage facility-----	+597,000
Military Ocean Terminal, Bayonne, N.J.: Administrative facilities-----	+1,800,000
Electric substation-----	+400,000
Pueblo Army Depot, Colo.: Stack emission controls-----	+395,000
Access roads-----	+2,000,000
Fort McClellan, Ala.: Housing and training facility/WAC Band---	-1,035,000

After prolonged discussion, the House conferees agreed to appropriate \$20,000,000 for medical facilities at the Military Academy, West Point, New York. The Senate conferees insisted on providing this appropriation in the fiscal year 1974. They felt that having the funds available would allow the Army to proceed as quickly as possible with hospital construction so as to avoid increased costs due to inflation in the construction industry in this area.

The conferees are in agreement that the Army's original plan to build a 100-bed regional hospital at West Point at a cost of \$25,000,000 was unrealistic, is in excess of the medical workload experienced and projected for West Point, and is overly expensive. The conferees of both Houses are in agreement that hospital facilities at West Point in no event shall exceed the \$20,000,000 appropriated and that the hospital shall be a 65-bed hospital. It is strongly suggested that the Army provide a sufficient contingency factor in its estimates in order to avoid contract cancellation should the cost exceed \$20,000,000. The conferees

are in agreement that the function to which the hospital should be specifically designed is to provide excellent medical care to cadets and to active duty military personnel stationed at the Military Academy. They further agree that the Army should restudy the location, configuration, scope, utilization, and cost of the proposed hospital facility so as to provide for the above-cited functions in the optimum and least costly manner. The conferees direct the Army to report back to the Committees on Appropriations of the Senate and House of Representatives when it has completed its studies and plans for medical facilities at West Point. No funds will be obligated for construction and no construction contract advertised or awarded for medical facilities at the Military Academy until approval of the Army's plans and specific authority to proceed with construction have been provided in writing from the Committees on Appropriations of the Senate and House of Representatives.

The House conferees were not satisfied that the Army's plans for the construction of the hospital at the proposed location near Washington Gate, approximately 1.6 miles from the cadet area, would provide adequately for cadet medical care without some further provision for dispensary "sick call" or light bed care facilities for the cadets. The House conferees would be extremely concerned with any plan which would make cadet care more inconvenient or less adequate than that provided by the present hospital. The House conferees expect the Army to thoroughly examine this problem as a part of its studies and planning for the provision of medical facilities. The House conferees will not approve a hospital plan which does not take adequate account of these needs. Furthermore, the Army should program any required cadet dispensary facilities or other facilities required to provide medical care to cadets within the \$20,000,000 allowance provided in this bill.

For the NATO infrastructure program the conferees restored \$20,000,000 as proposed by the House. The conferees feel that, commencing with the next five-year (1975-1979) NATO common infrastructure program (Slices XXVI-XXX), the effective United States contribution to the NATO common infrastructure should be at a maximum 20%. This goal could be obtained by either a 20% share of a normal NATO infrastructure program or by a combination of a normal NATO infrastructure program and a new European defense improvement program financed entirely by European nations. The conferees further give notice that in the future they will look unfavorably upon requests which would fund a United States payment to the program at an effective rate above 20% for Slice XXVI and subsequent slices.

Amendment No. 2, military construction, Navy: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate \$609,292,000 instead of \$587,641,000 as proposed by the House and \$608,467,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This would provide the following changes to the amounts and line items as proposed by the House:

Naval Underwater Systems Center, New London Laboratory, New London, Conn.: Engineering building-----	+ \$3,600,000
Military Ocean Terminal, Bayonne, N.J.: Military Sealift Command, Atlantic relocation-----	+1,806,000
Naval Academy, Annapolis, Md.: Maury Hall rehabilitation-----	+300,000
Naval Supply Corps School, Athens, Ga.: Restoration of commissary store-----	+120,000
Naval Station, Pearl Harbor, Hawaii: Enlisted men's dining facility-----	+1,345,000
Atlantic Fleet Weapons Range, Puerto Rico (sec. 204)-----	+12,000,000
Naval Complex, Guam: Naval Station theater-----	+1,480,000
Access roads-----	+1,000,000

The conferees have not allowed additional appropriations for \$3,400,000 authorized to cover the cost of acquisition of leasehold interests situated on land acquired by the Navy under authority provided in fiscal year 1972 at Naval Station, Norfolk, Virginia. Under the provisions of the fiscal 1972 legislation, authority exists and monies are available to take seven leaseholds which the Navy claims are required in the near future for Navy military construction projects at this installation. Additionally, nonappropriated funds can be made available to take a leasehold required to allow the construction of an Exchange warehouse at this location. The conferees feel that the acquisition of these leaseholds in this manner represents a prudent approach and that additional funding is not required at this time.

The conferees deferred without prejudice a communications facility at the Naval Station, Charleston, South Carolina, pending a restudy by the Navy of the manner in which this improvement in communications should be accomplished.

An agreement has been reached by the joint committee of conference that \$12,000,000 will be added to finance the movement of the ship-to-shore and other gun fire and bombing operations of the United States Navy from the island of Culebra.

The relocation of such operations from the northwest peninsula of the island of Culebra is expressly conditioned upon the conclusion of a satisfactory agreement to be negotiated by the Secretary of the Navy, or his designee, with the Commonwealth of Puerto Rico. Subsequent to the conclusion of such agreement, the Secretary of Defense shall report the terms of the agreement to the Committees on Appropriations of the Senate and the House of Representatives. Prior to the obligation of any of the funds appropriated in this Act for the construction and equipping of substitute facilities in support of the relocations of the above-mentioned activities from Culebra, the Secretary of Defense shall request, in writing, the approval of the Committees on Appropriations of the Senate and the House of Representatives. The conferees are in agreement that within 30 days of the receipt of both the information and the request referred to in the two preceding sentences of this report their respective Committees will approve or disapprove the Secretary's request. The agreement shall provide, among other things, that the Commonwealth of Puerto Rico shall insure that (1) Commonwealth lands suitable for carrying out opera-

tions of the type referred to above will be made available for the continued use of the Atlantic Fleet Weapons Range and Fleet Marine Forces training areas by the Navy, including, but not limited to, present areas and facilities on the island of Vieques, and (2) any proposed facility or activity which would interfere with the Navy training mission will not be undertaken, including the proposed deep water superport on the island of Mona, in the event that such agreement includes the use by the Navy of such island or the area adjacent to such island.

The present bombardment area on the island of Culebra shall not be utilized for any purpose that would require decontamination at the expense of the United States. Any lands sold, transferred, or otherwise disposed of by the United States as a result of the relocation of the operations referred to above may be sold, transferred, or otherwise disposed of only for public park or public recreational purposes.

At the Naval Station, Keflavik, Iceland, two projects; namely, the bachelor officers quarters, \$3,258,000, and the bachelor enlisted quarters, \$2,834,000, have been restored to the Navy program. The joint conference agrees, however, that these funds may not be obligated until an agreement has been signed by the United States Government and the Icelandic Government setting forth the conditions under which the Navy may continue to use Iceland as an operating base.

The conferees have granted authority to proceed with the projects requested for Naval Detachment, Souda Bay, Crete, Greece and for Naval Air Facility, Sigonella, Sicily, Italy. The funding for the following projects, however, is reduced by the amounts shown below to encourage greater use of direct programming through NATO infrastructure slices as explained in the House report:

Naval Detachment, Souda Bay, Crete, Greece :	
Aircraft parking apron.....	\$2, 666, 000
Air passenger/cargo terminal.....	277, 000
General warehouse.....	265, 000
Naval Air Facility, Sigonella, Sicily, Italy : Photographic building...	164, 000

The conferees have provided \$4,000,000 over the amount budgeted for the Navy's planning and design account. This will not increase new budget authority, however, as these funds are provided by reprogramming from savings or cancellation of other projects which are not needed.

Amendment No. 3, military construction, Air Force: Appropriates \$247,277,000 instead of \$239,702,000 as proposed by the House and \$261,198,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

Wright-Patterson Air Force Base, Ohio: Alter aircraft engine component research facility.....	+ \$1, 887, 000
Satellite Control Facility, Kodiak, Alaska: Automotive maintenance facility.....	+462, 000
Malmstrom Air Force Base, Mont.: Dormitory facilities.....	+213, 000
Bergstrom Air Force Base, Texas: Commissary.....	+2, 273, 000
Nellis Air Force Base, Nev.: Base personnel office.....	+1, 933, 000
U.S. Air Forces in Europe, Germany: Deficiency authorization funding.....	+307, 000
Access roads.....	+2, 000, 000
Grissom Air Force Base, Ind.: Alter airmen dormitories.....	-1, 500, 000

The conferees have deferred the request for \$13,500,000 for special aircraft support facilities at Andrews Air Force Base, Maryland. Further development of the concept for the use of these Boeing 747 National Emergency Airborne Command Post aircraft is required, as is satisfactory development of the command-control communications package for these aircraft and electromagnetic pulse testing of the aircraft and communications systems.

Approval has been given for the funding of three Air Force projects at the Naval Station, Keflavik, Iceland; namely, an aircraft maintenance shop, \$222,000; a weapons release systems shop, \$594,000; and a parachute and dinghy shop, \$539,000. The committee of conference states that these projects may not be placed under contract until a Status of Forces Agreement has been reached between the United States and the Icelandic Government.

The conferees have restored a portion of the House cut which was applied to the funding of a deficiency authorization for projects in Germany for United States Air Forces in Europe. The conferees agree to restore \$307,000 for additional costs of constructing an aircraft maintenance complex at Ramstein Air Base, while approving authority but not additional funding for an air freight terminal at the same location. This is consistent with action on the fiscal year 1973 appropriation which allowed authority but no funding for this project to encourage the programming of such projects through NATO infrastructure slices.

Amendments No. 4 and 5, military construction, Defense Agencies: Provide no appropriation as proposed by the House instead of appropriating \$12,000,000 as proposed by the Senate.

The conferees agreed to provide no new budget authority for military construction, Defense Agencies as provided in the House bill; however, the conferees restored authority to construct a logistics support facility for the National Security Agency (NSA) at Fort Meade, Maryland, which is to cost \$3,529,000. The House receded from its action deleting this project as the result of changes of plans by NSA which would increase its utilization and of better information on cost savings. This project, along with other projects approved for the Defense Agencies, is to be funded by the transfer of unobligated balances contained in the Defense contingency fund, which is also carried under this appropriation.

Amendment No. 6, military construction, Naval Reserve: Appropriates \$22,900,000 as proposed by the House instead of \$20,300,000 as proposed by the Senate.

The committee of conference approves the \$2,600,000 requested by the Navy for rehabilitation of facilities to accommodate the move of Naval Reserve Headquarters units from Omaha, Nebraska and Glenview, Illinois to New Orleans, Louisiana. However, the conferees are concerned about the escalation of the cost of this project from \$1,500,000, which included approximately \$400,000 in operation and maintenance costs, to the requested \$2,600,000 for military construction. The Navy is directed to provide a detailed explanation of this cost increase to both Committees on Appropriations.

Amendment No. 7, family housing, Defense: Appropriates \$1,188,539,000 as proposed by the Senate instead of \$1,194,539,000 as proposed by the House.

Amendment No. 8, family housing, Defense: Authorizes not to exceed \$97,947,000 for the construction of Navy family housing as proposed by the Senate instead of \$103,947,000 as proposed by the House.

The joint conference has agreed that the 150 units of housing at Naval Station, Keflavik, Iceland, will not be funded in the amount of \$6,000,000. A further agreement has been made that the Navy may fund these houses through a reprogramming action after a Status of Forces Agreement has been negotiated between the United States and the Icelandic Government if they are still required.

COMMISSARIES

The committee of conference has allowed two of the four commissary facilities which were in disagreement between the two Houses. Commissary facilities were approved at Fort Polk, Louisiana and Bergstrom Air Force Base, Texas because of the particular need shown at these installations. The conferees are in agreement that the Department of Defense should take measures to increase the use of commissary surcharge monies or other nonappropriated funds for the construction of commissary facilities or recommend to Congress such changes in legislation as are necessary to effect this. Furthermore, the conferees agree that the Chairman of the two Committees will write to the Secretary of Defense recommending that he study the use of surcharge funds or other nonappropriated funds to cover the cost of construction of all commissary facilities except those overseas or in isolated locations.

As noted in the House report, commissary operations are funded substantially from appropriated funds. They enjoy numerous advantages which allow them to further reduce their costs below those of commercial counterparts. It is for these reasons that the conferees feel that the use of appropriated funds for commissary construction can be reduced.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1974 recommended by the committee of conference, with comparisons to the fiscal year 1973 total, the 1974 budget estimate total, and the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1973.....	\$2, 323, 221, 000
Budget estimates of new (obligational) authority, fiscal year 1974	¹ 2, 944, 900, 000
House bill, fiscal year 1974.....	2, 609, 090, 000
Senate bill, fiscal year 1974.....	2, 670, 972, 000
Conference agreement.....	2, 658, 861, 000
New budget (obligational) authority, fiscal year 1973.....	+335, 640, 000
Budget estimates of new (obligational) authority, fiscal year 1974.....	-286, 030, 000
House bill, fiscal year 1974.....	+49, 771, 000
Senate bill, fiscal year 1974.....	-12, 111, 000

¹ Includes H. Doc. 93-155 request for \$7,000,000 for Homeowners assistance fund, Defense; excludes H. Doc. 93-155 requests for an additional \$4,300,000 for Military construction, Army and an additional \$31,100,000 for Family housing, Defense, which were not considered due to lack of authorization.

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