

THE WHITE HOUSE
WASHINGTON

May 6, 1976

The President
of the Senate

Sir:

I ask the Congress to consider proposed appropriation language changes and transfer authority to liquidate deficiencies for the Department of Defense--Military.

The details of these proposals are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur in his comments and observations.

Respectfully,

Gerald R. Ford



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 6, 1976

The President

The White House

Sir:

I have the honor to submit for your consideration proposed appropriation language changes and transfer authority to liquidate deficiencies for the Department of Defense--Military. The details of these proposals are contained in the enclosure to this letter.

I have carefully reviewed these requests and I am satisfied that they are necessary at this time. I recommend, therefore, that these proposals be transmitted to the Congress.

Respectfully,

A handwritten signature in black ink, appearing to read "James T. Lynn". The signature is fluid and cursive, with a long horizontal stroke at the end.

James T. Lynn
Director

(Proposed Appropriation Language Changes:)

DEPARTMENT OF DEFENSE--MILITARY

PROCUREMENT

Procurement of Weapons and Tracked Combat
Vehicles, Army

Provided, That \$365,600,000 of the funds appropriated under this heading for fiscal year 1976 in the Department of Defense Appropriation Act, 1976, shall be available only for the production of M60-series tanks.

Provided, That \$150,900,000 of the funds appropriated under this heading for the period July 1, 1976, through September 30, 1976, in the Department of Defense Appropriation Act, 1976, shall be available only for the production of M60-series tanks.

These requests will modify restrictive language which currently provides for procurement of only M60A1 tanks, and will enable the Army to initiate the production of the improved M60A3 tank in fiscal year 1976 and the transition quarter, rather than wait until fiscal year 1977 as now provided for.

(Proposed Transfer Authority to
Liquidate Deficiencies:)

DEPARTMENT OF DEFENSE--MILITARY

PROCUREMENT

Procurement of Ammunition, Army, 1973/1975

(Liquidation of Deficiencies)

For an additional amount for "Procurement of ammunition, Army, 1973/1975", for liquidation of obligations incurred and chargeable to that account, to be derived by transfer from "Procurement of Ammunition, Army, 1974/1976", \$50,000,000.

Other Procurement, Army, 1972/1974

(Liquidation of Deficiencies)

For an additional amount for "Other procurement, Army, 1972/1974", for liquidation of obligations incurred and chargeable to that account, \$17,200,000, to be derived by transfer from "Procurement of missiles, Army, 1976/1978", \$9,800,000, and from "Procurement of weapons and tracked combat vehicles, Army, 1976/1978", \$7,400,000.

Procurement of Equipment and Missiles,
Army, 1971/1973

(Liquidation of Deficiencies)

For an additional amount for "Procurement of equipment and missiles, Army, 1971/1973", for liquidation of obligations incurred and chargeable to that account, \$162,800,000, to be derived by transfer from "Procurement of ammunition, Army, 1975/1977", \$118,000,000, from "Procurement of aircraft, Army, 1976/1978", \$5,800,000, and from "Other procurement, Army, 1976/1978", \$39,000,000.

These requests will provide relief in the Army's deficient procurement appropriations which have incurred violations of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), commonly known as the Antideficiency Act, and for which the required report of violation has been transmitted to the Congress. The proposed language will provide for the transfer of funds from other Army procurement appropriations to the deficient accounts in amounts sufficient to liquidate overobligations. This will permit the resumption of payments to contractors, which have been terminated under existing law.