

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 1964

HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES EIGHTY-EIGHTH CONGRESS FIRST SESSION

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PART 4

OPERATION AND MAINTENANCE

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Mr. FORD. That is all, Mr. Chairman.

Mr. WRIGHT. I might make one comment with regard to this M-account. This M-account is not good forever. I believe it is either 9 or 10 years an obligation must go to the General Accounting Office for approval before it can be paid.

Mr. FORD. After the 2-year period?

Mr. WRIGHT. No; if it is either 9 or 10 years old and was not recorded, it will have to go to the GAO for approval. Up to that point, in time, it can be processed in this M-account if it was a bona fide obligation within the time period of the life of the original appropriation.

Mr. FORD. Does that not give you an awful lot of flexibility, to sweep up things?

Mr. WRIGHT. No, sir, it does not because the obligation must meet the criteria of being a legal obligation within the annual term of the appropriation.

Mr. FORD. How do these things get lost that long, not come to the surface? Is this just one of the idiosyncrasies that occasionally do happen?

Mr. WRIGHT. Things that are lost that long, generally, as you say, are something that just happens. Somewhere the bill was lost and no one knew about it.

Mr. FORD. The creditors did not press you for it?

Mr. WRIGHT. Creditors did not press for it. And all of a sudden we have cases where contracts have been renegotiated and a price adjustment settlement with escalation upward.

Mr. FORD. That would really be a bona fide obligation of the fiscal year, assuming the basic contract had been agreed to during the fiscal year?

Mr. WRIGHT. That is correct. In the final settlement, you can get your increase in your obligation of the M-account.

Mr. FORD. That is all, Mr. Chairman.

Mr. ANDREWS. Thank you, General Chapman and General Battell, and staff.

General CHAPMAN. Thank you, Mr. Chairman.

WEDNESDAY, MARCH 20, 1963.

OPERATION AND MAINTENANCE, AIR FORCE

WITNESSES

MAJ. GEN. ROBERT J. FRIEDMAN, DIRECTOR OF AEROSPACE PROGRAMS, DEPUTY CHIEF OF STAFF, PROGRAMS AND REQUIREMENTS, HEADQUARTERS, U.S. AIR FORCE

LT. COL. GEORGE RHODES, REQUIREMENTS AND PROGRAMS BRANCH, PLANS AND PROGRAMS DIVISION, DIRECTORATE OF MAINTENANCE ENGINEERING, HEADQUARTERS, U.S. AIR FORCE

A. N. RHODES, CHIEF, OPERATIONS AND MAINTENANCE BRANCH, OPERATIONS DIVISION, DIRECTORATE OF BUDGET, HEADQUARTERS, U.S. AIR FORCE

MAJ. GEN. JACK G. MERRELL, DIRECTOR OF BUDGET, HEADQUARTERS, U.S. AIR FORCE

Mr. LIPSCOMB. What does this sentence mean:

"It assumes numerous program decisions can be accomplished on schedule"?

General MERRELL. Mr. Lipscomb, in any particular fiscal year we have programmed certain base closures. If they do not occur, when we program them, naturally our costs will run over our actual program costs. For example, I indicated in my statement we are going to close ——— SAGE direction centers in fiscal 1964, and only two of them have been designated at this time.

If the others are not designated, agreed upon and closed, at an early time, that will run our costs up. It's such things as that I am talking about.

Mr. LIPSCOMB. Thank you, Mr. Chairman.

UTILIZATION OF BALLISTIC MISSILES NOT REQUIRED IN OPERATIONAL
INVENTORY

Mr. FLOOD. Mr. Chairman, before you close, I asked about the ATLAS and TITAN. I forgot to ask you about JUPITER and THOR. I take for granted that THOR will go into the space program someplace?

General MERRELL. Yes, sir.

Mr. FLOOD. If you do not know what to do with JUPITER and I am sure you do not, I would like one for one of my American Legion posts if I may joke a bit. What do you intend to do with JUPITER?

General FRIEDMAN. We have no follow-on usage for them, as such. I have reviewed the plan for the disposition of those systems. We will strip them of guidance, anything of value, and ship anything of value back to the States, or to fill other requirements overseas. The remainder will be disposed of under normal salvage procedures.

Mr. FLOOD. Or used as I have suggested?

General FRIEDMAN. This may be a possibility, sir.

Mr. MAHON. You will be holding these medium-range ballistic missiles until some provision is made for substitute weapons in the area, such as the POLARIS submarines.

General FRIEDMAN. That is correct.

We do have a target date but it is dependent upon a substitution of force.

Mr. MAHON. Do you know offhand whether or not you are still maintaining the THOR in England or has it already been withdrawn?

General MERRELL. They are all ready to be withdrawn.

Mr. MAHON. They are actually phased out?

General MERRELL. They are just about phased out at this particular time, sir. As our Chief of Staff and the Secretary of the Air Force indicated before your committee, sir, the tentative plan for the JUPITER in both Turkey and Italy is approximately April 1. That is only on the premise that POLARIS submarines will be in position at that time.

Mr. FLOOD. Or based in the Mediterranean Command?

General MERRELL. Yes, sir.

Mr. MAHON. Gentlemen, we shall resume the hearing tomorrow at 1 o'clock. We are having a full committee meeting at 11.