Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, before I move to proceed to the DOD appropriations bill, let me say that we have a problem now with this amendment, the way the language is written, in terms of a blue slip, if and when it gets to the House of Representatives.

I have discussed this with Senator DASCHLE and Senator MCCAIN and others who are concerned about the underlying Defense authorization bill and those who are concerned about the disclosure amendment.

During the period of time that we are going to be working on the DOD appropriations bill, we will work to see if we can come up with some sort of agreement or some sort of procedure that would get this amendment off of the Defense authorization bill and onto some other bill—perhaps some revenue bill that we will have before us; perhaps even the repeal of the telephone tax that the House has acted on; and also give us an opportunity to work with Senator MCCAIN and others to see if we can broaden the application.

But, for now, we need to go ahead and proceed with the DOD appropriations bill. We will work together to see if we can find a way to resolve this issue.

Does the Senator from Arizona have any comment?

Mr. MCCAIN. Mr. President, I thank the majority leader for pursuing this issue. I would like to broaden it as well. I think it is a fair agreement. I would like to try to move forward, meanwhile, having adopted this amendment, and the President to sign the bill.

I thank the majority leader and the Democratic leader.

Mr. ASHCROFT. Mr. President, I rise today to speak on behalf of this year's National Defense Authorization Act. Senator WARNER and Senator LEVIN, along with the entire committee, have my deepest thanks for their tremendous work with respect to this country's national defense. Their hard work and dedication on behalf of our servicemen and women is evident throughout the entire Act. Senator WARNER, in particular, has been instrumental in bringing to the floor a bill that provides our country with the national defense it desperately needs and deserves.

To the Committee's credit, this Act continues the trend, begun with last year's Authorization Bill, of providing a real increase in the authorized level of defense spending. The Committee has once again recognized that people are the most important aspect of our military and our troops must be treated accordingly. This Act authorizes, among other things, a well-deserved 3.7 percent pay raise for military personnel, important quality of life provisions, and addresses several important health care concerns to ensure our active-duty and retired personnel have the medical care they justly deserve.

Mr. President, although people make our military the best in the world, our troops must have the superior equipment to ensure continued success in every conflict. We must not send our sons and daughters into war without the right tools for victory. To this end, I would like to thank Senator WARNER specifically for his support of a very important project—the extended-range conventional air-launched cruise missile project (CALCM-ER). In addition to Senator WARNER, I would also like to thank Senator BOND, Senator CONRAD, Senator LANDRIEU, and Senator BREAUX for their work in support of this important project, in the Defense Authorization Act.

The Conventional Air-Launched Cruise Missile, or CALCM, is a converted nuclear cruise missile that is launched from a B–52. This invaluable weapon is the Air Force's only conventional air-launched, long-range, all-weather precision weapon. Fired more than 600 nautical miles from its target, this missile can strike strategic targets deep inside enemy territory without significant risk to our pilots or planes.

General Mike Ryan, the Air Force Chief of Staff, praised the CALCM's invaluable capabilities when he said in a written statement dated February 10, 2000 that ''CALCM continues to be the Commander in Chief's first strike weapon of choice during contingency operations, as demonstrated by its superb performance during Operations Desert Fox and Allied Force.''

Due to the weapon's great performance and subsequent heavy demand, the number of CALCMs in the Air Force inventory dwindled to below 70 last year. Through continued conversion of the nuclear cruise missiles, the current number is around 200, but the Air Force has concluded that this is simply not enough to meet our military's need. And due to the limited number of convertible nuclear cruise missiles, the Air Force needed to search out additional avenues of creating an extended range cruise missile with similar capabilities of the CALCM.

Mr. President, the Air Force has identified a suitable solution. In a study commissioned in last year's Defense Authorization bill to deal with this problem, a commission concluded that, and I quote, ''Of specific interest to the Air Force is the need for an extended range cruise missile in the mid-term that would be a modification to an existing cruise missile in the inventory. This option meets the Air Force's two-fold requirement of increasing the inventory of cruise missiles as quickly as possible and providing an extended range missile capability to protect our aging bomber force from current and mid-term threats while long range cruise missile requirements are studied.''

In order to see these conclusions become a reality, I, together with Senators BOND, CONRAD, LANDRIEU, and BREAUX, have worked to see the addition of $86.1 million in the Air Force's Research and Development account for the extended range conventional air-launched cruise missile program. The Armed Services Committee has graciously agreed with us and authorized this amount in the Defense Authorization Act—and I thank the Committee, and particularly Senator WARNER, for their assistance.

In the upcoming Defense Appropriations bill, Senator STEVENS has been particularly understanding of the Air Force's need of the Extended Range Cruise Missile and has worked with me to provide appropriations for this program. I want to offer him a personal thanks for his support of this vital program. I truly appreciate his efforts.

However, I have been informed that in order to start the process and see these important weapons are in the hands of our troops, additional funds will be needed. In order to rectify this problem, I plan on offering an amendment to increase the available funds for the Extended Range Cruise Missile program by $23 million so that work can begin on the new cruise missile. This will bring the total amount to $43 million, which is half of the authorized amount and enough to start development on this important missile.

Mr. President, again I want to thank Senator WARNER and Senator STEVENS for their continued and tireless service to our nation's defense.

UNANIMOUS-CONSENT AGREEMENT

Mr. LOTT. Mr. President, I ask unanimous consent the Senate now turn to H.R. 4576, the House DOD appropriations bill.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Will the majority yield? Is there a pending amendment on the DOD authorization bill?

The PRESIDING OFFICER. There is a pending amendment offered by Senator SMITH.

Mr. LOTT. That is the first-degree amendment that was amended with the second-degree amendment. But then I believe after that would be the Dodd amendment.

Mr. DODD. I wish it were a Dodd amendment. I was curious about Senator WARNER's amendment. That is what I was curious about.

Mr. WARNER. Mr. President, I thank the Senator. We have that Warner-Dodd amendment on the Cuban commission at the desk. Had we remained on this bill, it would be my intention to ask that it be the pending issue. That is now moot.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. DASCHLE. Mr. President, reserving the right to object, I ask unanimous consent that we amend it to allow the Warner amendment to be the next amendment to be considered following the Smith amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Is there objection to the underlying request?

Without objection, it is so ordered.

Mr. LOTT. I yield the floor, Mr. President.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2001

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4576) making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, for the information of Members, we will have opening statements, and then we will have an amendment offered by the Senator from Iowa, Mr. GRASSLEY.

On behalf of the leader, I make this statement. We are now on the DOD appropriations bill. After our opening statements, Senator GRASSLEY is prepared to talk about his accounting amendment. We expect to have a vote at 9:30 on that amendment tomorrow morning. There will no more votes for the remainder of the day.

Mr. President, I am pleased to join my great friend, Senator INOUYE, in presenting the Defense appropriations bill to the Senate. This bill is for the fiscal year 2001. It represents the twelfth bill we have jointly brought before the Senate: Six were presented by my friend from Hawaii during the period of time when he was the chairman of the subcommittee, and now this is the sixth bill presented by me during the second opportunity I have had to chair this subcommittee.

First and foremost, the bill reported by our committee, in our opinion, meets all personnel, readiness, training, and quality-of-life priorities for the armed services.

We have fully funded the pay raise and new authorized recruiting and retention benefits. All estimated costs of contingency operations for 2001 in Kosovo, Bosnia, and southwest Asia are included in our recommendation. There should not be an emergency supplemental for known contingency operations in the year 2001 for the Department of Defense.

The bill before the Senate sustains and augments the efforts to accelerate modernization of our Armed Forces.

Significantly, the recommendation provides an additional $250 million for the Army's transformation initiative.

I join my friend from Hawaii in commending General Shinseki for his foresight and leadership in moving the Army forward into a more deployable global force. These funds should accelerate the fielding of the initial transformation brigades in 2001.

Our committee, consistent with the Defense authorization bill as presented to the Senate, adds funds for several missile defense programs. Mr. President, $139 million is added for the national missile defense research and development, $92.4 million for the airborne laser, and $60 million for the Navy theaterwide missile defense efforts.

This is the crossroads year for missile defense. These funds are consistent with the recommendations and priorities of General Kadish, who manages this program, for the fiscal year 2001.

A new initiative recommended in this bill is to transfer funding for the C–17 program to a new national defense airlift fund.

Several years ago, funding for sealift acquisition was transferred to a central account. Airlift is a key strategic capability. The need for that is shared by all military services. Funding for airlift should not be borne solely by the Air Force, just as funding for sealift is not now borne by the Navy.

Full funding is provided in this new account for 12 C–17 aircraft requested for 2001, and the advance procurement and interim contract logistics support submitted in the budget.

The bill presented by the subcommittee includes report language that directs the Department to proceed with the current acquisition strategy to select a single design based upon the flight test program.

The Joint Strike Fighter might be the single most important defense program this committee will consider in the next 10 years. We must get this one right. Industrial base concerns should only be addressed after we are sure we have selected the best aircraft at the best cost for the mission and not before we even select the winner of the competition.

When the committee met to report the bill, several Members raised with me the subcommittee's recommendation to defer full funding on the two LPD–17 class vessels requested in the budget.

The bill before us includes $200 million in advance appropriations for the two ships originally planned for fiscal year 2001. Also, it includes $285 million to pay for cost overruns incurred on the first four ships.

I want to restate, as I have in both Maine and Louisiana in the past week, my personal commitment to the LPD–17 program. The focus of the adjustment we recommend is to get the program back on track with a stable design and address prior year problems. The funds provided are intended to assure that there will be no interruption in the work at the two shipyards and no additional delay in construction or delivery of the ships.

At the markup, language was added by Senator COCHRAN and Senator SNOWE to permit the Navy to sign contracts for both ships using the funds appropriated by this bill. We have approved that recommendation. So there is no reason to say this bill in any way slows up the process of procuring these new ships.

Finally, the recommendation provides $137 million for the new medical benefits included in the Senate-reported defense authorization bill. These efforts provide a new pharmacy benefit for military retirees. They are fully consistent with the objectives outlined by General Shelton, Chairman of the Joint Chiefs, in his testimony before our committee.

The new medical benefit package adopted during consideration of the defense bill does not require additional discretionary appropriations for the fiscal year 2001.

It is our intention to work closely with the authorizing committees and with the Department of Defense to ensure that any new benefits are fully funded in the years to come. If a commitment is made under our watch, it is going to be kept.

These improvements will come at considerable cost and will be an important element of future defense budget planning. This is really what the Senator from Nebraska was talking about, the oncoming important costs we must face. The definition of those costs is the problem so far.

I urge all of our colleagues to look at this bill as a whole. It is packaged together. It really is a bill we have worked on. I do commend our staffs, our joint staffs, under Steve Cortese, who is with me, and Charlie Houy is with Senator INOUYE.

This bill once again is a bill that I think, as I said in the beginning, will meet our needs with the funds that are available this year. The allocation for defense is roughly $1 billion less than the amount made available by the Senate version of the defense authorization bill. It is about $1 billion below the allocation for the House-passed bill now before the Senate.

Some of these issues have to be sorted out in conference with the House. I ask the patience of the Senate as we work to get the best possible package to the conference.

I call the attention of the Senate to the fact that we have several issues in the bill that are also pending before the conference on the military construction bill because of the supplemental that was already passed by the House.

The committee has closely followed the Senate's actions on the defense authorization bill so far this week. We intend to offer a managers' package of conforming amendments during consideration of this bill to accommodate the Senate's action on the bill.

To that concern, I ask all Members of the Senate, if you have amendments to offer, please notify Senator INOUYE or me as soon as possible. We can probably work out most of them. We hope we will be able to do so because our bill closely tracks the defense authorization bill. It tracks the priorities outlined by the military chiefs in their