

<b>REPROGRAMMING ACTION - PRIOR APPROVAL</b>																										
Appropriation Account Title: Shipbuilding and Conversion, Navy, 98/02 (Includes Transfer)						DoD Serial Number: FY 00-03 PA																				
Component Serial Number: FY 00-1 PA		<i>(Amounts in Thousands of Dollars)</i>																								
LINE ITEM	Program Base Reflecting		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program																			
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount																		
a	b	c	d	e	f	g	h	i																		
<p>This reprogramming action is submitted for prior approval because it involves the use of general transfer authority pursuant to section 8005, Public Law 105-56, the DoD Appropriations Act, 1998, and section 1001, Public Law 105-85, the FY 1998 National Defense Authorization Act. This action transfers \$87.5 million to CVN Refueling Overhauls from the New SSN, which are legal subdivisions within Shipbuilding and Conversion, Navy, 98/02. This reprogramming action is for a higher priority item, based on unforeseen requirements, than that for which the funds were originally appropriated; it meets all administrative and legal requirements of the Congress; and the Congress has not denied the item.</p> <p><b>Shipbuilding and Conversion, Navy, 98/02</b> :</p> <p><u>Budget Activity 2: Other Warships</u></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">CVN Refueling Overhauls</td> <td style="width: 5%;">1</td> <td style="width: 15%;">2,068,125</td> <td style="width: 5%;">1</td> <td style="width: 15%;">2,025,941</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;"><b>+87,500</b></td> <td style="width: 5%;">1</td> <td style="width: 10%;">2,113,441</td> </tr> </table> <p><u>Explanation:</u> Public Law 105-56, the DoD Appropriations Act, 1998, fully funded the nuclear refueling and complex overhaul of the USS NIMITZ, CVN-68. Eleven months into the 33-month Refueling Complex Overhaul (RCOH), the United Steelworkers of America went on strike at Newport News Shipbuilding, VA. This 3-month long strike resulted in delay/disruption costs totaling \$40 million and increased labor rates requiring an additional \$17.5 million. An additional \$30 million is also needed to fund material and labor costs associated with increased work requirements which have also been identified. These increased requirements are necessary after a re-evaluation of the ship's work package and the Department's objective to increase the quality of life for our sailors, both ashore and at sea.</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">New SSN</td> <td style="width: 5%;">1</td> <td style="width: 15%;">3,276,374</td> <td style="width: 5%;">1</td> <td style="width: 15%;">3,213,860</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;"><b>-87,500</b></td> <td style="width: 5%;">1</td> <td style="width: 10%;">3,126,360</td> </tr> </table> <p><u>Explanation:</u> Funds are available due to the phased obligation of funds budgeted to accommodate changes in ship plans. The Department will take necessary action to ensure availability of required funds for the program in future years.</p>									CVN Refueling Overhauls	1	2,068,125	1	2,025,941		<b>+87,500</b>	1	2,113,441	New SSN	1	3,276,374	1	3,213,860		<b>-87,500</b>	1	3,126,360
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<p>Approved (Signature and Date) Signed by Mr. William J. Lynn on February 10, 2000.</p>																										