

Subject: Paladin Appropriation Title: Procurement of Weapons and Tracked Combat Vehicles, Army, 00/02	DoD Serial Number: FY 01-01 PA
	Includes Transfer? No

Component Serial Number: FY 01-01 PA	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

This reprogramming action is submitted for prior approval because it uses proceeds from M109 Howitzer Foreign Military Sales to procure an improved model of Howitzers. This action meets all administrative and legal requirements of the Congress and has not previously been denied by the Congress. This action will be reflected in the FY 2002 President's Budget.

**FY 2000 REPROGRAMMING INCREASE: +42,045**

**Procurement of Weapons and Tracked Combat Vehicles, Army, 00/02**

Budget Activity 1: Tracked Combat Vehicles

Howitzer, Med, SP, FT (Mods)	27,259	27,259	+42,045	69,304
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**FY 2000 REPROGRAMMING DECREASE: -42,045**

Reimbursable Program -42,045

Explanation: The Army has sold 293 Self-Propelled Howitzers (SPH) to two Foreign Military Sales customers, Portugal and Egypt, and has collected \$42,045,500 from the sales. The Army intends to use these proceeds to purchase up to 21 upgraded SPHs, known as Paladins, which are the Army's replacement vehicles for the M109A2/A3 and M109A5 Howitzers. The M109A6s are needed to replace M109A5s in the Army National Guard and increase National Guard artillery units' compatibility with their Active Army counterparts. The Paladin features a 33 percent increase in range over the M109A2/A3 and an on-board computer and navigation system. These two major improvements greatly improve the Paladin's lethality and survivability by allowing it to function in a semi-autonomous mode. This action will also keep the M109A6 Paladin Howitzer production line open past November 30, 2000.

Approved (Signature and Date)

NOV 14 2000