

Type of Request: Revision.
Number of Respondents: 2,856.
Responses Per Respondent: 12.56.
Annual Responses: 35,873.
Average Burden Per Response: 0.81 hours.
Annual Burden Hours: 28,964.
Needs and Uses: This information collection requirement consolidates the requirements previously covered by OMB Control Numbers 0704-0272, 0704-0343, and 0704-0385, and also transfers requirements relating to Part 223 from OMB Control Number 0704-0187. This information collection requirement pertains to information that an offeror/contractor must submit to the Department of Defense (DoD) in response to solicitation provisions and contract clauses in DFARS 252.223. The information is used by DoD contracting officers to: (1) Verify compliance with requirements for labeling of hazardous material; (2) ensure compliance of contractors with DoD 4145.26-M, DoD Contractors' Safety Manual for Ammunition and Explosives, and minimize risk of future mishaps; (3) monitor subcontractor compliance with DoD 4145.26-M; (4) verify that the contractor has the financial capability to reimburse the Government for any

liabilities incurred by the Government as a result of the contractor's negligence or breach of contract; and, (5) monitor subcontractor compliance with DoD 5100.76-M, Physical Security of Sensitive Conventional Arms.

Affected Public: Business or Other For-Profit; Not-For Profit Institutions.

Frequency: On occasion.

Respondent's Obligation: Required to obtain or retain benefits.

OMB Desk Officer: Mr. Peter N. Weiss. Written comments and recommendations on the proposed information collection should be sent to Mr. Weiss at the Office of Management and Budget, Desk Officer for DoD, Room 10236, New Executive Office Building, Washington, DC 20503.

DOD Clearance Officer: Mr. Robert Cushing.

Written requests for copies of the information collection proposal should be sent to Mr. Cushing, WHS/DIOR, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302.

Dated: June 25, 1998.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 98-17317 Filed 6-29-98; 8:45 am]

BILLING CODE 5000-04-M

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 98-43]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Assistance Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of P.L. 104-164 dated 21 July 1996.

FOR FURTHER INFORMATION CONTACT: Ms. J. Hurd, DSAA/COMPT/RM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 98-43, with attached transmittal, policy justification and sensitivity of technology.

Dated: June 25, 1998.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5000-04-M



DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, DC 20301-2800

11 JUN 1998

In reply refer to:

I-67832/98

Honorable Newt Gingrich
Speaker of the House of
Representatives
Washington, D.C. 20515-6501

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 98-43, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services estimated to cost \$73 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in black ink, appearing to read "MS Davison".

MICHAEL S. DAVISON, JR.
LIEUTENANT GENERAL, USA
DIRECTOR

Attachments

Same ltr to: House Committee on International Relations
Senate Committee on Appropriations
Senate Committee on Foreign Relations
House Committee on National Security
Senate Committee on Armed Services
House Committee on Appropriations

Transmittal No. 98-43

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

- (i) Prospective Purchaser: Israel
- (ii) Total Estimated Value:
- | | |
|--------------------------|---------------|
| Major Defense Equipment* | \$ 24 million |
| Other | \$ 49 million |
| TOTAL | \$ 73 million |
- (iii) Description of Articles or Services Offered:
PATRIOT Missile System equipment including three AN/MPQ-53 radar sets, three AN/MSQ-104 engagement control stations, three M983 tractors, nine M931A2 trucks, Government Furnished Equipment, trailers, information coordination central, transporters, modification kits, generators, shop and tool equipment, spare and repair parts, support and test equipment, personnel training and training equipment, Quality Assurance Team, technical support, and other related elements of logistics support.
- (iv) Military Department: Army (YRA)
- (v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vi) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:
See Annex attached.
- (vii) Date Report Delivered to Congress: 11 JUN 1998

* as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Israel - PATRIOT Missile System Equipment

The Government of Israel has requested a possible sale of PATRIOT Missile System equipment including three AN/MPQ-53 radar sets, three AN/MSQ-104 engagement control stations, three M983 tractors, nine M931A2 trucks, Government Furnished Equipment, trailers, information coordination central, transporters, modification kits, generators, shop and tool equipment, spare and repair parts, support and test equipment, personnel training and training equipment, Quality Assurance Team, technical support, and other related elements of logistics support. The estimated cost is \$73 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for political stability and economic progress in the Middle East.

Israel needs this surface-to-air equipment to continue the upgrade of its air defense capabilities and will have no difficulty absorbing these additional equipment into its armed forces.

The proposed sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be Raytheon Electronic Systems, Bedford, Massachusetts. Under this sale, the contractor will incur offset obligations under an existing industrial cooperation agreement.

Implementation of this proposed sale may require a Quality Assurance Team in-country periodically as the program proceeds.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 98-43**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act****Annex
Item No. vi****(vi) Sensitivity of Technology:**

1. The PATRIOT Air Defense Weapon System and the AN/MPQ-53 semi-trailer mounted radar set are the classified and sensitive elements of the PATRIOT Missile System. The highest level of classified information required to be released for training, operation, and maintenance of the PATRIOT missiles system is Secret. The highest level which could be revealed through reverse engineering or testing of the end item is Secret. This information includes Confidential and Secret reports and test data, as well as performance and capability data classified Confidential/Secret.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. A determination has been made that the recipient country can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.