

credentials with Medicare, JCAHO and other national organizations by telephone. CHAMPUS is also participating with Medicare in the development of a National Provider System which will eliminate duplication of provider certification data collection among federal government agencies.

CHAMPUS contractors are required to maintain a computer listing of all providers that have submitted the appropriate authorization information and documentation. To avoid duplicate inquiries, the contractors must search the computer provider listing before requesting documentation from providers. Since the providers affected by this information collection generally have not previously been eligible to be authorized providers, CHAMPUS contractors will have no information on file. The providers will have to submit the information requested on the data collection form (Application for CHAMPUS-Provider Status: Corporate Services Provider) in order to obtain provider authorization status under CHAMPUS.

The information will usually be collected from each respondent only once. It is estimated that there will be

approximately 3,000 applicants over an initial 3 year collection period or 1,000 respondents per year. After the initial three years of collection, it is estimated that annual number of respondents will decline to less than 100. CHAMPUS will request the provider authorization documentation and information when the provider asks to become CHAMPUS-authorized or when a claim is filed for a new provider's services. If after a provider has been authorized by a contractor, no claims are filed during a two-year period of time, the provider's information will be placed in the inactive file. To reactivate a file, the provider must verify that the information is still correct, or supply new or changed information. The total first year reporting burden is estimated to be 333 $\frac{1}{3}$  hours.

Dated: July 20, 1998.

**L.M. Bynum,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

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## DEPARTMENT OF DEFENSE

### Office of the Secretary

[Transmittal No. 98-51]

#### 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 Pub. 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 98-51, with attached transmittal, policy justification and sensitivity of technology.

Dated: July 27, 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

17 JUL 1998  
In reply refer to:  
I-69993/98

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. 98-51, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Spain for defense articles and services estimated to cost \$250 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. 98-51

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

- (i) Prospective Purchaser: Spain
- (ii) Total Estimated Value:
- |                          |                       |
|--------------------------|-----------------------|
| Major Defense Equipment* | \$ 140 million        |
| Other                    | \$ <u>110 million</u> |
| TOTAL                    | \$ 250 million        |
- (iii) Description of Articles or Services Offered:  
Six SH-60B Block 1 Anti-Submarine Warfare (ASW) helicopters (LAMPS MK III-configured), two T700-GE-401C spare engines, upgrade of six existing Spanish SH-60B helicopters from Block 0 to Block 1, upgrade of 16 existing T700-GE-401 engines to the T700-GE-401C version, publications, support and test equipment, spare and repair parts, contractor technical services and other related elements of logistics support.
- (iv) Military Department: Navy (SCR)
- (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: 17 JUL 1998

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

POLICY JUSTIFICATION

Spain - SH-60B Block 1 Anti-Submarine Warfare Helicopters

The Government of Spain has requested a possible sale of six SH-60B Block 1 Anti-Submarine Warfare (ASW) helicopters (LAMPS MK III-configured), two T700-GE-401C spare engines, upgrade of six existing Spanish SH-60B helicopters from Block 0 to Block 1, upgrade of 16 existing T700-GE-401 engines to the T700-GE-401C version, publications, support and test equipment, spare and repair parts, contractor technical services and other related elements of logistics support. The estimated cost is \$250 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Spain and furthering weapon system standardization and interoperability with U.S. forces.

Spain is currently operating six SH-60B ASW helicopters from recently constructed Spanish frigates. The additional procurement of six helicopters, to be used with frigates currently under construction, will greatly enhance the Spanish Navy ASW mission capability. Spain will have no difficulty absorbing these additional helicopters into its armed forces.

There is no anticipated effect to the military balance within the region as a result of this sale because comparable weapon systems exist in the region.

The principal contractors will be Sikorsky Aircraft Corporation of United Technologies Incorporated, Stratford, Connecticut and Lockheed Martin Federal Systems, Oswego, New York. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government personnel to Spain but will require approximately 14 man-years of contractor support during delivery, system checkout and deployment of the weapon system.

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

## Transmittal No. 98-51

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 SH-60B Anti-Submarine Warfare (ASW) helicopter, including on-board system hardware, is Unclassified.
2. The weapon system becomes classified Confidential when the Electronic Support Measure Operational Program (software) is loaded into the Standard Airborne Computer.
3. Specific publications and technical data which describe certain ASW system performance, effectiveness, vulnerability to countermeasures, RF frequencies and system sensitivities are classified Confidential.
4. If a technologically advanced adversary were to obtain knowledge of the ASW hardware on the SH-60B helicopter, the information could be used to develop countermeasures or equivalent systems. This might reduce U.S. weapon system effectiveness or lead to the development of a system which would reduce the USN lead in this capability.
5. A determination has been made that Spain 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.