

**Ballistic Missile Defense Organization
Press Release
FY 01 President's Budget**



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Ballistic **M**issile **D**efense **O**rganization



FY 2000 President's Budget Summary

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BALLISTIC MISSILE DEFENSE ORGANIZATION
FY 2001 PRESIDENT S BUDGET SUBMISSION PRESS RELEASE

PROGRAM OVERVIEW

The Ballistic Missile Defense Organization (BMDO) manages, directs, and executes the Ballistic Missile Defense (BMD) Program which is focused on three primary missions: the development and fielding of interoperable Theater Missile Defenses (TMD) to protect U.S. forces and interests in theaters of operation; the development of active defenses to protect the U.S. homeland against long range missile threats – (National Missile Defense (NMD)); and, the conduct of an advanced technology program.

The BMDO s Fiscal Year (FY) 2001 President s Budget (PB) submission provides a comprehensive description of the updated missile defense program s plans, objectives, and resource requirements. The FY 2001 PB reflects program revisions implemented by the Department of Defense (DoD) in response to stressing technical, strategic, political, and fiscal pressures. Funding details regarding this PB submission are displayed at Attachments 1-4. The BMDO funding allocation as a share of DoD s Total Obligation Authority is highlighted at Attachment 5.

MAJOR PROGRAM UPDATES

National Missile Defense

The Welch study was initiated to address risk in the flight test programs of BMDO s hit-to-kill (HTK) systems: Theater High Altitude Area Defense (THAAD), Patriot Advanced Capability – 3 (PAC-3), the AEGIS LEAP Interceptor (ALI) Program, and BMDO s NMD program. This study was co-sponsored by the Director of BMDO, the Director of Operational Test and Evaluation, and the Director of Test, Systems Engineering and Evaluation. The Welch Panel concluded that significant risk existed in the proposed NMD schedule for an initial capability in either North Dakota or Alaska by the FY05 timeframe. In order to reduce that risk, the DoD added Research, Development, Test, and Evaluation (RDT&E) funding to purchase additional hardware for the system s kill vehicle and additional ground test equipment, and flight tests. In order to support the Deployment Readiness Review (DRR) planned for the summer of 2000, and to meet the growing threat, the DoD added NMD funds to achieve an expanded capability beyond the Capability-1 (C-1) program. This additional funding

provides for 100 ground-based interceptors by the end of FY07, an upgraded X-Band Radar and the upgrading of five Early Warning Radar facilities. Additional funds were also provided to support planning, design, and site construction of a larger weapon system complex in Alaska. The BMDO was directed, as a part of its FY 02-07 Program Development phase, to further refine resource requirements for NMD.

UPPER TIER

In the FY00 President s Budget, a single Upper Tier Program Element (PE) was established. It was designed to foster competition between the two Upper Tier systems, Theater High Altitude Area Defense (THAAD) and Navy Theater Wide (NTW), in the hope of achieving a quicker and more efficient First Unit Equipped (FUE). At a point in time a decision would be made to determine a winner of the two programs. The leader would garner the majority of funding thus moving to FUE at a quicker pace while the follower would continue development at a slower pace.

The DoD recently performed an extensive review on THAAD and NTW to better define an upper tier strategy that reduces overall programmatic risk, delivers capability as soon as possible, and reduces program costs.

After two successful THAAD intercepts, the program emphasis was shifted from flight test execution to missile redesign and planning for the Engineering, Manufacturing and Development (EMD) phase in FY00. For NTW, the Navy studied the feasibility of ship reconfiguration and was asked to define a phased mission capability as an alternate to the current acquisition program baseline. The DoD also focused on an alternative acquisition approach that would introduce a phased capability. Although funding in the Future Years Defense Program (FYDP) only supported one program FUE in FY07, both programs were structured to meet that FY07 FUE date.

In order to achieve this aggressive schedule and fulfill the upper tier strategy of reduced risk, an evolutionary block acquisition approach was implemented for both programs. The initial block for THAAD is initial configuration (C1) which includes the capability to defeat all expected near term threats and meets the key performance parameters in the Operational Requirements Document (ORD). THAAD Configuration Two (C2) will be achieved by FY 2011.

For NTW, an evolutionary spiral development approach has been approved, which will introduce a Block 1 capability in three

stages. Block 1A will be an initial capability, followed by a Block 1B single mission capable ship with a FY08 FUE. Block 1C will be the fully ORD compliant Block 1 capability with a FY10 FUE.

NTW is fully funded through 2002. This provides for completion of the AEGIS LEAP Intercept (ALI) test program. Funding is also available to continue NTW development through FY05, however, the Department will determine how to proceed with NTW following the ALI tests. The Navy is required to provide a report on NTW status to the Under Secretary of Defense for Acquisition and Technology and the Director, Program Analysis and Evaluation by June 2000, to go straight to Block II.

The NTW funding profile also includes funding to support the Japanese Cooperative effort.

INTERNATIONAL

For International Cooperative programs, the DoD added funding to continue cooperative efforts between the United States and Russia, supported program requirements for the Israeli Arrow 3rd Battery, and continued Japanese cooperative efforts within the NTW program.

Additional funding details regarding the program changes in this PB submission are discussed and displayed in Attachments 1 through 4. The BMDO's resource allocation as a share of DoD's Total Obligation Authority is highlighted at Attachment 5.

PROGRAM SUMMARIES

THEATER MISSILE DEFENSE

PATRIOT Advanced Capability-3 (PAC-3). The PATRIOT system remains a cornerstone of lower-tier theater missile defense, and provides a transportable field system to the Army's Corps and theater lower-tier air and missile defense forces. The PAC-3 program is the latest evolution of the phased material change upgrade program for PATRIOT, and will provide improved interceptor performance and increased lethality. The PAC-3 improvements include the new PAC-3 hit-to-kill missile, enhanced remote launch, communications and computer/software improvements, and radar upgrades to improve tracking and target handling capability. The BMDO began the PAC-3 Low-Rate Initial

Production (LRIP) in FY 2000 after two successful intercepts. The first took place on 15 March 1999 (Seeker Characterization Flight) and the second on 16 September 1999.

Navy Area Defense. The Navy Area program builds on the existing AEGIS air defense system to achieve a sea-based lower-tier BMD capability. The program includes a phased development with early demonstration of AEGIS theater ballistic missile detection capability. The BMDO and the Navy are planning for LRIP in FY 2001 provided that there are three successful Block IVA intercept tests, two against Tactical Ballistic Missiles (TBM) and one against Anti-Air Warfare (AAW).

Upper-Tier Programs. As discussed above, the DoD directed that the Upper Tier programs be restructured to identify separately two distinct program elements (net zero sum adjustment). Additionally, the DoD increased funding for the Theater High Altitude Area Defense (THAAD) and Navy Theater Wide (NTW) programs. The following sections describe THAAD and NTW as currently structured:

Theater High Altitude Area Defense (THAAD). This land-based, air-transportable system will fulfill user requirements for the capability to intercept and destroy medium- to long-range theater ballistic missile threats. The expanded coverage capability of this system will enable the defense of larger areas and population centers. The DoD has adopted an evolutionary approach in order to better balance and meet fielding objectives with reduced risk. This approach would maintain an FUE for initial configuration 1 (C1) in FY 2007. The C1 capability would meet key performance parameters as outlined in the Operational Requirements Document while deferring sophisticated countermeasures and battalion operational software to the FY 2011 timeframe.

Navy Theater Wide (NTW). This program will field a sea-based capability to intercept medium to intermediate range theater ballistic missiles. The system leverages the existing AEGIS weapon system and the Navy Area system development. Depending upon the location of the ship, NTW will be capable of ascent, midcourse, and terminal phase exo-atmospheric intercept of theater ballistic missiles. NTW is currently funded to continue the AEGIS LEAP Intercept (ALI) test program through FY 2002, after which funding continues through FY 2005 to support substantial development of the program. At the completion of ALI testing and based on the

test results, the DoD will make a determination on the future course of the NTW program. The NTW program will also leverage its development towards Japanese Cooperative efforts.

FAMILY OF SYSTEMS ENGINEERING AND INTEGRATION

This Program Element (PE) focuses resources on the increasingly complex effort to integrate missile defense systems into a joint system architecture for Theater Air and Missile Defense. Projects within this PE provide for optimal architecture solutions to address the entire theater level threat. Projects include architecture and Battle Management/Command, Control, Communications and Intelligence (BMC3I) definition, integration and interoperability engineering, and architecture-level test and evaluation. This PE also provides funding for a FY 2001 Advanced Concept Technology Demonstration to investigate Cooperative Engagement Capability system connectivity among land-based (PAC-3, THAAD) and sea-based (Navy Area) missile defense systems. It further includes collection and analysis of target signature and discrimination measurements, and funding of CINC-level planning and participation in wargaming exercises.

NATIONAL MISSILE DEFENSE (NMD)

The planned NMD system consists of space and ground-based sensors, ground-based interceptors, and associated Battle Management Command, Control, and Communications capability. Included are logistics, readiness, and support operations. The revised program structure will develop, demonstrate, and prepare for deploying, Initial Operational Capability in FY 2005, an effective system against a limited number of threats from a rogue nation. However, no deployment decision is planned until June 2000, and it is expected to be based primarily on the potential threat and maturity of NMD technology as demonstrated in development and testing. In order to deploy a capable system as quickly as possible, key decisions are phased to occur after critical integrated flight tests. The DoD added resources in response to a Welch Panel study citing high-risk in the NMD schedule. Additionally, resources have been programmed to expand the initial NMD Capability-1 (C1) beyond C1 to meet the expected threat. Specifically, the expanded NMD C1 program funding will provide for additional interceptors by the end of FY 2007, an upgraded X-band Radar, upgrading of five Early Warning Radar facilities, and a larger weapon system complex.

BMD TECHNICAL OPERATIONS

Within the BMD Technical Operations PE are those core infrastructure competencies that support the BMDO joint mission area. These centrally managed activities include functional expertise (e.g., systems engineering), analytical tools and support (e.g., Modeling and Simulation and the Joint National Test Facility), system lethality, and test resources (e.g., data collection assets, targets and test ranges) for TMD, the Family of Systems Engineering & Integration, NMD, and Technology Program efforts. Technical Operations will continue to provide critical infrastructure support to BMD programs in the FY 2001-2005 timeframe.

TECHNOLOGY

A robust technology program is key to cost savings, risk reduction, improved BMD system performance, a P3I Insertion Program, a BMD Technology seed program, and advanced future BMDO systems capability focusing on our ability to defeat an evolving threat. Technology has long been a critical component of the BMD mission area; early investments in technology, such as the Lightweight Exoatmospheric Projectile (LEAP) Program, have allowed us to develop today's NTW and NMD interceptor systems. Fiscal constraints have challenged us to re-focus our BMD Technology Program towards leveraging advanced BMD capabilities that are critical to our ability to support Joint Vision 2010 with effective missile defenses. The BMDO technology planning process and Integrated Technology Program have laid the foundation for BMD systems to be effective in the 21st century. These programs provide upgrades to current systems to enable them to keep pace with the advancing threat and reduce program risks and costs. One of the key technology programs within the Advanced Technology Area remains the Space Based Laser (SBL) Program. This Program is a high-risk, high payoff, next generation concept for a missile defense system. The BMDO maintained funding for SBL at a level of ~\$75M annually to preserve a path to an Integrated Flight Experiment Boost Phase Intercept demonstration in FY 2013.

SUMMARY

When the TMD systems are deployed, U.S. forces overseas will have state-of-the-art defensive capability against a broad spectrum of short and longer-range theater-class ballistic missiles. Meanwhile, the BMDO is committed to maintaining a well-focused deployment readiness program for National Missile Defense of the United States. Further, BMDO will continue to demonstrate advanced technologies as options for enhancing initial and future BMD systems. The DoD remains committed to ensuring that as new ballistic threats arise, highly effective ballistic missile defenses will be in place to defend U.S. forces and our allies.



BALLISTIC MISSILE DEFENSE FUNDING BY PROGRAM

TY \$ In Millions

PB 01 Submit

Program Element	Program	Budget Activity	FY 99 Actual	FY 00 Estimate	FY 01 Estimate
0908612C	Acq Program Reserve	04	0.000	0.000	0.000
0603874C	BMD Technical Operations	MILCON	0.000	1.372	1.923
0603874C	BMD Technical Operations	04	<u>188.317</u>	<u>214.445</u>	<u>270.718</u>
			188.317	215.817	272.641
0603870C	Boost Phase Intercept - Dem / Val	04	6.335	4.961	0.000
0603873C	Family Of System E&I	04	94.422	145.657	231.248
0603875C	International Cooperative Programs	04	59.126	81.560	116.992
0603872C	Joint Theater Missile Defense	MILCON	0.331	0.000	0.000
0603872C	Joint TMD - Dem / Val	04	<u>204.213</u>	<u>196.566</u>	<u>0.000</u>
			204.544	196.566	0.000
0603869C	MEADS - Dem / Val (PD-V)	04	11.675	48.594	63.175
0603871C	National Missile Defense	MILCON	9.669	15.000	101.595
0603871C	NMD - Dem / Val	04	<u>1,678.201</u>	<u>950.248</u>	<u>1,740.238</u>
0208871C	NMD Procurement	Procurement	<u>0.000</u>	<u>0.000</u>	<u>74.530</u>
			1,687.870	965.248	1,916.363
0604867C	Navy Area - EMD	05	241.883	307.274	274.234
0208867C	Navy Area Procurement	Procurement	<u>42.671</u>	<u>18.143</u>	<u>0.000</u>
			284.554	325.417	274.234
0603868C	Navy Theater Wide - Dem / Val	04	366.325	375.764	382.671
0604865C	PAC-3 - EMD	05	237.345	179.139	81.016
0208865C	PAC-3 Procurement	Procurement	<u>187.444</u>	<u>343.773</u>	<u>365.457</u>
			424.789	522.912	446.473
0603173C	Support Tech - Adv Tech Dev	03	273.397	212.837	93.249
0603174C	Support Tech - Space Based Laser	04	0.000	0.000	74.537
0602173C	Support Tech - Applied Research	02	93.466	88.365	37.747
0604861C	THAAD System	MILCON	0.000	0.000	0.000
0603861C	THAAD System - Dem / Val	04	<u>431.948</u>	<u>523.525</u>	<u>0.000</u>
0604861C	THAAD System - EMD	05	<u>0.000</u>	<u>79.462</u>	<u>549.945</u>
			431.948	602.987	549.945
0603876C	Threat And Countermeasures	04	23.258	19.343	22.621
0901585C	PMRF	04	0.000	0.000	4.772
0208864C	TMD-BM/C ³ Procurement	Procurement	<u>22.486</u>	<u>0.000</u>	<u>3.975</u>
	Total BMDO Program		<u>4,172.512</u>	<u>3,806.028</u>	<u>4,490.643</u>



BALLISTIC MISSILE DEFENSE ORGANIZATION FUNDING

TY \$ In Millions

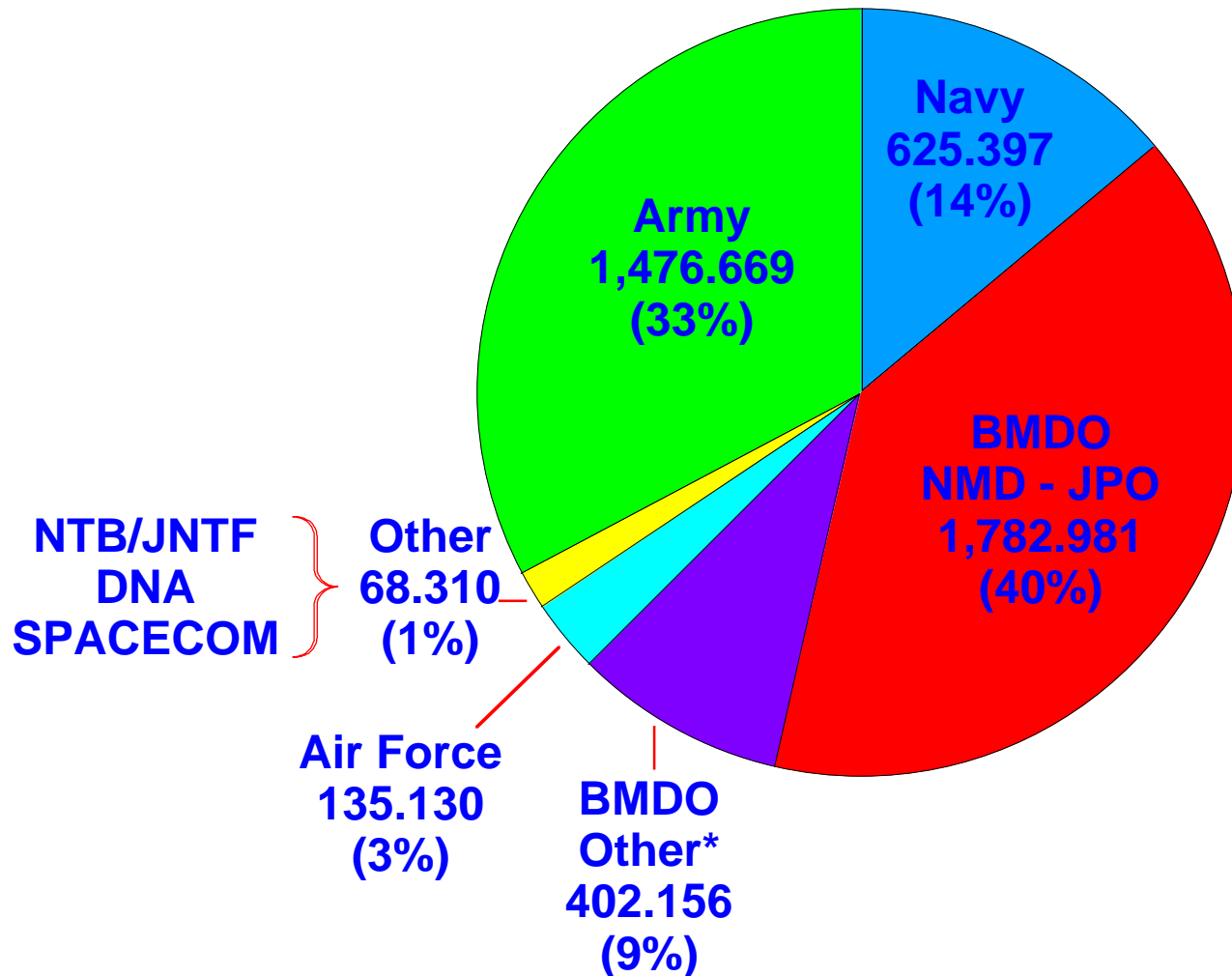
PB 01 Submit

Program Element	Program	FY 99 Actual	FY 00 Estimate	FY 01 Estimate
	Procurement			
0208861C	THAAD System Procurement	0.000	0.000	0.000
0208864C	TMD - BM/C ³ Procurement	22.486	0.000	3.975
0208865C	PAC-3 Procurement	187.444	343.773	365.457
0208867C	Navy Area Procurement	42.671	18.143	0.000
0208871C	NMD Procurement	0.000	0.000	74.530
	Total Procurement	252.601	361.916	443.962
	RDT&E			
0602173C	Support Tech - Applied Research	93.466	88.365	37.747
	Budget Activity 02 Total	93.466	88.365	37.747
0603173C	Support Tech - Adv Tech Dev	273.397	212.837	93.249
0603174C	Support Tech - Space Based Laser	0.000	0.000	74.537
	Budget Activity 03 Total	273.397	212.837	167.786
0603861C	THAAD System - Dem / Val	431.948	523.525	0.000
0603868C	Navy Theater Wide - Dem / Val	366.325	375.764	382.671
0603869C	MEADS - Dem / Val (PD-V)	11.675	48.594	63.175
0603870C	Boost Phase Intercept - Dem / Val	6.335	4.961	0.000
0603871C	NMD - Dem / Val	1,678.201	950.248	1,740.238
0603872C	Joint TMD - Dem / Val	204.213	196.566	0.000
0603873C	Family Of Systems E&I	94.422	145.657	231.248
0603874C	BMD Technical Operations	188.317	214.445	270.718
0603875C	International Cooperative Programs	59.126	81.560	116.992
0603876C	Threat And Countermeasures	23.258	19.343	22.621
0901585C	Pentagon Reserve Maintenance Fund	0.000	0.000	4.772
	Budget Activity 04 Total	3,063.820	2,560.663	2,832.435
0604861C	THAAD System - EMD	0.000	79.462	549.945
0604865C	PAC3 - EMD	237.345	179.139	81.016
0604867C	Navy Area - EMD	241.883	307.274	274.234
	Budget Activity 05 Total	479.228	565.875	905.195
0908612C	Acq Pgm Reserve	0.000	0.000	0.000
	Budget Activity 06 Total	0.000	0.000	0.000
	Total RDT&E	3,909.911	3,427.740	3,943.163
	MILCON			
0603871C	National Missile Defense	9.669	15.000	101.595
0603872C	Joint Theater Missile Defense	0.331	0.000	0.000
0603874C	BMD Technical Operations	0.000	1.372	1.923
0604861C	THAAD System	0.000	0.000	0.000
	Total MILCON	10.000	16.372	103.518
	Total BMDO Program	4,172.512	3,806.028	4,490.643



FY 01 BMDO FUNDING BY EXECUTING AGENT

(TY \$ In Millions)

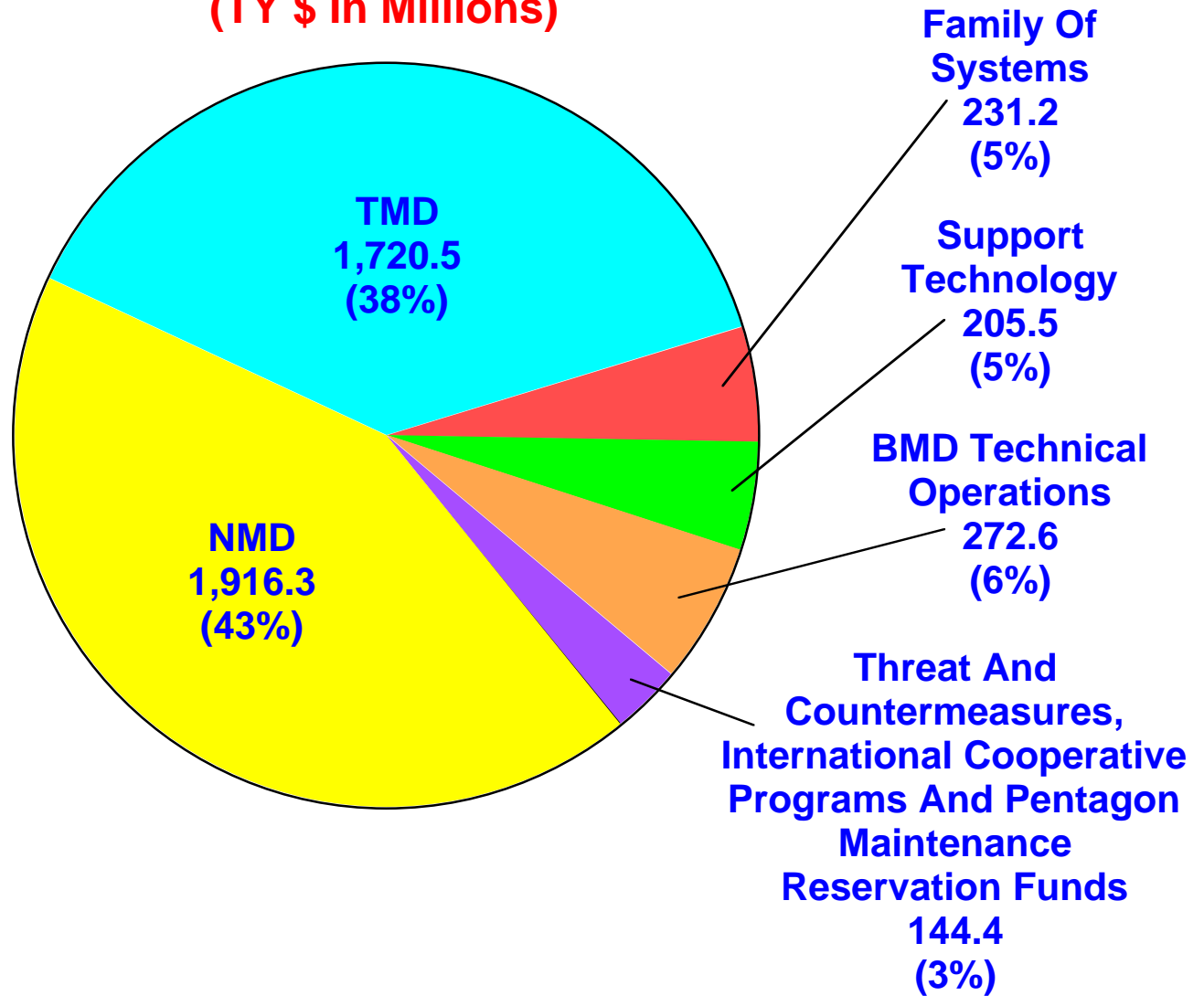


* BMDO Other Consist Of: R&D For Sup Tech, ATD, SBL, FoS, BMD Tech Opns, Int'l Coop, T/C, And PMRF; Proc For TMD BM/C³; MILCON For P&D And Minor MILCON



FY 01 BMDO FUNDING

(TY \$ In Millions)





BMDO PROGRAM RESOURCES

TY \$ In Billions

DoD BMDO FYDP

	FY 01	FY 02	FY 03	FY 04	FY 05	Total
DoD	292.2	295.9	302.0	309.2	317.4	1,516.7

BMDO	4.5	5.1	4.6	4.7	4.7	23.6
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Comparison Of DoD And BMDO For FY 01

