

accounts payable at all times. They would, of course, continue to retain sufficient cash to meet their day to day disbursement needs. In addition, this general provision would also permit transfer between such funds in such amounts as may be determined by the Secretary of Defense with the approval of the Bureau of the Budget.

The \$30 million from the Army Industrial Fund is still available and will be transferred, as planned, to the "Military personnel, Army," account in fiscal year 1966. Accordingly, we are requesting the appropriation of only \$440 million to replace the balances which were to have been transferred from the stock fund.

As shown on table 4, \$1,620 million has been included in this supplemental for military personnel, of which \$64 million is for the Reserve components to raise the manning of the selected forces. About \$2,316 million will be required for operations and maintenance, including the additional funds needed by the Reserve components for the support of the additional personnel and the higher readiness levels. I have already discussed the amounts required for procurement, R.D.T. & E., and military construction.

ADDITIONAL AUTHORIZATIONS

The additional amounts requested to be authorized for aircraft, missiles, naval vessels and tracked combat vehicles, and R.D.T. & E., are shown in tables 5 through 7. The additional military construction authorizations are identical to the amounts requested for appropriation, as shown on table 3.

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The President, in his state of the Union address to the Congress on January 13, discussed the reasons for our greater military involvement in southeast Asia and the resulting increases in Defense expenditures. I have attempted in this statement to outline the purposes for which the additional funds requested in this supplemental are required. I can assure you that my associates in the Defense Department and I have reviewed this supplemental with great care, and we now stand ready to help you in every way we can to facilitate the passage of the necessary legislation.