

up of claims would require extensive reprogramming of the current payment system reports and would probably result in questionable data. Even if TSO could modify its current reporting system, it would only provide one of the data components necessary for establishing the RTC rates. The rates for other third-party payers would remain inaccessible under the TSO reporting system. Other third-party information is critical in establishing the most favorable rate for the RTC. The RTC is the only one that can provide other third-party information.

The data collection form is simplistic in design to minimize administrative burden on the RTCs. The requested information should already be maintained by the facility for normal operation. It is anticipated that it should take one person 8 to 10 hours to prepare the data, and an additional 2 to 4 hours if TRICARE should have follow-up inquiries regarding their data submission. TSO or the TRICARE contractor staff will be available to answer any questions that the RTCs may have regarding completion of the form.

The issue of confidentiality has been considered. The data submitted by RTCs will be kept in strict confidence and will not be accessible to competitors. The only information accessible to the general public will be the TRICARE all-inclusive rates calculated for each RTC. These rates will appear in the TRICARE/CHAMPUS Policy Manual and may be released under the Freedom of Information Act.

The information requested is financial in nature and may be considered private

or confidential in a business sense. Specific knowledge of a RTC's financial position may create an unfair advantage for its competitors. However, the information requested is necessary for calculating the individual prospective all-inclusive per diem rates. The RTCs are only being asked to provide those data (financial) elements used directly in the reimbursement formula. They have also been assured that facility specific information will be kept confidential. The instruction sheet and cover letter will justify collection of the information and give a detailed explanation of the data element requirements.

The number of one-time respondents is 20. It is estimated that a maximum of 12 hours will be required to complete the form since the requested information should already be maintained by the facility for normal operation. Most of the administrative burden will be associated with the reformatting of existing financial information. The burden of collecting the data will be dependent on the type of reporting system in use. Facilities which maintain their financial records on computers will be able to retrieve the requested information faster than those with manual systems. The use of computerized data may cut the reporting time in half (6 hours). Larger RTCs are more likely to have sophisticated reporting systems than smaller facilities. However, this is probably more the exception than the rule with the advent of more reasonably priced ADP systems for small

businesses. The total one-time reporting burden is estimated to be 240 hours.

Dated: October 31, 1997.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 97-29309 Filed 11-5-97; 8:45 am]

BILLING CODE 5000-04-M

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 98-04]

36(b)(1) Arms Sales Notification

AGENCY: Defense Security Assistance Agency, Department of Defense.

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 Public Law 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 98-04, with attached transmittal and policy justification pages.

Dated: October 31, 1997.

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

24 OCT 1997

In reply refer to:
I-54191/97

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. 98-04, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to the Netherlands for defense articles and services estimated to cost \$71 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in cursive script, reading "H. Diehl McKalip", is positioned above the printed name.

H. Diehl McKalip
Acting 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. 98-04

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

- (i) Prospective Purchaser: The Netherlands
- (ii) Total Estimated Value:
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$ 0 million |
| Other | \$ <u>71 million</u> |
| TOTAL | \$ 71 million |
- (iii) Description of Articles or Services Offered:
Basic F-16 pilot training in CONUS to include professional classroom training, simulator testing, and flight training and other related program requirements necessary to sustain a three year CONUS training.
- (iv) Military Department: Air Force (THH)
- (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:
none
- (vii) Date Report Delivered to Congress:

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

POLICY JUSTIFICATION

Netherlands - Basic F-16 Pilot Training

The Government of Netherlands has requested a possible sale of basic F-16 pilot training in CONUS to include professional classroom training, simulator testing, and flight training and other related program requirements necessary to sustain three years of CONUS training. The estimated cost is \$71 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by helping to improve the military capabilities of the Netherlands and furthering standardization and interoperability of the Dutch and U.S. Air Forces.

This training will enable the Netherlands to ensure a well trained cadre of personnel will be available in the future to operate and maintain military equipment of U.S. origin.

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

The pilot training will be provided by U.S. Government and U.S. contractor instructor personnel who provide similar services to the U.S. forces. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to the Netherlands.

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